

中国基因组学和蛋白组学: 现状, 应用及前景

# Outlook of China Genomics and Proteomics Market

– Application in Molecular Biomarker, Diagnostics and  
Personalized Medicine



## Sample Page

Biotechnology industry is booming in China at present. Currently, there are a total of about 1,000 bio-related companies in China. Of that, about 250 are involved in genomics and proteomics research and their applications in development of biomarkers and diagnostic products. The current Chinese genomics, proteomics and related industries are a mix of both domestic companies and the China divisions/branches of multinational companies. According to our survey, at present, there are about 60 multinational companies that have branches in China; whereas of those local domestic Chinese companies, more than 70% of them are new (founded in the recent three to five years) and mostly founded by Chinese returnees who possess the knowledge, experience and skills gained during their stay in the Western industries. By providing various incentive policies, Chinese government at all levels also encourages the establishment of high-tech (such as biotech) companies in the country.

Although still young (compared to its pharmaceutical industry), the Chinese market of genomics, proteomics and related industries has been quite crowded already. Most young Chinese companies that are engaged in developing novel diagnostic technologies are still small in terms of their company size and sales revenue; whereas those relatively early established companies are only able to provide low-end products by copying whatever products on market that can be made based on their current skills. The situation has resulted in the price competition in China.<sup>1</sup> At present products marketed by these local Chinese companies are mostly chemistry-focused testing reagents or simple devices. In many of those early established Chinese companies, they currently still do not have their own R&D group to develop new technologies and products. Also, most of these companies are only able to conduct basic testing.

Another arm of the Chinese diagnostic industry is composed of the China divisions/subsidiaries of those multinational companies. In a stark contrast, most of these multinational companies are focusing on marketing (to a less extent, developing) high-end products in the Chinese market. Due to the current market environment, these companies are experiencing much less competition in the Chinese market in particular the molecular diagnostic market sector (though there is competition between these multinational companies themselves but not with the local Chinese companies); whereas the demand for high-end diagnostic products is fast growing at present. That is the exact strategy currently being taken by those major Western companies such as Roche, Abbott Lab and Beckman Coulter, etc. in the Chinese market. In fact, it is vital to focus on the high-end product market as, in reality, these multinational companies are not able to compete in the low-end product sector with the local Chinese vendors as the local companies could make the price of their products really low such that those multinational companies have no way to achieve the same. Perhaps that is the key for these multinational companies to be success in the Chinese market.

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References and notes:

<sup>1</sup> It seems that the situation of price competition is quite common in China for all types of industries.