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***ADERLY/ONLYLYON results for 2014,
regional trends...***

**Lyon – a model for
French attractiveness?**

**Press kit
January 2015**



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Introduction

The question of attractiveness – in terms of companies, investors, talents, events, etc. - has become a major concern in the development of metropolitan areas in France and throughout Europe. There is stiff competition to attract new investment and business to Lyon and to develop them sustainably in the region.

In 2014, as in 2013, Lyon confirmed its ranking as an attractive European city, placing it among the top 15 metropolitan areas worldwide (IBM PLI ranking) and number 7 in Europe.

Thus, by drawing another **80 new companies and over €800 million in real estate investment**, the Lyon metropolitan area has capitalized on an attractiveness strategy based on its high potential for innovation and higher education, the strength of its territorial marketing and the performance of its prospecting drives.

Since 1974, Aderly (The Lyon Area Economic Development Agency) has worked to showcase the region's attractiveness, with a mission to **"... promote the Lyon area, and seek out and develop new investments that create value and jobs."**

Since it was founded, Aderly has assisted more than 1,500 companies that have created nearly 27,000 direct jobs, for an average of 37 incoming company setups a year and 670 new jobs. These companies include major firms that are today the cornerstones of Lyon's economy, such as Lafarge, euronews and Genzyme, among others.

Aderly's history and action are tightly linked to **trends inside the region** and in **the international economic environment**. It is active on the European scene, characterized by increasing competition between cities, leading it to rethink its strategy in close cooperation with all of its constituents. The Agency adjusts its aims and organization in order to contribute most effectively to the region's development strategy and to best reflect its competitive advantages. Thus, for more than 7 years, the Agency has ramped up its prospecting drives in the major sectors at the heart of Lyon's economic dynamism and excellence: the life sciences, Eco technology and the digital industry.

In 2008, Aderly took responsibility of the ONLY LYON brand, in order to promote Lyon on the international scene. ONLYLYON is France's first territorial marketing initiative, founded by all of the metropolitan area's institutional and business partners.

After a particularly successful 2013 in a difficult national economic climate, 2014 looked to be a pivotal year, with the prospect of several major changes.

ADERLY & ONLYLYON Key Figures

- **40** employees
- **A budget of €6.3 million**, including €1.7 million for ONLY LYON
- **2** main funding providers: The Lyon Metropolitan Area and Lyon Chamber of Commerce & Industry
- **13** private partners that help to fund the ONLY LYON program

1 | 2014: A successful pivotal year

“Lyon finds the conditions for its fulfillment only on the international level,” wrote the renowned historian Fernand Braudel in his essay *“The Identity of France”* published in 2009. This statement takes on its full meaning in the analysis of 2014 when we consider newsworthy events in the area and Aderly’s results.

A. A year highlighted by key events that strengthen the city’s international position

In 2014, Lyon was indeed the stage of a great number of high profile international events.

- **Regarding China**, one of Lyon’s oldest and most important economic partners, we can say that 2014 was an extraordinary year, namely with the events celebrating the 50th anniversary of Franco-Chinese diplomatic relations. Indeed, everybody knows that the President of the People’s Republic of China, **Mr. Xi Jinping**, began his State visit to France last March in Lyon. It was **the fourth time a Chinese leader has visited Lyon**, setting a record. Jinping’s stay in Lyon was followed on September 16th, 2014 by the visit of **Mrs. Liu Yandong**, Vice Premier of the People’s Republic of China.



Of course, these visits pay tribute to the many historical, cultural, economic and academic relationships between Lyon and China. These relationships date back to the 16th century, when Lyon was at the western end of China’s Silk Road. These relations have grown stronger over the centuries and are today illustrated in many different spheres.

These relations are highlighted at the **New Franco-Chinese Institute of Lyon and Center for Franco-Chinese Relations**, the grand opening of which was attended by the Chinese President.

The New Institute and Center were created in the Franco-Chinese Institute of Lyon’s original building, the first Chinese university outside of China, which hosted nearly 500 Chinese students at Lyon’s Fort Saint-Irénée between 1921 and 1946, training the country’s future elites in western culture and society.

Today, this institute presents the many links between Lyon and China, as well as the past and current key players in these relations.

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- **Concerning the United Arab Emirates**, Lyon continued to strengthen its special relationship with Dubai, namely:
 - At the institutional level, Lyon was France's only city to officially support **Dubai's candidacy for the 2020 World Exposition**.
 - From an economic standpoint, **Emirates Airlines**, which since December 2012 has offered nonstop service between Lyon and Dubai, saw its traffic increase considerably and set up the airline's only cargo route to France at the Lyon Saint-Exupéry hub. At the same time, key economic players from Lyon came together with a view to Expo Dubai 2020 in order to provide their unique expertise.
 - Finally, from a cultural perspective, the **Emaar Group**, the main real estate developer in the Emirates and owners of Dubai's downtown neighborhood and of the world's tallest skyscraper, Burj Khalifa, asked the City of Lyon to handle the artistic management and organization of a "Festival of Lights". The first edition of the **Dubai Festival of Lights** was held from 10 to 29 March 2011, giving some 30 Lyon artists the opportunity to display their installations for the first time in the Middle East, in the heart of this cosmopolitan city used to showcasing the world's most illustrious works.
- **Regarding the United States**, which remains the number 1 investor in the Lyon area, Greater Lyon developed a strategic partnership with **Boston** and the State of **Massachusetts**. This partnership, initiated by Lyon's two leading players in the life sciences, Biomérieux and Sanofi, which both have offices in Lyon and Boston alike, quickly had an impact. Various collaborative ventures were set up in a number of fields, namely a life sciences partnership between Lyonbiopôle (the Lyon/Rhône-Alpes world competitiveness cluster in the life sciences) and its counterpart, MassLifeScience, the world's biggest start-up accelerator.

These partnerships were prepared during an official visit to Lyon by Deval Patrick, the Governor of Massachusetts, last September and finalized during an **official visit by Gérard Collomb** and a delegation of 50 Lyon companies to **North America**, and namely Boston, last October.

B. A position illustrated in the year's outstanding results

After results unanimously hailed as "outstanding" given France's sub-par performance in terms of international attractiveness in 2013, the survey on the attractiveness of France published in June by EY notes that *"France has seen a slight 9% increase in the number of foreign investment projects. It seems to have reversed the downward trend in place since 2010, but has not yet returned to pre-crisis levels."*

It is important to note that Aderly's results have not decreased despite this context: indeed, they have continued to improve, even though they also reflect a drop in foreign investment compared to previous years.

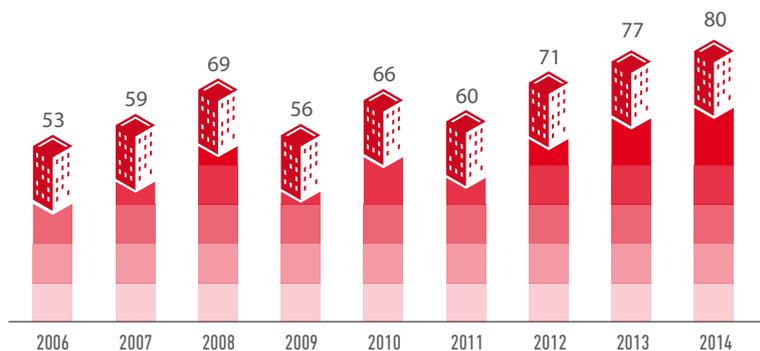
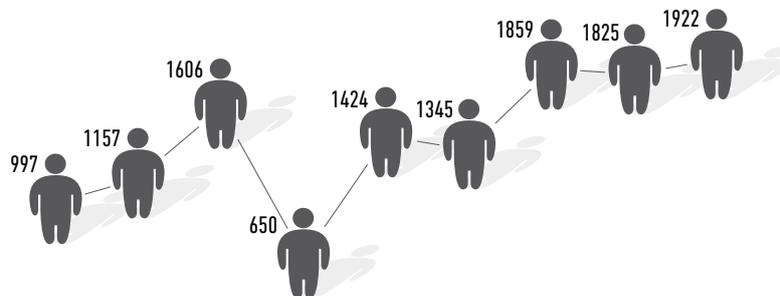
• Aderly's results still improving

Quantitative analysis

In 2014, Aderly assisted 80 new companies in setting up or developing their business in the Lyon area, accounting for **1,922 jobs over the next three years**. This sets a new record compared to previous years, as shown in the diagram opposite.

As a reminder, the Agency's overall aims for 2014 were 60 projects a year and 1,800 jobs created over 3 years!

During the period 2012-2014, Aderly also assisted 228 companies (with an original target of 180), helping to create 5,606 jobs over 3 years (with an original target of 5,400).



 Jobs over 3 years  Number of companies

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Qualitative analysis

Beyond the quantitative results, we must note that the qualitative targets that the Agency set with its constituents were also better in 2014 than in 2013.

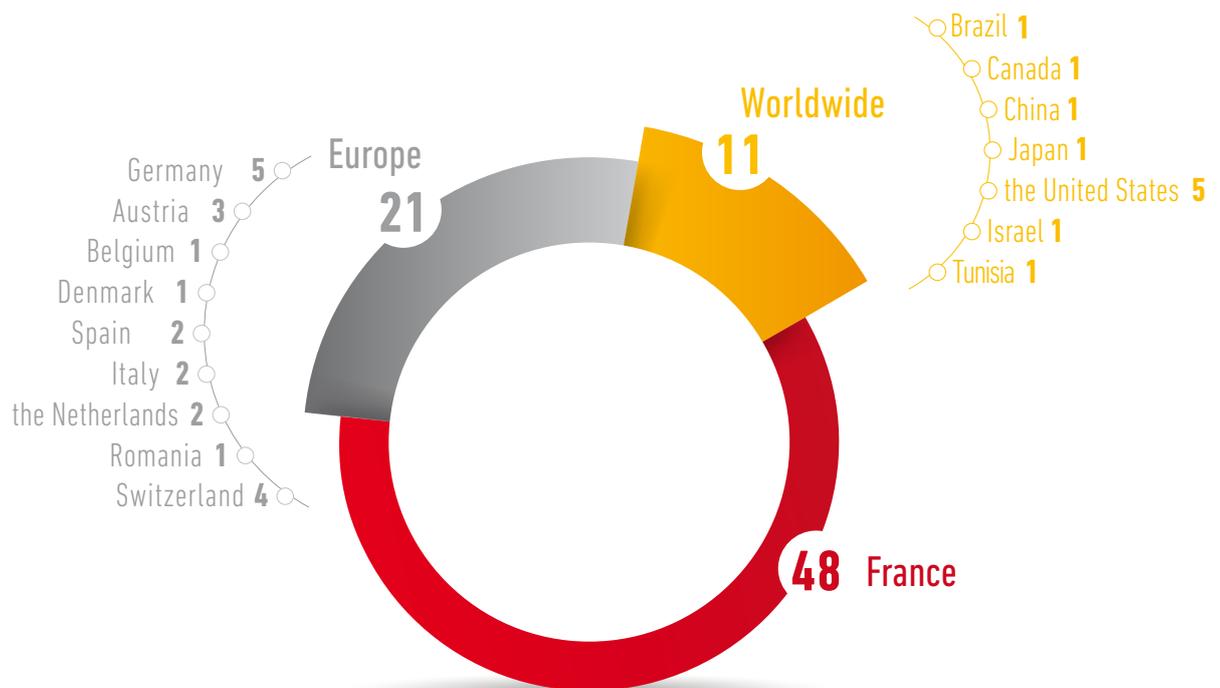
• Geographical origins of the projects

In 2014, Aderly attracted **32 foreign investment projects** and **48 French projects**, i.e. a lower ratio than in previous years (40% foreign investment in 2014 compared to an average of 60% in previous years). These 32 foreign-capital companies will generate 819 new jobs over 3 years, i.e. an average of over 25 jobs per project.

From this perspective, Lyon does not seem to escape the underlying trend noted by the EY survey in June 2014 that highlights *“deep erosion of jobs created by foreign investment: between 2009 and 2013, foreign investment led to the creation of 13,122 jobs a year compared to an average of 18,136 for the previous period (2004-2008).”*

However, Aderly’s true feat in 2014 was **maintaining five American projects** and **five German projects**, confirming these two countries as the leading foreign investors in the Lyon area. Likewise, we can note Japanese and Chinese investment – each country setting up one company in Lyon – making them a permanent asset to Lyon’s attractiveness.

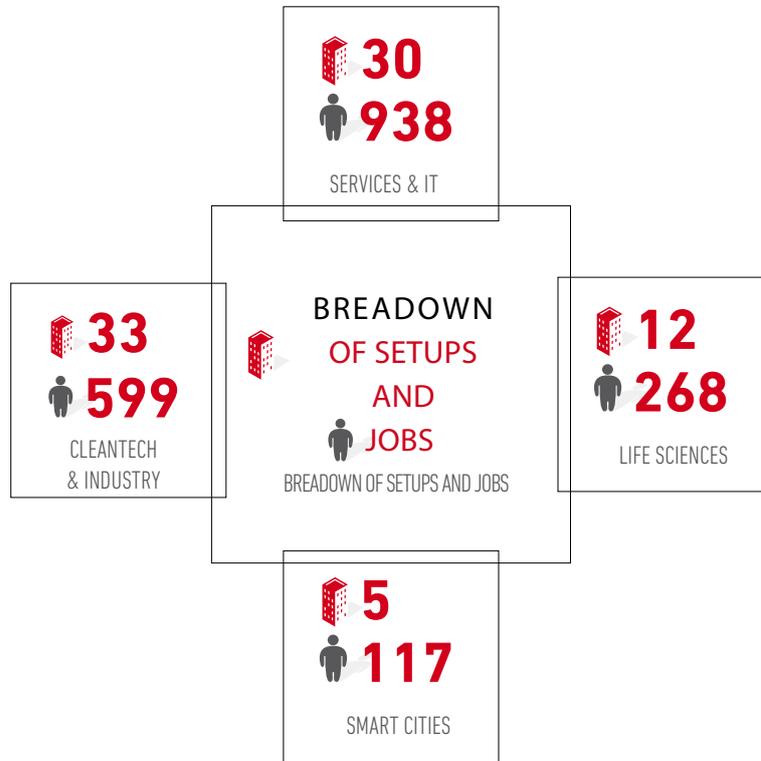
As well, 2014 saw the arrival of an Israeli life sciences start-up, a sign of Lyon’s world leadership in the field, even more so given the fact that Aderly does not prospect in Israel.



• Sectors

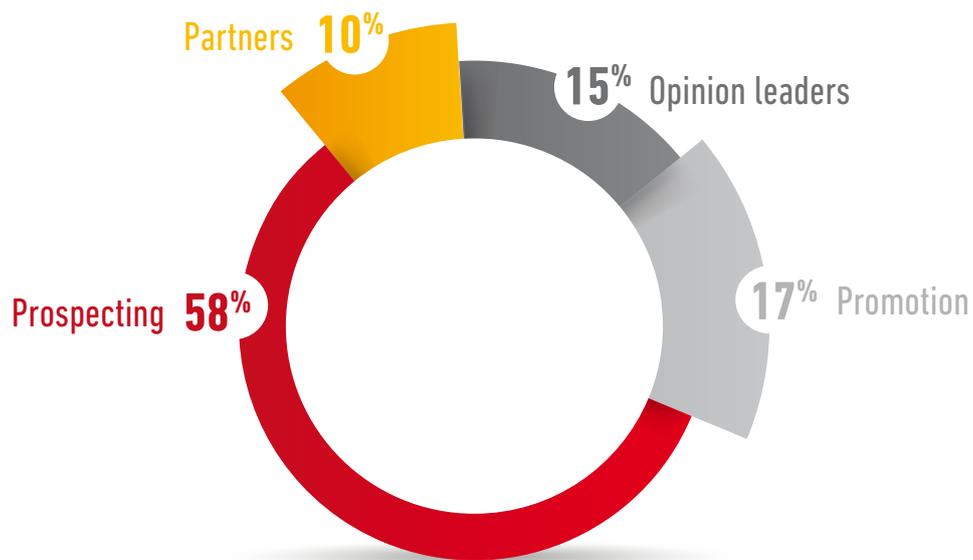
In line with the strategy of the Agency and the region, the two top priority sectors – **life sciences** and **cleantech** – continue to account for half of the results, i.e. **45% of the number of investment projects** and 56% of the number of jobs created over three years. As well, tertiary and technology activities account for 938 jobs and 30 projects in the Lyon metropolitan area (i.e. 48% of new jobs and 37% of new projects).

The urban innovations (or “Smart City”) sector, a new focus of development for Greater Lyon, is showing signs of promise, with 5 projects for this first year of prospecting.



- **Project origins**

Finally, it is important to note that Aderly's results remained strong in 2014 thanks in large part to its own efforts in both prospecting and promotion, as **58% of the project setups were detected through prospecting** by Aderly's expert teams. To this, we must add the 17% in projects drawn to the city through actions to promote Lyon internationally as part of the ONLYLYON program.



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Company name	Activity	Capital	Type of facility	Location
 vandemoortele	Agrifoods		Production facility	Pipa
 novasep	Fine chemicals and Biotech		Head Office	Gerland Techsud
 FRESENIUS MEDICAL CARE	Life sciences		Production facility	L'Arbresle
 Novartis DFL	BioPharma		Head office	Lyon
 Alma Bio Therapeutics	Biotech		R&D center	Lyon
 AIR LIQUIDE	Production and sale of gas for industry		Transfer of 15 customer relations centers	Saint-Priest
 Amaris	Technology and management consulting		Development of French head office	Lyon
 SILK	Digital creation studio		Creation of a development center	Lyon
 SMART PS	Robotics		R&D center	Lyon
 ReneSola	Solar		French head office	Décines-Charpieu
 SKINJAY	Fine chemicals		R&D	Axel'One

	Jobs over 3 years	Project description
	150	The Vandemoortele Group is a European leader in margarines, oils and fats and frozen industrial bakery goods. The group decided to invest in a new frozen industrial bakery plant. This investment addresses a strong demand for frozen bakery products in France and opportunities for growth via export.
	25	A leader in the production of actives for fine chemicals and biotechnology, Novasep transferred its head office from Pompey to a 900 sq. m. facility in Lyon-Gerland Techsud.
	80	A world leader in services and products for the treatment of kidney failure, Smad Fresenius chose its French industrial subsidiary in nearby l'Arbresle to open a facility to produce a very high tech new product: dialysis fiber. This involves a €70 million investment project and the creation of 80 new jobs. The company contacted Aderly regarding the difficulties it was having with the French State in terms of job creation and environmental concerns, as well as for support in communications, in order to promote the project to potential candidates.
	30	Nova Dfl, Brazil's leader in the dental market (anesthetics & resins), has set up its Lyon subsidiary in Lyon. The facility will at first handle distribution in the EMEA, and a logistics and R&D center (for new resins) will be set up in two or three years. The company set up shop in October at the World Trade Center Lyon. A lead pharmacist/corporate officer has been hired in order to obtain marketing approval of Nova's range of anesthetics as quickly as possible.
	15	This Israeli company, which develops therapeutic anti-inflammatory DNA molecules, wanted to set up its European head office in France. After considering Paris, Alma Therapeutics chose Lyon, in particular the Accinov platform in order to capitalize on its scientific and technical expertise in immunology". "Since we chose Lyon, we have had a series of very positive meetings with Lyonbiopôle and Aderly, who rolled out the red carpet and showed us all the benefits of the region," said Binah Baum, Director of Alma Therapeutics France.
	50	Air Liquide France Industrie covers the full range of the group's industrial gas production and sales activities in France. The company wished to locate all of its customer relations departments for France, previously scattered over 15 offices, at a single facility. The company opted for Lyon after considering a group of contenders including Bordeaux, Lille, Marseille and Nantes.
	150	Amaris provides high value added consulting services. Its activity is based on 5 areas of expertise: business and management consulting, information systems and technologies, engineering and high tech, telecommunications and biotechnology. The group has 55 locations worldwide and a workforce of 2000 employees. Its Lyon-based head office for France counts 220 employees. Amaris chose to locate all of its expertise in Lyon.
	15	This digital creation studio specialized in innovative business applications (Web + mobile) chose to set up a development center in Lyon.
	30	Development of tele surveillance robots.
	35	Listed on the stock exchange, Renesola manufactures photovoltaic cells used mainly in the production of solar panels. Its customers are worldwide manufacturers of solar cells and modules including JA Solar, Motech Industries, Solarfun Power and Suntech Power. Renesola's 1,300 sq. m. facility in Lyon was created to distribute its products in France.
	15	Skinjay set up its R&D center at the Axel'One Innovative Materials Platform (PMI) facility, and is conducting research on new recyclable, biodegradable materials for the design of shower capsules that, when in contact with water, release scented skincare products.

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As well, 2014 was highlighted by two major decisions by American investors to choose Lyon:

- **US group Hexcel** confirmed its aim to invest **\$250 million** (€200 million) in 2015 in the construction of a **new carbon fiber plant** in Roussillon, near Lyon. The investment program provides for the installation of polyacrylonitrile precursor (PAN) and carbon fiber production lines on the chemicals platform at Les Roches-Roussillon, as well as the creation of an integrated quality laboratory and office space. The products made at this new plant will namely be used in the production of the upcoming Airbus A350 XWB and the Leap engine by CFM, a joint venture by Safran and General Electric. The site of the new facility, where **construction is slated to begin in mid-2015**, will cover 15 hectares and should employ 120 people starting in early 2018. Aderly and its partners played an active role in this large-scale company setup for several months, demonstrating the Rhône-Alpes region's appeal to foreign investors. As a reminder, the Hexcel Corporation is a world leader in the production of high-performance composite materials for aviation and wind farms, as well as for certain industrial applications.



- **US group Cenntro** took over the Lyon facility of **SITL/Brandt** last June following the decision of the Lyon Commercial Court and the active involvement of all local players. In June, the group announced a **€15 million** investment to take over the site and set up its European head office in Lyon. The facility will include a **production unit for new-generation batteries**, an electric utility vehicle production line and an engineering & design center. The Cenntro group committed to keeping all of SITL's personnel (395 employees on the site as of today) as well as to a strategy plan to increase high tech jobs in the Greater Lyon area. This plan provides for a €15 million investment in this European unit, including the development of the electric utility vehicle production line, the setup of a research and design center in Lyon to support all of the Cenntro Group's automobile divisions by capitalizing on local expertise in the field, and the creation of a new-generation battery assembly unit for electric vehicles in Europe.

• ONLYLYON: positive momentum and increased awareness

The ONLYLYON ecosystem, through its dedicated team, its founding partners, its partner companies and its networks, has produced some very concrete results:

Communication

In 2014, ONLYLYON ramped up Lyon's presence and visibility internationally through major communication campaigns that **reached 30 million people** around the globe. One major enhancement this year was the **digital shift** towards top-name online media:

TripAdvisor, the world's leading online travel community, helped to promote Lyon as a tourist destination by targeting both European cities such as **Paris, London, Frankfurt, Munich, Milan** and **Geneva** and world powerhouses such as **Dubai, Beijing, Shanghai, Melbourne** and **Sydney**.

LinkedIn, the world's leading professional social network, looked like the ideal media to target international investors in partnership with Aderly/Invest in Lyon. The e-mail campaign reached **1 000,000 business decision-makers** in Lyon's areas of expertise in strategic target cities including **Paris, London, Munich, Frankfurt, Milan, Geneva, Dubai, Beijing** and **Shanghai**. With an average opening rate of 55%, the campaign was a true success.



The ONLYLYON campaigns were also displayed at the Paris Charles de Gaulle and Orly airports in May, thus reaching 15 million travelers, as well as on Emirates Airlines flights thanks to a 30-second commercial viewed by more than 6 million people.

Finally, a film of Lyon shot using a drone garnered over **350,000 views** on ONLYLYON's YouTube channel.

Social networks

In 2014, the **ONLYLYON** and **Lyon Facebook** pages showed a 124% increase in traffic, with **74 million views and 655,000 overall fans, a record!** These strong results were achieved both by the publishing of messages on these pages and by international advertising campaigns targeted to Paris and other cities worldwide.

Finally, **ONLYLYON's Twitter** account saw a 130% jump in traffic, reaching **32,000 followers**.

Press relations

With 276 mentions in the international press (up 50% compared to 2013) and 353 mentions (up 20%) in all, the results for 2014 are extremely positive. One hundred journalists were welcomed to Lyon 2014 and over 200 were met at events organized around the world by ONLYLYON. This translates into even better results, as Lyon made the headlines in the key media in countries targeted by the program - **Frankfurter Allgemeine Zeitung, CNN, Nikkei, the Wall Street Journal, the Independant, NHK, La Presse, Al Bayan, CCTV, O Globo** and others - for arts & cultural events, town planning, biotechnology and economic attractiveness.

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Partners

In 2014, 4 new partners joined the ONLYLYON program to help extend Lyon's international influence. They are KPMG, Riso France, Radiance Humanis and JC Decaux. With these newcomers, the program now has 13 partner companies, including EDF, Sanofi, Renault Trucks, KPMG, ERDF, Sonepar Le Mat Electrique, Véolia and GFC Construction.



ONLYLYON partners

Ambassadors

At the end of 2014, the ONLYLYON Ambassadors network counted over **19,000 members** and over **200** promotional actions. As well, the network continued to grow internationally, with over **2,600 Ambassadors active abroad**, a 50% increase compared to the previous year.

As well, the network targeted students in 2014. ONLYLYON strengthened its ties with the 120,000 students at Lyon's universities, including the **16,000 foreign students** in Lyon as well as Lyon students on study abroad programs for the year, namely those from the University of Lyon and other leading schools such as INSA, EMLyon and Centrale. The aim is to help students feel good about living in the Lyon area and make them want to promote the city to their contacts abroad.

Public relations

Finally, a range of PR activities were carried out worldwide in 2014:

First of all: **culture as a vector of international awareness**. Culture is a universal center of interest and ONLYLYON supports all of Lyon's cultural institutions -especially those that are visible on an international scale- in order to ensure media coverage of their productions and to mobilize local Lyonnais networks. With the National Orchestra of Lyon, on tour in **China** and **Japan**, ONLYLYON organized a press conference and private evening party with opinion leaders. ONLYLYON also co-orchestrated all of the communication around the **Dubai Festival of Lights** in order to thrust Lyon into the limelight.

Finally, heading to **North America** for the official visit to the region, ONLYLYON held two events to promote Lyon in addition to press relations events. The first took place in **Montreal**, with the Mayors of Lyon and Montreal in attendance, and brought together 350 people. The second, in **New York**, in partnership with **Comité Bellecours**, drew 250 attendees to the New York Design Center.

2 | Lyon – an asset that makes France more attractive?

Lyon is making noteworthy advances every year namely because it has successfully improved both the perception and the reality of what the area has to offer.

A- A model that is starting to be seen

Aderly's good results for 2014 appear to be consistent with the various international rankings that have recently underscored the performance of the Lyon area.

In terms of overall attractiveness for international investment, the IBM study (Global Location Trends) ranks Lyon as the world's 17th most attractive metropolitan area (up 6% compared to the previous year), comparing the number of projects it has attracted every year, ahead of cities like Hong Kong, Munich and even Beijing.

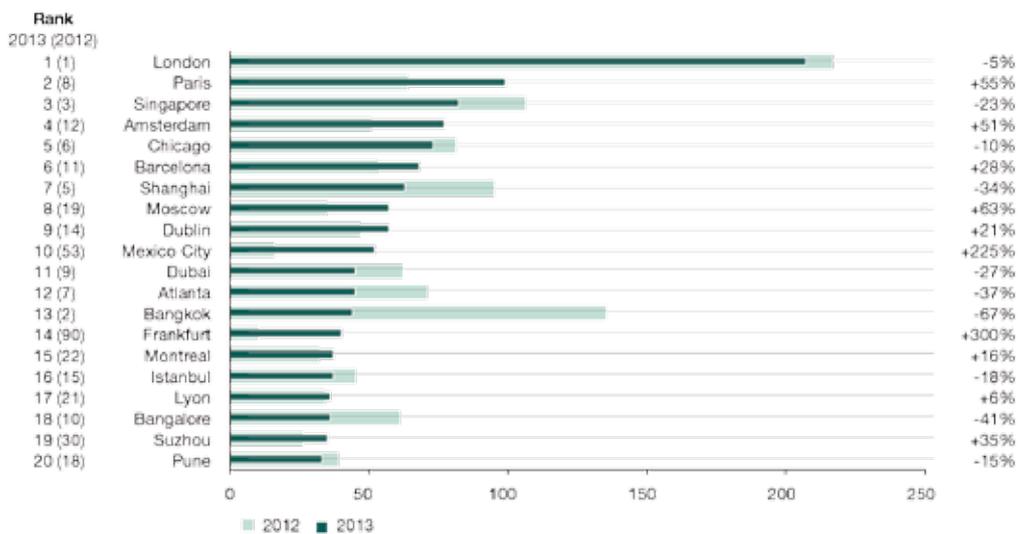


Figure 7: Top ranking destination cities by projects, 2013 (12).

Source: Global Location Trends: 2014 annual report, Classement IBM
 Note: Projects of less than 10 jobs were not included.

2 Lyon – an asset that makes France more attractive?

TOP 25 EUROPEAN CITIES OVERALL		
RANK	CITY	COUNTRY
1	London	UK
2	Helsinki	Finland
3	Eindhoven	Netherlands
4	Cambridge	UK
5	Dublin	Ireland
6	Munich	Germany
7	Barcelona	Spain
8	Berlin	Germany
9	Amsterdam	Netherlands
10	Reading	UK
11	Edinburgh	UK
12	Vienna	Austria
13	Glasgow	UK
14	Rotterdam	Netherlands
15	Lyon	France
16	Paris	France
17	Grenoble	France
18	Utrecht	Netherlands
19	Birmingham	UK
20	Ghent	Belgium
21	Liverpool	UK
22	Lisbon	Portugal
23	Derby	UK
24	Cork	Ireland
25	Galway	Ireland

Classement FDI Intelligence

This ranking is similar to Lyon's **15th place** in the **survey of the most attractive European cities** for foreign investment conducted by the Financial Times- **FDI Intelligence/ European Cities and Regions of the Future, 2014**, which Lyon broke into for the first time this year.

As well, Lyon's attractiveness for various key criteria is becoming increasingly apparent:

INNOVATION: Lyon ranks 19th in the "Innovation Cities Global Index 2014" by 2ThinkNow

QUALITY OF LIFE/ ATTRACTIVENESS: According to a 2014 study by APEC, the French Managers' Employment Agency, Lyon is France's most attractive city for executives.

TOURISM: In 2014, Lyon ranked as international travelers' 3rd favorite destination in France.

B- Réalité : un modèle atypique, un territoire qui innove

There is one factor that is difficult to measure yet to a large extent explains Lyon's rise, namely internationally: its governance model. Whether it is local or international governance, foreign players pay tribute to Lyon's ecosystem as a factor of progress, innovation and trust.

• A renowned governance model

Local governance

Lyon has succeeded in making a name for itself internationally in recent years because it inspires trust and is seen as a sound investment.

Though not originally a top-priority argument for international investors, it must be noted that against a backdrop of "French bashing", Lyon has showed its great capacity to produce long-term projects, to innovate and to organize.

Even in the institutional sphere, the voluntary transition to "metropolitan area" status was hailed and showed that Lyon is a pragmatic city in which such changes do not cause upheavals, but rather inspire a true energy for change.

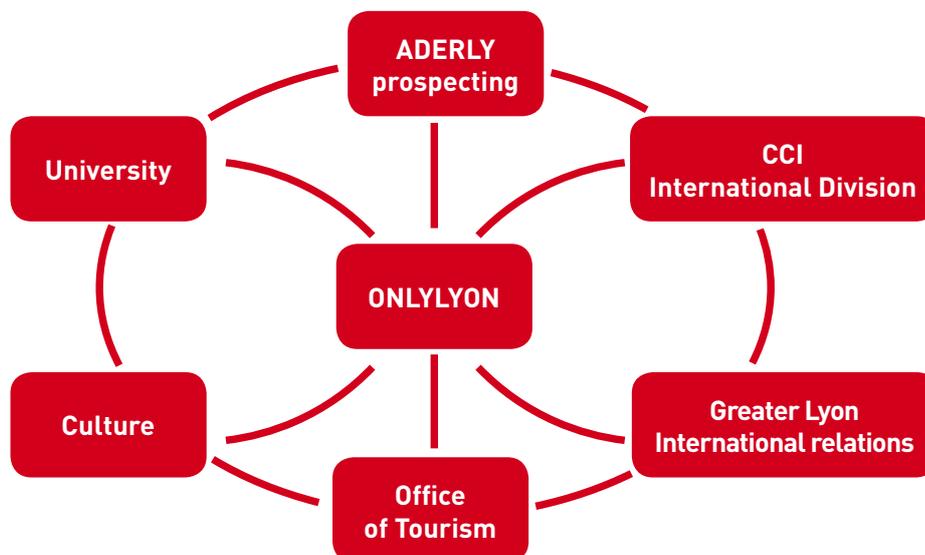
The international press has not failed to highlight this fact. As early as March 2013, a report on **DeutschlandRadio** reported that *"though Lyon is also feeling the overall crisis, there is nonetheless a real optimism in this city. All of the indicators are pointing upwards. This success is no accident. A team headed by the city, the county, the Chamber of Commerce and local companies successfully courts investors in a targeted, creative way."*

In June 2014, the very serious **Frankfurter Allgemeine Zeitung**, in an article entitled “If all of France was like Lyon”, that “*If France was managed like Lyon, the French would be better off. [...] This compliment does not come from some narrow-minded local patriot, but from a world-renowned businessperson, Alain Mérieux, the “father” of French biotechnology, a man who cannot be pressured into flattering the city government.*”

In his book “**Lyon - a Destiny for Another France**”, Alain Renaud even writes that “*...despite all of these obstacles, Lyon has managed to develop its own model, almost the direct opposite of its Parisian counterpart’s, a model similar to the Rhineland model or that used in Northern Italy, in what are called “districts”. (...) Authorities and leaders in Lyon and Rhône-Alpes were very quick to build cooperative relationships between the industrial, research, academic and public authority spheres. These fruitful initiatives come from an age-old tradition of tight relationships between savants and industrial firms eager to apply the benefits of research and studies in the field.*”

International governance

Lyon is recognized worldwide thanks in part to its governance and the very strong coordination of the area’s players who are active internationally. Thus, though they are not united in a single, uniform organization, we can see that Lyon has an integrated international team that takes action in the region’s strategic areas. This team includes Aderly, ONLYLYON, Greater Lyon (International Relations Division and Marketing and Attractiveness Division), the Office of Tourism, the University of Lyon International Alliance, The Lyon Chamber of Commerce and Industry (International Division), as well as the various economic and cultural players that represent Lyon internationally. In all, nearly 150 people work to promote Lyon around the world in various spheres, coordinating with one another in order to capitalize on a collective momentum in the target countries, whether it involves assisting Lyon companies to export to these countries, attracting new foreign investors to Lyon or promoting the city as a whole.



2 Lyon – an asset that makes France more attractive?

For example, during official missions, each player is mobilized to contribute their specific expertise to the collective program that helps to better spread the word on Lyon through the various networks of each target city, via a united, group approach.

Since it was opened in July 2012, after three years in business, the World Trade Center Lyon has made a name for itself as a cornerstone of Lyon's international development.

A high-end business center based on the upper floors of the Oxygène Tower, in the heart of the Part-Dieu business district, the World Trade Center is both a perfect gateway to export markets and a high-performance hub to support foreign companies that are setting up shop in the Rhône-Alpes region.

The World Trade Center of Lyon has a 96% occupancy rate, hosting 18 companies from France, Italy, Switzerland, Germany, the United States and Brazil. This dynamism, in line with the initial business plan, will be strengthened in 2015 thanks to a new business club and events policy.

• Lyon – an area that is innovating and moving forward

Lyon has successfully made a name for itself thanks to both its choice of specialty sectors and its appetite for new technologies, which it is eager to test in the city, akin to an urban-scale living lab. This positioning is today well-known and recognized, giving the city an image that combines excellence and innovation.

Lyon, the choice of excellence

By concentrating its investments on the two sectors that form the pillars of its industrial dynamism and have been awarded two world competitiveness clusters – **life sciences** and **green chemistry** - Lyon has managed not only to create a momentum inside these two fields but also to make them visible and appealing to foreign interests.

Lyon's choice to devote a major share of its resources to further strengthen its two sectors of excellence is truer than ever today.

With **Lyonbiopôle**, the rise of **Bioaster**, the opening of **Accinov**, the investments made by **Sanofi** and **Biomérieux**, the world-renowned expertise of certain medical teams, etc., Lyon's "Life Sciences" sector is the city's most widely recognized strength. It is thus important to continue to prospect new companies, to attract high-level researchers and start-ups, and to consolidate the existing assets.

The **cleantech sector** is more difficult to embrace. Shaken up by repeated changes in regulations (seen in the example of the solar energy bubble), it covers a very wide variety of activities ranging from Lyon's core expertise in green chemistry (**Axelera**) to energy efficiency, to thermal renovations in buildings, to electric vehicles, to reducing CO2 emissions from existing factories, and more. Though Lyon cannot claim excellence in all of these fields, the city's **top engineering schools** (INSA, Centrale, CPE and ENS) and the **IFP** offer a wide range of expertise that helps to draw new actors to the city. The emblematic **Smart Community System** project headed by NEDO (the Japanese equivalent of ADEME) and Toshiba in the heart of the Confluence district is also a standard-bearer for Lyon's excellence in "sustainable cities".

This sector is yet again being strengthened today through the project to transform “Chemical Valley”, the local industry’s traditional homeland to the south of Lyon, through a unique call for projects. The **“Call of the 30”**, a true collaborative springboard, brings together Greater Lyon and 30 public and private partners to provide technical and financial engineering support to develop up to 50 hectares of land made available to new projects in the chemicals, cleantech, environmental and other sectors. This is an opportunity to further strengthen this vast sector, which already brings together world leaders in the field and should create up to 300 additional jobs.

Booming new sectors

The priority given to these two sectors must not make us lose sight of the many other fields that Lyon can capitalize on. The development of new mobile technologies and their applications in a certain number of fields in both industry and everyday life has led to the emergence of new, mainly digital activities, such as **robotics** and **industrial engineering**, where the Lyon metropolitan area can play a leading role. Lyon’s **service sector** is also very strong, with urban development projects being developed by regional authorities, namely Greater Lyon, around the central Part Dieu district.

As well, Lyon has been officially named as a **“French Tech City”**, one of the 9 areas in France to be awarded the label, thanks to its widely recognized strengths: a digital entrepreneurial ecosystem among the largest in France, an ambitious development strategy, the mobilization of key players, operational programs to help start-ups grow and generate awareness, and a range of facilities and infrastructures that can foster the development of these companies. This label, earned by collectively mobilizing the digital ecosystem and all of its leading players, proves that in Lyon, the conditions have been created for start-ups to emerge and develop internationally thanks to support programs, infrastructures and networking opportunities.

Lyon French Tech aims namely to attract 100 new start-ups to an accelerator program every year for 3 years, to promote the city’s current Tech Champions and to discover 15 new Tech Champions (active internationally) within 10 years. A number of international alliances and business relationships have thus been developed with key cities such as Boston, Hong Kong, Seoul, Tokyo, Montreal, Guangzhou, Amsterdam, Barcelona and San Francisco.

Key figures

- 7,000 companies, including 300 with high growth potential, and 42,000 jobs
- 5 digital fields of excellence: big data, robotics, software and programming, creative content and web platforms
- 600 digital events a year
- 1 Digital Business Space (ENE)
- 5 startup accelerators, 8 incubators, 7 co-working spaces, 3 competitive clusters, 3 digital clusters, 2 fablabs and 1 Living Lab
- 600 university-level training programs in the digital sphere throughout the region

2 Lyon – an asset that makes France more attractive?

Major urban development projects

Greater Lyon is making itself more attractive through major core projects that illustrate the area's ambition, serve as an international showcase and prove Lyon's capacity to carry out this type of project. Yet they are also places for experimentation, appreciated by companies for their innovative nature, their value for money and their location and the heart of Europe in a city digitally connected to the world.

In addition, **the Lyon metropolitan area has always held its own throughout the economic crisis and in 2013 achieved very good results with a 6% increase in investments compared to 2012.** Thus, **€ 900 million** was invested in commercial real estate in 2013:

- 75% in office space
- 6% in logistics (vs. 15% in 2012)
- 4% in business premises (vs. 6% in 2012)
- 10% in shops (vs. 23 % in 2012)

Every year, approximately 200,000 sq. m. of additional office space are occupied. The figures for 2013 show **251,967 sq. m. of additional office space occupied, a 36.6% increase compared to 2012.** New office space accounts for approximately 61% of this total.

Two of these major projects are truly driving forces behind Lyon's attractiveness: **the Lyon-Confluence project**, a veritable showcase for the sustainable city of tomorrow, and **the Part-Dieu area**, France's second largest business district after Paris, which is today a major urban and economic development project.

Four years after the project was launched, **the Part-Dieu district**, a 135-hectare site in the heart of Lyon, is booming. A Lyon Part-Dieu local public company (SPL) is being created in order to manage the ambition, strategy and implementation of the project, in cooperation with the investors, real estate developers and architects who are actively working to scale up this centerpiece of the Lyon metropolitan area. To date, **nearly 250,000 sq. m.** of real estate – one-quarter of the project's planned construction – is already being developed and is slated for completion within five years.

Tomorrow, Lyon Part-Dieu will offer an additional 650,000 sq. m. in office space, thus increasing the amount of space available by over 60% and bringing the city's overall total office space to more than 1.65 million sq. m. New innovative buildings are scheduled for completion in 2015, and by 2018 more than 230,000 sq. m. of additional office space will be delivered, attesting to the district's appeal, which is further enhanced by large-scale beautification projects.

The construction of a new generation of high-rise buildings will create a modern skyline comparable to those in Europe's other leading business cities.

Lyon Confluence is one of Europe's largest-scale city center extension projects. At the confluence of the Rhône and Saône rivers, this site stretches over **150 hectares**, extending Lyon's downtown area, whose volume will be doubled when the project is completed.

The initial phase of the urban development project has already sustainably transformed the look and lifestyle of the area: today, it is a destination in its own right, where eco-friendly transports, a vast diversity of activities, creativity and innovation go hand in hand. The December 2014 opening of the **Confluences Museum**, the emblematic project in the city's southern gateway, has further enhanced the image of the neighborhood.



The Musée des Confluences viewed from Gerland ©www.b-rob.com

3 | New challenges to come

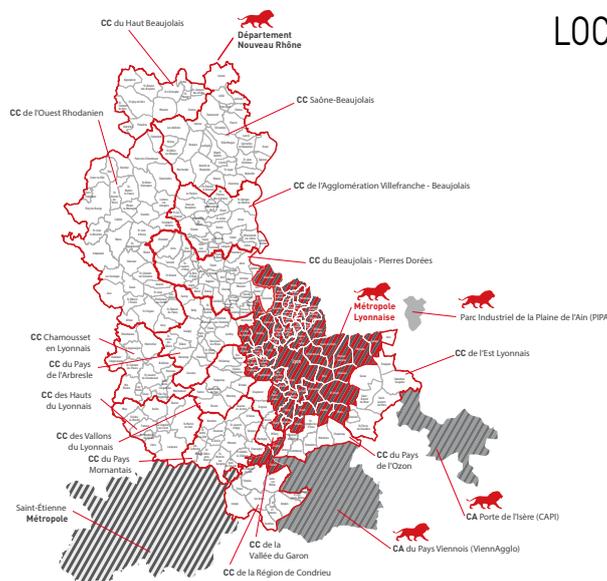
The results of the last three years show that Lyon has passed a milestone and that its attractiveness is now deeply-rooted and recognized. This will enable the city to serenely address the new challenges to come:

A - New institutional and regional turmoil

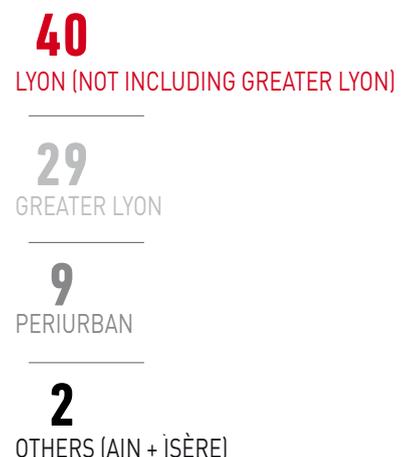
Aderly's area of intervention, which today includes the towns in the Lyon metropolitan area, Rhône County, the Greater Isère Community (CAPI), the Plaine de l'Ain Industrial Park (PIPA) and the Vienne Metropolitan Area (ViennAgglo), covers the entire range of land that the Agency offers the companies it assists.

The setup of the **Lyon Metropolitan Area on 1 January 2015** aims namely to compete with Europe's large cities by creating an urban community of approximately 2.5 million inhabitants. It is thus an asset to Lyon's attractiveness as it will allow the city to extend its international influence while making it even more effective at the local level. This change will enable Aderly to consolidate its **rightful dimension as a metropolitan area agency**.

Alongside this, other regional changes likely to strengthen Aderly's range of services to the area are already underway. **The metropolitan cluster, created in 2012** to organize joint large-scale actions between the cities of **Lyon, Saint-Etienne, Bourgoin-Jallieu** and **Vienne** in order to make this shared metropolitan area more visible and more competitive, opens a number of new prospects. While Aderly is already working with ViennAgglo and CAPI, the cooperative venture with Saint-Etienne is currently in the works. This new regional offer is highly complementary to that currently offered by Aderly and should thus fully benefit from this closer collaboration. It does, however, bring together very strong identities, which will require some adjustments to be made.



LOCATION



On the whole, the strengthening of these partnerships not only opens Aderly up to potential new land projects in the region, but also to new territories for prospecting and strengthening its range of business services.

Indeed, each of the areas has its own economic identity and its industries of excellence. Saint-Etienne, for example, stands out for its expertise in design (including industrial and digital design) as well as for its specialization in medical technologies. These sectors are very similar to Lyon's industries of excellence promoted by Aderly, yet again creating new opportunities. Likewise, the North Isère region specializes in innovative construction technology with the PIC cluster, whereas the Beaujolais/Nouveau Rhône area is developing new logistics centers, capitalizing on its location within the Paris-Lyon corridor. Aderly will incorporate these precious new opportunities into its prospecting drives.

"...cities are a response to the crisis and Lyon is a PRAGMATIC and inventive city", Jean Haentjens, Jean Haentjens: economist, town planner, informed observer of urban trends in Europe and pathfinder for the city of tomorrow.

"Lyon must emphasize its SPECIFIC FEATURES." Saskia Sassen: sociologist, economist, globalization specialist and mother of the «global cities» concept.

B - New economic challenges

New markets

Next, Aderly must prospect new markets in order to remain in step with the major international investment flows. Long studied as a potential candidate, **Russia** is now one of Aderly's key prospects, despite its unfavorable monetary context.

In the same way, the strained economic climate has considerably strengthened the share of national investment and projects in Aderly's results. It thus appears that, alongside Lyon's growing attractiveness, the trend in rejecting Paris as a potential location has brought to Lyon new investment projects originally started in Paris by French or international investors. This is shown by the EY study, which reveals that **Lyon stands out as Paris' sole challenger** (with a 65% response rate). This represents yet another opportunity for Aderly.

As a result, starting in 2015, Russia and Paris will be the targets of an intensive dedicated prospecting campaign.

Boosting the metropolitan area's international standing

The various indicators, growth and diversity of rankings in national and international surveys show that the alliance of collective know-how and promotion is effective.

This being said, after 7 years of existence, in 2015 the ONLYLYON program is going to enter a new phase in which capitalize even more on the city's strengths, as well as on export actions. Lyon's international standing must boost awareness, enhance its image and make the city even more attractive.

With this in mind, it is vital to strengthen Lyon's capacities in terms of education, research and sports, as well as cultivate our values of humanism and solidarity.

To do this, ONLYLYON will have to speed up its open, collaborative approach and ramp up its digital transition and viral appeal.

Finally, the communications and promotional actions to be run in 2015 must be even more:

- Focused on top-priority markets with a constant, consistent, strengthened emphasis on Paris
- Segmented and impactful, depending on the target, relying more on content and testimonials.

3 New challenges to come

Conclusion

The good results for three straight years, despite a difficult international context, require continued commitment from the staff at Aderly and ONLYLYON for this new year and the years to come, all the more so as new challenges await on the horizon.

In order to incorporate these various challenges while remaining as effective as possible, Aderly introduced a new organization on 1 January 2015. The main changes are the return of one team of experts for each country (Germany, the United States, Italy, China, Japan, Russia, the UK, and Spain/Brazil/Portugal) alongside a team of experts in each sector (cleantech, biotech, services and digital) and four new business developers: two based in Nouveau Rhône, one at CAPI (L'Isle d'Abeau) and one in Saint-Etienne to address the changes in Aderly's regional scope.

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