

# Editor's Page

May 7, 2007

Volume 85, Number 19

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FROM THE EDITOR

## Shanghai Revisted

[Rudy M. Baum, Editor-in-chief](#)

**I recently returned** from my third trip to China in the past three years. I spent a week in Shanghai and Suzhou with C&EN Senior Correspondent Jean-François Tremblay, our Hong Kong-based reporter who arranged numerous interviews with leaders in the fine and custom chemicals, contract research, and pharmaceutical industries.

I've spent time in Shanghai on each of the three trips. Suzhou, a city of 6 million about 50 miles west of Shanghai, was new to me. Both are vibrant, thriving metropolises, and both have staked much of their futures on science and technology.

In Suzhou, Tremblay and I talked with Yuwen Liu, executive vice president of the Suzhou Industrial Park (SIP) Bio & Nano Technology Development Co. (BioBay). Liu is a Suzhou native who recently relocated with her husband and daughter from Shanghai, where she worked for Pfizer and Perrigo. Her current job is to attract Western companies to SIP, and while progress has not been as rapid as some in government had hoped, Liu said that BioBay is taking shape. Both the Nano-tech & Nano-bionics and the Genomics Institutes of the Chinese Academy of Sciences (CAS) have committed to establishing facilities at SIP. Cold Spring Harbor Laboratory is building a conference center at SIP, and 10 CSHL conferences will be held there in 2009. Suzhou is clearly positioning itself as a less crowded and less expensive alternative to Shanghai for science- and technology-oriented research institutes and companies.

Infrastructure is clearly a priority in Shanghai. Large sums of money are being poured into multilane highways, an expanded subway system, and high-speed intercity trains. You can't travel anywhere in the Shanghai area without encountering extensive road-building activity. Traffic remains horribly congested, though, and air pollution in Shanghai continues to be a significant problem.

In Shanghai, Tremblay and I spoke with individuals from WuXi PharmaTech, Bicol Biotechnology, Medicilon, Novartis Institutes for BioMedical Research, CAS's Shanghai Institute of Materia Medica, and Shanghai Pharmaceutical. Two themes emerged from these interviews. One is that China is determined to cultivate robust drug discovery, development, and commercialization capabilities that will compete with the U.S. and European pharmaceutical and biotechnology industries. The second is that "returnees"—Chinese scientists who received their graduate or postgraduate education in the West and who have worked for Western pharmaceutical companies—will play a key role in this development. I will return to these two themes in an upcoming issue of C&EN.

During the trip, Joseph G. Acker, president of the Synthetic Organic Chemical Manufacturers Association, and I hosted a reception and dinner attended by about 150 individuals from China's fine and custom chemicals and pharmaceutical industries and multinational chemical companies doing business in China.

Frank Wicks, president of SAFC—the fastest growing business unit of Sigma-Aldrich Corp.—and a member of C&EN's advisory board, gave the after-dinner talk. Wicks pointed out that a number of general trends are reshaping the fine and custom chemicals industry. The demand for devices that are ever smaller and faster "requires chemistry that is very different from five years ago," Wicks said. The pharmaceutical industry, he noted, relies more and more on in-licensing for its new products. In addition, compliance with increasingly stringent regulations and the demand for sustainability are also driving change.

The response of the fine and custom chemicals industry to these trends, Wicks said, includes more flexible manufacturing facilities and more stringent quality-control systems to meet the market's demands. "The pace of technology change requires flexibility, nimbleness, and responsiveness," he concluded.

All is by no means well in the Chinese chemical enterprise (see page 46). That said, the chemical industry in China, particularly that associated with the pharmaceutical and biotech industries, appears to me to be flexible, nimble, and responsive, and poised for continued growth.

Thanks for reading.

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Chemical & Engineering News  
ISSN 0009-2347

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