



Near Shoring - An Element of Resilience

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Pharmagro was at the Jefferies Healthcare Conference in November. A theme that we picked up on was the value of having near-at-hand manufacturing supply. This forms one of the elements of **resiliency**. Three examples, from very different fields illustrate the same point.

Cosette Pharma concentrates on women's health, both RX and CX. All its sales and manufacturing are in the US. As it acquires brands, whose production is often outside the US, it moves the production to its North Carolina plant. A number of its brands are promotionally sensitive so this reinforces the need for a flexible and fast response supply base.

PolPharma has most of its production in Poland and supports its Polish centric business. The four plants cover a wide range of formulations, from oral solid dose to prefilled syringes. This supports the group's dynamic business which covers both RX and generics.

And finally Autolus whose cell therapy has a manufacturing plant in the UK enabling fast reaction to their patients. These patient conditions can deteriorate quickly even during the manufacturing cycle, so fast supply chain is essential. Their decision to purchase steel in advance during the middle of the COVID shut down was a brave one, but paid off as cost of steel later surged higher.

Near shoring does not work in all circumstances. And as the CEO of one CDMO customer said "Pharma companies want on-shore production but at Chinese prices". Nonetheless where flexibility is required, it has to be an option.

Fit the Factory to the Product .

For further information contact Pharmagro! Our email is nick@pharmagro.co.uk