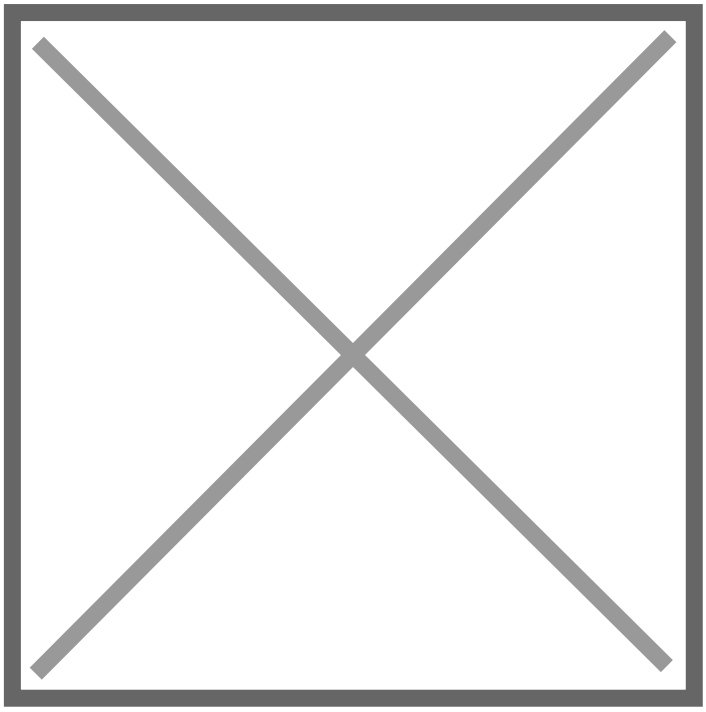
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Brothers-in-Business

Script India's phase I focused success story

Entreprenuer nof

Business is in my blood. So much so that it has become my hobby,Ã¢â?¬? quips Apurva Shah, founder and group managing director, Veeda Clinical Research. Sitting at his plush sea-facing abode in Mumbai, he divulged, Ã¢â?¬Å?I like to see how things come into play, how to create a team and its business. I love to create businesses-good businesses.Ã¢â?¬? A telecon with London-based co-founder and brother-in-law, Binoy Gardi revealed the same. Ã¢â?¬Å?Challenging and constantly questioning yourself, as well as other people, will get the best answers which will help in bringing out new ideas and develop the organization,Ã¢â?¬? Gardi declares, talking about his day-to-day business modus operandi.

From having just two people, namely Gardi and Shah on the deck to an employee strength of over 500 people, and a stupendous growth rate of 70 percent in three years, Veeda Clinical Research is heading towards a Rs 325 crore turnover in the coming three years. Veeda's story is an encouraging tale of translating dreams into reality.

Establishing a global presence across Europe, India, the US and South East Asia, through a succession of acquisitions, its success story would not have been possible without the steel grit, determination and passion of this entrepreneurial duo, thus etching a mark in the industry and putting India on the map of global CRO landscape.

The Winning Duo

Born into a family of well-known businessmen in Gujarat, entrepreneurship is in their genes. Ã¢â?¬Å?True. Shah and Gardi were focused on setting up a business right from day one. But it is not just business but coming up with an innovative business product which was their mission,Ã¢â?¬? reveals an industry expert.

Both the co-founders are known to exude an insatiable thirst to churn out ideas in order to be a cut-above-the-rest. They have the analytical skills to weigh the apprehensions and challenge ferociously the predicaments coming in their way. Above all, before envisaging for any business endeavor, both believe in mentally preparing themselves to zero in on what they cannot do and then move to things that they can do. This is but a formula to keep the company focused on their game plan which is to concentrate only on phase I operations for the parent company, and late phase clinical development for their recently established subsidiary, Veeda Oncology. Ã¢â?¬Å?This is the DNA of Veeda and before acquiring any company we tell them what we are not. If you cannot do something which is a value addition, there is no point stepping into it,Ã¢â?¬? reveals Shah.

Their partnership works on the very same principles as a successful marriage. Ã¢â?¬Å?Yes, our partnership is like a marriage which requires 100 percent trust and complete openness to each other for any decisions taken. The key is openness,Ã¢â?¬? adds Gardi.

Yet, they are two different individuals. While Gardi is well-known for his 'out-of-the-box' thoughts, pitching in mammoth ideas, Shah is more of a hands-on-person. Being based out of London and managing operations out of UK, Belgium, France and Germany, Gardi is also known for his knack to operate remotely, fix telecons and regular update meetings even at 6 am (London time) with teams spread across the world. Whereas Shah prefers to have face-to-face interactions and meetings. Ã¢â?¬Å?Though I would like to learn from Binoy how to work remotely. However, globally, I'm selling India which requires constant networking. At the end of the day, Binoy and I, recognize each other's intentions,Ã¢â?¬?confesses Shah.

Humble beginnings

It was sheer power of an article which gave rise to the conception of the company. The story goes that Shah read an article on the Indian clinical research industry which was slated to be the next sunrise industry after IT. At that time, Gardi and Shah were working together for the family trust hospital. In addition to this, Shah had a packaging business which was Ã¢â?¬Å?not so excitingÃ¢â?¬?. Ã¢â?¬Å?I realized that I needed to do something better in life and that is how the idea came up. Both Binoy and I started working on the business plan but we needed to attract the right kind of people. We then realized that working in central India will not do,Ã¢â?¬? reminisces Shah.

Initially, Veeda was managed as part of the family trust but they soon realized that it had to be run as a different entity altogether. Recalls Gardi, Ã¢â?¬Å?In the beginning, we just had an idea and a vision. We didn't even have a building nor any land to start the venture. The key to success was also to attract the right kind of people and retain them.Ã¢â?¬?

From day one, the strategy was to work on an international platform instead of being India-centric and specialize only in phase I early clinical development. Ã¢â?¬Å?We looked at our competitors and observed that they were trying to do everything. We wanted to be different from the very beginning,Ã¢â?¬? adds Gardi. India around that time became TRIPS compliant which ushered in the age of product patents. This opened up large avenues for clinical research space, quality scientists and research coming out of India.

When Veeda came into existence in 2005, teams of five and six were sent to the UK unit for training purposes.

The advantage was that both understood western as well as the Indian psyche with Gardi being brought up in London and Shah having studied in the US for two years. Thus a culmination of all these points Ã¢â?¬â?? to be different, going niche, to compete on the international scale, having the knack to adapt to different cultural backgrounds and focusing on the right team went ahead in creating the winning strategy for the team.

Odyssey so far

Since 2005, it has been a journey of quick acquisitions of phase I CRO units across the globe. Today, Veeda has made four CRO acquisitions in Europe, has set up pharmacology units in India and the UK (Plymouth) and a biometrics team in Brussels, Belgium. In January 2007, it completed the acquisition of DICE, a Brussels-based CRO unit, subsequently, it forged

a deal with Shanghai-based Novamed in May 2007. In the same month, it completed its acquisition of the phase I units at Gorlitz, Germany thus adding to its existing European units in UK and Belgium. In the same year, it also announced plans for four more acquisitions within four months with an additional investment of Rs 100 crore for expansion of its facilities and acquisitions.

Despite being termed as an acquisitive company, it was not a cakewalk for the team. Ã¢â?¬Å?It is difficult to look out for an acquisition because more than the financial aspect it is looking for the right kind of people. This is a people's business and surprisingly most of our acquisitions happened from our relationship building exercise with clients across the globe,Ã¢â?¬? adds Gardi.

With success in the European market, the only market left to complete the jigsaw puzzle was the US. The company at the moment is scouting for potential phase I units to buyout and the process has been going on for the past 18 months. It was almost on the verge of acquiring a unit but the plan was kept on hold due to unrealistic valuations. Ã¢â?¬Å?US is a difficult market when it comes to looking out for CROs because we are on the look out for phase I units which specialize in NCEs,Ã¢â?¬? adds Gardi.

With the US plans kept on hold, the company then put on its thinking caps for its next level to growth and this gave birth to its subsidiary Veeda Oncology which looks into late phase trials for oncology. This subsidiary today has operations across India, West Europe, Eastern Europe and the US. Why just oncology and not a basket of therapeutic segments? Clarifies Shah, Ã¢â?¬Å?Today, if I have a team of 60 people competing with a larger CRO having 200 people, I will still be a stronger team because I have all the 60 people working on oncology while out of 200, they have just 20 people in oncology.Ã¢â?¬?

Veeda has recently spread its wings to South East Asia with a collaboration with the Malaysian ministry of health for setting up of phase I and early clinical development unit at Kuala Lumpur. Apart from this, it has various laurels to its credit. Veeda was awarded the Supplementary Accreditation for conducting clinical pharmacology phase I trials in Europe by the Medicines and Healthcare products Regulatory Agency (MHRA), was awarded $10.2 million of new clinical research programs in December 2008 from five new clients and made the acquisition of the US based International Oncology Network (ION) Clinical Research last year. The acquisition of ION Clinical Research provided Veeda with immediate access to the 50 ION sites that conduct oncology clinical research in the US.

What the team thinks?

Both are excellent human beings and not just leaders. Both are professional and open to ideas. They give us the freedom to put in our ideas which does not happen in many companies in India. While Apurva is more of a financial person, Binoy is more on the business development side. Both have the eye and vision to foresee exactly the kind of business they would like to enter.
-Dr Kiran Marthak, member, Board of Directors of Veeda Clinical Research
Binoy and Apurva like to look at things differently. They have the caliber and will to translate a vision into reality. They have created a company wherein people are allowed to think differently and creatively. Binoy is a more systems driven person and has the courage to move forward, whereas Apurva is extremely considerate and humble person which has contributed to Veeda's growth. He has good people management skills.
-Rajendra Prasad, VP, business development, Veeda Clinical Research

Industry Speak

Veeda has a unique and focused strategy, which is cut above the rest. They have a major focus on oncology which is an upcoming niche segment. It is a far thinking CRO. In a few years time, it will emerge as one of the top CROs in India.
-Joseph Manoj Victor, Frost & Sullivan Healthcare

1. **November 2005:** Veeda Clinical Research comes into existence.
2. **January 2007:** Completes the acquisition of DICE, a CRO based in Brussels, Belgium.
3. **May 2007:** Forges relationship with Novamed, China.
4. **May 2007:** Completes the take-over of a phase I clinical research unit in Gorlitz, Germany.
5. **June 2007:** Frost & Sullivan presents Veeda Clinical Research with the Partner of Choice Award 2007 for phase I studies.
6. **November 2007:** Passes 3 international audits in less than 90 days.
7. **January 2008:** Installs India's first ever clinical Pharmacology Unit for renal impaired patients.

8. **March 2008:** Launches New Global Oncology CRO Subsidiary.
9. **July 2009:** Announces the Opening of a New Unit in SE Asia.
10. **August 2009:** Veeda UK awarded the MHRA Phase I Supplementary Accreditation.

People's men

Veeda's success story can be attributed to Shah and Gardi's people management skills. Gardi and Shah believe that it is a professionally run business rather than a family run enterprise and communicate so to the employees.

They are self confessed family oriented men; they see to it that their hectic work schedules doesn't affect their normal family routine. They agree that there can be no perfect balance between work and family. The duo also sees to it that they provide the same flexibility to their workers.

There is no full stop for these two entrepreneurs. They have set ambitious but realistic targets for Veeda in the coming years- to touch a revenue of over Rs 300 crore and to be among the top three Indian CROs in another three years. The core team has a business plan which might include an acquisition of a unit(s) in the US. But the game plan remains the same-to be focused and a cut above the rest.

This apart, philanthropy is one area where the duo likes to dedicate a considerable amount of time.

Nayantara Som in Mumbai