

# Where is biotechnology going?

Biotechnology is seen as a major contributor to national growth, however much has to be done to help biotech entrepreneurs

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Biotechnology has been pegged by the Ministry of Science, Technology and Innovation to be a major source of income for the nation, with an investment target of up to RM50 billion and a contribution to the gross national income of RM48 billion by 2020.

However, to date, there are only a total of 225 BioNexus companies under the Malaysian Biotechnology Corporation (Biotech Corp).

Looking at the current involvement, represented by the number of BioNexus status companies, the grand targets appear a little far-fetched. There seems to be an inherent gap between the systems that have been put in place and the realities of the companies on the ground.

To put it simply, there are two major stakeholders in the industry: the large corporations, both government- and private-owned; and the smaller entrepreneurs. The current outlook seems to suggest that there is a disconnect between these industry players which may hinder the advancement of biotechnology as a contributor to economic growth.

Collaborations have been noted as the key to growth in various industries, and biotech is no exception. However, differences in values and perception between the stakeholders could push collaborations aside. The big boys claimed that the smaller players are not meeting the mark, while the smaller entrepreneurs said that they are not getting a fair chance.

Sime Darby business development manager Mark Wong said, "We have major needs for constant innovations in biotech due to the



nature of work that we engage in; however, we prefer to do things in-house which allows us to have better control of the process of innovation and implementation."

Despite citing control, large corporations such as Sime Darby have found it necessary to outsource their biotech R&D needs to foreign companies, stating that the local players are unable to meet the operating standards which they require for the R&D of the products.

"We have stringent procedures in regard to all processes including R&D in biotech and this is necessary as we are a big corporation with many businesses. Thus, what we have found is that local companies are unable to meet these stringent operating standards that we have," Wong said.

Innotech Solution Sdn Bhd founder Kamran Izwan said, "Smaller companies such as us don't stand a chance. Though we have innova-

tive products that could have far-reaching market impacts, breaching into the territory of major corporate players has proven to be next to impossible."

There have been many initiatives by the government which are aimed at increasing and fostering innovation across the industry for SMEs. Indeed, innovation has been a major focus of government policies of late and biotech proves to be a good breeding ground, yet little has taken place.

This points to something fundamental that is missing from the system. Both stakeholders at the end of each spectrum clearly need to collaborate with one another, but collaborations efforts are in need of the piece which connects the two.

BiotechCorp CEO Datuk Mohd Nazlee Kamal said, "There have been programmes such as the Bio-Entrepreneurship Programme ▶



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