Dutch Life Sciences Outlook 2015

Supportive Graphs

Value Creation for patients, companies and the cluster
Cluster size (companies and employees) and output in terms of products is increasing. Output (revenue) is stable, whilst Input is shifting from public to private investments.

* Throughout this paper the acronym KPI stands for (Key) Performance Indicator
** Including the effect of the acquisition of Profibrix & a part of MSD.
*** Public Private Partnerships
The Dutch LS cluster – performance overview

The Dutch LS cluster aims at delivering value for health & wealth. An annual Outlook measures the performance and progress of the core value chain of the Dutch LS cluster by six Key Performance Indicators* (KPIs).

* See Appendix A on Monitoring Methodology available at www.lifesciencesoutlook.com for the exact definitions of all KPI’s.

** The Health cluster is also part of the core value chain of the Dutch LS cluster and is addressed in the Health Outlook 2014
Data on Cluster Output, Input and Size

Size: Number of companies & Employment…………………5
Output: Number of products & Revenue……………………9
Input: Public investments & Private investments……………13
Performance indicator #1: Number of companies

The number of companies has consistently increased over the years. The amount of companies grew by 4%, from 361 in 2012 to 375 companies in 2013. The cluster still consists mainly (53%) of small companies (< 6 employees).

Companies that have 6-50 employees have had a significant contribution to the amount of growth in companies by 14% from 106 in 2012 to 121 in 2013.
The Boston area and UK area have been preferential for starting new companies. The Boston area grew from 1367 in 2012 to 1463 companies in 2013 and the UK from 1367 in 2012 to 1675 companies in 2013 and are in the international lead.

* RTP stands hereinafter for Research Triangle Park (region in North Carolina- the U.S)
The amount of employment by large companies increased by 1%, from 14608 in 2012 to 14776 employees and employment by companies with less than 500 employees increased by 12% from 8015 in 2012 to 8961 in 2013. Several small companies became medium-sized companies in 2013 because much recruitment of small companies.

* Data employment 2012 was corrected (multiple locations of the same holding are added up).
In 2013 the Dutch cluster displayed an increase in employment (5%). The RTP area displayed the highest increase in employment with 6%, from 17,864 in 2012 to 18,937 employees in 2013.
Performance indicator #3: Number of products

The consistent number of products in the pipeline shows the ability of knowledge converting skills. The total number of products in 2013 increased by 25 products (from 96 to 121) compared to 2012. Especially, the products in phase II and phase III increased compared to 2012, with 13 to 30 and 21 to 36 products, respectively.

- Source: The Decision Group database -
In 2013, large companies in the Dutch LS cluster showed an increase in revenue. In total, the revenue decreased by 1%, from €19b in 2012 to €18.8b in 2013. This year, large companies claim even a bigger part of the total revenue.

- Source: The Decision Group database -

* See Appendix on A Monitoring Methodology available at www.lifesciencesoutlook.com for the exact definitions of Number of Products.
Performance indicator #5: Public investments

The level of public investments decreased by 24%, from €389m in 2012 to €297m in 2013. The largest decrease, in absolute amount, is displayed by Public investments in PPPs by €24.4m from €110.4m in 2012 to €86m in 2013 (32%). Subsidies is increasing over the years.

![Public investments Dutch Ish cluster PPPs and subsidies](image)
Over the years the Dutch LS cluster has constantly attracted private investments through venture capital. Venture capital decreased by 41%, from €182m in 2012 to €108m in 2013. Noticeably, the amount of IPO’s, Follow-On Public Offerings and payments from strategic alliances increased.

* In 2011, €1687m were due to the acquisition of Crucell by J&J
** In 2013, 235m euro were due to the acquisition of Profibrix by The Medicine Company and part of MSD by Aspen

- Source: The Decision Group database -
For more information or questions, please do not hesitate to contact us via:

K. Brüheim, MSc (k.bruheim@thedecisiongroup.nl)
Prof. Dr. F. van Eenennaam
V. Wiersma, MSc

The Decision Group
Buitenveldertselaan 106
1081 AB Amsterdam
The Netherlands
+31 (020) 40 40 111
www.thedecisiongroup.nl