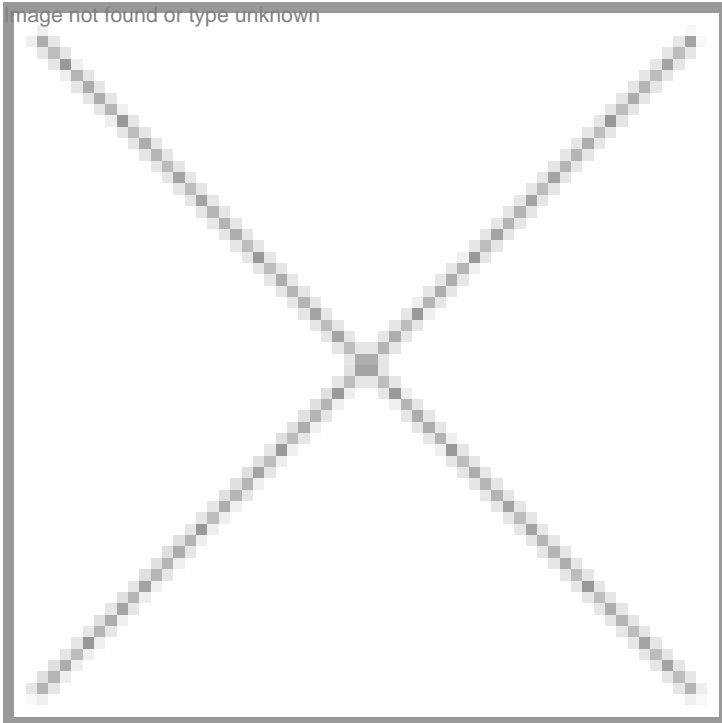


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-Gregory T Lucier, chairman and chief executive officer, Invitrogen.

Invitrogen will have global sales of about \$1.3 billion this year. With about 4,500 employees and headquartered in San Diego, California, Invitrogen is the largest life science consumable company in the world, primarily focused on biological experimentation tools. It has sales presence in over 75 countries and about 50 percent of its employees live outside of the US. A truly global company, Invitrogen has a strong product portfolio and its focus now is on expansion and shoring up of its infrastructure.

Gregory T Lucier, chairman and chief executive officer of Invitrogen, who was in India this August, shares with BioSpectrum, some of the company's global and India plans.

What are some of your global plans?

As part of our global ambitions, our goal is to continue to further expand our presence in the 75 countries that we are already there in and extend the footprint to even more countries, where we are not present. For example, we have little presence in South East Asia and we would like to have deeper local presence there. We have minimal presence in Africa and we think we have more opportunity there. We also recognize that in order to be a great global company, you have to have the ability to be more local. So over the last few years, we have started to move a lot of our R&D efforts to outside of the US, primarily to India and Scotland and now to Norway.

What is the focus of Invitrogen in India?

India for us, until recently, was a market that was relegated to distributors. But in the last 18 months, we have taken a much aggressive stance to build our own infrastructure. And that effort is now accelerated. We have opened our R&D center in Bangalore to start doing projects for the rest of Invitrogen. We have built up a very strong staff in stem cell research, bioinformatics, and proteomics. We have grown to a point where a lot more projects are coming to Invitrogen's operations in India. We are also setting up an ambitious plan to enable scientists in India to get reagents much quicker than they get today, at more competitive prices, and providing world-class technical support for reagents. Unfortunately, today, the researcher has to wait too long to get the reagents from whether it is Invitrogen or through any of our other peer companies in the industry. We are trying to change this through our relationship with Imperial Life Sciences, which is our distributor in India. We are also supporting them with infrastructure to improve the supply chain and technical support.

Where do you see Invitrogen five years down the line?

We will probably triple the number of R&D people in five years. We will have the ability to have scientists to order reagents and get them within 24 hours at very competitive prices. Invitrogen is the No.1 brand for scientists in every other country in the world and we have to do that in India as well.

How is Invitrogen structured globally and what is your R&D size?

Invitrogen has about 30,000 different products that we sell. This is a very complex set of offerings. In order to deal best with that complexity, we have established a number of business units around the world. For example, we have a cell analysis business unit, a molecular biology business unit, etc. We have about seven such business units. Each one of them has its own dedicated R&D effort, as well as manufacturing. We believe that the R&D, manufacturing, and marketing need to be co-located as much as possible to get the optimum product and technology to the customers. We have about 600 scientists and we will spend about \$115 million on R&D in 2007.

What is the positioning of Invitrogen today and how do you see it evolving?

Four years ago, Invitrogen was primarily a genomics company. We were one of the major vendors for the human genome project in the US and most of our portfolio was centered around DNA. In 2003, we undertook a strategic planning effort and we felt that science would be centered around cell and cell biology and understanding the mechanism of life in the context of the cell. So in the last four years, we acquired about 15 different companies to build up overall technology base in cell biology. Today, Invitrogen is not only a world-class genomics company but also a proteomics, cell analysis and culture company.

We have deep strengths in a number of different areas where science is based today. We are engaged in virtually all aspects of cell biology. This was quite purposeful, as we wanted the ability to participate in some of the most exciting areas where science was moving—stem cell research, advanced production methods for biologics, cell therapy and molecular imaging, to name a few.

An important area of focus for the company is our systems. Historically, Invitrogen "productized" science. Our kits made steps in the experimentation process faster, easier and better. We made important strides in our quest to move into more complete

systems with platforms, like iBlot, released in 2006. These are a combination of bench-top devices and proprietary consumables that provide even more efficiency. In the case of iBlot, the sales in the first six months of the market launch were double our expectations. We plan to release many more experimentation systems in the coming years.

We remain committed to leadership in analyzing genetic function. Scientists are just now beginning to understand that the 99 percent of DNA once considered "junk" might actually be treasure. We are already supporting this next phase of human genome research with a deep understanding of all cellular nucleic acid species, epigenetics, state-of-the-art bioinformatics, and the ability to label just about any molecule using our fluorescence and nanocrystal technologies. Our goal is to provide nothing less than a complete toolbox for this important work.

Our product positioning has been a move from a genomics company to a "genomics and a cell biology" company.

How different is your positioning compared to other companies?

In the area of scientific reagents, the industry is structured where each participant has its own particular focus and strategy. For example, a company like Sigma-Aldrich is a fine chemicals company. Qiagen is focused more around nucleic acid purification. Our strategy is to be not only the broadest in terms of technologies but also the deepest in those technologies that we operate. Our goal is to be really a one-stop shop for molecular and cell biologists.

How did the repositioning help your market capitalization?

Four year's ago, our market capital was \$1.4 billion. Right now, we are about a \$4 billion market capital company. And our goal is to be a \$10 billion market cap company by 2010. We have doubled the size of the company in the last four years. Our strategy of repositioning the company around cell biology and acquisitions has spurred the growth to a great extent in the last four years.

Will there be more acquisitions?

There will be more acquisitions. In fact, this year, we acquired Cascade Biologics, which is centered around cell lines and specialized media for those cell lines and some tools for cell therapy. We are a big believer that cell therapy is going to be one important therapeutics areas of the future and you will see Invitrogen making more acquisitions in the area of cell therapy tools.

Asia-Pacific is one of the fastest growth areas, but what is its contribution in terms of value to Invitrogen's overall revenues?

Asia-Pacific accounts for about 25 percent of our overall business. It is not the biggest, but it is certainly the fastest growing. It represents the largest incremental opportunity we have in the company. More than that, we see the future of life sciences shifting ever more into Asia-Pacific.

How is the Asian market different from others and what are some of the major business challenges that one sees in the region?

The first area I would like to comment on is how it is not different. In the area of scientific tools, every day is exciting, and it is one business, where a product, when launched, is done globally. It is because science is practiced the same everywhere. It is standard and the tools and techniques that people use are common around the world.

In terms of Asia-Pacific, where the challenges lie are that there a lot of countries and there is a lot of space and distance between them and each country has a very particular government regulations regulating the inflow of scientific tools. And that makes it a very difficult supply chain challenge. So our biggest focus is on supply-chain excellence-warehouse, logistics of moving the products, ordering of technology and technical support, etc.

Ch. Srinivas Rao