



The cluster manifesto at EuroBio 2008, October 2008

Biotechnology clusters speak to Europe!

The Council of European BioRegions (CEBR) is proud to present 'The cluster manifesto' at EuroBio 2008.

Introduction

Many people involved in supporting and building biotechnology communities meet barriers to company growth that need not be there – whether they are geographical restrictions attached to finance, lack or complicated access to new research or lack of direct finance, with public money spent ineffectively on services rather than effectively by companies themselves.

CEBR and its partners invite biotechnology support agencies, institutions, companies, and individuals to be part of a debate at EuroBio 2008 and vote on key actions for governments and decision makers in biotechnology that rapidly improve the health and welfare of biotech companies and clusters and thus European biotechnology as a whole.

The resulting shortlist will create the **cluster manifesto** that we present to all bodies that have the power to affect biotechnology, from regional governments up to the European Commission and say 'make it so'.

The format of the debate

Opening presentations - The scene is set by three short presentations on factors that specifically hinder the growth of biotechnology companies.

Presentation of top 5 motions for debate - Each topic in the short list is proposed by a champion – It is presented as a motion for no more than 2 minutes and the floor is opened to debate its significance to the growth of a biotech or cluster

Manifesto vote - Delegates vote for the top 3 motions for inclusion in the manifesto. The results will be announced at the closing session of EuroBio and taken forward as part of the EuroBio process to the European Commission, Parliament, national parliaments and future European Presidency meetings. Following the conference – the manifesto will be published by CEBR and all its partners and biotechnology support agencies can sign to support it.

How to get involved

This is YOUR debate. The following topics listed are a starting list – we want passionate people to tell us what prevents them from growing successful companies and clusters and nominate themselves to champion a motion.

After reading this discussion document – go to the CEBR website and nominate any additional topics to be presented and debated – we will select the final shortlist 4 weeks before EuroBio. Prepare to speak to Europe!

The CEBR website at www.cebr.net holds all information for this debate;

- Full description of CEBR at EuroBio 2008
- This document is in the CEBR library at www.cebr.net/library.aspx
- The expression of interest form for the workshop is held in the event calendar where you can sign up for the debate and nominate new topics/champions

If you are not a CEBR Member, you need to be a Registered Website User to access the library – it's a simple process, just join CEBR as a website user free of charge.

Manifesto topics nominated to date

- 1. Cutting out the middle man** Governments love to support biotechnology but seldom does the money allocated reach the company directly so that it can spend it effectively and rapidly on what it knows it needs. Often significant budgets are reduced to negligible levels by the time they reach their destination and they are often manifested through advisers that cannot provide the benefit that the money originally intended.

We propose that the companies hold the budget within Government agreed parameters, enabling them to source the expert service that they need from where ever it is most suitable.

- 2. Correct interpretation of state aid rules** The state aid rules in the European Union are reasonably generous, especially for small and medium sized businesses. The birth of the Jeune Entreprise Innovante (Young Innovative Company) initiative in France has demonstrated also that the boundaries of state aid can be tested to destruction by member states willing to experiment.

Despite this, many national governments and regional authorities seek refuge in the EU State Aid Rules, disguising inaction or unwillingness on behalf of business beneath the supposed girdle of EU strictures.

We call on regional and national authorities to acknowledge that they have a great of scope in helping the life science industry; and to acknowledge that if that help is not available, it is because those authorities have not prioritised the life sciences area as an arena for active support.

- 3. People – if we need them, let them come** Significant variation and complexity in employment law across Europe places a massive burden on any company seeking the best personnel, making the business of employing somebody from across a border an expensive and often legally dangerous process. In a sector such as biotechnology, where the right skills are spread thinly and often concentrated in just a few places and with the current framework, this cannot help the biotech sector grow and thrive.

We call for a skills passport to be created where employees or self employed people can move freely across or into Europe without excessive employment law implications or cost for their host

- 4. If you love something, let it go** A great idea or technology often cannot thrive in its place of origin for many reasons however finances, IP, tech transfer or people often restrict that idea to a specific region where it quietly dies.

Europe has the responsibility to think as an entity, not a collection of competing regions, organisations and people and if a new idea/technology can find a better place to grow, then it should be allowed to travel with all support money intact.

We call for the geographical strings attached to technology transfer, incubation, and finance to be cut. The resources should be portable, able to travel with the project as it finds its optimal location. In this way, the tender care that early start-ups need would still be available, but not only in a way that limits the growth of the companies they are designed to help.

- 5. Integrate, don't incubate – all that clusters is not gold** The rush in Europe to create companies and clusters has many long term negative impacts, such as creation of a company when an out license would have been better, use of limited seed fund money across too many start ups. The benefit is also often restricted to the scientific founder who protects the purity of the science and extends the ivory tower inappropriately to what should be a commercial world.

We call for rigorous commercial and market assessment from an international perspective of research intended for company creation where public money will be spent in its support.

- 6. Publicly funded research and intellectual property should be accessible to those who intend to use it**

The European Biotechnology sector is founded on the wealth of research and knowledge within Europe. However for too long, much research has been cloaked from view or access , with complex layers of ownership that hinder its effective exploitation or worse, rendered inaccessible by 'gatekeepers' who through lack of experience or a reactive (not proactive) role, simply do not know what treasures are there to grow the sector that relies upon scientific breakthrough and excellence.

We call for an 'obligation to exploit' for all intellectual property – starting with the inventor, before moving to the organisation that hosts the inventor and then the national government that hosts the research organisation – with the result that Europe proactively and collectively drives forward research of excellence into exploitation and where exploitation at one stage fails, exploitation at the next stage may succeed.

- 7. Fund excellence or don't fund at all**

Too often, the amount of money available at seed stage is too low for the proposed business model to succeed. Europe seems to prefer to spread its money thinly across many start ups rather than invest significantly in the strongest companies – the result is that too many start ups are launched without the money that they need and the business plan cannot be achieved even if the technology has the potential to be a winner.

The public is investing its hard earned money in these business and they should expect to see a return – 10% of a winner is better than 50% of a loser. At present too much money is avoidably lost in underfunded start ups.

We call for 'soft money' to be invested professionally and at levels where a business plan will succeed – giving the public investor the return that they would expect if they were investing privately.