

Interview with Nigel Gaymond, Chief Executive, BioIndustry Association (BIA)

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The UK has got around half of the public biotech companies and 21% of all entrepreneurial bioscience companies in Europe. From your perspective, can you explain what the key success factors are that made the UK bioscience industry one of the most advanced in the world?

First and foremost, the academic and science base in Britain plays a key role. Looking at the long heritage of research, and, for example, the number of Nobel laureates that come out of the UK, it is probably fair to say that the UK is one of the most productive nations when it comes to the generation of intellectual property (IP). Four of the top 10 universities in the world, around 19 of the top 100 and 30 of the top 200, are in the UK. For a relatively small country in comparison to some of the giants in the world, this represents a tremendous font of knowledge, which certainly drives us forward.

Historically, London has always been one of the world's leading financial centres and the international corporate centre of the world. In my perspective, this is a tremendous opportunity that we should leverage more in order to turn the UK as a whole into one a a few global hubs for life sciences, alongside other locations such as Boston, San Francisco, San Diego and Singapore. We should look at the UK as a Super Cluster of activity, because we are small enough geographically for this to make sense. Additionally, we can leverage London's financial community and the tremendous service infrastructure which supports this type of industry.

I have felt for a long time that we have had a tremendous exodus of talent. China, India, and New Zealand, for example, have been much more successful at leveraging expat populations to bring value back home. Helen Clark, who was the 37th Prime Minister of New Zealand and currently serves as Administrator of the United Nations Development Programme, once said that it does not matter where you are in the world, you are still considered a Kiwi (the colloquial name for a New Zealander). In contrast, there sometimes exists the sense that leaving the UK means turning your back on the country. Yet, if you look at any of the Brits who dominate executive board rooms in the United States and elsewhere, they will all show a strong sense of pride to being British. This is an element that I hope to leverage.

Partnership will be a very powerful force to make this happen. A significant first step has been taken with all the industry associations, charities, NHS and academia now working together, but this is only the beginning. The old way of working in silos is no longer applicable and to break down the old barriers, we need dialogue.

We have been fortunate to have had a government from 1997 that was very supportive of science, including two 'champions of science': Lord Sainsbury and Lord Drayson. However, after being in government for 13 years, it becomes increasingly difficult to effect change. To bridge the gap between the Department of Health (DH) and the Department of Business, Innovation and Skills

(BIS), the then Prime Minister, Gordon Brown, created the Office for Life Sciences (OLS) as a cross-Whitehall apparatus with Lord Drayson at the helm. What is now great to see is that the new coalition government has the same faith in the OLS with both the Minister of Universities and Science in BIS, the Rt. Hon David Willetts MP, and the Parliamentary Under-Secretary of State for Quality under DH, Lord Howe, working together.

Paramount to this collaboration will be the approach towards clustering. You represent all the large companies but of course you also represent the smaller – potentially more vulnerable- companies. In your view, what can these companies bring to such clusters and how can they build on the strengths of collaboration?

What the current buzzword – ecosystem – implies is that the big pharma now understands that it needs small biotech companies for innovation. Small biotech companies have become much more pragmatic and also understand that only in a few cases will they develop into a large biopharmaceutical company. Therefore they understand that they need to cooperate with the larger players in the market. This understanding that both parties need each other, layered in with the fact that they both need diagnostics to move towards stratified medicines as well as devices for delivery, represents a true technology convergence that goes beyond the joined-up thinking from a political or policy point of view. This technology convergence is driving organisations to work together.

Most small biotech companies are working on partnerships with big pharma because once they get to a certain stage showing commercial opportunity, the larger players will obviously become interested. PanGenetics is one such example of a British company that had such good technology that Abbott acquired it outright, resulting in what was probably the biggest phase I buy-out at that time.

While some might argue that certain companies sell out too early and limit the UK from developing giant biotech players, I think this is a mistake related to national hubris. It is more about value, because when you can show value, investors will keep coming back. The reality is also that it is unlikely that there will be any more large biotech companies such as Amgen or Genentech because big pharma recognises the value in biotech and as a result biotechs are often bought out earlier. The bottom line is that things cannot be done alone anymore. Partnerships are the only way forward.

In the end, even the big players were all very vulnerable at one stage and even the best companies have bad news on promising projects, but that’s the risk these companies face. But, in spite of this, companies build on their other projects to drive forward. It is possible that in the UK in particular, we sometimes dwell too much on the negative news rather than celebrating our successes. It is worthwhile reminding ourselves that all of the big successful American companies have been through the same process. Idec, now part of Biogen Idec, had several clinical failures before it reached the market with Rituxan. I wish we would celebrate some of the success stories more, like GW Pharmaceuticals that recently brought a product to the market for MS sufferers.

How will the Therapeutic Capability Clusters help collaboration between players of all sizes, from local biotech to Big Pharma?

I fail to see how you can be in this industry and not be thinking globally from day one. Of course, it is necessary to leverage every local opportunity, but it is even more essential to realise that partnerships are needed to help companies obtain the expertise they require.

Part of the whole ethos behind the Therapeutic Capability Clusters is that they are clusters built around the therapeutic area, not around geography. The UK is not a large country and therefore geography is not as important as it is in other parts of the world.

We subscribe to the notion of pools of expertise rather than geographic clustering. Politically, science-based collaboration has been put in place, but on the other side of the equation, the right infrastructure now also needs to be provided. BIA will be working together with the government on this in order to facilitate the translation of the fantastic science base in the UK into successful business.

But there will of course be challenges too. We have already seen Pfizer taking their clinical trials out of the UK because of the regulatory burden. What issues do you see your members raising and how can these be addressed?

BIA is already involved in this process with the Armá??s Length Body Review which the Academy of Medical Sciences (AMS) is undertaking under Sir Michael Rawlins. We are actually leading on that process, working with other trade associations such as the ABPI. We are looking for a simpler regulatory process and keep stressing to everyone that the industry wants to be regulated, as it is an essential part of being able to market our products. However, a company does not want to go through five different bodies just to get a clinical trial started. When talking about regulation, companies want a simple process and a clear roadmap. BIA is very active in creating this more conducive environment and is advocating that we have a single research regulator that would be born out of the MHRA.

When it comes to clinical trials in particular, this very much relates to what the Therapeutic Capability Clusters are about. The Armá??s Length Body Review is trying to simplify the process in order for the UK to re-emerge as a prime venue for clinical trials. While other areas in the world give a more central focus to bringing down costs, the UK will be more focused on bringing world-leading expertise.

Both from an industry point of view and from the public funders of research in the UK, great efforts are done to map out the research base that exists and to develop a strategy on how to access it. The Therapeutic Capability Clusters will obviously be a flagship pillar that aims to show how this base can be harnessed and used. Apart from this initiative, we must also point out the role of the NIHR Office for Coordination of Research Infrastructure (NOCRI) in providing a roadmap of clinical research centres, how they are linked together and how a company can link with them. As a sector, we have always been quite successful globally, representing 9 percent of the global turnover for biotechnology, and 30 percent of total turnover in Europe. Moreover, the further potential of the UK pipeline in biotechnology is enormous. That is why the UK as a hub for life sciences globally is going to be really important.

Our mistake in the past has been that, with our population of 60 million, we have always been trying to compare ourselves with the US. When doing so, it should actually come back to comparing to international clusters such as Boston, San Francisco, San Diego and Singapore. The UK bioscience industry does not compete with the US as a whole, it competes with these clusters.

In one of your earlier interviews, you mentioned that the UK is very strong but that more aggressive promotion of the industry will be needed. How will this affect your agenda and what approach will we see in the future?

When working for the British Consulate in Boston, I was on the other side of the fence working for UK Trade and Investment (UKTI). The reality is that, while UKTI does a tremendous job, no matter how good government people are, they will essentially remain government people in the eyes of the industry. Promoting the industry therefore needs to be a mix of people that also involves the industryá??s practitioners, and is a role we need to play more aggressively on the world stage. The industry as a whole, not just the bioscience sector, needs to be more active in promoting the UK as a

great place to do life sciences and it has to believe this. The UK has a lot of advantages and assets that perhaps we have not yet exploited fully. Moreover, the British tendency is to have a lower profile which is a way that clearly does not work. We should not undersell ourselves.

What is your priority at the moment?

The main priority now is to change the culture. In five years time, the UK needs to be at the epicentre of the industry and must be thought of as the best place for life sciences, or at the very least one of the two or three best places in the world to do life sciences. We want to see British companies competing globally while investment is coming in from all over the world into the UK, because it is recognised as a great place to start up companies, do research, clinical trials etc. I would also like to see that BIA plays a central role in helping this happen. Achieving this is what I would describe as a success. If there is collective will, things can move much quicker, which is why collaboration is so important. Having the investors interested in our sector again requires getting the world interested in our sector.

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