

# BioPharma Conference

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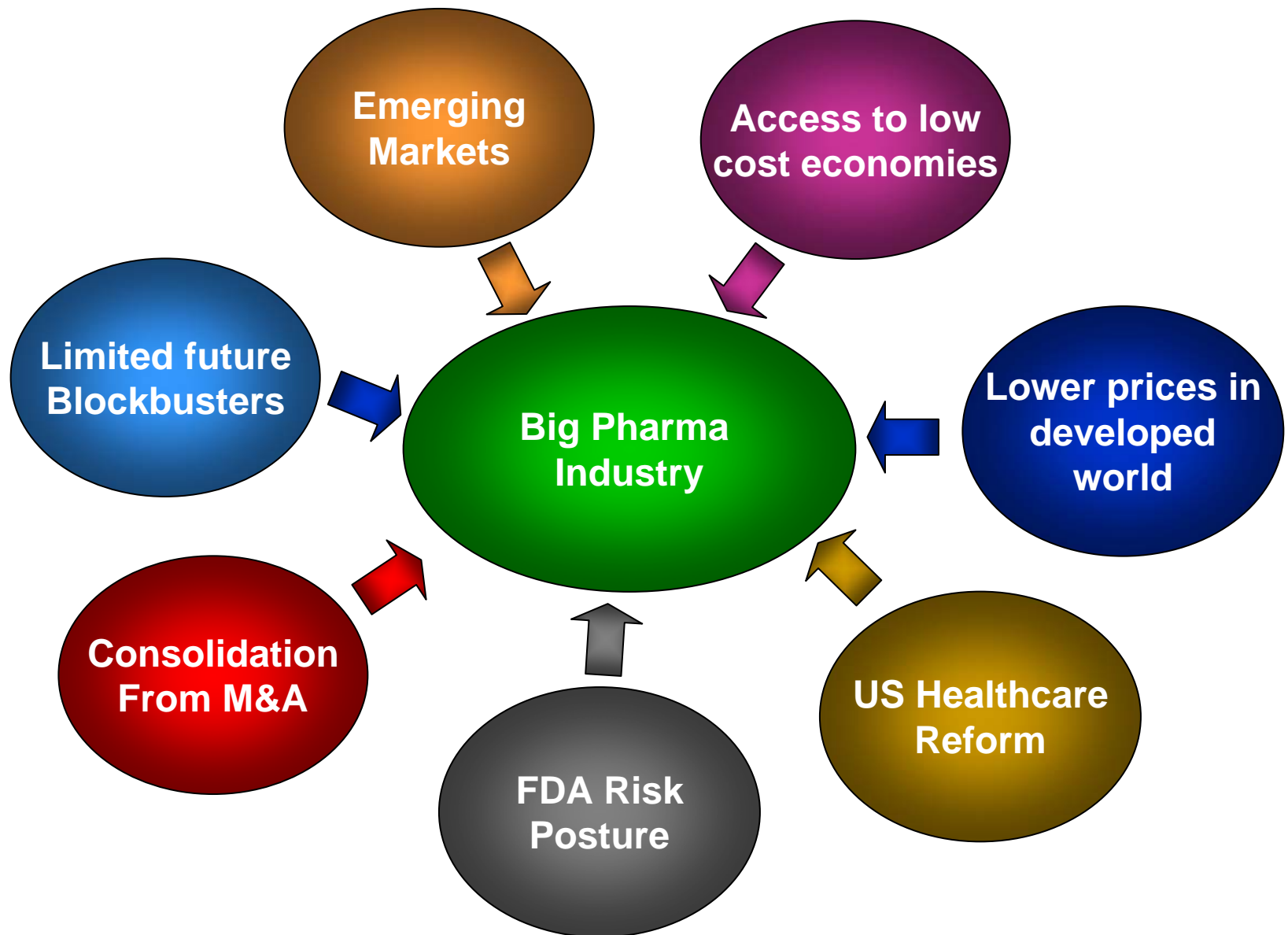


**Where patients come first**



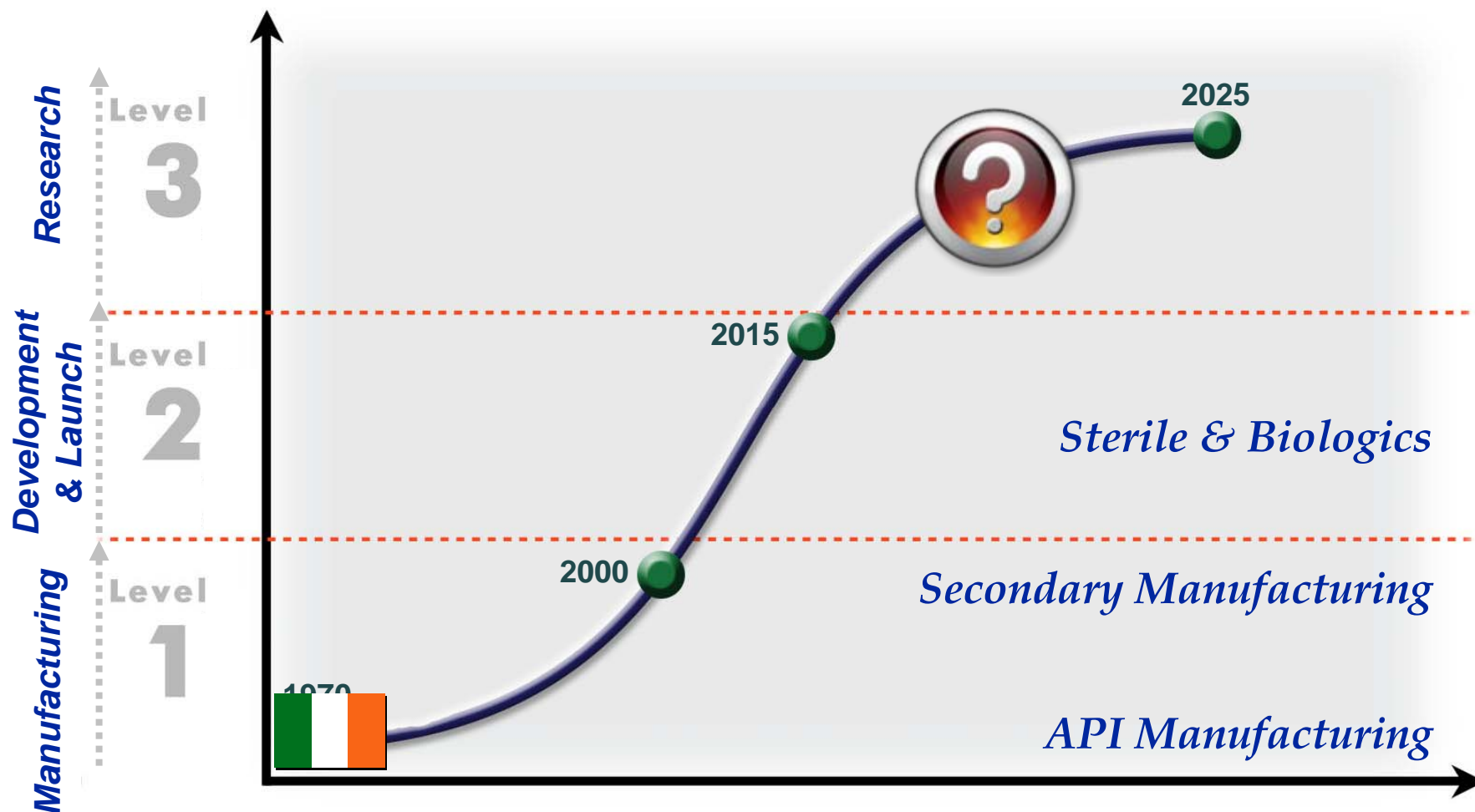
**MSD**

# Industry Trends & Forces



# Pharmaceutical Capability

## Ireland's evolving maturity



# Why has Ireland been successful over past decades?

## **Country-specific reasons<sup>1</sup>**

- **Low Tax Rate**
- **Financial incentives**
- **Well-educated English speaking workforce**
- **Flexible work practices**
- **Efficient institutional structures**
- **Irish and American cultures**
- **Gateway to Europe**
- **The demonstration effect**
- **“One stop shop” at the IDA**
- **Combination of the above**

## **Industry-specific reasons**

- **Chemistry, Engineering and Business Graduates and PhDs**
- **Compliance Excellence**
- **Reliability of supply and launch**
- **Capability for process and analytical development**
- **Willingness to invest in education and training**
- **R&D tax incentives**
- **Willingness to invest in infrastructure**

# Ireland Challenges



## Operating Costs

- Higher than other LTRJs
- Perceived to be somewhat offset by the strengths of reliability
- Especially for Bio, Sterile and Development/Launch

## Research Infrastructure

- Multinational research divisions generally rate Ireland poorly compared to other locations for research capability and substance
- Limits the ability of companies to centre significant offshore IP ownership here
- Sharp contrast to Ireland perception for development and manufacturing

# Key to success in the future – GOOD to GREAT



## Sustain the good

Low statutory tax and creativity

Graduates/PhDs for Industry

Technical Capability

## Enable what will make us great

### Research Infrastructure

- Top Rated Institution
- Serious Tax Incentive for basic research
- Focus on understanding disease

## Good to Great

- Development and Launch
- Sterile and Biologics
- Lean and Six Sigma Excellence

## Cost - Our Achilles' Heel?

- Reliability won't trump the cost premium forever
- Consolidations – Need to support, not resist
- Lean and Six Sigma can help offset cost growth

# Pharmaceutical Capability

## Ireland's evolving maturity

