Two companies, Monsanto Company (from #16 to #5) and Roche (from #15 to #8), made the top 10 list for the first time this year, while Biocon is a newcomer to the top 20. Vertex Pharmaceuticals Incorporated (#2), Genentech (#3), Millennium: The Takeda Oncology Company (#6), Boehringer Ingelheim (#7), Biogen Idec (#9), and DuPont (#10) round out the top 10. (See chart for a full list of the top 20.)

INNOVATION IN EVERYTHING

“Innovative leader” doesn’t just describe the research the top 20 companies do or the products they make; it also characterizes a company’s approach to recruiting and retaining the best talent, their strategies for growth, and their corporate culture.

It can even mean becoming a player in social media, like Boehringer Ingelheim, which has won recognition for its Facebook-based HealthSeeker social game, which helps people with diabetes learn how to make healthy lifestyle changes with their Facebook friends’ support.

Novartis Institutes for Biomedical Research (NIBR), which currently employs more than 6,500 scientists in over 10 different locations across the globe, got its start a decade ago, when the Basel-based pharma giant decided to headquarter its research and development operations in Cambridge, Massachusetts—a bold and innovative move in and of itself. And NIBR’s mission is also unique, explains Mark Sawyer, global head of human resources for NIBR. “It’s not the pursuit of the blockbuster; it’s simply pursuing unmet medical needs, and not being driven by the market.”

Project teams are built around key scientific questions, Sawyer adds, not market opportunities, and NIBR works hard to foster collaboration and keep the organization as flat as possible. “There’s a great deal of emphasis on, if you like, the sociology of how we construct the labs and how we encourage people to work together,” he adds.

And it works: Only 2 percent of hires leave the company within their first 12 months on the job, giving NIBR the lowest turnover of any division within Novartis. As of 2011, the company had more than 130 projects in clinical development, and is well-prepared for the expiration of the patent on its blockbuster drug Diovan in 2013, according to Sawyer. “Nearly 30 percent of revenue is now gleaned from recently launched products, and we’re seeing significant growth in emerging markets.”

SUPPORTING HARD WORK, FAMILY LIFE

Since its founding, Regeneron leadership has focused on making the company a science-driven blend of academia and industry. “I think Regeneron’s founders sought to create something that was the best of both worlds, where you have the scientific freedom of academia but in a much more collaborative environment, where you wouldn’t have the isolation of individual academic labs,” Morton says. “The idea was to generate something that was fully collaborative, really capitalizing on the intellectual horsepower that they had brought in and anticipating that that would be a synergistic relationship, resulting in discoveries on a much grander scale than the sum of individual contributions.”

One particularly attractive aspect of Regeneron for Scott Walsh, associate director of the formulation development group, who came to the company six years ago from a small biotech company, is that it encourages and fosters his intellectual curiosity. “One of the cool things about Regeneron is that I know what VelociGene [the company’s proprietary technologies for modifying the mouse genome] does, even though it’s a department that’s far, far removed from what I do,” he says. “Regeneron actually organizes seminars where we can go and learn about other parts of the company,” he adds. “I get to maintain my overall scientific interest by going to these seminars and learning about other departments.”