

Innovation spurs growth at Cornéal

EuroTimes talks to CEO Waldemar Kita

More than most executives of his generation, Waldemar Kita, CEO of Cornéal Laboratoire appreciates that change is the lifeblood of business. Born and raised in Poland during the repressive era of the Eastern bloc, Kita came to live in France when he was 18. Adapting rapidly to a new culture and language, Kita thrived in his new environment, rapidly mastering French and embarking on his chosen career path as an optician-optometrist. He rose quickly through the ranks of the optics and contact lens multinational Coburn to become its commercial director. Soon, Kita decided that the time had come to strike out on his own.

In 1987, his dream of building his very own European ophthalmic company began to take shape. Annecy, a picturesque town in Haute-Savoie, under the shadow of the French Alps, was chosen as the location for Cornéal's first manufacturing plant and headquarters.

From this starting point, Cornéal steadily established its place over the years as one of Europe's leading specialists in IOLs and viscoelastic devices.

In the period during which the Berlin Wall fell, the Soviet Union collapsed and his native homeland became a member of the European Union, Kita was busy steering his own creation towards new frontiers. In 1992, Cornéal established its first European subsidiaries; in 1994 the company became the first ophthalmic firm to garner ISO 9001 accreditation.

Upping the tempo

Today Cornéal employs over 350 people worldwide and has an annual turnover in excess of 53 million euros. But Kita, while proud of these accomplishments, has no intention of slackening the tempo as Cornéal seeks out new opportunities and new markets.

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"We've come a long way, but I truly believe that the story is only just beginning for Cornéal," he says. "We have to keep looking forward and continue to maintain the pace of innovation which has been the hallmark of our company since the very beginning."



Waldemar Kita

Though sceptics invariably balk when CEOs start waxing lyrical about innovation, Kita can point to an impressive track record of breakthrough products as hard evidence that Cornéal can also walk the walk.

Among the list of Cornéal innovations, Kita cites the first one-piece hydrophilic acrylic IOL, the "ACR6D"; the first cross-linked hyaluronic acid implant for non-penetrating glaucoma surgery, "SKGEL"; the first 360-degree square-edge optic hydrophilic IOL, the SE range; an injectable capsular tension ring, a one-piece soft injectable phakic IOL, known as "ICARE"; and the first preloaded ready-to-inject IOL, the Premier system.

Branching out

In recent years Cornéal's expertise in cross-linked hyaluronic acid has led it to explore new markets such as cosmetic surgery, orthopaedics, rheumatology, and urology; these new markets now represent about 20 percent of the company's total turnover.

Cosmetic surgery, in particular, has provided a lucrative side avenue for the French company, culminating in a joint venture with U.S. firm Inamed Corporation and a dedicated spin off called SURGIDERM. Cornéal is currently pushing ahead with plans for a new viscoelastics manufacturing plant in Annecy built to specifications approved by the U.S. Food and Drug Administration and dedicated to serving the growing needs of this market.

Such diversification, while potentially lucrative for Cornéal at a time when the chill winds of consolidation and cutbacks continue to blow through the ophthalmic industry, carries its own inherent dangers, as Kita recognises only too well.

"No company can survive by cutting its roots," says Kita simply. "Ophthalmology is and will remain our core business. But if different markets present the opportunity for fruitful expansion and development, we can use these as fuel for further growth and continued investment in R&D. Cosmetic surgery is a big growth industry at the moment and our own expertise in hyaluronic acid places us perfectly to capitalise at a time of decreased profitability for ophthalmic products."

New products planned

To underline this commitment to its core business, Kita cites a raft of new ophthalmic products to be launched in 2005 as evidence of Cornéal's desire to satisfy market demands.

"We dedicate more than 8% of our budget to a targeted R&D, two-thirds of which is geared towards ophthalmology," he explains. "We have a range of new products planned such as small incision IOLs, improved quality of vision IOLs, new viscoelastic products and a new bimanual small incision phacoemulsification machine."

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More specifically, Cornéal plans a preloaded injector system for ICARE and SKGEL based on an incision size of 2.6 mm, a new quality of vision IOL with original design features, a new IOL designed for implantation through a 2.0 mm incision, a new viscoelastic approach for glaucoma surgery, and a new synthetic viscoelastic for anterior segment surgery combining dispersive and cohesive properties. The new viscoelastic will be specially adapted to small incision bimanual surgery. Further down the line, Cornéal envisages innovations with pseudo-accommodative and multifocal lenses to be launched in 2006.

Kita stresses that the common thread uniting all these product launches is the desire to allow ophthalmologists to select their equipment and products based on personal preferences and evolving work practices.

"Cornéal really believes in giving ophthalmologists as much choice as possible: one-piece or three piece IOLs, open or closed loops, and so forth, without any compromise on performance and safety," he says.

While tough times undoubtedly lie ahead for the ophthalmic industry as a whole, Kita remains optimistic and thinks that Cornéal is well placed to capitalise on emerging trends in refractive surgery.

"We believe in a reversible approach with phakic lenses for refractive surgery whether treating myopia, hyperopia or presbyopia," he notes. "The prospect for the surgical treatment of presbyopia with IOLs is particularly exciting."

Noting that the aphakic IOL market is currently characterised by severe economic constraints in many European countries, Kita says that Cornéal will continue to put its faith in developing better IOLs with improved quality of vision that are adapted for microincision surgery.

"Hydrophilic acrylic is the best material to address the evolving demands of the worldwide market," Kita insists. "Its extremely compressible material, yet maintains its physical-optical properties after being compressed. It also allows for possible linking with pharmaceutical molecules, is well tolerated by ocular tissues, and offers excellent quality of vision due to its lower refractive indices."

New markets beckon

In terms of corporate strategy, Kita insists that Cornéal intends to remain independent at a time when mergers and acquisitions are whittling down the number of smaller ophthalmic firms. "We prefer internal growth and diversification based on our own expertise rather than external growth through mergers."

But Kita recognises that Cornéal's best chance of fighting off potential predators is to expand beyond its traditional European power base, through strategic alliances where appropriate. "Development of our activity in the Middle East, North Africa, new European Union countries and Asian markets is one of our main objectives for 2005 and 2006."

He also sees ripe potential in the U.S. market for a firm with Cornéal's expertise and product portfolio. "We are currently looking for an American partnership in the field of ophthalmology," he acknowledges. "We believe that our specific know-how, in the field of hydrophilic materials for instance, represents a unique opportunity for the U.S. market which is almost exclusively dominated today by hydrophobic materials."