



## Medicine Man

**Plain talking. Passionate and purposeful, at 75 Allen McClay is still making his mark on the pharmaceutical industry, leaving his competition spinning in his wake. *Carissa Casey* sits down with the man who, despite his *Sunday Times* Rich List slot, remains modest with little hope of retiring anytime soon.**

On a chilly October morning just shy of his 70<sup>th</sup> birthday Allen McClay arrived at an empty portacabin in the middle of an industrial estate in Craigavon, County Armagh. When he opened the door he discovered the cabin had no furniture, no water, no electricity and no telephone connection. A few hours later his girlfriend Heather turned up with a cushion for the makeshift stool he managed to concoct out of a defunct oil heater and a plank of wood. McClay was planning to establish a global empire from his cold, steel hut and he needed what creature comforts he could get.

Across the road sat the gleaming, centrally heated, offices of Galen, the multimillion dollar, multinational pharmaceutical company he had founded. The previous Friday McClay had resigned from Galen's board and in the process lost his plush office. He was still the majority shareholder in the company but had little influence over the direction it was taking.

Watching him huddled by the door of his portacabin that October morning, a casual observer might have dismissed McClay as a noble but ultimately tragic figure, an old man unable to accept that his days as a corporate giant were numbered. Soon he would see sense and retire to the local golf club to practice his swing. Or, given the millions he had at his disposal (the *Sunday Times* Rich List estimates his personal wealth in the £300 million range), perhaps he would live out his days sailing around the Bahamas or some other exotic location on a luxury yacht.

But this would be to underestimate the mettle of the septuagenarian McClay or indeed his motivation in life. Five years later, Almac, the company he founded that day, employs 2,000 people across the world doing cutting-edge research for all of the major pharmaceutical giants. He's back in the gleaming offices across from the portacabin and has built even more along the road. The car parks are overflowing and there, among the convertible Mercedes and Lexus jeeps, sits the same car that McClay, now Sir Allen and the sole owner of Almac, drove to the portacabin that October morning. It's an 11 year old Renault that he jokes doubles in value every time he fills it with petrol.

Sir Allen McClay was born and raised in Cookstown, a few miles from Almac's headquarters. He was the youngest of six. His Aunt Minnie was a local school teacher and a huge influence. Her favourite saying, he remembers, was "the Lord will send you nuts when you've no teeth left". The McClays weren't well off but the young Allen was painfully aware that there were plenty worse off in Northern Ireland at that time. Some of the other school children had no shoes to wear even in winter.

If he has little time for the trappings of wealth now, as a 16 year old school boy he developed a "dramatic interest" in training as a chemist when he heard he would get paid for it. He spent 13 years working for Glaxo as a medical rep before deciding to leave to form Galen because he "never got an ounce of promotion". He admits there were "altercations" with management. "I was never a great man to be subject to formalities," he explains.

Galen is one of the few bright spots in the otherwise dismal decades when Northern Ireland descended into vicious conflict. Founded in 1968, at the outbreak of the Troubles, it grew steadily despite the chaos, and in 1997 a year after the ceasefires, McClay took the company public on the London and New York Nasdaq stock exchanges, making him an extremely wealthy man.



At the outset few believed the company would last three months but for McClay, who never married or had children, it was his life's work. An employee from the early days describes his management style, which included regular appraisals in the company kitchen while Sir Allen cooked his workers lunch. "He was tough. He'd interrogate you over the work you did and the worst place to get interrogated was in the kitchen when he was peeling the spuds. The only way to get anywhere in the office was through the kitchen and then you'd get snared."

The menu was traditional country town fare – potato and leek soup, Irish stews and salads in the summer. "There would be six of you getting fed. If there were a bit extra he would just put it on your plate. And if you didn't eat it ..."

Despite his unusual management techniques, McClay commanded great loyalty from his workers and he was just as loyal to them. A few years after going public Galen bought a US firm and the emphasis shifted away from Craigavon and towards the American market. It slowly became apparent that up to 800 jobs would be lost in the small northern Irish town.

McClay called a local lawyer John Irvine, who's mother he had known in his school days. He asked Irvine about the legal ramifications if he were to buy the Craigavon-based divisions of Galen. "There were a lot of legal issues since he was non-executive chairman of the board" explains Irvine.

The following morning he received a call from McClay. "I've solved all the legal issues," he said. "I've resigned."

It might seem like a momentous decision but Sir Allen describes it, with a chuckle, as "easy as taking off dirty socks". Tensions had clearly been building for sometime between 69-year old McClay who founded the company and the rest of the board. "Don't start me on it," he says.

For all his down to earth practicality and country town charm there is clearly an edge to McClay. He describes a particularly fractious meeting when he let rip at a Galen colleague. The man approached him the following day and asked for a more reasonable discussion. "So I sat down with him and explained very quietly what I thought about him. He stayed for about 15 minutes of it," says McClay.

He's a plain talking man but one who has as much passion for his work now in his 75<sup>th</sup> year as he did starting out. "I knew I'd missed something with Galen. I didn't have the involvement in high-tech original research. It was never cutting edge, high-risk cutting edge I might tell you. But it's exciting; you're opening oysters and waiting to see if you got the pearl."

One of his sisters died from Diphtheria at the age of seven. He also remembers many years ago visiting a young girl suffering from polio. She was attached to an iron lung.

Almac's work covers most serious therapeutic areas such as cancer, AIDS and cardio vascular disease.

"I would really love to say that this company has done something that was going to benefit humanity. It might not be a big mark but at least you're making a mark. I think we're very lucky to be in this industry. If money had been the motivation – well I don't like bloody old boats and I don't like too much sun so I wouldn't go to the Bahamas anyway. Those type of things don't interest me".



After taking up residence in the portacabin, McClay proceeded to buy back all of Galen divisions he had founded in the first place, selling shares in the company to fund the purchases.

"One big advantage was staff loyalty to Allen." Says Irvine. "The first thing we did was talk to the senior management team in each division and asked them to support the bid – there wasn't a single person who objected."

Within a short space of time Sir Allen was back in control of the Craigavon jobs and rather than redundancies he went on a recruitment drive. In the final negotiations he even acquired the Galen name. "Everything had come full circle," says Irvine.

Today Sir Allen still turns up at the company offices at 8am. "I like to see who's dodging in late," he says. He puts in a full day's work and proudly proclaims that at Almac there's always something new happening. "Almac isn't gold standard, it's platinum standard in medical terms,"

There's no venture capital involvement and very little bank borrowings – in other words there's no one to tell Sir Allen what to do. The company has a turnover of £120million and about 600 employees, and growing, in America.

At some stage, he promises to retire. The future of the company he claims is not in his hands. "I've told people here that it's their company. They'll make the decision and it will be a wise decision," he says. "I'll not interfere."

In the meantime he has no intention of scuttling around the golf course to keep himself busy. He claims he might some day write a book on how not to run a business. "For example the last place you should start a pharmaceutical company is in Northern Ireland," he chuckles. "That would be the wrong thing to do entirely."