CEO CFO

BIOCLINICA™

Issue:
August 14, 2009

The Most Powerful Name In Corporate News and Information

Providing e-Clinical And Medical Images Technology Enabled Services Under One Umbrella, BioClinica Helps Biotechs And Pharmaceutical Companies Worldwide To Get Their Drugs And Devices Through The Regulatory Process Much Faster At Lower Costs

Healthcare
Medical Laboratories & Research
(BIOC-NASDAQ)

BioClinica, Inc.

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Mark L. Weinstein
President and CEO

BIO:
Mr. Weinstein has led BioClinica as the President and Chief Executive Officer since February 1998 and has been a Member of the Board of Directors since March 1998. Mr. Weinstein joined Bio-Imaging Technologies, Inc. in June 1997 as Senior Vice President of Sales and Marketing. Prior to joining Bio-Imaging Technologies, Inc., he was the Chief Operating Officer of Internet Tradeline, Inc., an internet-based electronic solutions provider. From July 1991 to August 1996, Mr. Weinstein worked for Medical Economics Company, an international healthcare information company and wholly owned division of The Thomson Corporation. He held several senior management positions at Medical Economics Company, serving finally as President and Chief Operating Officer of the International Group. Mr. Weinstein received his Bachelors degree in Economics from the University of Virginia and his MBA from the College of William and Mary.

Company Profile:
BioClinica, Inc. is a leading global provider of clinical trials services, helping to support drug and product development efforts through all phases of the clinical trial process. BioClinica offers industry-leading medical image management and best-of-breed electronic data capture to companies in the life sciences industry. In addition, BioClinica offers solutions that combine these core services to maximize efficiency and manageability throughout the entire clinical development process. With more than 2,000 successful trials, BioClinica is unsurpassed in its knowledge and experience, helping bring many of today's drugs from early phase development through final approval. BioClinica operates two state-of-the-art, FDA-compliant core labs in the United States and Europe, with business offices in the United States, France, Germany, the United Kingdom and the Netherlands.

Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com

CEOCFO: Mr. Weinstein, what was your vision when you became CEO of BioClinica, and where are you today?

Mr. Weinstein: "The company was formally called Bio Imaging Technologies when I became CEO back in 1998. At that time, we were about a $3 million company, losing about $1.7 million. We have now grown to a company where today we have about 450 people and about $60 million in revenue; we are profitable, and still growing. What I enjoy is growing people and growing organizations and that's why I've been here for 12 years."

CEOCFO: Why the name change to BioClinica?
Mr. Weinstein: "Our roots have been managing medical images for clinical research studies going back to 1990. We created a very nice business there and we are a dominant player in that space. We have a good management team here that looked across the spectrum and rounded out that offering. We provide those services across the four major therapeutic areas where medical imaging is most frequently used in clinical research, so the question is: "How do we take the growth of the company and take the company to the next level?" When we acquired Phoenix Data Systems in March of 2008, it really positioned us to move into what is called the e-Clinical space, which opened up a very large market as it relates to other kinds of services and products that we can offer. We thought that an umbrella super brand that would encompass all that we do would be a much better launching point when we talk to clients, both current and prospective. So it is no longer Phoenix Data Systems and Bio-Imaging Technologies. Under the name of BioClinica, we now have one brand and we can talk about 450 employees,

global operation and all of the things that play to that bigger market."

CEOCFO: What are you offering people now?
Mr. Weinstein: "What we are offering now, as well as historically, is to manage that portion of clinical trials where a central review is required for the medical images. We are currently doing that for about 200 studies for about 100 different pharma companies. We are also providing electronic data capture and data management services or e-Clinical services for about 100 projects with around 40 clients. Our view of the clinical research arena is that there are many small players in this industry that provide very specific point solutions to clients -- we think that there is a huge opportunity to provide more of an integrated offering to clients. When you finish a research study, you shouldn't have to spend a lot of money trying to reconcile a lot of different data bases and a lot of different data streams. Our goal is to continue to add pieces to what we do so that our delivery to the client is ready to be analyzed and then submitted to the FDA."

CEOCFO: Are you talking acquisitions or partnerships?
Mr. Weinstein: "We're talking organic growth and acquisitions. We're fortunate that we have about $15 million cash, no debt and are profitable. Our management team focuses on maximizing the growth and profitability of our current operations and we are constantly evaluating potential acquisitions. In several instances, we have used partnership relationships as a way to get to know companies with the thought that it might lead to an acquisition at some point."

CEOCFO: What is the part that you are actually doing related to the trials?
Mr. Weinstein: "We provide medical image management and analysis, electronic data capture (EDC) and data management services for our pharma, biotech and medical device clients. There are many more facets of clinical research that we do not currently directly provide, but we often integrate information from these other facets with our information to provide our clients with clean, integrated data for analysis. All of these other facets are potential growth areas for our company either by organic development or acquisition. The ultimate goal is to provide our clients with a information package that can be easily analyzed and submitted to the FDA or the EMEA depending on where you are in the world."

CEOCFO: Who is using your services?
Mr. Weinstein: "Our potential clients are all pharmaceutical, biotech and medical device companies. I am pleased to say that we currently work with all of the major companies in each of these sectors. Anybody that goes through a regulatory authority to get the drug or device approved is a client or potential client for us."

"We talk about our business as being a technology-enabled service business and that's very key phrase to us because we believe that in this specific case and in general, technology by itself will become a commodity. There are no "magic bullets" on the technology side. The differentiator of services is the people side. When pharmaceutical company comes to us, they're looking for the expertise about how you run a trial in electronic data capture, how you use data management, and how you can collect and analyze the medical images. They want that and that's "people power". We have about 90% client repeat business because we focus a lot on our project managers and growing our project managers. We don't consider technology to be a sustainable differentiator. So it is very much the people." - Mark L. Weinstein

CEOCFO: Why choose BioClinica for these services?
Mr. Weinstein: "All companies have choices of who to use as a vendor, but there are important differentiators. Most sponsors will focus on experience, personnel expertise, financial stability and cost. Many times you hear it said that pharmaceutical and device companies have so much risk in their device or compound that they don't want to take risks with a vendor. We rate very high on each of these decision points so we do compete effectively. It is important to remember that on average, a clinical research study can run for 3-5+ years. The last thing you want to do is work with a vendor that may not know what they are doing or you're also not sure if they're going to be there at the end of the study. It's a tremendous risk that most companies are not willing to take."

CEOCFO: Is it superior technology, or superior people, or something else?
Mr. Weinstein: "We talk about our business as being a technology-enabled service business and that's very key phrase to us because we believe that in this specific case and in general, technology by itself will become a commodity. There are no "magic bullets" on the technology side. The differentiator of services is the people side. When pharmaceutical company comes to us, they're looking for the expertise about how you run a trial in electronic data capture, how you use data management, and how you can collect and analyze the medical images. They want that and that's "people power". We have about 90% client repeat business because we focus a lot on our project managers and growing our project managers. We don't consider technology to be a sustainable differentiator. So it is very much the people."

CEOCFO: What is the financial picture like for you today for BioClinica?
Mr. Weinstein: "We have our guidance out on the street. The forecast is worldwide service revenues at $60 to $63 million. Our earnings per share are .23 to .25 cents per share, fairly flat from last year. We came out with our projections in November of last year, a little earlier than some as far as understanding what was going on in the market. We feel good about maintaining revenues in this environment and hopefully we can achieve that given what is going on in the marketplace. We are seeing that studies are not being canceled, because companies have to run these studies to get new prod-

ucts approved, but they are being delayed. Some delays are results-based but many people are just making budgetary decisions saying, "You know what, I was going to run three studies this year, but I'm going to run two this year and one next year. We believe that the overall market will improve in 2010 so in the meantime, we will work hard to maximize our efficiency in our current business and continue to look at acquisitions to augment our growth."

CEOCFO: Do you do much international business?

Mr. Weinstein: "Pharmaceutical research is a huge global business. For example, when you talk about subjects or patients that are involved in clinical research, well over 50% of those subjects now come from outside of the United States and Western Europe. So clinical research involves all of the developing countries in Eastern Europe, Latin America, and Asia. The reasons for that include the reluctance of Americans and Western Europeans to participate in clinical research. If you go to developing countries, you can find more drug-naive patients, which qualify easily because they don't have a wash out period of drugs they might have been on, plus they get world class healthcare for free for the duration of the study. So there is tremendous incentive for a higher proportion of people who have illnesses to get involved in clinical research in the developing countries. To give you an example of how global it is, in our medial image management and our electronic data capture business today, we're supporting over 8,300 sites in 80 countries as we speak."

CEOCFO: In closing, why should potential investors be interested in BioClinica?

Mr. Weinstein: "First, if you look at our track record from an investor perspective, we have made our numbers ever since we started giving quarterly guidance. This attests to our predicable business model, and a tremendous management team that will promote the growth that investors look for. There are tremendous opportunities in the clinical research space for putting the pieces together that really generate a better operating margin with more leverage. A lot of companies are having a tough year, but clinical research is one of the better areas to be in, because new products cannot get through the FDA without running these studies. As a life science company, your lifeline is proving that new drugs and devices are effective so that you can get regulatory approval. In order to do this, you need to use companies like BioClinica to help you conduct these studies in a regulatory compliant manner, so we think we're in a pretty good position."

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