Carlos Ceinos – President, Principia, Puerto Rico



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30.07.2019

Tags: Puerto Rico, CEO, IT

Carlos Ceinos, president of Puerto Rican service provider Principia, highlights how his previous experience in big pharma helped him to successfully establish his business, dedicated to providing automation and IT solutions for biopharmaceutical manufacturers. He also underlines Principia's expansion plans and the company's highly specialized service portfolio.

Carlos, you have a long history of working at big pharma companies before leading Principia. Can you please introduce yourself to our international readers?

I'm a licensed professional engineer with a master's degree in chemical engineering and began my career in the pharmaceutical industry in 1992 with Merck. They made a greenfield investment back at this time, so I was able to actively participate in designing a brand-new, fully automated facility, leading the start-up and product transfer processes. Later on, I was promoted to manufacturing manager of the site. My next assignment was in Mexico as technical services director, where my main responsibility was to support the conversion of Merck's Mexican site into a launchpad for new products in Latin America. This required significant refurbishing, but we eventually launched five new products within two years. When I returned to Puerto Rico, I was appointed technical services director for all three pharmaceutical sites on the island. Years later, I moved to Novartis as the site leader of its Humacao plant, where I stayed for 12 years. In the last five years, I have been a

business owner here at Principia together with my partner Juan Vicéns, who is a subject matter expert in automation.

How did you decide to start your own company?

In 2004, we saw that site leaders faced a lot of pressure to reduce the conversion costs of their facilities, due to the expiry of Section 936, which required to find new alternative cost savings to stay competitive. We founded Principia with the idea to provide highly specialized automation services to the industry and allow companies to outsource these processes. We train people and provide them with the best skills, so depending on the client's needs, they can hire this consulting expertise, or we can design solutions to make the operations more efficient. This flexibility is key, as there are not always special projects within plants, which require engineers and technicians, so by outsourcing this part, companies can achieve significant cost savings. We usually send our engineers to plants for three to six months and we have received very positive feedback from our clients so far.

Can you give us an overview of Principia's operations?

The company started operating in 2008. We provide automation services as well as manufacturing information technology and technical services to the biopharmaceutical industry. Our employees are experts for several industrial automation platforms and electronic batch records, offering specialized project management guidance. We use both a consulting and a hands-on approach, depending on the client's needs. Some companies require full manufacturing support in our area of expertise, while for others we design solutions, which are then implemented later. While these services are usually for a limited time, we also have open-ended agreements with clients, so they can call us at any time to provide solutions. Today, we have a team of 40 highly skilled specialists at Principia.

In 2014, the marketplace was already saturated with similar service providers. What did you feel you could contribute that would be new?

Our service offer is highly specialized, as there are many different programming platforms. Being an expert in this area requires a lot of education, training and hands-on experience. My partner and

I worked in the industry for many years, in areas which cover everything from process engineering, automation to site leadership. We know the industry well and understand exactly the pains of our colleagues, as we have been in their position. Moreover, our recruitment process is very careful to ensure our future employees have the right education, skill set and commitment. In our industry, credibility is everything, so we ensure that our employees represent Principia well when working on-site. Additionally, constant communication with clients is absolutely necessary, to always be on top of their current needs. We strongly believe that excellent service is key, as we work with larger companies to contribute to the economic growth of Puerto Rico. We are part of the biopharmaceutical ecosystem and to support the local economy by providing a service of excellence to our clients is our purpose.

We know that the government is strongly supporting new R&D ventures in the life sciences field so do you think they are doing enough to support the crucial service providers on the island?

Companies like Principia play an important part of why the biopharmaceutical industry sees Puerto Rico as an attractive investment destination, since we are responsible for building the whole pharma ecosystem supporting large manufacturers. The government acknowledges this contribution through incentives that also benefit local players. Nevertheless, it is still challenging for small service providers to scale up as access to capital is difficult and entrepreneurs are mostly on their own in their efforts to secure funding for larger projects.

Leveraging your experience in the industry, what are some dominant trends in the future in our industry?

The industry will move fast towards smart factories and industrial internet of things. This is an opportunity for automation and IT companies like Principia, but a significant cultural change and education is required. We are currently working with organizations, universities, and technology partners in this effort to become the preferred service provider.

Considering your rapid growth within five years, do you have any ambitions for expansion?

Our strategy is to continue to focus on Puerto Rico, because we strongly believe in our island being an attractive destination for the biopharmaceutical industry. Moreover, we are also targeting special clients on the US mainland to expand our operations and to achieve a controlled and sustainable growth. We usually work with clients in Puerto Rico to provide robust solution for their other sites in the US. We aim to provide excellent quality and, on this way, obtain long-term relationships and attract new clients.

What are your expectations for Principia for the next five years, when we come back for our next report?

In five years, we will increase our presence in the US market, with the ambition to become a preferred supplier in our niche for the biopharma companies. We also aim to explore future opportunities in Latin American markets and strengthen our footprint in the Puerto Rican market, for which we are very committed to.

What else does the international life sciences community need to know about Puerto Rico?

Puerto Rico has a solid ecosystem with the required talent, knowledge and service providers present on the island to implement successful projects. Our island has a strong track record as a manufacturing hub, which has been recognized globally. We are the right place for companies that want to manufacture products for the world in a sustainable, competitive and quality-oriented manner.

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