



Welcome to Edinburgh BioQuarter

**Parallel Session D**

Bio-Incubation – Design and Building  
Companies



## **Bio Incubation – Design and Building Companies**

**Chaired by:**

**Bio-Incubation – Adrian Gainer (HOK)**

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# IncuData

Daniel McDonald-Junor

From Property Management to Business Development  
The Role of UK Biotechnology Incubators

UKSPA

19<sup>th</sup>-20<sup>th</sup> September

Edinburgh BioQuarter

# ESRC funded PhD

- Daniel is a Final year PhD student – CASE studentship
- Funded by the Economic and Social Research Council (ESRC)
- Supported by BioCity Nottingham
- Research aims to
  - Investigate the different approaches to biotechnology incubation
  - Develop an understanding of the environment that incubators operate in.
  - Assess the services that are provided to tenant companies

# Methodology

- 3 surveys (1 longitudinal, 2 snap-shots)
- 12 Face to face semi-structured interviews
- 6 case studies
- Involving over 800 companies
- 24 Bio Incubators
- Scotland, England, Wales, Ireland

# Survey 1 - UK Life Science Start-ups

- Desk based survey (2005-2012)
- Over 590 UK life science start-up companies
- Investment raised, incubator or science park based, University spin-out, Industry type, start-date
- Over 20 sources to complete data-set
- UK subsidiaries, consultants excluded – must be developing a product, service or commercialising, creating IP
- Provided a background and baseline to look at bio incubators

# Survey 2 – UK Biotechnology Incubators

- Desk based survey (Jan 2012)
- 24 UK Bio incubators
  - Size, number of tenants
  - Tenant mix
  - Governance structure, grant funding
  - Technical and business support provided
- 375 Bio incubator tenant companies
  - Start-data
  - Industry type
  - Detailed description
  - Net assets/liabilities 2010 – 2011
  - Business model (IP or service based)

# Survey 3 – Bio Incubator Tenant Survey

- Web based survey (Feb 2013)
- 25% response rate
- Performance of tenant companies
  - Investment raised, turnover, jobs created
  - Patents filed, products launched
  - Type of space occupied, grow on space required
- Use of services and support
  - Technical support, services, equipment, events
  - Business support received from incubator management
  - Services purchased from other tenant companies
  - Collaboration with other companies
  - Contact with universities and hospitals



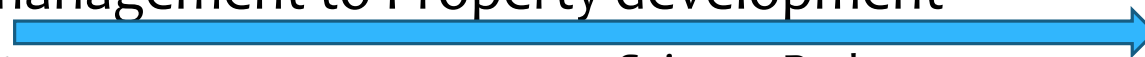
# The Bio Incubator – How to spot one

- Predominantly biotechnology, pharmaceutical, medical Technology and medical device tenant companies
- Shared spaces, virtual tenancies, hot-desking, short term lets
- Age of tenant companies
- Business support and technical support provided
- Physical links with centres of knowledge and expertise.
- Continuum:

Business management to Property development

Bio Incubator

Science Park



# Science park or Bio Incubator? 'Incubator X'

- Looks like a incubator, behaves like an incubator, calls itself a science park
- Has the 'science park' in name and description
  - One of the youngest tenant mix out of all incubators
  - Industry type tenant mix same as a comparable incubator
  - Business model tenant mix same as comparable incubator
  - Offers soft infrastructure support services same as comparable incubator
  - Has predominantly Bio/Pharma and Med Tech tenants unlike closest comparable science park

# Soft Infrastructure Support Services

Provided by a Bio Incubator

- Access to networks
- Access to VC funds, angel investors, seed investment funds
- Links to local university, local hospital, science park
- Provision of technical equipment either on-site or via third party
- Regular events to encourage collaboration
- Investor readiness programmes
- Bio entrepreneur programmes
- Accelerator programmes
- Access to supply chains (local and national)
- Some tenant companies can provide business support services

# Research Findings

## Performance

- Failure rates are similar between companies based in a bio incubator and companies not based in a bio incubator
- 13 out of the top 20 start ups companies securing external investment were based in a Biotechnology incubator

<b>Incubator tenants Employees</b>	
Total employees (all incubators)	<b>2315</b>
Total employees when moved into incubator (survey)	<b>344</b>
Total employees now(survey)	<b>750</b>
Total increase in employees (survey) since entering incubator	<b>406</b>

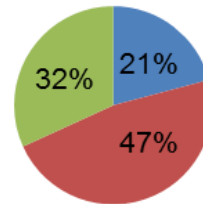
<b>Incubator tenant - Turnover</b>	
Total turnover when moved into incubator	<b>5,863,550</b>
Total turnover now	<b>36,212,000</b>
Total increase turnover since entering incubator	<b>31,606,000</b>

# Research Findings

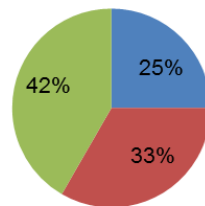
## Tenant Mix

### Business models - UK bioincubator survey

■ Business Support ■ IP ■ Service

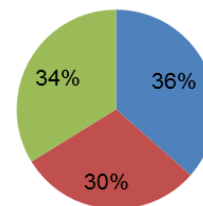


### Incubator X



■ Business Support  
■ IP  
■ Service

### Comparable incubator

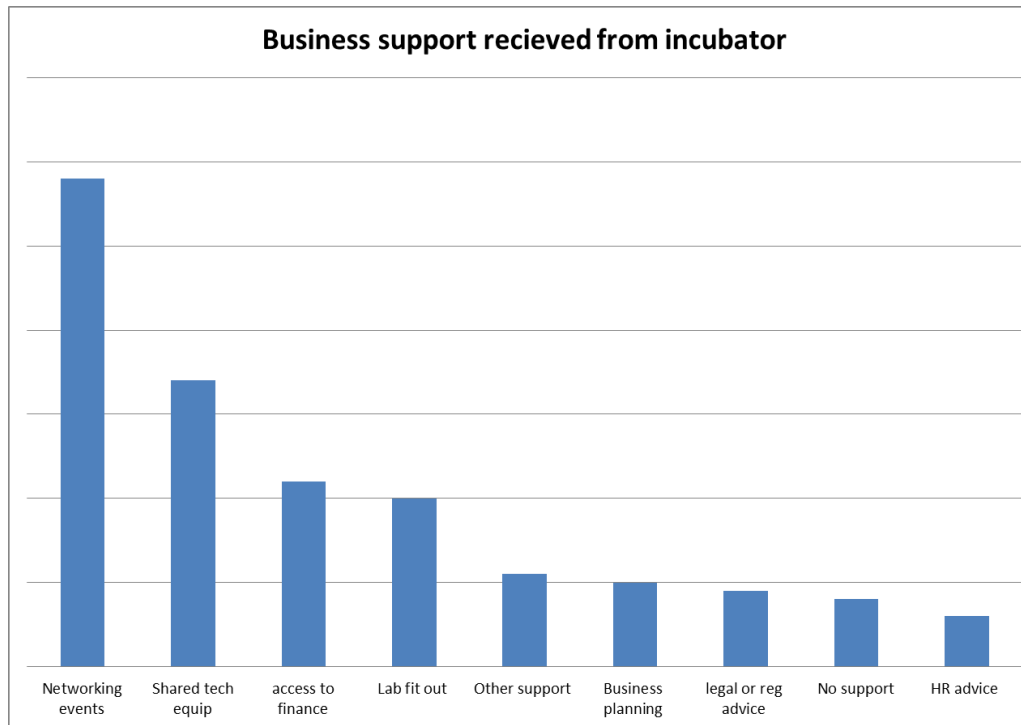


■ Business Support  
■ IP  
■ Service

# Research Findings

## Technical Equipment & Support

### Incubator Tenant survey – use of services

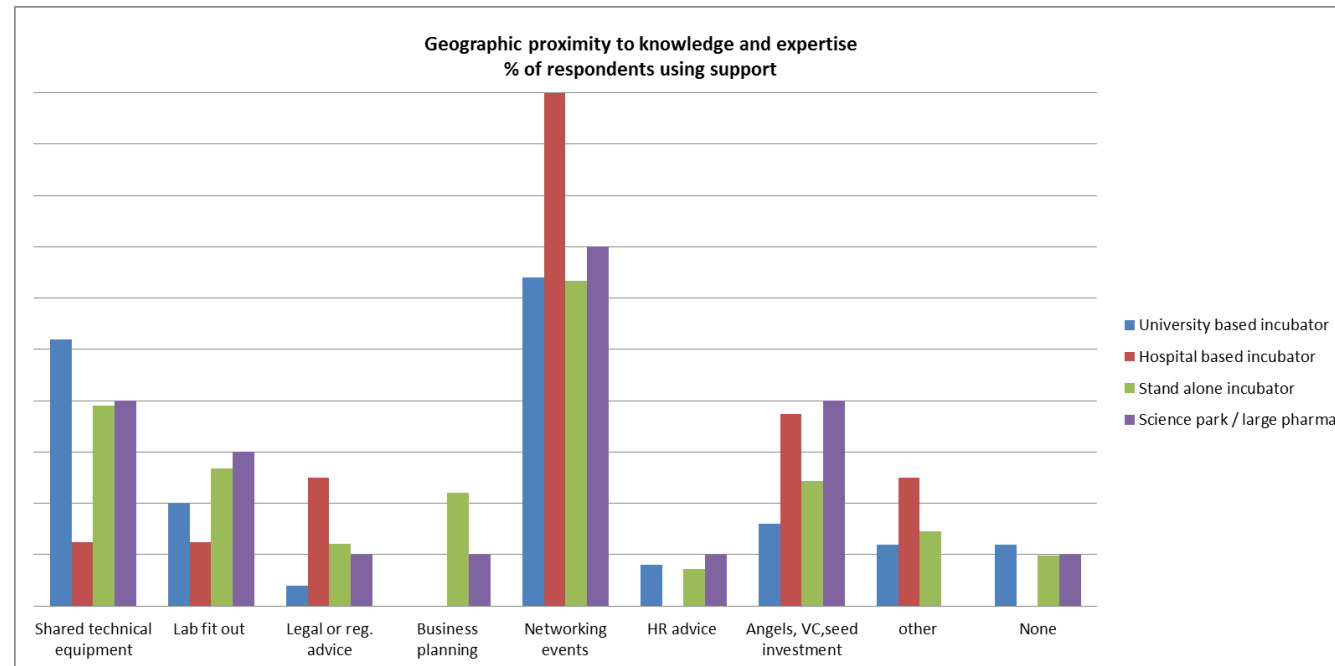


- Networking events and sharing technical equipment are the services most likely to be used by tenant companies
- Only a small number of tenants received no support

# Research Findings

## External Environment

### Incubator tenant survey – use of services



# IncuData

- Started trading February 2013
- Currently developing products to assist
  - UK life science companies to better understand their competitive environment. Find potential collaborators and companies that compliment their business across UK
  - Overseas companies to find 'soft landing' sites that appropriate to their requirements across the UK
- Current work
  - Demand assessment for a science park in North East England
  - Competitive environment reports for Bio incubators and life science companies