Interview: David Kimelfeld – Vice-President in charge of Economic Affairs; Clémence Labat – Life Sciences Director, Métropole de Lyon, France



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Mr Kimelfeld and Ms Labat run us through the exceptional history of Lyon and the region in the life sciences field, how Lyon is considered to be the birthplace of bio industries in France, and why life sciences will remain an economic driving force of the local economy.

Could you please start by giving our audience a brief overview of the historical factors that have led Lyon to become such a competitive place for innovation and business in the healthcare and life sciences fields?

David Kimelfeld (DK): The development of our impressive life sciences sector in Lyon is due to the history of the industry in the region. The success of the healthcare and life sciences sector began with the silk industry in the 1600s. Chemicals were required to color silk which therefore led to the establishment of a chemical industry in Lyon. This chemical activity developed in Lyon was then split into two parts that consisted of the chemical industries per se and the healthcare industry. Traditional chemical activity in the health sector has now mainly turned towards biotechnology with greater interaction of veterinary sciences. This long historical maturation has turned Lyon into one of the most important places for life sciences.

Clémence Labat (CL): We believe Lyon was the birthplace of the bio-industry. The Merieux family began the life sciences industry in Lyon by primarily using the waste materials from animals to process the first bio serums. And it is for this reason that we are considered to be the birthplace of the vaccine industry. Biotechnology has thus been in our core from the start.

DK: There are indeed two parts to our rich history. The history of the chemical industry that I mentioned and the history of the vaccine industry have led to the creation of our biocluster Lyonbiopôle. The Gerland area, considered to be the genuine epicenter of life sciences in Lyon and its region, was an essential birthplace of activity due to the presence of slaughterhouses providing biological materials. The thriving life sciences industry was due to the close proximity that animals had in the region, essentially as this region consisted of farmlands. Scientists have the opportunity to work on these animals and use their blood to create treatment; serums were thus created from this process and thrived in this region. Today, Biodistrict Lyon is a business district accommodating large corporations, SMEs and start-ups, as well as research, university training and bioproduction sites.

How would you describe the strategic importance of Grand Lyon's operations in the life sciences domain?

CL: In the early 2000s, the Lyon Metropole began working on creating more efficiency in the economic development of the region, and the healthcare and life sciences sector was one of the first strategic areas targeted. The region consisted of a hefty amount of biotechnology and life sciences companies boasting critical mass in comparison to other regions with noteworthy specialties in infectious diseases and vaccines. It is also a domain where we have a strong employment base, naturally. Sanofi is now the number one private employer in Lyon and our public hospitals (Hospices Civils de Lyon – HCL) are the number one public employer, highlighting healthcare's importance for the economic activity of the city. It is a domain where we have a strong industry and a shared vision for our future. All tenants are working together to build a strong future in the life sciences sector and to continue to enhance the economic value of life sciences here.

[Featured_in]

DK: As a pioneer in public health and scientific research, Lyon is today one of the leading centers for life sciences, both in France and abroad. With our rich ecosystem, historically founded expertise in immuno-infectiology, oncology and neurosciences, the life sciences sector is currently a growth engine for the development of the city of Lyon and, more generally, the Auvergne Rhône-Alpes

region. Over the last 12 years, private sector employment in this industry has grown from around five percent, employing over 35,000 private employees in the Lyon area with a large concentration of that being in city proper.

All in all, if we look at a few figures: over 600 life sciences companies are based in the region; we have 130 industrial sites and Lyon is the number one vaccine production center in the world.

CL: Innovation has always been at the heart of all players in the region and we are working to enhance the relationships between public and private sectors. This is the main goal of Lyonbiopôle, which together with la Métropole de Lyon is encouraging companies to leverage innovation and economic growth.

DK: We are engaged in a large project for the International Agency for Research on Cancer (IARC). The IARC has been based in Lyon since the 1950s. The local authority with the assistance of the region and the state is financing its relocation. This is a project of major importance; we will bring this institution from another part of Lyon into the Biodistrict Lyon and will enhance its visibility. INSERM's Biosafety Level 4 (BSL-4) laboratory, research institutes dedicated to infectious diseases (BIOASTER, International Center for Research on Infectious Diseases – CIRI), Lyonbiopôle's high level infrastructures (Accinov) and the IARC agency all will there be within close proximity. This enhances the visibility of the city and our attractiveness.

There are more than 750 healthcare and biotech related companies in the region, representing more than 100,000 jobs; what is your organization's long-term strategy to increase your brand-positioning?

CL: We are working on different objectives and projects. One of our main goals is to enhance collaborative partnerships between public and private players. We are also reinforcing shared infrastructures, such as building dedicated platforms to deal with infectious diseases and to facilitate and fasten first bioproduction steps for SMEs. We already have incredible infrastructures like the BSL-4 lab or the European Center for High Field NMR in Lyon, as well as others in Grenoble highly dedicated to structural biology like the European Synchrotron Radiation Facility-ESRF and the European Molecular Biology Laboratory-EMBL. All of them are positioned on a European level.

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We are highly investing in international development for the companies and research institutes as well as for the global regional ecosystem. Since its creation in 2005, Lyonbiopôle has done a lot in that objective. We for example understand the value of conferences; another key strategy that we

continue to maintain our efforts on. We have been attending BIO for 12 years now and this year in San Francisco, we will have more than 25 small and medium-sized companies under the banner of Lyonbiopôle, which will make us the largest French delegation and probably the largest foreign delegation. Biodistrict Lyon territorial offer and critical mass of players is also a good tool to enhance our international visibility and attractiveness.

We work on organizing the ecosystem and building thematic academic & clinical networks gathered together with economic partners in Lyonbiopôle. Cancéropole CLARA, Fondation Neurodis, CENS (European Centre Nutrition for Health), and I-Care are examples of such thematic networks on our main topics. This is another way to leverage innovation and enhance attractiveness for foreign researchers and companies.

French Minister of Economy, Industry and Digital Affairs Emmanuel Macron has acclaimed the excellence and innovativeness of French digital and IT expertise; what is your outlook on the attractiveness of Lyon for medtech and life science enterprises?

CL: Digital health is now in the media spotlight and some of major players in the region are already implementing digital offerings. Many pharma companies such as Sanofi and Merck use digital tools to refocus their innovations directly towards the user/patient. We would like to have further technologies that can contribute to improve the life of patients with chronic conditions e.g. diabetes. That is an initiative we are trying to support along with the assistance of the I-care cluster which is specialized in e-health. Digital implementation in healthcare related facilities and organizations is another sector we are looking at investing in. A specific project called Pascaline has been established recently by the regional health agency and the I-care cluster with the aim of enhancing penetration of digital solutions in health care. This is even more of interest if you consider our own competencies as a Métropole employing more than 800 health & care professionals in charge of prevention, children, disabled and elderly care.

DK: We are also focusing on updating an maintaining the strength of our B2B software and IT cluster in Lyon that is not dedicated to health directly but has a strong focus on industry and the use of data. The objective for us is to crosslink the health industry and this cluster which is the second most important in France and helps create an ecosystem that is very dynamic.

Lyon has some very capable competitors in life sciences such as Paris, Amsterdam, London, Singapore, Boston, and Raleigh. What is the city’s competitive advantage versus these other major centers of development?

DK: One specificity is our complete chain of players from research to production and commercialization. In the vaccine industry, academic research is only ten kilometers away from the production plant. This is very specific to our region here in Lyon. Another particularity is the close link between human health and animal health, which for a lot of infectious diseases is very important as there are always links between the two. For example, Merial, Sanofi's current division for animal health (soon to be part of Boehringer Ingelheim), was born in Lyon.

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Another particular strength of the Lyon region is the agility of the system. Lyon region is not as large as Paris or Amsterdam in terms of size but has a good healthcare and life sciences base and it is easy to develop connections and projects in this region. Additionally, many people are aware of our academic excellence even if one of our challenges is to improve awareness of the University of Lyon's particular strength in life sciences.

Are there any particular success stories you would like to share?

CL: There are many we could quote! We have world leaders such as Sanofi Pasteur, Merial, and bioMérieux; international companies such as Merck, Integra LifeSciences, Promega, and Mylan that chose to base their French headquarters here; and also small businesses and innovative start-ups like Medicrea, Edap TMS, Eye Tech Care, Biom'Up, Maat Pharma, Theranexus, Alize Pharma, Platine Pharma, and Edelris among many others. Novasep is a good recent example of an international French company that decided to set up headquarters in Lyon to support its developing business in life sciences and for the strong link that exists here between chemical, biotech and pharma companies.

Another example could be a newly created company called Enyo Pharma which just gathered funding of EUR 22 million (USD 24.6 million) for its first financing round. The company is a biopharma working on infectious disease and based on academic work. We have had some really interesting biotech companies doing IPOs recently such as Adocia, Valneva, Poxel and Erytech Pharma.

What is the trajectory for Lyon when it comes to attracting foreign investment from the big global players?

CL: Invest in Lyon Agency (Aderly) is the main local body for attracting foreign investment, carrying out promotions, and attending events to identify interesting projects. Our first entry point is to

establish new strategic partnerships for example with the BIOASTER Institute dedicated to infectious diseases and microbiology or with some KOL clinical teams. Companies like Baxter decided to implement sites directly in the region. We work with several other players to try to implement strategy for their companies in the region and then speak about investment opportunities. There are a few foreign companies from Asia that are also in our pipeline.

It must be noted that the big global players have very few projects for setting up their headquarters here as many chose Paris to do so. However, our focus is to target companies to have their operations sites in Lyon. There is a lot of potential in this region and we are working mainly on having and establishing more of these types of partnerships. We are also working with companies in the health logistics field. We have indeed a huge platform at the Saint-Exupéry airport for controlled temperature products. We will also have an event Healthcare ColdDays in November in Lyon dedicated to such topics.

In anticipation of BIO 2016, what would be your 30 second pitch on Lyon to our 120,000 C-level readers, some of whom will be in attendance?

CL: Lyon is a wonderful place in Europe to develop life sciences activities with a long tradition of medical innovation, dynamic players and skilled workforces. Here you can also develop and commercialize high level products and services and benefit from a wonderful and central location and an unparalleled quality of life perfect to attract and retain talents!

We will be pleased to showcase our assets and some remarkable companies at BIO so visit Lyonbiopôle’s booth at the French Pavilion and meet us there!

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