

How Europe's leading sequencing service provider came to be

"Recipe" – These are the ingredients for a successful business history

One invents a method of non-radioactive DNA sequencing, patents it, founds Europe's first sequencing company, refurbishes 130 square meters in an industrial building single-handedly, and invests 1,000 Euros in the first laboratory equipment. Then he produces sequencing equipment based on the patent and sells it worldwide very successfully. In the meantime, one participates in ground-breaking genome projects and produces outstanding results to become established as a service provider. Subsequently, one looks for additional customers in industrial research. In a last step, one seasons the whole thing with providence, creativity and dedication as well as a healthy pinch of risk-taking. In the next 20 years one adds more first-class employees and the latest technologies.

Company history

This is the list of ingredients for GATC Biotech's success recipe. The visionary head cook at that time was Fritz Pohl, Professor of Biology at the University of Constance, Germany. When he patented his invention in 1982, he knew that he had indeed created the basis for a business model, but that a successful business would also require know-how from other disciplines. As a consequence, in 1990 he founded the "Company for Analytical Technique and Consulting Ltd." (Gesellschaft für Analysetechnik und Consulting mbH – GATC for short, derived from the first letters of the DNA bases) with his sons Thomas, Fritz and Peter. But it was by far not as simple as it sounds. In 1996 the company's own sequencing equipment was forced off the market by the fully automatic equipment of financially strong competitors, and the number of EU-funded genome projects sank dramatically. The turnover took a tumble. In accordance with the saying "When the wind is strong, it's better to build windmills than walls", the Pohl's family council decided to

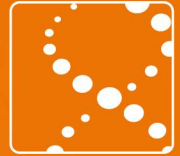
concentrate entirely on the service sector. This soon proved to be highly competitive. In addition, the competition at the end of the 1990s was very well financed by venture capital or IPOs.



From left to right:
 Fritz Pohl, Co-founder and Chairman
 Peter Pohl, Co-founder and Chief Executive Officer
 Thomas Pohl, Co-founder and Chief Technical Officer

Visionary, innovative ideas

With shrewd ideas, always fully focused on the convenience of their products, GATC repeatedly managed to hold its own within the budget of its own financial means. For example, in 1997 GATC launched the 24-hour sequencing service – which is now a world-wide standard. In 1999 the Böxle™ was brought into being: a small plastic box which GATC makes available to its customers for sample shipment, free of charge. Today, the bright orange-colored Böxle™ has cult status, and thousands are sent all over the world every month. With the motto "Drop in the evening, download in the morning", "NightXpress" was introduced in 2007. This service guarantees a delivery time of only slightly more than 12 hours from sample pickup to data delivery. In 2008 it was honored in the scope of the initiative "Deutschland – Land der Ideen".



Solid foundation

In this manner, from the very beginning – in good middle-class tradition – solid profits were earned, which were then completely reinvested in the latest equipment and qualified employees. Only by this way, was GATC able to dive unharmed through the destructive tidal wave, which the “New Market” hurricane unleashed in the first two years of the new millennium. GATC, too, planned to go onto the stock market at the end of 2000, and the limited company became a stock company – with employee participation program included. However, the IPO plans were rejected in time.

All in One

The company’s development picked up in 2006, when it was decided to invest in all the new sequencing technologies that were forcing their way onto the market. With the slogan “All leading sequencing technologies in one lab” GATC was the first service provider on the competitive sequencing market to provide multiplatform strategies, in which the technologies were combined according to the scientific approach to the problem. This strategy became established, and today all renowned sequencing service providers have several platforms.

First in Class

Every two to three years there is a generation change in the equipment park. In this period the equipment, which costs up to half-a-million Euro each, must have amortized. The next, even more expensive generation – sequencing on a single-molecule basis – has already been ordered. With it, in future genomes will be sequenced within hours at a fraction of the cost. Once again, GATC is the first commercial European service provider, which has invested in the new technology in order to provide its approximately ten thousand customers from the research industry and academia worldwide with state-of-the-art methods just after their market introduction.

The rapidly developing technologies and the accompanying price drop are the major market drivers. They are responsible for market growth and exploding data masses. Taming this data flood is the new challenge, and GATC is investing immense sums in data management and analysis. Nonetheless, completely new markets are also developing. Based on the new sequencing technologies, GATC has specialized in the development of clinically validated, molecular diagnostic tests with its daughter company LifeCodexx.

The prototype of GATC’s 20-year-old sequencing device is now on display in the German Museum in Munich. It is a contemporary witness that documents the rapid development of a market and makes it clear that visionary innovative energy is more important than bulging war chests.

Mission accomplished

2011 GATC Biotech is Europe’s leading sequencing service provider.

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