Interview with Jacques de Chilly, Executive Director, Aderly – Lyon Area Economic Development Agency

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This interview was conducted with Jacques de Chilly and Theirry de Lumley of Aderly hereafter referred to as J.C. and T.L. respectively.

Aderly was founded in 1974 in order to facilitate development in the Lyon region. How has the orientation of the group evolved over time and today, what are your efforts concentrated on?

J.C. Aderly has been focused on attracting new investment since the beginning but the changes to our model have come from world developments in the last ten to 15 years namely the emergence of competition from Central and Eastern Europe countries. Historically, the competition was for American or Japanese investment in Europe between countries like Germany, the UK and France: all countries with similar competitive advantages. Suddenly there were countries only a few hundred kilometres away with similar skills and technologies that were ten times less expensive than us.

As a result cities like Lyon had to refocus ambitions on specific sectors where we held a true competitive advantage. This is why six years ago we decided to focus our energy and means on two sectors: life sciences and clean technology. Today when we meet investors in San Francisco, Stockholm or Beijing we have to be able to prove Lyon is the right place to invest which requires more than saying France is the most beautiful country in the world! We have to rely on our assets in terms of human resources, technology and sciences.

Just over two years ago we created a team dedicated to the life sciences which Thierry is now managing to demonstrate our assets in this field. His concrete research background and international experience in the bio sector allow us to liaise with the industry and promote our city.

Lyon is fairly well known in Western Europe but if you step outside of this region it's not on the map for many other people in the world. What are makes Lyon standout from other major western cities like Paris?

J.C. This is one of our more challenging issues when we travel outside of Europe and speak with investors. Sometimes people know the football team or the excellent gastronomy but in terms of expertise in science Lyon isn't well recognized.

For this reason we began a new marketing campaign two years ago: ONLYLYON. We have developed a communication strategy behind this new brand in order to increase our visibility and image outside of France. In conjunction with this branding strategy we participate in big life science expos and create our own international events in the sector.

It will take time to create an image on par with Barcelona or Milan and we're aware it will take time. One thing we have to tackle that doesn't exist in Italy, Germany or Spain is the centralization of industry and talent around the capital region where over 50% of public research is focused. It's a big challenge to make a city known in the shadow of Paris which is a problem we share with Birmingham and Manchester in the UK.

On the other hand, we are a modestly sized city of two million people which gives us advantages over Paris. We have a better capacity to build cohesive network and foster collaboration between the research and industrial community. Lyon may be one-fifth the size of Paris but this allows us certain flexibility and attractiveness for companies looking to interact with the local community.

In terms of quality of life, it's much less expensive to live in Lyon and certainly more convenient to do a lot of things. Of course, this is a difficult question to answer and I'm sure if you ask any inhabitant of a European city what the best city to live in is I'm sure the answer will be, "My city!"

In regard to the life science industry how do you go about attracting people out of Paris or those that have yet to come to France?

T.L. We don't chase a lot of companies based in Paris because those that are located there tend to look outside of the capital for investment and Lyon is a natural second landing zone for a pharmaceutical company in France. In regard to foreign companies we have to convince them that they can do real business here that moves quickly due to a functioning network that includes the Lyonbiopôle and Cancéropôle.

There are two big life science events sponsored by the local biopoles during the year which conglomerate a majority of local industry: the last Lyonbiopôle meeting drew over 500 people. In the morning, companies present on the status of their research projects and in the afternoon, they setup roundtable discussions on relevant subjects.

These sessions allow people to brainstorm about the technology of tomorrow and whether they can develop it in partnership or if they need to look for outside resources. From these discussions, those who want to go further can develop their projects and pitch it to the biopole for funding. In this fashion the system perpetuates itself year after year.

When prospective companies are looking at Lyon, we plug them into this powerful network.

Costs are another factor to consider and when it comes to renting buildings and paying employees Lyon is less expensive that Paris by a one to three ratio.

Lyon also holds a strong talent pool in life sciences due to the critical mass of companies already present here, in fact there are 70,000 people employed by the industry in this region. Therefore you know you can find the right people to get your business started and to develop it as time goes on.

On top of these obvious advantages, Aderly does a lot to facilitate foreign companies looking to do business in Lyon. We offer CEOs the opportunity to come to Lyon and pending their requirements we setup meetings with the local business community so that developers can immediately be in touch with potential customers, suppliers or partners. Within a few months or weeks this approach typically generates an initial signature which lays the ground work for potential installations in Lyon.

J.C. Most of the time when we travel to the US or Japan – two of our main markets – we bring scientists from the community. These people help us sell our scientific capacity to the companies we meet with. A good example of this is a company we recently attracted in Japan who was specifically drawn to the capacities of a visiting scientist who was able to convince them a positive collaboration could take place here. As a result we now have one of the premier Japanese biotech firms doing Phase III clinical trials in Lyon.

This goes to show that while we are not as obviously attractive as Paris or London, by leveraging our scientific capabilities we can attract positive investment to Lyon.

In regard to the ONLYLYON brand which you market in partnership with 12 other regional organizations. Why did you choose the phrase ‘be you, be here’ and what does it say about your intentions?

J.C. ONLYLYON has two qualities; the most obvious is that it involves the anagram of Lyon. On a deeper level, it reflects our ambition to capitalize on our unique regional capabilities: things you will only find in Lyon.

While we are responsible for the marketing of this brand we also have to share with our partners like the office of tourism, the university and chamber of commerce among others. Therefore we did not want to make an Aderly specific communication platform to investors. Instead, we wanted to reach out to the ‘creative class’ or talented individuals from 25 to 45 years of age. The theory is that should we be able to attract young men and women then the companies will follow the talent pool.

Last year, we had an interesting meeting with the people in charge of economic development in New York City who explained that their objective was no longer to attract companies but to attract people in the same way as San Francisco, Denver and Seattle. We know we’re not New York City but we can apply the same concept and frame Lyon as a European metropolis in which you may want to continue your career and raise a family.

The concept of ‘be you, be here’ is a way of telling this creative class that if you come to Lyon you will be able to realize your project and personal endeavours. We have to communicate an atmosphere that people want to live in by painting a city image of seduction and emotion rather than industrialisation. In order to do this our ad campaigns really focus on reinventing the image many people may hold.

Both of you have come to Lyon yourselves, Jacques as a returnee and Thierry as a non-native. What attracted you to this city?

J.C. I may be a bit outside the ‘creative class’ but for me it was a good location to continue my career and the project itself presented a challenge. Lyon has the right assets but was missing the right marketing and commercial strategy. It’s exciting to market a city and increase its international exposure. Of course, the quality of life is another attraction.

T.C. Lyon has a powerful economy where you have the opportunity to do a lot of things without the drawbacks of larger cities. You can build relationships better and quicker than you can in Paris.

At the end of the day this article is being read by decision makers in New York City and Paris. What message do you want to send to these established world-renowned investment centers?

J.C. We can be convincing in our inherently strong sectors, for example if you are in virology you need to be in Lyon because things happen here throughout the development chain. Moreover, Lyon is well positioned to attain a new university life sciences campus sponsored by the government as well as a new technology center focused on virology.

On top of our innate attributes we can also attract companies in other sectors such as medical devices, dermatology and oncology. These are areas where we may be less unique in terms of competencies but our capacity for quick integration into the community is stimulating factor for investment. Moreover, our ability to find the right talent and provide a great atmosphere to live in

makes the region highly attractive.

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