

TOM SELLIG, CEO OF ADARE PHARMA SOLUTIONS, ON THE EVOLUTION OF A CDMO



Tom Sellig was appointed CEO of Adare Pharma Solutions in January of 2022. In this article, based on an interview with Chris Conner of Life Science Marketing Radio, he details his vision for the company and how the transition from a product-based to a service-based company will benefit Adare's customers, as well as what he sees in the future for both Adare and the CDMO industry.

Describe the transition from being product-based to service-based and what that means for your organization.

Both Adare and Frontida (which we acquired in late 2021) had their roots in product-based business. The journey to a service-based organization started almost two years ago. The strategy for making that transformation is rooted in 2 principles: commercial and operational excellence.

We want a sales and marketing mentality across the entire organization that results in a client-centric culture. And we want every team to think about how to service a customer in the best way possible. That's rooted in a culture of quality, continuous improvement, and client-centricity.

How does differentiation through service and technology benefit your customers?

While biologics and cell and gene therapies are certainly important for the future, the majority of the market is still in small molecules (75% of new chemical entities) and that is our focus. Adare deploys a number of technologies such as taste-masking, high-potency (acquired with Frontida), and multilayer tableting that set it apart. Combined with over a hundred development scientists

and packaging capability, these comprise a full suite of solutions to match customers' specific needs. Beyond that, we are always looking for opportunities that increase our competitiveness with the help of our investment partners, TH Lee and Frazier.

What role does the generics market play in the future of your business?

Today, almost everything in the world is more expensive except maybe generic products where due to supply and demand challenges, there is tremendous pricing pressure. Competing in generics demands quality above all else. To make it work for us, we need to look at more effective ways of manufacturing those products.

For example, we have a very large fluid bed dryer in one of our smaller sites. How do we take that fluid bed, with broad capacity and scale, and bring it to one of our larger development and manufacturing sites to deploy it across a broader range of products to ultimately reduce the cost of goods?

At the same time, our commercial team is out looking for new chemical entities that we can develop and manufacture. It's a dual strategy of being effective and

competitive in generics while focusing our future growth on new chemical entities.

How has your messaging and targeting changed now that Adare has evolved into a full-service CDMO?

On the commercial side, we recently identified 1500 to 1600 customers globally where we thought there was a good fit. We broke those down into a market-based and territory-based assessment to understand how to align ourselves most effectively with those customers' needs.

"Adare has a client-centric culture across the entire organization, one where the top priority for every team is servicing a customer in the best way possible. The way we achieve that is through our commitment to quality, continuous improvement, and open communication."

– Tom Sellig

Based on that, our marketing team has done a fabulous job taking advantage of opportunities to increase awareness. On the sales side, we're pushing our teams to be out in front of customers every day.

Those efforts are leading to significant growth in the company. At the same time, we need to scale all the operations in other aspects of the business to support the growth. It's a constant balance between supply and demand.

Talk about the growth in your biome business and how that synergizes with the rest of Adare?

There's a large trend in the marketplace around biome-based products. A biotic-based product contains live bacteria. Ours is a post-biotics technology that has been around for more than a hundred years. It's manufactured in Houdan, France. A post-biotic product avoids the challenges of supply chain issues such as storage, temperature control, and product expiration dating. It's more stable over a longer period with all the same safety and efficacy benefits.

We're serving three major markets with these products. First, is a product called Lacteol, which is an anti-diarrhea product sold in about 30 markets around the world. In some markets it's available over the counter and in others it requires a prescription. We're significantly expanding that through a variety of distributor relationships.

In the animal segment, we're supporting both pets and other animals. For example, Nestle uses the post-biotic in one of their cat food products, which is great for digestive health. Across all the different animal segments, whether it's pigs or chickens or horses, it's a massive market. We've just started scratching the surface. I'm excited about taking this business truly global and expanding into multiple species.

Lastly, there is food and beverage and a variety of other uses for post-biotics today. We're rapidly expanding capacity to support these diverse market segments and a diverse customer base.

It's a much larger opportunity than I realized when I joined the company. I really like the work our team is doing to take advantage of it.

What does the future hold?

We are focused on three areas. One is the use of digitization and artificial intelligence. In this case, using computing power to identify the best solutions for new development programs whether that's on the formulation side or it's leveraging large databases to understand different interaction issues or where to focus our efforts for a development activity. We're expanding our IT group to think about how to make that scalable and productive. It's an exciting way to leverage our different technology capabilities.

The second is ES&G (Environment, Social and Governance). We're building a strategic plan right now that looks at how our carbon footprint decreases over time and how we can reduce the reliance of our facilities on various energy sources. We built a plan and we're in the process of refining what our strategic vision is, but that's one piece of it.

As we look at the workforce of the future, diversity, equity, and inclusion is an important component of that. We have a team dedicated to looking at our hiring practices and how we grow our workforce. We have a diverse employee base across the organization today and there are segments of the population we need to improve upon, but we're excited about what that means for job growth and bringing new perspectives into the business.

And then third, more in the molecule space directly, so many companies have tremendous requirements for service providers like us to be able to support them. We're trying to stay one step ahead of the technology advancements and the capabilities for supporting all these development and manufacturing programs.

As I look at ES&G, as I look at the power of computing and I look at the evolving complex therapies that are in the marketplace today, our ability to support those three trends and making strategic investments and growth in those areas will be important to our future success.



Tom Sellig brings more than 30 years of global experience in the life sciences industry to Adare, including experience scaling organizations and driving growth in the CDMO and Pharma Services space.

From 2019 to 2021 Tom served as Chief Executive Officer of LabConnect, a clinical trial laboratory services organization. Under his leadership, the company more than doubled in revenue and underwent significant team expansion to meet the growing needs of the biopharma industry.

Prior to LabConnect, Tom was Chief Commercial Officer at ConnectiveRx, where he was responsible for all commercial and customer-facing activity at the patient support and patient access company. Earlier, Tom was Senior Vice President of Global Sales at Patheon, where he played an integral role in the company's sale to and integration with Thermo Fisher. Previously, he served as the Global Vice President of Sales and Client Services at Covance.



Adare Pharma Solutions is a global technology-driven CDMO providing end-to-end integrated services, from product development through commercial manufacturing and packaging, with small molecule 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 65 products sold by customers worldwide.