

Transcript for "75Pharma Part 2"

- Krizia Karry: Hi Everyone, I'm Krizia, the host of our new BASF Pharma Solutions Technology podcast, 10 Billion Reasons. The podcast series will consist of short discussions with our experts, highlighting different pharmaceutical technology areas, their applications, and industry learnings. We have two special guests today, actually returning guests, Tony and Bailey. Bailey, Global Sustainability Manager, and Tony Sorensen, the Founder, and Impact Ambassador of 75Pharma. Bailey, Tony, welcome.
- Bailey Risteen: Hi Krizia, thanks for having us back.
- Tony Sorensen: Hi guys, nice to see you again.
- Krizia Karry: Yes, indeed, it's a pleasure for us to have you back again. Since we left the previous conversation, a very interesting I would say short note which was what are consumers asking us, in terms of sustainability, how does this impact labels, et cetera? So, Tony, maybe I'll start with that quickly. Have you seen any regional differences that would drive 75Pharma marketing differently?
- Tony Sorensen: That's a very good question Krizia, and I think the cold hard truth is yes, absolutely. I would like to think that the world stands up against the same goal and has the same awareness, but it's not really like that.
- So, I have at least seen some differences in terms of, Europe versus North America for example, and, from a hands-on perspective, let's call it that, so I can say that when I enter pharmaceutical conferences in northern America and I start talking about what we do, people, are just, like, blown away. They cannot under- it just seems like it's so far away from the thinking, even though awareness is getting to everybody to the world obviously.
- So there are definitely regional changes.
- Bailey Risteen: Maybe I can comment on that as well, you know, I see definitely regional differences in the topics of interest with sustainability and types of information people are looking for, the types of targets they're setting. I would say Europe is definitely a front runner in terms of the regions that are caring about this topic, and North America I would say for the past year has started to pick up speed a lot.
- Even Asia Pacific, too, I've noticed recently those more conversations around CO² reporting, trying to get some base lining done for company targets but not really to the point where Europe is which is a lot more focus on action and CO² reduction, for example.
- Tony Sorensen: Right, that's very true.

Krizia Karry: Okay, and do you see that this will then lead to a change in how we do marketing to date, meaning a different go to market strategy? For example, we would market differently in North America versus in Europe in which we would have more highlights about the cleanness of our products versus in North America for example it would be more about the calculations behind carbon footprint, et cetera.

What do you think about this Tony? Bailey?

Tony Sorensen: Well, I think you, you touched on something that is very important, which is, how the future will look like when it comes to marketing and I can just run from my own perspective of life science, working in life science, that we have seen for many, many years how life science and big pharma companies are marketing the same product with different labels, with different slogans and so on but it's basically the same label, for different indications. And, that kind of marketing is, is getting very obsolete in that perspective that the consumer's awareness, and their ability to sort through the noise is increasing.

So, I think, consumers today are much more, and will be even more in the future, are much more aware of the situation today and they demand more from brands, and they don't look so specifically as to the product itself.

And this is where I think marketing is in for really big change. Marketing in the future will be much more brand-orientated than product-orientated. That's at least my understanding.

Bailey Risteen: Yeah, maybe to add one thing I've definitely noticed is also, seeing some marketed data about how consumers want to know what's behind some of these claims. This eco- and, and green and clean I think definitely have historically been the most popular claims, but I think we're seeing more scrutiny especially regards to green washing, and what's behind those? What is certified? What's a label that I can recognize, for example, with palm oil I think a lot of consumers are now familiar with RSPO, and this is a topic that's entering pharma is because a lot of excipients are based on palm oil, and so that's a great example of how you can really show a credible claim is to have an RSPO certification for palm oil.

So, you know, from the more chemical industry side, just to complement what Tony is saying, I think the more that you're able to back up these claims, things like certifications, having third parties come in, verify what you're reducing or what you're claiming is going to become even more important.

Tony Sorensen: Absolutely, I completely agree, Bailey, and, the verification process by itself being extremely important. I cannot emphasize how important that is to minimize green washing. Because we know how much green washing there is out there, and there's a lot of preaching but, they don't always practice what they preach.

So, third party verification is extremely important.

Bailey Risteen: Maybe Krizia, if you don't mind, I have a quick question for Tony. You know, I think, Tony, you talked about in the last episode about how you have this dual experience previously in this big pharma area and now you're very much focused on this Impact Ambassador Role that you're currently in with 75Pharma. How have you seen the conversation change over the past 15, 20 years? I mean you've been in the pharmaceutical industry life sciences field for a long time. Has it been this huge change in the past two years, five years, ten years? What have you seen yourself?

Tony Sorensen: Yeah, well it's a good question Bailey. I think that this is actually something that I haven't talked about so much before, but I'm gonna try to collect a decent timeline on this and I think, when I started the company in 2017, not many people even knew what sustainability was. Honestly, it was only people who were really niched into this area actually had talked about even sustainability, and you can see, like, there were no sustainability conferences, there were no impact investing. Everything was investing based on return on investment and things like that.

So, I would say that it started probably around 2015, according to my knowledge, but the last two years it has absolutely exploded. So, I think that we're in for the really steep climb right now, and now is the time to do the change because if you don't do the change like BASF has done and 75Pharma is doing, then you're gonna be out of business in 20 years basically.

Krizia Karry: And Tony, I think that's something very important that you touched upon, which is that educational part of it, right? So that steep climb, we probably can make it even shorter if we also educate the consumer, right? So, from that marketing perspective that we were discussing earlier, and I really like the fact that you say, "Well now it's gonna be more about brand versus the product." One thing that was touched upon, I was having some wine, and interestingly the label of this wine, it was called a Living Label. You would take out your phone, you would scan it, and it would give you the history of the wine.

Do you think this is something, maybe, that we could take up, or a way to also educate our consumers into what sustainability is, why should they care for this? What are your thoughts on this?

Tony Sorensen: Well, I think that's, that would be a great way, and I'm gonna share some specifics now then, as you touched on this topic, Krizia, which is in regards to 75Pharma. So, I wanted to do this very, very early on. I wanted to engage the consumers, buyers, of our over-the-counter medicines to make sure that they have a chance to do impact together with us, to really get their hands on doing impact together with us when they buy our products.

So, I wanted to implement a QR code into our packages of OTCs. of course, doing so from a regulatory sorry. Can I do that again?

Krizia Karry: Regulatory. No, we need more coffee.

Tony Sorensen: From a regulatory affairs point of view, it was almost impossible, and I had so many red flags, "No we cannot do this, we cannot do that," and the MHRA, the FTA, the EMA, they all said, but I said, "Why?" Why can't I do it, and nobody could really answer that where the only thing I got was that "Well it hasn't been done before." And it was kind of funny in a of course-

Krizia Karry: Good time to try it.

Tony Sorensen: Yeah, exactly. And that's how, that's how I am, you know, as a person, I just enforce. I don't take no for an answer.

So, what we did was that from a regulatory point of view, we actually implemented the QR code into our packages so that has been verified now, and we're actually the first pharmaceutical company in the world who's going to have QR codes on our packages.

This is, according to what you said, Krizia, it's really important because you can use that for many, many different channels, right? We're, we're using it for impact so you can scan the code, and the actual 75% of the profits from that purchase will go to impact and the consumer can choose which direction or what type of philanthropy or charity or local project they want to send it to. But it also has the meaning of what you mentioned, Krizia, which is, getting them educated and it's definitely one of the tools which is sort of 50% on the way, like we discussed before. They are already looking for us, and we're sort of meeting them with educating them along the way. So, it's definitely a win-win situation.

Bailey Risteen: Yeah, maybe just to add to that I didn't know that Tony, that I think that's a really cool concept and certainly as a consumer myself I would absolutely be very engaged in something like that and like you said, it's kind of even a great starting point for other decisions and transparency that the consumer can have. For example, you talked about choosing where you want that impact to go and I think from the environmental side, there's a million different ideas you could have with this. You could have carbon footprint data there, the consumer can understand exactly kind of where their medicines came from, the CO2 impact along the way, so I think that's great.

You know, BASF is really focused on product carbon footprints right now, we're trying to give that transparency so that license holders can calculate the carbon footprint of the final drug and I think that's something in the future that would be super cool to see as well.

So, congratulations on pushing through those regulatory hurdles, it sounds like, very exciting.

Tony Sorensen: Thank you. Yeah, that was great, and I think the most-

Krizia Karry: Yeah, we're looking forward to it.

Tony Sorensen: Thank you. The most tangible, thing to say about it right now is, of course, just to take something like the leaflet, which is, like, I don't know how much paper in

leaflets, we spend around the world on pharmaceutical boxes, and nobody ever reads it. So, from a patient safety perspective we already know that it's terrible, because nobody reads the leaflet. They read maybe a few lines, at most, but now we're gonna be, we're locked and loaded in 75Pharma so we're ready for when that regulatory thing comes up, we're gonna push forward and also have the first digital leaflet. So, it's really good, like you said Bailey, you can use it for a variety of things.

Krizia: That's just great, Tony, and going back to the leaflet, indeed, I recently started, taking basically an injection medicine, basically, just, you know, in a type of medical device, subcutaneous and I think the leaflet is just honestly, like, 25 pages, by just itself, right?

Tony Sorensen: I know.

Krizia Karry: Yes. And, um-

Tony Sorensen: I know it's-

Krizia Karry: And considering also the waste disposal of this, essentially this device that I use for, you know, just a one-time application, which then also goes back into, you know zero waste, right? So how can also consumers by themselves understand more about what to do with their expired medicines, what to do with, you know, with these type of things? I think there's a big, you know, educational component like we mentioned, and I'm really interested to see how marketing changes for all of it, right?

Krizia Karry: So any final comments, before we move on?

Tony Sorensen: No I'm, I'm good for my part. I think this has been great discussion as always. Bailey, do you have any comments?

Bailey Risteen: No, just, yeah, I'm feeling inspired and I'm excited to see all of these changes happen in the pharmaceutical industry and I hope that – I'm based in North America – I know we're further behind than Europe but I hope to see these things myself when I go to a pharmacy. So very exciting to hear what's coming our way.

Krizia Karry: Sounds good. Well, with that, thank you both so much for joining us again for this, you know, insightful discussion, and I'm looking forward to you having join our next round of podcasts so that you also can give insights into what could be some essential topics that we discuss at 10 Billion Reasons.
With that, thank you.

Tony Sorensen: Love to be here, thank you guys.

Bailey Risteen: Thanks Krizia, bye Tony.

Krizia Karry: Of course.

Speaker 4: BASF, we create chemistry.