

# The economic impact of Allergan in Ireland in 2018

26 April 2019

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# Allergan generated €308m GDP and supported 3,485 jobs through its operational and capital investment activities in Ireland in 2018.

2018 impact	GDP €m	Jobs	Exchequer revenue €m
Direct	161	2,055	39
Indirect	96	650	14
Induced	51	780	23
<b>Total</b>	<b>308</b>	<b>3,485</b>	<b>76</b>

- ▶ This analysis is an update of a report completed by DKM in 2017. DKM were acquired by EY in 2018, and are now EY-DKM Economic Advisory Services
- ▶ This economic impact assessment examines the impact of Allergan's activities in Ireland in 2018. It uses 2018 data, 2019 planned capital expenditure and the latest data from the Central Statistics Office (CSO)
- ▶ Allergan's opex and capex data is modelled to assess the wider economic benefits of its operations, to the national and local economies

## Allergan overview

- ▶ Allergan is a global life-science innovation leader, providing highly skilled employment and high-tech R&D investments. Irish operations were established in 1977, and Allergan's corporate headquarters are based in Dublin. There are now four Irish sites -
  - ▶ **Westport (Mayo)** - A manufacturing, filling and packaging plant established in 1977. It accommodates chemistry and microbiology laboratories and R&D support activities
  - ▶ **Clonsaugh (Dublin)** - Established in 1993, a manufacturing plant and the location of Allergan's headquarters. It also accommodates global procurement and pharmaceutical technology shared services functions
  - ▶ **Eurocentre (Dublin)** - Established in 1996, providing a range of customer services and commercial support activities to the EMEA region
  - ▶ **Galway** - Medical device business acquired from Zeltiq Aesthetics in 2017, which allowed the expansion into body contouring technology

## National economic impact

- ▶ The GDP impact of Allergan's operations and capital investment for 2018 was €308m
- ▶ This supported 3,485 jobs throughout the economy, and generated Exchequer revenue of €76m
- ▶ Allergan's planned capital expenditure of €65m in 2019 will generate a further €23m GDP, 270 jobs and €7m in Exchequer revenue

## Regional impact

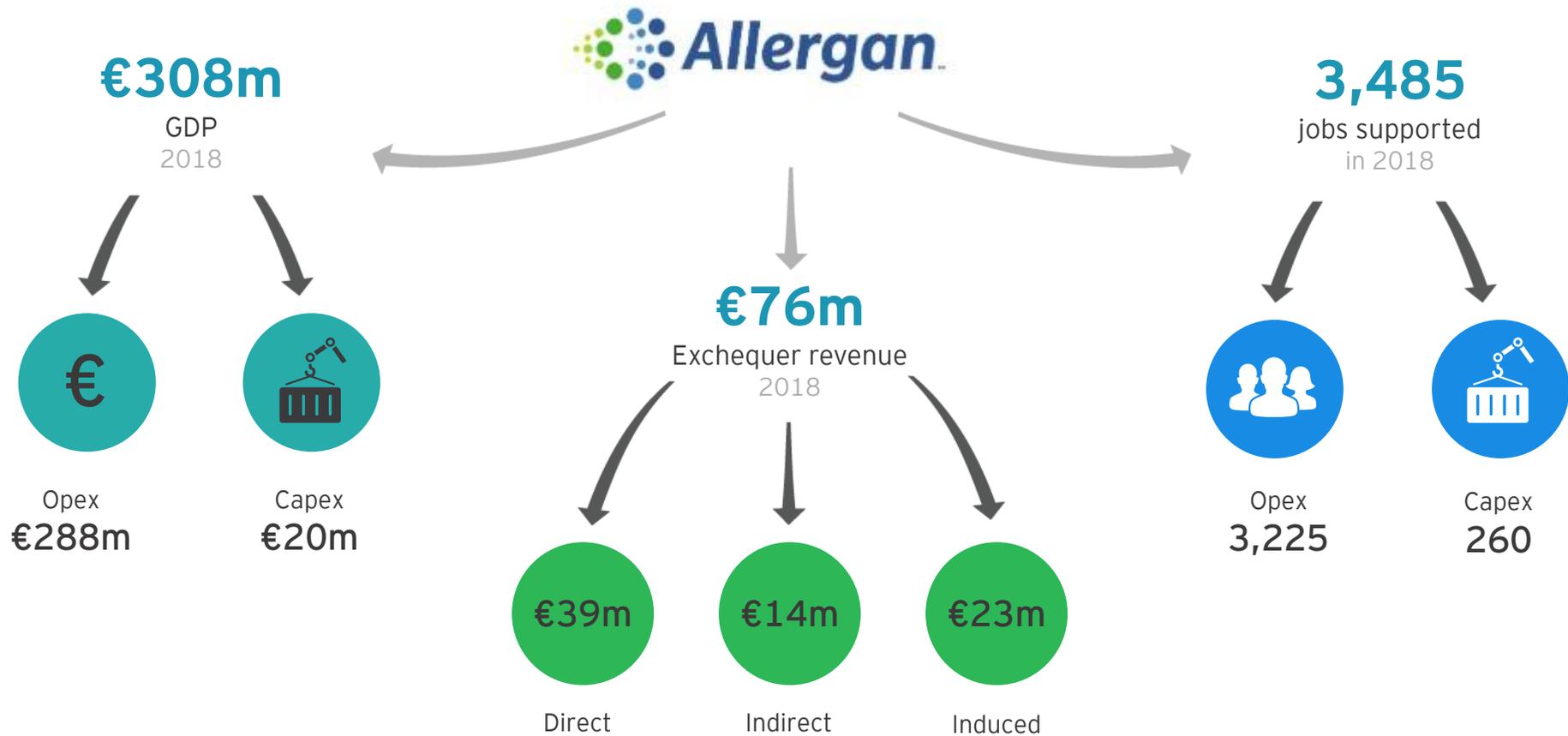
- ▶ Allergan has substantial operations in the West of Ireland, directly employing 1,696 in Westport and Galway at the end of 2018 (direct staff and permanent contractors)
- ▶ This has knock-on effects in the economy in the West of Ireland, generating €175m GDP and 2,425 jobs for the region
- ▶ Allergan's Dublin operations employ 359 staff, with a further 396 jobs supported in the Dublin economy

Source: Allergan, EY-DKM analysis

Note: GDP = Gross Domestic Product. It equals payroll and profits of businesses and employers in the economy and represents the value added to the economy.

The economic impacts consist of GDP, employment and Exchequer revenue generated by Allergan, in the supply chain and through consumption of incomes in the wider economy (i.e. direct, indirect and induced)

# Allergan generated €308m GDP and supported 3,485 jobs through its operational and capital investment activities in Ireland in 2018.



Source: Allergan, EY-DKM analysis

Note: Exchequer revenue consists of payroll taxes, profits taxes and consumption taxes generated by Allergan, in the supply chain and through consumption of incomes in the wider economy (i.e. direct, indirect and induced)

# Allergan is an important regional employer, supporting 2,425 jobs in the West of Ireland.

Relative regional impacts	Regional impact	Proportion of regional total
<b>West</b>		
GDP €m	175	1.2%
Employment	2,425	1.1%
<b>Dublin</b>		
GDP €m	111	0.1%
Employment	755	0.1%

Source: CSO 2017 regional GDP (latest available), CSO Labour Force Survey 2018 Q4, EY-DKM analysis

- ▶ Allergan has a substantial presence in the West of Ireland, directly employing nearly 1,700 people
- ▶ The relative impact of Allergan in the West region is significant, supporting 1.2% of total regional GDP and 1.1% of total regional employment
- ▶ Allergan plays an important role in balanced regional development through its operations in Mayo and Galway, supporting further economic activity in other regions



Source: Allergan, EY-DKM analysis

Note: Impacts in the West and Dublin regions do not sum to the national impacts; the balance of the national economic impacts are spread across the other regions of Ireland.

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