Idalia Garcia – VP & Site Director, Avara, Puerto Rico



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In 2015, Avara, a fast-growing global pharma CDMO, acquired Merck's plant located in Arecibo, Puerto Rico. Idalia Garcia, who has been managing the site for the last six years, explains the capabilities the site offers, the reasons why Avara chose to invest in the facility and its people, and the transformation process to a service business model. She also shares how Avara supports the industry, for instance through education and research programs.

Could you start by introducing the operations of Avara's facility in Arecibo, acquired from Merck in 2015?

The Arecibo facility offers manufacturing and packaging capabilities for medicines in oral solid dosage form, including high containment, with formulation experience in immediate and controlled release. It has been operating for over 35 years with an excellent track record as a compliant and reliable source of supply for multiple blockbuster products. The plant has never been subject to any regulatory action and has provided uninterrupted supply to the market even during Hurricane Maria, two things we are extremely proud of. Our 175-strong workforce is experienced and quality-driven.

In our new journey with Avara, we have introduced additional customers as a CMO.

Today, the products we are producing for our clients reach 24 markets. We are currently working on transferring two new products for two additional clients, as well.

We offer a variety of technology platforms common in oral dosage form, such as encapsulation, tablet compression, Wurster coating and film coating. Beyond technology, what we offer is a culture of being resilient, service-oriented and committed to reliable supply.

Why did Avara choose to acquire this facility in the first place?

At the time, Merck was looking to divest the site and found Avara. Avara not only looked at the facility's infrastructure and capabilities but also at the culture. Our operators, mechanics and supervisors explained what they do and how they do it. Avara fell in love with the people's commitment, their knowledge and expertise, and decided to invest here to create new opportunities and attract additional customers to fill up the capacity of the site. Moreover, the long track record of quality and uninterrupted service was another big reason for the decision. Avara did not only invest in the building but more importantly in its people, who share a quality and compliance culture.

What have been your priorities to transform the site into a service business model?

We are more than a manufacturer, we are a service provider, and we are working with our employees for them to embrace this new mindset. In addition to training, we expose our people on the shop floor to potential customers during the due diligence process. This hands-on experience helps us build a service culture in the organization, and for our employees to be able to put themselves in the shoes of customers and understand exactly what they need. This transformation is a journey, and I think we have already made a lot of progress. In their feedback, our new customers highlight our availability, flexibility, speed, ability to listen as well as the scientific depth of our personnel apparent in documentation and reports. Again, this transformation is a journey and we need to continue driving change to retain and attract new customers. We want our customers to come back not only because of our competitive price, but also because of our superior level of service.

Apart from this shift to a service mindset, what changes have you implemented to better meet the needs of your customers?

We have invested in new production technologies such as triple layer coating capabilities for oral sustained *drug* delivery as well as solvent recovery equipment. We have also updated our IT infrastructure in order to be better able to manage multiple products and customers, such as an SAP platform and other systems in the lab.

Then on the cultural aspect, we have operated a shift to a more business-oriented and entrepreneurial mindset. While in the past we saw ourselves as a cost center, we are now a profit center. We have implemented cost reduction by trying to identify the processes that add value from the ones that do not and eliminate waste in different areas. As part of this effort, each function needs to understand how they contribute to the overall cost and how they can reduce it to reach the profit target. We encourage our people to think creatively to continuously make processes more efficient.

Thanks to these transformative changes, we are gaining a unique position in the bio-science industry in Puerto Rico, the United States and globally.

Puerto Rico has arguably lost some of its attractiveness as a pharma manufacturing hub compared to other locations such as Singapore and Ireland. In your opinion, why should companies continue to invest in Puerto Rico?

Pharma companies establishing operations here can expect reliability in supply and compliance. Hurricane Maria did not cause any interruption in supply or shortage of medicines in the US or other markets despite the magnitude of the catastrophe, which demonstrates our ability to bounce back.

I think Puerto Rico is now at a turning point, the momentum has shifted, and we are seeing more collaboration between industry, government and academia to retain and attract investment, not only through tax incentives, but also through education and innovation. The Puerto Rico Science, Technology & Research Trust (PRSTRT) for instance is trying to foster innovation with initiatives such as the Science District and the Consortium for Clinical Investigation which are starting to bear fruit. I think this is the right time to invest in Puerto Rico.

How involved are you in supporting this momentum?

In order to support research and innovation, we provide a team of researchers from the University of Puerto Rico (UPR) in Mayaguez access to our equipment to run experiments.

We are also contributing to education. This year we have hosted students in pharmacy and engineering from four universities. We explain what we do, walk them through the process and the equipment, and try to connect what they learn in class to the real world. I am personally involved in these visits. Moreover, for the past two years, we participate in the summer camp program for high school students organized by the Center for Pharmaceutical Engineering Development and Learning (C-PEDal) of UPR Mayaguez. During a one-week internship, high school students manufacture a product on a small scale at the Mayaguez facility, then visit us in Arecibo on the last day to see how the product is manufactured on a big scale.

Are there any other ways you try to contribute to Puerto Rico's social and economic fabric?

We take the opportunity of being a CMO to showcase the island and create a different perspective to every potential customer we host and promote what we have to offer. Even though some companies might not be able to manufacture at our facility, I want them to stay in Puerto Rico by finding a solution that works for them. For instance, we hosted two companies interested in developing cannabis medicine. Even though we will not make the product, we have explained what other options exist. We also contribute by fostering the ecosystem of local supplier and service providers which we give priority to, for instance for validation work. Finally, we also strive to be good corporate citizen by taking care of our people. After Hurricane Maria, we created the Arecibo Relief Fund to ensure that employees and their families receive the needed support and resources to return to normal as soon as possible.

What is your vision for this site when we return to PR for our next report in 2024?

When I stand in front of my people, what I say to them is that we are building a future for the next generation. Securing the future of the facility starts by doing the right thing every day, getting engaged, and learning how to do new things. We are working closely with Avara's business development team to open new doors for future contract manufacturing opportunities with international clients and drive business success. By 2024, our goal is to have multiple customers and > 350 employees working at the facility. I would like the students that we host in Arecibo

become our future employees.

What are your personal motivations to continue working in and promoting the industry?

I lost my father to cancer when I was 16, which drove me to pursue studies in pharmacy with the ambition to become a researcher. But during my career, I had the opportunity to work in manufacturing and understand all the intricacies of pharmaceutical production. Across my 24-year experience in the industry, I saw how it positively impacts lives, not only the lives of patients, but also the lives of employees and the community. There is a way of creating a common good for all those people, and create a positive impact not only in Puerto Rico, but across the world to all the patients who need our medicine. I have never been in Peru, but I know that somebody in Peru is taking medicine that we produce here. For me leadership is service, helping others exceed their own expectations, and create new leaders, not followers. I feel proud of doing something good.

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