

Waters to continue investing in India

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Waters India, a fully owned subsidiary of Waters in the US, is celebrating its silver jubilee anniversary in India. Driven by a long-term commitment to the region, Waters invested in India through a joint venture with local partners in 1988. Since then, it has consistently invested in its India operations to create the best infrastructure and world-class application and demonstration laboratories. A team of more than 250 highly dedicated and qualified scientists and engineers support its growing customer base.

Waters India is current expanding its headquarters in Bangalore with improved laboratories, upgraded training facilities and more office space. When completed, the new facility will be approximately 16,000 square feet in area. *BioSpectrum* speaks to Dr Mike Harrington, vice president - European and Asia Pacific Operations, Waters, France, about his views on the market opportunities for the company in Asia Pacific and the company's strategies for growth in the region on the sidelines of his visit to India recently. Excerpts of the interview:

What are your investment plans for India?

Our investment in India is an ongoing process. We have invested in a new application laboratory in Bangalore, which caters to developing solutions for Indian customers and increase the knowledge base of trained individuals. There would be additional investments in the coming months as well. We are making large investment to set up a center for clinical application called Center for Regulated Bio-Application Development to support our clients around the world.

How do you see the market trends in the Asia Pacific region?

We see a shift from west to east in the last few years. The big pharmaceutical companies have been investing in the region and employing local talents and becoming global companies. At the same time the governments in the region have been focusing on issues such as healthcare, environment, wellness, food safety etc. These government initiatives are supporting the companies like Waters to deliver practical and scientific innovation through analytical technologies such as liquid chromatography, mass spectrometry etc.

How do you see the growth for Waters in APAC region in the coming years?

We have strong and direct presence in Asia Pacific region in countries such as India, China, Korea and Japan and have subsidiaries in Singapore and Australia. However, in some of the emerging markets of South East Asia, we have been operating through channel partners. Considering the market trends and opportunities in the region, we are looking at a double digit growth. In India and China, we expect the growth rate in the range of 15-20 percent, while in matured markets like Japan, we are looking at single digit growth rate.

Looking at the growth rate in the region, mainly India and China, we have doubled the headcount in the last few years. We see pharmaceuticals market picking up in Indonesia, and Malaysia attracting investments in life sciences. Also, Singapore is likely to be the hub for R&D investments. We expect a continued growth in the Philippines, Vietnam, Thailand, Malaysia and Indonesia, and plan to have direct presence in Vietnam and Thailand in next few years.

How has the current economic crisis in Europe affected Waters' business?

Europe has been the growth engine for the world economy. Currently, things are not that favorable. Unlike the pharmaceutical industry, our industry is not recession-proof. There will be ups and downs. We see opportunities in clinical research, quality control, food safety and healthcare. These areas need continuous attention. Besides, the governments continue to fund basic academic research initiatives. Thus, both private and public sectors have been providing a level playing field. We at Waters, even during the previous recession, kept the workforce intact and maintained a robust growth.

To maintain consistency in growth, companies are looking at acquisitions to expand their product range and services. Do you have any acquisition plans?

We have a good cash reserve. In 2011, our reserves increased by 24.47 percent or \$75.49 million. We are open to strategic acquisition of small and select companies.

Do you have plans of setting up R&D or manufacturing unit in the region?

We have been outsourcing some of our IT operations to India and manufacturing to Singapore. We don't have any immediate plans of having new R&D and manufacturing center in the region.