

An International Economic Development Partner Joins the Research Valley Partnership

by REBECCA WATTS

The Research Valley Partnership and Wallonia Export and Foreign Investment Agency (AWEX) signed an agreement earlier this summer to collaborate in their efforts to promote economic development here in the Brazos Valley and abroad.

Todd McDaniel, president and chief executive of the Research Valley Partnership, said, "There are unique opportunities to connect our technology and use our unique infrastructure to connect us to other places around the world. We are very much becoming an international community."

AWEX is a Belgian foreign trade government agency responsible for stimulating economic activity within the Wallonia region. Wallonia, the southern region of Belgium, has a network of nine universities and 300 research and development centers with academic fields similar to Texas A&M University's, such as life sciences, mechanics, aerospace, clean technologies, and agro-food sectors. AWEX plays three roles in stimulating economic growth within Wallonia. The agency is a clearinghouse for information pertaining to import and export potentials, foreign market analysis, and products and services provided by Wallonia companies. Through that information, AWEX identifies the potential for international partnerships and joint ventures that further AWEX's third role as a foreign investment agency.

The recently announced memorandum of understanding between AWEX and the RVP developed out of a pre-existing relationship with The Texas A&M University System Office of Technology Commercialization. Philippe LaChapelle, AWEX director of business development and partnerships, learned about the A&M system's technology commercialization efforts through a friend, Evan Anderson, a professor of Information and operations management at Texas A&M University's Mays Business School. LaChapelle asked Anderson to arrange a meeting with the system office, which ultimately led to a formal agreement in 2007 aimed at building global companies from the ground up. Combining the resources of AWEX and the A&M System Office of Technology Commercialization allows Texas A&M technologies and Belgium technologies and companies to form joint ventures and enter the U.S. and European markets simultaneously.

"We decided it [made] a lot of sense to have a partnership to build global companies from the beginning," LaChapelle said. "We think it is as important to go abroad, as it is for foreign companies to come to our region. We are taking technology from A&M and matching it with the needs of Belgium companies that want to get into the American market. Because we are a government agency, we are able to reach the 70,000+ region south of Brussels. It was impossible for A&M to reach such a large audience of companies at the same time."

The A&M System Office of Technology Commercialization identifies appropriate system technologies and research the Belgian companies can work with. The system office also helps to develop a business model and plan, and where needed and appropriate, may put in a small investment in the joint start-up, said Brett Cornwell, commercialization

services director for Texas A&M System Office of Technology Commercialization. AWEX is providing the same level of assistance with U.S. technologies and companies interested in entering the European market. The relationship has been maturing since 2006. Several technologies were originally identified as appropriate for establishing a joint venture with Belgium companies, but failed to produce results until late last year when the system office identified a Texas Engineering Experiment Station technology that held potential for a Belgian company. Both parties were interested in a partnership, and with the assistance of the system office and AWEX, spun out the company Lisam America, based in the U.S., and Lisam Systems, based in Belgium. It was through the creation of Lisam that the system office realized that the most successful pairing of A&M system technologies is with Belgian companies rather than researchers, which is where the relationship with the RVP originated.

"The relationship between the RVP and AWEX extends the mission that we are trying to accomplish at OTC, which is strictly related to the System," Cornwell said.

AWEX's partnership with the RVP is a purely economic-based pairing. The emerging BioCorridor, Research Valley Innovation Center (RVIC), and location of Texas A&M, provide the idea infrastructure and resources for AWEX's mission of creating global companies. The agency's global connections provide technologies and companies developing with the assistance of the RVP, RVIC, and A&M system office of technology commercialization with a network of 105 economic and trade commissions, including within China, Africa, and India. Additionally, AWEX has two established incubator relationships in the United States, a life sciences collaboration in Philadelphia, Illinois, and an IT focused partnership in San Jose, California, which further enhance the ability of the RVP, RVIC, and A&M System to access technologies and companies that could pair with existing start-ups.

Omar Hakim, general manager of the RVIC, said, "We are really looking for opportunities for joint venture between our companies as well as licensing opportunities and co-investment opportunities. The fact that we have synergies between our companies and their companies makes the company as a whole that much stronger."

AWEX will be providing the same services for start-ups and technologies trying to enter the European market that the RVP, RVIC, and A&M system office provide for Wallonia companies and technologies. In keeping with the agency's agenda to stimulate the Wallonia economy, the primary goal will be to establish a dual presence in the U.S. and Europe by creating joint ventures that utilize the technology in the A&M System, and technology in the Wallonia region. The partnership will provide those joint ventures with the physical locations needed to establish legal residency in each market. Additionally, the RVIC will be launching an International Gateway program early next year aimed at assisting all international companies in finding a physical location to establish an American headquarters.

"[The program] is going to help draw foreign companies that want to enter the U.S. market, to enter from Bryan-College Station," Hakim said. "They can go anywhere in the U.S., but they'll have headquarters in our area."

The long-term economic impact on the Brazos Valley could be profound. According to Hakim, the only competition the RVP faces is AWEX's existing incubator agreements within the states. LaChapelle pointed out that the agreements with the East and West Coast incubators are not exclusive and that the Bryan-College Station region is particularly competitive due to the close relationship the RVP has with Texas A&M and A&M System Office of Technology Commercialization. But, LaChapelle also explained that trust and friendship play a large role in conducting business with the agency. The relationship that developed between AWEX and the system office took well over five years to develop and LaChapelle reminded that the agreement with the RVP is just two months old. However, he is optimistic that the agreement will result in relationships similar to those developed with members of the staff of system office, most of whom he now calls friends.

"On our side, [the relationship with the system office] is a wonderful relationship and it's working extremely well. The relationship with [the RVIC] is something that we will build," LaChapelle said. "It is something we signed just over a month ago, but we still have to work to make something happen out of it. It's going to be a story!" ■



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