

## OEM by QIAGEN advancing with Asian molecular diagnostic companies

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**In light of the volatility of the last two years and the stress that many molecular diagnostics and assay manufacturers faced with their supply chain management, BioSpectrum interacted with Dr Kay Koerner, Vice President - Head of OEM by QIAGEN, Germany to understand how he views the life sciences market in Asia.**



### **How has the pandemic affected the OEM business?**

COVID-19 was an unprecedented challenge for the life science industry. The demand for all kinds of assay components and raw materials multiplied everywhere in the world at the same time. Even airfreight capacities or dry ice became scarce resources at a certain point. Evidently, the situation was an intense stress test for many supply chains in our industry. As a result, the most significant change in our business was the increased speed with which supply networks evolved into true strategic partnerships. We supply many bulk enzymes (for example, polymerases, reverse transcriptases), oligonucleotides, buffers to a multitude of diagnostic assays for our OEM partners. During the pandemic, we intensified communication and collaboration with these partners to know their demands on time (or ahead of time when possible) and ensure we give the same transparency to our raw materials suppliers. This close cooperation definitely helped to navigate the volatility of 2020 and 2021. We also increased the number of touch bases with local manufacturers globally through enhanced business presence online. Compared to 2019, our business has grown in terms of online visibility on various virtual platforms for 2020 and 2021, in the absence of international trade shows.

We have rebranded our LinkedIn channel and launched our WeChat official account in the Chinese language to bring our OEM offerings closer to prospects. For the past two years, new customers engaged our team for OEM collaboration opportunities from markets we seldom or never collaborated with. In the years to come, I believe securing our supply chain with a network of strategic partners and closing the gap in our virtual engagement with emerging markets is something we will recognise more in the OEM industry. Fortunately, those are precisely the business strategies of OEM by QIAGEN.

## **What are the major plans/launches/investments in store for 2022?**

COVID-19 will still have an impact on the molecular diagnostics and life sciences market in 2022. But companies also start to plan for the time after COVID-19. We are planning and launching innovations for our OEM partners, for example, the new StableScript reverse transcriptase with improved thermostability and inhibitor tolerance. Also, we are one of the very few companies globally that can offer a complete package for digital PCR as an OEM solution, including the instrument, software, plasticware and reagents. To ensure our message resonates with the OEM partners of key markets in Asia, we will soon launch our OEM websites in Chinese, Japanese, and Korean. This shows our commitment to localising our technological know-how, making them relevant to our customers' needs and priorities. The pandemic has shown the need for molecular testing in all parts of the world, so we also plan to expand our geographic footprint further to regions where we still see the potential for new OEM partners.

## **Are you exploring new markets/regions as a part of the APAC growth plan?**

Yes. While QIAGEN already has a direct representation in many Asian countries, we still need to improve our OEM services in some Asian regions. OEM is somewhat complex, so a profound understanding of the local health markets, language, culture and regulatory requirements are essential to serve our local OEM partners with what they need. After the OEM by QIAGEN grew in China over the last years, we want to continue that growth momentum and intensify our activities in Japan, South Korea, India, Australia and South-East Asia. We can contribute to regional value creation wherever we see a solid local life science and molecular diagnostic industry.

## **What new/unique trends do you foresee within the life sciences space in the coming years?**

The last decades have brought insights into molecular biology that were unimaginable before. NGS, qPCR, dPCR and many other techniques have allowed us to analyse the building bricks of life in unbelievable detail. However, many of these insights have created many new questions – that's how it is in science. Genetics, as we know it, is no longer to decipher our genomic DNA but also to understand the extended universe of RNA, proteomics, lipidomics, transcriptomics and metabolomics. So, I believe the journey will continue, looking at even more minor details in single-cell analyses, RNA analysis, or spatial multi-omics. I am also convinced that the field of the microbiome (microorganisms in a particular environment) and epigenetics (how our environment affects our gene expression) research will continue to generate many health-relevant insights in the future. OEM by QIAGEN offers access to the thousands of patented molecular insight solutions trusted by top life science researchers and cited by the latest publications globally. Partnering with OEM by QIAGEN ensures our partner's business stays up to date with the newest trend within the life sciences space.

## **How is the molecular diagnostics market evolving in APAC post-pandemic?**

Firstly, the COVID-19 pandemic has shown that molecular diagnostics is probably the fastest tool to develop against new, emerging infectious agents, much quicker than vaccines or effective treatment. Thus, I assume that most countries will continue to increase and improve their molecular diagnostics capabilities, for example, reverse-transcription polymerase chain reaction (RT-PCR) to respond quickly to any new viruses in the future.

Secondly, we have learned that we need a complete molecular diagnostic infrastructure, not just qPCR or NGS, but both. Both centralised high-throughput labs and decentralised point-of-care testing (POCT) play an essential role in improving healthcare accessibility. NGS could potentially accelerate turnaround for large-scale diagnostics, suitable for extensive community testing and epidemiology studies. Authorities in the United States and China gave clearance for selected NGS-based COVID-19 diagnostics for emergency use. Recently, the US Department of Defence has awarded a US\$600,000 contract to QIAGEN to expand the manufacturing capacity of enzymes and reagent kits used in COVID-19 molecular diagnostic tests. This shows the growing recognition by the authorities regarding the effectiveness and efficiency of a complete molecular diagnostic solution. Meanwhile, healthcare in developing markets such as India, Southeast Asia and

Central Asia would greatly benefit from having more accessible POCT solutions in limited-resource settings.

Thirdly, high-throughput labs and broader adoption of POCT pose a high need for efficient data integration and big data analytics. Apart from hardware infrastructure, future diagnostic-test manufacturers need to develop software that is easy-to-use and powerful enough to turn big data into meaningful healthcare insights.

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