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## TAKE POLE POSITION

Introduce new therapeutic area strategies to ensure first place on the winners' podium

**Opinion: Vision of 2020 health care**

European views of US threats

**Business strategy: Structure in-licensing**

**Focus on atrial fibrillation**

### COUNTRY REPORT

**TURKEY:** Although fragmented, indications are that this will be a strong future market

### INTERVIEW

**Ken Jones,** president and CEO of Astellas Pharma Europe, on implementing plans for success



# Outsourcing roles develop

Career opportunities in next-generation contractor partnerships

**The past few years have seen a significant shift in the depth and type of relationships that the pharma industry has with its third-party contractors. Previously these relations would be mainly based around tactical fulfilment, but in recent times, high-level strategic partnerships have been forged. Companies that would have managed the entire development of a drug in-house are now outsourcing key elements of the process to third parties.**

“Outsourcing companies have evolved over time to become specialists, improving their standards and systems”

This change has not only created a whole host of new roles within outsourcing firms, but has also made them more attractive to executives looking to make the move from in-house to contract partner.

Herman Schwieter, general manager of Greater China for Invida, said: “Contract partners used to have significant challenges attracting the best talent or offering comparable packages to big pharma, but outsourcing companies have evolved over time to become specialists, improving their standards and systems to a level where they are often better than those operated by the pharma industry. Their increased ability to operate at a global level also offers more exciting opportunities for potential joiners.”

Schwieter believed that there were good opportunities in contract organisations for many in-house

experts, because as big pharma was increasingly retreating from specialist areas, the new breed of outsourcing firms had become logical places to develop and grow their careers.

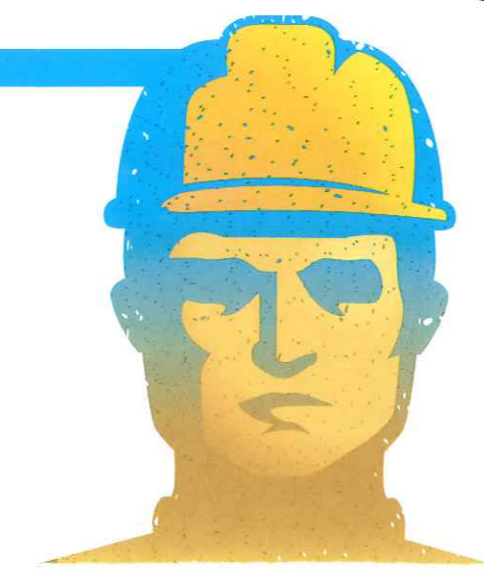
John Barnes, general manager at Catalent Pharma Solutions, said: “In the past, contract organisations suffered from a perception of being less well financed, offering less support and having more supply complications.”

However, increasing pressure on pharma to improve manufacturing efficiency or find partners to solve product development challenges has boosted the perception and value of the contracting firms. “The level of trust in contract organisations is increasing and the cost of not moving to outsourcing is also increasing as the challenges of managing high, fixed costs in the supply chains start to hit home,” said Barnes.

Meanwhile ex-employees of ‘traditional’ pharma companies could bring valuable skills to the contract research organisations. “A big advantage of coming from pharma is that you’re used to looking at the whole picture, this knowledge is needed in refining and improving systems and processes,” said Schwieter. “Industry contacts and referrals are also key to contract organisations and people from pharma tend to be more networked and have a better overall view of the industry.”

Barnes believed that the experience of drug development and life cycle management that ex-pharma employees had was vital. “Process knowledge is probably the most valuable area that I have brought over. For instance, how to construct processes that are more manageable and that people can work to. In smaller organisations, there is less room for mistakes, so it is important to get things right first time.”

Dr Amar Kureishi, head of strategic drug development and chief medical officer for Asia Pacific at Quintiles,



said that moving to a contract partner organisation had proved to be a dynamic and exciting experience for him.

“The culture is faster paced and more entrepreneurial. People generally make decisions faster as the focus is on finding solutions for the customer and implementing these solutions as efficiently as possible. In pharma, there tends to be much more discussion, which can slow down the progress of an idea,” Kureishi said.

“Stepping out into a service company has provided me with a view of how things are done across many companies. I suddenly have a much broader exposure and am learning things that I wasn’t previously aware of.”

At Catalent Pharma Solutions, Barnes enjoyed seeing the tangible results from his work. “Because manufacturing is at the heart of what we do, my role isn’t just another function of a major corporation, but is a value-generating activity for the company. That’s a real business responsibility with real consequences. As a manufacturing professional by experience, this is a very inspiring position to be in.”

However, taking a position in a contract organisation was not without challenge and initially people could find themselves well outside their comfort zone. “The speed of decision-making is at a different level,” said Schwieter. “The sense of urgency in small- or mid-size companies is incredible, but this can bring the best out of people.”

“There’s also a greater sense of accountability. Whereas decision-making is shared across a broad group of people within pharma, your decisions in a contract environment have more impact. This can be both an opportunity and a challenge.”

Barnes emphasised that coming to terms with new commercial realities was a big part of moving to a contract organisation: “There is a level of

independence and commercial acumen required to be able to make decisions which are sound for the business in a fast-paced environment.”

Aside from the dynamic environment, fresh challenges and greater freedom, switching to contract organisations was considered a wise strategic career move in the long term, according to Schwieter. “Working on both sides of contracting and partnering is going to become more common. You’ll be much better placed if you have worked

“I would advise potential candidates to look carefully at the role they will be moving into”

in and understood both. Do it for your own development,” he stated.

Despite being a convert to the working culture at contract organisations, Dr Kureishi warned those looking to

make the move to consider whether the new role was right for them. “I would advise potential candidates to look carefully at the role they will be moving into. In the service industry, there are many innovative activities going on, such as consulting and strategic drug development. However, the core activity is still the delivery of contract research services,” he said.

The flow of specialised R&D personnel and general managers from the pharma industry into contract organisations was seen as a trend that looked set to continue and grow during the coming years.

Barnes predicted that in the future relationships between pharma and contract organisations would become broader and cover more complex technology as the contract service sector gained pharma’s trust. “By improving its understanding and breadth of capabilities, the outsourcing industry can satisfy its customers’ needs more effectively,” he said. “The winners in this field will be those organisations capable of partnering through the use of specialist technology. This technology will provide the marketplace with innovative ways to bridge the gap between novel APIs discovered via the R&D pipelines

of the pharma industry and patient efficacy offered by technologies supplied by companies in the service sector that have demonstrated innovation in their manufacturing methods.”

“I think strategic partnerships will be very important, especially in the field of drug development”

Dr Kureishi agreed that relationships between pharma and contractor companies would be key: “I think strategic partnerships will be very important, especially in the field of drug development. Companies that focus on their strengths while partnering in other areas are likely to thrive in the changing and increasingly complex pharma landscape,” he concluded.

## The Author

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