

"We aim for 30% growth in next few years"

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Mr Hari Kumar
CEO, JH Bio Innovations,
Bangalore

JH Bio Innovations, a company that supplies laboratory instruments for life sciences, biotechnology, molecular diagnostics and environmental sciences in India, has been representing many leading companies such as DAIHAN Scientific, Thermo Fisher and Evogen. The company has significant market share in imaging systems and micro volume spectrometers and it took many initiatives to emerge as a key player in the entire range of UV-VIS spectrometer market. Recently, JH Bio introduced 'EVOS' branded digital microscopes from Advanced Microscopy, US. In an interview with BioSpectrum, Mr Hari Kumar, CEO, JH Bio Innovations, shares details about company's product pipeline and future plans.

Q What are the new products introduced by JH Bio in India and how was the industry response for those products?

We have recently introduced 'EVOS' branded digital microscopes from Advanced Microscopy, US. This product is so elegantly designed that it attracts the attention of people when it is placed in the middle of other instruments. The product is designed keeping in view parameters such as ergonomics, ease-of-use, multi-view and flexibility. We are getting very good feedback from the customers. For the first time in the history of our company, we are able to close over eight units of orders from prominent institutions such as CDFD, IISER, ANGRUE, and IGIB within two months of the product launch. We are very excited about this product.

Q Looking at the growth of the biotechnology industry, how do you see the growth of JH Bio in the coming years?

We were growing at an average of over 50 percent from the year 2000 to 2008. Due to several external factors, including recession, our growth has stagnated in the last three years. However, now the economy has picked-up and in addition, the new product lines are going to bring us a growth of more than 30 percent over the next few years.

Q Between public and private R&D activities, where do you see more growth?

Due to the growth of India's GDP at over 8.5 percent, there is a lot happening in the public sector. An exponential growth has taken place in the higher education space and several new initiatives that are taken through the Department of Science and Technology (DST) and Department of Biotechnology (DBT) are paving the way for a very good growth in the public sector. As the life sciences R&D sector as well as the industry have reached a critical mass, this is also going to enhance the growth. I expect it to grow at over 20-25 percent. The only reservation is about the effect that it will have due to earthquake and related problems and the political unrest in the north African countries and the Gulf region.

Q What are your strategies for enhancing the growth of JH Bio?

We have a range of good products catering to the needs of molecular biology. With the introduction of EVOS microscopes, we are just starting to have a good range of products for the cell biology field. Imaging is going to be our focus area for the next level of growth.

Q How do you view the global and local mergers and acquisitions happening in the biosuppliers space?

India, as a business destination, is gaining more attention due to its technical capabilities, very good infrastructure facilities, and associated growth rates. The market consolidation in India, mainly through multinationals, is getting very rapid. All the multinational companies in India, will engage more local companies, and the small and medium-sized companies for establishing distribution network all across India.

Q What is the threshold level the distributor firms should have to get the attention of multinational suppliers?

Any distributor company with pan-India operations, would require a matrix of operations from 10-12 locations, 50-60 people and a business of \$5.5-6.6 million (25-30 crore). Based on the size of the company and product lines, the multinationals will get attracted towards the local companies of the size mentioned above.

Q On an average, how many distributors are there in India?

As a close follower of the supplier activity reported in BioSpectrum as well as from different other sources in the market, there are five to six major, 20 to 30 medium and 100 to 120 small distributors in India.

Q Considering the current trends in supplier space, is there a need for distributors to have an association or a lobby group?

It is a very good point which I have been thinking for a long time. It is very much necessary for several reasons: to address the different issues with the principal companies; to initiate reforms in the purchase processes in the public sector; to work with the government for all the general issues that the supplier community have. Probably BioSpectrum could take an initiative in putting forward this idea to the biosupplier community and initiate a debate. It is always good to have an association for biosuppliers like ABLE for the life sciences industry.