Significance
Australia is one of the most attractive locations to invest in biotechnology anywhere in the world, with highly skilled staff, world-class technologies, reliable infrastructure and utilities, world-class tight regulatory policies, private sector innovation, and an abundance of competitively priced raw materials as some of the key features of the biotechnology sector. International free trade has been a top priority for Australian and governments this decade. The number of significant investments into Australia biotechnology sector has doubled in the past few years. If an Australian biotechnology company wants to maintain competitive advantage in the global market, it must undertake regular formal marketing audits and market planning. This will help an Australian biotechnology company to develop effective competitive strategies and gain an advantage in the mind of the customer. A marketing audit is a systematic and objective scan of the internal and external environments where a biotechnology company or strategic business units (SBU) sits. It is a major precursor to planning or strategy development in the corporate biotechnology sector and really ought to be an ongoing process that corporate management to anticipate and respond to changes. Because it supplies the information for making decisions the marketing audit is perhaps the most important stage of the market planning and management processes in a corporate biotech sector. It provides the intelligence from which corporate biotechnology strategies can be developed. The results of marketing audit (usually summarised in a SWOT format) will indicate the general direction of the company by highlighting the product and market opportunities.

SWOT (Strengths, Weakness, Opportunities and Threats)
A central feature of strategic management is the ability to adapt a biotechnology company optimally to a changing external environment, and to do so with a strong sense of mission. To do so, a company first needs to have a good understanding of what is happening both within and outside the company. The analysis of a company resources is often referred to as an analysis of strengths and weakness. The acronym SWOT describes the total process where strengths and weakness from internal environment are analysed in conjunction with the opportunities and threats arising in the external environment. Strengths will increase a company’s capabilities and likely success in the market. Weakness will reveal the limitation of capability. Both strengths and weakness will help the microenvironment in the market auditing. Opportunities will show how a company can make in road in the global biotechnology market. Threats will reveal what other company or nations can be threat to the success of a company. Both opportunities and threats will scan the changes or activities of macroenvironment in Australian biotechnology sector. A company success is dependent largely upon the effectiveness and efficiency of the interface between the external and internal environment of that company.

Analysis
A SWOT analysis forms the basis of most strategic plans. The strategic analysis of a company requires a thorough and objective analysis of what a company is currently doing, what it is capable of doing and what it should be doing. While it is relatively easy to identify what the company is currently doing, it is often extremely difficult to agree what it should be doing. Understanding the strengths and weakness of a company in a strategic sense requires reliable information - not only about the skills of the company itself, but also about the skills and resources of its competitors. As a result, there is good reason to believe that, more and more, successful biotechnology companies are information-oriented ones. Before formulating corporate strategic plans for a biotechnology company, the executive management should do:
1. Gather information on the company itself: an internal analysis that identifies its strengths and weakness.
2. Collect information on the environment in which the company operates: an external analysis identifies opportunities and threats.
3. Analyse the information: make a match between internal and external factors.
4. Use the complete analysis to formulate strategic options, which capitalise the biotechnology company’s strengths and assist with overcoming weakness.

The external environment determines the context in which the company has to do its business but is generally beyond the control of the company. As such, it presents the company with opportunities to perform, but at the same time presents threats to its business and even to its very existence in the future. An external environment will include macro environment, an industry context, customers, competitors and other stakeholders. Macro environment is a term used to describe the wider context within which biotechnology market operates. It is meant to help marketers recognise that the actors in a biotech market (company, competitors and customers) are affected by events in the global.

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A biotechnology marketing research is defined as the systematic design, collection, analysis, and reporting of data and findings relevant to a specific marketing situations facing a biotechnology company. A biotechnology company can obtain marketing research in a number of ways. Most large biotechnology companies have their own marketing research departments. Small biotechnology companies can hire the services of a marketing research firm or conduct research in creative and affordable ways such as engaging students and professors to carry out projects, using the internet and checking out rivals.

Successful biotechnology companies realise that the marketing environment presents a never ending series of opportunities and threats. The majority responsibility for identifying significant changes in the macroenvironment falls to a company’s marketers. More than any other group in a biotechnology company, marketing managers must be the trend trackers and opportunity seekers. These are constantly altering impacts on markets. Thus an Australian biotechnology company need to be continually monitoring these environments, identifying opportunities of threats and developing responses to them.

Globalisation driven by deregulation such as Free Trade Agreements between USA and Australia and expanding technological capacities including emergence of internet, has changed the nature of global biotechnology competition. ASEAN countries have total annual trade worth US$720 billion. Australia has FTA with US, Singapore and Thailand and is currently conducting FTA feasibility studies with China, Japan, Malaysia, along with a South East Asian-Australian free trade comprising Australia and the ASEAN Block. This will boost biotechnology especially in agriculture, pharmaceuticals, medical devices, natural products and foreign investments to Australia, and Asian countries. Asian-Australian biotechnology alliances and partnering will contribute to future trade agreements between Australia, ASEAN block and global trade.

‘We are now even better placed to provide the best possible results for our clients.’

James Cherry Partner

The opening of our new office in Brisbane gives our clients direct access to our specialist life sciences team of 11 patent attorneys with diverse technical qualifications and industry experience. Together with the broader Freehills legal practice, they are well placed to provide our clients with commercially-focused, cost-effective advice and assistance, and the strategic input necessary to develop the value of their intellectual property.

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