

Pro2Kem makes its equipment small ... but perfectly formed

By Mike Woodcock

THESE are tough times for start-up businesses in the biotechnology sector. The pool of capital to finance new ventures in the UK has shrunk and consolidation is the order of the day among some of the bigger players in the market.

But as far as one Dundee-based venture is concerned, there has never been a better time to launch its first suite of products. Pro2Kem was founded last September by Roger White and has already launched its first protein screening and separation system, called Aggrekem, at last month's Connect Springboard event. It plans to launch two further products later this year - KemSet, a separation device, and a protein interaction system under the working title of Pro2Scam.

White said the company, which secured seed funding of £180,000 last November, is in discussions with several potential investors to secure a further £500,000 of funding and is hopeful of tying up a deal by the summer.

Recent figures suggest that

the European biotechnology sector is facing a serious financial shortfall, with companies needing to raise an estimated \$3 billion while only \$1bn of venture capital is available.

White is well aware of the exigencies of the technology marketplace after being forced to wind up his previous equipment reselling business, based in north Wales, called Optokem. That proposition failed to attract investors but the possibility of developing new technology garnered much greater interest.

"It is a very tough climate for raising money and most people run away when you mention technology," said White. "In some respects the bottom of the market is the best place to start because we can only go up."

Pro2Kem's strategy is to focus on small, fit-for-purpose technology that can isolate functions previously performed by much larger equipment which very often will have a range of functions, most of which will be underutilised.

The Aggrekem system, which is only 25cm high, has a computer built in and works by shining lasers at protein

molecules and measuring the scattering of the light which can help to determine the protein's suitability as a treatment for disease.

White, who has a PhD in materials science, is the driving force behind the new technology, which costs around £5000, compared to larger existing systems which incorporate similar technology but cost many times that amount, and is convinced of its potential.

The company's forecast was to sell three units this year but it has now revised that to seven after attracting significant interest from its target market of Scottish biotechnology companies, big pharmaceutical companies and research institutions.

"We are hitting niche areas where competition is light very deliberately," he said. "There are a lot of companies out there that tend to be very much focused on big equipment that can cost £100,000. We are looking to go under that market with

Pro2Kem's Aggrekem detector is compact at only 25cm high

smaller focused equipment where an institution will buy 10 units rather than one. There doesn't seem to be very much competition at that end of the spectrum."

Pro2Kem aims to achieve break even by next summer and to double its current workforce of five by the end of the year. White, who has taken up the role of CTO is also looking to recruit a chief executive to

guide the company through its early stages of development.

White, who hails from Hartford, north of London, chose to relocate to Dundee to be closer to his potential client base and because he was impressed with the city's growing reputation in the life sciences sector.

Pro2Kem has received backing from the University of Abertay, which has supplied office facilities in return for a small stake in the company, and is keen to strengthen its links with companies such as Cyclacel and other institutions such as Glasgow University.

Despite operating in a tight marketplace White is confident that the company's ability to develop technology rapidly and avoid the notorious long lead times for biotechnology companies developing products will be crucial to its growth prospects.

He added: "If there is one thing that we do understand and know it is the customer base. I firmly believe that the technology is out there if you understand what the customer wants to buy."

