

AstraZeneca should gift its Bangalore research center to Karnataka

30 November -0001 | News | By BioSpectrum Bureau



AstraZeneca took the national biotech community by surprise by its sudden announcement on January 30, 2014, that it will shut its research center in Bangalore. The swanky center, employing 165 scientists, who are trying to find a cure against dreaded diseases like tuberculosis and malaria, has been a showpiece of Bangalore as well as for AstraZeneca's global network of nine research centers.

According to the AstraZeneca announcement, scientists will start leaving by April and the high tech research facility will close later this year.

Can this advanced research center be salvaged and its high tech laboratories put to better use after the UK-based multinational AstraZeneca's disinterest in running it? The facility has a rich history and started as Astra Research Center India. It was one of the country's first corporate R&D facility in biotechnology that came up after the Indian government liberalized the rules to allow such research centers in the country in the mid-1990s.

Yes. The center can easily be saved provided there is a strong will on the part of the Karnataka government to do so. BioSpectrum suggests that "Operation Salvage AstraZeneca" as a three-step process. Step 1: AstraZeneca should be persuaded to gift the facility that sits on a 14,200 square-meter plot to the Government of Karnataka as a goodwill gesture for benefiting from the presence in the state for more than two decades.

Step 2: The Karnataka government should set up a separate society or a not-for-profit company and take over the facility to run it as a biotech incubation center. The research facility has advanced equipments worth more than \$10 million (Rs 60 crore) at current value, which will be of immense use to start-up companies in Bangalore and elsewhere. The Indian Institute

of Science (IISc), which played a key role in setting up the center in the early 1990s, could partner with the state to run it.

Step 3: The Department of Biotechnology (DBT), Government of India, and other multinational companies operating in Bangalore should pitch in with funds to help run this as a national facility.

Similar things have happened abroad in the recent past. AstraZeneca itself has done this in Montreal city in Quebec, Canada, in 2012. AstraZeneca closed its neuroscience research center in Montreal in February 2012 that employed 130 scientists. However, the Quebec government salvaged it by forming a cooperative venture called NeoMed Institute, supported by the state and the Canadian government. AstraZeneca gifted the facility to Quebec and also provided \$ 5 million.

Pfizer, which has operations in Quebec, put in another \$3.5 million. Furthermore, the governments and other agencies arranged over \$100 million. By December 2012, the new center had started functioning as an incubator.

Similarly, Merck Sharp & Dohme "gifted" its \$150 million (Rs 900 crore) advanced research center near Glasgow, Scotland, when it decided to close it in February 2012. The facility was taken over by BioCity Scotland, a joint venture between BioCity Nottingham and Roslin BioCenter, both biotech incubators, under the guidance of Scottish government. Today BioCity Scotland is a thriving biopark housing dozens of biotech companies.

If there is a will, there is a way, for the Karnataka government to restore a research center, which is part of Bangalore's and Karnataka's rich scientific heritage. The ball is in the court of the Karnataka chief minister Mr Siddaramaiah.