

Haijun Dong CEO, BioDuro-Sundia



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Dr Haijun Dong, recently appointed CEO of BioDuro-Sundia, shares his priorities for the newly merged entity, one of the largest Contract Research, Development and Manufacturing organizations (CRDMOs) in the world, his talent strategy, and the use of AI within the sector.

Dr Dong, can you share a little about your industry background and your motivation for joining the recently merged entity of BioDuro-Sundia?

I have worked in both the US and China, both for multinational companies like Eli Lilly, Roche and Boehringer Ingelheim, and for Chinese companies, and in pharma companies as well as CROs. The common thread was that my experiences have always been in drug discovery and development. Prior to my current role, I was CEO of a Nanjing-based CRO called PharmaBlock for over five years. PharmaBlock, a public company listed on the Shenzhen Stock Exchange (300725.SZ), has achieved tremendous success so far. And I am proud that I was part of the team that made that happen. I had also founded a Chinese biotech company named IMPACT Therapeutics, and I was one of the key inventors for their lead drug candidate, a PARP inhibitor.

The BioDuro-Sundia merger is a very exciting and strategic development. In my opinion, there were perhaps a few opportunities that both companies missed in the past, but with the merger, the new entity is now in a better position to capture them. Typically, companies of BioDuro's and

Sundia's sizes in the past would have gone the IPO route, which would have put them in a bigger and better platform for growth but had not seemed to be on the cards.

When I was approached regarding the BioDuro-Sundia role, I saw it as the perfect opportunity because I saw huge potential in this new entity, and I felt confident that I was the right candidate to lead the newly merged company's efforts to reach the next level. In a way, I felt like all the puzzle pieces were coming together: my expertise and experience in drug discovery and development, the sector all CRO, CDMO serve; my understanding of people, their ambition and motivation; my global network and connections, especially in the US and China; and my understanding of the markets and customers.

What synergies between BioDuro and Sundia has this merger captured?

BioDuro has very strong capabilities on the discovery side and has a significant presence in both China and the US. Meanwhile, Sundia is extremely strong in the CMC space and has unique capabilities in terms of supporting clients with IND-enabling studies. We are one of the only few players on the market that can deliver the whole IND ready packet to clients. Other organizations can only offer specific services, but we can deliver the whole package. Out of the 40-plus IND-enabling studies we have completed for clients, every single one has been successful. That is an impressive track record. Together, BioDuro-Sundia can offer almost the full spectrum of preclinical drug discovery and development services to clients.

In terms of client profile, BioDuro started in San Diego in the US, so they obviously have a broad customer base in the US and China, while Sundia has a stronger presence with the domestic Chinese pharma companies, though of course it also serves biotechs and multinational companies.

With the combined size of BioDuro and Sundia, we also expect to realize operational synergies and efficiencies. We have also announced expansion plans, with a new R&D facility being built in Wuxi of Jiangsu province, about 40 mins by the high-speed train from Shanghai and a manufacturing plant in Bengbu of Anhui province.

You have been in your role for a month now. How did you find adjusting to a new position within a newly merged company in the middle of a global pandemic?

I really only had about three weeks on the job because the start of my time coincided with the Chinese New Year holidays. I have spent most of that time talking to key people within the company. My initial impression is that this is really a strong company in terms of scientific talents.

Moving forward, our number one strategy is to continue our focus on customers and people. We may be a new company as a merged entity but both BioDuro and Sundia have always been very customer-centric. Our purpose for existence is, simply, to help our customers develop new medicines more effectively and efficiently, so that is always on the top of our minds.

The focus on people is critical because it is our people, working in the labs and in various supporting functions, that make things happen, also because we know the Chinese biopharma sector is booming and people turnover is extremely high. Financial compensation is important but there are also other aspects to consider when we look at talent retention, which we can discuss more later.

We also want to focus on organizational efficiency to capitalize on the operational synergies of this merger. We want to implement and strengthen our business processes so that all our departments can be run as efficiently as possible. Good processes and mechanisms also reduce the risk of our company being disproportionately reliant on a few key individuals.

BioDuro-Sundia is now one of the largest CRDMOs in the world. Can you share a little on the market drivers and needs that BioDuro-Sundia is responding to?

It is clear that the drug discovery and development sector in China has been booming over the past number of years. It seems like we hear news about another biotech company raising tens or hundreds of millions of dollars almost weekly! This has been driven by several factors.

Firstly, China initiated a series of regulatory reforms beginning several years ago that really accelerated drug discovery and development. For instance, it used to take a year or two for IND (clinical trial) applications to be even looked at. Now, there is a 60-day “limit”: if the regulator does not say no to the application within two months, the company can automatically proceed! That is a major change. The regulatory reforms that have happened in the past four or five years have been more significant than the previous two to three decades.

Secondly, access to capital is currently unprecedented. We have witnessed the influx of investors willing to invest in healthcare, partly because there are more avenues to public markets. In the past, pre-revenue biotech companies could only think about Nasdaq. Now there is the Hong Kong Stock Exchange or the STAR board in Shanghai.

The third is the phenomenon of “overseas returnees”, the majority of whom had been educated and trained in respected institutions and companies in the US. They brought back tremendous experience in drug discovery and development, with many having been involved in the discovery, development and even commercialization of major drugs in the world.

Finally, with the rise in service providers like us, biotech entrepreneurs are now able to set up practically “virtual companies”, which we only heard of in the past. With an idea and some funding, they can outsource all other aspects of drug R&D. This has accelerated the development of the sector enormously.

As a result of that, the demand for CRDMOs like us is massive. For this reason, size is also a relevant factor. It is not necessarily the case that bigger is better but with a certain size while maintaining flexibility, we can respond to market needs better.

In terms of drug R&D, a very hot topic these days is the use of AI. How has BioDuro-Sundia been responding to this market trend?

Certainly, we already have a number of AI-powered drug discovery companies as our clients. Our services are extremely relevant to them because such companies are often focused on designing the molecule, so when they have a potentially viable candidate, they need our help to optimize, develop and manufacture the molecule. We are definitely keeping an eye on this trend to evaluate if we want to get involved even earlier, for example, be part of the “designing” efforts, by using our in-house strength in medicinal chemistry.

With the merger and expansion, BioDuro-Sundia has also announced plans to recruit up to 1,000 more people over the next two years. How challenging is it to find, retain and train talent in the highly competitive Chinese market?

Certainly, companies are all competing for talent. The competition is not as intense in cities like Wuxi compared to Shanghai or Suzhou, but it is still there.

As I highlighted earlier, our people are a core focus. We offer strong remuneration packages, but we also try to develop the right corporate culture. We really emphasize that we are a very important part of new medicine R&D. We are supporting efforts to develop the next generation of medicines that help patients. That instils a very strong sense of pride in our employees. Whenever we help our clients reach a milestone, we also celebrate with them so that our employees share in the achievement.

We also invest in our employees' career development. For instance, we encourage our employees in our Beijing and Shanghai offices to spend six months or longer in our newer sites. This allows them to take on more responsibility and advance to more senior positions quicker while allowing our regional teams in the newer sites to benefit from more experienced team leaders. That is a win-win for both sides and also a benefit for our company in general.

In terms of the talent pipeline, the young graduates we hire are very smart and capable people, though they sometimes do not have much experience in working in the lab yet. This is true everywhere. But that is why we emphasize talent development and training.

Looking forward, what do you hope to achieve for BioDuro-Sundia over the next couple of years?

We want to be seen as a company that puts customers and people first. We want to have healthy and sustainable growth and a culture where people feel like they are part of a greater mission to develop the next generation of novel therapies to serve patient needs. We want to develop and optimize procedures, policies and processes so the company becomes something, in a sense, like a well-oiled machine.

The final message to the global industry is that we invite everyone to learn more about BioDuro-Sundia. I personally love speaking to people. Since I joined, I have spent almost every lunch interacting with someone, new or old friend, mostly in the "drug hunter" circle. I almost want to leave my personal contact information here. But seriously please do talk to our BD people, scientists, and better yet, to try us, even with something small. We are here to serve, to make you more effective. Thank you.

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