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Dr Brian McNamee: The force behind CSL

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A doctor by training, Dr Brian A McNamee was enjoying himself in various job roles starting out as product manager, a job that he took on while on a vacation with his wife in Europe. Time rolled by. He put in 11 years gaining expertise in various aspects of running a company. It was in his mid-30s, that he got the opportunity to head a sick government enterprise-Commonwealth Serum Laboratories (CSL). Dr Brian A McNamee took that as a challenge and changed the face of CSL. Today, CSL is a global specialty biopharmaceutical company.

Recalling the state of affairs at CSL in 1990, Dr McNamee says, "When I joined CSL there had been a very negative assessment of the company done by Anderson Consulting. It documented the company as one with a negative cash flow, low profitability and a limited future. But, then I believed that the industry and the company had tremendous potential."

Recognizing his work, BioSpectrum honored him with the BioSpectrum Asia Pacific Bioscience Industry Person of the Year Award for 2010.

Strategies for Success

With a strong belief in the opportunities and market potential, Dr McNamee took the challenge of leading this sick government enterprise, CSL, into profitability. As a first step towards achieving his goal, he made the company accountable to the shareholders by going public. The company became incorporated in 1991 and got listed on the Australian Stock Exchange on June 8, 1994.

Dr McNamee adopted and adapted many strategies, both organic and inorganic growth models, included partnership approaches and strategic alliances to grow the business and operations of CSL. Recalling one of the major challenging tasks of his career spanning three decades, Dr McNamee says, "With CSL, I'd say acquiring the Swiss ZLB was a feat. We had to compete with Novartis for it. It was a very significant step in CSL's history and making the final pitch was an exhilarating moment for us."

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Dr McNamee recounts other memorable highpoints from his career - the decision to collaborate with Professor Ian Frazer of the University of Queensland and the subsequent development of the Gardasil cervical cancer vaccine. He rates this collaboration particularly high on his list of other such events. Elaborating more on it, he says," It was a high point from every aspect - R&D, marketing, business success and, above all, being involved with a vaccine, that will save many thousands of lives. Meeting challenges head -on Meeting challenges head on is nothing new for Dr McNamee. When the global swine flu outbreak picked steam, because of a new strain of H1N1 influenza virus, killing thousands across the globe CSL under his leadership took on the challenge.

Responding to the call from WHO for developing and launching vaccine against A H1N1 virus, CSL launched Panvax-H1N1 influenza vaccine, for use in adults and children in September and December 2009, respectively. Talking about the biggest challenge CSL had to overcome in the race to deliver the swine flu vaccine, Dr McNamee says, "CSL has plenty of experience in developing flu vaccines and our people have all the required skills to respond to a pandemic. There was a challenge in estimating demand and dealing with government customers at the same time as completing trials."

Under the guidance and able leadership of Dr McNamee, CSL continued to show progress in generating revenue and profits. In the last five years, from 2004 to 2009, CSL's total revenue increased from $2.36 billion (A$ 2.65 billion) to $4.49 billion (A$ 5.04 billion). Similarly, the company's net profit too increased from $209.41 million (A$ 235 million) in 2004-05 to $1.02 billion (A$ 1.15 billion) in 2008-09. CSL's balance sheet shows a strong net cash of $1.81 billion in 2008-09. Cash flow from operations grew 49 percent in 2008-09 to $1.03 billion.

"The overarching achievement has been in successfully growing the business from a small Australian Government Agency into a truly-global biopharmaceutical company. Other key achievements were the increasing shareholder value through well-executed M&As, and building a strong R&D portfolio and creating solid alliance partnerships. Through all our highs and lows we never lost focus on quality and operational excellence and most of the success of CSL came from the people who had grown up in the organization, says Dr McNamee.

Future forward

Stating his goals for the company, as an incoming MD and CEO of CSL, in 1991, Dr McNamee stated, "Our main aim is to contribute to national health and wealth by building a great and independent Australian company."

The initiatives and approach adopted by him for the company in the last two decades helped CSL emerge as a global player in the specialty biopharmaceutical market by developing important, new, protein-based medicines that save lives by preventing or treating serious medical conditions. At the same time, his leadership acumen pulled the company up during the economic crisis as the global financial crisis has had a little or no impact on the balance sheet of CSL. Reacting to being conferred with the BioSpectrum Asia Pacific Person of the Year Award, he says, "It was a pleasant surprise and I felt proud of what this Award says about CSL and our achievements as a company.