

A New End-To-End CDMO Takes Shape: What Does Adare's Acquisition of Frontida Mean for the Industry?

How does Adare's acquisition of Frontida position the company as a leading contract development and manufacturing company (CDMO) and help fulfill its mission of providing life-saving medications in complex dosage forms and transforming drug delivery?



Tom Sellig
CEO
Adare Pharma Solutions

PHARMTECH: How has Adare evolved over the years?

SELLIG: Adare is a global specialized CDMO with a long history of success—from concept to commercialization. We use our unique combination of experience, proprietary capabilities, technology, and resources to create meaningful products for our customers. Our ability to create differentiated drugs guides the identification and development of the novel products in our pipeline and our acquisition strategy. We are a team that is committed to developing a strong collaborative partnership that provides significant advantages to the competitive market. The company has evolved over the last 30 years, and it has gone through several operations. Most recently, in 2020, it was acquired by Frazier Healthcare and Thomas H. Lee Partners—two private-equity firms focused on healthcare investments—and we are very excited about this new journey on which we are embarking.

PHARMTECH: What are the company's strengths and differentiators in the CDMO industry?

SELLIG: We are a global organization with a wide range of R&D and manufacturing capabilities. We have sites in Vandalia, Ohio and Lenexa, Kansas, as well as two facilities in Italy outside of Milan. With the recent acquisition of Frontida, we have two sites in Philadelphia and a third facility in Aurora, Ill. With the acquisition, Adare has 800+ employees. We are truly a global end-to-end integrated contract development and manufacturing company.

Our ability to be nimble is beneficial for small startups and midsize companies, as well as large pharma companies because we can reduce the time to market for our customers. Our capabilities allow us to work with small amounts of active pharmaceutical ingredients (APIs), quickly develop initial prototypes, test our technologies, and assess what's best for developing a customer formulation target. We can also do early-stage preclinical Phase 1 and Phase 2 commercial products—including high-potency—and also provide packaging and logistical support services.

PHARMTECH: Can you highlight some of your proprietary technologies, processes and services?

SELLIG: We have several technologies.

- **AdvaTab®** allows us to incorporate taste-masking and controlled-release particles.
- **Diffucaps®** controls drug delivery with one or more release-controlling polymers in a multiparticulate system. It allows customized release, an effective solution for targeted drug delivery through sustained-release technology.
- **Microcaps®** have a uniform coating of a solid particulate or liquid droplet with a rigid semipermeable polymer.

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- **MMTS Minitabs™** allow precise, multiparticulate controlled-release, convenient dosage forms in sachets, sprinkles, and capsules.
- **Parvulet®** technology is available as dispersible granules and tablets that convert to a soft food-like texture in with presence of water and is easily administered in 30 seconds. The technology is ideal for patients with difficulty in swallowing, including pediatric and geriatric patients.
- **Optimum®** makes microspheres with high-drug loading suitable for taste-masking, enteric coating, and extended-release oral applications.
- **Stratum™** offers controlled-release and pulse-release options in injectable form.
- **Unisun®** leverages enhanced Stratum microparticulates for treating the inner ear.

PHARMTECH: Can you talk about the deal with Frontida—what makes Frontida a good fit for you and what are some new capabilities that they add to what Adare already offered?

SELLIG: We closed with Frontida in December as part of our investment thesis. When our two private equity sponsors acquired us, we identified areas in which we wanted to invest. These included more R&D capabilities as well as differentiated capabilities such as high potency, which the acquisition of Frontida provided. High potency is in big demand and our customers ask for it all the time; we had an option to buy versus build, but with the Frontida acquisition, we can offer high-potency manufacturing for early-stage and commercial customers. Additionally, we now have multi-layered tablet capabilities, which we did not have prior to the acquisition. The acquisition also provided the company with additional 60 scientists in Philadelphia who are working on several projects for our customers. Frontida brought us phenomenal packaging capabilities, which allows us to offer end-to-end support for our customers.

PHARMTECH: How will your customers benefit from this acquisition?

SELLIG: We don't just support pharmaceutical companies ... we support patients. And at the end of the day, patients are as important to us as they are to our customers and partners. In general, the more capacity we have in terms of manufacturing and overall capabilities, the more customers and projects we can serve, which in turn means we can serve more patients. With a bigger organization and a broader project-management team, our service levels will increase significantly. But we are still a small organization that can offer personalized service and high-touchpoint relationships. In terms of development, the combined teams have 100+ scientists within North America. Our project management team has deep technical expertise to solve complex formulation challenges. From a manufacturing perspective, with the integrated offerings and broader capabilities, we can offer multiple options to our customers.

PHARMTECH: What does the future hold for Adare now that the Frontida acquisition is finalized?

SELLIG: This business is all about understanding customers and helping them succeed. I always say we are only here to make our customers successful: if a customer succeeds, we succeed. So, with our combined capabilities, we can offer and support additional services. While we are very proud of what we have and what we have acquired, we continue to look for other capabilities that allow us to support our customers better. For example, we are looking to add injectables to our portfolio. We will continue to look for opportunities that allow our customers to bring more products and services to their patients.

Adare Pharma Solutions is a global technology-driven CDMO providing end-to-end integrated services, from product development through commercial manufacturing and packaging, with expertise focusing on oral dosage forms for the Pharmaceutical industry. Adare's specialized technology platforms provide taste masking, controlled release, solubility enhancement, and patient-centric dosing solutions. With a proven history in drug delivery, Adare has developed and manufactures more than 45 products sold by customers worldwide.