

# Biopharma: the next step

The patent cliff is forcing pharma firms to adapt and move into new areas

BY GARETH NAUGHTON

With pharmaceutical companies coming to the edge of the patent cliff, Ireland's substantial biopharma industry is changing.

There is a growing shift toward complex, research and development-led biologics manufacturing, which is creating jobs for third- and fourth-level graduates and upskillers.

Despite the perils of the patent cliff, pharma companies continue to recruit in significant numbers.

Hundreds of jobs have been announced around the country in the last six months, including 300 in Limerick on foot of Regeneron's planned €220 million investment, Eli Lilly's 100-strong recruitment drive in Cork, and Alexion's plans to hire 200 in Athlone and Dublin.

This has been countered somewhat by closures resulting from the patent cliff but, so far, the signs are good that the sector is dusting itself down, picking itself up and re-grouping.

## NIBRT

The National Institute for Bioprocessing Research and Training (NIBRT) in Blackrock, Co Dublin, held its inaugural Careers in Biopharma job fair earlier this month, with 15 companies recruiting for 750 positions.

NIBRT's role is to support the bio-industry through research and training. Chief executive Dr Reg Shaw said the requirements of companies operating here had shifted considerably in favour of a highly skilled workforce.

"If you go back 12 or 15 years ago, a lot of the pharma would have been engaged in the small molecule area, where you are reacting two chemicals to get a third chemical to create solids or powder," said Shaw.

"While it has its own challenges, it is a relatively straightforward chemical type operation. With the advent of the biological companies, the whole skillset required for that is a much, much different proposition.

"The technical detail, the complexity of the products that you are making because they are biological, is orders of magnitude different.

"For example, typically you would have a quality control support department for the small molecule that would be in a low percentage of the total number required, but in the case of the large molecule you are probably looking at closer to a 50/50 split between quality and operational staff."

The jobs fair was well-subscribed, with more than 360 attendees engaging informally with employers. The fair also allowed NIBRT to promote its Springboard programme which takes



Minister for Jobs Richard Bruton with Dr Reg Shaw, chief executive of the National Institute of Bioprocessing Research and Training, at the Inaugural Careers in Biopharma Jobs Fair in Dublin

well-qualified candidates from other professions and trains them for biopharma.

Between graduates coming through from the universities and Springboard programmes like NIBRT's, Shaw said Ireland was well-placed to meet demand for talent. He admitted, however, that finding the right people could be challenging.

"It varies. Because of its highly technical and complex nature, trying to obtain a match between the skillsets required and the candidate's background and experience can be a challenge for some companies. That is well recognised and part of our role is to try to bridge that gap," said Shaw.

"It is fair to say that many graduates emerging from the higher institutes wouldn't have the hands-on practical experience. What we have in NIBRT is, in effect, a replica bio-facility where we can train people hands-on, so there is

a combination of classroom and practical training that the industry and, indeed, candidates find beneficial."

Shaw believes the trend toward biologics – which accounts for about 20 per cent of Ireland's pharma jobs – will grow and this is reflected in recent announcements by multinationals.

"They are high-end jobs. They are the kind of jobs we want. The investments themselves are very significant in the capital sense. They are not by any means simple buildings, so you are talking about hundreds of millions of euros in any of the investments.

"It is a growth industry in the sense that very sizeable investments are going into the biologics area worldwide and a lot of the new products emerging are biological products. As more knowledge becomes available, treatments for various forms of cancer and other conditions will be emerging from biological treatments than any other source," said Shaw.

fill those roles thanks to the long-term presence of pharmaceuticals in Ireland and the growth of biologics facilities in recent years.

"The good thing about the talent pool is that there are more people now with experience. It was very difficult to get the biopharma experience a few years ago because you didn't have a lot of other companies to pull from," she said.

"Our capability as a country to be able to staff these facilities and start-ups has improved significantly which is great and the expertise in terms of technical transfer from other countries and locations has improved our knowledge as well."

Talent will be key to ensuring that Ireland continues to attract these companies over the more traditional pharma centres, according to Niall Murray, general manager of Collins McNicholas, who also attended NIBRT's jobs fair.

"When people talk about the knowledge-based economy, it is often assumed that people are talking about software, but this is another very good example of that economy at work in Ireland," said Murray.

"It is not that small and in this space it is all about the skills so if Ireland can produce more and more third and fourth level science graduates, that will attract in these companies. That is the key thing here – it is all about the skills and the talent.

"The regional spread is particularly interesting. Nearly every corner of Ireland is covered in this. We are seeing the opposite trend in terms of the software sector where there is a lot of that concentrated in Dublin.

"There are a number of different factors at play. If you take Johnson & Johnson they have a good track record in Limerick and that is a significant factor in further investment there. If you take Alexion in Athlone they are taking on one of the Elan facilities.

"If the company has a track record in medical devices or pharmaceutical it may be that they can better win the next generation of products rather than go into a greenfield site. Allergan are doing something very different today to what they were doing 20 years ago in Westport," Murray said.

Where there is growth, there is competition for talent. O'Driscoll said it was challenging mid-level engineers and scientists with five to ten years' experience. Government plans to promote science and maths at school level will take some time to have an impact, however, Springboard is helping to fill the gap and companies are open to upskillers.

"It is great to see that people who maybe have a background in manufacturing – maybe a regulated industry, but not biopharma – have a chance to retrain through Springboard into a role that will accelerate their career," she said.

"It is a win-win if the person is in situation where they can invest that time into themselves and their career.

"Experience is the key for these companies and if someone has the right attitude and the right approach, maybe a technical background, this is a fantastic opportunity for them to transition into an industry that will create a career and future for them," she said.



Niamh O'Driscoll, managing director of Fastnet Recruitment,



Niall Murray, general manager of Collins McNicholas

"The recent investments by the new companies like Regeneron, Alexion are classic examples in that a number of years ago they wouldn't have had any products on the market, but they are growing rapidly in very select areas. Alexion, for example, operate with very rare diseases and they are becoming very successful. They have grown very significantly from a very small base."

Niamh O'Driscoll, managing director of Fastnet Recruitment, said manufacturers were responding to the patent cliff by moving away from active pharmaceutical ingredients.

"As generics players have taken on a lot of that activity, it is no different to any other sector and it had to change and evolve. It is good to see both as a country and an industry that people have risen to the challenge and reinvested, which is great to see," she said.

There is a lot of competition for skilled individuals in the sector, but the country is better-positioned to

examine O'Rourke's situation and earlier this year found that he had never been provided with a contract of employment and so there was no evidence of any specific retirement age. There was no statutory requirement that he retire at 65 and just because he was in receipt of a CIF pension did not mean that he could not continue to hold down a job.

On the basis that he had been paying social insurance (PRSI) contributions during his employment, he is entitled to redundancy payments calculated on his 18 years as a truck driver.

In ways, this is similar to those former ministers and politicians enjoying very generous state pensions while continuing to hold down jobs as lobbyists or 'political consultants'; except that their monthly pensions in their fifties is much larger than what O'Rourke can look forward to in his seventies. Gerald Flynn is an employment specialist with Align Management Solutions in Dublin. email: gflynn@alignmanagement.net

Retirement decisions were a bit of an issue for James O'Rourke from Newcastle, west Dublin, in February when he celebrated his 65th birthday. He had been working as a driver with McHale Plant Hire at Ballymount in Dublin since 1993 and seemed to enjoy his job where he was regarded as a responsible and trustworthy worker.

According to his employer, before reaching 65 and collecting a Construction Industry Federation (CIF) administered pension, O'Rourke approached his boss and stated that while he was happy to retire he was equally willing to stay on with the plant hire company if there was work for him. There was plenty of work for him and so he continued driving trucks for the firm for much of the next two years.

His recollection was different. He said he had a great working relationship and shortly before his 65th birthday he had discussed redundancy options but not retirement, as many employees continued to work beyond 65 at the firm.

By 2011, a mixture of the con-

struction downturn and the harsh weather over the winter months led to a fall-off in McHale's plant hire business. A 10 per cent pay cut had been imposed on all staff and a year later five employees were selected for redundancy, one of whom was O'Rourke, then approaching 67 in November 2011 when he was given his P45 form.

He did not accept this interpretation and months later contacted the National Employment Rights Authority (Nera) which advised him to make a Redundancy Payment 50 formal claim. He sent this to McHale Plant Hire in November 2012, but received no reply. So, after a month, he sent a copy to the Employment Appeals Tribunal.

The EAT had three sessions to

## People Problems Relationship Breakdown

# Increasingly retirement isn't the end of working

BY GERALD FLYNN

Retirement age is becoming a thorny problem in many workplaces, despite a general assumption that people retire on their 65th birthday. Up until this year, workers who had paid social insurance (PRSI) usually started getting their contributory pension payment from 66, with a one-year transitional payment when they turned 65.

Since the beginning of 2014, the contributory state pension – technically, the non-means tested transition pension payment – is no longer paid to those who reach 65.

Instead, they must get by on savings or other means, such as registering for Jobseeker's benefit, for a year until they reach their 66th birthday, if they have stopped working.

What people forget is that, just because someone is drawing a pension does not mean that they have to stop working, especially if they are healthy and active. In



Gerald Flynn

fact, there are some people lucky enough to have generous pensions who continue to earn an income from work, though not usually with the same employer.

Others, who have poor pensions, need to eke out extra earnings from whatever odd jobs they can find – this is common in the US and increasingly so in Britain and Ireland.

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## Movers & Shakers

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Bitbuzz has appointed a new business development manager. Darragh O'Sullivan joins the company from Living Social, where he was a marketing consultant for two years. He was also marketing consultant with Groupon for 12 months.



Alternatives Marketing's new general manager, Bernie Keogh, will also join the board of directors of The Alternatives Group. Keogh has been Alternatives Marketing's director of interim, recruitment and managed services for eight years. She joined the company from L'Oreal Paris, where she was a brand manager for three years.



Damian Ringwood is the new managing partner of executive search and leadership services firm Amrop Strategis. Ringwood has been a partner with the firm for seven years, having joined from the Institute of Incorporated Public Accountants, where he was chief executive for two years.



Ronan Horgan is the new managing director of Bibby Financial Services. He joins from Certus where he was a senior manager for three years. He was also formerly sales director of Bank of Scotland Ireland's finance division for 18 months.



Ronan Horgan takes over from Graham Byrne (pictured above) who had been managing director of Bibby Financial Services for two years, and will now take over as chief commercial officer of Bibby Financial Services Europe.

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