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InDeCS-H - 14ALLBio

Development Capacity Index for biotech companies
in the new member states and candidates countries

Specific Support Action

Integrating and strengthening the European Research Area

Publishable Executive Summary

Period covered: from 01/04/2007 to 30/09/2009

Date of preparation: M30

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Duration: 30 months

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Project coordinator organization name: Europabio

Publishable executive summary



Project objectives:

There is a historical lack of comparative data on bioscience companies in Europe. While recent data gathering initiatives have focused on more developed biotech sectors, there is little information on bioscience companies in the new Member States and candidate countries (Cyprus, Malta, Poland, Slovenia, Slovak Republic, Czech Republic, Estonia, Latvia, Lithuania, Hungary, Croatia and Turkey). The industry is spread across sectors, regions, and disciplines and such fragmentation makes an overview of the sector difficult.

This project contributed to building a data collection capacity for the biotech sector in new Member States which is comparable country to country, region to region, or year-to-year within a country. The data can be benchmarked against emerging data collection sets from EU Member States.

The project aimed to develop a Development Capacity Index (DCI) of biotech companies. This informs policy makers about the exploitative potential of the biotech sector in new EU Member countries, and allows comparisons between data country to country, benchmarked against EU trends based on existing data collections. This enables identification, tracking and measuring the capacity of the developing biotech sectors in countries where little data is currently available. The gathering of data on the biotech sector in the new Member States is a priority action to identify gaps and trends analysis which can feed into specific policy measures and in turn enable this sector to flourish in the new Member States.

Having the data collected and made publicly available will also increase the visibility of the sector, enable companies to be profiled among a large number of critical stakeholders, for example, investors and venture funds, and for partnering purposes – Biotech to Biotech and Biotech to Pharma - as well as towards the media, regional, national, and European authorities and international companies and organisations.

Impact:

This project contributed to building a data collection capacity for the biotech sector in new Member States and candidate countries which is comparable country to country and can be benchmarked with the emerging data collection sets from EU Member States.

There is a lack of data on bioscience companies in Europe, some data gathering initiatives have focussed on more developed biotech sectors, with a low level of information on bioscience companies in the new Member States. Information on biotech sectors is generally developed along national or regional lines. The European dimension of putting together these data gives these countries a comparative benchmark to compare themselves with other typical biotech companies from other new Member States as well as EU regions. Collecting the data on bioscience companies in the new Member States and having it in one place helps overcome the fragmentation of the sector as well as better integrate the bioscience sector from these new states into the EU15 bioscience sector reports and statistical collections done in 2005-2006 by

Critical I and EuropaBio. This project enables identification, tracking and measuring the capacity of the developing biotech sectors in countries where little data is available.

The validation, analysis and reporting on the data set collected using a single definition enabled an assessment of the development capacity of the healthcare bioscience sector in the new Member States and enable the data to be benchmarked against existing data trends to a certain extent, when definitions used are similar. The comparison helped draw conclusions on the healthcare biotech sector and recommendations for policy adaptation.

The publicly available databases on biotech companies, as well as the main report '*Biotech in the new Member States: an emerging sector*' increase the visibility of healthcare biotech companies and enables companies to be profiled among a large number of important stakeholders such as investors and venture funds. The lack of information on the biotech market is an often heard complaint by fund managers and investors. Making it easier to learn about companies, will increase the chances of private sector funds being invested in such companies and directly contribute to more private sector led R & D spending.

In the biotech sector, partnering technologies, people and patents are important and presenting information on companies is the first step to bring partnerships about with companies and academics. Information on companies can provide interested contacts with the essential details needed to have exploratory talks with the companies. Such profiles are commonly used to shortlist possible Biotech to Biotech and Biotech to Pharma business. These profiles also facilitate media, regional, national, and European authorities and international companies and organisations to know who the biotech players are in their region, nation and what they do. Information can aggregated to give a national picture such as the profile developed for Germany.

The main report, together with the related policy recommendations, enables policy makers on both national and European levels to draw sound policy conclusions, which will stimulate private and public investments in bioscience companies, by adapting them to their specific needs.

Work Performed:

The project has primarily consisted in developing:

- Fourteen web sites integrating software development
- Project website
- Compatibility Interface with Critical I data sets
- Database of contacts from marketing data collection system
- Flyer promoting the data collection project
- Data completeness and validation targets achieved - Report
- Preliminary Results – comparative data & policy recommendations, Power Point & web version
- Validating and analysing companies' data (VV)
- Editing a report and country profiles + main public report, with comparative benchmark and policy recommendations, Powerpoint and web version (VV)
- Organising stakeholder workshops in new Member States and producing reports about the latter as well as briefings with national press (Ebio)
- Organising a stakeholder meeting in Brussels and producing a report (Ebio)
- Disseminating project results (Ebio), including giving a presentation at major biotech event (VV & Ebio)
- Producing a Post Hoc Analysis Report (Ebio)

Results achieved:

Among the results achieved, 14 websites integrating software development have been set up by Venture Valuation to host each of the databases. The 14AllBio consortium secured partners in each of the countries and agreed co-marketing partnership to promote this initiative funded by the European Commission under the sixth Framework Programme. A compatibility Interface with Critical I data sets produced by Venture Valuation includes a design of an interface to make the collection system compatible with existing EU data collection systems hosted by Critical I that holds substantial collections of EU and US data and is important to enable the benchmarking to be done with data gathered in other EU Member States. Gathered data are equally compatible with companies on the Biotechgate.

A database of contacts of stakeholders and multipliers in the new and candidate countries has been established. These contacts were the prime target groups for the stakeholder meetings and relays for information about the project, for example as media spokespeople. EuropaBio has used the European Commission website especially the Cordis website to inform National Contact Points (NCP) about the 14AllBio project. NCP in Health, Bio, SME, and National Coordinator have contributed to the success of the project. EuropaBio also approached Eurostat, OECD Biotechnology Division, Ministry of Health, Research and Education, Permanent Representatives, the European Alliance of New Agencies (EANA), but also National Biotechnology Associations, the Association of European Chambers of Commerce & Industry (Eurochambres), and finally we identified synergies with other relevant EU projects such as Match2BioSME, Life Competence, and SMEsgoHealth.

After the phase of data collection in the different target countries, it was necessary to validate data collected from companies to ensure that these data are relevant for the subsequent analysis. The data completeness report specified the data collected per countries and the countries where the validation has taken place. Because of the difficulty to secure local partners and gather data from companies, the comparison of data and first report started later than scheduled.

The collected and verified data in the country databases as well as information from interviews with companies and key stakeholders in the area were then compiled into a report titled "*Biotech in the New EU Member States: An Emerging Sector*" (VV). The report is comprised of an overview and individual country specific sections.

A development capacity index was also created to enable comparison with other data collection sets and in order to measure the development status of biotech in new Member States and candidate countries. The Index uses both quantitative and qualitative factors: on the one hand, data such as the number of biotech companies, the number of products in the pipeline and on the other hand levels of government support and infrastructure development for instance.

Countries were analysed and ranked according to their level of development using both quantitative factors such as the number of companies present and R&D spending, and qualitative factors such as the level of government support and the awareness of intellectual property rights. As a result of the analysis it was clear that each country faced a unique set of challenges and opportunities that would need to be addressed in the policy recommendations.

When it comes to policy recommendations, we divided the countries in 4 levels of development based on the collected data and drafted a set of policy recommendations for the national and EU level. Focus points were the skills and knowledge base, support structures for biotechnology and SMEs, funding opportunities as well as Intellectual Property and Technology Transfer. These recommendations were discussed and reviewed during the workshops that took place in Budapest, Vilnius, Prague and Brussels in September 2009. A separate document was issued for them.

Dissemination of knowledge:

As part of the promotion of the 14AllBio initiative, EuropaBio set up a website where all documents and information related to project can be found. Promotion was made possible at the beginning of the 14AllBio project by a flyer where the list of the partners, the objectives of the project, and contact details are available.

Dissemination of project results was fully deployed from the moment the main report was published. EuropaBio and Venture Valuation presented the 14AllBio project results and policy recommendations to a wide range of biotech stakeholders during three workshops that took place in selected Member States during the final month of the project, namely Hungary, Lithuania, and the Czech Republic. Beside this, a one-day final stakeholder meeting in Brussels was organised to introduce the report.

The report was presented at one major biotech event targeting the European community to increase awareness about the sector in these countries. The audience targeted at this event was the biotech industry and investors. Project results were presented at one major event during a session dedicated to Eastern Europe, at BIO-Europe in Vienna in November 2009. BIO-Europe attracted a wide range of business leaders, including senior executives of leading biotech companies, business development teams from large and midsize pharmaceutical companies, investors as well as media. In 2009, more than 1300 companies attended the event, thus giving high visibility to the 14AllBio project findings. Patrik Frei from Venture Valuation and Ludovic Lacaine from EuropaBio presented the 14AllBio project findings and recommendations, with the presence of companies from the new Member States.

In order to raise awareness on the public report and results, EuropaBio used different means of communication, namely social media (Facebook, Twitter), video podcasts (Youtube, Dailymotion), press releases and newsletters. A Press Pack containing press release template, report and policy recommendations was sent to local partners in all 14 countries and to EuropaBio's press contacts, as well as press lists collected during the first period of the project. All these documents were made available on the project website. Reports were also distributed at different meetings and events and hard-copies of the report and recommendations, as well as e-mailings, were sent to local partners in all 14 countries. Copies were also distributed to over 200 members of the European Parliament.

Sustainability of the project – further activities:

EuropaBio and Venture Valuation will continue disseminating project results after the end of the project. EuropaBio will also keep working on the implementation of the policy recommendations through its SME platform and both project partners will cooperate with national biotech associations in the new Member States and other stakeholder groups, in order to assist them in developing their national support strategy to the biotech sector and its SMEs. Moreover, the 14 different country databases and the updating of the data will be continued by Venture Valuation in order to keep promoting the available data and enhance the visibility of the sector.

Contractors involved:

EuropaBio (EBio), coordinator
Critical I (CIL)
Venture Valuation (VV)

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