



[Home](#) [Newsletters](#) [Conferences](#) [Database](#) [Reports](#) [Order Now!](#)

[Latest News](#) [Countries/Regions](#) [Free Blog](#)



## Impact of POCT on diagnostic labs

29/01/15

It is interesting to note that, so far, the threat posed by a new generation of Point of Care Testing (POCT) technologies doesn't seem to have damaged the share prices of the world's largest diagnostic lab groups. Sonic, Labco and Quest are all trading at historic highs in January 2015.

But the threat from new technologies, which will allow many routine tests to be carried out using point of contact technology, is real and growing. Leonid Shapiro, the boss of Candesic, the healthcare consultancy, says he recently looked at POCT. What he found was fairly sobering.

He says many companies are about to offer micro arrays which enable a whole series of 10-20 tests to be done within 15 minutes, at prices lower than that charged by today's big lab groups. He says that the day when a visitor to an outpatient centre will routinely do a battery of tests, using a small piece of equipment in the clinic, before he sees the doctor are not far off. There are companies out there who have developed the technology and who plan to offer just this product to outpatient centres. He also foresees the day, in 5-10 years time, when consumers will simply pop into a pharmacy and, for the price of a coffee, have a series of tests carried out at their convenience.

Shapiro downplays the immediate impact on today's big labs. "It will take years before channels to market and regulations change. And the B to C market would be accretive."

Maybe, and maybe not. POCT has the outstanding advantage of allowing doctors to have the test results before the patient consultation, rather than a day, or a week, later. The medical profession is extremely conservative, but the benefits of POCT are so obvious that even doctors will be inclined to want to see change. And POCT plays well in the Developing World, where there is little established lab infrastructure. As with their embrace of mobile telephony, you can imagine many countries jumping to an all POCT environment for routine tests. So the big lab groups could be cut out from the huge healthcare opportunities that these markets offer.

We think there is a real danger that, in the next five years, the big lab groups with their complex logistics and mammoth centralised labs, will be revealed as mainframe suppliers in a world that is owned by new breed of microcomputer players. Like the mainframers, if they enter the market and start distributing and selling POCT technology, they will cannabalise their sales.

Lab groups with strong reference and central lab businesses (in Europe that means Sonic, Cerba and Biomnis) will be less affected by this than labs that do a lot of routine testing, such as Labco or Synlab. But all have a substantial slug of their business in run of the mill routine tests – these account for between 30% and 90% of the sales of all the big lab groups.

We'll be looking at this in more detail in the February issue of Healthcare Europa. And this debate will also be held at Healthcare Europa 2015, where speakers include Dennis Gilbert Vice President, Diagnostics R&D for Abbott Laboratories.

---

Bookmark the [permalink](#) of this page.

## Related Posts

### Search by sector, country or for M&A

Looking for exact matches? Put the term in quotes: "clinical pathways"

- General Search  
 Merger & Aquisition Search

**Search**

---

### User login

Username

Password

Remember Me

**Log In**

[No login?](#)