

FACE TO FACE

VICKI TUTUNGI, OPTISCAN CHIEF EXECUTIVE

Woman on a mission

The new boss of Optiscan has always accepted challenges in her stride, writes **Olga Galacho**

FORMER CSIRO scientist Vicki Tutungi has a life that straddles two cultures with opposite perspectives on the public role of women.

On the one hand, the new chief executive of endo-microscope specialist Optiscan finds herself near the pinnacle of a business career in the male-dominated and often unforgiving biotechnology sector.

On the other, as the wife of a Palestinian doctor on family holidays in his homeland, she has had to adopt a more traditional female role in public.

Navigating between the two worlds is a task Ms Tutungi says comes easily despite the contrasts.

She is equally comfortable about her transition to the volatile commercial exposure of a listed company after 13 years in a secure government job in the cloistered labs of the national science organisation.

But she admits she was unprepared for the extent of the damage to Optiscan stock that has flowed from the sharemarket rout since she accepted her new position.

She agreed to replace outgoing chief executive Matthew Barnett in December last year after his sudden resignation in August.

Mr Barnett cited family reasons for leaving, but continued in his role until Ms Tutungi took over the reins and during that interval, the stock soared to 47¢.

This month the share price has bobbed around the 18¢ to 20¢ mark.

"Of course I am disappointed that the share market has dropped significantly," she says. "That is a reality I have to live with."

Asked whether it has affected her remuneration package, she says: "The short answer is yes. A large percentage of my package is incentive-based around share options."

She adds that while all the details of her pay are not finalised, when she accepted the job, her package looked more lucrative than it does today.

"Optiscan was trading around 30¢ back then and now it's around 19¢," she says. "It looks less likely now that I will be paid a bonus."



Picture: DARRYL GREGORY

Ms Tutungi explained that there was another downside to the disintegration of the Notting Hill-based company's market capitalisation.

"Share slides like this put a lot of pressure on small companies, not least because our prices are slower to bounce back than those of blue-chip stocks.

"Market volatility has a much longer-term impact on small caps."

However, she isn't going to dwell on the bad timing of her career change, saying she is determined to grow Optiscan's prospects, especially in Australia.

Ms Tutungi says it is ironic that a sophisticated health system such as Australia's has so far avoided a state-of-the-art diagnostic tool that was developed by Australians.

In the meantime, world leading

medical institutions such as Germany's Johannes Gutenberg University of Mainz, are very interested in Optiscan's instruments.

A senior academic from the university, Professor Ralf Kiesslich, recently wowed an audience of the world's leading gastroenterologists at a Puerto Rico conference when he demonstrated how the miniature microscopes help surgeons in their work, Ms Tutungi says.

GERMAN surgeons are particularly keen on the high-powered microscopes that enable internal organ cells to be magnified up to 1000 times without the need for removing tissue for biopsies.

European health organisations generally have been good customers with more than 30 Optiscan

instruments used in gastrointestinal examinations at major hospitals there as a result of a licensing arrangement with Pentax.

The company last year also licensed the German medical instruments group Carl Zeiss for the use of another miniaturised microscope technology in a "rigid" device.

Further cutting-edge diagnostic tools may be commercialised soon by Optiscan, Ms Tutungi forecasts.

Several clinical trials are either close to complete or finished with an announcement of results expected next month.

Among the instruments being tested are a robotic surgery device to treat prostate disease, one to explore endometriosis in women and another to analyse liver function.

But according to investment research in *Bioshares*, the company

is just 12 per cent towards reaching a "tipping point for commercial success" with its core flexible endo-microscope product.

While 60 hospitals in Italy, the United States, Germany and Britain use Optiscan equipment, the analysis suggests at least 440 more sites would need to take up the product "to generate the necessary returns for a large multinational such as Hoya", the company that merged with Pentax last year.

With "extensive experience in multi-million dollar licensing deals and managing relationships with leading global companies and government departments", according to Ms Tutungi's CV, she would appear to be well-placed to set Optiscan's sights on a more promising commercial footing.

"My mission is to move the company from a one-product, one-client company to a platform with many products and multiple partners," she says.

SHE aims to expand the company's business base with a greater emphasis on manufacturing.

Her skills in this area were gleaned during her role as chief of the CSIRO's manufacturing and materials technology division, where she managed 500 people and a budget of \$50 million.

There she helped to privatise a number of CSIRO innovations, such as Hyssil, a lightweight concrete, magnesium product MagSheet and a revolutionary polymer-based paint for the aviation industry.

The high point of her CSIRO career was as the lead negotiator for MagSheet, which was licensed to MIL in 2005 for \$10 million.

"It was an excellent price for our organisation," she says.

This time last year, she moved back to a more research-oriented job as head of CSIRO's niche manufacturing flagship with its emphasis on developing nanotechnology applications.

"Nanotechnology is the manipulation of something at a molecular level and it is the way of the future. We now have the tools to modify and to control matter at a molecular level. It opens so many doors in medicine, industry and the environment."

Describing nanotechnology as a type of non-organic version of genetically modified living cells, Ms Tutungi agrees that it is an area scientists will need to demystify for the community and one that may even need regulating.

She says she acquired her love of science through watching the eccentric television physicist Professor Julius Sumner Miller and his Sunday night show during the 1970s. *Why is it so?*

In addition to holding a degree in science and an MBA from the Melbourne Business School, Ms Tutungi is a qualified lawyer and mother of two.