

LABORATORY ECONOMICS

Competitive Market Analysis For Laboratory Management Decision Makers

APERIO TO LAUNCH DIGITAL SLIDE SHARING NETWORK

Aperio Technologies (Vista, CA) says it will begin leasing its ScanScope slide scanner combined with access to a digital slide network in early 2009. The goal is to make digital pathology more affordable to a greater number of labs and pathology groups, according to Dirk Soenksen, chief executive of Aperio. He says the price of the program, which will be marketed as “SecondSlide,” will be approximately \$2,500 per month per client with no upfront capital expenditure.

Up until now, Aperio’s digital pathology systems had required pathology groups and labs to make capital investments ranging from \$100,000 to \$500,000. The company currently has an installed base of 450 ScanScope Systems in 28 countries, including more than 150 systems in the United States. Most of Aperio’s clients in the United States are drug companies (e.g., Novartis and GlaxoSmithKline), large academic medical centers (e.g., Duke University Medical Center and Massachusetts General Hospital) and large reference labs.

The new pricing plan will expand Aperio’s potential market to hundreds, if not thousands, of mid-sized pathology groups, hospitals and independent labs in the United States.

Clients using SecondSlide will get a slide scanner plus software that allows them to electronically transmit digitized slide images to an electronic data warehouse. Images stored at the data warehouse will be made available to a client’s pathologists to retrieve and analyze using a passcode. Aperio plans to contract with a third-party data storage company. Physical and electronic security will be paramount in selecting the data storage vendor, which will be based in the United States, according to Soenksen.

Kathy Zirker-Smith, vice president for strategic initiatives at Aperio, says SecondSlide will help expand the use of digital pathology by overcoming several hurdles:

- 1) Cost—at fixed cost of about \$2,500 per month, the program will cost labs and pathology groups less than \$100 per day.
- 2) More sharing and collaboration—use of a third-party data warehouse means pathology groups won’t have to open their intranets to pathologists outside their group. The data warehouse will act as the go-between so that different pathology groups can share digitized slides without opening up the firewalls to their intranets.
- 3) Speed—use of a data warehouse with superior bandwidth will allow users to view and manipulate digitized slide images faster.

Soenksen initially expects pathologists to use SecondSlide primarily for getting second opinions on difficult cases from pathologists both inside and outside their group. Pathologists and labs will achieve savings from reduced courier expense and pathologist time driving to different hospitals to read cases, he says.

Zirker-Smith says the SecondSlide service could be expanded to include processing slides. She says this would mostly likely involve Aperio contracting with a lab partner, which would digitize slides received from Aperio clients, and then transmit the images to Aperio’s data warehouse.