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**Ocimum's Genome Logic**

By K. Yatish Rajawat

Hyderabad-based genomic research outsourcing company Ocimum Biosolutions has acquired Washington-based Gene Logic's genomics division for \$10 million. Ocimum has paid \$7 million upfront to the Nasdaq-listed company and the remaining will be paid after 18 months.



AIMING HIGH: Through the new acquisition, Ocimum aspires to be the world's number one

The acquisition has been partly funded by investment from Kubera Partners, which pumped in \$17 million to acquire a minority stake in Ocimum. "Gene Logic has products such as genomics database, which can be leveraged in an offshore services model," says Ocimum's CEO and Founder Anu Acharya. At the height of genomics hype, Gene Logic had commanded a valuation of \$2 billion. "We are aiming to be the No. 1 genomics outsourcing company in the world," says Acharya. "In the current fiscal we are targeting revenues of \$14 million and we'll cross \$35 million next year, as the full year revenue of the acquisition will also get consolidated."

Ocimum's latest acquisition will bring in revenues worth \$20 million, but the business is loss making. "The overheads of the business are high as it is a listed company," says Acharya. "This can be cut. We are looking at a services business model here, so we can turn around the growth and profitability much quicker."

This is not the first acquisition for Ocimum. The company has successfully integrated the acquisition of German company MWG Biotech's micro array business and Dutch company Isogen's oligonucleotide business. This time the size, scale and expectation is much bigger.