

dossier preparation and submission to all regulatory agencies across the world.

The SRC has set up a new center for drug evaluation and pharmacology research in Bangalore. The company currently has a formulation development center in Bangalore, and a 48-bed clinical research unit in Salem, Ronald Semler, founder, chairman and director of Semler Research Centre; and Dr Krathish Bopanna, executive director & president, SRC, share their company's growth plans with *BioSpectrum*. Excerpts of the interview:

Q What is Semler group's interest in India?

Ronald Semler (RS): The parent company Semler Group, entered pharmaceutical services in India because of the thriving generic industry, emerging new drug development capabilities; and the impressive IT talent pool, available for data management.

Besides, India boasts of the highest number of FDA plants outside the US. India is also recognized as a hub for CRAMS and clinical trials, with dependable quality standards. Bangalore, the most sought after city worldwide, is home to highly skilled people in life sciences/pharmacy; and has easy accessibility, global exposure; giving us reasons to believe in fostering our growth plans here. In this industry, SRC has seen a sharp growth, due to our in-house expertise and timely deliveries.

Q What is the investment in the new facility?

RS: We have invested about 44 crore (\$10 million) towards setting up facilities in the last three years. We are looking at doubling our investment in the next three years. With this new investment, we will see an increase in our headcount to 500, from the existing 134, in the next two years.

Q What are the driving factors for your expansion?

Dr Krathish Bopanna (KB): The expansion will enable SRC to complete the loop in the drug development cycle, by providing easy access to state-of-the-art facilities, for early stage research in India. We look forward to added expansion, that will contribute towards further evolution of the Indian contract research and development industry. As a company, we also envisage enormous potential in biometric space, where we hope to delve further, through inorganic growth strategies.

Q How does SRC want to make a distinct presence?

KB: The team at SRC, which has a combined experience of more than 250 years in the pharma industry, consistently and efficiently moves compounds through the R&D stages to market. In addition, we have a team of highly qualified scientific, operations and administrative staff ? both in India and in the US.

RS: We have been successful in putting together a team headed by Krathish. Our company covers a whole spectrum of services, starting with formulation development to bioavailability/bioequivalence (BA/BE) to clinical, and even consulting services. The goal is to be a one-stop solution provider to pharmaceutical companies. We have big plans of expanding into newer areas in the coming years.

Q Which are these 'newer areas' you plan to expand into?

KB: We are thinking of expanding into biomatrix, pharmacovigilance, data management services that support clinical development and related activities. In formulations space, we are looking at some high-end, technologically niche product development.

Q How difficult is it for Semler to manage a wide variety of services and diverse groups?

KB: There are two areas in business the R space and the D space. The R space is a complicated space that involves innovation and continuous investment. We are at the D space, looking at extending the life cycle chain management of current drugs, or looking at a fresh way of giving exclusivity to a generic partner.

Our business model involves very low risk and huge potential. We all know that a lot of drugs are going off-patent, in the next few years. As innovator companies, we are able to give a solution to extend their product's life cycle.

What we follow is a very unique hybrid model, and we want to be recognized as a clinical development organization (CDO) - a mix of CRAMS and clinical trials. Most of our competitors either do clinical studies or BA/BE or formulations. At Semler, we have integrated them. We see a number of MNCs coming to India, and acquiring CROs, or small generic companies, to complete their setup. We mimic that model at Semler, for future growth.

Q

Could you give us a breakup of your revenue contribution from different businesses?

KB: In just over three years, we have 23 customers. About 68 percent of them are global customers. Clinical development makes the smallest contribution of two-three percent, since it is a new business. About 20 per cent comes from formulation business, 38 percent from GMP consulting; and BA/BE contributes to about 40 percent.

Going forward, we see good growth in our formulation and clinical development businesses, in terms of profitability. GMP consulting will be the precursor for other activities.

Q What are your growth plans?

RS: Yes, we want to grow our company both organically and inorganically. We are looking at acquisitions, which will be in biomatrix and clinical development areas.

KB: We have been growing at 25-30 percent year-on-year, organically. We are looking at taking it to 100 percent, the inorganic way. So, with a mix of organic and inorganic growth, we are targeting growth of 100 percent in the next three years.

Jahanara Parveen in Bangalore