

Vacancysoft/Clinical Professionals Pharmaceuticals Report

CAMBRIDGE

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Contents

| | |
|------------------------------|---------|
| Overview | Page 03 |
| Analysis by Role | Page 04 |
| Breakdown by Sector | Page 05 |
| Top Companies | Page 06 |
| About Clinical Professionals | Page 07 |
| About Vacancysoft | Page 07 |

About Vacancysoft Data

Every day Vacancysoft monitors careers centres on thousands of company websites, and gathers links where there is change. These links are then categorised automatically, and in the case of relevant content, by Vacancysoft staff.



The UK has the largest biopharmaceutical pipeline in the EU, with 20% of biopharmaceuticals in development originating in the UK. In tandem to this, life science discovery is accelerating so rapidly that many of humanity's worst ailments ever will be dealt with in this century. The UK's "health and wealth" is so intrinsically linked to the life sciences industry and a highlight of the great work happening can be so clearly seen in the Cambridge technology and biotech cluster. In fact in the last two years alone the city has attracted more than £500m of VC funding and if you factor that 98% of companies are small to medium enterprise (SME) established within the last five years, you can see how Cambridge is attracting the likes of AstraZeneca and Heptares for their UK or Global headquarters.

Not surprisingly on the backdrop of such investment and with Cambridge University feeding the innovation, Cambridge has seen vacancies within life sciences companies hit an all-time high in the last quarter of 2017. A particular company of note for its growth and success over the last 3 years is Kymab Ltd, a spin out from the Sanger Institute. Using a mouse-model that can generate human monoclonal antibodies, Kymab is developing a range of antibody-based therapeutics. This alongside £220m of funding sees their unique Kymouse™ platform helping their partners to realise new opportunities in therapeutic and vaccine development. This has led to continued success and year on year headcount growth.

With circa 59,000 people employed by more than 4,300 knowledge-intensive firms within 20 miles of Cambridge, employment opportunity continues to accelerate by around 8% per annum (since 2011). Cambridge unemployment is a quarter of the national average and the city has the third-highest employment growth in the country. Skills are now at a premium within the life sciences sector and the brightest employers are recognising that in order to attract top talent their employer brand has to be exceptionally strong, their pipeline, technology, culture and innovation has to be clear and leading edge. A slow and dis-engaging hiring process will lose the talent you have attracted if you do not streamline hiring and engage all candidates on every part of their journey to employment with you.

Living and working in a city that has more Nobel prizes than Japan must be exceptionally motivational but more importantly demonstrates that the UK's desire to be a global life sciences centre of excellence is a reality that builds momentum and profile each day with a vast amount of help from the great companies landing and expanding within Cambridge.

The Clinical Professionals Group has just launched its 2018 Salary and Benefits survey. Last year over 4,000 decision makers in the life sciences industry requested and received copies and found the book and its data to be an essential tool in their workforce planning and budgeting. The survey compares salary and compensation across the life science industry in Europe and demonstrates where skill shortages are impacting most. If you would like to receive a copy please contact salarysurvey@clinicalprofessionals.co.uk.

Yvette Cleland
CEO | Clinical Professionals Ltd

Overview

As part of the golden triangle, Cambridge has been a key centre for the UK pharmaceuticals sector for some time now, where with the rise of biotechnology this trend has accelerated. Indeed in the last two years alone, the city has attracted over £500m of VC funding for the burgeoning sector. Factor that 98% of companies in the sector based in Cambridge are SME's where almost a third have been established in the last five years, with 16% having raised equity finance as a sign of the growth of the sector within the city.

This combined with companies relocating their UK operations to Cambridge, with the most famous example being AstraZeneca, but others include Heptares, who plans to move to a new location which will house over 130 R&D professionals has led to many arguing that Cambridge is the new centre of the UK pharmaceuticals industry. This is something the UK Government has been determined to counter, arguing that its industrial strategy can benefit the whole country, pointing to Qiagen as an example, who recently announced plans to invest hundreds of millions into establishing a campus in Manchester, potentially creating up to 800 new jobs.

With Cambridge specifically, whilst it can be argued the city suffered from a dampening effect as a result of the 2016 referendum, scientific vacancies are now reaching record levels. Overall volumes have not quite matched 2015 levels, that being said, the last quarter of 2017 saw a record level of activity when analysing the last three years. Can this be seen as a sign of a vote of confidence for the city and the sector, despite the political debate happening in the background?

Cambridge Scientific Vacancies vs % UK 2015/17

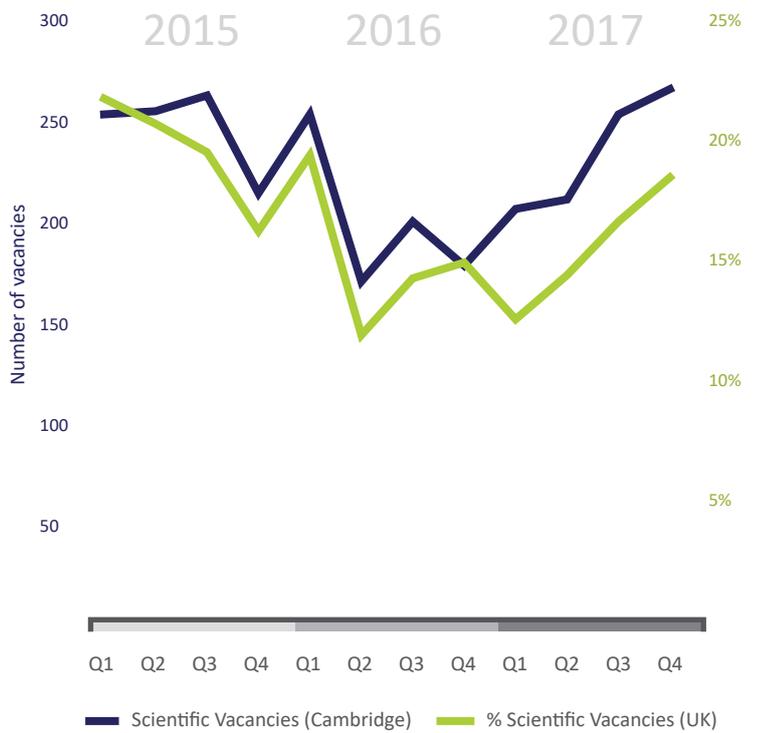


Fig. 01

Cambridge Scientific Vacancies vs % UK 2015/17

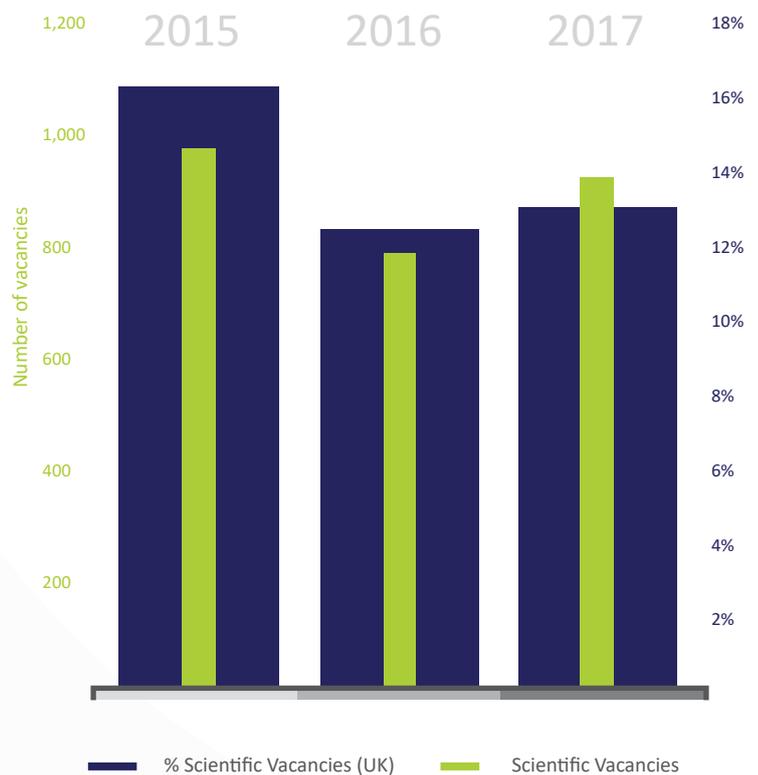


Fig. 02

Analysis by Role

Given that 44% of the Life Sciences companies based in Cambridge are involved in R&D specifically it is unsurprising that this is the single largest area of hiring. It is also probable that this will increase next year, as the Government has increased its commitments in the last budget to R&D spend, where Cambridge should be a net beneficiary as a result. However it is worth noting that R&D vacancies generated in 2017 were below the 2015 peak. As well as this, R&D dropped from 17% of the scientific vacancies in pharmaceuticals and biotech companies in 2015 to 13% last year.

Conversely regulatory roles have become more prevalent, with the total amount of roles up 61% in two years, where as a result they now constitute 7.5% of all scientific roles in pharmaceuticals and biotech companies. Put another way, in 2015 there were four times more R&D roles than regulatory. By 2017 this had changed so the differential was 60%. Still significant but noticeable how the shift in hiring has happened. Another area of interest within the sector was for Bioinformatics and Bioanalytics, where volumes increased for scientists in this area by over 100%.

Also worth highlighting is the rise of Clinical study roles within the pharmaceuticals companies where this is forecast to increase, given the Governmental objective to increase the number of clinical trials by 50% over the next five years. This objective also bodes well for the CRO's, who should be well placed to benefit. In terms of their hiring, the focus has been clinical management and project roles with regulatory positions also in demand.

Scientific roles, Pharma & Biotech

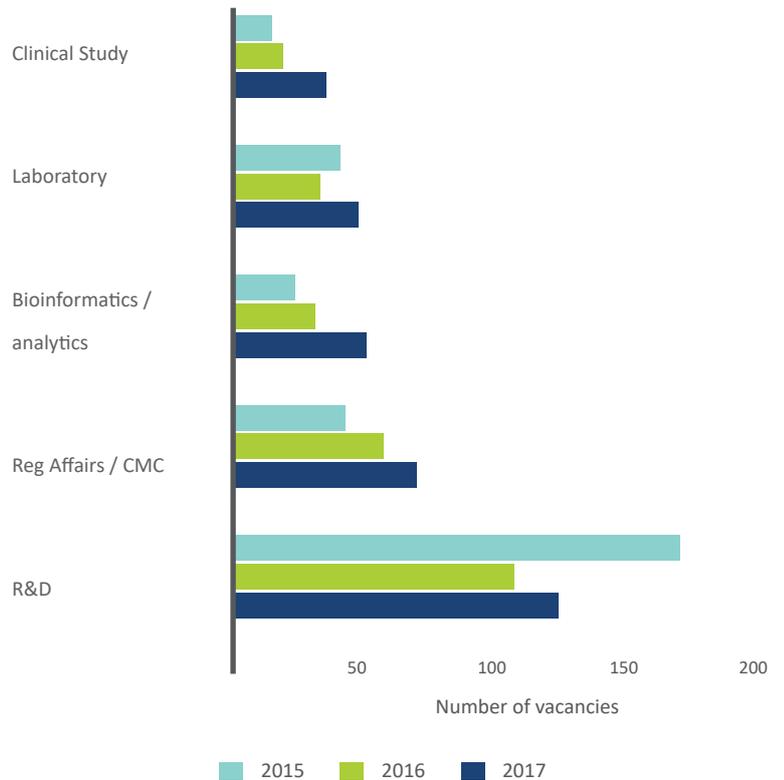


Fig. 03

Scientific roles, CRO's 2015/17

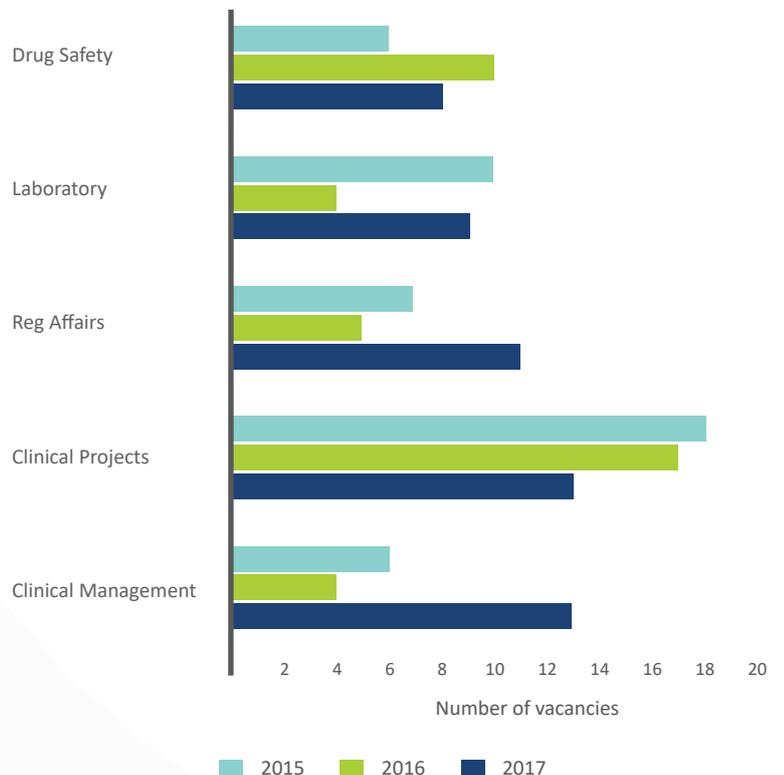


Fig. 04

Breakdown by Sector

05

As mentioned previously, the Governmental Industrial strategy for Life Sciences sets out as a priority that the benefit should be seen nationwide, not just within the golden triangle. Therefore it is interesting to see how over the past three years, activity by location in the sector has changed. Firstly, with Biotechnology, in 2015, 52.9% of all vacancies in the sector were within Cambridge, by 2017 this had dropped to 34%.

In terms of the golden triangle, Oxford has benefited from this swing, in that the city has also been more successful than Cambridge in new company formation in the sector, where the University has been highly effective in enabling spin-out companies as part of this.

However the other significant part in this shift has been the impact of the Northern powerhouse which was first instigated before the referendum, where funding started to materialise soon after. As a result of this over £300m in funding has now been organised for life sciences in the region, with more set to follow. Also the departure of AstraZeneca from Alderley Park led to the reinvention and redevelopment of the site, to be focused towards SME biotech companies, resulting in it now housing 150 different companies, from boutique start ups to larger companies such as recently listed RedX.

Similarly with the CRO's, the proportion of vacancies in Cambridge also fell, dropping from 8.1% to 4.7% from 2015 to 2017. Only with the pharmaceuticals companies has activity has been somewhat flat, with the proportion falling from 16.4% to 15.4% over the period.

Scientific Vacancies by Sector
2015/17

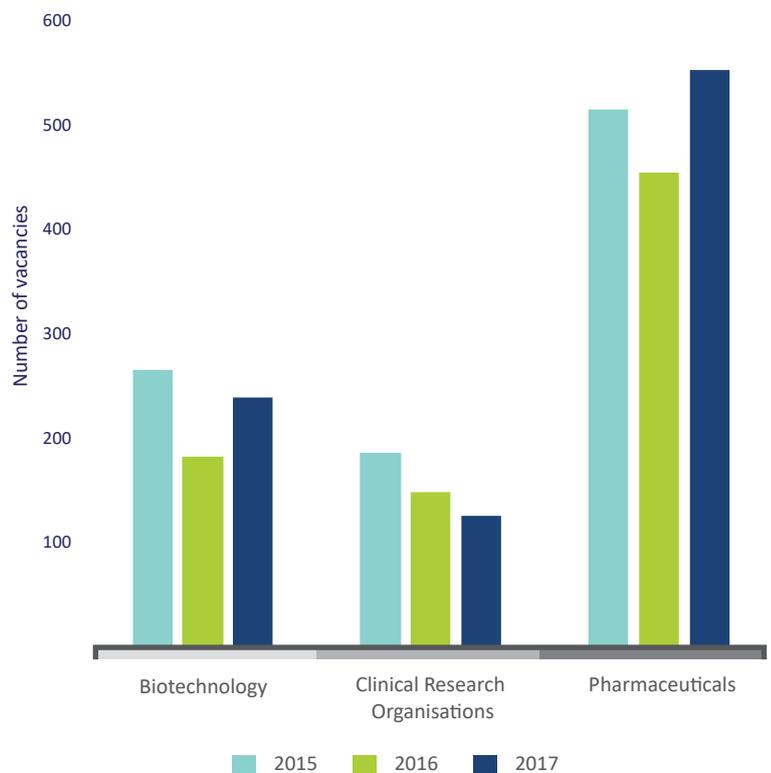


Fig. 05

Scientific Vacancies by Sector as % of UK
2015/17

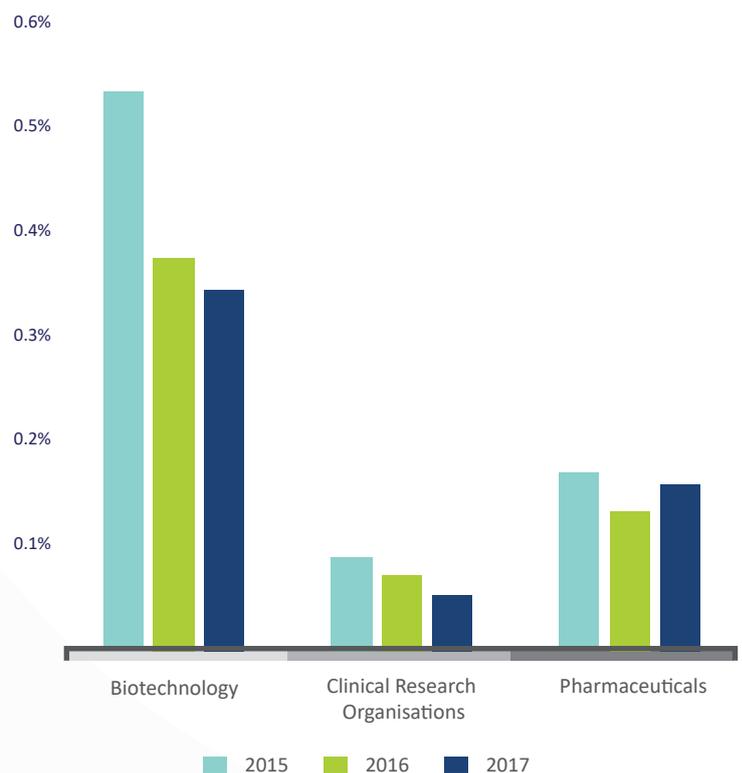


Fig. 06

Top Companies

06

When analysing activity by company, unsurprisingly AstraZeneca dominates. After the decision to relocate operations in Cambridge, this will result in over 2000 employees being based there. As a sign of how significant they are, scientific vacancies at AstraZeneca in 2017 were more than double the second largest life sciences employer in the region.

The second largest company in terms of vacancies was Envigo, recently created through the integration of Huntingdon Life Sciences, Harlan Laboratories and several other companies where at its inception, it employed 3,800 people worldwide. Vacancies there increased significantly year on year, up 81% on 2016 making them the highest ranked CRO. PPD then make up the top three, where activity was relatively stable year on year, with scientific vacancies only slightly down.

The influence of biotechnology in the region is also quite visible when analysing by company. When analysing the top ten, five of them are biotech specifically, where hiring activity with many can be directly attributed to funding. For example, Kymab secured \$100m series C funding in late 2016 where scientific vacancies doubled the following year. Therefore looking into 2018 what will be interesting is to see what happens with the Cambridge based companies that secured funding in late 2017.

Other companies worth flagging include Illumina, following their move to their new European research HQ at Grant Park, which is designed to house 500 employees, also Gilead have increased their investment into the region also. Both have based themselves at Granta Park which is seen as a key scientific hub, to satisfy the Cambridge life science sector.

Top 10 Companies for Scientific Vacancies, 2015/17

| | 2015 | 2016 | 2017 |
|--------------------------------------|------|------|------|
| AstraZeneca PLC | 272 | 218 | 266 |
| Envigo Inc | 9 | 70 | 127 |
| PPD | 101 | 102 | 92 |
| Horizon Discovery Group PLC | 13 | 35 | 44 |
| LGC Group | 27 | 35 | 40 |
| Kymab Ltd | 32 | 19 | 38 |
| Illumina Inc | 67 | 29 | 37 |
| Abcam PLC | 28 | 10 | 34 |
| Babraham Bioscience Technologies Ltd | 4 | | 34 |
| Gilead Sciences Inc | 48 | 59 | 33 |

Fig. 07



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