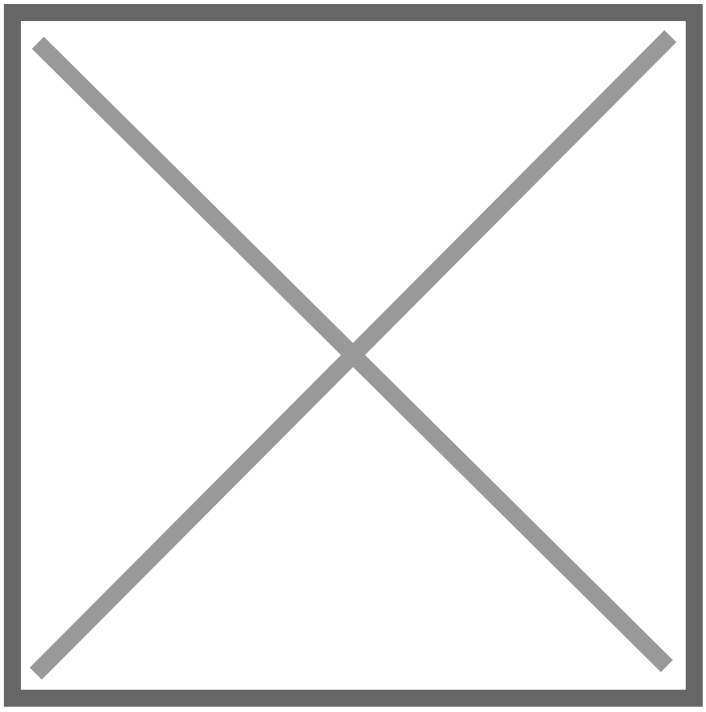
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"The future belongs to Proteomics"

06 January 2005 | News



***Hemant K Gupta**, president, Axygen Scientific*

How will Axygen position itself in the future?

In the year 2005-06, the focus of Axygen will be on genomics, proteomics research and Real Time PCR products. With the completion of the human genome sequencing, the present era belongs to genomics. And proteomics is the future. In a protein study, scientists have to clarify the protein, purify it and then crystallize it for further studies. Presently, we are working on the crystallization technology and will commercialize a product in the next two months. This will facilitate the scientists in obtaining vital pieces of information and data for further interpretation. In India, Axygen would be focusing on the cell and tissue culture and proteomics products. Essentially we are widening our products base and are focusing on niche new R&D intensive segments. Beyond 2006, we would be developing some new instruments for the life sciences sector.

Can you tell us about the genesis of Axygen

I started Axygen in 1993 in the US in a small garage. Then the biggest hurdle that I faced was inadequate capital funds but that did not stop me. Within a span of two years, we showed good growth and moved into an office where we planned to stay for 15 years. But in the next 6 years we outgrew that office too. Today we have moved into our new facility, which we have planned for the coming 20 years. Our company is a technology driven innovative organization.

Today our total strength is of 382 people and the revenues of our total operations as a group has more than doubled during the past year whereas the internal organic growth of Axygen in terms of revenues is about 37 percent during the past year.

How is the market penetration of Axygen?

Our product range is expanding and our market share is increasing. Presently the growth rate of the industry is 8-10 percent worldwide, but our company is growing at 35-40 percent, which shows that we have captured a major market share. We have an office and a production unit in Japan, China, India and the US, which is our headquarters, and soon we will be looking into Europe. Our products are being distributed in North America, South America, European Union, Asia, Australia and we have just entered Russia.

Our goal is to bring Axygen to the top and I think we will. We have recently acquired a company in China, which is into DNA and PCR purification kits, DNA markers, etc. We have infused a lot of capital and technology into the company. And soon we will be producing new product lines that we were earlier shipping from the US to China.

How is the biotech industry in India developing?

In India the life sciences and biotechnology market is very promising and will grow many folds. It is just the start right now and we have only scratched the surface. But if India has to come up, the general infrastructure of the country has to improve. Red tapism and bureaucracy are the biggest problems in India. These should change! The problems start right from shipping the

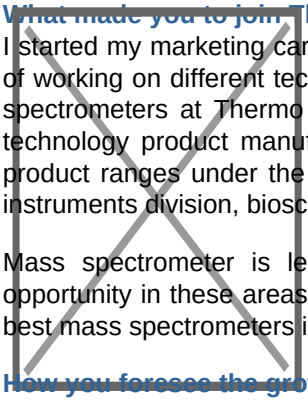
product from overseas, getting them here, the duties involved, etc. We do not have these problems in any other country, not even in China. For instance, shipping of consignments to India still takes an enormously long time, as long as 90-120 days whereas in China the same just takes 17-20 days.

Rolly Dureha

"There is a good market for every one who is making quality products"

Dr G Ramakrishnan, director, Asia Business Development for Scientific Instruments Division, Thermo Electron Corporation

What made you to join Thermo Electron Corporation leaving Agilent Technologies?



I started my marketing career by selling mass spectrometers for the first time in India for Hinditron in 1981. After many years of working on different technologies and products, I am now getting an opportunity to again play a role in marketing of mass spectrometers at Thermo Electron Corporation. And I am also excited to be a part of Thermo Electron which is a major technology product manufacturing company in the world, catering to the needs of different industries with a whole lot of product ranges under the lab and laboratory sciences division (clinical diagnostic division, bioinformatics division, scientific instruments division, bioscience division) and process instrumentation division.

Mass spectrometer is leading the drug discovery, clinical chemistry research and proteomics. There is tremendous opportunity in these areas, which in turn will push the growth of mass spectrometer market in India. Thermo is supplying the best mass spectrometers in the country and will a play major role in the growth of the life sciences sector.

How you foresee the growth of biosuppliers market?

The market size for Liquid Chromatography Mass Spectrometer should be in the range of $ 25 million in India growing at 25-30 percent. In the next 3 Ã¢â?¬â??4 years the growth rate will be even higher. The HPLC market is expected to grow more than 35 percent as HPLCs go a lot into the life sciences industry. While the growth of gas spectrometers is about 10 percent. As a calculated guess the analytical instruments sector in life science is expected to see an average growth rate of 15 percent. However, it depends on the instruments/equipments used in life sciences industry.

As life sciences industry requires a lot of products it is difficult even to make a guess on the market size from the supplier side. However, considering just the market size of the analytical instruments it would be around $100 million growing at the rage of 25 percent.

This is mainly because many companies coming up in clinical research, proteomics and drug discovery areas do require different types of spectrometers.

Although there are many leading players in this field such as Thermo Electron Corporation, Applied BioSystems, Waters, Micromass, Agilent Technologies, there is good and healthy competition. The only difference between Thermo and others is that the later do have products in mass spectrometers but don't have the variety/range of products.

What are key the challenges?

In order to cope up with the increasing demand for technical people, we do require skilled and trained pharma graduates, engineers, biochemists and biotechnologists. I hope that a lot of investments will be made available by the government bodies like DBT, DST, CSIR, and UGC to fund the institutes that offer training in specialized field. Even private institutions are developing good engineering and medical colleges that can really produce good talents. However, I see some kind of braindrain in biosuppliers sector as more foreign companies are recruiting skilled people.

The biosuppliers sector is really in need of good and technical qualified people both in sales and services. There is a scope for providing training to the juniors and graduates. Lack of skilled people in the sector is pushing them to look for newer offer very often. The movement is at an alarming rate. Hence retention has become a tough task. They have to look at providing training to the junior chemists so that they can take up newer challenges to compete in the market. Although there is a good and healthy competition in the field, the major challenge will be to build a good infrastructure to serve the customer better.

As there is drop in the import duties on life saving equipments, imports have become much more easier. But a lot of procedures are involved which need to be followed up and this results in the delay in importing the equipments/instruments and spare parts. Companies do have to keep inventory of spare parts so that the down time can be minimized. Hence maintaining the inventory of spare parts is also one of the challenges as the companies depend on imports.

In all, hiring good people, getting them trained about the upcoming technologies and retaining them, establishing good customer value preposition and customer satisfaction are key challenges before the sector.

Narayan Kulkarni