

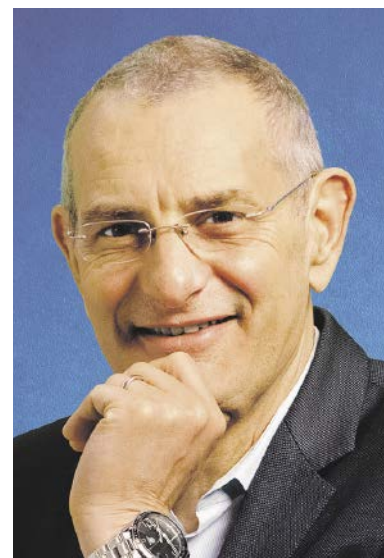
# Combining Production, Sales and R&D Capacities

## A Flexible Model that Delivers More Choice

Actylis made its debut in September 2022. A leading global manufacturer and sourcing expert of critical raw materials and performance ingredients for the life sciences and specialty chemicals markets, the new CDMO was created from US-based fine and specialty chemicals distributor Aceto, which — following its acquisition in 2019 by investment firm New Mountain Capital — has been executing a growth plan via significant organic and inorganic investments over three years before its foundation. The new enterprise comprises eight specialty manufacturing companies and three sourcing firms, integrated into a single organization of 800 staff, a presence in ten countries spanning three continents and a portfolio of more than 4,000 products. Gilles Cottier, CEO of Actylis, has played a tremendous role in Aceto's transformation into the new Actylis brand. He became CEO of then Aceto in July 2019 following leadership roles with Lonza and Sigma-Aldrich. Ralf Kempf and Michael Reubold asked Cottier about the reasons for creating the new brand identity, the challenges of combining so many companies, and Actylis' strategy going forward.

**CHEManager:** Mr. Cottier, what is behind the name Actylis? Is it merely a well-sounding made-up word or does it have a meaning and a message?

**Gilles Cottier:** Actylis was created to unite a wide range of capabilities of several manufacturing and sourcing specialists for the life science industry into a new, global enterprise with a unique hybrid approach that is greater than the sum of its parts. Derived from the Latin terms for 'act' and 'life', Actylis combines the experience and expertise of eleven industry specialists into an integrated global ingredient powerhouse. The synergies that existed between the individual companies (A&C, A&C Bio Buffer, Aceto, Biotron Laboratories, Cascade Chemistry, Finar, Inter-Actifs, IsleChem, Pharma Waldhof, Syntor Fine Chemicals and Talus) has created a company that provides key benefits to our customers in high-growth end markets. This consolida-



Gilles Cottier, CEO, Actylis

tion enables us to offer customers highly flexible, customized solutions addressing their specific needs, while assuring reliable on-time delivery of the high-quality ingredients essential to their success.

**After Aceto's transformation, and given the level of familiarity of the old name, what was the reason for introducing the new brand identity?**

**G. Cottier:** While each of the companies that together formed Actylis was well known and trusted in their individual fields, each has transformed into something different and im-

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proved over what they've been in the past. This meant that their legacy brands—especially the Aceto brand—represented something significantly different than what it had only a few years ago. Our capabilities now include global R&D centers of excellence, GMP and Non-GMP manufacturing plants in various locations in





North America, Europe and Asia, sourcing hubs at strategic locations as well as global supply chain, technical sales and quality teams. We focus on sales synergies between the integrated companies and under one new brand this process is made much easier and more cost-effective.

*What are the end markets Actylis serves today, and what are your plans for expanding your scope?*

*G. Cottier:* We service finished drug manufacturers in biopharma and pharma, as well as manufacturers in the cosmetics, nutrition, specialty chemicals and agriculture markets.

*What is Actylis' strategy to support customers in these markets innovate and grow?*

*G. Cottier:* The industry we serve is a global leader of innovative technology adoption such as targeted therapies, and gene and cell therapies. As a raw material supplier, we also need to be flexible and agile to create customized critical raw materials to serve this innovative market—this is the difference we offer our customers. Our R&D Centers of Excellence work closely with our customers to develop novel and niche ingredients. This consultative approach to our customer relationships enables them to commercialize their finished drug products more rapidly.

*The company's hybrid business model is based on manufacturing and sourcing. Where do you see the main benefits resulting from this set-up for your customers?*

*G. Cottier:* Actylis' business strategy was born out of the current market trend in the Life Science sector—the need for more flexibility and agility in raw material manufacturing and supply. Our intimate knowledge of customers' needs, consultative perspective, and focus on innovation and quality to provide unparalleled choice and flexibility to our customers. By embracing choice, we can offer a standard product sourced from anywhere in the world, one we manufacture at one of our facilities or we can create a product specifically created to suit the needs of our customer—this gives them truly flexible options surrounding supply chain, geography, innovation, timeline, and cost.



*What do you perceive as the most pressing needs and requirements of your customers?*

*G. Cottier:* Companies like us must be able to move quickly to adjust to challenges of the life science industry. We have built our strategy around agility and flexibility to manage the developing areas that our industry face:

- A move towards more local supply to mitigate risk.
- A reversal of raw material supplier consolidation to friend-shoring and supply diversity.
- An even greater focus on sustainability.
- A reduction of focus on lean models, replaced by smarter inventory planning approaches, and supplier diversity.

*With its global presence, Actylis can offer its customers great geographic flexibility. Do you sense a growing demand for on-, re- or nearshoring in the markets you serve?*

*G. Cottier:* Supply chain risk assessment is likely to be a priority for manufacturers over the next 2 – 3 years. Once this assessment has been completed, supplier diversification will be at/near the top of most risk mitigation strategies. Geographical diversification is the likely second stage. We suspect this will take the form of near and “ally” shoring. Onshoring will be the slowest to implement as costs, regulations, available resources etc. will take time to work through. Re-

sourcing away from cost-centric suppliers will add to product costs, but will be offset with improved lead times, less in-transit inventory and reduced obsolescence. Our global network and local regulatory expertise give us the flexibility to deliver the best supply solution for our customers' needs.

*Do you have investment plans you can share with us, either in existing facilities and capabilities or in new ones?*

*G. Cottier:* As our industry evolves and manufacturing processes develop, we constantly review global and local technological advances and legislative & regulatory changes to ensure we are at the cutting edge. We regularly benchmark ourselves against the best companies in our

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and other markets to ensure we are aware of, and strive for, the most up-to-date systems and practices to use across our network of facilities. As an example, we have rolled out a global

MasterControl eQMS (Quality Management System) to ensure we are all operating on unified system to give our customers assurance of our global quality management regardless of location.

In addition, we have an ongoing commitment to investing in our facilities. Most recently, we opened a new 30,000 ft<sup>2</sup> state-of-the-art clinical cGMP API manufacturing facility in Eugene (OR) and we have also just upgraded our two GMP facilities in Montreal to Class 7 & 8.

*What is your plan for Actylis to continue growth and success in the markets it serves?*

*G. Cottier:* Actylis is the culmination of an ambitious initiative launched several years ago to address the major unmet need for better and more dependable access to critical raw materials and performance ingredients essential for the manufacture of highly regulated products in key industries. The supply chain challenges of the past few years have made our vision for Actylis especially relevant, and we are proud to help our customers dependably manufacture the life-giving products we all rely on.

Our strategy is simple—provide our customers with choice. We will continue to mature this strategy via organic growth and more acquisitions in the life science sector over the coming years.

■ [www.actylis.com](http://www.actylis.com)