REFINITIV STREETEVENTS

EDITED TRANSCRIPT

FLDM.OQ - Fluidigm Corp at Piper Sandler Healthcare Conference (Virtual) - Pre-recorded Fireside Chat

EVENT DATE/TIME: NOVEMBER 24, 2020 / 3:00PM GMT

REFINITIV

CORPORATE PARTICIPANTS

Steven Mah *Piper Sandler - Analyst*

Chris Linthwaite *Fluidigm Corporation - President & CEO*

PRESENTATION

Steven Mah - *Piper Sandler - Analyst*

Hello and welcome to the 32nd Annual Piper Sandler Healthcare Conference. I'm Steven Mah, Senior Research Analyst, covering tools and diagnostics. I'm very pleased to have with us today Chris Linthwaite, CEO of Fluidigm.

Most investors on the call know Fluidigm, but for the benefit of those who don't, Chris, could you please give a brief introduction to Fluidigm and then we'll get into the fireside chat.

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Sure, Steve, again, thank you to both you and to Piper Sandler for the invitation to this fireside chat. I regret we can't be in person for the 32nd Annual Conference.

So there's a lot that's been happening with Fluidigm in general over this course of the COVID year but really over the last four years. Contemporaneously, we had strong performance in Q3. Our COVID-19 business drove a significant amount of that growth, and we demonstrated good traction in the five to six weeks post the period of our authorization for our first Advanta Dx COVID assay from the FDA.

Our base business also grew sequentially Q2 to Q3, and we've seen a recurring revenue streams returning as our customers are coming back into their labs. Albeit not all labs are full operation but we are seeing a steady improvement. And, of course, there are some uncertainty with the recent increase in positive rates across Europe and North America. But, generally speaking, I think we continue to see a continued recovery in our base business to complement our COVID-19-based testing franchise.

I think the key thing that's often get missed as we're focused so much on the COVID situation alone is that we have a broad pipeline, supporting both our microfluidics franchise as well as our mass cytometry franchise. And we'll be talking more about that innovation pipeline here in the coming weeks and months. But that's a big part of what's going to continue to drive our acceleration and leadership technology position entering into 2021.

We've been focusing on partnerships. We're beginning to see the fruits of those partnerships, and that's a -- we'll share some details about that as we probably get into the Q&A session. But partnership is a key leverage point for Fluidigm.

And then in diagnostics, the roadmap included diagnostics for microfluidics and perhaps even for mass cytometry, but the COVID overlay really accelerated that business model and the advancement on that business model. So we're quite pleased with the early traction entering this year or coming into this year, and then I think it's laying foundation for us to both see continued growth as it relates COVID-based testing but really expanding in other areas in the diagnostics field that will drive more of a long-term tail for the business well beyond the immediate COVID pandemic.

And then, in general, I believe that both of our franchises collectively are undervalued for maybe a variety of different reasons, but the science is really heading our way with the infectious disease outbreak has really shown the importance of focusing on questions related to immune profiling, immune response, and immune repertoire; and as well as the validity of our microfluidics platform for addressing a myriad of problems, both the miniaturization and reduction of critical reagents and processing massive amounts of test samples in a very efficient manner. And we believe this platform and this basic approach, both focusing on the immune system as well as adapting the technology around questions that have enduring need for the decades ahead is critical to the long-term success of the business. And I think we've done a nice job of repositioning ourselves with that, and supplementing that with nondilutive capital sources and driving efficiencies in our core business.

So maybe, with that, I'll -- and I'd probably be remiss if I didn't talk about not just the immune system but really our leadership position in spatial biology. And I think that we are seeing more and more validation on both the terms of our clinical trials adoption supporting the technology in larger and larger studies, supporting the importance of spatial research, spatial biology research, and we'll see where that heads in the years ahead. But I feel very strongly that our technology is incredibly important in addressing this nascent in an emerging space.

I'll turn it over to you, Steve, after that. Thank you.

Steven Mah - *Piper Sandler - Analyst*

Okay, great. Thanks, Chris, for that introduction. And, yes, thank you for also bringing up your core business outside of COVID-19. I know that's where most of the investor focus has been these days, and this is sort of driving a lot of the questions we'll have today as we've gotten feedback from investors.

But, obviously, COVID-19 is on kind of the forefront of everybody's mind right now, the recent vaccine news, emerging tests. So why don't we get to those questions right off the bat and then we'll pivot it back over to your core business, right?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Sounds good.

QUESTIONS AND ANSWERS

Steven Mah - *Piper Sandler - Analyst*

So starting with your clinical Biomark platform, you talked about repurposing your microfluidics platform for clinical use. You've developed the Advanta COVID-19 saliva-based assay. Could you just give us a sense what the current clinical installed base is? And what type of institutions and locations you're placing those instruments out?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Sure, that's a great question, Steve. Actually, I did want to -- as we jump into the installed base for COVID-based testing, I found it -- we found it quite interesting as we were -- I've been going through the placement data for the year-to-date. We've seen extraordinary growth in placements or very strong growth in our placements for our Biomark-Juno combination. Kind of quietly we've seen about a 25% increase in our core base business in terms of new placements. And so that's been a really nice surprise even the backdrop of the difficult COVID environment.

And then in terms of developing a footprint in COVID-based testing and writ large kind of more diagnostics-oriented testing, we've had a 43 Biomark placements starting, I think, from the midpoint of Q2 with acceleration in Q3. So we've had about 43 again placements in the period. And that has roughly broken out to be about 50/50 distribution. 50% have been focused on -- or have been placements in what we would call vertically integrated or captive testing environment. That would be universities, systems in which they have large populations that they're going to do testing for either their university health platforms for community-based testing or for the population there on the campuses. And then the other half approximately has been in CROs, CROs in public health agencies.

So I think we've seen a pretty good balance. There's been a heavy focus more in the U.S. than ex-U.S. I think the -- and that's partially because we focused more initially in the U.S. market. But we believe there's significant opportunities for us to expand outside of the U.S. as well as build upon this initial footprint in testing in the right places in these CLIA high complexity labs.

And so our -- we're going to have our business, I think, in the -- and the captive lab is going to be our -- such as the university hospital systems, I think it's going to be a little bit easier for us to model. The CRO segment is going to be more dependent upon their end customer markets, so are they doing sports or return to workforce-based testing or broad surge community-based testing, things like that, which will probably impact the rate of ramp-up in that segment. But either way, I think we're very pleased with our overall initial penetration.

Steven Mah - *Piper Sandler - Analyst*

Okay, great. And can you give us a sense of what were percentage of your users are running Advanta versus which percentage are using the Biomark on their own LDTs? And can you give us a sense of the ranges of the ASPs and how the volumes vary from user to user?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, the range is relatively high. So we know it presents a challenge for people trying to model the business in different scenarios. But in our experiences reflecting on the past quarter, it's been running between $5.00 and $20.00. So with the higher -- with more of the weighted average being in the lower end of that range as far as in ASP. That's been influenced, though, by the relative size of some orders. We have some very large orders tied to our Campus Safeguard Program that had large commitments tied to that.

And so in that environment we saw, again -- we had about 800,000 tests in Q3. So the majority came in Q3, and that particular mix for the Q3 time period, it was to lower end of that range. And then more of the mix has been towards our Advanta Dx product and less on the RUO time side but or LDT. But that will -- could fluctuate from period to period. Really, it's based upon the mix shift from period to period. But for the initial period or for the current period, in which we have the most experience, which is really five or six weeks of operating experience, it was more towards the Dx product, a little less on the RUO or LDT side, and we were closer to the lower end of the range that was tied to, I think, large orders tied to the Campus Safeguard Program.

Steven Mah - *Piper Sandler - Analyst*

Okay, great. And you mentioned some minimum purchase commitments on the reagent side. Can you give us some color if -- as a condition to purchase a Biomark, it has to be some minimum pull-through commitment? And if so, how long the contracts are typically for?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I think that's one of the areas that -- because the traditional diagnostics model has been reagent rental, commitments of placing a box tied to consumables in the -- in our experience to date, we have been placing Biomark instruments in a very attractive transaction prices and then really then shifts whether they want to price the -- whether they want to lock in or what prices they'd like to give to lock in for the Advanta Dx products.

So the only really variable on ASP is not tied to Biomark placements. It's really tied to the tiers, the size of the -- you have the size of the commitment they're making and the duration of that commitment.

Steven Mah - *Piper Sandler - Analyst*

Okay, got it. All right. And then I know it's early days, but can you let us know some of the early customer feedback, details, how they're using your tests to address their testing needs? And then maybe going forward, could you just discuss how big your customer pipeline is and give us some color on the demand you're seeing right now?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I'll start with the back half of the question first. We've been very pleased with the size of the customer pipeline and opportunity pipeline. We are seeing more opportunities emerged outside of the U.S., in addition to supplement our U.S.-based business. We have relatively limited operating history here. So I -- it's hard for us to draw inference between the size and quality of our pipeline and then how quick to expect to yield or return on that.

But it's been quite strong, and it's been highly variable. So we've seen opportunities with quite significant recurring revenue stream potentially. So there's -- it's really going to come down to us the mix. If we can close some of the really large opportunities, that would be valued over just closing many, many, many smaller opportunities or we could go either direction.

So I think we're really pleased with both the depth and breadth of the pipeline to date. We're also looking at the quality. We're trying to increasingly put more focus on not placing boxes everywhere we can place them that's, of course, attractive. But how do we put them into the most valuable operating environments not just for the COVID operating period but areas that we envisioned durable testing needs.

And that's tied to our perspectives on end segments. I've talked about this a little bit recently on one of the calls is our direct customers are those contract research labs and those vertically integrated testing houses, again, like captive labs sitting in larger healthcare systems or hospital systems or university systems.

But we believe increasingly we need to put a lot of focus on the end to the customer of our customers. So how we think about the return to school market and break that into higher education versus K through 12? How do we think about travel and entertainment, the cruise industries, the return to work market, which is quite nascent. So we're really looking about how do we make sure we're -- and then, of course, there's the barrage surge testing and overflows coming from state and federal agencies and their equivalents outside of the United States.

We're increasingly looking at these end customer segments and beginning to try to hypothesize in which of those segments will be most durable, which of those have different -- is there private pay or a public pay or insurance-based reimbursed solution and ensure that we're assembling us a network of partners that are well positioned to serve a number of those end markets.

We know from our own research, our own promotional work, that there are strong inbound interests on accessing saliva-based testing and specifically Fluidigm saliva-based approach, so creating that partnership network and infrastructure which all ties back to things like why we've done our partnership with Healthvana, why we've announced a series of CROs across a broader range or across multiple geographies in the U.S. and each of them have their own business focus.

One example, that was the announcement recently with Millennium Health in Southern California who has been focusing on federal and state level and securing contracts with Health and Human Services to do surge testing for various states. So that's an example of a specific lab that has an end market segment in mind and then we're working. We've created awareness of the technology of the test itself, and they provide -- they're doing the pitch, specifically at the agencies to close those contracts.

So limited experience to date, but I think we remain quite and maybe incrementally bullish on the increased testing demands going into 2021. In our estimation, 2021 overall will have more testing demand than in 2020 and that -- and in fact it does not precipitously drop off. The testing and the vaccine deployments, it needs to be seen hand in glove, one with the other, and that there will be a testing tale even related to the vaccinated population.

Now, the needs may evolve and that's part of our research and development roadmap. Things like pan-respiratory we think could exit the COVID outbreak with a much larger market, total addressable market, that had been coming into the pandemic cycle. So that may represent a larger and more durable market than traditionally had been modeled in things like respiratory diseases detection. That's just one example.

So maybe I'll take a pause there and let you ask the next question.

Steven Mah - *Piper Sandler - Analyst*

Yes, sure. Yes, maybe just a follow-up to that. You talked about the durability of testing, potential to get into additional clinical testing on the Biomark and you also mentioned multiplex respiratory panels. Can you give -- can you give a sense for any of those things that you're developing and give us a sense on timing?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I think multiplex respiratory panels or other multiplex panels feed right into the sweet spots of the Fluidigm technology. It's certainly our IFC structure. We, as you know, can both support those two-laboratory developed tests in which labs themselves, high-complexity labs are developing that content on our chip and then taking that product out to market or we can have an equivalent of the Advanta Dx CoV-2, SARS-CoV-2 test as a proprietary Fluidigm product.

For the proprietary product, we decided to push that timeline out a little bit, and we're having other partners who are still are commercializing their own panels on our technology on LDT format. But there's so much inbound request right now. And we just think it's the largest, I think, and the most dynamic research and development pipeline that we've had in some time in the microfluidics space specifically. So we're going to continue to prioritize based upon the magnitude of the opportunities, the quality of the opportunity or urgency of that opportunity.

So we're blending over near term, mid-term, and long-term. I believe that the pan-respiratory opportunity is going to be a very long-term opportunity. There's a lot of questions around this year, around how large the flu season will truly be, given our masking and other appropriate preventative activities that we're conducting.

So I feel confident we'll have a product that's going to come out to the market as a branded product, and we're going to continue to participate in the near term as the laboratory developed test. And then the market should look for other products that will come out for us, other offerings that will -- have replaced that as a first in the queue deliverable.

Steven Mah - *Piper Sandler - Analyst*

Okay, all right. That's helpful. I appreciate the color. So maybe pivoting now to manufacturing. Could you give us an update on the manufacturing capacity for both the Biomark and the integrated fluidic chip?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I'll address both. So starting with the instrument platforms, I think we're -- demand planning, supply/demand, and S&OP process is a pretty robust process inside the company. We're very pleased with our current position and our ability to deliver Biomark platforms. I think we can, prior to this period, we certainly have -- we have current capacity to manufacture between 30 and 40 in a given period and overall longer period of time we can flex with our contract manufacturer to create more capacity.

Prior to this period, you might recall we were only selling about 50 a year, so we've already absorbed significant step-up in demand with this manufacturing, contract manufacturing partner. So I think we're in a recently good shape for the quarter at hand with 30 to 40 units of potential manufacturing capacity in the period.

On the microfluidics side and specifically related tests, our RADx investment continues to enable more scaling of our underlying chip fab facility in Singapore. We anticipate having as many as 6 million tests available in the Q4 time period as total manufacturing capacity. Of course, I'll continue to remind people that, that's just an ongoing initiative, and there's steps to know -- prediction that we're saying we're going to sell all 6 million. But we believe that we will not be capacity constrained as we had supported our growing installation base.

Steven Mah - *Piper Sandler - Analyst*

Okay. And maybe -- I know you touched upon on it a little bit, the durability of the test, of COVID-19 testing going forward. But what do you think is a good steady, state-level for manufacturing of the IFC chip? I know it's hard to (multiple speakers) --

---

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

You know, there will be a lot -- yes, you know, I mean I think we're going to have manufacturing capacity. It will continue to step up. As we exit the first quarter, we'll likely see another step-up in total manufacturing capacity and that's to support our other businesses too. So I think we're really encouraged that it gives us the auction value to be able to support surge demand in testing on our platform as well as accommodate the growth in our underlying businesses and our new partnerships that were already underway or already under negotiations. So I think we're going to put ourselves in a pretty good manufacturing position with regards to chips.

And things like the barcoding initiative could give us additional manufacturing capacity and throughput related and depending on how that product becomes commercialized and how broadly it becomes commercialized. So I feel like we're in a good position from a capacity perspective, and we continue to execute, I guess, our government obligations.

Steven Mah - *Piper Sandler - Analyst*

Okay, yes, maybe that's a good segue then into, yes, talking about your barcoding initiative. Could you give us an update on the timing of that as well?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I'm not in a position because I have to coordinate that with the government to give you a full update on that, but I think we're very pleased with the progress that comes with that technology.

Steven Mah - *Piper Sandler - Analyst*

Okay, got it, got it. And then maybe while we're on the topic of kind next generation stuff, I know in your last earnings call you mentioned a next-generation Biomark instrument. Could you give us some details around that as well? Is that more for research use or for clinical use or both? And then maybe you can compare and contrast your existing Biomark with this next-gen platform?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I'm really glad you asked the question, Steve. We're -- I'd like to actually be in a position maybe to give you and the attendees a bit of a sneak peek on to where we're heading with this platform. We've substantially upgraded our Biomark platform which has not had a refresh for almost a decade. It's been about eight years ago, 2012 or so, we did a light refresh on the box.

What our goal is to really put the capabilities of our Juno platform and integrate that with our Biomark and, in addition, provide or infuse the evolution and improvement underlying componentry into this next-generation box. So taking really two-box solution importing into one box solution that's really future built for this decade ahead.

And it was important to us to ensure that it was compatible with the many, if not all, of our existing IFCs. And it's also providing a fantastic platform for some next-generation innovation on our IFC platforms that will push us ever closer to sample to answer. And so, as you might imagine, that can serve both markets, that can drive efficiencies in our research use only business which we will continue to participate, but I think this is really

going to be the foundation for our diagnostics platform. So the traditional model is generally the releases in RUO box, but this has been designed and built with the diagnostics completely in mind from day one including the chip approach.

So I think we're really encouraged about where this stands. We'll provide more details on the product itself a little bit closer to launch date. But why we wanted to talk about it today, I'm going to spend a minute or two showing you a little bit of the details about it because I don't do a lot of show and tells, but because we're also opening up for partnerships. So when people go to our website probably as early as next week, I think that will probably be right after the Thanksgiving holiday, we'll have a partnership page up and so we're already beginning to approach partners.

We've got a few -- we've already had a prelim, our preliminary view of this, and we want to make sure this is -- that's very clear that we're open for business. So we'll have Fluidigm-based proprietary platform content, but we're also going to be very open for partnership models that want to take advantage of our IFC technology and this next-generation box.

So maybe just to give a little bit of contrast, and I think I could stand, right,. If you kind of pan over here a little to the side, this is our current Biomark platform. So you can see me standing next to it. It's a relatively large footprint. It's very extremely robust platform. This is -- it was designed in 2008 or 2010, and first commercialized, 2008, 2009. So it's -- you'll see a lot of the optics and elements have really dramatically improved, and the costs have come down so we'll have a much tighter cost structure around this.

The second is our Juno box, which is our flexible sample prep platform which feeds both next-generation sequencing as well as PCR applications. So this box isn't going anywhere. This box is going to continue to support our next-generation sequencing activities. What we really thought is how can we combine the incredible throughput and capabilities of this PCR detection platform with our IFC chip technology and this automated library prep solution.

So I'd like to kind of -- maybe you can scroll over here a little bit to the other side. I'm just going to kind of take the sheet off here and you'd get a chance to kind of see what the new box looks like. So if you take the size of the box that you just saw, the two boxes over here on the prior picture, and this is our next-generation platform. So we're really excited about the potential of where this can take us. We'll talk about the features and benefits later on. It would be front-loaded here some very similar for the chip introduction. This will include both the loading process as well as the detection process. The compute will be onboard, and all this would be done on onboard touch screen.

So we're really pleased with the progress to date both with the user feedback and initial beta users and/or alpha and beta users. And we just really look forward to sharing the technical specs and getting this product out in the market in the year ahead. So we're already looking at targeting mid-year 2021 launch for the product, and we'll expect to share more details with the investors as we get closer to that launch date. Thank you.

Steven Mah - *Piper Sandler - Analyst*

Great, that's fantastic. I really appreciate the sneak peek, Chris.

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Just for you Steve.

Steven Mah - *Piper Sandler - Analyst*

Okay, well, maybe -- yes, maybe that's a good place to pivot now to your core business. Let's talk about the research instrumentation business. It's obviously been weaker due to lab shutdowns from the pandemic, and you mentioned a little bit of a recovery as labs started to reopen, offset by mass cytometry strength, and the immune profiling.

Maybe -- you know, can you comment on trends you're seeing now that we're kind of midway through Q4, maybe give us a forecast in Asia Pacific, Europe, and then U.S. now that we have a little bit of -- a little bit of time has passed and we're getting a little bit more clarity on shutdowns as much as we can?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes. I mean all I can really kind of comment on since we're the in the middle of the quarter just now and as everyone who maybe has been investing in the life sciences tool space for many years, and there's that fourth quarter is generally a pretty backend-loaded quarter, so we've got an important -- the most important time period ever is the current quarterly you're in, and we still have also the most important weeks of the six weeks that reached at the end of the back half of the year.

But on kind of qualitative basis, we've been continuing to see that labs have been adapting or it appears around the restrictions and even the increased shutdowns in various geographies. So I think so far so good. We're seeing kind of a continuation of the trend lines that we saw between Q2 and Q3. I do feel privately at least or personally that it's going to be unlikely. Although, we have better -- more labs are turned on, not all labs are going to say operating for full throughput capacity. And that could be because of sample queuing in their own studies. It could be because of restrictions in the number of people they can have in the lab.

But it's incredibly encouraging to see them back in operations, and we're seeing more of their back-office functions and procurement and such also back working. So, again, there's a lot of wood left to chop to finish off the year, but I think we've set ourselves up into a good position down to execution.

This is really building off the tail that we've described, which is the amount of increased incremental interest in our technology. So we talked about things like COVID on its own is standing, and is very strong and robust of the general demand. In our core business, we're seeing more of our partnership activities and underlying business. We're seeing more demand to merge.

And then in mass cytometry, which interrelated to our core business, we're seeing more of the non-COVID-related work in immunology, immuno-oncology coming back, coming back nicely. So that's very, very encouraging, and we're seeing -- we held our 9th Annual Mass Cytometry Summit at the backend or right at the early part of the fourth quarter. And we had fantastic participation for the first ever virtual version of this. And I believe about half of the attendees were new to Fluidigm, and they were new - and they've populated a significant amount of leads for both consumable sales for their own projects for incremental or for unit placements seeding into 2021 and beyond as well as opportunities for service contracts. I think we had more than 20 service projects that went through our therapeutic insights, and we recently also stood up a service center in Japan to serve the local market there.

And we're continuing to see certainly in the COVID backdrop that this is an attractive way for a segment of the market that can't get access to the equipment or their own labs that aren't opened to -- or they were interested in developing or advancing proof statements for potentially submitting for -- or doing evaluations of technology. This is a very attractive way for them to engage with Fluidigm.

So we're seeing a series of -- I think the general vectors or lines are moving in the right direction.

Steven Mah - *Piper Sandler - Analyst*

Okay, great. Thanks for that update. Maybe just follow on to one of the things you said, yes, typically Q4 for tools companies, that's typically where you get that kind of year-end budget flush. Have you seen any instances where customers are pushing budgets into 2022 and delaying capital purchases due to the pandemic?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

I think it's -- the hardest part to kind of give a -- normally what happens in the end of quarter call after we've got a chance to really dissect the big trends that are going on. In this year, there's so much movements at the highest levels. At the macro levels, it's hard to kind of draw inferences. What I perceived is that it's just like everything else; 2020 is not a typical year, but it's way too early to say that there's a budget flush or that there's been a push out of budgets. It's a -- it's too early right now. There's tremendous amount of activity and engagement. But as far as the drivers for that, is it related to flush, is it related to push outs or anything like that or catchups related to spending that was held back earlier in the year, I think it will have to probably take us to the analysis in January to give more definitive statement on that in February.

Steven Mah - *Piper Sandler - Analyst*

Yes, okay.

(Multiple speakers)

Steven Mah - *Piper Sandler - Analyst*

Fair enough. And then maybe just with the last minute that we have, maybe just finish up with sort of an OpEx question. As you start pushing into COVID-19 testing more, you have a new product coming out in the next-generation Biomark, some of your partnerships, do you foresee increasing marketing spend or having to create a specialized diagnostics sales force? Have you guys pivoted to diagnostics? How should we think about that going forward?

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

Yes, I'll maybe attack that in a couple of fronts. One, I hope that investors are encouraged to see that we were very prudent in the way our deployment of capital in the 2020 time period despite the uncertainty in the macro situation. We were -- we remain absolutely strong in our convictions that the spatial biology space is going to be a large and potentially very important market, that our mass cytometry franchise overall which has been growing historically at least for the last four years since I arrived in the 20 percent-ish or 20 percent-ish-plus annualized basis, that despite the near-term slowdown in instrument placements in the last shutdowns that we were resolved to continue to investing in that. So we've sustained research and development, which is part of why you're going to see a steady pipeline of new products coming out on the horizon both for mass cytometry as well as the next-generation Biomark which I shared before.

And when you look at our performance, you can see that we haven't seen a surge in OpEx spending. And we've been able to do that through making trade-offs on other portions of our business and through engaging in partnerships in nondilutive funding sources to subsidize or to fray the investments. And then certain key investments, things like the government investments tied to the RADx initiative, as well as our DARPA investment, has really given us a tremendous leverage point from our innovation engine.

And so, we shift now to the marketing part of the P&L. We were going to -- we're committed to accelerating revenue growth. And so we can see a clear line between incremental investments in marketing or incremental investments in sales. We'll make that trade as we see accelerating top-line and top-line growth.

But I don't perceive that there's some massive investment required for our business model. Our strategy is diagnostics. Part of that is because we're pursuing a lot of nuance in our strategy. We're not perceiving that we're going to build a large, direct selling organization and cell diagnostics contents at the stage. We've been working with true partnership models and force multiplier models for people to go into vertical applications. And so we provided the underlying core technology. We helped maybe working with them to create end market awareness, that they may own the final transaction in the final mile, and we'll provide a lot of the support infrastructure which leverages investments we already have in place today.

So, again, it's little bit early days in the diagnostics strategy overall, but I'm very confident that we can provide metered investment to support this. And if we see continued accelerating growth, we have 49% growth in the Q3 time period, if we can sustain accelerating, strong, double digit growth, then we'll continue to look to make sure we're optimizing a return on investment and being prudent. But I feel like we're in a very good position from a cash balance perspective. We've shown disciplined balance sheet execution overall, and we're showing I think appropriate balance between leaning in, leaning into these large market opportunities and in fact larger market opportunities that we anticipated coming into 2020 to ensure Fluidigm gets our fair share of those.

Steven Mah - *Piper Sandler - Analyst*

All right, well, really appreciate you spending time with us, Chris. I appreciate you participating in our conference again this year.

Chris Linthwaite - *Fluidigm Corporation - President & CEO*

You bet. Thanks, Steve. Be well.

Steven Mah - *Piper Sandler - Analyst*

All right, you, too. Thank you.