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'Third generation sequencing is superior to NGS'

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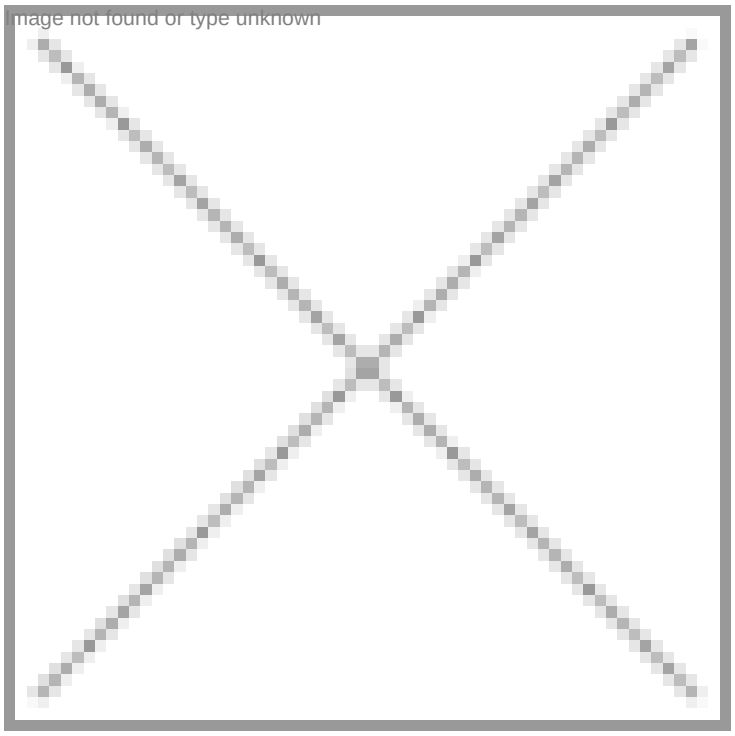

Neerajgupta	**Mr Neeraj Gupta,** director - sales & marketing, Imperial Life Sciences, Gurgaon

Gurgaon-based Imperial Life Sciences (ILS) provides complete solutions in instrumentation, reagents, bioinformatics and consumables. The company has also diversified into flow cytometry business. Recently, it entered into a collaboration with Pacific Biosciences in the area of third generation sequencing. With a mix of existing and new partners, the company is looking at continuing to consolidate its business.

The company has a team of more than 130 highly-qualified professionals and has had consistent growth rate. It has formed new tie ups and is looking forward to entering the field of diagnostics in a major way. BioSpectrum spoke to Mr Neeraj Gupta, director - sales and marketing, ILS on the company's new strategy, focus, market trends and future.

What is the current focus area of ILS?

Q We recently got into various new dimensions, including third generation sequencing, which is far better than the existing next generation sequencing (NGS). Earlier people were highly excited about the NGS, but third generation sequencing is far superior to the existing technologies. Launched in April in the US, third generation sequencing from US-based Pacific Biosciences was brought to India in August 2011 by ILS.

The NGS as compared to the capillary sequencing brought down the time period significantly, but it too has its ownnemeses. It can read only 30 bps to 300 base pairs (bps) and there is overlapping of data, which is generated in huge quantity. Thus it requires stitching to make data readable and is time-consuming.

Third generation sequencing by Pacific Biosciences is a disruptive technology that takes care of all the nemeses of the NGS at a striking 1/10th of its cost per sample. Having an average read length of aproximately 3,000 bps (with highest documented upto 8,000bps); the data is much cleaner and also takes care of overlapping. Also, the recurring cost per sample is as low as $350, when compared to $8,000 cost per sample of NGS.

What do you consider as the major business drivers?

Q The product range from New England Biolabs and Affymetrix have been significant business drivers. Besides that, Caliper and Miltenyi Biotec have been significant revenue generators. Earlier, we used to have 70 percent revenue from instruments and 30 percent from consumables. Currently, we have 60:40 ratio and are looking at making it 50:50 in the near future. The myth of microarray being outdated compared to NGS has been busted and researchers are taking microarrays to new heights with latest and novel applications. We sold 12 scanners in the last year alone, a thing which has never happened in the past.

How competitive is the market for you?

Q The market is certainly full of competition as the clients have more options available to choose from. Besides that, it is a fact that the market is slightly biased towards the internationally-branded products. However, we believe in providing quality products to our clients and, therefore, continue to maintain close association with all our key clients.

There was a time when we were watching the situation very carefully but as per our market understanding, things went the way we expected. I feel client service plays an important role in India. Since the channel partners are well versed with the customer behavior, buying trends and changing requirements, it is very difficult to ignore them and carry out business.

The global companies decided to enter the Indian market to consolidate their businesses but of late it has failed to work wonders for these companies. So they are falling back on the channel partners to carry out their operations.

What kind of growth are you expecting in this financial year?

Q Consistent growth will be the trend this year too. The addition of new and state-of-the-art technologies in the company's product portfolio and consistent performance of the present technologies will steer us to a steady growth of 20-25 percent in the FY 2011-12.

What are the challenges before you?

Q The challenges are many including the lack of custom tax benefits. Since biotechnology is directly connected to the welfare of common masses, the government must definitely relax a few of its rules for the growth of the industry.

What is the future outlook of the company?

Q I feel India still has a deficit in terms of the technologies available in the advanced molecular diagnostics space. Therefore, we have wanted to enter this area for long and have now tied up with Affymetrix, which focuses on personalized diagnostics in a big way. We are bringing the FDA-cleared assays aimed at hospitals and clinicians to India. We are planning to expand our portfolios in genomics, molecular imaging and spectroscopy.

How do you think the biotech market will shape up in the future?

Q The biotechnology market in India is comparatively smaller to the global size, and there are a lot of regulatory hurdles also. However, since the industry is growing at a good rate, we should be making remarkable progress in the coming years.

Manasi Vaidya in Bangalore