Interview with Gordon Bates, Head of Operations and Site Manager, Lonza UK

30.07.2012

Tags: Lonza UK

Can you provide us with an overview of what the UK market represents for the greater Lonza group?

Lonza Biologics is a contract manufacturing organisation employing approximately 650 people in the UK primarily at two sites; Slough and Cambridge. The Slough site is the main centre for our UK operations with both the global Research and Development centre for mammalian cell culture process development, and clinical and small-scale commercial GMP manufacturing based here.

Our Cambridge site is focused on our Applied Protein Services offering which is a platform of immunogenicity screening, and stability and protein engineering services to improve the quality, safety, efficacy and manufacturing of antibodies, therapeutic proteins and vaccines.

One of the major advantages of working with Lonza in the UK is our cumulative experience in biologics process development gained through working on hundreds of different molecules over the past 25 years. As a contract manufacturer our heritage is a proven competitive advantage as we are able to draw on our experience to overcome potential process development problems for our customers. Any company that works with us, and we have a global customer base across the spectrum of start-up biotech’s through to large blue chip pharma companies, are essentially tapping into this expertise to help their development programmes to be successful much more quickly.

Within the context of a growing biologics sector, where many large pharma have publicly stated that they expect 20 – 50% of new molecules to be biologics over the coming years, Lonza's UK operations, which are solely focused around mammalian cell culture, are well positioned to support this projected growth. Our UK site is also part of Lonza's global biologics manufacturing network, and with forecast biologics market growth of $41bn between 2009 and 2014 Lonza are in a position to support customers through the lifecycle of their projects from early clinical development stages to regulatory approval and in-market supply given our range of manufacturing capacities across our network of biologics plant on three continents.

As part of Lonza's strategy the company has undertaken a plan to enhance operational capability, including a £16 million investment in your facilities here at Slough. What does this strategy consist of and how will it enhance your offering for your customers?

Our infrastructure in Slough has evolved organically over the last 25 years and we now have an expanded network of satellite buildings in the Slough area. The demand for our services and the growth experienced over recent years led us to conduct a critical appraisal of where we are today and where we aim to be in the future. In order to close the gap, and to support our site vision to consistently deliver value and excellence in the eyes of the customer, we developed our site transformation plan to upgrade and expand our current facilities to more effectively serve our customer needs.

The investment will create a flexible operational infrastructure utilising state-of-the-art equipment and technologies. The scope includes new purification and fermentation suites, new process development laboratories, a new GMP warehouse and new office facilities. Construction of a 60,000 square feet building has already begun, which allows us to consolidate our satellite buildings onto a single campus, and we expect this to be complete by the end of Q3 2012.

As a contract manufacturer our preferred way of working with customers is through a strong collaborative project management approach to understand their needs. We believe the new design provides an enhanced level of flexibility to respond to the dynamic nature of customer needs and expectations in the 21st century. The design principles are also fully aligned with our philosophy of product and information flow and processes operating on-target-with-minimum-variation.

What makes Lonza such a great place to work?

If you accept that scientists are internally motivated to contribute to improving the quality of life, then joining Lonza is a pretty appealing starting point. Our staff continually reinforce that this is one of the key reasons they decided to become a scientist at a very young age, anyhow, clearly

there are other factors that also influence their decision to join Lonza.

The first quality that distinguishes Lonza as a great place to work is the autonomy afforded to our employees. We believe in those we employ, and therefore we trust them to focus on making the right decisions for our customers' project success. At Lonza people truly have the opportunity to make decisions that affect the way they work and we expect our people to seek opportunities to improve our internal processes to allow them to do their jobs in a more effective way. Secondly, and from a scientific perspective the breadth of molecules in various stages of the development pipeline that we work on provides an intellectually rewarding environment for our scientists as they are constantly exposed to the latest molecules being developed in the industry and are a de facto part of customers own organizational project teams.

Thirdly, we strive to create an environment where our employees recognize Lonza as a great place to work. As such we actively engage with employees, and invest significantly in both the personal and professional development of our people to ensure we retain our high-calibre talent and attract new talent. We are extremely proud that for the last two years we have been independently certified as one of the top employers in the UK.

When you combine these things together our employees not only satisfy their innate desire to make a difference to people's lives but also continue to grow personally and professionally.

Traditionally the UK has been regarded as a global center of excellence for pharmaceutical research and manufacturing, however, during our time here we have heard that the country is losing its ground and the local pharmaceutical industry is shrinking. What were the deciding factors behind Lonza now investing in their UK facilities?

I have already talked about our broad experience and capabilities, and the positive growth outlook for the biologics sector over the coming years. While these factors of course play a significant part in our investment decisions, the UK also retains a strong position in scientific education and academic research that continues to create a great resource base and talent pool. Geographically speaking, Lonza Slough is also well positioned to support a global customer base given we are only 20 minutes away from Heathrow Airport.

Certainly your expansion plan is evidence of your success and rapid growth around the world and in the UK, however what are the main challenges that Lonza is experiencing in the UK?

The global pharma industry is under increasing pressure to control costs to off-set slowing sales growth and protect short-term profitability. Global R&D spending is under pressure given the

increased spend relative to the rate of new regulatory approvals. This will result in downward pressure on pricing. Our challenge here at Slough is to continue to focus on engaging with our customers to understand how we can add more value in a market characterised by rapid change, increasing regulatory demands, and increasing competition. This requires us to be disciplined in project execution, and continue to be adaptable and flexible to respond to changing customer demands. Internally, we have to ensure our structure and business processes are aligned with our customers' needs and continuously challenge ourselves to improve process performance, productivity, speed and the cost of doing business.

In 2009 we launched what is called the Lonza Promoter Score to enhance our understanding of customer needs, essentially a system of feedback and communication. The way it works is that we periodically survey customers based on one simple question, on a scale of zero to ten how likely would you be to recommend Lonza for future projects, with the option to add more specific comments. Based on this feedback we will directly follow up with the customer to agree key focus areas. What is important is that it is not the account manager or the salesperson that follows up with the customer, but rather a peer-to-peer follow-up with the responsible counterpart in our organisation so they can speak together. This helps us understand more what our customers' value and this helps us to continuously improve our business.

One of the specificities of the UK life sciences market are the dynamic biotech and academic sectors and the innovative research alliances that have been generated with them. How have such strategic partnerships with the UK's biotech industry been relevant to Lonza's research initiatives?

Within Lonza we have traditionally had very strong links with the UK academic sector. We see academic collaborations as an important way of raising the profile of Lonza within the scientific community, and this also helps us to attract the best scientific graduates and post graduates.
In recent years we have had numerous research collaborations, for example with the Universities of Newcastle, Durham, Sheffield, Manchester, Oxford, Brunel, Kent, Imperial College and University College London. These have taken the form of EngD and PhD student sponsorship through to the funding of Post Doctoral scientists and a Lectureship.

While academic collaborations remain an important element of our approach to innovation, by allowing us to test the bioprocess applications of the latest biological research, the acid test is translating these into new commercial service offerings, which I am pleased to say we have managed to do successfully.

While we believe that close partnerships with academic institutions globally are important, the availability of a wide range of collaboration models and flexibility over intellectual property rights are factors that continue to make the UK academic sector an integral part of our innovation efforts.

We have also played a leading role in a number of wider Industry/Academia initiatives such as the Innovative Manufacturing Consortium organised by UCL and the Bioprocess Research Industry Club (BRIC), which since its inception Lonza have had a role on the steering committee.

As one of the world’s most important pharmaceutical markets and a priority location for Lonza, what would you like to achieve for the company in the UK in the next 5 years?

I expect to see solid continued business growth over the next five years with a continued focus on innovation and new service offerings supporting this, and as I mentioned earlier with our construction already underway successfully completing this. I also expect to see us operating in a more integrated way with our customers to further enhance the collaborative relationships we have developed over the years. Additionally, we will invest more resources into developing our future scientific talent to ensure that our reputation for scientific integrity continues. Overall, I think this is a very exciting time for the biotech sector in the UK at the moment and I am very proud to represent Lonza in the UK and remain hugely optimistic about the future.

What is your final message regarding Lonza’s operations in the UK?

Lonza is and remains committed to the UK and maintaining our competitive and leading position in the global market. We look forward to welcoming new customers to Slough and supporting existing customers to realize their business goals and strategies.

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