David Kimelfeld – President, Lyon Métropole, France



Lyon has become recognized nationally and internationally as possessing all the requisite qualities to host high value-added businesses without experiencing the downsides of much larger, sprawling cities like Paris

07.11.2018

Tags: France, Research, Lyon Métropole, Lyon, Cluster

David Kimelfeld, president of Lyon Métropole, speaks out about his plans for the region in terms of industrial innovation and sustainability, describing how Lyon's historical roots would represent and enhance its future development.

It is a crucial moment for your presidency, as innovation, research and industry in the pharma context are building a new future for Lyon and its region. Could you describe how Lyon's offer is attractive and unique if compared to other French metropoles?

Our offer is very much in tune with what my administration stands for on the topics of health and environment as we strive to entice new enterprises to our region, but always in a sustainable manner. We can already lay claim to an excellent enabling ecosystem for business and indeed enjoy a fine legacy in the life sciences space for high-performance firms, breakthrough innovation and a strong orientation towards R&D. Lyon has become recognized nationally and internationally as possessing all the requisite qualities to host high value-added businesses without experiencing the downsides of much larger, sprawling cities like Paris. At the same time, we have to face up to the fact that our growth model, which has previously served us so well, is encountering some challenges. Lyon's unique offer is a question of business attractiveness and public health at the same time, as many firms do inquire about public health policies, especially concerning the quality of air that has lately deteriorated due to pollution; we have to show that we are taking proper measures to fight it and that we have a dedicated strategy towards ensuring that the lifestyle

associated with being in our region remains as alluring as ever.

What then would you say are your core priorities?

Our top priority right now is sorting out the environmental aspects of life in Lyon. We have to show we can provide public policies that foster sustainable, inclusive, balanced development. In short, this means paying greater attention to improving the quality of air and ensuring better living conditions for our citizens. An associated goal is to preserve social diversity in contrast to what is happening in Paris. We have noticed that schools there have been closing in the heart of the city, as young couples with children have to move to the suburbs as they are priced out of the housing market. We don't necessarily want to follow in the footsteps of other metropolises where the middle classes have vacated the city centre and daily life revolves around heavy commuting to and from work. Last but not least, we are determined to enhance economic development and creativity – we are firmly convinced the two can coexist harmoniously. The pharma industry is an environmental and health-oriented sector at the same time. Industrialization and environmentalism are not opposites. We are trying to put into practice a smarter development trajectory based on green growth.

What would you describe as your biggest achievements during your first years of presidency?

In 2012, we voted for a climate plan with more than 100 partners and we have been able to reduce CO2 emissions by 12.5%, while at the same time the population has increased by 10%. These measures are appreciated by the pharma industry, which is adopting more environmentally friendly processes. Then we implemented the oxygen plan, which incentivizes the use of hybrid and eco-friendly vehicles instead of classic cars; it is a 1 billion EUR (1.13 billion USD) 5-year project, which includes new tramway and underground lines, as well as cycle paths and a car-pooling network. Industry has rapidly progressed on environmentally friendly practices and solutions. We worked also on heating options, enabling each citizen to choose optimized heating systems. Additionally, improving building insulation and developing low energy consumption buildings stands as one of our key achievements. The Métropole is now in charge of an energy scheme that encompasses urban heating.

Isn’t there a risk that Lyon becomes a victim of its own success? Surely, the more the city attracts new industry, the more congested it will become?

At the beginning of the 2000’s, a strong development took place in Lyon, involving both economic and touristic contexts. The mayor, Gerard Collomb, emphasized and invested heavily in both aspects and, as a result, Lyon now hosts lots of congresses and trade shows as the Pollutec trade show, for example, WHO meetings as well as the International Agency for Research on Cancer and also cultural events such as the Festival of Lights or the Lumière festival for Cinema. Collomb achieved great success in putting Lyon on the map and establishing a brand for the region. Nowadays we are making subtle changes to our development model conscious that we can, indeed, become victims of our own success. We have now entered a new phase in our development lifecycle in the sense that we now want to privilege quality of growth over quantity. A “growth at any cost” strategy would not lead us to secure the ambitious outcomes that we are seeking for this region. We clearly have to be more discerning than that.

When firms make decisions about whether to invest in setting up a new facility they increasingly take into account the human aspects of the host location. After all, the decision to relocate operations to the Lyon area can have a big impact on the quality of life of a company’s employees. A good example of this dynamic at play has been the decision making of the German pharma company, Boehringer Ingelheim. They conducted a thorough analysis of the regional transport infrastructure and auxiliary facilities before proceeding with their big-ticket investments here.

In 2020, the debate will focus on development styles, as we do see progress, but we have to be vigilant on environment, transport and the overall urban texture all of which have a big impact on the quality of everyday life. We have a duty to be attentive to this and know that the President of Boehringer Ingelheim France, for his part, needs to keep the commitment that he sold to his employees three years ago in promising them an improved quality of life – more affordable, healthier, happier – by being based out of Lyon. Paris is, very much, an example of what not to do: indeed we have welcomed a great many Parisian firms complaining of expensive rents, poor infrastructure and congestion who had got to the point where they were searching for an alternative location and base to operate from.

Marseille and Nantes do follow our example; however, their offer is different to Lyon’s and they present an alternative array of characteristics, strengths and weaknesses. Nonetheless, we have to remain mindful of the competition posed by them. We know that they are themselves progressing: both are well linked to Paris with the high-speed train and are high-performance metropolises.

Could you provide further details on Lyon's historical roots and background, to see how they represent a strong point for future investments and bio-innovation?

The life sciences industry is a key pillar of our local economy. There is a historical legacy that underpins this. Firstly, there has always been strong cooperation between local policymakers and industry and a distinctive sense of working together as a collective irrespective of any differences in political preference. Secondly, Lyon is endowed with a robust industrial tradition within various sectors. It is a very different landscape compared to Toulouse, for instance, where aeronautics is the only strong and dominating industrial sector. In Lyon, it all started with a thriving silk business, the root that led us to develop the chemical industry, which in turn laid strong foundations for cultivating a pharmaceutical manufacturing base. At the same time, we have always been blessed with there being a steadfast political will to keep the industrial sector alive and enduring, which is in contrast to many other cities that have become post-industrial and have undergone a transition to a pure service economy. Our industrial makeup differs from Toulouse's, as we present a varied and interwoven industrial texture that encompasses chemical and pharmaceutical manufacturing as well as automotive (or more precisely trucks) fabrication. Alongside, we also have a vibrant digital industry that helps us preserve our industrial diversity and scale the value chain in terms of the sophistication of technology.

What is especially characteristic of our life sciences industry is that we have actors from right across the pharma spectrum. Our captains of industry have succeeded in developing the homegrown pharma sector from research to production to healthcare provision. Lyon possesses many state-of-the-art manufacturing facilities, research labs, hospitals and medical clinics including institutes dedicated to infectiology and immunotherapies, cancer research and neuroscience innovation. We, therefore, offer a fully-fledged hub or cluster where different parts of the value chain can interact seamlessly.

Our biocluster Lyonbiopôle leads the animation of the life sciences ecosystem and is fast growing since it started with 6 founders at its creation in 2005 and welcomes more than 200 members today, all involved in R&D. The Life sciences industry represents more than 39,000 employees, and the region of Lyon is the second largest concentration of jobs and companies in the sector.

What impact does the Macron administration have on the current development of the Métropole?

While the Macron government shares many of our objectives, there is a clear tendency from the top towards concentrating power and centralizing decision making away from the regions. In his speeches, President Emmanuel Macron himself has spoken about his desire to take action, to invest in regional territories, but in practice, since his election, he and his ministers tend to micromanage. Paris is not France, and Lyon presents a very different reality from Paris. We hence have to show this in our projects and endeavours. There is a real analysis to carry out outside Paris and Ile de France, in order to examine the provincial features of the Lyon region and its firms. When people come here, they need to spend a week to see life in our region. Right now, we see some contradictions and inconsistencies in the policies emanating from above. Metropolises are an asset to boost economic development and a chance for all territories. What could be helpful could be to have more local champions. We need influencers and key opinion leaders to give voice and speak up for Lyon, and we are in the process of attracting some.

The Macron administration focused its attention on promoting Industry 4.0. How does AI, big data and the digital world affect Lyon?

We have the ecosystem, the tools and the industry to progress and develop. Our Industry 4.0 pilot site will foster this development. We have to show that we are determined to follow this up and create a “welcoming place for industries with vision.” This is our message.

See more interviews