

BioSpectrum Award 2003 - Person of the year

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Person of the year

Kiran Mazumdar-Shaw

The Navigator

A week in India and three away. From 16 September to 01 October in UK-USA; 6-9 October in Singapore, Bangkok and Hong Kong; 26-30 October in Frankfurt; 2-4 November in Singapore; and 11-23 November in UK. Kiran has been globe trotting in the last two months spreading awareness about the Indian biotech industry and undertaking business for Biocon. Between, such hectic schedules, Kiran agreed to spend some time with the BioSpectrum team.

So on 9 November 2003, the BioSpectrum team caught up with Kiran at her sprawling villa near the electronics city phase-II, Bangalore, to know more about her for this piece. It was a Sunday and our appointment was at 11.30 a.m. While on our way to her place, the only thing running in our minds was a wishful list of hope. Hope to spend some quality time with her.

Hope to see her in non-business like mood. Hope to see what she does on a rest day. Hope to find what her instincts are. The list was a long one. One may wonder, why we had such a wishful list. BioSpectrum was not meeting her for the first time. It is not that the industry did not know much about her. Not that she is a boring person. Neither is it because she is a woman of substance. The only thought that prevailed was not to miss an opportunity to capture her mood on a rest day.

At 11.30 a.m, on the scheduled day, Kiran was busy exercising swimming. She quickly wrapped up her laps and joined us for the discussion. "How do you spend your Sunday, Kiran?" "Generally, I wake before seven, do a bit of exercise, have my breakfast, hop to Biocon and get back home by about 7 p.m. Today, it has been unusually late," said Kiran. For Kiran, there is always time for the family. "We are a close knit family. I have two brothers. One is a professor at Purdue University and the other is a small software entrepreneur in Los Angeles. Generally, we meet once a year. They come to Bangalore with their families during Christmas time. So we are all together at Christmas. That is normally a family tradition."

Family values are very strong with Kiran. So, when she travels to the US, Kiran tries to take at least a few days off, like a weekend, to spend with her brothers and their families. "I am what I am because I had a very strong support from the family. My parents are very unconventional people. I am a Gujarati Brahmin, yet my father was India's first brew master. This in some way didn't gel because he came from the State, which perhaps, is the only one that has prohibition and to pursue a profession which raised a few eyebrows in Gujarat. This tells you that he was unconventional. That is why we made Bangalore our home. So Bangalore has been my home. I am a very proud Bangalorean, even though we are frustrated with the infrastructure or the lack of it."

There was a bit of that daring psyche â€

FACT FILE OF KIRAN MAZUMDAR-SHAW

Now you know why Kiran has always done something unconventional. It is in her genes. But biotech? She started her biotech industry, when nobody even knew what the word meant. There was not even a department of biotechnology set up at that time. Kiran did it because she felt that it was such a fascinating field. She recounted, "I was young enough to take on this new

Position: Chairman and managing director, Biocon India Ltd

Age: About 50 years

sector which was untrodden and unknown. There was a bit of daring psyche to that. Now when I look back, I feel much of this comes from foolish courage. But I guess, you need to aspire for somethingâ€for excellence."

Academics: Studied at the Bishop Cotton School in Bangalore. Graduate in BSc Zoology (Hons), from Bangalore University (1973),

There was to be a more compelling reason for her passion about what she or he is doing. For Kiran, it has always been the need to excel and to demonstrate excellence in whatever she or her company does. Therefore, she has built a team

Family: There are three children belonging to a Gujarati family. Kiran and her husband, Dr. B. R. Shaw, a South Indian PhD holder who headed Madras Graduate from 1991-98 as CMD. He has since joined

Biocon as director. She has two brothers. Kiran has made motherhood statements. Therefore, I like to believe that I mean every word I say and deliver on those words. I think that is very important," explained Kiran.

Entrepreneurship: Started Biocon India in December 1978, at the age of 25.

She started her office in a garage in December 1978. She rented a 3,000 sq.ft shed in Koramangala Industrial Estate. Koramangala in those days used to be wilderness. She started with an investment of Rs 1.5 lakh as a joint venture with

Likes: Bangalore and art

Dislikes: Jewelry

2003 Highlights: Chairperson of the steering committee for the period 1st September 2003, Biocon recorded a total sales of Rs 259 crore, up from Rs 128 crore in the corresponding period of 2002-03. Its Earnings Before Interest, Taxes, Depreciation &

Biotechnology (EBITDA) stood at Rs 87.8 crore, up from Rs 72.2 crore in 2002-03. After a careful review of opportunities for the remainder of the year, the Board of Directors of Biocon India Ltd has decided to increase the dividend for the year ending 31 March 2004 shall be in excess of Rs 520 crore with

Appointed as Honorary Consultant to the Government of Karnataka for the first quarter of 2004.

Featured by the Economist as "India's Biotech Queen" and "India's Number one inventor" by The New York Times.

Awards & Accolades: Padmashri in 1989. Sir M Visweswaraya Memorial Award. Rayotsava Award. Best Woman Entrepreneur 500 per month. There were no houses around. That was how Koramangala was in the late seventies. I have known what

Ernst & Young's Entrepreneur Award for life Sciences & Healthcare hard times are. I had a car, which was a battered old Fiat model. I could never find time to give it for repair and half the time

Book: Ale and Art by Ale. The story of Beer

BIOCON SPIES

my friends had to push it to start. I couldn't afford a driver and had to drive it on my own. And today people see me like this, but I am still a very simple person at heart because I value those old memories. I have a lot of value for money. I do not like spending and wasting money. I believe in always using money in a judicious way. Yes, I have come to a stage now where I do not have to be so judicious about everything like I used to be in those days," narrated Kiran.

1. First biotech company established as early as in 1978

Another thing, she comes from a pretty modest background, from a middle class family and not a business family. Her father was employed with United Breweries. Recounted Kiran, "I won't say that I have had a frugal life style. My father always also

aspire for. And by that I do not mean just the material symbols of life style. But things like having a good home and indulging in a few important things, which appeal to the aesthetic sense. For instance, I am fond of art. I don't buy jewelry, but buy art. I

really do not go for the conventional symbols of wealth. Yes, I have a very beautiful home. This is my husband's and my dream home. I would say it is my husband's dream. He always said that he dreamt of retiring to Spain and building a beautiful

villa for himself. But as he decided to chuck his international career with the company that he was with, he moved to India and first comparisons would be this USFDA while we have this beautiful home, we never wanted it to be a symbol of wealth. I

guess that this is a symbol of our aesthetic desires only. I do not want to be talked about as a wealthy woman. I hate it because I am not doing this to create personal wealth. I am doing this because I want to create a very valuable company.

Great companies like Novartis and Pfizer have been created worldwide. Today you see me with all these trapping of wealth. If only you had seen when I grew up. I used to travel by bus and train throughout the country. I could never afford a plane ticket. Even to Goa, I used to travel by train and come back by bus. Now when I look back, I feel it was such fun. I did it

all with a sense of daring and enjoyed it.

7. Clinigene, another subsidiary, becomes the first clinical research lab in India to receive College of American Pathologists (CAP) accreditation

She neither likes being associated with jewelry nor invests in jewelry as a security. Kiran believed in investing what ever she has earned back into business. Biocon has never declared dividends. Kiran always insisted, "No dividends while we are

growing. We must keep investing back into the business." That has really paid off. One may not realize but at Biocon, Kiran has always maintained that she must have the same salary as her core team members. Kiran really feels that they are the

ones who are building the Biocon team, shaping the company, doing great things, and delivering on everything that is being promised. "Yes, I am the navigator," said Kiran.

Networked management – the charming philosophy

She has achieved, what very few managed to do. She has kept attracting people to work in association with her. Be it at Biocon or beyond. So what does she follow or practice? "Management is all about a very humane common sense approach. I don't think management schools per se teach you about managing people that effectively. I always put myself in a position as an employee. If I were an employee what are the first few things that I look for in a company," emphasized Kiran.

She created an atmosphere, which has the basic elements like freedom to operate, a sense of pride in what one does, and a high sense of responsibility. So that is the basic kind of approach Kiran used – "very high levels of delegation coupled with very high levels of responsibility. That is the biggest motivating factor. The other thing is to acknowledge performance. Biocon has strong mechanisms to recognize good performance in the organization. The third most important thing is that work should never be drudgery. That is why Biocon has a campus like atmosphere. Informal atmosphere. Everybody is on first name terms. That itself is a leveler. Second, Kiran has always encouraged a lot of interaction between divisions. Said Kiran, "Do not compartmentalize people. We call this networked management. I have realized networking is important even in the work place. Further, I have encouraged people to just walk into my room whenever they have a problem or send me an e-mail. Being a woman, I am sensitive to people's basic (personal) needs." So Kiran and her team tend to use a lot of basic common sense in their management style. For example, Biocon set up the creche because it realizes that every mother wants to be in close proximity to her child. These simple things have made the management style extremely conducive to the kind of business Kiran runs.

The successful duo

Kiran is married to John Shaw, a Scotsman, who headed Madura Coats from 1991-98 as CMD. Presently he is the vice chairman, international business development, Biocon. John met Kiran almost 10 years ago in Bangalore while he was working for Madura Coats. He said, "there were three things about Kiran, which attracted me – her obvious integrity, her drive and her forceful personality." "Kiran has many strengths. They are her great integrity, great insight and decisive nature. She is a very grounded, skilled and complete businesswoman and at the same time a very warm and generous person. Sometimes in the first meeting her forceful personality, which is her obvious strength, overwhelms people but in due course of time they realize that this is one of her greatest strengths," he added. John is an Indophile and had thought on settling down in India about ten years ago when he was working here. The final decision to settle in Bangalore was taken jointly by John and Kiran. His final comment about Kiran, "both as a businesswoman and wife she is outstanding and I give her a perfect 10/10 score."

John Shaw

Further, Kiran also believes that knowledge is not confined by boundaries. It is about networking of ideas. It has not only been created but has also translated all the way through to the management structure. The most important aspect of Biocon has been the terrific camaraderie and team spirit. Along with the camaraderie, came ownership. How? Explained Kiran, "Today 100 key employees own stocks in the company and another 100 would be soon eligible for stock options. There is something about having spent time in the company and therefore having earned that ownership position in the company."

Role model –

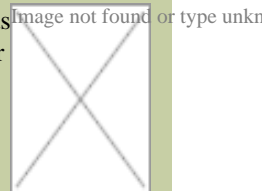
Books have been her major source of inspiration. For instance, Kiran admires Jack Welch very much because he had this wonderful model about networked management and great interactive culture. She reads books about those kind of people who have made a dramatic difference by their management style. That had a very strong influence on many of the things that she did. Said Kiran, "When I read these I feel great, because these are endorsing what I am doing. I admire people for different things. I admire Narayana Murthy (of Infosys) because he and the Infosys team made such a big difference to the Indian image. They have really done a lot to profile India as a world leader in software capabilities. That completely transformed India. This was a group, which started from nothing. So I have a lot of respect for people like that. I don't believe in role models, but I believe in respecting people for bringing changes." To Kiran a role model is some one who brings a change – an important change. As a company role model, Infosys is one she looks up to a lot. She looks at other role models for other things. For instance, Kiran believes Tatas have always stood for a high code of ethics and integrity. Others

have been mentors to her. "N Vaghul (ICICI chairman) has been a mentor. He really believed in me when nobody else did. He helped me with a VC fund. My Irish collaborator, Leslie Auchincloss has been a great mentor, who believed in me more than I did in my self. Of course, my husband has been a mentor," summed up Kiran.

Ch. Srinivas Rao with Rolly Dureha

"Kiran is one of those rare persons who is not only a fountain of ideas but has the uncanny knack of translating the ideas into action. Her skill lies in picking up the right team, give them a high dose of motivation and let them perform to their potential. This combined with a high degree of perseverance and confidence in her capabilities has brought her this far. Notwithstanding her creditable achievements, the peak in her professional career is still ahead of her,"

N Vaghul, chairman, ICICI



"Kiran represents the new breed of exceptional entrepreneurs who lead by example. Endowed with a sharp business mind and passion for innovation, Kiran has single handedly pioneered the growth of the biotechnology sector in India. I am delighted that this remarkable business person has been chosen the Person of the Year,"

NR Narayana Murthy, chairman of the board and chief mentor, Infosys Technologies

