



Biotech Daily

Tuesday November 7, 2017

Daily news on ASX-listed biotechnology companies

Biotech Daily 12th Birthday Editorial

Today marks the 100th anniversary of the Russian Revolution, my late mother's birthday, Biotech Daily's 12th birthday and the Melbourne Cup, a State of Victoria public holiday (since 1873) for the three minute, 16 furlongs (two miles, 3.2km) race.

So what have we learned, as CSIRO's Clyde Garrow would say, in the last 12 years?

The number of ASX-listed biotechnology companies has increased from about 100 when we started to more than 130 today, with several making honorable exits - acquired for large sums as per most prospectii - while others have faded away following funding droughts, failed technologies or overtaken by competitors.

Some have withered on the vine, surprising with a renewal by new board and/or management.

The dozen or so medical marijuana companies that jumped onto the hooch-wagon in the last two years all have differentiating points and are still confounding investors.

Several are seriously developing drugs or delivery methods, at least two have little to show other than saying they have joined the cannabis club, and the majority are struggling for oxygen against Australian competitors and a wave of Israeli, American and European companies.

Why Israel? Because that's where tetrahydrocannabinol was first isolated by Prof Raphael Mechoulam and Dr Yehiel Gaoni in 1964 and where the foundation work was done.

While most cannabis companies are not backward at coming forward, the rest of the sector is making a mark on the global health care industry.

In 2005, the Big Caps of Cochlear, CSL and Resmed were the only ones with consistent revenue.

Sirtex earned \$22.6 million in 2005-'06 and declared a \$1.8 million profit. Biota, Cellestis, Genetic Technologies and Medical Developments had revenue, but few others did.

Since 2009, the number of companies with revenue of more than \$1 million a year increased from 21 to 53 this year, taking revenue from \$508 million to \$1.4 billion.

With more news than ever from public and private companies, research institutes and the universities, Biotech Daily is publishing more articles than ever.

We have expanded to include the weekly Dr Boreham's Crucible and have several cadet journalists in training.

Biotech Daily was lucky to debut when many companies were moving from lab bench or phase I trials to pivotal trials and product in the market.

While drug success has been elusive, device and diagnostic companies have done well, led by Sirtex, Nanosonics, Pro Medicus, Ellex, Probiotec, ITL, Cyclopharm, Uscom and Compumedics.

The sector has passed its infancy. While heading towards maturity, there is greater technological diversity than ever before, albeit not reflected in gender diversity.

Hopefully, that will come sooner than later.

In 2017, the Australian life sciences sector – supported by Federal and state governments, particularly Victoria – is among the world leaders for inventions and discoveries, if not yet reaping the benefits in revenue and profit.

Biotech Daily thanks all our subscribers who have allowed us to report faithfully without fear or favor.

Without you, we would not be here.

David Langsam
Editor