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Hottest Start-ups: Allergy Detectives

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Erected in 2015, Indoor Biotechnologies India (IBI) was founded by Dr Martin Chapman (62), serving as the president and CEO of this Bangalore-based start-up, along with executive directors Dr James Hindley (32), and Dr Sivasankar Baalasubramanian (Shiv, 43), all of whom are highly-qualified scientists from the academia.

Indoor focuses in manufacturing biologics for allergy and asthma. It manufactures highly purified allergens for allergy research and diagnostics, and is internationally recognized for research on allergen structure, function and immune recognition. It functions with a mission to improve the quality of life of patients with allergies and asthma.

It offers products and services for indoor air quality and environmental sciences, both for research and consumer usage.

The company assesses environmental exposure to allergens at home, workplace, schools and commercial buildings.

The start-up also caters to pharmaceutical and biotechnology companies which are involved in food allergy safety.

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Indoor Biotechnologies is organized as 3 affiliated companies - Indoor Biotechnologies USA; Indoor Biotechnologies UK; and Indoor Biotechnologies India, which functions as an independent private start-up.

Incubated in Bangalore Bioinnovation Centre (BBC), the start-up is said to be the first occupants at the incubator.

Founder Dr Martin Chapman is a former Professor of Medicine and Microbiology at the University of Virginia (UVA), USA, and a member of the UVA Asthma and Allergic Diseases Center.

He is a Fellow of the American Academy of Allergy, Asthma and Immunology, and has served as a consultant to the US National Institutes of Health, the Environmental Protection Agency, academic institutions and Fortune 500 companies.

Both - Dr James and Dr Shiv - have doctoral degrees in Immunology.

"Currently the allergy healthcare management in the country is at infancy," opines Dr Shiv.

Dr James explains, "India is a country where allergy is not very well understood, and there are not many diagnostics available for allergy sufferers. We as a company see this as an opportunity and want to have a major impact in India, Asia, and globally as well. We want to be the allergy research partner for the world."

The start-up is also in the process of understanding an array of allergens specific to India.

"We are planning a survey of Indian allergens under different geographical conditions. That will give us much information relevant to India, and from that data we will be developing new products," reveals Dr Shiv.

Paperwork Galore

Numerous entrepreneurs feel that while establishing their dream start-ups, they are subjected to too much of paperwork and documentation processes.

"The amount of paperwork one has to go through is enormous. On one side, the Government is talking about FDI. The routes through which the money comes, and the amount of paperwork needed to erect a company is just too much. Its bureaucratic and lacking transparency. It definitely slows things down and sometimes very frustrating. The Government also talks about 'Make in India' and 'Make for India'. But the ground reality is there is no change in the processes which aren't streamlined or happen to be a one-window policy system. There is multiple layers of system. We need one distinct streamlined system that is fool-proof rather than having to encounter multiple documentation, and hundreds of signatures to even start a bank account. Unfortunately, nobody sees the benefit of refining the whole process," explains Dr Shiv.

People in the US and the UK are used to things being more organized.

"It seems otherwise in India. It hardly takes a week to start a company in the US or the UK. In India it is very adhoc, random and a very difficult system to understand," says Dr James.

These multiple bureaucratic processes sadly tends to switch off entrepreneurs from starting their companies.

Dr Shiv points, "The Government is promoting FDI, but people are hesitant to come in to the country. Many companies want to enter India, but once they look at the bureaucracy here, they switch off. This is a contrasting or contradictory approach of the Government."

51% Stake

Indoor so far has been self-funded. All the funding came in from Dr Martin and Dr James.

They have so far have invested Rs 1.5 crore in Indoor's Indian entity.

In the future, the start-up intends to generate money through its services and product sales.

"The money generated," reveals Dr Shiv, "will go into our research and innovation. The Government's grants help us to explore ambitious projects, and the society is going to get benefited in the long run. However, the Government's policies are outdated and needs change."

Since Indoor's 51% stake is owned by foreigners, the start-up will not be eligible to apply for Government grants in the country.

In the UK, young companies get tax relief for R&D. The UK Government has incentivized R&D and offer tax rebates for start-ups.

"In the US, ideas are always appreciated, and it don't matter where the person is from," adds Dr James.

Novel Capabilities

The start-up claims of having novel capabilities that doesn't exist in India at the moment.

"It's an opportunity for big companies to try and develop new biologics for allergy management. We cater to the pharma and biotech sectors, and would want to work with major players in this space including Biocon, Dr Reddy's, Torrent, and Sun Pharma among others. We are also targeting MNCs in the food space like Unilever, P&G and ITC. Many corporates are looking to maintain their indoor air quality. That's where we come in the picture of air quality management industry," Dr Shiv emphasizes.

Bigger Challenges

Dr Shiv adds that start-ups nurtured in an accelerator or incubator enjoy certain advantages.

"You have people to share your frustrations with and seek guidance, and see how they get things done. It also enables sharing of ideas. You definitely need people around you to help. You also need some inspiration, and you will find it with other start-up occupants," he mentions.

Taking Indoor's capabilities to the market is going to be a greater challenge, believes Dr Shiv.

"Our next step is going to be a bigger challenge. Today, the biggest, ambitious and high-risk ideas come from start-ups. The Government has to nurture and the industry need to support it. It is okay for start-ups to take the biggest risks and fail. They should be nurtured whether it is in ecommerce, IT or Life Sciences space," opines Dr Shiv.

Way Forward

In the next 2 years, the start-up plans to touch Rs 2 crore in revenues.

Indoor's UK and USA entities will oversee their respective regions. The Indian counterpart will act as a hub for whole of South-East Asia.

Dr Shiv reveals that the start-up doesn't have any immediate expansion agenda.

"We have a lot of work to do right here in India. But we see ourselves move into broader immunology covering heart diseases, cancer and so on. In the next couple of years, we have to manage well because we cater to a very niche market. However, if we see a good opportunity, we will definitely expand. We are very opportunistic," he comments.

Dr James shares that the company is looking for strategic partnerships and collaborators with common interests.

"We are looking for collaborators in healthcare and pharma companies. We would be interested in novel technologies or platforms. We offer our expertise in developing products and solutions," Dr James notes, who is a science geek, a passionate golfer and a family's man.

He feels that it is not easy to spread the word in India unlike the West.

"Building relationships takes time here as opposed to the US or Europe. Start-ups are relationship-driven. You can't send an email and expect it to work," he states.

The entrepreneurs observe that Delhi NCR, Chandigarh, and Kerala has good bio innovation centres.

"They could be the potential players in the future for biotech start-ups. Kerala has a good start-up policy, and were the first to come up with it. When you have a policy which is not decided by individuals, decision-making becomes easy. Policies need to be updated as the industry grows and evolves," Dr Shiv stresses.

Dr Shiv loves sports including Cricket and Badminton. Dr Martin is into NIA creative dance and movements.

Busting Start-up Myths:

Ã¯â??Â§ Academicians can't be entrepreneurs
Ã¯â??Â§ Only businessmen can run businesses

Start-up Advice:

Ã¯â??Â§ Check distractions
Ã¯â??Â§ Don't be secretive about ideas
Ã¯â??Â§ Don't dwell on negatives
Ã¯â??Â§ Don't wait till tomorrow. Just do it.
Ã¯â??Â§ Expect, identify and prepare for risks
Ã¯â??Â§ Move on and accept situations/circumstances

Entrepreneurship Essentials:

Ã¯â??Â§ Adhering to a plan
Ã¯â??Â§ Avoiding excessive detailing and figuring
Ã¯â??Â§ Focus
Ã¯â??Â§ Following gut instincts (at times)
Ã¯â??Â§ Goal-oriented
Ã¯â??Â§ Good ideas and passion
Ã¯â??Â§ Quality time management
Ã¯â??Â§ Willing to take risks and plunge in