Outsourcing Laboratory Practices

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The World is Flat

- **Outsourcing to India...Beyond Information Technology**
  - Clinical Trials
  - Medical Transcription
  - Legal Services
  - Laboratory Services
  - Contract Research

- **Lab outsourcing**
  - Conducting quality control testing or other analytical services associated for an industrial site, such as a chemical plant, refinery, consumer product, corporate research & technical center, medical, food processor or other business.
In-house Vs. Outsource Lab

- In-house laboratories provide essential services, but such labs are expensive to operate and assets are under-utilized
  - Global shortage of good laboratory and QA professionals

- Outsourcing the lab function reduces overhead and operating costs while the company continues to benefit from needed laboratory services
  - Test Standards or Custom Requirements must be created
    - Initial adaptation costs
  - Faster to adapt new techniques to test or research
    - New Government Policies allow Indian Labs to procure state-of-the-art test equipment
  - Accreditation of laboratories in India by NABL to ISO 17025 standards provide global recognition
Advantage India

- Strong Engineering and Medical Talent
- QA and Laboratory professionals hardened with experience of multiple projects
- NABL BIS
  - ISO 17025 ensures Quality and Trustworthy Reports
- People
- Trust
- Competence
- Reliability
- Technology
- Process

- Ability to organize diverse teams under one roof comprising of chemists, metallurgists, engineers
- Ability to expand on test reporting to include contract research if necessary
- Reporting can be tailored to meet global or client specific requirement
- Test Samples are shipped under 3 days from USA or Europe

Technologies are constantly changing and independent labs are generally better able to keep up with the latest technological advances. In their third-party position, outsourced labs can also add to the ultimate product credibility via their independent test results.
Opportunities in the Market Place

● Exploring New Fields
  – Existing Labs must prepare themselves to address the growth anticipated by global outsourcing
    ♦ Improve test equipment, reporting and company talent

● Pricing Models
  – Competitive Global Landscape
    ♦ Enterprises derive maximum benefit from sending test samples to Indian Labs which offer lower costs

● Training and Adapting
  – Knowledge Transfer between enterprises and outsourced labs

● Increased Revenue Streams
  – Earn more revenue than domestic India-based Customers
  – Newer Business Models to include
    ♦ Product or Material Testing, Clinical Testing, Pharma Testing
    ♦ Contract Research
Targeting Prospective Customers

- **Industry Verticals**
  - Metallurgical, Pharmaceutical, Chemical, Food and Agricultural Products, Minerals, Ceramics & Refractory

- **Global Regions**
  - Developed World
    - USA, Europe, Asia-Pacific
  - Middle-East
    - Fewer Labs than in USA or Europe in this region
    - Closer to India
  - Under-developed Nations
    - Bangladesh, Nigeria, Kenya, Uganda
      - Outsourcing for them is a must to ensure quality

- **Reaching out**
  - Innovating Advertising and Marketing Strategies must be adopted
    - Internet Exposure
    - Advertising in Professional Journals
    - Participating in Professional Conferences and Seminars
    - Press Releases and Public Relations
    - Conducting Training Courses and Workshops
Challenges and Value Addition

**Challenges**
- Getting Qualified & Trained Man Power
- Retaining Trained Manpower
- Obtaining and maintaining sophisticated instruments
  - Financial Costs
- Meeting deadlines
  - Customers seeking faster responses

**Value Addition to Lab Services**
- Providing consultancy in respect of Observations / Test Results obtained.
- Suggesting relevant additional tests / investigations which can help achieve customers QA and R&D goals.
- Using Computer Science to make in-depth presentation of test observations.
- Conducting seminars and talks at customers’ site and making their staff aware of your activities and how your activities can be of help to them.
Common Questions Posed By Customers

Criteria while choosing an Outsourced Laboratory in India
- The lab's experience in the business.
- How much experience do they have in the specific kinds of testing you require?
- Do they have the right kind of equipment to efficiently perform the tests you need?
- Logistics and the mechanics of delivery must be taken into account. Is the estimated turnaround time acceptable?
- Is rush service available? Does the lab provide pickup and delivery for your supplier / manufacturer?
- Does the laboratory have online access to deliver results? Look at the depth of the lab's staff and equipment.
- Is there back-up equipment available? What kind of reputation and accreditation does the lab have?
- Does the staff have visas and travel permits to visit the on-site locations