

## "The potential for biotechnology businesses in India is enormous"

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### "The potential for biotechnology businesses in India is enormous"

*Dr Chandra Mittal, Professor of Biotechnology and Associate Chair, Houston Community College, Houston*

*Dr Chandra Mittal has spent about 22 years in the American biomedical academia. This NRI scientist has also been deeply associated with the Indian biomedical arena. Dr Mittal has recently set up a novel advisory service-Indus bioAlliance for Indian entrepreneurs and investors in the biotech field. This non-profit organization will provide consultation to the existing and aspiring biotechnology entrepreneurs in India. In an exclusive interview, he unveils his future plans.*

**How did the idea of introducing a biotech service to the existing businesses and aspiring investors and entrepreneurs in India take shape?**

The idea of introducing a biotech service to existing businesses and aspiring investor and entrepreneur had been evolving over the years. After spending 22 years in American biomedical academia, I launched a transnational biotech business in 1996 in the area of diagnostic biotechnology. While technically this area was close to my previous professional experience, the business exposed me directly to the non-technical challenges of small businesses in the high-tech area. The business venture also brought me to India many times where I was regularly approached by aspiring entrepreneurs, potential investors, and businessmen wanting to get into biotech business. They all expressed their desire to know and understand biotechnology business. One time, I was even engaged by the well-known business house, Hero Honda Group, for the same purpose. This experience conveyed to me that there is a void in India, which is limiting the growth of biotech

entrepreneurship. I am very motivated to help Indian bio-entrepreneurs and contribute towards the development of biotechnology businesses. This is further bolstered by my involvement with the Community College-based biotechnology program in the US, which has given me an intimate look into the integrated development of biotech businesses. This is highly pertinent and useful for India.

### How big is the potential in India in this sector?

The potential for biotechnology businesses in India is enormous as published by government agencies and business organizations. Furthermore, with high-tech businesses going global and geographic barriers coming down, Indian entrepreneurs and small businesses can realize the potential worldwide. The key for success is to find the right "niche" for a service or the product in demand. Since biotechnology businesses fall under multiple sectors, there is good scope for innovativeness. Each discipline and each innovation represents a new business opportunity. Furthermore, there are many businesses with good cash reserves ready for investment in biotechnology-based businesses.

### How will these services be structured? Will these be only advisory in nature or also provide seed funding?

The exact nature of services will vary depending on the needs of the entrepreneur. These will be structured along the lines of organizational functions such as business planning, workforce training, R&D, technical-problem solving as well as the management of the bio-enterprise. The services will be provided by a panel of established and internally recognized experts in the field. The service will not directly provide any seed funding to the entrepreneur/business but it will help them raise funds from national and international sources. The salient features of the biotech business services will be the customized nature as well as on-site and off-site availability. There will be complete confidentiality, timely delivery, commitment for sustained involvement till business take off, opportunities for global collaborations, and innovative terms of payment that do not burden the entrepreneur at the beginning of the business activity.

### What are the important sectors within the biotech arena that these service will address?

The services proposed will be applicable to three principal sectors within the biotechnology arena, These are health, energy, and agriculture sectors. Because the goal of the services is to promote overall bio-entrepreneurship in India, these will focus on all aspects of biotech business. There are many aspiring investors in India with very high success rates in the traditional businesses. But they have no clue about the business models in life science technologies. One such successful person confessed to me that he did not know how to "put his hands around" a biotechnology-based business.

### How are biotechnology-based businesses different from the traditional businesses and what are the challenges to be met for the success and expansion of bio-businesses in India?

Biotechnology-based businesses are highly knowledge-intensive with great deal of dynamism and intellectual contents. This aspect is understandably difficult for the entrepreneur but it requires an appreciation by the investors. Although India has implemented the WTO regime in 2005, because of the traditional practices many investors do not take this aspect seriously. But this is one of the major stumbling blocks in building new bio-businesses in India, especially with foreign collaborations. Many biotech companies are hesitant to get involved in India for the fear of Intellectual Property Right violations. Another unique feature of biotechnology-based businesses is the requirement of multi-specialty expertise, which no one individual can provide. This necessitates the constant engagement of various independent business entities (contractors) to work together in harmony, based on trust and ethic, and honor the commitments made to each other. Unfortunately, there are many examples of business collaborations in India where parties have not honored the terms of business agreements.

The challenges of biotech businesses require strong and credible legal system that can respond to the needs of bio-entrepreneurs and protect the interests of the investors.

### When will the service be launched? Who will primarily constitute your target audience?

Some of the services are available right now and can be availed by the entrepreneurs in the form of consultancy. However, the full spectrum of services is expected to be launched towards late 2006. The primary target audience for these services will include professional investors, ambitious young entrepreneurs, and businesses looking for diversification.

### What is your long-term vision in this area?

At present, the biotechnology industry is in its infancy. With constant basic biological research and resultant technological innovations, the biotechnology industry will conceivably grow for a long time. Just as an example, with the sequencing of human genome about 30,000-40,000 new molecular targets have been identified for new drug discoveries and diagnostics. Furthermore, better understanding of proteomic interactions, and nanotechnology is leading the way for new cures for

diseases, manufacturing of bio-molecules, and bio-defense. The proposed services would play a positive role for the development of bio-businesses in India.

**Since you are based in the US, how would you go about making this service available to the Indian customers?**

Proposed services will be provided by a non-profit organization, Indus bioAlliance (an entity under Herichson Foundation for Health & Education, India) with offices in Delhi and the US. The services will be in the form of either online consultations or on-site visits or a combination thereof. All the corporate workforce training and problem-solving consultations will be provided on-site in India. Hands-on workshops in specialized biotechnology segments will be organized in large metropolitan cities for the benefit of industry in the adjoining areas. Prospective entrepreneurs and investors can contact us at: [Indus.bioalliance@yahoo.com](mailto:Indus.bioalliance@yahoo.com).

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