



Growing the Pharm



Dr Ralf Brandt, MD and CEO of vivoPharm – Runner-Up in the FAST MOVERS SA 2006 Index

EMPLOYER BRAND

vivoPharm took out second place in the 'in-business' Fast Movers SA 2006 quest and picked up a valuable consultancy with SA-based employer brand strategist Brett Minchington, author of 'Your Employer Brand'. Brett met with MD Dr Ralf Brandt and his senior management team to discover the firm's current employer brand by assessing their people management systems and process. The audit briefings also gave Brett an appreciation of senior management's aspirational employer brand vision.

The research included a survey of all staff to identify any gaps in a range of employer brand elements such as career development, economic value and the interest value of work.

The qualitative research included focus groups and a workshop to give staff an overview of the employer brand process, why it is important and the elements of their workplace experience that impact on vivoPharm's employer brand such as leadership, performance management, corporate social responsibility and communication systems.

"The timing of the audit is perfect," Ralf says. "It will allow us to ensure we have the right people management systems and processes in place before our next stage of growth."

"It is very important there is consistency in how our employer brand is perceived by our current employees and the external employee market as a number of positions we recruit for are highly specialised and we need to ensure we are attracting and retaining the best available talent."

Brett is compiling recommendations for strategies in areas such as recruitment and induction, talent development, career development and communication of the vivoPharm employer brand to internal and external audiences in order to attract the right talent 'fit'.

Biotechs have been hot investment properties in recent times but Adelaide firm vivoPharm has achieved fast-moving greatness on its own.

vivoPharm, a contract research organisation, offers integrated preclinical services to the biotechnology and pharmaceutical sectors.

Managing Director and CEO, Dr Ralf Brandt saw his opportunity in August 2003 and set up the vivoPharm service in an environment of low competition and favourable economic circumstances.

"We have doubled our turnover every year, to \$2.5 million in the third year. We had some funding -- the total support was \$80,000 over three years," Ralf says.

Surprisingly, preclinical testing is not a capital intensive business. Setup did not cost an arm and a leg. "We were able to grow within a total capital (investment) of \$150,000," Ralf says. He was pleased with BioInnovationSA's help smoothing the way and making useful connections.

vivoPharm tests prototype drugs on animals to determine their effectiveness, safety, toxicology and how the drug works through the body. It's unusual for one service provider to do all of this and vivoPharm has one-stop-shop appeal.

"We can get a compound in a Petrie dish and end up with a finished product (ready for clinical trials)," Ralf says.

An energetic marketer, he says this capability has stood him in good stead with the vibrant international research community. Turnover proportions currently stand at 65% international and 35% domestic. Distance is a barrier, but not much of one where small samples of drugs are concerned.

"2006 was the year for Australia; we saw many

more new clients from Australia," Ralf says. This was not a matter of acceptance, but lead time - it takes months to bring a drug to the preclinical testing stage and after three years in operation more research facilities are aware of vivoPharm.

But after this local burst Ralf expects long-term growth to come from international business, which dwarfs Australia's potential. The USA, Canada and Switzerland have brought best returns, while the UK has been very hard going so far. The key to gaining international confidence has been the very high level of qualification of Ralf and his team and strong focus on the task.

"We are very agile as a company - there are no investors to consult," Ralf says. "We are very flexible. If a client wants to change something, we can. Customers like to discuss their projects with us and there's no danger of losing IP."

"Unlike CROs in the past, our facility is not a 'black box' where tests are conducted behind closed doors, with limited communication with the customer.

"We are transparent and open, offering a comprehensive service to modern industrial standards. But an open door policy doesn't mean we disclose to clients what other clients are doing."

Recently accredited as a Good Laboratory Practice compliant facility - an international standard set by the OECD - vivoPharm expects this step will add at least 30% to its turnover.

Return is not yet high despite the Fast Mover scale of growth, but Ralf says the company will enter a consolidation phase this year, where it will shift emphasis to coping with demand for the next four years.

vivoPharm launched a range of safety and toxicology services at the 2006 AusBiotech Conference in Sydney last year and with its reputation established in oncology, the new services will likely attract customers from other disease areas.

Ralf's annual turnover target is \$10 to \$20 million and his vision for vivoPharm is comprehensive preclinical capability with the ability to offer a clinical trial component, which involves testing in humans.

Currently vivoPharm has a good working relationship with Queensland lab TetraQ for some preclinical elements and Ralf believes another partner could be recruited for the clinical side.

"There are potential partners in Adelaide," he says.