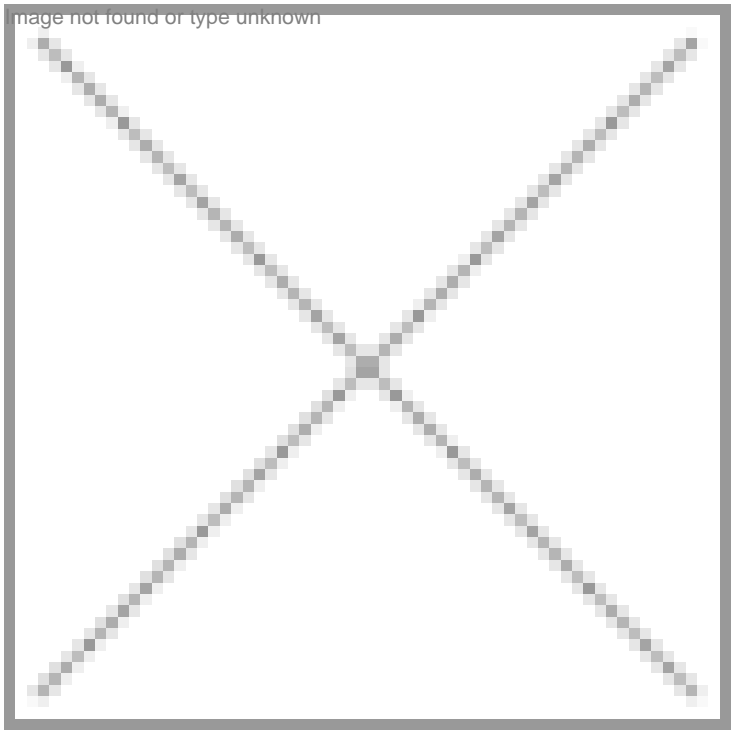


## A Natural Cluster

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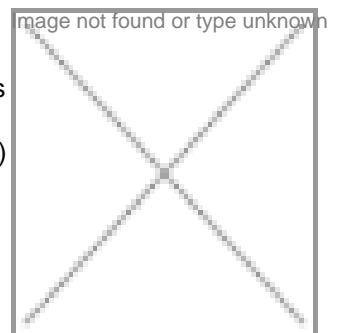
### London

## A Natural Cluster

***With over 100 biotech companies, 28 research institutes, and millions of public money, London is a natural home to the thriving life sciences sector.***

There are over 28 universities and institutions in London undertaking life sciences research and teaching. About 1,350 academic research staff was estimated as working in top rated biological sciences and clinical departments in 2001. There are 55 odd hospitals, trusts, and medical schools in the capital. Spending on biotechnology related research in London is around \$430 million annually. Further, 70 percent of National Health Service (NHS) research (which totals \$610 million) is spent in London. This explains why the London biotechnology cluster forms a significant part of the largest concentration of biotechnology companies in Europe.

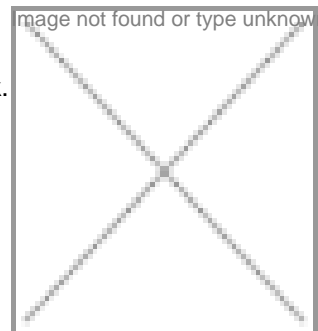
David Hodgson, business development manager Japan, London First Centre, explained, "There are currently 82 odd biotech companies in London, which represents an increase of over 40 percent in the last two years. The majority of these companies are university spinouts." UCL and Imperial College School of Medicine are the two largest medical schools and Imperial College is believed to "spin-out" on average one biotech company every month. DTI also extends its support to the UCL spinouts through



training vouchers for small and medium sized enterprises in biomanufacturing. About \$20 million has been invested in a unique manufacturing research and training facility. London attracts high levels of public and private funding. There is another interesting trend too. Some of these spinouts are virtual companies.

The life sciences sector in London is focused on the development of therapeutics. Also the Capital has been a major center for clinical trials. There are about 50 clinical research organizations covering all specialties here. “It is estimated that 60 percent Europe's clinical trials are done in the UK,” explained Hodgson. And London is the headquarters for the European Medicines Evaluation Agency. The Agency facilitates product approvals across Europe without going through individual country assessments.

Moreover, The Medical Research Council (MRC) is headquartered in London and funds government biomedical research. The MRC supports the renowned National Institute for Medical Research (the MRC's largest institute). It is also in the process of establishing a UK stem cell bank. This bank will hold all adult and embryonic stem cell lines generated in the UK. The Laboratory of the Government Chemist (LGC) is a leading provider of chemical analysis and DNA testing services.



There has been a lot of stress and expertise in stem cell research. For example, the Imperial College Tissue Engineering and Regenerative Medicine Centre, headed up by Prof. Julia Polak, has recently converted embryonic stem cells from mice into the specialized cells needed for gas exchange in the lungs. This is being repeated with human cells, with the eventual prospect of regenerating damaged lung tissue and even creating whole lungs by bioengineering. Also scientists at King's College London were granted one of the first two licences to produce human embryonic stem cell lines. This was the first time scientists had been allowed to work on developing embryonic stem cells for research as all previous embryo work had been for fertility treatment or other medical therapy. The licence was granted to three King's College researchers: Dr Stephen Minger, Dr Susan Pickering and Professor Peter Braude. “The areas of focus by the biotech companies located in London are widespread. But cancer therapies are the most prevalent area. Other areas range from inflammatory diseases to bioinformatics to new CNS and tissue engineering,” elaborated Hodgson.

Life Sciences Company Funding	
<£1 million	18 companies (3%)
£1-5 million	6 companies (6%)
£5.1-10 million	3 companies (13%)
£10.1-20 million	3 companies (22%)
£20.1-35 million	4 companies (56%)
<p><i>Source: London Life Sciences Strategy and Action Plan.</i> LDA surveyed 55 of the 82 core biotech companies and these figures are of that survey.</p>	