

## Karalex Pharma – the right move

*LEADIN: Julie Trendowicz, executive vice-president, sales and marketing at Karalex Pharma says the acquisition of Karalex by Chennai-based generic pharma major, OrchidPharma, Inc. (a Subsidiary of Orchid Chemicals & Pharmaceuticals Ltd.), brings together a skilled R&D and development group with an experienced US based sales and marketing organization to create a company strategically positioned for growth in the US generic marketplace.*

Karalex Pharma is a leading provider of generic pharmaceuticals focused exclusively on the US Healthcare market. The company was formed in 2007 by Nick DiMaio, president and chief executive officer, and Trendowicz, executive vice president of sales, as a pharmaceutical company committed to becoming a leading provider of marketing and sales services to US classes of trade for developers and manufacturers of generic pharmaceuticals. Jointly, the principals of Karalex Pharma have launched over 100 generic pharmaceutical products with combined value in excess of \$1 billion dollars. Karalex's extensive experience has helped it excel in the identification, in-licensing, and strategic positioning of critical generic product opportunities within the pharmaceutical industry. In Karalex, Orchid spotted a company that could help the company achieve its goal of creating a US based generic pharmaceutical company. Karalex provided the perfect platform being a top-ranking US-based marketing company focused exclusively on the US healthcare market. The synergy seemed perfect and the combination offers great potential.

Says K Raghavendra Rao, managing director, Orchid: "We are happy that we have established our presence in the generic sales and marketing area with this acquisition. This acquisition will provide a strong commercial US-based sales capability to Orchid, paving the way for synergistic returns from our upcoming and long-term strategic generic pharmaceuticals pipeline comprising key first-to-file and Paragraph-IV products. This move also provides Orchid, for the first time, with a complete end-to-end coverage capability of the entire generic pharmaceutical business cycle from product development to product sales and would enable Orchid to internalise value." Through this acquisition, Orchid has created its presence in the front-end US market and it will now be able to reach its generic products to the US customers directly.

Trendowicz says: "We see this acquisition as completely complementary for both companies, and we feel that our new management team can build a company that can achieve long term sustainable growth in the US generic marketplace."

Since its entry in 2005 into US generics market, Orchid witnessed a robust growth, made possible because of its high value niche product line and the marketing alliance model that it embarked on in that country. Karalex will accentuate that potential considering its reach and knowledge of the growing US generic market.

Orchid was established in 1992 as a 100% Export Oriented Unit (EOU). In 15 short years, the company emerged tops to rank among the Top 15 companies in the Indian pharmaceutical industry. Orchid employs over 4,000 people, of which over 700 are scientists, technologists and other professionals.

Karalex's background is equally impressive. The company was launched as a pharmaceutical company committed to becoming "a leading US provider of marketing and sales services to US classes of trade for developers and manufacturers of generic pharmaceuticals."

Karalex is strategically positioned to take advantage of market opportunities because of its experienced team of generic pharmaceutical sales and marketing executives and the established relationships each of these individuals possesses within the pharmaceutical supply chain. The integrity of their dealings and their high ethical standards have helped to form and sustain long-term relationships with important decision-makers in the industry. Indeed, Karalex's foremost strength is the expertise and significant experience of its management team.

Trendowicz says: "As one company we are better positioned for long term growth in the US generic marketplace. Orchid's pipeline and manufacturing capabilities, combined with the sales and marketing efforts of Karalex will provide our customers with a portfolio of timely first to market generics providing secure supply and competitive market pricing." Trendowicz and DiMaio will continue to play a key role in the product selection, identification of licensing opportunities and the successful launching of Orchid's future pipeline of products.