



# An industry view on Portugal's Higher Education system

**Guy Villax**

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**Hovione** 

# Hovione

- 58 years supplying products and services to the global pharmaceutical industry
- In every one of the last 3 years we stand -as contract manufacturers- behind 10% of the new small molecule drugs approved by EMA and FDA
- Cures for Hepatitis C
  - the most significant medical breakthrough of the last 5 years
  - of the 4 marketed drugs, 3 come from a Hovione plant
- We employ 1800 people, 1000 in Portugal, over half have university training
- 380 are in R&D, we employ over 80 PhDs

# Hovione and Portugal's Higher Education system

## A very successful relationship

- We hire -on average- 50 recent university graduates (BSc+MSc+PhD) per year
- “Welcome Back” – we hired back from abroad >30 Pt PhDs (bolsas FCT)
- We have on going 7 PhD students with 2 supervisors Uni+Hovione, & 15 MScs
- Dozens of R&D projects every year with 8+ different universities
- €5m 9<sup>o</sup>W program over 3 years starting in 2016 :
  - Analytical chemistry lab at ISEL to improve the quality of vocational courses and assure better immediate employability – 30 students/year
  - Intelligent Lab - digitalization - Industry 4.0 project
  - Continuous processing of pharmaceuticals
  - Chair in analytical chemistry at U Aveiro

**Hovione's success is to a large extent owed to the high quality of Portugal's higher education system**

# What got us here, won't get us there

## ... we are concerned with the future our HE

### Portuguese university foundations are handcuffed by being included in state sector budget rules

- Faculty: insufficient freedom to pay on merit, will drive retention issues
  - Finances: obliged to observe rules that apply to state sector entities, prohibited from having surpluses or losses, unable to carry forward surpluses or losses from one fiscal year to another
  - Grants from industry – cannot use them as intended by the donor
- To escape such handcuffs many universities create vehicles deliberately outside their consolidation perimeter, meaning also outside the control of its governance and reporting systems – this carries risks.

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# What got us here, won't get us there ... we are concerned with the future our HE

As we set up relationships around R&D projects with Portuguese universities we note considerable amplitude in the variability of :

- Clarity of roles and responsibilities
  - quick decision-making or
  - dysfunctional changes in position and considerable delays
- Expectations as to the value of IP
  - Some projects never get off the ground
  - Others... repeat
- Complexity of contracts, lengthy negotiation

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## **Effective policies for innovation –**

How can Portugal revitalise its industries, support the emergence of new sectors and strengthen firms' competitiveness through innovation?

**Start by reducing tax,**

**corporate (IRC)**

**and**

**personal (IRS)**

**Strengthening linkages** - How can Portugal ensure that public research and the knowledge transfer infrastructure help support a virtuous cycle of research and innovation? What are the main gaps in the current knowledge transfer infrastructure? What should be the main priorities in the short and long run?

**It takes 2 to tango, and  
our Economy and Industry are no match to our HE**



Thank you for your attention.

**Guy Villax**

[gvillax@hovione.com](mailto:gvillax@hovione.com)

[hovione.com](http://hovione.com)