

Biotech partnering event gets Canada noticed

Last November in Frankfurt, Germany, a Canadian delegation of biotech companies attended **BioEurope 2003**—an international biotechnology, pharmaceutical and financial sector partnering event and conference. Canada's objective was to promote technology and venture financing partnerships between Canadian and German biotech companies, strengthen the bilateral science and technology relationship, and brand Canada's image as an international leader in biotechnology.

The Canadian presence at BioEurope was organized by the Department of Foreign Affairs and International Trade's (DFAIT) Science and Technology Division, the Canadian Embassy in Germany and Industry Canada. The conference brought together some 1200 participants from around the world—large enough to attract major international biotech, venture capital and pharmaceutical companies, yet small enough to organize effective partnering meetings.

The partnering event attracted more than 70 participants including 17 Canadian biotech and venture capital

companies. With more than 64 one-on-one pre-arranged meetings, the two-hour event was a success. German companies ranging from small and medium-sized enterprises to multi-nationals such as Boehringer Ingelheim and Bayer were present.



At the Canadian pavilion at BioEurope 2003 were, from left: Sonja Basjmeleh, Canadian Embassy in Germany; Kathrine Howard and Hélène Forest, both of Industry Canada; and Henry Yau, DFAIT.

Positive feedback

"The partnering event with Canadian biotech companies was a fantastic idea and should be repeated on a regular basis," said Andrea Heyne,

CEO of German biotechnology company Medimod GmbH. Canadian participants were also positive: Bill McGinnis, President and CEO of London-based **Diabetogen Biosciences**, thought the event was "very effective," and Bob Seeman, CEO of Toronto-based **Clera**, said the event was "very efficient and productive."

Also, the Canadian pavilion at the conference attracted a steady stream of visitors, many of whom inquired about Canadian biotechnology companies and how to find the right partners, and numerous German biotech participants expressed an interest in attending events to meet more Canadian partners.

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SAD sufferers in Norway — continued from page 1

When Pederson arrived in Norway in mid-October, Erin Wilkinson of the International Trade Centre in Edmonton had arranged company visits to potential buyers, as well as a television interview and a short presentation at the Ambassador's residence. Pederson also signed a deal securing the initial test order with Vitus Apotek, Norway's largest pharmacy chain.

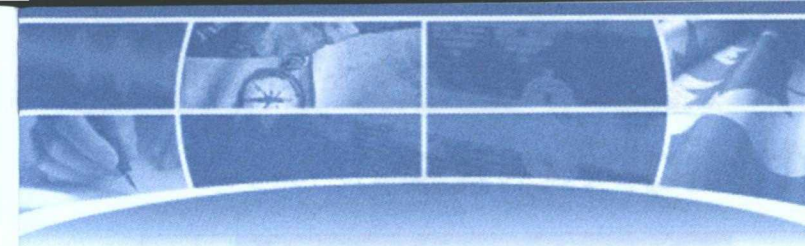
Pederson acknowledges the contributions and partnerships of the Program for Export Market Development,

Western Diversification's International Trade Personnel Program and the National Research Council's Industrial Research Assistance Program. He is also working with the Federal Drug Administration in the U.S., and NASA is also evaluating the Litebook® for use by astronauts in the space shuttle program and on the international space station.

Pederson adds that continued support from the staff at the International Trade Centre and Canadian

embassies is critical to the product's future in the global marketplace.

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Canadian Trade Review

A Quarterly Review of Canada's Trade Performance
 Third Quarter 2003

This quarterly review reports on Canada's economic growth in the third quarter of 2003, and highlights our trade and investment performance in key sectors and markets.

Canadian Economy Rebounds in Third Quarter

Despite the August blackout, which curtailed production in Canada's economic heartland for part of the month, real gross domestic product (GDP) expanded by 1.1%¹ in the third quarter—reversing the 0.7% decline in the previous quarter. Thus, with the exception of the second quarter, the Canadian economy has expanded over the past eight quarters. South of the border, preliminary estimates indicate that U.S. GDP increased 8.2% in the third quarter after registering 3.3% growth in the second quarter.

Business investment and consumer spending continued to support economic growth. Business investment was up 3.1%, marking the third straight quarterly gain and the largest in 15 quarters. Strong consumer spending, particularly on housing, furnishings and motor vehicles, outstripped income increases, lowering consumer savings and reducing the savings rate.

On the other hand, a sharp drawdown in business inventories limited growth in the quarter. Stocks of motor vehicles declined as dealers provided incentives to clear out last year's models. In addition, the forestry industry sold from inventory to meet demand from the continued boom in home construction in both Canada and the United States. However, farm inventories increased as grain crops, fresh from the fields, were being stored. At the same time, livestock inventories ballooned due to the limited access of cattle and beef products to the U.S. market.

Continued strengthening of the Canadian dollar hampered growth in the export sector. Exports expanded by only 0.3% in the quarter, assisted by higher services exports. Goods exports would have been even lower if not for exports of energy and forest products, which benefited from price increases. Imports of goods and services were down 7.3%. As a result, the current account balance improved in the third quarter.

¹ To make quarterly data comparable to annual data, the quarterly figures for trade in goods and services are adjusted for seasonality and are expressed at annual rates by raising them four times (i.e. seasonally adjusted annual rates, or saar). All figures, with the exception of investment figures, are expressed on a saar basis unless otherwise noted.

Table 1: Canada's Economic and Trade Indicators

Percent Change at Annual Rates Third Quarter 2003 over Second Quarter 2003	
Real GDP (annualized)	1.1
Employment (quarterly increase, level)	14,000
Rate of Unemployment (quarterly average)	7.9
Consumer Price Index (third quarter 2003 over third quarter 2002)	
All Items	2.1
Core (excludes food and energy)	1.7
Canadian \$ in U.S. Funds (average for quarter, level)	0.7248
Exports of Goods and Services (annualized, current dollars)	0.3
Imports of Goods and Services (annualized, current dollars)	-7.3

Source: Statistics Canada

Job creation continued, although the net quarterly increase was only some 14,000 jobs. Despite the overall gains in employment, the average unemployment rate for the quarter increased to 7.9% from 7.7% the previous quarter.

Inflation continued to decline, falling to 2.1% from 2.8%. Core inflation was also reduced in the quarter—from 2.2% to 1.7%.

The Canadian dollar was up 1.25% against the American dollar, considerably less than the 8.0% increase registered in the second quarter. The average value of the loonie for the quarter was 72.48 U.S. cents.

Prepared by the Trade and Economic Analysis Division (EET)