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Industry leaders, policy makers bullish about US-India biotech opportunities

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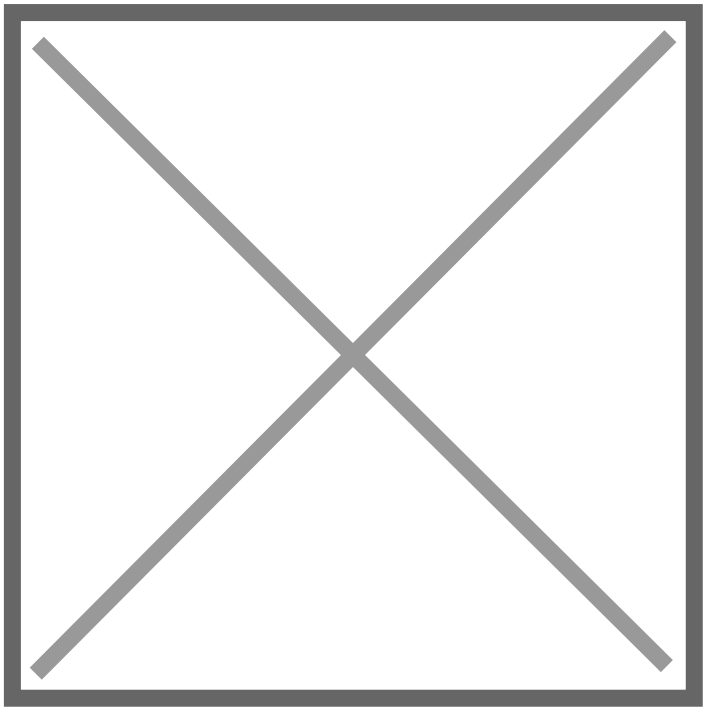
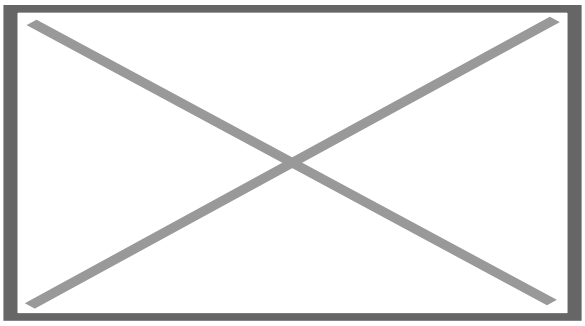


Industry leaders, policy makers bullish about US-India biotech opportunities

The US-India Biotech Summit in Boston attracted over 300 senior executives to discuss and recommend suggestions to take the life sciences business to the next level.



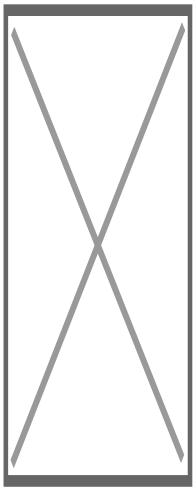
Leading biotech industry leaders from the US and India, investors and policy makers converged to participate in the US-India Biotech Summit in Boston organized by USA-India Chamber of Commerce. The discussions centered on:

- What needs to be done to double the US-India biotech business in the next two years?
- What can be done to accelerate the cross border investments in the life sciences industry (US-India)?

The summit was inaugurated by James C Mullen, chairman of Biotechnology Industry Organization (BIO) and chief executive officer of Biogen Idec. Mullen stressed that for the industry to flourish, it is important to have research friendly legal and regulatory climate. "In India, an admirable start has already been made through measures like a well conceived regulatory framework being put in place to approve bioagricultural crops and recombinant DNA products for human health. Based on sound ethical guidelines, a policy that allows stem cell research is in place."

Addressing the delegates, Karun Rishi, president of USA-India Chamber of Commerce, emphasized the need for a closer interaction between all the stakeholders: industry, investors, policy makers and Academia. "We need to understand what needs to be done to accelerate the trade and investments in the life sciences industry and take appropriate actions. To start

with, we are releasing US-India Chamber of Commerce-Ernst & Young Position paper on the Indian biotech industry. It will be followed up with our recommendations based on the deliberations of this summit," Rishi said.



In his keynote address, Dr MK Bhan, secretary, Department of Biotechnology (DBT), talked about several initiatives taken by the Indian government like the Small Business Innovation Research Initiative, Centers of Excellence (CoEs) to promote innovation, encouragement to biotech clusters, and establishment of biotech parks. "We believe the time to invest in India is now. Investment in India is likely to pay dividends not only for the economic transformation of India, but also benefit a significant portion of the global human and animal population, and our environment," stated Dr Bhan.

Speakers in the panel discussion - Discovery, Development and Regulatory Issues -agreed about the potential for growth, especially in the high-end work of discovery. An emerging trend is the symbiotic collaboration between the US and Indian companies in pharma-biotech research and development capabilities. A step further to cost-based outsourcing, these partnerships reflect increased interest and confidence in India's research competencies and infrastructure. Over $40 billion is spent annually on drug discovery and development. These funds are spent on a complex process that can span 15 years and cost $1 billion for a single drug. Big pharma has responded to this by evolving their business models to one of outsourcing activities across discovery and development process.

An interesting observation was made during the panel discussion on investment opportunities and cross border investment trends. "Outbound investments in bio/pharma from India were more than inbound investments last year," said Hari Bhartia, co-chairman, Jubilant Organosys, who has acquired a few companies in the US and Europe. Venture capitalists are not aggressively pursuing deals in India due to lack of deals in the biotech sector. In the coming years it will change as start-up companies with mature management will be formed. Many firms are considering starting India focused funds. Prominent VC and investment firms like TVM Capital, Lazard, CRT Capital and Fidelity Biosciences have India under their radar. Senior partners regularly visit India and it is a matter of time before the real action will start.