Mergers and acquisitions are creating a new industrial pharmacy market

On the surface, the mergers and acquisitions that have dominated pharmaceutical companies in recent years and their decision to take their business outside the UK appears to be bad news for pharmacists looking for a career in the pharmaceutical industry. But, in reality, their reconfiguration is creating a new industrial pharmacy market made up of small- and medium-sized businesses that are run by pharmaceutical entrepreneurs.

New breed of industrial pharmacists

One of this new breed of industrial pharmacists is Andrew Kirby, whose company Ocelus — partly financed by venture capitalists — is developing a new way of delivering drugs across the skin using micro-needles. Dr Kirby says: “I like having a business, being able to shape my own destiny, setting my own challenges and exploring where I want to go. It also appeals because, if I make a success of it, the benefits come back to me. I have never described myself as an industrial pharmacist before but perhaps that is because I have always thought of [the word] industry as having a capital ‘I’, like big and medium-sized pharma.”

Steve Harris is an industrial pharmacist and company chairman of Ocelus. It is one of five non-executive posts he currently holds for newly emerging health or pharmaceutical companies. Since quitting as an executive director of Medeva in 1995 he has forged a new full-time career as a non-executive. “I have had 14 non-executive director roles since then. The work appeals because the companies either end up no longer existing, or they merge so you move on and do something else,” he explained.

Although Mr Harris had a successful career working in the industry at a time when the employment market was buoyant, he says today there are fewer job opportunities for pharmacists in big pharmaceutical companies. He also wonders if today’s pharmacy degree properly equips graduates for a career in big pharmaceutical companies. He also wonders if today’s pharmacy degree properly equips graduates for a career in industry. “I’m not sure today that pharmacists have the relevant skills or that the degree prepares students for industry,” he says. He thinks the focus of the curriculum is on NHS hospital and community pharmacy. At the same time, the time he believes there are now fewer preregistration places on offer in the industry. “I think undergraduates are missing out,” he added.

Although his views are shared by other career industrial pharmacists, Dr Kirby offers a different perspective. He says: “Today’s pharmacy degree [gives] a good background in business entrepreneurship compared with other [science] degrees because all through the degree is the presence of business.”

View from the ABPI

According to the Association of the British Pharmaceutical Industry (ABPI), the mergers and acquisitions that have occurred in the sector are affecting job opportunities for all scientists, including pharmacists. A spokesman says: “The closure of research and development sites such as GSK Harlow and AstraZeneca Charnwood will have an impact.” The recession has also left its mark in the past two years. Many companies that have not undergone significant mergers and acquisitions have had recruitment freezes and reductions in headcounts, which has compounded the problem of new employment for those who have lost their jobs because of these mergers or acquisitions.

The ABPI believes that the industry has not seen a major reduction in the number of pharmacists working in the sector. But there has been a change in the type of roles they are taking on. Today, a pharmacist is more like to work in regulation, clinical information or general management. “Fewer are working as Qualified Persons in production and quality assurance,” according to the ABPI. The fall is due to increased competition for the QP role from graduates in pharmaceutical science, cosmetic science and process engineering, who also have the appropriate skills for the job.

The ABPI also reveals that the sector is witnessing more out-sourcing of services and, although it does not have the evidence, it
“The number of graduate opportunities for pharmacists has reduced over the past few years because of environmental and industry factors”

believes that may be creating new employment opportunities in clinical research organisations and small pharmaceutical companies.

Growth in smaller companies

Although the ABPI may lack hard evidence of a growth in smaller pharmaceutical companies and research organisations, Steve Wicks, who has more than 20 years’ experience at the helm of industrial pharmacy, is testament to this new trend. He has recently left Pfizer, where he was the most senior pharmacist — vice-president of pharmaceutical developments and a member of the board. Now, six weeks into his “retirement”, he is in the process of reinventing himself and is working on proposals to create a not-for-profit company devoted to developing medicines for children.

Looking back on his 24 years, he believes that, with a shrinking industrial jobs market, pharmacists increasingly have to compete with other equally qualified science graduates for the same jobs, and fewer preregistration placements means the number of pharmacists in the industry is declining. He says: “There is a lot of consolidation taking place: consolidation of skills and cutting costs, which involves a loss of jobs. But encouragingly we are seeing biotech companies, either small- or medium-sized, growing up. A lot of people like myself are looking to leave the large pharma organisations and form small companies funded by venture capitalists.”

Some of these new emerging companies will have contracts for pharmaceutical functions or will have struck research and development deals with the industry. However, he says, although traditional global pharmaceutical industry may be changing, the new model moving into the market gives pharmacists a reason to celebrate. “It is being replaced by an exciting and vibrant market, one that is perfect for people [who] are passionate about pharmaceutical science and want to learn more about that in their professional development and who are entrepreneurs. If you want to work in Boots, this isn’t the place for you,” he commented.

PREREGRISTRATION OPPORTUNITIES

GlaxoSmitKline is one of four pharmaceutical companies in the UK that still offers preregistration placements. The company continues to get “great interest in these positions and competition is fierce”, a spokeswom an says. She adds: “There are still opportunities for pharmacists within [the] industry and at GSK.”

It is a similar message from AstraZeneca. In a statement, the company says that there “continues to be job opportunities for pharmacists and PhDs in pharmaceutical sciences work in our pharmaceutical development group, where they work with potential new entities to improve their efficiency and stability”. The sector is still a popular career destination for pharmacy students, which AstraZeneca says is reflected in the volum e of applications from graduates. But the company goes on to admit: “The number of graduate opportunities for pharmacists has reduced over the past few years due to environmental and industry factors. However, we continue to support a robust graduate programme and recruit pharmacy students based on business needs.”