Thomas Meier – CEO, Bachem



We’re just beginning to tap into the potential of peptides and oligonucleotides to revolutionize healthcare

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Bachem’s Thomas Meier highlights the company's pivotal role as a CDMO in the rapidly evolving peptide and oligonucleotide markets, emphasizing strategic expansions, innovative manufacturing techniques, and a deep commitment to sustainability. With a vision for growth that includes both profitability and operational excellence, Bachem is poised to lead in therapeutic advancements that are reshaping the pharmaceutical landscape.

What major trends and advancements are shaping the peptide industry, and how is Bachem positioned to capitalize on these developments?

In recent years, the use of peptides for medicines has experienced a transformative shift, evolving from a niche sector to an independent and vital therapeutic modality that bridges the gap between small and large molecules. This shift is largely driven by the increasing recognition and application of peptide-based medicines for prevalent health conditions, particularly diabetes, obesity, and their associated comorbidities. Today, 88 peptide medicines have gained approval, with an additional 215 advancing through late-stage clinical trials—clear indicators of the growing reliance on peptide therapeutics.

A central development fueling this growth is the advancement in molecular design, which enables peptides to achieve longer half-lives within the body. This extended duration not only enhances the stability of peptides as therapeutic agents but also strengthens their efficacy, as they remain active

and effective over prolonged periods. This improvement is especially valuable for chronic conditions, where sustained therapeutic impact is crucial for optimal patient outcomes.

Significantly, incretin-based therapies—such as GLP-1 receptor agonists and dual or triple agonists—have gained considerable market traction, particularly in addressing obesity and diabetes. These therapies are seeing rapid adoption and are projected to experience substantial growth, solidifying them as a driving force within the peptide market. For Bachem, as well as the broader CDMO sector, this trend represents a significant opportunity to support and scale alongside the rising demand for peptide-based treatments, positioning our company to leverage these advancements for continued relevance and growth in an evolving industry landscape.

How has Bachem advanced in the synthesis of complex peptides and oligonucleotides, and what strategies support continued innovation in this area?

Bachem has made remarkable strides in overcoming the challenges of synthesizing complex and extended peptides, transforming the landscape of peptide production. We think of our activities along three operating modes: first, operating as a Contract Manufacturing Organization (CMO), we provide large-scale production based on external formulations—an opportunity that is significantly expanding with the increasing demand for GLP-1-related therapies.

Our second mode, operating as a Contract Development and Manufacturing Organization (CDMO), emphasizes co-development of the manufacturing process together with pharmaceutical and biotech firms to develop tailored processes, which we then establish in-house.

The third, trailblazing mode centres on pushing the boundaries of chemical synthesis, allowing us to manufacture higher levels of complexity, length, and modifications in peptide sequences, as well as improve efficiency for current manufacturing. This innovative work, funded in part by Bachem’s own research investments, has led to notable achievements. Our trailblazing efforts also prioritize sustainable practices through green chemistry, where we aim to reduce the process mass index by minimizing the use of chemicals and energy. This commitment to sustainability is essential for cost-effective, large-scale production, where every efficiency can have a significant impact. Altogether, these initiatives reflect Bachem’s commitment to advancing peptide synthesis with both innovative complexity and environmental responsibility.

What strategic investments is Bachem making to expand production capacity, and how will these initiatives address the rising global demand for peptides and oligonucleotides?

Bachem is in the midst of a transformative growth phase, marked by significant investments to expand production capacity in response to the escalating demand for high-volume peptides and oligonucleotides. With over 50 years of experience, we're embracing this expansion as an opportunity to both preserve our legacy and evolve for the future. This growth is being shaped by a dynamic team of both longstanding and new team members, each contributing insights on cost efficiency and sustainable practices like green chemistry—key elements in our approach to scaling production responsibly.

A cornerstone of our expansion strategy is the construction of a new, advanced manufacturing facility in Bubendorf. This facility represents a new era for peptide production, with capabilities to operate around the clock in a fully controlled and highly automated environment. By focusing on continuous production in tightly regulated systems, we're preparing to meet large-scale demands with the precision and reliability the industry requires. Through partnerships with some of the most reputable pharmaceutical companies, we're ensuring that this added capacity aligns with industry needs and expectations.

We are confident that these investments will enable us to address the rapid growth in market demand. Beyond this immediate expansion, we're already considering future needs, having secured land for the new greenfield Sisslerfeld site, where further development plans are taking shape.

How has the shift toward outsourcing impacted Bachem's CDMO business, and how does the company differentiate itself in an increasingly competitive landscape?

The rise of outsourcing within the pharmaceutical industry has significantly bolstered the success of the Contract Development and Manufacturing Organization (CDMO) model, including Bachem. During the COVID-19 pandemic, the agility of the CDMO industry was crucial, as it enabled swift market access through strategic partnerships. In peptides, we have the potential to bring this adaptability to meet the substantial global demand for GLP-1-based therapies and incretin products. For Bachem, a steadfast commitment to delivering consistent, high-quality output has always been our hallmark, and we intend to uphold this reliability as we continue to grow.

With the increased demand in the CDMO space, competition has naturally intensified, attracting new players. We welcome this as a healthy catalyst for innovation; however, we are also confident in defending our leading position in peptide and oligonucleotide manufacturing. At Bachem, our aim is to set the standard across all three operating modes: pioneering innovation, custom production for clinical development , and large-scale commercial manufacturing. Every day, we work diligently to reinforce our role as an industry leader, dedicated to delivering excellence and driving the field forward.

What are the key opportunities and challenges Bachem anticipates in the CDMO sector, and how do these shape your approach to growth?

The capacity needs for API driven by by peptides in weight loss and comorbidity indications are immense . Projections for the end-market suggest these medicines could surpass $100 billion in sales annually—an unprecedented scale within the pharmaceutical industry. This potential has everyone in the field, including Bachem, excited about the future. Meeting this demand will require substantial production volume, which also brings a need for greener chemistry to maximize efficiency by reducing raw material input while increasing output. Innovating sustainable manufacturing processes is a core focus for us as we look toward the future.

Our trailblazing innovation plays a crucial role in advancing peptide and oligonucleotide manufacturing, continuously refining processes to enhance both effectiveness and reliability. Beyond weight loss treatments, the use of peptides in medicines is also expanding significantly across other therapeutic areas, with peptidomimetics for PCSK9 inhibitors and IL-23 antagonists now advancing in late-stage clinical trials for major indications. An additional opportunity is the development of oral peptide applications, moving beyond traditional injections. This might offer additional convenience for patients, though it would also require increased production capacity.

As the demand for high-quality peptides grows, as Bachem we want to fulfil a substantial share of this market. Organic growth remains our priority and has been central to our success. While we are open to strategic acquisitions if they align with our long-term goals, the hurdles for these are high.

How is Bachem incorporating sustainability into its operations, particularly with the recent expansion of its facilities?

At Bachem, sustainability is central to our strategic vision and is embedded within our P.I.S.C.O. framework, which stands for People and Culture, Innovation, Sustainability, Customers, and Operational Excellence. Positioned at the heart of this model, sustainability is more than an initiative—it's a core guiding principle. We have established clear, measurable goals across four priority areas: reducing carbon emissions, promoting diversity, enhancing safety, and rigorously tracking progress in each of these areas.

In line with regulatory requirements, we publish an annual sustainability report through the Zurich Stock Exchange, allowing stakeholders to assess our achievements transparently. Our focus on sustainability not only benefits the environment but also brings economic advantages, as it drives us to optimize our processes and operations.

How does Bachem cultivate a values-driven team, and what frameworks support its commitment to leadership in the industry?

Creating peptides and oligonucleotides requires a great deal of know-how. That is why our people are integral to our success and central to retaining industry leadership. We're motivated by shared goals and a dedication to tackling challenges collaboratively. To foster this, we've developed frameworks that emphasize a strong focus on "mission-critical" activities—those actions and projects that create the most meaningful impact.

Team cohesion is equally essential. Bachem has a very strong team-culture, where people work together pragmatically, collectively advancing Bachem's goals. We want to empower our people. This ultimately benefits our customers and the patients we serve.

How do Bachem's Swiss origins shape its global identity, and what strategic advantages does the company gain from its location in Switzerland?

We are headquartered in Switzerland. But while Bachem is proudly Swiss-born, our business, customer base and operations are global. There are 47 nationalities working at our manufacturing sites in both the U.S. and Switzerland.

Switzerland, and specifically the Basel region, offers unique strategic advantages for Bachem. Northwestern Switzerland is a renowned hub for biochemistry manufacturing and research, giving us proximity to clients and access to a rich talent pool. Basel attracts top industry professionals,

creating a strong, collaborative workforce where individuals and even families find meaningful career opportunities within the local pharmaceutical ecosystem.

Equally important is Basel’s well-developed network of specialized suppliers and regulatory environment, which is deeply familiar with pharmaceutical standards. This supportive infrastructure allows us to maintain a high standard of quality and efficiency across our supply chain. We view Basel as one of the world’s premier pharmaceutical hubs, standing alongside global centres like Boston and Cambridge, and we are committed to leveraging this environment to strengthen our global presence.

What qualities does Bachem prioritize in its team members beyond technical expertise, and how does the company cultivate a committed and collaborative workforce?

At Bachem, technical expertise is fundamental due to the intricate nature of our work, but we seek qualities that extend beyond skills alone. We want people who demonstrate clear focus, understand their priorities, and thrive in a team-oriented environment. The ideal team member is collaborative by nature, engages with colleagues and customers alike, and is open to exploring new opportunities that push the company—and the industry—forward.

Moreover, we look for professionals who are committed to a long-term perspective. Mastering the complex science of peptide development requires both time and dedication. We are fortunate to attract a diverse array of talent, including industry veterans and graduates from leading university labs.

As Bachem continues its growth momentum, what are the company’s key priorities and expectations for the next few years?

Bachem is on an exciting and sustained growth trajectory, underscored by an impressive 8.6% growth in 2023. Looking forward, we see significant expansion potential, driven by increasing market demand and our recent investments in capacity. Our new facility in Bubendorf, which will effectively double our production output, symbolizes our readiness to meet these needs. This growth positions us to achieve annual revenues exceeding one billion—a remarkable increase from around 300 million in 2020.

In parallel with scaling our operations, profitability remains a central focus. Over the medium term, we anticipate maintaining strong EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) margins of approximately 30%, ensuring that our expansion is both sustainable and financially robust. Our priorities for the coming years are clear: to solidify our leadership by scaling effectively and delivering consistent value while continuing our trajectory as a highly profitable enterprise.

As a closing message, what insights would you like to share with global decision-makers about Bachem's impact and the future of the industry?

I'd like to underscore the invaluable role that the CDMO model plays within the pharmaceutical industry, particularly through the agility and innovation it provides. Contract Development and Manufacturing Organizations bring a unique flexibility to the market, allowing companies like Bachem to respond swiftly to the evolving needs of the sector.

Additionally, peptide and oligonucleotide therapies are advancing rapidly from niche applications to becoming central pillars of pharmaceutical development. These modalities are set to drive many groundbreaking therapeutic innovations, offering immense promise for the future of medicine.

Having been in this field for over three decades, I've witnessed a remarkable transformation—from a craft-driven, small-scale operation to a high-powered commercial manufacturing industry. This evolution is not only personally fulfilling but also energizing, as I watch our entire team seize the opportunities ahead with enthusiasm. Bachem is well-positioned to help shape the future of pharmaceutical manufacturing, and we are just beginning to tap into the potential of peptides and oligonucleotides to revolutionize healthcare.

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