Discover the French Healthcare solutions in the medical industry

Medica & Compamed
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France became Europe’s top destination for foreign direct investment (ahead of UK and Germany), attracting 1,197 projects in 2019, with a 17% annual increase and a 18.8% market share.

According to EY Europe Attractiveness Survey (May 2020) “For the first time, France attracted more FDI projects than any other country last year. France’s resurgence, which has gathered pace since 2017, is a direct result of reforms of labor laws and corporate taxation, which were very well received by domestic and international investors alike.”

Source: EY Attractiveness Survey Europe May 2020

1. FRANCE IS THE MOST ATTRACTIVE COUNTRY IN EUROPE FOR FDI

1.1) France overtakes the UK as Europe’s top FDI destination

France was #1 in hosting R&D in R&D activities

1,197
foreign investment projects

France, the leading host country for foreign investment in Europe

+17% in foreign investment in 2019

Labor laws and corporate taxation reforms have most contributed to increasing France’s attractiveness

17.4% #2
UK

15.1% #3
Germany

18.8% #1
France
France is the most attractive country in Europe for FDI

France's newfound attractiveness stems from the country's ambitious transformation that we have been leading since 2017. We have reformed our labor market, reduced capital taxation, lowered corporate tax, helped our SMEs to grow, thanks to the PACTE Act, and invested hugely in innovation. France, in just two years, has once again become the country to which international investors turn. The global crisis that we are currently experiencing should not make us lose sight of our success. Beforehand, France boasted a number of key strengths: growth was above the euro zone average, more than 500,000 jobs had been created in two years, and business investment was at an all-time high.

Source: Foreign investment in France 2019 Annual Report (May 2020) – Business France

1.2 ) The health sector in foreign investments in France

In 2019, there are 44 foreign investment projects creating jobs in the medical-surgical equipment sector and 28 for medicines. These projects have led to the creation of more than 1,200 jobs.

The main host regions for these projects are:

**IN 2019**
- Île de France (32% of projects)
- Auvergne-Rhône-Alpes (17%)
- Hauts de France (14%)

**BETWEEN 2014 AND 2019**
- Île de France (29% of projects)
- Auvergne-Rhône-Alpes (15%)
- Grand Est (12%)

The main investor countries in these sectors are:

**IN 2019**
- United States (18% of projects)
- Switzerland (10%)
- Italy (10%)

**BETWEEN 2014 AND 2019**
- United States (18% of projects)
- Germany (15%)
- Switzerland (9%)
- United Kingdom (8%)
- Japan (7%)

In 2019, these projects are primarily in production activities (41% of projects and 60% of associated jobs) and R&D (24% of projects and 19% of jobs).

The medical-surgical equipment and pharmaceutical sectors will account for 15% of foreign R&D investment projects in France in 2019.

Foreign companies contribute nearly 50% of R&D spending by companies in the Medical Irradiation Equipment Manufacturing sector. They employ 52% of salaried researchers in this sector in France.

Source: MESRI-SIES, 2020
2.1) Europe’s roadmap to future competitiveness

It may seem paradoxical, but Europe’s response has been great, although with some complications. On the positive side, governments quickly supported business and employees.

A new European strategy to attract and retain foreign investment

The global economy is now facing the most serious health and economic crisis in recent decades. Covid-19 triggered a sharp decline in foreign investment flows and highlighted the need for companies to reorganize their supply chains. Indeed, 73% of businesses expect Covid-19 to have a severe impact on the global economy, according to EY’s Capital Confidence Barometer launched in March 2020. The experience of the past few weeks — and the complications. On the positive side, governments quickly supported business and employees.

We acted quickly and decisively to safeguard these key strengths. The substantial and immediate support measures helped cushion the shock of the crisis. They were effective, ranging from short-time working, which protected more than 12 million workers, loans guaranteed by the state, which enabled businesses to avoid bankruptcy due to cashflow problems, and help for nearly two million businesses from the solidarity fund. We have protected the economy, we must now support its recovery. In the coming years, France will continue to promote investment from foreign businesses across our regions so that they can create jobs, make the most of our talent and participate in the construction of this new French economy.

Will the Covid-19 pandemic jeopardize these foreign investment projects?

In terms of the number of foreign investments and jobs generated by foreign investors in France, 2019 was an outstanding year. However, a global economic slowdown, doubts about the future of the European Union following Brexit, trade tensions between China and the United States, as well as a return to protectionist policies in some parts of the world were all questions that remained unanswered last year. In this changing environment, the French economy’s resilience and the “pro-business” reforms that have been undertaken by the French government have strengthened foreign investors’ confidence.

While it is difficult to say at this stage, we know, however, that such investments are part of long-term strategies that contribute to the changes observed in the global economy during the last decade, such as the reconfiguration of global value chains, getting production facilities less spread out across the world, with greater proximity to markets. The pandemic is expected to encourage such changes since they respond to key environmental issues.

Source: Foreign investment in France 2019 Annual Report (May 2020) – Business France
Healthcare has always been a central industrial activity in the French economy, and is at the heart of a world-renowned research, public health and healthcare ecosystem. Today, there are more than 3,000 healthcare businesses in France, generating revenues of nearly €90 billion. Within these healthcare industries, the 247 pharmaceutical businesses hold a prominent role, being responsible for €54 billion in revenues and employing nearly 100,000 people. This industry is very internationally focused, achieving half of its revenues through exports. France is the fifth large producer of medicinal products in the European Union. Furthermore, France has the second largest number of healthcare biotechnology businesses (720), of which the great majority are SMEs and startups.

3.1) French healthcare industries focused on innovation

France is a land of health industries. With a sector that represents €90 billion in revenues, 35% of which comes from exports and nearly 455,000 jobs, our territories are dense in life sciences businesses of all sizes: more than 3,100, ranging from startups to multinationals. The healthcare sector is undergoing profound changes: a shift towards biotechnology, digital transformation, strengthening of certification requirements, etc. In this context, the Government is standing alongside developers for a two-fold objective: to strengthen both the competitiveness of our companies and the quality of patient care. This is translated by adapting our public policies to create a favorable environment and by supporting innovation through strong actions.

Agnès Pannier-Runacher
French Minister of State attached to the Minister for the Economy and Finance

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France is an innovative gateway to Europe

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France: Healthcare facts and figures

- Biopharma
  - 2nd largest in Europe for medicinal products for human use (leem)
  - 4th largest exporter in the world of vaccines

- Digital health
  - Global digital leaders choose France, Google and Microsoft have both announced plans to create dedicated AI centers in France in the field of health

- Biotech
  - Euronext: #1 European stock market for Healthtechs
  - INSERM: #1 biotechnologies patent filer in Europe

- Medtech
  - #2 European market for medical devices
  - 85,000 employees including 50% in foreign subsidiaries

Source: Healthcare, a flagship of French industry (July 2019) – Business France

Leading country for access to healthcare (OECD)

- 2nd largest consumer market in Europe
- 2nd European market, and 4th worldwide, for medicinal products and medical devices
- World's best healthcare system (WHO)
- Among the highest health expenditure in the OECD, with 11% of French GDP

Source: Healthcare, a flagship of French industry (July 2019) – Business France

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3. AN INCREASINGLY ATTRACTIVE FRENCH HEALTHCARE ECOSYSTEM FOR INNOVATION

Renowned medical excellence

France’s medical research stands out for its excellence. No fewer than 13 recipients of the Nobel Prize for medicine are French, while numerous medical world firsts have taken place in France, such as the first cord blood transplant in 1988; the first partial face transplant in 2005; the first carotid stent implant in 1990; the first partial face transplant in 2005; the first Carmat artificial heart implant in 2013; or the removal of a cerebral tumor from an awake patient using virtual reality glasses.

Globally acclaimed research centers

French research organizations are among the best in the world. France and the United States are the only two countries to have organizations in Scimago’s top 15 healthcare research institutes. For France, the French National Institute for Health and Medical Research (Institut national de la santé et de la recherche médicale – INSERM) is ranked second, while Assistance Publique – Hôpitaux de Paris (APHP) is in 11th place. INSERM is also the leading patent applicant with the European Patent Office (EPO) in the pharmaceutical sector, and the fourth leading patent applicant (but the leading academic institution) for biotechs. The French National Center for Scientific Research (Centre national de recherche scientifique – CNRS) is ranked fourth among world research organizations by the Nature Index 2020 due to the large amount of work published by CNRS researchers in acclaimed journals. The French Atomic Energy and Alternative Energy Commission (Commissariat à l’énergie atomique et aux energies alternatives – CEA) meanwhile is part of the 100 top organizations for innovation, as ranked by Clarivate Analytics in its Derwent Top 100 Global Innovators 2018-19.

Public research, recognised for its excellence and at the origin of numerous technologies developed

52% of Healthtech companies were created from academic or public research

Half of Healthtech’s partnerships are conducted with public organisations (universities, research institutes)

3.2 ) France, a Life Science hub at the heart of Europe

Innovation clusters play a key role in attractiveness and innovation policies by encouraging partnerships between research organizations and business. In healthcare sectors, there are numerous innovation clusters spread throughout the country.

France has six innovation clusters specifically dedicated to life sciences, the healthcare, medical biotechnology and medical devices sectors: Lyon Biopôle, Medecine, Biovalley France, Atlantik Biothérapies, Eurobiomed and Nutrition Santé Longévité, which bring together 1,300 members, including 1,000 SMEs.

The Ile de France region has been selected as host of the international Venture Centre of Excellence (conceived as part of a collaboration between EIT Health and the European Investment Fund EIF). As such, the region will provide financial support of up to €200 000. The Venture Centre of Excellence is Europe’s first life sciences and healthcare open innovation programme, dedicated to attracting more investment to Europe’s healthcare and life sciences sector.

It will increase Europe’s innovation capacity by providing access to investment for startups, while also building strategic connections between venture capital funds and corporate members, to promote collaboration with disruptive startups. This 15-year pan-European programme is expected to inject €2 billion into the economy. Corporate members and venture capital from across Europe will have the opportunity to leverage their in-kind and own resources with the support of EIT Health and EIF to better finance life sciences and healthcare startups.

Source: Healthcare, a flagship of French industry (July 2019) – Business France
We have secured the research tax credit (CIR), which represents €800 million per year for health industries. Our priority is also to help Healthtech companies adapt to new regulations. It should be noted that the new European regulation regarding Medical Devices (MD), which will come into effect on May 26, 2020, strengthens surveillance and certification procedures. It enforces the requirement for manufacturers to carry out clinical trials to prove the safety of high-risk products, random inspections of manufacturers after product launch, provides unique identifiers for medical devices. We have also taken strong action to anticipate the regulatory and tax consequences of Brexit. We can also mention the implementation of measures announced by the President of the French Republic at the Strategic Council for Health Industries (CSIS), particularly, the measure included in the 2020 social security health budget which provides early access to Medtech companies, and the ambitious projects promoted by the Strategic Council for Health Industries, for instance regarding biomanufacturing.

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France has very generous state funding for R&D, with tax breaks such as the research tax credit, innovation tax credit and the innovative new companies status, but also innovation funding programs such as the Major Investment Plan.

France, #1 country for R&D subsidies within OECD countries thanks to the research tax credit, covering 30% of R&D expenses up to €100 million

Source: OECD

88% of Healthtechs benefit from the CIR (Research Tax Credit)

53% of companies were eligible to the JEI (Young Innovative Enterprise) status

Source: Panorama France HealthTech 2019 (February 2020) – France Biotech

The "innovative new company" status (jeune entreprise innovante – JEI), introduced in 2004, offers a variety of tax and social security relief (such as partial exemption from corporate tax and capital gains, and complete exemption from certain employer social security contributions) to SMEs that are less than eight years old and devote at least 15% of their total spending to R&D.

The Major Investment Plan (Grand Plan d’Investissement – GPI) takes on the work of the National Investment Program focusing on innovation, such as the innovation contest, support for collaborative research, and several funds operated by Bpifrance to strengthen the French venture capital market in certain segments. It corresponds to a €57 billion investment program centered on four priorities, including anchoring competitiveness to innovation and building a digital state. This major investment program notably includes a provision of €5 billion to fast-track the digitization of the healthcare and social cohesion system.

Source: Healthcare, a flagship of French industry (July 2019) – Business France

No wonder France has a strong ability to attract major R&D projects, which have increased by 22%.

+22% of investment in R&D centers in 2019

R&D activities represented 11% of all foreign investment in France in 2019 (157 projects)

American companies stood out for their involvement in R&D: they were responsible for 27% of the decisions identified

Source: Foreign investment in France 2019 Annual Report (May 2020) – Business France

Substantial R&D investments specific to the life sciences companies

11% of investment in R&D activities

60% of company spending

€7 million per company in 2018

44% of the workforce (10% for clinical development)

Source: Foreign investment in France 2019 Annual Report (May 2020) – Business France
FRENCH HEALTHCARE EXHIBITOR LIST

Airfan
Since its incorporation in 2003, AIRFAN designs and produces centrifugal blowers for respiratory devices requiring reliability and high performance. AIRFAN turbines operate 24 hours/day, 365 days/year at the heart of demanding health care respirators. AIRFAN is ISO9001 and ISO13485 certified.

ATA Medical
The leader company in France for the hygienic air treatment with more than 2000 references in France. Our compact devices effectively recirculate, filter, and disinfect air from bacteria, fungi, and viruses like SARS-CoV2 causing COVID-19, and even surfaces. Our objective is to reduce infections in Hospital areas and risk zones through reliable products, developed by an engineering department with more than 20 years of experience.

Creative Eurecom
Brings your idea to production. As a contract manufacturer, from R&D to production, to define, design, develop and manufacture innovative medical devices. We offer various level of services (Electronics & Software, Mechanics, Software, Mechanical design, tailored to the needs of our clients, throughout the whole product life cycle. Founded in 1988, we have continued to value a strong culture of innovation and expertise in complex software, electronics and mechanical development to deliver turnkey medical devices. ISO 13485

Didactic
Since 50 years, DIDACTIC is manufacturer and distributor of single use devices. Located in France, Didactic sells its medical devices in all French hospitals and in 40 countries all over the world. With its 4 brands, Polymed Medical, Dr Hieba, Intermed and Infined, Didactic offers a large range of products: - Protection (examination gloves and surgical) - Infusion sets, injection, urology and care - Oral Care (oral care sticks and aspirated devices for ICU units) - Hygiene, comfort and care treatment for dependent patients

Emy
Emy is a connected biofeedback device with patented and innovative sensor technology and CE-certified medical device class I.

Fimeo
Provides unique connected medical technologies that are easy to use and that changes the way women take care about their health on a daily basis. Our products are user-friendly and easily accessible solutions, developed in collaboration with healthcare professionals to guarantee efficient personal training success based on medical standards. Our product Emy, a connected Kegel trainer, was developed to allow women to strengthen their pelvic floor efficiently and with a smart and fun mobile app at home. Emy is a connected biofeedback device with patented and innovative sensor technology and CE-certified medical device class I.

HEALTIM
HEALTH is a MRI Safety and Compatibility laboratory ISO/IEC 17025 accredited* for its testing services, HEALTHIS performs testing in compliance with the latest applicable international standards. (ASTM F2052, F2213, F2182, F2119, ISO/TS10974). Whether you need to evaluate the safety of your medical device in an MRI environment for technical/regulatory purposes, are looking to organize MRI services, HEAL TIS performs testing in compliance with the latest applicable international standards.

I-Virtual
I-Virtual is developing a medical grade vital signs measurement solution based on the analysis of the video stream taken from a webcam. By using artificial intelligence, I-Virtual measures heart rate and respiratory rate. Also, it will soon measure a full range of vital signs such as SpO2, blood pressure, vasodilatation and pupillometry. Moreover, I-Virtual provides daily well-being information such as HRV, Stress level and emotional valence. For car manufacturers, I-Virtual is able to give information about vasodilatation and pupillometry. For car manufacturers, I-Virtual is able to give information about vasodilatation and pupillometry. Moreover, I-Virtual provides daily well-being information such as HRV, video stream taken from a webcam. By using artificial intelligence, I-Virtual measures heart rate and respiratory rate. Also, it will soon measure a full range of vital signs such as SpO2, blood pressure, vasodilatation and pupillometry. Moreover, I-Virtual provides daily well-being information such as HRV, stress level and emotional valence. For car manufacturers, I-Virtual is able to give information about vasodilatation and pupillometry.

Labelians
Labelians (CML-ID group) is a major player in the laboratory world and the leading distributor of disposables, equipment, furniture and services to medical laboratories in France. Its production unit, CE8, has an expertise in manufacturing Medical Devices (MD) and (IVD), PEH8 bottles, OEM products.

LEBRONIA, the antimicrobial copper solution with the most effective and long-lasting antimicrobial activity. Among the antimicrobial copper solutions available on the market, Steralit® is the one that has been the subject of the most peer-reviewed scientific publications. It is mainly used for safe antimicrobial architectural elements.

Lebronza alloys
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MANUDO
 Cranial implant… Made with specific materials: EVA, PU, PVC without DEHP PETG medical, PC, complex film, PEHE, LUMI, SEBS, PP, etc.

TESSAN
TESSAN is a French telemedicine solutions provider, offering integrated teleconsultation solutions (hardware and software) to proximity players like pharmacies or municipalities facilities. Our offer is composed of proprietary secure software and its integration in plug-and-play connected telemedicine cabins and kiosks bundling EU-certified medical devices included - thermometer, oximeter, sphygmomanometer, blood pressure monitor, otoscope, dermatoscope and scale. By setting-up TESSAN solutions in patients immediate neighbourhood, health care professionals and public players tackle roadblocks stopping large-scale adoption of the technology. In a word, TESSAN provides quality telemedicine, close to you.

TEKNI MED
TEKNI MED designs and develops, manufactures innovative biomaterials and ancillary mixing/ delivery systems. Our long standing experience in the sector enables us to offer a large range of innovative Medical devices. Based in France, TEKNI MED presents on its own unique combination of skills in the 5 major biomaterials areas: Calcium phosphates, Resorbable Polymers, PMMA Bone cements, Textiles and Instrumentations.
French Healthcare is an innovative public-private initiative aimed at bringing together the key players in the French healthcare ecosystem (companies, researchers, healthcare professionals, innovation clusters, etc.), to promote their operations, expertise and technologies internationally.

Choose France is a registered trademark of the French government that promotes France’s economic attractiveness internationally.

Business France is the national agency supporting the international development of the French economy. It is responsible for fostering export growth by French businesses, as well as promoting and facilitating international investment in France. It promotes France’s companies, business image and nationwide attractiveness as an investment location, and also runs the V.I.E international internship program.