Alternative Funding for Instrumentation

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Show Me the Money!

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Potential Funding Mechanisms

- Federal grants (S10)
- Departmental/Institutional funding
- Gifts
- Lease/Loan
- Reagent purchase
- Others……

Why Lease?

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Illumina NovaSeq X Plus

- Announced late Sept 2022 at the Illumina Genomics Forum, San Diego
- Enabling the "$200 Human Genome"
- Could sequence ~20K human genomes per year on a single instrument

Pacific BioSciences Revio

- Announced late October 2022 at ASHG meeting
- Taking the long-read human genome from ~$10K to $2K!
- Could sequence ~1.3K human genomes per year on a single instrument

Sequencing Tech Turnover is too fast!! 4-5 years

Leasing Experiences

- Since 2015, five leases
- Illumina, PacBio
- Getting the bids:
  - Various lenders – Bank of America, DLL, Mitsubishi Capital, others
  - Will probably be preferred lenders
  - Rates can differ
- Options:
  - Fair Market Value (FMV*)
    - End-of-Term Options: Purchase at FMV, continue renting, or return the equipment
    - Cheaper route
  - $1 Buyout Lease
    - Own at End of Term
    - More expensive
  - Deferral Period? (3 to 6 months)

Considerations for Leasing

- Have a plan…. and a crystal ball
  - Anticipated lab growth or decline?
  - Past purchasing experience with specific companies?
- Monthly payments, perhaps quarterly
- Read those terms!!! You will likely need to let the lessor know your intentions
- **Check with your institution about internal loan programs**

Thank You!

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