

Printer Friendly VersionWEB LINK - <http://www.expresspharmaonline.com/20110315/market03.shtml>**INTERVIEW****Our short term goal is to become the No 1 Indian CRO**

D A Prasanna, founder and chairman, Ecron Acunova spells out his company's strategy to Usha Sharma to go from being No 3 to No 1 in the highly fragmented Indian CRO market

Could you please give us a brief note on Ecron Acunova's on going activities in India as well as in the global market?

We are a clinical research organisation (CRO) delivering clinical research outcomes with speed at competitive cost, with no compromise on quality.

**Tell us about clinical development services which you offer to the pharmaceutical, biotechnology, nutritional, device and medical diagnostics industries?**

We conduct early phase and late phase studies. We offer functional service in areas of data, medical and safety services.

In a short period of five years you have grown rapidly and ranked in the top three players; what was the strategy behind this?

In a fragmented market, unless one scales up and becomes a significant player, one can't make a difference to the space. Hence our actions are driven by this belief.

How big is the Indian clinical trial market and what is your market share?

In India the market for clinical trials is about Rs 1000 crore. We have captured 10 percent of this market.

Who are your competitors? How do you take on this competition in a healthy business manner?

Currently we are behind Quintiles India and SIRO. Both started in the 90's, ten years earlier than our start in 2005. Our short term goal is to become the No.1 Indian CRO. For this we have to differentiate our service from competition.

What according to you is the USP of Ecron Acunova?

As a CRO who can manage regional trials in Asia and Europe, we stand out as a preferred choice. We are able to put together an optimal mix of countries covering West Europe, East Europe and India/SEA. On top we bring deep expertise in some therapy areas, not found in our competitors like diagnostic agents, stem cell studies.

At present, globally how many research facilities does Ecron Acunova have and how many more are in the pipeline?

We have five research facilities; two in India and two in Europe. We provide early development service from our Mangalore/Manipal center. The oncology expertise center is at Berlin, diagnostic agents in Frankfurt, and the stemcell and diabetes expertise center in Bangalore. We have expanded our early development centre and set up an HIV and nutrition center of excellence in Bangkok.

Recently, you had announced the expansion of the Mangalore Clinical Pharmacology Unit, could you share some more details ?

Health care reform in the US has forced pharmaceutical companies to introduce new variations of drugs which are priced more attractively. Companies are evaluating molecules having high variability. This requires conducting studies with large cohort of subjects. In response we expanded the bed capacity of our Pharmacology unit in Mangalore from 48 to 80 beds. New guidelines by US FDA ask for higher specificity and sensitivity. This required ultra sensitive Liquid Chromatography / Mass Spectroscopy (LC / MS). Inclusion and exclusion criteria are also more specific in protocols calling for antibody serological analysis of higher order. In response to this market dynamics, we decided to invest in areas where we could differentiate.

There are certain advantages in conducting pharmacokinetics (PK) studies in Thailand. Our recent acquisition in Thailand (Jamjuree Innovations Co. Ltd., (JJI) Thailand, a 100 percent subsidiary of Chulalongkorn University Intellectual Property Foundation) has given us access to a 24 bed Pharmacokinetics / Pharmacodynamics (PK/PD) centre with special capabilities. Today we have four pharmacology units at Manipal, Mangalore, Bangalore and Bangkok with 200 beds and sophisticated analytical labs at Manipal, Bangalore and Bangkok, positioning us uniquely for healthy volunteer and patient PK studies.

What new studies you have planned to begin from this new unit? And by when will new centres commence research work?

We are already conducting studies at our new research centers. Major portion of our work is for product registration in US and Canada

What is the quantum of investment in these new/expanded units and how are you sourcing these funds?

Our investment is over Rs. 10 Cr. Investment is funded by internally generated profits.

How many people are being hired for the new units and what is the current staff strength?

In the last six months our full time employee strength has gone up from 300 to 360 and number of MD/PhD's from 64 to 73.

Whom all you are targeting as global clients in PK/PD studies?

Major growth comes from existing customers. NCE PK studies take longer time to get regulatory clearance. While we have capabilities to serve the NCE segment, India does not attract many NCE PK studies due to regulatory delays. (Having) capacity in Thailand is an advantage for such studies.

How many studies have you carried out so far and which new areas you are eyeing?

In the last five years we have done 290 studies. We are aiming at a 25 percent annual growth in revenue.

Could you please explain what kind of relationships you have built up with regional hospitals and how?

We have research alliances with medical university hospitals. Manipal University in India, Chula University in Thailand, Newcastle University in UK, Utah University in US are helping us to be in a scientific and medical ecosystem, which allows us to conduct clinical research

in a safe environment scientifically.

How large is your international footprint and which new geographies are you eying?

We enroll patients in key western and eastern countries. Revenue from Europe accounts for half of our company revenue.

From the current fiscal how much turnover are you expecting and also what are your targets for 2011-12?

Our current year revenue is in excess of Rs. 100 crore. Our growth is planned at 20 percent AAGR

Please share your future expansion plan?

For us to differentiate from competition, we have to have deep expertise in some therapy areas and certain service lines. We are evaluating organic and inorganic expansion to retain and improve our competitiveness.

In your view, what are the growth drivers for India as a destination for clinical trials ?

Attractiveness is determined by regulatory environment and how it ranks relative to Korea, China, Taiwan and east Europe. We have big potential to improve our relative position as a country.

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