

"We intend to be a global player in early clinical development space"

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-Binoy Gardi, co-group managing director and co-founder and Apurva Shah, co-group managing director and founder, Veeda Clinical Research

Ahmedabad-based Veeda Clinical Research has made four acquisitions in the last two years and continues to follow the idea of acquisitions to strengthen and build its capabilities and enhance its global presence. In an interview with BioSpectrum, Binoy Gardi, co-group managing director and co-founder and Apurva Shah, co-group managing director and founder of Veeda Clinical Research spell out Veeda's strategy, vision and plans. Excerpts:

How have the European acquisitions helped Veeda CR in its positioning?

We were the first ones to acquire a phase1 unit outside India. This again was a bold step for a company who had only been in a business in India for three months. Once again this highlights our commitment and belief in our vision and our plan. Buying companies is sometimes easy, but integrating companies in terms of SOPs (standard operating procedures) and cultures has not been an easy exercise. Indian companies who decide to follow this acquisition strategy will need to focus on this aspect if they want to avoid failing. Any successful business is not about just having world class infrastructure, you also need world class people. At Veeda we have managed to attract truly a world class management team comprising both Indians and Westerners.

What are the various challenges that you face in the CRO industry?

With this high-paced growth, there are several challenges facing us. The biggest challenge is the lack of availability of qualified people to meet the demands of growth. As a result of this scarcity of people, companies are constantly trying to poach one another's staff resulting in people constantly jumping from job to job and demanding higher salaries and higher positions. Therefore, attracting and retaining staff is probably the biggest problem faced in today's Indian CRO market. The industry attrition rate averages 30 percent. Having such a large attrition rate is not looked upon favorably by sponsors, especially international sponsors. At Veeda we have managed to keep our attrition rate at about four percent and this has been one of the biggest factors which has allowed us to grow at such a fast pace.

What is Veeda's current global positioning and strategy?

We do not want to compete with Quintiles and Covance as they are a full service CRO. We are very much focused on early clinical development only. We intend to be a global player in the early clinical development space. At present we have 225 beds and in the next 12 months this number will be more than double. Together with our strategic alliance with Advinus, we can offer many biotechs and small to mid-sized pharmaceutical companies an option to take their molecule from pre-clinical all the way to proof-of-concept by leveraging the advantages of India without compromising on quality.

Considering the opportunities in India, the company has taken up several initiatives. What are the activities you are undertaking in other regions?

In order to complete our model we will be acquiring another phase 1 unit in the US within the next 12 months. It is only after having a physical presence in the US can we say that we are truly global. We are building a new facility in Ahmedabad and we intend to have a number of more phase 1 units in other parts of the country. We are already the first CRO in the country to open a unit at the Muljibhai Patel Renal Hospital in Nadiad.

What has been your investment so far in India and other regions?

It has been over Rs 100 crore.

What are the new markets you are looking at?

As mentioned earlier, we are looking at acquiring another phase I unit in the US within the next 12 months.

Jahanara Parveen