

Gummy vitamin maker leases factory in Miramar, creates 100 jobs



A Funtrition gummy by Procaps Group

@JUANANDRESRODRIGUEZS

IN THIS ARTICLE

Manufacturing

Industry

Ruben Minski Person

Patricio Vargas

Person



By Brian Bandell
Senior Reporter, South Florida Business Journal
Feb 14, 2022, 12:25pm EST

Colombia-based Procaps Group will open a gummy vitamin manufacturing plant in Miramar with plans to create about 100 jobs.

Patricio Vargas, CFO of Procaps, said the company recently leased a 60,000-square-foot warehouse in Miramar for its new Funtrition brand, a series of gummy vitamin and nutritional products. The company didn't specify the facility's address, but Vargas said it will spend \$9 million to develop the manufacturing operation over the next six to nine months. Once it's fully operational, it will have about 100 employees, he said. Most of the jobs will be in manufacturing, some in research and the rest supervisory roles. The address is 11600 Miramar Parkway, Suite 300.



Patricio Vargas, Procaps Group

PROCAPS GROUP

Procaps has mostly manufactured and sold products in Latin America and now it wants to expand in North America, reaching customers in both the United States and Canada. The company makes generic drugs and nutritional products. In North America, it will focus on contract manufacturing for established brands, Vargas said. To do that, it has opened an office in Miami and it's establishing other operations here.

“There is a growing trend in pharmaceuticals for gummies,” Vargas said. “It’s a very nice way to take it, especially for a younger audience or an older audience.”

The gummy line could eventually be expanded to include generic drugs, Vargas said.

The Miramar warehouse and the Miami office aren't the only South Florida outposts for Procaps. In January, the company acquired the assets of Strides Pharma, including an 86,000-square-foot pharmaceutical production facility in West Palm Beach. Financial terms of the deal with the Indian-based company were not announced. The West Palm Beach-based facility has the capacity to produce 1.8 billion softgel capsules per year.

Vargas said Strides Pharma wasn't using the production line at the time of the sale. The 42 employees in West Palm Beach are mostly in research and development.

“The real reason we acquired it was the R&D equipment and the team,” Vargas said. “One of our constraints on growth was the ability to develop new products.”

Vargas expects it will take two or three years for the West Palm Beach-based facility at 3874 Fiscal Court to develop a product for Procaps Group to launch in North America. At that point, it will hire manufacturing employees in West Palm Beach, he said.

Procaps Group (Nasdaq: PROC) went public in September 2021 after raising \$160 million through a special purpose acquisition corporation (SPAC) deal, which valued the company at \$1.1 billion. The pharmaceutical and nutritional products company has been in business for 44 years and was founded by Ruben Minski, who is still chairman and CEO.