

## Biotech sector blooms in N.S.

By [Bruce Erskine](#) / Business Reporter

Nova Scotia's biotechnology sector shows great promise, despite facing serious challenges, says the head of the province's biosciences industry association.

"It's small, but I think it's got enormous potential and we're on the right track," Neil Ritchie, chairman of BioNova, said in an interview in Halifax on Wednesday at the launch of BioPort 2002, the province's first biosciences expo. "We also have significant challenges because of the fact that this is a global industry and we don't have the so-called critical mass," he said. "But, at the same time, I think what makes up for that is the youthful energy and I see a strong entrepreneurial spirit in the industry."

Canadian biotech firms span a number of sectors, including health care, agriculture, aquaculture, environment and forestry. Atlantic Canada has 19 of the 361 biotech companies in Canada, while Nova Scotia is home to about 100 life sciences companies doing biotech research and using biotechnology processes to manufacture medical devices and develop nutraceuticals and health information systems. In 2002, biotechnology revenues are expected to exceed \$51 million in Atlantic Canada and over \$5 billion nationally.

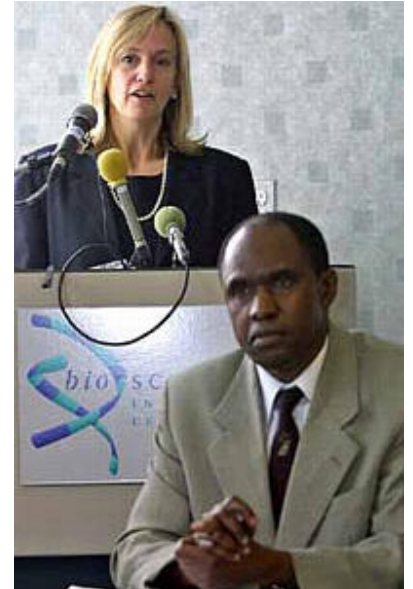
Mr. Ritchie is president of BioMed Management Inc., a technology development company that supports early-stage life science businesses. He acknowledged that attracting investors to the local biotech sector has been difficult, citing as an example Delex Therapeutics, a business spun out of Dalhousie University medical school research, which developed an inhalable pain medication delivery system.

"That company was successful, first of all starting with a \$500,000 investment that went to a \$5.8-million investment and now they're looking for \$20 million," he said. "One of the concerns is that the company had to raise money in Ontario and there's sort of a sense that, well, maybe the company should be in Ontario." Mr. Ritchie said one of the obstacles to attracting venture capital to the sector is the relatively long time it takes to develop biotech innovations. "There's very few sort of overnight discoveries in this sector," he said. "It takes a long, long time to build these kinds of companies and a lot of money." Industry statistics indicate that a single health-related biotechnology product typically takes seven to 10 years and more than \$350 million US to get from the research stage to market.

Mr. Ritchie said the region also lacks experienced management to build biotech companies. "We have a few, but we need more if we're going to grow the industry," he said. "But we do have connections with Boston, for example, (and) we've had people who have moved to rural Nova Scotia from Toronto that have been plugged in to the biotech scene for years." The province also needs to revamp its technical infrastructure to keep pace with biotech developments in other part of the world, he said. "We need better facilities," he said. "The (Dal) medical school hasn't had a major renovation for over 30 years. We need more equipment, more technology in order to support the people."

**Dr. Abdullah Kirumira, president and CEO of BioMedica Diagnostics Inc. in Windsor, credited provincial and federal government support for helping his firm, which creates portable diagnostic tools for small labs, grow out of research done at Acadia University, where he was a biochemistry professor. BioMedica recently signed a deal with a U.S. firm, Novitron International, to market its diagnostic products globally.**

BioPort 2002, being staged at Pier 21, wraps up today.



*Eric Wynne / Herald Photo*

Janet Lambert, president of BIOTEC Canada, opens the BioPort 2002 expo on Wednesday in Halifax. At the table is Dr. Abdullah Kirumira, CEO of BioMedica Diagnostics Inc. in Windsor.