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What's behind a growing "biotech valley"?

A quick release of creative entrepreneurs or a long time interaction process between resources activated by companies and university institutions engaged in different but related technologies

The Stockholm-Uppsala region is claimed to be one of the worlds' most expansive biomedical regions, both when it concerns scientific and business activities. Or, as it was formulated in a special section in *Nature*, October 2001: p. 6. "A world class scientific & business environment." A special interesting part of this region is the Uppsala area. According to the Chamber of Commerce, the Uppsala region has given birth to more than 70 new biomedical or life science companies during the last years and to more than 140 seed projects. A common explanation to the growing commercial activities in the Uppsala region has been the restructuring of the big pharmaceutical company in the region, Pharmacia. In 1996 Pharmacia merged with American Upjohn, and all kind of strategic decision-making transferred to US. Left in Uppsala was a production unit. And, as has been argued in several different kind of business magazines, research reports and also in *Nature*, (October, 2002) resulted in the release of skilled biomedical entrepreneurs, ready to take advantage of all their experiences in new start-ups.

A closer look at the Uppsala based biotech companies, with focus upon how resources are combined and activated (Håkansson & Waluszewski 2002) reveals a somewhat different pattern. A study of the "top 25" biotech/life science related companies (Waluszewski-Sjödin, 2002) show that only one company fit into the common explanation: a new breed with its technological roots in Pharmacia, started by fired managers. The investigation of how these new companies' physical features, in terms of facilities and products, and social features, in

terms of business units and business relationships, reveals a more or less opposite kinship pattern. Two third of the newcomers were closely related to the big, healthy and growing biotech company in the region, Amersham Biosciences. The remaining third had a close kinship to mainly three other big units in the region; the Uppsala University and the university hospital, the Agricultural University and the only “complete” Pharmacia owned company left in the region, Diagnostics.