Interview with Patrizio Allegrucci, Plant Manager, Combino Pharm

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Combino Pharm began production at its plant in Malta in 2006. Can you give us a brief overview of the facilities, and of the importance of the subsidiary to Corporación Medichem as a group?

The project behind Combino Pharm Malta started in 2005 with the first trials to be begun in mid 2006. The facility is a small outfit which focuses on the production of specialized generic drugs. The plant is licensed for the manufacture and blister packaging of oral solid dosage forms, including Investigational Medicinal Products, to the European Union. The plant is the first one to be owned by Combino Pharm S.L., which for the first ten years of its existence focused on the development of formulations and the production of its products through contract manufacturing. Hence the Malta plant is of the utmost importance to Corporación Medichem, being the Head Office.

Malta of course is a very interesting market, for its first-to-market generics manufacturing, given the favourable patents environment, but it is not the only country which boasts such advantages so why did Combino Pharm choose Malta as a strategic manufacturing export hub?

The favourable patents environment offered by Malta had a weighting in the decision to open a plant in Malta, but this was not the only reason. The support from the government through the initiatives of Malta Enterprise and Malta Industrial Parks were also relevant, as was the fiscal system and the general level of competence of the labour market.

Combino Pharm offers contract manufacturing, which ultimately lowers manufacturing costs and optimises the profitability of the Maltese operations, to what extent is this part of your business today? And how are you positioning Combino Pharm as partner of choice for companies looking to take advantage of contract manufacturing in Malta?

Today our business focuses on the production of our own products. Contract manufacturing is eventually done and is a service we are offering to other pharma companies, but today contract manufacturing amounts to only about ten per cent of our operations. We have to keep in mind that up until five years ago, Combino Pharm itself used to get its products through contract manufacturing. Through Combino Pharm Malta we are now optimising manufacturing in such a way that we can offer the service to other pharma companies which choose to be our partners in contract manufacturing.

Combino Pharm is one of two companies under the Corporación Medichem umbrella with facilities in Malta, given your focus on generic formulation, development and manufacturing and Medichem's on APIs, are there synergies between the two plants?

The answer is yes, there are synergies. The idea behind the creation of Combino Pharm way back in 1996 was to make use of the competitive advantage from the fact that the organisation had already a successful API plant, already established since 1971. WE therefore enjoy advantages today not only with regards to pricing and timing, but there is also a practice of joint projects that are developed together, and this adds potential to the R&D departments of both plants.

What is your final message to the readers of Pharmaceutical Executive who are generics manufacturers considering investing in Malta?

It is true that Malta has developed an effective structure that makes the start-up of potential generic manufacturers more efficient. However apart from pros, there are also cons, which every company has to overcome. A common problem we are facing now is the shortage in the labour force of certain specialized abilities. But then again, on one side you have the government doing its utmost to shorten this gap, and at the same time, all companies are embarking on specific training programs to prospective candidates, who in turn will be the specialists of the future.

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