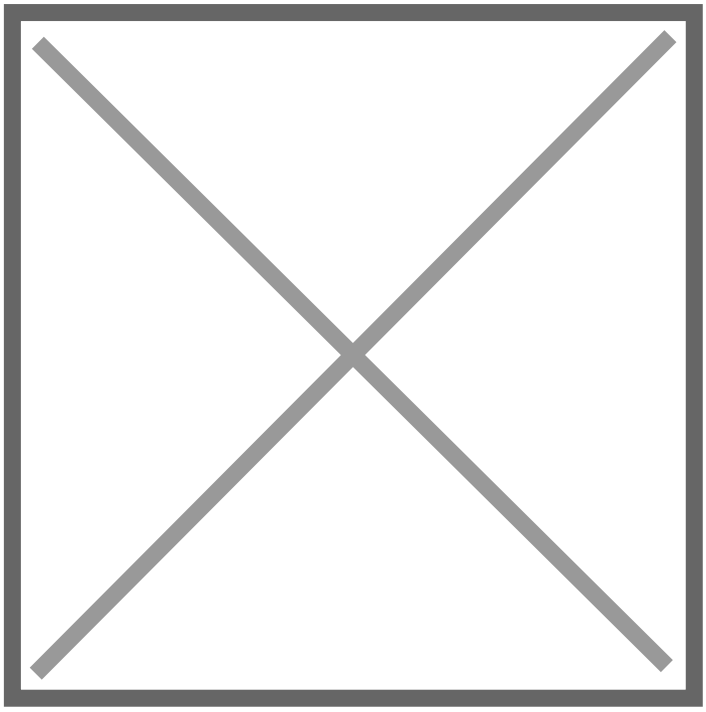
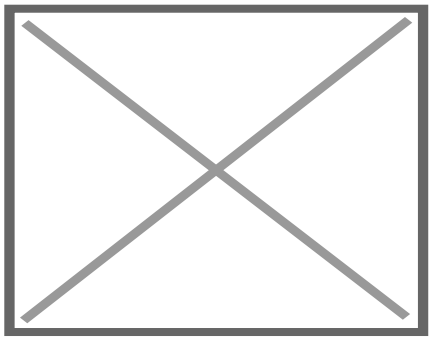
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Drug discovery research will drive sale of vacuum concentrators

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The surge in outsourcing of R&D activities at research organizations related to DNA products is restricting the market growth for vacuum concentrators.

A vacuum concentrator is used for drying DNA, RNA and proteins quickly and efficiently. It is suitable not only for re-concentrating DNA samples, but also for removing alcohol residue, aliquoting enzymes, and as a desiccator for large tubes. In addition, it enables freeze-drying of pre-cooled samples.

In India many companies supply vacuum concentrators through distributors. To name a few are Thermo Electron, Martin Christ, Labconco, Eppendorf, n-Bioteck, supplying vacuum concentrators to the biotech/pharmaceutical companies and institutions. Biodigital P Ltd represents Martin Christ, a German company in India. Medi Spec Instruments India Ltd represents n-Bioteck Inc Korea in India. Company sources said that it is not pushing much of its vacuum concentrators in India. Care BioMedicals represents Labconco, an American company in India. Thermo and Eppendorf have direct presence in India. Besides these multinationals, there are a handful of Indian companies.

Sharing his experience of marketing vacuum concentrators in India, South Asia, Singapore and Malaysia, K Srinivasan, regional technical director, laboratory equipment divison, Thermo Electron LLS India Pvt Ltd said, "About 60-100 units of vacuum concentrators are sold in India per year. Leading pharmaceutical companies, public sector R&D institutions, biotech companies are using vacuum concentrators for drying DNA, RNA and Proteins. These are available in the price range of $6000-80,000. Thermo Electron with three strong brands Heto, Jouan and Savant, is major player in India with over 60 percent of the market share. The market for vacuum concentrator is growing at a rate of 5-10 percent. This sluggish growth is mainly because of the negative growth in the replacement market i.e. mainly in the research organizations where research on

DNA products are being outsourced. But in the drug discovery space, the growth is more than 20 percent and in the life sciences area, it is growing at a rate of 7-10 percent."

Sharing his thoughts on the Indian vacuum concentrators market, M Anthoni Jai Kumar, marketing manager, Eppendorf India Limited said, "The market size for vacuum concentrators would be 30 systems per year. Thermo Savant and Heto-Holten are the major competitors for Eppendorf. Eppendorf India had sold about 10 units of 5301 Concentrator systems last year. All these three major players would have equal market share. There is no Indian manufacturer in this vacuum concentrator business. Compared to PCR or centrifuges, the growth of vacuum concentrator business is not very high. But still there is lot of scope to grow in this segment."

However, S Ravi, director, Suravi Instrumentations Pvt Ltd, which represents Tomy Digital Biology Co. Japan said, "There are many companies both Indian and multinationals supplying vacuum concentrators to pharmaceutical and biotechnology companies. There is good market for these ranges of products. I feel about 150 units of vacuum concentrators are sold each year in India. The Indian suppliers are marketing these equipments at Rs 1.2Ã¢â?¬â??3 lakh. The multinationals are selling at a much higher rate considering the needs of the customers and specifications."

To encourage more R&D activities in country, the Association of Biotech Led Enterprises (ABLE), a lobby group for the biotech industry has made a requisition to the finance ministry for expansion of the list of capital goods under list 27A & 28 and easing of norms. ABLE noted that the concession presently provided to biotech companies permitting duty free import of equipment as per List 27A and List 28 by manufacturers having a research and development wing registered with the DSIR, to the extent of 25 percent of the FOB value of exports made in the previous year is not beneficial. Hence it recommended expanding the list of equipment to cover lab equipment such as vacuum concentrator required for R&D activities besides equipment used in production.

Vijay Bakhru, CEO, Biodigital P Ltd said, "Definitely customers will be benefited more if the government agrees to the recommendations of ABLE for duty reduction on these equipment. But I feel this won't help much in the increase in the sales of vacuum concentrators in the country."

On the other side, many pharmaceutical and biotechnology companies are doing drug discovery research. The state governments are also eager to set up biotech parks with incubator facilities. These will enhance the sale of vacuum concentrators in the near future.

Narayan Kulkarni