

# **COMMONWEALTH'S TRADE MISSION TRIP TO CHINA TO FOCUS ON ECONOMIC DEVELOPMENT IN LIFE SCIENCES AND CLEAN ENERGY**

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BOSTON-Wednesday, November 28, 2007-The Patrick Administration today announced details for the Commonwealth's trade mission to China. Governor Deval Patrick will travel with a team of business executives, academic leaders and senior government officials next week to continue his work building trust and credibility in the growing relationship between Massachusetts and China.

The visit will include a number of meetings with Chinese government officials and business leaders to strengthen innovation and collaboration around clean energy, life sciences, education and transportation. The delegation will visit Beijing and Shanghai for the 7-day trade mission, departing Boston on Friday, Nov. 30 and arriving in China on Dec. 1, and departing China on Dec. 7 to Boston.

"Massachusetts is already a national leader in alternative energy technology and the life sciences, and in providing high-quality education at every level. But we can't compete by looking inward. To move Massachusetts forward, we have to look outward to new markets," said Governor Patrick.

This visit will be the first in a series of steps Governor Patrick takes to strengthen the Massachusetts-China relationship. The agenda will include meetings in Beijing and Shanghai with representatives from Chinese companies and universities focused on China's academic, research and development and commercial achievements.

Members of the delegation include: Secretary Dan O'Connell, Housing and Economic Development; Secretary Bernard Cohen, Transportation; Greg Watson, Senior Advisor for Clean Energy Technology; Thomas J. Kinton, Jr., CEO, Massachusetts Port Authority; Mitchell Adams, Executive Director, Massachusetts Technology Collaborative; Jack Wilson, President, University of Massachusetts; Dr. Craig Mello, Professor, University of Massachusetts Medical School, 2006 Nobel Laureate; Dr. Victor Zue, Co-Director, Computer Science and Artificial Intelligence Laboratory, Massachusetts Institute of Technology; Anthony Saich, Faculty Chair of Asia Programs, Harvard University; Josh Boger, Chair, Biotechnology Industry Organization and CEO, Vertex Pharmaceuticals; and Thomas J. Sommer, President, Massachusetts Medical Device Industry Council. Representatives from Massachusetts life science and clean energy companies - many with a presence in China - will also participate in portions of the trip (list attached).

As key partners in the Commonwealth's mission agenda and the Administration's overall economic development agenda, Massport and the Massachusetts Technology Collaborative will fund the trip. The estimated cost of the trip is roughly \$200,000.

"China is the largest market in the world and the country is experiencing unprecedented economic growth and dramatic changes," said Dan O'Connell, Secretary of Housing and Economic Development. "Their spirit of entrepreneurship and innovation combined with continuously developing partnerships with the Commonwealth's many academic institutions and companies lay the foundation for long term business collaboration that will have a positive and lasting effect on Massachusetts."

China is a growing source of economic activity, and the Chinese government has called for prioritization of science and technology. Massachusetts generated \$1.3 billion in manufactured goods exports to China in 2006. China wants to shift its image as a country focused on low-wage manufacturing to one of sophisticated research, development and innovation. This dynamic will shape China's relationship to Massachusetts on this trade mission and in its continued relationship with the Commonwealth.

#### Life Sciences in China

China's life sciences sector has many possibilities for our companies and institutions. Already, a broad range of the Commonwealth's medical centers, research institutes and life sciences companies are developing a presence in China. By traveling to China and expressing a sincere interest in cross-national development, the Commonwealth can deepen its involvement there.

China is a key location for market growth in the life sciences sector, for both consumer market expansion and as a location for research and development. The landscape for life sciences products has changed rapidly in the last several years, with the Chinese government's involvement increasing in effectiveness and sophistication.

"I look forward to working with the Governor and other business and academic leaders as we embark on this important mission. Massachusetts companies have an opportunity ahead to broaden their business activities in China and to bring their innovations into a new market," said Joshua Boger, Ph.D., President and CEO of Vertex Pharmaceuticals of Cambridge, and Chairman of the Biotechnology Industry Organization. "In the coming years, China's presence in the global life sciences community is expected to grow significantly as it both strengthens and expands its own capabilities and also works to establish relationships with U.S.-based firms."

Current economic growth projections for China generally far exceed most other industrialized countries. This market expansion is both general and specific to life sciences industries (all dollar figures in USD):

- 44% GDP Growth projection between 2004 and 2010.
- Total health care growth projection to move from \$34 billion in total health care spending in 2000 to \$150 billion in 2010, a compound annual growth rate (CAGR) of 16%.
- Projections in the pharmaceutical industry show growth from \$18 billion to \$70 billion in 2010, accounting for a 17% CAGR.

- In the medical devices market, a growth of \$3.2 billion to \$14.8 billion is projected between 2000 and 2010, a CAGR of 19%.
- Projections also estimate that China will be the 5th largest pharmaceutical market by 2010 and the 3rd largest market for medical devices by 2010.

### Clean Energy in China

China's clean energy development has grown rapidly in recent years - a trend that is expected to continue as the country strives to generate 20 percent of its energy from renewable sources by 2020. There will be a unique window of opportunity in the coming years for clean energy technologies developed in Massachusetts to be in China.

Massachusetts' highly skilled workforce, leading universities, venture capital community and entrepreneurial environment make the Commonwealth an attractive site for Chinese investors to look for opportunities around clean energy.

"The Governor's trade mission will highlight how Massachusetts' innovative clean energy companies can help China meet two of its greatest challenges - cleaner energy sources and cleaner, more efficient industrial production," said Annie Johnson, Executive Director of the New England Clean Energy Council. "We will build partnerships that will assist these companies to gain a foothold and expand in China's enormous, fast growing energy market. Access to such vast, new markets is vital - both for these companies to attain their growth potential and to enhance Massachusetts' position as a global leader in energy innovation."

Massachusetts' clean energy cluster of more than 550 companies represents a healthy, growing ecosystem of small and medium-sized companies that present myriad opportunities for joint ventures, partnerships, technology licenses and co-investment to exploit market opportunities both in China and the US.

### **Massachusetts China Partnership Official Delegation**

#### Members of the Official Government Delegation:

- Governor Deval L. Patrick, Commonwealth of Massachusetts
- Secretary Daniel O'Connell, Housing and Economic Development
- Secretary Bernard Cohen, Transportation and Public Works
- Gregory Clarke Watson, Senior Advisor for Clean Energy Technology
- Tom Kinton, Jr., Chief Executive Officer, Massachusetts Port Authority
- Mitch Adams, Executive Director, Massachusetts Technology Collaborative
- Jack Wilson, President, University of Massachusetts

- Dr. Craig Mello, Professor, University of Massachusetts Medical School, 2006 Nobel Laureate

Members of the Official Non Government Delegation:

- Dr. Victor Zue, Co-Director, Computer Science and Artificial Intelligence Laboratory, Massachusetts Institute of Technology
- Anthony Saich, Faculty Chair of Asia Programs, Harvard University
- Joshua Boger, Chair, Biotechnology Industry Organization and Chief Executive Officer, Vertex Pharmaceuticals
- Tom Sommer, President, Massachusetts Medical Device Industry Council

**Massachusetts China Partnership COMPANY Representatives**

Representatives from Massachusetts companies who do business in China will participate in portions of the trade mission. Some of these representatives are already based in China.

Massachusetts Life Science Industry Representatives:

- Gunther Winkler, Vice President of Strategic Initiatives, Biogen Idec
- Marc D. Beer, President and Chief Executive Officer, ViaCell, Inc.
- Thomas Taylor, Vice President Global Marketing & Business Development, Healthcare, Nypro
- Jerry Chung, Vice President, Nypro Beijing
- Geoffrey MacKay, President and Chief Executive Officer, Organogenesis
- James Qun Xue, Director of Genzyme China
- Michael Glynn, Senior Vice President, Genzyme Asia Pacifica, Canada and South Africa
- Jeffrey J. Elton, Senior Vice President of Strategy and Global Chief Operating Officer, Novartis Institutes for BioMedical Research
- En Li, Vice President and Head of Research, Novartis Institutes for BioMedical Research Shanghai

Massachusetts Clean Energy Industry Representatives:

- Bruce N. Anderson, Chief Executive Officer, Wilson Turbopower
- Mitchell Tyson, Chief Executive Officer, Advanced Electron Beams

- Leo Casey, Vice President and Chief Technology Officer, Satcon Corporation
- Elbert Leo McDaniel III, Vice President of Sales and Marketing, Satcon Power Systems
- Dennis John Duffy, Vice President of Government and Regulatory Affairs, Energy Management Incorporated / Cape Wind
- Hal M. Thrasher, Director of New Business Ventures, Rohm & Haas Electronic Materials
- Robert J. Ferguson, Vice President, Business Unit Director, Circuit Board Technologies, Rohm & Haas Electronic Materials