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# "Indian life sciences market is growing phenomenally"

11 November 2005 | News

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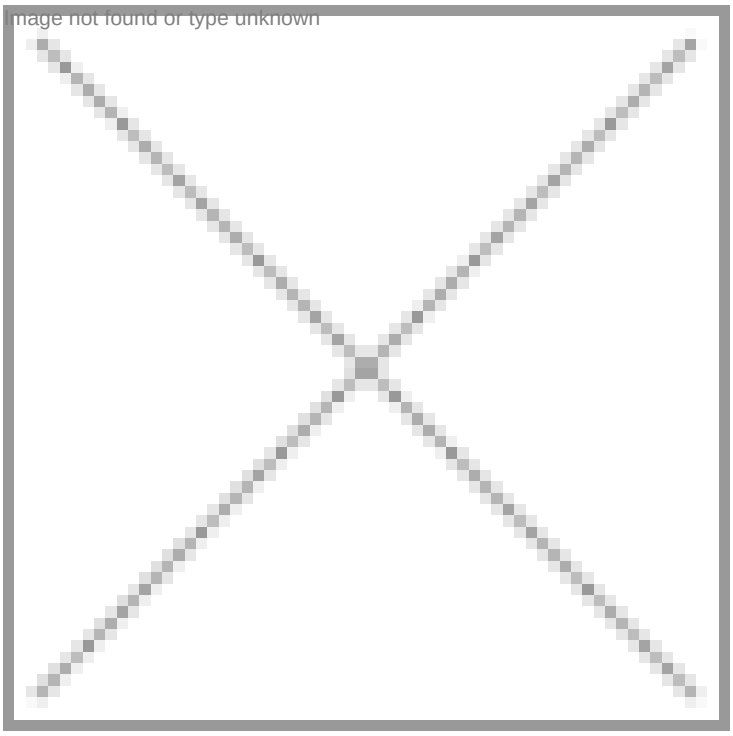

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**"Indian life sciences market is growing phenomenally"**

VS Upadhye, CEO, Labindia Instruments shares his vision on the future of the company.

What is the positioning of Labindia amongst the Indian biosuppliers? How is the company planning to consolidate and expand its presence in the life sciences space?

Labindia is a fairly old biosupplier in the country and is the exclusive partner for Applied BioSystems (ABI) in India. It is expanding at a very rapid rate as the life sciences market itself is growing phenomenally. Last year we became the largest supplier in the biotech arena in the country, according to the BioSpectrum-ABLE industry survey 2005. Our core competency is in the areas of LC MS/MS, DNA sequencing, PCR and RT PCR. Till date, in India, we have an installation base of 220 LCMS/MS instruments. On an average we install about 100 LCMS/MS instruments in a year. A large number of them are used in pharma and bioequivalence studies and also in food and quality testing.

We not only supply the equipment but also join hands and team up with our users by offering maintenance service and support to obtain highest quality and accurate results.

We do have plans for future expansion and it will happen in two directions, with Applied Biosystems as a supplier and also beyond the purview of Applied Biosystems.

What is your long-term vision for the company?

We are thinking of expanding into the software-testing domain. Currently we are working in this area but on a limited scale, like testing the LCMS/MS software for MDS Sciex, who manufacture the LC MS/MS systems, imaging software for Leica. We are also holding talks with a few world leaders for the writing and testing of their software for applied markets like human identification (DNA fingerprinting), pathogen testing in food and agri segment and pharma quality testing.

Another area in which we are foraying is the CRO space. We set up CliniSearch about six months back and this group company of ours focuses on clinical trials, pharmacogenomics, bio-equivalence studies and microarray services. In the long run our focus will be on international tie-ups in Europe and the US with a view to extend our services to these countries.

We have also started a company in Dubai, which will be operating both in the bio and analytical space. Its core focus will be on export of instruments and services. Initially our focus will be on the gulf countries but later we plan to expand our reach to Europe and the US.

To achieve our long-term goals, we want to capitalize on our strengths as a biosupplier and then enter into collaborative manufacturing. We are planning to foray into this sector in the next six months. We are looking into the collaborative manufacturing of bio-reagents, chemicals and instruments and software. At present we are talking to a government institute for the technology transfer of certain profiling kits.

We have also initiated some R&D activities, in association with Aba Saheb Garware College, Pune, where we are working on a project on bacterial identification.

Here we are isolating, culturing and sequencing the undocumented bacteria and developing a database. In addition to the DNA profiles of the bacteria, we are also maintaining cultures as well. We have also signed a MoU with the Delhi University, South Campus on neonatal screening. We will set up the required infrastructure at the biotech park located in South Campus and will receive the neonatal samples from all the government hospitals in Delhi. We will then screen the samples for 5-6 neonatal diseases like congenital hypothyroidism and G6PD with the help of kits/diagnostics using the available techniques. This will essentially be a "not for profit" project for at least the next three years as the money generated will be invested back into research.

How is Labindia's array facility being received by the life sciences industry?

The Labindia Microarray Service Facility utilizing ABI expression array system was started in the middle of this year. Though it had a slow start in the beginning, it has now picked up. The scientific community has shown keen interest and we have been getting regular enquiries. Currently on an average we receive 4-8 samples in a month. We anticipate that the facility will pick up in a big way very soon and by March 2006, I am expecting that it will be running in full swing. After our initial experience, we are in a position and planning to expand our array operations beyond India.

How do you see life sciences solution providers evolving in the future?

In the biosuppliers segment, the things as they stand now, point towards a bright future. The field of sequencing would grow rapidly. After the whole genome sequencing, the emphasis would now be on the detection of specific mutations. Sequence-based screening or re-sequencing as it is called will assume importance. Real Time based diagnostic is also a fast growing area. Applied markets like DNA fingerprinting, agriculture testing like GMO, food quality testing including tests for pathogens and diagnostic will give a lot of scope for many suppliers to grow rapidly in this direction. Luckily India boasts a strong pharma industry in the country, which is doing very well. This gives many opportunities to biosuppliers to grow fast in this space.

Rolly Dureha

## "Time ripe to bring our offerings to the Indian market"

Ian Tarr, executive vice president, pharma and chemical markets, Thomson Pharma who established a new line of drug information publications and databases targeted at the pharmaceutical R&D sector at Current Science Group in 1990, was recently in Mumbai to participate in an international conference, "Drug Discovery to Clinical Trials". In an exclusive interview to BioSpectrum, he speaks about the services offered by Thomson Pharma to life sciences and biotech companies. Excerpts.

What are the services you offer to life sciences companies in general and biotech companies in particular?

Traditionally we had a range of different products for pharmaceutical companies that were developed by different companies and acquired by Thomson in the last three to four years. There are some post-published products lines in patent area with leading patent services and current content Thomson had got in the 1960s. And we also have Literature Monitoring Services,

Current Content Connect and Web of Science. More recently in the acquisitions we made, we moved into discovery research by acquiring Current Drugs, a leading name in the area of monitoring happenings in drug research. With number of other acquisitions in different areas, we have ended up with a portfolio of products. In the last one year, we brought all these products under one offering or solutions called Thomson Pharma.

How do you look at the opportunity for your services in India and the rest of the world, specifically the Asia Pacific region?

We have been offering our services to all leading pharmaceutical and biotech companies in Europe, the US and Japan. We are also using it as a means to reach out to all the new companies and small start-up companies and service organizations. We run our business in the Asia Pacific region from Japan and Singapore. We used to support the Indian business from these two centers. Now we are developing our center in India. We are now bringing a new approach to India where we already have some presence through our old products particularly in the patent side such as Delphion, an easy-to-use solution offering business and professional researchers full-text patent documents as well as powerful search technology and value-add analysis and productivity tools. We have just appointed a person dedicated to marketing of the products, who will work with the national manager â€“ Thomson Scientific based out of Bangalore. By June 2006, we will be supplementing those people with additional training and support services as well.

Considering the growth in biotechnology and pharmaceutical industries in India, we feel now is the time to bring our offerings to the Indian market. Currently we are looking at investing a lot in building the sales and marketing training resources in the country. In India we have five direct sales force and two agents.

Who will be your customers in India?

All traditional pharmaceutical companies will be using one or the other product of Thomson Pharma. The new product offering will allow the companies very easily to get the breadth of information particularly on drug discovery research and development. A lot more scientific information is required. Our strength lies in supporting these activities. Since our products are all integrated together, the need to learn and train on several other different products will be minimized and barriers to entry will be reduced. So we feel small biotech companies will adopt it very quickly as a useful fleet of information services. By this they can get quick support information and they don't have to depend on luxury of a separate information service department. It is a cost effective way to get a broad range of information to support their research activities.

Cost is a key factor for small biotech companies that are active in research and development. What pricing model have you adopted for Indian companies?

We have many small biotech companies on our list. We have a flexible pricing model for them. To start with, we offer low entry price. The price will increase based on the usage from 100â€“1000 depending on the size of the company. It is scalable pricing. We haven't faced pricing as a barrier for entry. Recently to accommodate a couple of very small biotech companies with handful of people, we adopted a consortium-pricing model. If there is a group of biotech companies in one area, they can form a consortium to buy our products. We wish to grow with our clients. We don't want price to be a barrier for our customers. We don't have any specific or fixed entry-level price for our services. It will be based on different aspects including the needs of the company, usage and areas of focus.

Narayan Kulkarni