

# Interview

## FOCUSED AND DETERMINED

Peter Coleman is CEO of Cobra Biologics, which provides clinical and commercial cGMP contract manufacturing of biologics and pharmaceuticals, including monoclonal antibodies, recombinant proteins, viruses, DNA and cells for use in pre-clinical to Phase III clinical trials and commercial supply. He talks to **Jane Ellis** about the company's history and where he wants to take it in the future

**Peter Coleman comes across as a determined and disciplined individual. He trained for triathlons for five years and although he has less spare time to devote to the sport since having a family, he has promised himself that he will complete an Ironman before he is 50.**

While the focus that you require to be able to swim 2.4 miles, cycle 112 miles and run a marathon within a strict time limit of 17 hours is beyond most of us, Coleman believes he is up to the challenge. Such determination has also been a feature of his career, even though he was less positive about his abilities and strengths at the outset.

'I wasn't sure what I wanted to do so I drifted into the family business,' he says. 'The SPD Group was a traditional engineering firm based in Dukinfield, Greater Manchester. It was a sub-contractor for the aerospace industry, with clients including BAE Systems, Rolls Royce and Saab. It had 150 staff and a turnover of £7m.'

Coleman stayed for nearly seven years and learned the principles of managing a business – both commercially and professionally.

'Watching my father gave me good insight into how to run a business,' he says. 'I gained a lot of focus from him. He progressed from draughtsman to running a multi-million pound business.'

But it was Coleman's next move, to medical research company ML Laboratories plc, initially as Financial Accountant, that fostered his drive and determination. ML worked him hard.

'It was the best thing that ever happened to me. It took away my uncertainty about what I was going to do with my life. I left a family owned business to go out into the big wide world. I had no financial qualifications and no degree. I was in my late 20s and had to knuckle down, work hard and study.'

While at ML, Coleman gained an MBA

and also became an FCMA. He developed a cash flow and business plan reporting system for the firm and was also part of the acquisition team that took over Cobra Therapeutics in 2000, taking ML into the biologics area for the first time. Cobra, originally known as Clinical Oncology Birmingham Research Associates, was mainly a gene therapy R&D company, with a manufacturing plant in Keele, UK.

'ML Laboratories gave me the opportunity to make something of myself,' says Coleman. 'I also met my wife there who worked in the finance department.'

He says that an MBA 'validates everything you think about how to run a business and makes you more self-assured'. This and his accountancy qualification helped him to become Finance Director at the newly formed Cobra Manufacturing plc, where he learned how to present to stockbrokers in the City of London and took the firm to an AIM Listing, raising £7m in funds.

### CV

<b>2011 to present</b>	CEO of Cobra Biologics Finance Director, Prokarium
<b>2010 to 2011</b>	Head of Finance RecipharmCobra Biologics
<b>2002 to 2009</b>	Finance Director Cobra Biomufacturing plc
<b>1994 to 2002</b>	Corporate Development Manager ML Laboratories plc
<b>1987 to 1994</b>	Director SPD Group
<b>Education</b>	2001 MBA Manchester Business School/ University of Wales
	1996 FCMA Accounting and Finance

'During the plc period, from 2002 to 2009, Cobra Manufacturing's fortunes went up and down, particularly during the recession of 2007–2008. It was tough, but it was a great opportunity for me to learn,' he says.

Cobra Manufacturing was bought by Recipharm AB of Sweden in 2009, later becoming RecipharmCobra Biologics. It operated as Recipharm's specialist biologics division, with Coleman initially as Head of Finance then General Manager.

'Being part of Recipharm was the biggest step-change for Cobra Biologics,' says Coleman. 'There was and is a different mentality in Sweden – the Swedes think more long-term than the half-yearly reporting scenario of a UK plc and are more European in that regard.'

In 2011, it was decided that the most appropriate way to develop RecipharmCobra Biologics would be as a private business rather than as a subsidiary of Recipharm. Thomas Elderred, CEO of Recipharm AB, continues today as the major shareholder.

Elderred understands the biologics business and takes an interest in the company and its customers, while letting the management team run it day-to-day and develop its own people, says Coleman.

He has now been Chief Executive of Cobra Biologics for nearly three years. The privately owned firm has a stable history in contract manufacturing, which has helped it to grow and make a name for itself in the biologics sector.

Today it is a global business with 180 staff and more than 100 customers across 18 countries. It has three plants – at Södertälje (formerly an AstraZeneca facility) and Matfors in Sweden, plus Keele in the UK.

'I love the diversity of the role of Chief Executive,' says Coleman. 'I was becoming frustrated as a finance director as I had my own ideas of how a company should be run. Being CEO allows me to express myself in so many different ways that weren't possible when I was in a purely financial role.'

'I have to trust my team and their skills; I've set up a KPI framework for managing the business which lets the commercial and technical teams get on with their jobs within a financial structure.'

There have been a few major stepping stones in the development of the firm over the past 14 years: the plc period allowed it to develop an identity in the North American market; the next major step was the purchase of the Södertälje facility; then there was the period



Peter Coleman

when it was part of Recipharm.

Södertälje produces mammalian, protein, and monoclonal antibodies, while Matfors has the larger-scale microbial capability (to 600L) and handles fill/finish work. Keele manufactures microbial-derived products, proteins, DNA and has a virus capability, but on a smaller scale (50L).

'We do mammalian products through cell banking at Keele; process and GMP manufacture at Södertälje and fill/finish at Matfors,' explains Coleman.

Matfors was bought from UniTech Pharma at the end of 2011 and the service offering was expanded to include sterile drug product manufacture and freeze drying/lyophilisation from clinical to commercial supply. Medicines can be filled in either single-use syringes or injected vials, while meeting rigorous sterility requirements in accordance with aseptic manufacturing procedures.

'The only major gap that we have is in virus fill/finish, which we have to outsource. You can't mix virus fill/finish on the same lines as microbial products,' says Coleman. 'We also don't have any manufacturing capability in North America.'

The company signed a multi-million

dollar contract to produce a virus-based product for a Big Pharma player this year. 'We win these contracts despite our size,' says Coleman. The product will be developed in Keele and the firm is investing in 250L SUB capabilities specifically for the project.

'We are using the contract to build our large-scale commercial capability; we aim

**"Our goal is getting data for a critical clinical trial which shows that the product works as quickly as possible"**

to build a track record in such projects and then hope it snowballs from there.'

Coleman believes Cobra has 'always punched above its weight' and although not as big as its major competitors, its smaller size means it can be more flexible and proactive towards customers both before and after signing a contract.

He thinks that installing new disposable reactors and moving away from fixed fermenters to more flexible technologies will help the firm to grow. Micro bioreactors are also an interesting technology.

'Everyone is talking about personalised

medicine, but manufacturing in fact is nowhere near having such a capability; however, incrementally it is getting closer. Disposable systems will help us do things cheaper, faster and more efficiently.'

Cobra Biologics currently handles mammalian and microbial cells in a 65% to 35% split. Coleman expects that both markets will grow, but perhaps the ratio will be 75:25 in the future.

In spite of the job cuts seen in R&D in Big Pharma over the past couple of years, Coleman indicated that there has not been an overall drop in spending in biotech R&D – globally it was \$25bn in 2012, 5% higher than 2011. He hopes that the cuts will result in Big Pharma and the industry as a whole becoming more efficient and nimbler in bringing products to market. The cuts have also been positive for Cobra Biologics as there are many well-trained scientists available to recruit.

'Big Pharma really has to think about efficiency and productivity going forward,' says Coleman. 'A company of our size can be more flexible, dynamic and creative in how we solve problems.'

'Big Pharma's forte is in distribution and marketing. Our aim is to deliver quality clinical material as quickly as possible, so that our customers can gather their vital clinical data. Biotech investors need the data for their investment returns.'

'It is invaluable for us to work closely with our customers; it provides the opportunity to increase our responsibilities and develop new services.'

'We want to become a worldwide expert in contract manufacturing and if we are also at the cutting edge of science then we have the possibility to achieve that goal.'

If Coleman were to be given unlimited funds to grow the company, he would look at expanding further into North America by opening or acquiring a manufacturing plant there.

He says he would also spend more on R&D, looking at innovative manufacturing technologies, and invest more in Cobra's people and staff training.

Coleman is certainly focused and determined in his approach to business and in his personal life. Unsurprisingly, one appears to have influenced the other.

'Doing triathlons has taught me not to worry about a current situation. Just pace yourself, don't panic if things go wrong, and carry on. I've learned how to be calm in certain situations and things usually work out,' he says.

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