Interview: Aurélien Chaufour – Managing Director, Anjac, France



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Aurélien Chaufour reveals how Anjac Health and Beauty has developed with a focus on innovation and industrial know-how since its creation in 2008 and how he today has four companies that are experts in the fields of health, hygiene and beauty. Chaufour also reveals why there is long-term future for manufacturing in France so long as they continue to invest in innovation and quality and why for Anjac there is no greater satisfaction than to produce a product that becomes their client´s bestseller.

In 2008 Anjac Health and Beauty was created, consisting of four companies in the areas of health, hygiene and beauty. Could you please introduce the company to our readers and talk us through some of the main milestones in your development?

Twenty years ago, Anjac invested in three different branches of distribution: industry, construction and plumbing. We went on to sell the first two of these businesses, including our industry portfolio in 2007, which had previously been our most important area of activity. Anjac was then in a position to enter a new strategic field, and the opportunity to enter the health and beauty business particularly appealed to us.

The first company we invested in was Shadeline, a promising, dynamic company specializing in dermatology and cosmetics. The company was not only active as a sub-contractor, but had an

industrial footprint and an innovative spirit. Some people believe that Anjac acts merely as a sub-contractor, but nothing could be further from the truth. With Shadeline, we already had both a considerable industrial footprint and an innovative portfolio. Just two months ago, Shadeline received its medical device certification. Indeed, today cosmetic companies are increasingly playing a role in medical devices. For the last two years medical devices have been an important part of our strategy hence why obtaining this certification has been a key milestone.

Our second company, Euro Wipes, is a major player in the wipes market, offering a full range of wipes and impregnated cotton pads. Just two months ago we also received our medical device certification in this field, and will soon have one of the first plants in the world to produce medical device wipes. Who would have thought that wipes could be both technological and innovative? Initially Euro Wipes focused on home wipes, and as the business has developed we have changed the strategy. Today we are producing individual sterile wipes to be used in the ophthalmic sector for example, as well as hospitals.

Our third business, Sicaf, is a well-established partner of luxury cosmetic brands, known for its expertise in formulation, manufacturing and custom packaging. It has significantly reinforced our position in the selective market. And lastly there is Chemineau, a European specialist in contract development and manufacturing of pharmaceutical products, cosmetics and medical devices. Its integration was a key milestone to enter the pharmaceuticals market and continue adding new technology to our portfolio (i.e. aerosol bag-on-valve).

In total, the Anjac Group is composed of four companies, each being expert in the fields of health, hygiene and beauty. We have five manufacturing and R&D facilities. Each year more than a thousand formulations and five thousand products are conceived, manufactured and packaged in our five sites. Building synergies between our different health and beauty areas is crucial to our business model, and every two months, we organize what we call a “synergy day”. We put a strong emphasis on developing synergies across our different businesses, whether commercial, R&D, investment and industrial.

The CMO industry is already a competitive field in France. How would you describe your positioning as a relatively new player?

My own background is in industry, I have worked with big industrial clients from various different sectors. Anjac’s ambition has never been to compete with large industrial CMOs, where the competition is particularly fierce. Instead we look to play a major role by focusing on client relations from a technical, innovative and relationship standpoint. Our ambition is to create a new

player that is focused on innovation and the quality of relationships. Each year we invest considerably in R&D. We want to be recognized for our potential to offer new formulations. Anjac invents formulas that evolve into many of our client's best-selling products. We are proud of this fact and aim to further develop our reputation in this regard.

Our expertise is based on four key pillars. The first is R&D formulation, where we have a team of 40 working on technological intelligence and research. We offer innovative formulations and design products that meet strict regulatory requirements as well as the specifications of our customers. Our second area of expertise is in manufacturing and packaging. We provide products from small batches to mass production, thanks to our flexible and modern production equipment. Third, our quality assurance and regulatory expertise. Our products' commercial success is due to an excellent level of quality assurance in accordance with GMP and ISO standards as well as solid regulatory dossiers. Lastly, we focus on building sustainable businesses. Our industrial footprints fully comply with the latest regulations and evolve progressively to ensure they remain eco-certified.

We see that Anjac has developed an expertise when it comes to acquisitions. What do you look for in a company when considering potential acquisitions?

Our first thought is always to grow organically. To answer your question, we are in advanced talks to acquire a further two companies in 2016. How do we select potential partners? Our strategy is to develop our innovative offering, increasing the added-value we provide to our customers, and to assess thoroughly the quality and performance of the management team. But even if you have the best strategy, sometimes you have to take opportunities as they arise… which has been the case for us.

When we met with Philippe Lamourex, General Manager of LEEM (the French Pharmaceutical Companies Association) he was telling us how he is worried that France is losing its attractiveness as a country of production. What in your eyes are the enduring advantages that come with manufacturing in France?

It is often said that France can no longer be competitive in the era of global manufacturing. I would query such a statement. It is true that numerous plants across the world have lost their FDA certification this year; it is not a given to maintain your accreditation. So if you want to survive in France you have to be willing to modernize. This means investing in innovation so as to provide technical added-value; investing in your people, equipment & machinery, and R&D capabilities. Anjac has made such investments. There is a long-term future for manufacturing in France if we

invest in innovation and quality. We have a historical French touch in the high quality of our people and machinery that remains attractive to this day and this is something that as a country we can still further invest in.

What do you hope to achieve with Anjac in the next few years?

Today Anjac Health and Beauty has a turnover of 150 million euros (USD 166.4 million). Our objective is to continue to grow steadily and establish a recognized footprint in the Health & Beauty fields. Anjac is composed of two subsidiaries: Anjac CSI, the daily partner for building professionals and industry, and Anjac Health and Beauty. Within a few years we will have sold the first subsidiary and Anjac Health and Beauty will become Anjac. We have made the decision to focus exclusively on health and beauty. There is no greater satisfaction than to produce a product that becomes our client´s bestseller. We are inventing products that previously did not exist. People are sometimes under the impression that all medical treatments have already been invented. This is not the case. There are many simple treatments that nobody has yet developed. I am convinced that Anjac has a role to play in inventing cosmetic products and medical devices that are good for people´s overall well-being. The companies who will join Anjac in the future will contribute to the development of our manufacturing and R&D footprint. I am proud of the fact that we acquire companies with talented and entrepreneurial people. We are not just industrialists, we create innovative products that make a difference to people’s lives.

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