

Out On Our Own

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Editorial

After a wonderful May spring week in sunny Cyprus – it was good to see so many of you at the Freelance Business Forum (FBF) – it's back to business as usual with a packed issue. The FBF minutes summary has not

made it into this issue due to print deadlines, but we will archive the FBF minutes in the Freelance Resource Centre (FRC) on the EMWA website. Speaking of which, the FRC is fast becoming the useful resource we hoped it would. We invite you to peruse 2012's latest additions – the 'Regulatory Medical Writing' section and the 'Proposal/task order points list'. Both are available to EMWA members only once you are logged in to the EMWA website. These resources have been developed at your request and with the generous support of the following experienced freelancers: Debbie Jordan, Chris Priestley, Andrea Palluch and Claudia Frumento, and of course, your dedicated Freelance Support Team. A huge 'thank you' to all those involved.

Continuing our series of business articles, we bring you insights from Raquel and Linda into how today's volatile currency markets can expose freelancers to business risk.

Bilal recounts his experiences in returning to the UK from Germany as a regulatory medical writer, and his subsequent move into freelancing that has opened new medical communications doors.

Anu's Word Jumbles, complete with Anders' funky illustrations provide our light entertainment – unjumble them to give medical writing-related words; and this issue's 'Toolbox' checks out the currency converter at www.oanda.com.

As always, if you'd like to contribute anything at all to OOOO, please do drop us a line. We always love hearing from you!

Out On One's Own – A Different Perspective

Repatriated British medical writers going OOOO are something of a rarity, because we tend to go abroad and stay there. In my case, however, personal and professional circumstances dictated my return to the UK and my foray into self-employment. Alison McIntosh suggested that I write a piece for OOOO from this perspective, and here is my story, so far.

A bit about me – My move abroad...and back!

My first role in medical writing was on a 12-month contract as an associate medical writer for Accovion, a medium-sized contract research organisation (CRO) in Eschborn, just outside Frankfurt am Main, Germany. After a steep but highly rewarding learning curve, I moved to what was then Sanofi-Aventis, now Sanofi, in Höchst, where I spent 3 years. My 4 years in Germany were spent exclusively writing regulatory documents, mainly clinical study reports, along with some investigator brochures with contributions to international medicinal product dossiers and investigational new drug applications.

Sanofi wanted to reduce the headcount during their restructuring programme and, with family circumstances calling me home I decided to return to my hometown of Preston once I had the security of a job in Manchester. I worked for a small university spin-off biotechnology company, called Renovo, in Manchester, headed by a University of Manchester professor. We had around 100 staff and were cash-rich through large investments from pharma and venture capitalists. However, our lead drug failed in its pivotal Phase III trial, the results of which came through in February 2011. It was a huge blow to everyone and it meant that we had 3 months to find alternative employment. I had been thinking about going for it alone for a while and thought that it would be a staggered and methodical process. I had already registered my web domain

name 2 months before, and was making tentative steps. However, the speed at which events unfolded over the following few weeks left me flabbergasted. In the space of 3 weeks, I had registered my company, set up a business bank account, registered with an accountancy firm, had a logo developed by a colleague and friend, a website put up by another friend, and had begun phoning for business!

Out on one's own, finally!

My last week of employment was in the middle of June; however, I had already secured work by the end of May, so it was a good start. The end of July right through until the first week of September was crazy where I had a total of 4 days off on the back of working 18-hour days! The rest of September and October, aside 1 week in each were pretty quiet but then business picked up again the day before I flew out to spend a week in Frankfurt with friends in early November, which meant that I essentially had a working holiday! I didn't mind and I love my work, so I made use of my days being productive while my friends were also out to work. December tailed off beautifully before a relaxing holiday in Morocco, and back to the grind in the New Year, with work slowly picking up.

Variety truly is the spice of medical writing life!

I have had the pleasure of undertaking a variety of work from a range of clients. Coming from a regulatory background, companies were hesitant about my lack of experience in medcomms when I was job-hunting to move back to the UK. However, since going OOOO, I have received more medcomms work than regulatory, which has allowed me to showcase and further develop my creative skills. I have learned many new skills and techniques and learned to write a plethora of documents, some of which I had only EMWA training for, or in some cases, hadn't even heard of, e.g. formulary packs! The EMWA medcomms workshops I completed over the years continue to be helpful in allowing me to approach new documents with confidence, and my experience so far has been key to producing

work of the highest quality, enabling me to win repeat business. Becoming acquainted with writing and editing manuscripts, abstracts, posters, power point presentations, review articles, product monographs, and development safety update reports has been a hugely fulfilling experience. For me, the most fun part of my business is the sheer variety of work I undertake, which has enabled me to grow as a writer.

Freelancing – there is a market!

The freelance market, although competitive, has been kind so far. Being a native English speaker with international experience has been a unique selling point for securing business both at home and abroad. Being a fluent German speaker, with intermediate Polish and ever improving French has won me editing work and writing work from pharma companies with international operations. A significant portion of my work has come from medcomms agencies based in the south of England and international CROs; however, I have also won business directly from large pharma and biotech companies abroad.

Being my own boss, and thoroughly enjoying it!

Having my own business and being my own boss was something I had wanted for several years, with various ideas falling short due to funding or life taking a different course. However, going into medical writing has allowed me to realise my initial, albeit evolving, dream. Being my own boss is a liberating experience laced with flexibility: I work when I want, and I don't have anyone aside the tax man to answer to. In tandem with the eclectic mix of projects, I feel vindicated in my decision to go it alone. Of course there are 'troughs', especially this early into my new venture, but they are compensated for by the crazy 'peaks'. So, after a generally successful first 8 months, I am looking forward to an even more successful 2012, wish me luck!

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Freelancing and currency exchange problems

Introduction

Freelancers dealing with clients who operate in other currencies may face the question of how to charge

for their services: should it be in the freelancer's home currency or should it be in the client's currency? Each of these charging strategies has their

pros and cons. The recent economic turmoil and the accompanying volatility in currency exchange put the robustness of these strategies to test.

As part of our business series here at OOOO, we present the experiences of two EMWA members in dealing with different currencies and how it affected their freelance businesses in these times of highly volatile currency fluctuations.

Strategy one: charging in one's home currency

by Raquel Billiones

My move from Germany to Switzerland in 2006 had several consequences. I went from being an employed medical writer to a start-up freelancer. I left the European Union (and the Eurozone) for a little non-EU country in the Alps. I had to deal with Swiss francs (CHF) and not with euros (EUR) in one of the most expensive cities in the world. And although Switzerland was home to some of the biggest pharma companies, during the first few years of freelancing, my clients were mainly in the Eurozone plus a few in the USA. The question arose about which currency to use when setting my hourly rate, which is usually specified in a general service agreement or freelance work contract. I opted to charge in my home currency and my clients in the Eurozone agreed.

Upsides

Charging in my home currency (CHF) made a lot of sense. After all, my overheads were all in CHF. I was supposedly 'protected' from the foreign exchange (forex) volatility. This also simplified my bookkeeping/accounting by passing on the job of foreign exchange conversions to the clients. This policy of charging in CHF worked out quite nicely for European clients, especially because of a rather efficient bank transfer system within Europe.

Downsides

The forex problems of recent years, especially the currency crisis of 2011 brought home the downsides of operating in a stubbornly strong and stable currency such as the CHF.

As early as January 2011, I was told by a potential client that my hourly rate is 'quite expensive' which surprised me because the figure was diligently based on average values reported in the EMWA freelance survey.¹ In 2006, the EUR/CHF average exchange rate was approximately of 1.57.²

On 11 August 2011, the EUR/CHF exchange rate reached a record low at 1.0376.² With the CHF

almost on par with EUR, my rate suddenly shifted from around the mean to the far right end of the EMWA survey rate range.

To illustrate the extremes in forex volatility, let us take a hypothetical document that I would invoice CHF 10 000 for. In 2006, my client in the Eurozone would need to pay me approximately EUR 6300. On 11 August 2011, the same document would cost the client about EUR 10 000. That was an increase of about 57%.

If my rates suddenly became 'expensive' from the point of view of Eurozone clients, they were atrocious for American clients. When I started out in 2006, the USD/CHF rate was 1.25. On 11 August 2011, it was 0.72.² This reversal of fortunes of the two currencies resulted in about 73% increase in my rates from the perspective of the Americans.

In other words, I became one of the most expensive freelance medical writers around without even lifting a finger. In the process, I lost my competitive edge.

I have always been told that long-standing satisfied clients will stick with you through thick and thin and pay a fair price for quality work. Unfortunately, during tough times (and these are tough times), even the most loyal of clients will think of their bottom line first and the long-standing relationship with their service providers only second. The huge increase in the cost of my services would make any client think twice before hiring me for a Eurozone project. For American clients, I was unaffordable.

Dealing with the problem

Spread the risks. The basic advice of 'hedging' one's risks applies to businesses big and small. This entails spreading out the risks among different clients and currencies. If my only source of revenue were clients from outside Switzerland who would balk at paying my CHF rates, I would be in big trouble. However, if 50% of my projects were charged in EUR, in USD or in the client's currency, I would not, theoretically, lose all projects but still be able to keep half. The very few clients I charged in USD were blissfully unaware of my currency problems. Despite a forex loss of more than 40%, at least the projects still kept coming.

Build up on clients with a common currency. A business relationship with a client closer to home and with whom I share the same operating currency is less likely to be affected by currency problems. Luckily, I acquired several Swiss clients over the years, clients who are still willing to pay CHF prices for services rendered by Swiss-based

freelancers. Enhancing my business relationship with these clients can definitely pay off in the long run.

Renegotiate the contract. I know it is not a good business policy to lower one's rates but when the going gets tough, a talk with a client to renegotiate a contract might be worthwhile. I am not talking about a drastic reduction in hourly rate but rather more about a temporary arrangement, such as a currency adjustment discount (or something similar) which can easily be cancelled once the currency problems are (hopefully) resolved. The arrangement should, of course, be fair to both parties. A satisfied client would be amenable to shouldering some of the loss to keep a reliable and valued service provider. I will lose some money in the process but at least I get to keep the project, the client and the good business relationship. At times like this, the main objective should not be about maximising revenue but minimising loss.

Find a more stable source of income. The currency instability led me to consider employment once again. I approached a Swiss client and landed a part-time regulatory writing job and a stable source of income in my home currency. The trade-off was to give up all regulatory freelance projects but I still get to keep my freelance editing and web-based media projects.

Strategy two: charging in the client's currency

by Linda Liem

A few years ago, I moved from the Netherlands, a European Union country using the EUR, to Norway, a country outside the EU with its own currency, the Norwegian krone (NOK). Although I now had to use the NOK for my expenses and not the EUR, I never put much thought into the way I charged my clients for my work.

I started as a freelance medical writer before we moved to Norway and had already established a client base. Not all of them followed me, but enough did which allowed me to continue writing without a lot of acquisition effort. As I was already charging my clients in EUR, I felt that changing the currency that I used would not help my relationship with my existing clients. Some clients worked within tight budgeting regulations, where differences between budgeted and final expenses were strongly discouraged. Others needed my projected costs as accurately as possible, as they had to account for this in their proposals to their clients.

The NOK is not a major currency in the world, so it was questionable that my clients would accept the

NOK instead of the Euro without discussion. I didn't think that changing my currency to the NOK was worth the hassle that would in all probability arise with my clients.

Upsides

The main advantage of the way I deal with different currencies is that it is client friendly. It ensures that my clients will not get an unexpected financial surprise between the acceptance of a project and the final invoice. The price of the project is not affected by currency fluctuations and will stay the same throughout.

This approach also ensures that I can deal with all my clients the same way, whether they are based in Europe or the USA. All get proposals in their own currency and none have to deal with exchange rate fluctuations. To make sure that I would earn the same amount per hour in NOK, I adapted the base rate per hour I use for my proposals according to the exchange rate. So my hourly rate in USD is higher than in EUR, because the EUR is stronger than the USD.

Downsides

The burden of accounting for conversion rates and exchange variations lies on my shoulders. With a strong home currency, like the NOK now is, there is a risk of earning less than expected. Luckily, my freelance activities are not my only sources of income. When doing research for this article, it occurred to me that I might have to adjust my base rates again, as the exchange rates have shifted quite a lot lately.

My financial administration has also become more complicated. The Norwegian bookkeeping regulations for small businesses are much more stringent and bureaucratic than the Dutch. I even bought a bookkeeping programme to help me with my administration, which is a pain to use but does comply with Norwegian legislation. Unfortunately, as expensive as the programme and the mandatory service level agreement are, they can only process NOK. If I want functionality for different currencies, I have to buy their enterprise edition, which is not realistic at all for a freelance writer like me!

In my bookkeeping, I have to account for exchange rate differences between my invoices (which are in the client's currency) and payments received (in NOK). I convert the invoices myself with the help of an online currency converter when I enter them in NOK in the system. I use the OANDA currency converter² because it's easy to use and you can easily get the exchange rate for a

date different than today. When my client has paid me, I enter the actual amount in NOK and book the difference as exchange rate loss or gain. I'm still on the lookout for an easier system, but haven't found another tool yet that is easier to use and adapted for Norway.

Dealing with the problem

The world is in turmoil and is going to stay that way for the foreseeable future. The best you can do is to spread the risk across clients and currencies. In addition, you should cherish your relationship with your existing customers and diversify your activities.

Cherish your relationship with your clients. I work mainly with existing clients and my relationship with them is one of the most important assets I have. Keeping them happy ensures that they come back with more work. It also makes them more willing to discuss the price for a proposal, as they know me and the way I work. It works both ways. Remember that your client saves on the effort and uncertainty of finding a competent contractor, because they have you!

Diversify. It's important to keep an open eye for opportunities that may work for you, even if they do not immediately fit your medical writing description. Finding a part-time job earns you some money, while allowing you to keep up with your medical writing activities. Looking for projects in neighbouring fields, e.g. editing or journalism, gives you an opportunity to learn and broaden your experience.

In the past few years, I worked as a teacher and as an external hire for the wages department in our municipality. Now, I lead a project to leverage and develop the Ritland Crater, a recently discovered meteorite crater in our neighbouring municipality. In all these jobs, as diverse as they are, I found

ample opportunities to learn, to develop myself, and earn some money too. Although these are quite extreme examples of diversification, there may be other opportunities that can help you to make it through these difficult times.

Know your strategy. In the end, it's up to you to determine what you're willing to accept. Are you willing to renegotiate your rates to keep clients? Do you want to look further for projects outside your comfort zone? Even if you don't have currency exchange problems, it may be harder to find clients or projects. Don't wait until you get stuck in a corner, but prepare yourself by thinking about what you're willing to do, what other potential opportunities you have and where your limits lie. That way, you will have control over your decisions, no matter what the future brings.

Conclusion

We hope that in the longer term, the currency market normalises. Unfortunately, at the time of writing, the light at the end of the tunnel is barely visible. And even if the currency market eventually stabilises, other crashes in the future cannot be ruled out.

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References

1. Reeves A, Hamilton S. EMWA Freelance Business Survey. *The Write Stuff* 2007;16:138-140.
2. OANDA® currency converter (www.oanda.com). See also a review of the currency converter in The Toolbox on page xx.

Medical Writing Jumble # 3

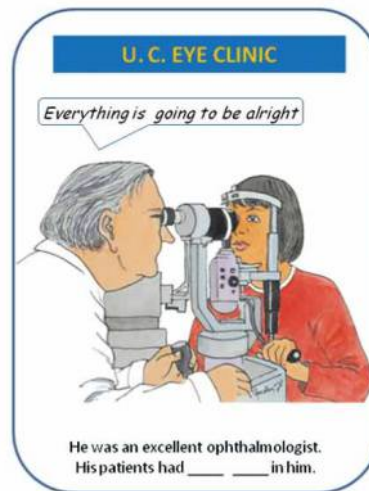
1. Rearrange the jumbled letters to get a meaningful word related to medical writing.
2. Next, take the circled letters from each word and make two new words that will answer the riddle in the cartoon. Hint: The answer is probably a pun.
3. Use British English.

GIRUFE

HEATD

KABNL

LAMINA



Answer:

by Anuradha Alahari | Illustration: Anders Holmqvist

See page 188 for the answers.

The tool box

Oanda® Currency Converter



Five years ago, during a teleconference with a potential client, I was asked to quote my hourly rate and I was silly enough to blurt it out in my local currency (Swiss franc, CHF). My second mistake was not being sufficiently prepared to

Historical Exchange Rates

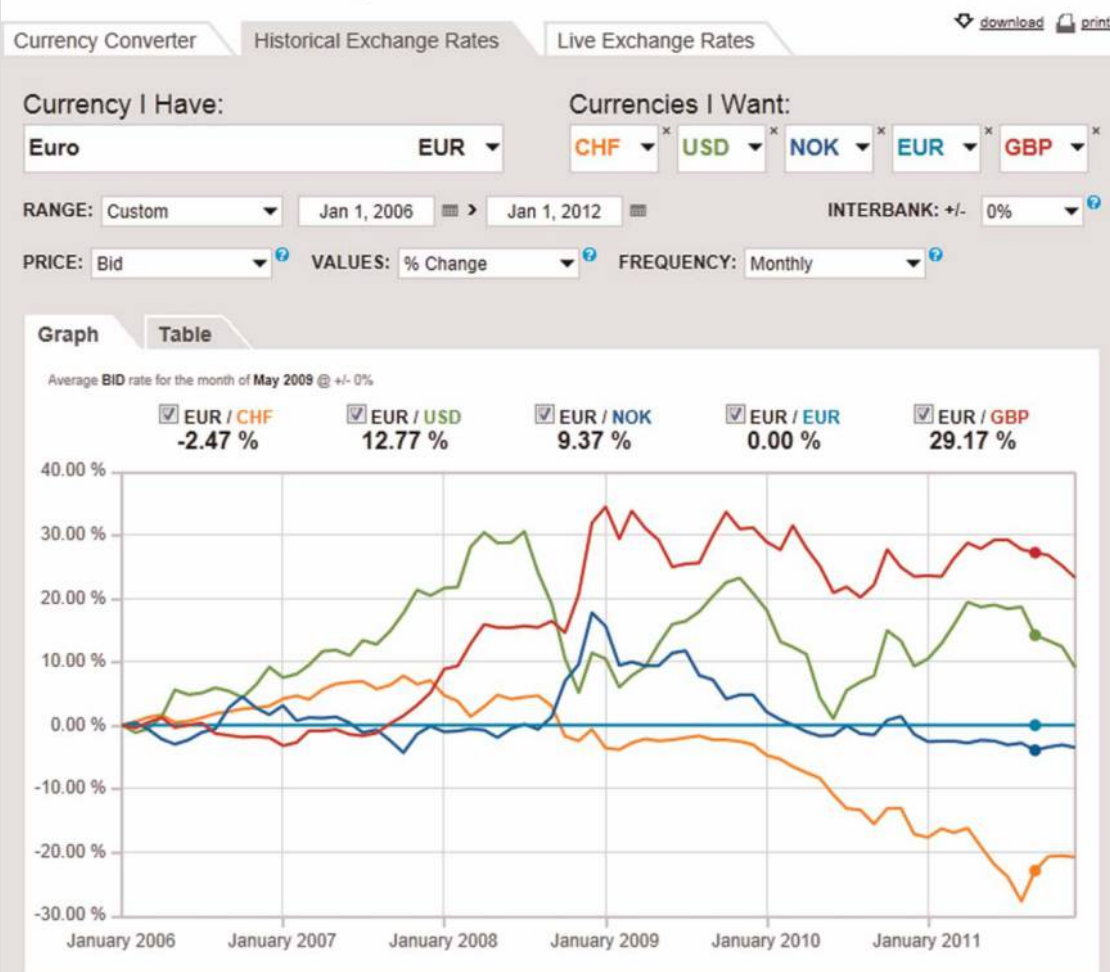


Figure 1: Currency volatility (% change) from January 2006 to January 2012.

EUR/CHF						CHF/EUR					
Interbank Rate +/- 0%						Interbank Rate +/- 0%					
Jan 1, 2012						Jan 1, 2012					
EUR	CHF	EUR	CHF	EUR	CHF	CHF	EUR	CHF	EUR	CHF	EUR
1	1.22	15	18.25	45	54.74	1	0.82	15	12.32	45	36.96
2	2.43	20	24.33	50	60.83	2	1.64	20	16.43	50	41.07
3	3.65	25	30.41	100	121.66	3	2.46	25	20.53	100	82.13
4	4.87	30	36.50	250	304.14	4	3.29	30	24.64	250	205.33
5	6.08	35	42.58	500	608.28	5	4.11	35	28.75	500	410.66
10	12.17	40	48.66	1,000	1,216.55	10	8.21	40	32.85	1,000	821.32

Figure 2: Traveller's cheatsheet.

answer the question ‘how much is that in American dollars?’ Anyway, I learned my lesson and that’s how I found the OANDA® currency converter.

OANDA® is designed for finance professionals and therefore provides a wide range of foreign exchange trade tools which may be free or charged. But even small business owners like me can find free currency tools at OANDA® which are easy to use and available in different languages. This review covers only those features which I personally used and found useful.

Historical exchange rates

The OANDA® currency converter offers info on current (‘live’) as well as historical exchange rates. The live info is nice to have but it is the historical info that is a must-have for me, especially when doing my book-keeping. As an example, I updated my books in preparation for my 2011 tax declaration and so I needed to know how much the EMWA conference in Berlin in May 2011 (charged in EUR) cost in CHF. That’s where OANDA® helped me.

The historical feature comes in handy in finding back exchange rates from months or even years before. OANDA® boasts of currency exchange rates data that go back to January 1990.

Input:

- I enter the currency I have (base currency) and define the currency(ies) I want to convert to (up to five currencies).
- I give a time period (‘date range’ of from – to).
- I define the values I want – rate or % change.
- I define the data frequency to be displayed (daily, weekly, etc.)

Output:

- I can view the results in a tabular or graphic format (Fig. 1).
- In the tabular view, in addition to individual data points, the period average (mean), period high (max), and period low (min) rates are also displayed.

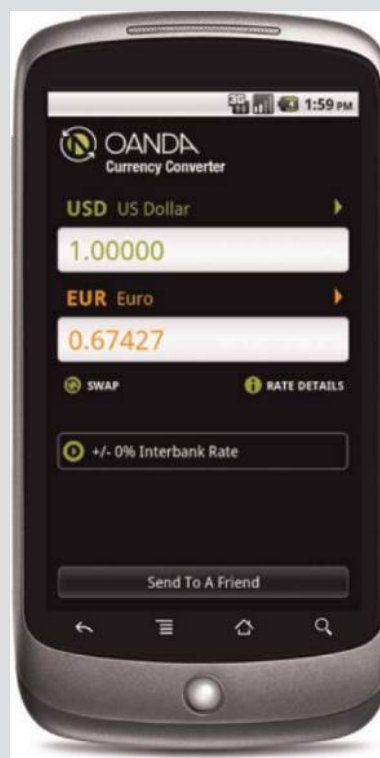


Figure 3: Mobile currency converter on a smartphone.

Traveler’s cheatsheet

Another nice-to-have tool is a personalised credit card-sized printable ‘cheat-sheet’ for quick and easy currency conversion. This is especially useful when travelling or when speaking with potential clients (Fig. 2).

Mobile currency converter

If you are the paperless 3G-phone type, a OANDA® mobile currency converter (‘app’) is available for iPhone®, BlackBerry®, and Android® (Fig. 3).

Other currency exchange tools

There are, of course, other currency converters available online. XE® currency converter (www.xe.com) has quite a following in the UK.

All pictures and graphics are used with permission from OANDA®.

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FIGURE, DEATH, BLANK, and ANIMAL.
 He was an excellent ophthalmologist. His
 patients had BLIND FAITH in him.