

# CRO closure or buyout....

## Implications & circumvention

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# CRO Industry Lifecycle

## *Foundation*

- Investments
- People
- GLP
- Brand Building

## *Challenges*

- Talent retention
- Cash flow ?  
Revenues
- Management changes
- Compliances

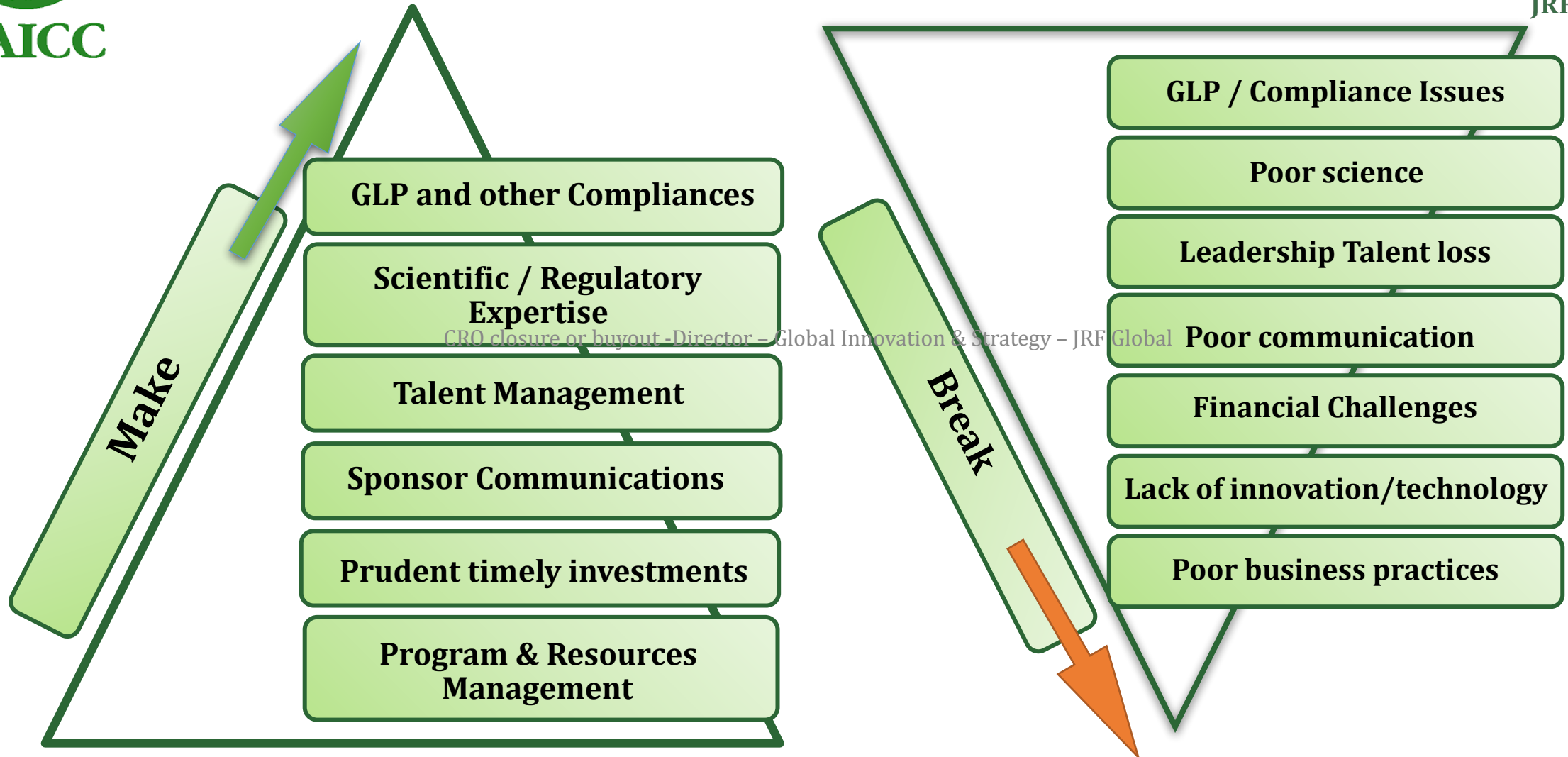
## *Result*

- Closure
- Merger /  
Acquisition

## *Result*

- Maturation
- Expansion/  
diversification

# What Can **Make** & **Break** a CRO?



# Consequences of CRO closure

## People

- Loss of individual credibility
- Loss of scientific jobs
- All stakeholders are affected incl. academia

## Sponsors

- Uncertainty and anxiety
- Loss of business opportunity (Delays!), & additional expenditure

## Industry

- Encourages Monopolistic environment
- Loss of core competence
- Shortage of service providers

# Consequences of CRO acquisition

## Organizational loss

- Instability in Sponsor relationship
- Potential loss of Talent & critical mass

## Loss of value

- Loss of credibility
- Loss of brand image

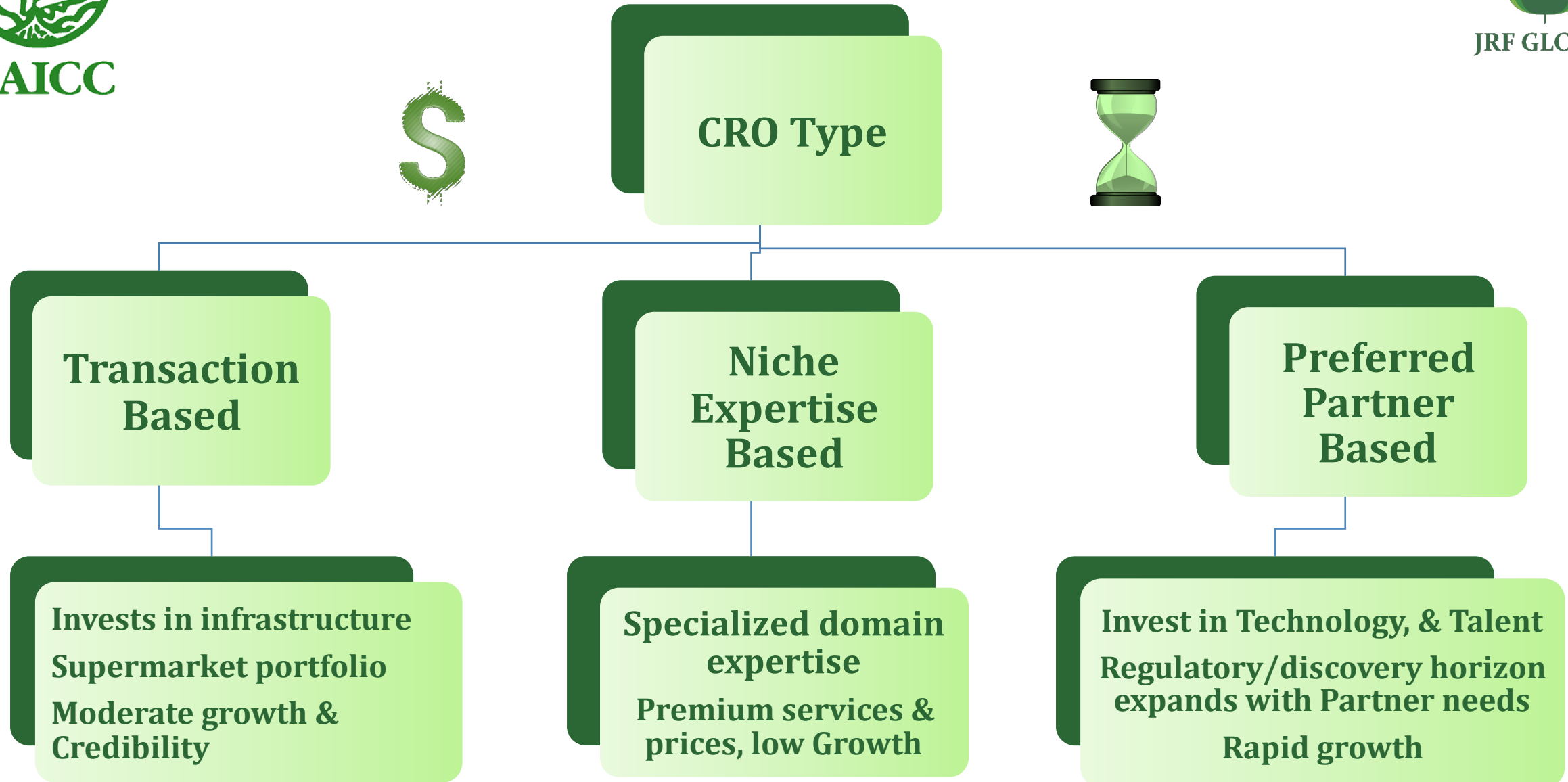
## People

- Problems in Cultural assimilation
- Relationship Disruption: SD and SM

## Business loss

- Cost to customers
- Project delays
- Chaos in the ongoing projects

# CRO Business Models



# CRO as a target of M&A

## Challenges

- Financial
- Operational
- Environmental
- Internal issues

## Opportunity

- High Profits
- Growth potential
- Kill competition?
- Lab Facility

## Complementarity

- Business
- Geography
- Service Portfolio
- Niche service





GXP

Good Laboratory Practices

Good Talent Management Practices

Training & Development

Good Program Management

Good Portfolio Management

Good Communication Practices

Good Business Practices

# Customer Expectations

Proactive interactions

Providing solutions

Timeline compliance

Top quality

Regulatory support

Involve and Engage

# Talent Management

Encourage innovation

Inculcate Honesty & Transparency

Competence & Expertise

Training & Development

New Developments

Publications

# Strategy

## Blue Ocean Strategies

Blend Regular, Niche  
& Futuristic Services

Contemporary science

Publications

Offer Solutions

# Strategy

## Blue Ocean Strategies

Network & Branding

Build up unique  
*differentiators*

Opportunity Hunt

Visibility/Brand building

# Leadership

Futuristic vision & Strategy

Implementation focus

Investments:

Soft: Value innovation

Capex: Latest equipment

Zero tolerance for non-compliance

Listens to inputs, Nimble, flexible

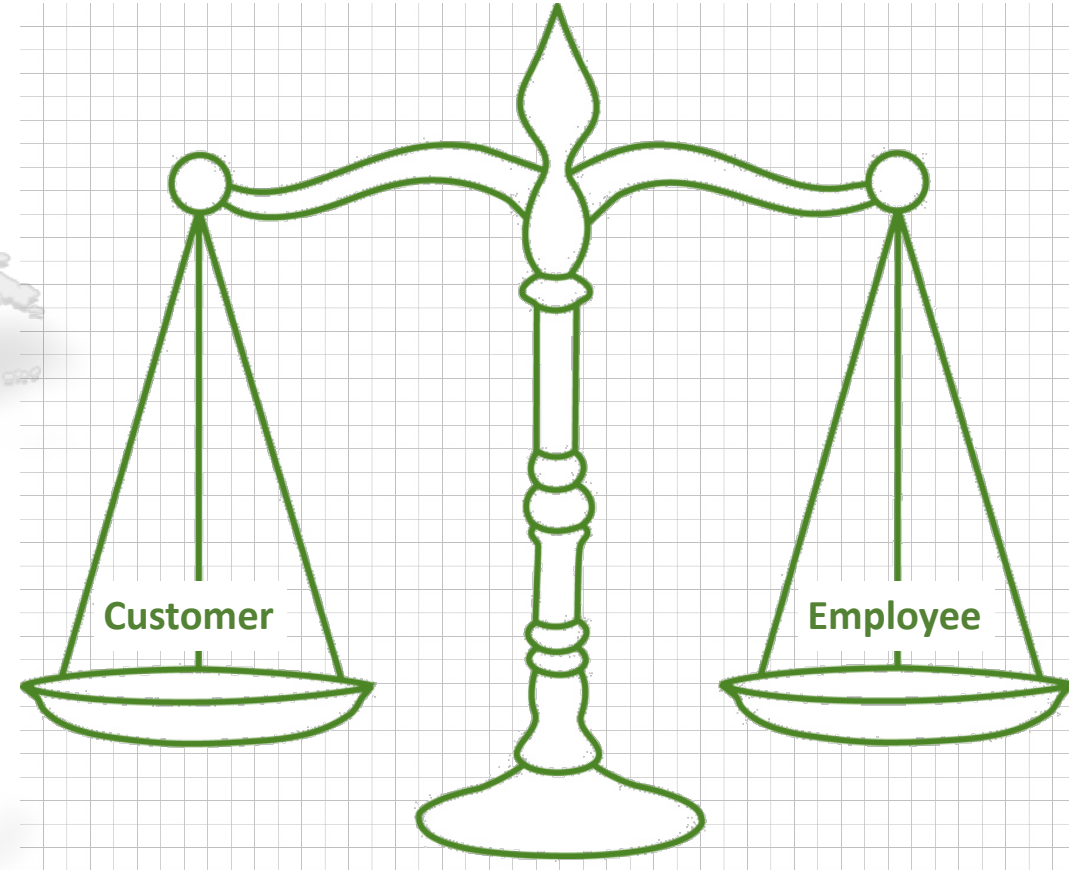
# Advantages of Global CROs



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***Thank you***