

2003 Fall Purchasing Survey Report

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Introduction

2004 is set to be the year that the life science industry bounces back from the recession of 2001-2002. With the influx of money into this industry, companies who supply scientists have the potential to make great strides in 2004. Because of this, knowing how researchers plan to spend their money and how to best market to them will be essential in the coming year.

Even though the NIH budget is set to only increase by 2% in FY 2004 to US\$27.66 billion, the US federal government plans to invest an additional approximately US\$5.5 billion for the Department of Homeland Defense's BioShield and US\$5.64 billion for the National Science Foundation. A large portion of this money will be given as grants to both biotechnology companies and academic laboratories. In addition to the US federal government's investment in the life sciences, funding to biotechnology companies has grown in 2003 and should continue to do so in 2004. For example, the biotechnology industry raised \$8 billion in venture capital in Q3 2003, the largest fundraising since Q4 2000.¹ Also, as of October 2003 the Dow Jones biotechnology index was up 42% since the beginning of the year, while the broader Dow Jones industrials average was up only 15% for the same period.²

"Federal spending to map the human genome, which revolutionized the biotechnology industry, could pale in comparison to legislation passed in the House and pending in the Senate to spend roughly \$5.5 billion on a protective shield against biological attack."

Silicon Valley Biz Ink, August 22, 2003

In addition to increased public and private interest in the life sciences there have been recent changes in the way in which scientists shop. The internet has had a great effect on how scientists find out about new products. Fully knowing the changes in scientist's shopping habits is essential to optimize your marketing dollars.

As is always the case with the life sciences, new technologies, such as siRNA, have created new markets. Knowing where your customers are is a challenge when entering a new market. It is also important to know how quickly a new technology is being adapted.

This survey will help you to navigate the new life science market by providing you with insights into your customers along with highly qualified leads to whom you can bring your products.

¹"Biotech Treads Water in September", Burrill & Company, October 1, 2003

²"VC funding bubbles in biotech", *The Deal Daily*, October 13, 2003

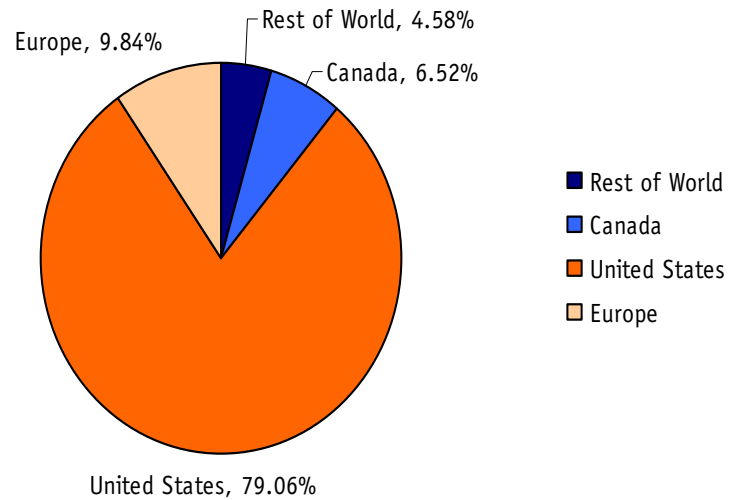
Methodology

This report is based on the responses of 2,093 life scientists who completed a survey online between October 9th and October 16th. Survey invites were sent to 70,000 people from lists rented from BioMedNet, The Scientist, and Biotechniques. The rented lists consisted of North American life scientists. The survey invite was also advertised in Biocompare eNewsletters sent to 48,000 people.

The survey consisted of 37 closed or partially closed ended questions designed to reveal the survey takers' purchasing habits and purchasing plans for 2004. All participants were required to complete demographic profiling questions to characterize their role in the laboratory, their main research focus and their laboratory purchasing authority.

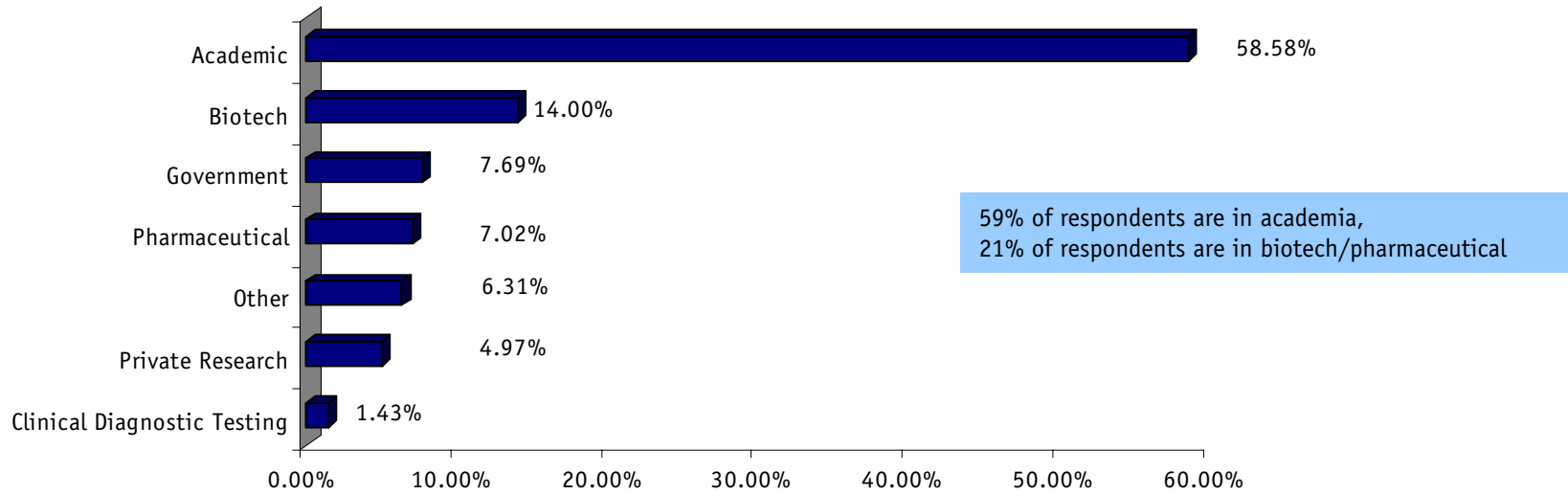
Country

85% of survey respondents are in North America



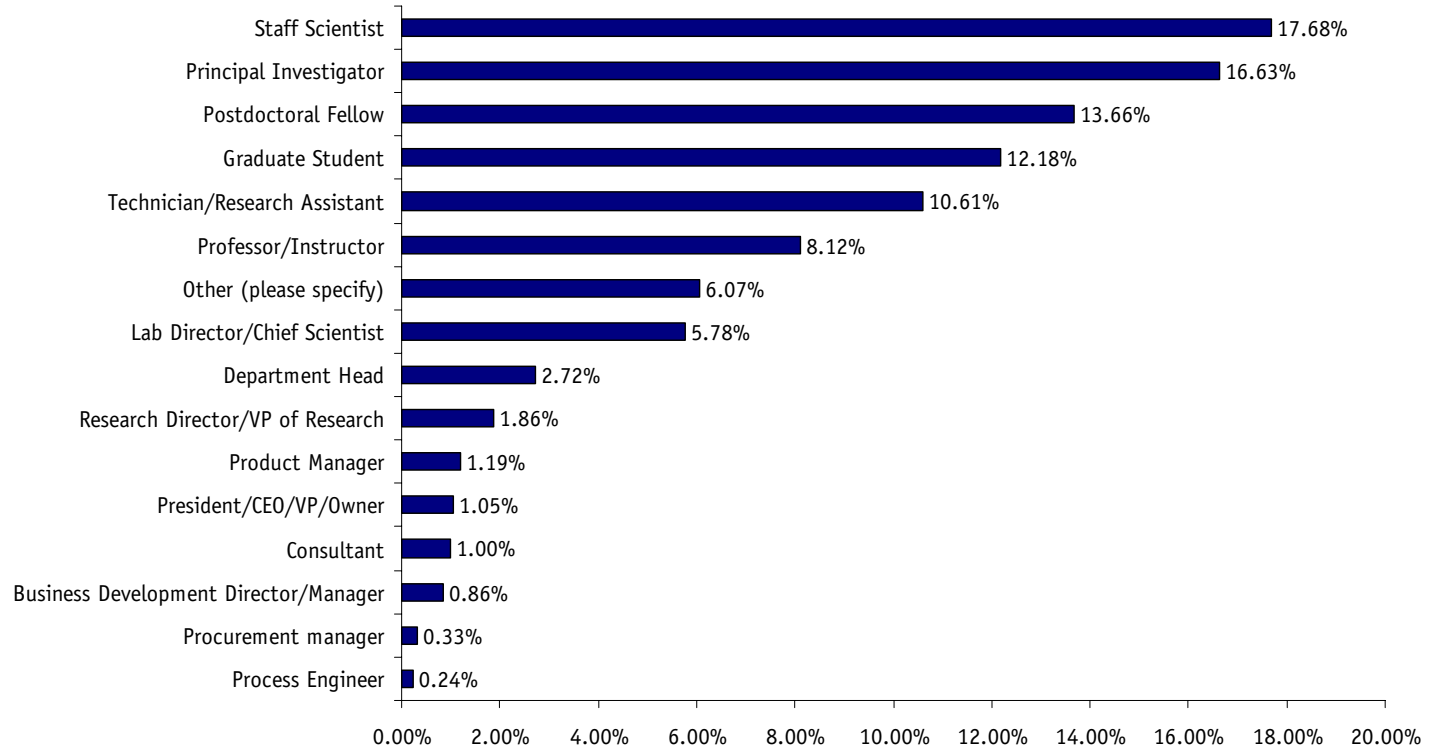
Respondents=2093

Market Segment



Respondents=2093

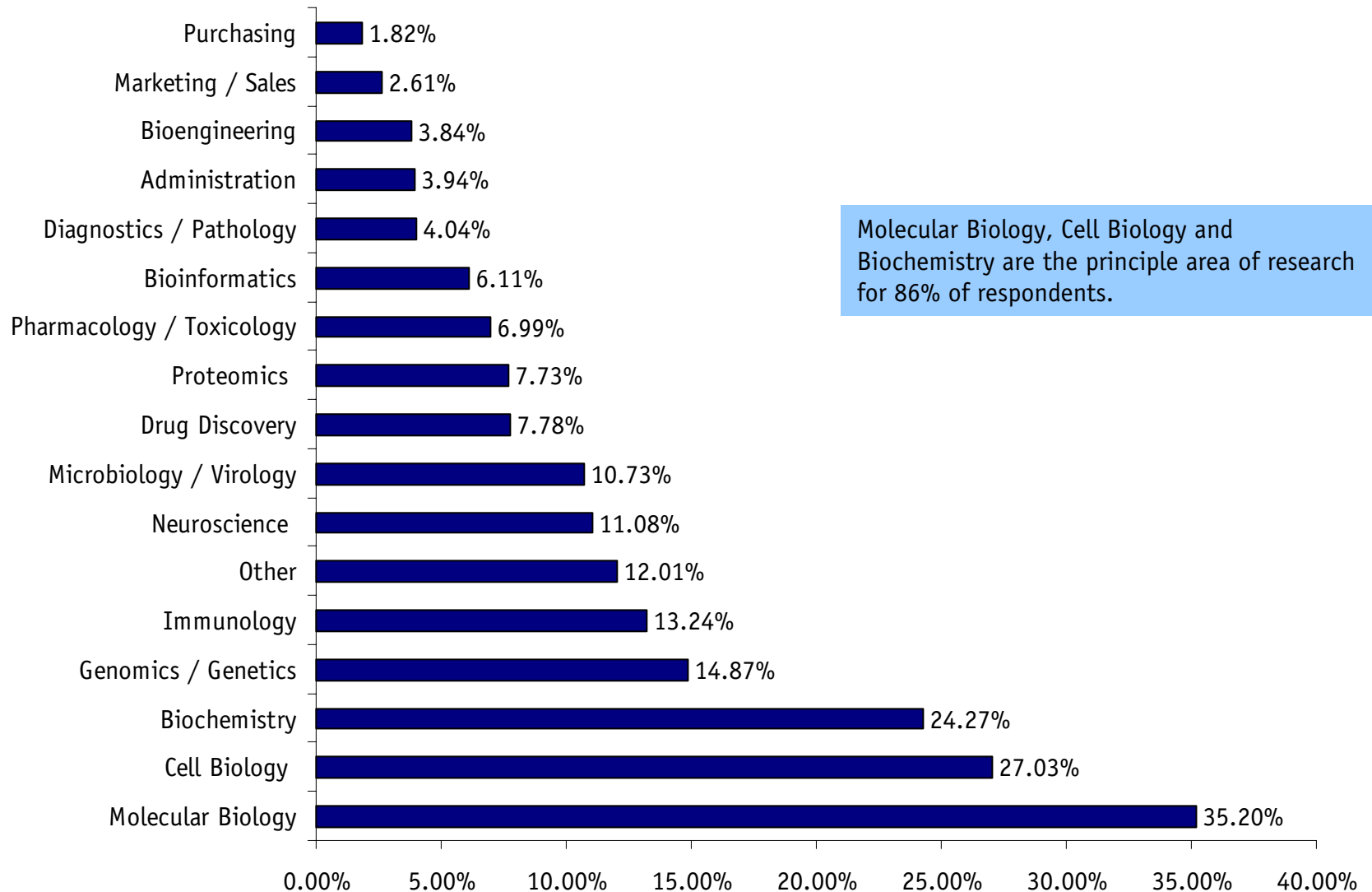
Job Title



61% of respondents are “at the bench”
38% of respondents are in positions where they run the laboratory

Respondents=2093

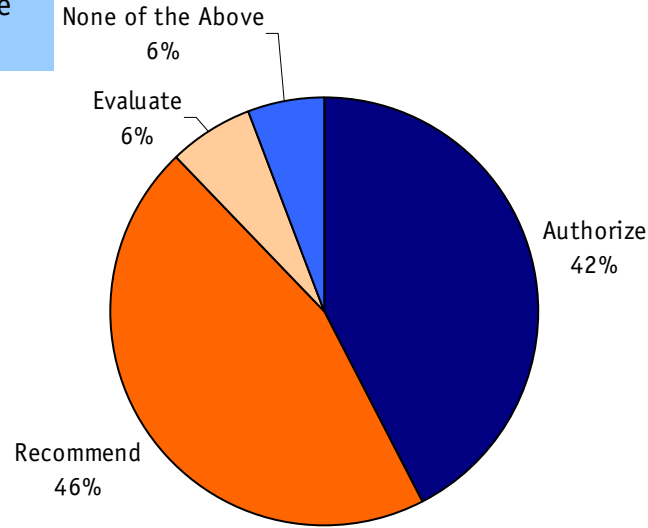
Principle Area of Research or Study



Respondents=2093

Purchasing Authority

Decision Makers:
88% of survey respondents either authorize or recommend purchases



Respondents=1981

What techniques and technologies do you use in your lab?

PCR/RT-PCR	62.45%	DNA Microarrays	22.03%
DNA Isolation & Purification	57.02%	siRNA	21.47%
Cell/Tissue Culture	54.56%	Microarray Analysis	19.88%
Microscopy	50.46%	Gene Transfer	19.57%
Protein electrophoresis	49.95%	2D Electrophoresis	16.85%
Antibody-Based Technologies	46.31%	Protein-DNA interaction Analysis	16.24%
Nucleic acid electrophoresis	45.39%	Mass Spectrometry	15.57%
RNA Isolation & Purification	44.72%	Gene Targeting	13.99%
Protein Isolation & Purification	44.01%	High-Throughput Screening	12.40%
Gene Expression Analysis	36.78%	Robotics/Automation	10.45%
Image Analysis	34.43%	Protein Sequence Analysis	9.89%
Nucleic Acid Labeling and Detection	34.27%	Proteomic Protein ID/Differential Expression	9.43%
Nucleic Acid Hybridization	33.40%	Other	9.38%
Real-time PCR	33.04%	Capillary Electrophoresis	8.25%
Recombinant Protein Expression	32.74%	SNP Analysis	7.53%
Nucleic Acid Sequence Analysis	31.45%	Protein Microarrays	6.92%
Chromatography	29.56%	Nucleic Acid Synthesizers	5.94%
Vector Design/Construction	27.36%	Crystallization	5.84%
Spectroscopy	25.56%	Laser Capture Microdissection	5.17%
Protein-Protein Interaction Analysis	24.80%		
Mutagenesis	24.74%		

✓PCR/RT-PCR, DNA Isolation & Purification, and Cell/Tissue Culture are still the most widely used technologies

✓Half of all respondents said they use Microscopy – up from 44% last year

✓Real-time PCR usage is up 10% from last year's survey

✓siRNA, a relatively new technology, is used by over 20% of survey takers

Respondents=1952

Are you planning to start a new lab?

- Yes: within 0-3 months
- Yes: within 3-6 months
- Yes: within 6-9 months
- Yes: within 9-12 months
- Yes: > 12 months
- No

Will your laboratory budget increase or decrease for 2004?

- Increase
- Decrease
- Stay the same

Are you doing microarray data analysis?

- Yes
- No

How much do you have budgeted for new lab equipment in 2004?

- \$0-50,000
- \$50,001-100,000
- \$100,001-500,000
- \$500,001-1,000,000
- >\$1,000,000

Do you plan to purchase a digital imaging system for any of the following and when?

- Western Blotting Digital Imaging System
- In-vivo Molecular Imaging System
- Electrophoresis Gel Documentation Imaging System

Which of the following equipment/systems do you plan to purchase and when? (check all that apply)

- Mass Spectrometers
- Balances
- Autoclave/Sterilizers
- Imaging/Gel Documentation Systems
- DNA Sequencer/Fragment Analyzer
- Incubators
- Microfluidics Equipment
- DNA Array Equipment
- Peptide Synthesizers
- Peptide Synthesizers
- Spectrophotometers
- Integrated Liquid Handling & Robotic Workstation
- Gel Electrophoresis Systems
- Microscopes
- Protein Fractionation/Purification/Analysis Systems
- Centrifuges
- Clean Room Equipment
- Thermal Cyclers
- Water Purification Systems
- HTS Workstations
- Hybridization Ovens
- Capillary Electrophoresis
- Fluorescence Detectors
- Flow Cytometry Systems and Reagents
- Microplate Reader or Washer
- Flow Cytometers
- Nucleic Acid Synthesizers
- Real Time Thermal Cyclers
- Genetic Analysis System
- SNP Genotyping Systems
- Automated Liquid Handler
- Heating Blocks
- HPLC/FPLC Systems
- Tissue Culture Hoods
- Water Baths
- HTS Plate Handling/Storage
- 2D Electrophoresis Systems

When choosing a microscope/imaging system, which of the following influences your purchasing decision?

- Quality
- Sales Representative
- Brand Reputation
- Service
- Price
- Other (please specify)

Which of the following software do you plan to purchase and when?

- Mass Spectrometry Software
- Bioinformatics Software
- Microarray Analysis Software
- LIMS
- 2D Image Analysis Software
- Liquid Handling Software
- Image Analysis Software

If two companies have the same products available, are you more likely to purchase from the company who offers online ordering?

- Yes, it is more likely that I will purchase from the company with on-line ordering
- No, it is not more likely that I will purchase from the company with online ordering
- N/A, my decision is not impacted one way or the other

Which of the following influences which lab products you purchase?

- Web advertisements
- Colleague recommendations
- Online buyer's guides (Biocompare, etc.)
- Price
- Journal advertising
- Catalogs
- Email advertisements
- Journal advertisements
- Storeroom availability
- Brand reputation
- Samples
- Other (please specify)

Which of the following technologies/applications do you plan to purchase lab products for in the next 3-6 months?

- Microarray
- Cell/Tissue Culture
- Real Time PCR/Quantitative PCR
- Subcellular Fractionation
- FPLC
- Protein Microarray
- Peptide Synthesis
- Human ID/STR/Sequencing
- Toxicity studies
- Basic Drug Analysis
- Kinase studies
- Genotyping
- ELISA
- High Throughput Screening
- GFP
- HPLC
- DNA/RNA Sequencing/Purification
- Protein Mapping
- Chiral Analysis
- siRNA/RNAi
- Protein Fractionation/Isolation/Purification
- SNP Analysis
- Electrophoresis
- Mass Spectrometry
- Protein Expression
- Protein Mapping
- Flow Cytometry
- Cell Viability/Proliferation Assays
- Cellular Assays
- GST tag Expression
- 2D Electrophoresis
- Cloning
- Cytokine studies
- Other (please specify)

What conferences do you plan on attending in 2004?

- a. AAAS: American Association for the Advancement of Science
- b. AACC: American Association for Clinical Chemistry
- c. AACR: American Association of Cancer Research
- d. ABRF: Association of Biomolecular Resource Facilities
- e. ACS: American Cancer Society
- f. ASCB: American Society of Cell Biology
- g. ASHG: American Society for Human Genetics
- h. ASM: American Society for Microbiology
- i. ASMS: American Society of Mass Spectrometry
- j. Biotechnica
- k. Drug Discovery Technology
- l. ENDO: Endocrine Society
- m. Experimental Biology
- n. HUPO: Human Proteome Organization
- o. Lab Automation
- p. Pittcon
- q. SBS: Society for Biomolecular Screening
- r. Society for Neuroscience
- s. Other (please specify)

When looking for life science product information, how often do you look online?

- a. Often
- b. Sometimes
- c. Occasionally
- d. Almost Never

Which of the following online resources do you use to find life science product information?

- a. Online Journals
- b. Supplier's Websites
- c. Web Searches (google, etc.)

When looking for life science product information, which of the following do you use?

- a. Catalogs
- b. Online Resources
- c. Journal Articles
- d. Colleagues
- e. Journal Advertisements