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Cancer Genetics acquires BioServe India

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BioServe India, founded in 2002, is a genomics services provider and molecular kit manufacturer, serving both research and clinical markets.

The transaction is expected to close during the third-quarter of 2014, and is subject to customary closing conditions and government approvals in India.

Under the terms of the agreement, BioServe Biotechnologies, headquartered in Hyderabad, will become a subsidiary of CGI, and will be renamed as Cancer Genetics Inc.

"With Bioserve, CGI will become better positioned to increase our global presence in personalized cancer care and further improve outcomes and lower costs for cancer patients," said Mr Panna Sharma, CEO, Cancer Genetics Inc.

CGI plans on retaining all 33 current employees of BioServe India, and further expanding and strengthening the sales and clinical teams in India.

BioServe India currently operates out of a state-of-the-art 14,000-square-foot genomics facility in Hyderabad. The company is backed by Ventureast, a pioneering venture capital institution based in India, which has enabled over 80 seed, early and growth stage businesses in a broad array of sectors including technology, life sciences and clean environment.

"We are happy to see that a biotechnology company we nurtured from its early stages is graduating to the next level. We share the belief that genomic services, next-generation sequencing and personalized diagnostics have tremendous potential in the country and can grow multi-fold in the coming years," said Mr Venkatadri Bobba, general partner, Ventureast.

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By utilizing BioServe India's molecular services, researchers can identify genetic markers, validate drug targets and correlate clinical and molecular data to accelerate the development of new and effective drugs.

Further added Mr Sharma, "The BioServe India team adds immediate positive impact, high-quality revenue, and provides a clear path to an accretive deal for shareholders. The infrastructure and enhanced capacities in next generation sequencing for oncology accelerate our development plans while positioning us to make more effective use of our capital."

Additionally, BioServe India's growing clinical diagnostics capabilities in oncology and next-generation sequencing are well-positioned to serve the needs of improving oncology diagnostics care and management throughout India.

Global cancer costs are expected to reach $458 billion in 2030 according to the American Cancer Society.

By allowing the Company to scale up operations for genetic analysis, bioinformatics, and manufacturing, this acquisition will provide opportunities to create greater cost efficiencies and increase productivity while bringing clinically validated and actionable genomic content into community hospitals and cancer care centers in India and the US.

"It's a proud moment for us at BioServe as we join forces with one of the leading cancer diagnostics providers. There are great synergies which we expect to unlock by combining our visions and teams together," said Mr Rama Modali, founder, BioServe India.

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