Interview: Qiu Jiazhou – MD Chairman, H-Guard, China



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Dr. Qiu, could you please introduce your company, H-Guard, to our international readers?

Established in August 2013 in Shenzhen, H-Guard is an innovative IVD company currently focusing on early diagnosis and screening of cardiovascular diseases. We are a vertically integrated IVD company with R&D, manufacturing, as well as commercial and sales operations within China.

The genesis of H-Guard is rather interesting. While a native Chinese, I did my postdoctoral work at Tufts University in the US and also established a few biotech companies there. All in all, I spent nearly 30 years in the US and am an American citizen. Prior to returning to China, I was Chief Scientific Officer of IGAN Biosciences, a biotech company developing a drug for a very rare disease, IgA nephropathy. In 2012, IGAN Pharmaceuticals was acquired by Shire.

I was inspired by this success to continue to look at areas of unmet medical need, and that is why I decided to bring this particular IVD technology back to China in 2013. Our technology has been available in the US and Europe for a number of years now but not in China. When I established H-Guard in Shenzhen, we were the very first company to bring this technology into China!

I was personally motivated by the desire to improve the lives of Chinese patients and citizens. Cardiovascular disease accounts for 44 percent of deaths in China and is one of the leading causes of death nationally, along with cancer. An estimated 290 million Chinese people – nearly the population size of the US – suffers from cardiovascular diseases, and there are many more that are

susceptible to them because of lifestyle factors like diabetes, obesity and heavy smoking, as well as an aging population. Our team realized that if we could bring the technology for early diagnosis and effective screening, it would prevent many avoidable deaths and save patients' lives in China.

Today, we have around 90 employees, including 6 PhDs and 16 Master's graduates, and a growing portfolio of cardiovascular IVD products.

Can you tell us more about the technology behind your products and your current innovative portfolio?

Our technology is based on testing of two biomarkers: myeloperoxidase (MPO) and lipoprotein-associated phospholipase-A_2 (Lp-$PLA_{2)}$. These are widely accepted in global clinical studies as markers of cardiovascular diseases like myocardial infarction, stroke and coronary heart disease. Such diagnostic solutions have been available in these markets by leading clinics like the Cleveland Heart Lab in the US for many years. However, back in 2013, this product was not available in the Chinese market, and even today, only around 5 percent of Chinese hospitals use this.

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As I mentioned, H-Guard was the first to bring this technology to China. What fundamentally differentiates us from many of the other IVD companies now cropping up in China is the fact that we have our own independent core technology for not only the hardware and software but also the biomarkers themselves, which are monoclonal antibodies. We have our own patents and IP relating to this technology so we can manufacture them locally. Many other IVD companies in China would have to import foreign-manufactured biomarkers. This not only means that our technology is truly innovative and belongs to us, but also that our cost base is much lower.

This is also important because I am aware that sometimes foreigners have a negative impression of Chinese companies as imitators, not innovators. While certainly there are a few Chinese companies that do not respect IP rights, most Chinese companies and the Chinese government value innovation greatly. H-Guard is a great example of a truly innovative company with our own IP and technology.

We currently have four technology platforms catering to the various needs of different markets, from POCT solutions for community and lower-tier hospitals for faster screening to larger-scale machines for use in huge, tier-one hospitals with high-throughput requirements. Also, we offer solutions to third-party physical examination and screening organizations, which are a big market in China.

Looking ahead, we have many products in the pipeline and we are also working on diversifying our portfolio into other areas, starting with cancer, as it is also one of the top killers in China. As a truly innovative company, we will continue to invest in our R&D and bring more innovative products to the market.

Where do you see the growth drivers for H-Guard in the future, within the domestic market?

First of all, the Chinese government is gradually promoting the reform of the medical system, especially the delivery of primary health care. The implementation of early detection, early diagnosis, early prevention and early treatment will not only benefit more patients, but also reduce unnecessary healthcare expenditures for the country.

Second, there is still a big gap between China's in-vitro diagnostic (IVD) industry and those of more developed countries in Europe and North America. That also means a huge market potential. This is why many domestic and foreign investors are interested in innovative and practical medical diagnostic technology.

Finally, with the improvement of Chinese people's living standards, more and more people are aware of disease prevention. That is why we decided to focus first on third party physical examination centers and screening clinics. Our idea is to slowly build our brand in this segment and establish a strong market positioning, so that we will be better equipped to enter public hospital segment in the future. We have achieved significant success in this strategy and gained 85% of the market share within five years.

Shenzhen is said to be not only the medtech hub of China but also one of the most innovative and economically open cities in China. How has being headquartered in Shenzhen helped H-Guard's development?

In 2013, it was a very conscious decision to move to Shenzhen. I knew I had great technology that could help many people in China. There was huge market potential. Shenzhen was the best place to be because it has, as you say, the best business environment in the entire country, being very open and more market-oriented than other cities.

In addition, the Shenzhen government is extremely supportive of high-tech and innovative industries. This is especially critical for small start-ups like us back in our infancy. They pay a lot of attention to innovative companies like H-Guard.

It is clear that our efforts and investments over the past five years have paid off. Just last year, we were recognized as a Shenzhen high-tech enterprise, and this year, we have been awarded the title of ‘national high-tech enterprise’. In further recognition of our company’s achievements and contributions to society, I have also been personally invited by Chinese Premier Li Keqiang for an official meeting along with 49 other leading entrepreneurs in 2016, and H-Guard also had the great honor and pleasure of hosting Governor of Guangdong province Ma Xingrui during his visit to Shenzhen in 2016. H-Guard was one of the only two life sciences companies Governor Ma visited during his trip then.

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Having grown so successfully within the domestic market over the past five years, what are your plans for international expansion?

H-Guard is extremely interested in expanding internationally. We are still a small and young company, which is why we are focusing first on China, but we have big dreams. We welcome any interested companies or entities to approach us as we are very eager to collaborate with potential international partners and take our products to international markets. For instance, we already have an eye on Southeast Asia, but also would like to expand into other markets like India, Russia and Brazil, where there is a great need for our products.

On a more personal note, do you have any advice to young entrepreneurs hoping to follow in your footsteps?

For any aspiring entrepreneurs hoping to build a high-tech and innovative company, I recommend three things. Firstly, you need to have a unique technology and a unique product to differentiate yourself. Secondly, you need to be opening to learning. I personally was not a businessman, I was an academic and researcher. But I had to learn about business in the process – and it helps to surround yourself with business experts as well! Finally, you also need to learn a little about legal affairs and related industrial regulations to be able to protect yourself and your company.

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