

Wage power in the life sciences

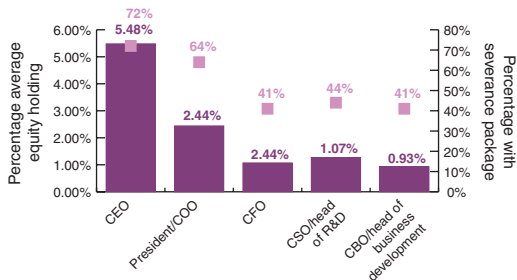
Stacy Lawrence

The US remains on top in terms of researcher spending power, with Japan and Australia not far behind and Europe bringing up the rear, and also employs the most in companies. Those employees are also put to good use: large biotech companies generate just as much profit as

smaller pharmaceutical firms—with only about half the staff. Biotech CEOs brought home an average of \$350,000 last year and held an average 5.5% stake in their companies; seven out of ten have golden parachutes.

Biotech executive perks

On average, the 13 executive positions surveyed hold ~18% of a company's shares.



Data includes medical device companies. Source: WilmerHale, Ernst & Young, J. Robert Scott

Life sciences executive compensation

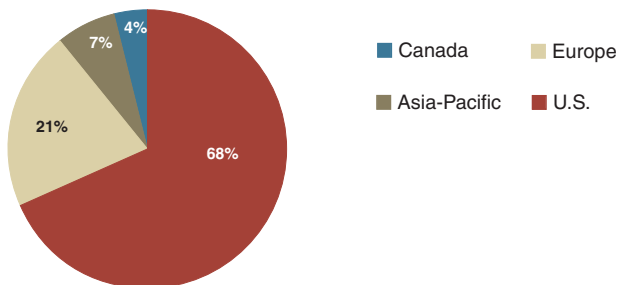
Last year, top execs made 15–20% of their compensation from bonuses.



In thousands. Data includes medical device companies. Source: WilmerHale, Ernst & Young, J. Robert Scott

Employment at public biotech firms by region

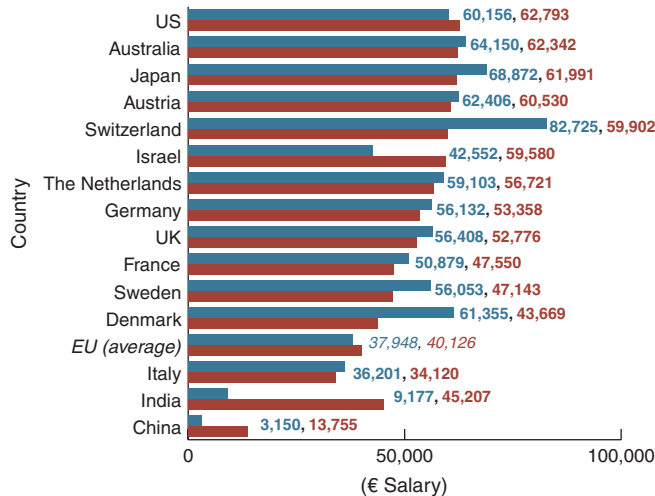
About one-third of ~200,000 biotech employees are from outside the United States, with most hailing from Europe.



Based on 2006 data. Source: Ernst & Young

Researcher spending power

If cost of living is factored in, European researchers on average can expect €22,500 less than counterparts in the US, Japan and Australia.



Source: Carsa. Remuneration of Researchers in the Public and Private sectors. EU Report http://ec.europa.eu/eracareers/pdf/final_report.pdf

Biotech and pharma employees, revenue and R&D

	Revenue (\$ billions)	Employees	Revenue per employee (\$ millions)	R&D expense (\$ millions)	R&D per employee (\$ millions)	R&D as percent of revenue	Net income (loss) (\$ millions)	Market cap (\$ billions)
Biotech								
Amgen	14.3	20,100	710	3,366	167	24%	2,950	80
Genentech	9.3	10,533	881	1,773	168	19%	2,113	86
Genzyme	3.2	9,000	354	650	72	20%	(17)	16
Gilead	3.0	2,515	1,203	384	153	13%	(1,190)	30
Biogen Idec	2.7	3,750	715	718	191	27%	218	17
MedImmune	1.3	2,538	503	449	177	35%	49	8
Sepracor	1.2	2,470	484	163	66	14%	185	7
Celgene	0.9	1,287	699	259	201	29%	69	21
Weighted average			686		149	22%		
Pharma								
Johnson & Johnson	53.3	122,200	436	7,125	58	13%	11,053	191
Pfizer	48.4	98,000	494	7,599	78	16%	19,337	187
Merck	22.6	60,000	377	4,783	80	21%	4,434	95
Bristol-Myers Squibb	17.9	43,000	417	3,067	71	17%	1,585	52
Eli Lilly	15.7	41,500	378	3,129	75	20%	2,663	59
Weighted average			433		70	16%		

Data for FY06. Gilead net loss due to a \$2 million charge related to the acquisitions of Myogen and Corus. Source: Ernst & Young

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