

Interview: Sarah Haywood - CEO, MedCity, UK



"Despite the rhetoric at times, there's a huge appetite in healthcare for digital technology to act as an adjacent technology to traditional approaches."

15.03.2018

Tags: [UK](#), [MedCity](#), [Cluster](#), [SMEs](#), [Investment](#), [Strategy](#), [Brexit](#)

Sarah Haywood, CEO of MedCity, the life science cluster for London, Oxford and Cambridge in the southeast of England, discusses the organization's strategy, key achievements, Brexit, and supporting SMEs.

Why was there a need to create yet another life sciences cluster four years ago? Aren't there already enough in this part of the world and in this country?

The reality is that the cluster itself is not new. The cluster of what we refer to as the 'Golden Triangle' - Cambridge, London, and Oxford - sitting in the greater southeast of England has been a cluster of excellence for life sciences for a very long time, from an academic, industrial and healthcare perspective. What is relatively new is the creation of an organization, MedCity, to facilitate the connectivity across the three points of the triangle, but particularly to facilitate the connectivity of the three pillars of industry, academia, and the healthcare system, our NHS.

Is that needed? Our view is that, yes, it is needed because there is such a richness of capability and some might say complexity. But its density of activity makes it very difficult for any one individual organization to understand where the entry points are. That's the case whether you are a domestic organization, but particularly if you are an organization that is looking to engage the region from outside the UK. Consequently, our mission is around ensuring that there is a front door that can help to connect people and help guide them to the right places, resources, expertise, and capabilities at the right time.

[Featured_in]

The idea is, rather than everybody running around knocking on multiple doors trying to talk to each other, we can help centralize and bring everyone together. That can be at the level of individual company to academic; at the level of multinational company to multiple universities; or at the level of facilitating SMEs to work more effectively with the NHS. I like to say that we work in the field of Donald Rumsfeld's "unknown unknowns." If you don't know who it is that you're looking for or whether it exists or how to access it, we do that navigating and that connectivity.

The final piece is that if we want to ensure that the region as part of the UK continues to be a world-leading cluster for life sciences, healthcare, R&D, commercialization, and manufacturing, where are the issues in the business environment that need some work to make it operate better and make the system work more effectively? We try to work on a small number of programs and projects that address the things that act as barriers to growth.

Can you share some of the key achievements and successes of MedCity since its inception?

[related_story]

We have worked with well over 700 different individual organizations to help connect them across those three pillars. Last week, for example, we hosted a non-UK multinational company that does not have strong links into the research and development base in the UK. Over the course of the week we created and facilitated a program of visits to the Universities of London, Oxford, and Cambridge; introduced them to a range of small and medium-sized companies that they would never have been able to find or engage with; and helped to connect them to areas of specific research capability within the university base. We believe that any company would struggle to find an organization that could bring together that kind of expertise and showcasing of the region. That's where we differ. We are not a membership organization. We are not a tech-transfer office for the region, so we are not tied to getting particular deals. We can be flexible to the nature of the interest - licensing, strategic partnerships, clinical trials, or a potential investment. We really work with a grain of what people are trying to do rather than fit them into something that we want to do.

You have personally worked on all possible sides of the healthcare and life sciences sector from the NHS, to the pharma industry, to investment promotion before becoming CEO of MedCity in 2015. Given this large diversified experience, what is your assessment of Brexit and the position of MedCity both in terms of the immediate challenges you foresee, but also the opportunities that will arise from Brexit?

I don't think that anyone would be surprised to know that within life sciences, healthcare, and the academic base there was a hope that we would stay within the EU. But, as a nation and as part of our culture, the British are extremely resilient and pragmatic. And consequently, I think that everybody is now looking to make sure that we make the best of the situation. I don't think it will have a very significant impact on this sector in the UK, for a number of reasons.

First, our industry and its global attractiveness is based on the quality of our science. The universities that we work with across the greater southeast and the Golden Triangle are excellent globally and they will continue to be so. They have incredible capability from a scientific, technical, and innovation perspective. They are very much open to business. They have a very strong focus on translation of medicine and they are at the forefront of some of the most exciting science that is taking place in the world. And that is not going to change.

Second, we have an extremely rich pool of talent. That is one of the reasons why the UK has always been strong in life sciences. We have a very innovative culture. New ideas are constantly being generated and new companies are constantly forming. This is something that we are known for. I do not think this will change or go away.

That combination of science, people, innovation, and the resilient pragmatism means we will continue to look for ways to grow and get stronger.

Of course, there are risks. If our cluster is based on skills and talent, we need to ensure that we continue to be open to skills and talent. I think that message has been heard and is understood within government. The reality is our sector has a global talent pool. For specialist skills it's a global labor market. Companies have always been looking for skills outside of the EU and the best capabilities. We have always been very open to that and will continue to be. We will not as a sector or industry be insular, because that's not the nature of the industry and that's not how we work. We will continue to recruit the best people from Europe and I think we will continue to see a good flow of people into and out of the UK.

A goal of the *Life Sciences Industrial Strategy* is to “create four UK companies valued at over GBP 20 billion in market cap in the next ten years.” This is still a major challenge the UK has to overcome, as there is a lack of risk capital flowing through London into healthcare and life sciences companies and the UK hasn't been able to effectively grow some of its great biotech SMEs for them to stand alone on their own two feet. What work is MedCity doing on the financial side, to making sure those SMEs reach the next level and don't ultimately end up being acquired by larger corporations?

I personally think there has been a bit of a tendency to beat ourselves up in the UK over our mid-sized growth companies getting acquired. It's actually a market success that they get acquired and it happens all over the world! The reality is we have an industry with a relatively small number of multinational, multi-billion dollar valuation companies. Those are the ones with the deep pockets to be acquisitive and bring in new technologies. I think it's quite interesting that, although some of the multi-billion dollar companies of the past were acquired, their brand and company culture were seen as positive things to preserve. We can look at it as a mark of failure or a mark of success. I choose to look at it as a mark of success. We have to recognize that the UK is a different sized country with different levels of risk capital available than an economy like the US.

That doesn't mean to say that we don't think it's incredibly important that there are good levels of liquidity in the risk capital system. There needs to be access to finance all the way through the funding continuum. Over the past five years it has improved significantly. There was a recognition within the sector of the need for more patient capital. There were a few leaders within the sector that made that case. We've also actually seen the pharma industry reinventing itself because of the move to embrace open innovation and recognize that they can't do everything in-house. The development of corporate venturing has taken off very significantly. That has allowed smaller companies to create different kinds of strategic relationships with pharma that are alternatives to acquisitions.

At the end of the day, it's a perfectly rational decision for investors to go for an exit that is lucrative. That's the market working effectively. We need those risk capital investors and I'm not going to deny them their return. Let's look at it positively. Through debate, government consultation on patient capital, and continued positive tax treatment that encourage investments, companies will have more options to grow.

Another key theme in the *Life Sciences Industrial Strategy* is “Growth & Infrastructure,” with “Clusters and Place” identified as one of the major areas of focus. The document states that the “UK’s existing clusters should work together and with government to promote a ‘single front door’ to the UK for research collaboration, partnership and investment.” Isn’t there somehow a discrepancy between the nature of a cluster and this “one single front door” idea?

I think they can be consistent with each other because different parts of the UK have different strengths and capabilities. If we as the greater southeast of England and the Golden Triangle promote ourselves as a one-stop-shop, that would be a problem. But we absolutely don't do that. There are a number of cluster organizations that are constituted in a similar way to MedCity, such

as the Northern Health Science Alliance and Life Sciences Hub Wales. We all work together. We work as a group and cross-refer. If a company comes to us and we think the right thing they are looking for is in Wales or northern England we would work with our colleagues across clusters to make sure those companies were supported to look at all options available to them. The idea and the industrial strategy of a single front door does not mean that this ought to be provided by one organization on its own. The reality is you can only be a front door if you have local knowledge and relationships to be able to work with a company, academic, or investor and help them go to the right places. Our USP as an organization is that we've got those connections which we can leverage to the benefit of the people we are working with.

Are there specific areas that you think MedCity is going to distinguish itself in?

First, advanced therapies: cell and gene therapies and regenerative medicines. Second, neuro-degeneration, which is an area of real excellence. Third, genomic medicine is particularly strong in the region, with companies such as Congenica, Vertex Pharmaceuticals and Oxford Nanopore transforming healthcare.

Fourth, specialist pediatrics – we have real strengths in that across the region, driven by the excellence of the clinical provision. Fifth, immunology and immuno-oncology, where we are witnessing enormous levels of innovation. And the final area is digital health, supported by organisations such as DigitalHealth.London who match innovators with health demands and help them to navigate the UK health system.

Digital technology is quite a buzzword these days. What can be the role of the UK in being at the forefront of this sector?

Despite the rhetoric at times, there's a huge appetite in healthcare for digital technology to act as an adjacent technology to traditional approaches. We have real strengths in terms of digital capabilities in other sectors that can be applied into healthcare problems. If we take financial technology as an example, London has an incredibly rich fintech community because of its role as a financial center. There are skills that can be brought in and skills that can be transferred.

The great opportunity for us is our NHS. With one unique identifier, we don't have systems sharing insurance numbers. Every child born in this country has a unique identifier that is used for their whole life, so we can combine genomic data sets with longitudinal data from the NHS. This is the type of approach that really drives interest in new and exciting projects.

What would you like to say to our audience on why they should invest in the UK and MedCity in particular?

We are absolutely open for business across the whole ecosystem. We have strength in the three pillars of industry, academia, and health services. There is a willingness and desire to work together across those three pillars. There is a richness to what is here. There are huge opportunities for companies in terms of engaging with business, academic capabilities, and expertise within the healthcare system and a continuous pushing of the boundaries in innovative thinking, technology, and capability.

[See more interviews](#)