



What's hot in biotech employment

Nearly everything, as cash-rich companies add staff to accelerate their drug development programs.

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Career opportunities and employment activities within the biotechnology/biopharmaceutical industry have been robust during the second half of 2000, and should remain hot through the first half of 2001. This trend is largely a result of the aggressive financing activity during the fourth quarter of 1999, and the first quarter of 2000. The significant infusion of capital during that period has enabled many companies to accelerate their development plans and expand current staffing levels to put the capital to work.

Consistent with the heat of the investment cycle through the summer of 2000, there has been a precipitous upturn in the staffing activities of biotechs. This trend, a result of the expanding pipeline of drug candidates in later-stage development, coupled with an increased level of public interest in the power of biotechnology to influence people's lives, has created opportunities at all levels in organizations. Positions in preclinical development, regulatory affairs, clinical research, quality assurance, and operations/manufacturing are all plentiful as biotech companies move their programs from research laboratories into the clinic and through the regulatory process to market.

Investor heat and public interest, typified by the media coverage of the completed mapping of human genome, also led to greater levels of capital being invested during this last window of financing. The size of IPOs in 1999/2000 were approximately two to three times higher in dollar value than those of several years earlier. This increase in funding has resulted in greater flexibility for biotechs to push their development cycles faster and more independently, and to expand their organizations accordingly.

Another factor contributing to today's hot biotech staffing environment has been the pace and number of strategic alliances, joint ventures, mergers, and acquisitions taking place between big pharma and biotech, and more recently between biotechs. This has created a tremendous need for individuals with finance, business development, and technology assessment experience to participate in the evaluation and negotiation of the deals. Once the strategic partnerships have

been initiated, individuals with highly developed project management skills and knowledge of the drug development process are required to manage the relationships between companies as well as manage the strategic alliances once they are formed.

Finally, with the prospect of product approval, companies have been gearing up significantly as they anticipate entering the marketplace. This has created demand in the areas of clinical development, quality assurance, regulatory affairs, manufacturing, and operations. Those companies with highly niche-focused products have also shown a trend to build small and very experienced sales and marketing organizations.

There has been a tremendous focus on genomics, genetics, and new technologies to accelerate the drug discovery process in the past few years, and this has specifically intensified the demand for experience in the biological sciences. However, today there is a much greater focus on products foreshadowing the return of the chemist. The initial leads that have been developed through new technologies now require chemists to help turn those leads into product candidates. There is also a great deal of focus in proteomics, which is likely to be the hottest segment throughout the remainder of 2001 and beyond. Companies are rushing to develop faster technologies for understanding protein-protein interactions. With great progress being made in the discovery area, there will be a tremendous opportunity for potentially viable compounds to be developed over the next few years. This will continue to create demand for people capable of conducting preclinical development programs as well as moving compounds into clinical research and manufacturing.

Regional perspective

The leadership and contribution that the San Francisco Bay area has provided to the biotechnology industry for the past 15 years faces some turbulent and challenging times. The tremendous expense for commercial and residential real estate has put incredible pressures on the region's ability to attract new companies and talent. This has been magnified by other emerging biotech regions' aggressive initiatives to attract companies and employees. Boston continues to enjoy rapid growth with the creation of new companies and jobs, and established biotechs such as

Biogen and Genzyme have rapidly moved products to the market and continue to expand their organizations. Additionally, other biotech centers such as San Diego have received significant commitment of resources by big pharma. In the last two years, Merck, Pfizer, and Novartis have all announced major initiatives to expand their biotech capability in San Diego. Other regions such as New York, Pennsylvania, Seattle, North Carolina's Research Triangle Park, The Woodlands in Texas, and Atlanta continue to boast impressive gains in the number of companies being formed and the interest level by the venture capital and investment banking communities.

Key areas for growth

Individuals with strong chemistry backgrounds will continue to be in great demand throughout 2001. Additionally, increased activity in the area of proteomics will create opportunities for those individuals who have strong basic science skills with strengths in molecular biology, cell biology, biochemistry, and bioinformatics. The following functional areas will continue to remain highly active in terms of staffing levels: pharmacology, drug metabolism, clinical research, quality assurance, regulatory affairs, project management and business development.

With the robust activity that defines today's climate, the need for seasoned leadership has never been greater in the industry. Individuals who have the ability to integrate basic sciences and emerging technologies, a strong knowledge of the drug development process, and highly developed leadership capabilities are highly sought after in almost every functional area.

A word of caution

The long-term outlook for the industry continues to remain very positive, with breakthrough technology and maturing product pipelines, but the financing cycle will continue to have an important impact on the timing and pace with which companies increase their staffs. Although the past year has been extraordinarily good for career growth opportunities in biotech, we have seen the funding window come to a rapid and dramatic close in the second half of 2000 and the freeze of the winter of 2001. This chilling of capital investment will almost certainly cause biotechs to be more prudent about their staffing activities in the second half of this year. ■

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