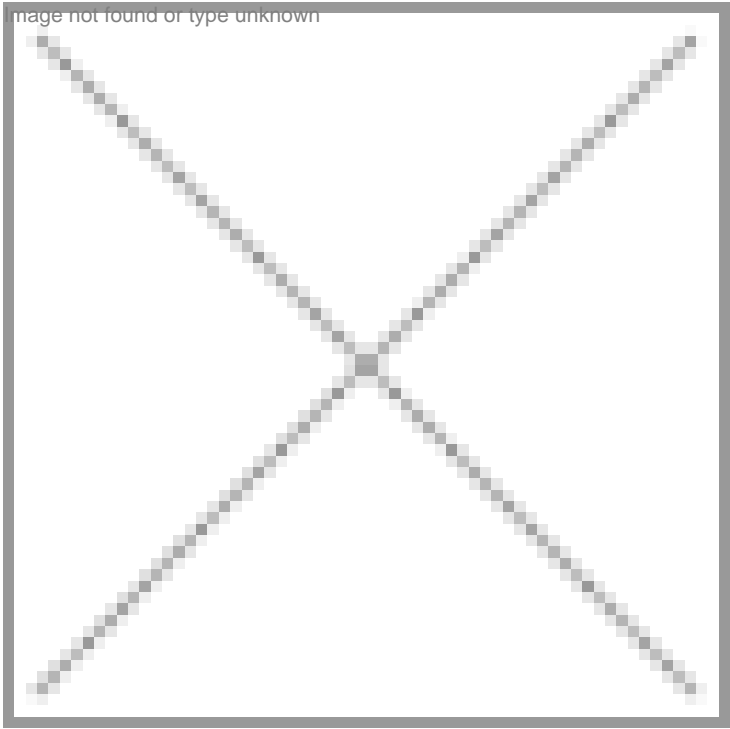


“We believe that our sales in India will grow rapidly in 10 years”

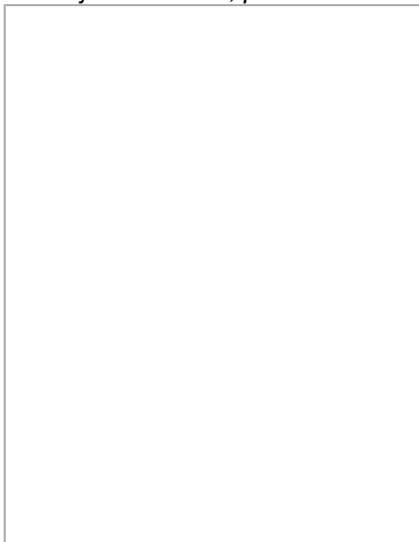
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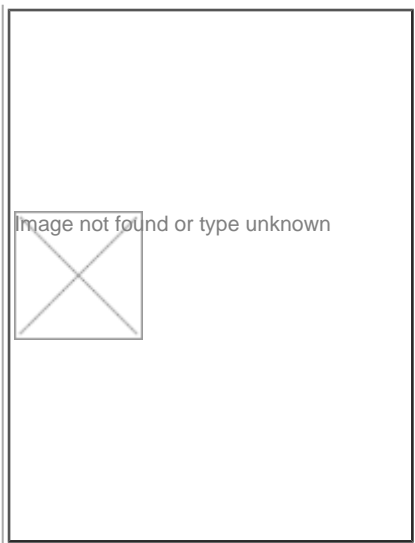
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**“We believe that our sales in India will grow rapidly in 10 years”**

—*Marijn E Dekkers, president and CEO, Thermo Fisher Scientific*





*Marijn E Dekkers, president and CEO, Thermo Fisher Scientific (TFS) was recently in India for the inauguration of the clinical trials facility in Ahmedabad. In an exclusive interview with BioSpectrum, Dekkers talked about the TFS's new line of products, its strategies to tackle the financial crunch and the promise that India holds for the company's overall growth*

**With the expanded product portfolio, is TFS going to leverage its strengths in the key segments?**

At present we are focusing on stem cells and all the tools related to stem cell research. There is a lot being done in vaccines and vaccine production, it is a growing area, especially in India where most of the pharma companies are moving into biotechnology. The CROs are growing in India that is why we are opening a new factory in Ahmedabad and that is clearly to support clinical trials as we do a lot of sample management and logistics for medicines that are used in clinical trials. In the last year we have done two acquisitions Qualigens and Chemito; Qualigens in order to get bigger in laboratory chemicals and Chemito to have manufacturing capabilities and product development capability in scientific instruments in India.

**It is a difficult period for all industry segments with the financial crunch. Globally, how will the company align itself to the situation?**

We are in a strange situation because there are two things happening at the same time. The economic slow down and a credit crunch. Normally when there is a recession, it does not mean that there is a credit crunch. I feel it's an over reaction which is temporary. From our company point of view when compared to other industries, usually in such a situation we do not tend to be vulnerable because life sciences and healthcare are not affected as people will not stop buying medicines. When you look at the breakdown of our sales, half of our sales are consumables and that is recurring revenue, another 15 percent of our sales is in services and 35 percent of our sales is from incrementing capital goods that comes out of our capital budget and those tend to be the area where people say let's be careful and not invest. Fortunately that is only one-third of our business.

Pharma companies are under a lot of pressure as far as costs and drying up pipelines are concerned, so suppliers of products will have to be efficient as to how they sell their products to this industry. The pharma industry is a fragmented industry both from the suppliers and buyers point of view. There are a lot of suppliers selling a lot of different things to different pharma companies, there will be a lot of consolidation in this segment not just pharma but also in biotech and academic institutions people need to be smarter.

**What is the strategy behind TFS's acquisitions?**

We believe that larger companies with a broader portfolio will be able to serve customers better. Thermo Fisher has been acquiring small and medium companies. While we are acquiring companies we give importance to technology and the geographical location. Even though we do have the capabilities and technology in the US and Europe, we didn't have the technology in India, so the buyout was more of a geographic decision as we are eager to grow our capabilities in India.

**What are the new products in the pipeline?**

We have a lot of areas where we are focusing our R&D, scientific instruments and particularly mass spectrometry is one such area because the analytical side has the most opportunity for innovation. I am also excited about RNAi technology that is a new way of identifying bad genes and we have a strong library of RNAi molecules that researchers are using to study genes. Those are the two key areas that have a lot of potential. We are also giving special emphasis to user-friendliness as

customers prefer user-friendly instruments.

**What in your opinion is the challenge for the next 5-10 years?**

The customers need to be more efficient. In pharma for example a lot of money is being spent on R&D and the pipeline is not what it should be, the pressure is always there. So here it is not always about technology its also about productivity. We should be in a position to provide the customers with not only technology but also the benefits of efficiency and productivity. Second, our customer base is getting more global. Around 10-15 years ago India and China were very small countries in terms of an opportunity to sell, Now it is growing bigger and as a supplier you need the capability, energy and money to invest in nations like these and sometimes it gets hard to sell in such countries, hard to invest all resources and service spare parts and that's a challenge and we are focused on being global.

**Do you think that the days of blockbuster drugs are over?**

The days are not fairly over but there maybe biotech blockbusters. Every industry goes through a rapid development for new molecules for a period of 30 years or so and I think indepth knowledge of the life sciences industry, which is not present as of now can create a whole cycle of innovation for the next 20-30 years. Life Sciences is going through the same cycle and we could see small molecules as the step towards personalized medicines.

N Suresh and Nayantara Som in Mumbai