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## **Lux Research Launches China Innovation Service**

Lux Research, a leading technology scouting and market analysis firm, focuses its sights on China, the world's most dynamic economy.

Boston, MA – June 28, 2011 – [Lux Research](#) announced today the launch of its new China Innovation Intelligence service. Comprising a talented team of well-networked, native analysts based in Shanghai, Singapore and Boston, the service will provide Lux Research's global clients with ongoing technology scouting and market intelligence from the world's most dynamic economy.

"No other nation in the world shares China's unique mix of strong R&D, vast manufacturing resources, supportive government policies and domestic market demand," said Lux Research CEO Dennis Philbin. "Consequently, foreign tech developers simply cannot afford to ignore its potential for commerce and open innovation, yet they will need reliable, up-to-date intelligence in order to proceed decisively and intelligently. That's precisely what we designed the China Innovation service to provide."

The new service from Lux Research will deliver regular, detailed guidance on emerging technologies in China, including wind and solar power, carbon mitigation, advanced materials, energy storage, green buildings, printed electronics, biomass and biofuels, water, smart grid infrastructure, and transportation infrastructure. In addition, subscribers will gain actionable intelligence about China's academic centers and industrial parks, identify likely candidates for strategic partnerships, navigate trends in venture and government investment, and anticipate the potential impact of China's well-coordinated government policies.

Although it officially launched its China Innovation Service today, Lux Research has been scouting China's landscape of emerging technologies for years through existing emerging technology coverage areas. However the specific focus provided by the China Innovation service has been active since April of this year, analyzing emerging developments to uncover future trends. Among its key insights:

- **China represents both competitive threat and commercial opportunity:** Over the past 10 years, R&D expenditures in China have grown more than 20% annually, compared to 5% to 6% across Europe, the U.S. and Japan. Technology leadership from patents and publications, to domestic manufacturing capability, to regulatory incentives for emerging technology domains all underscore China's potential as a competitive threat and a source of strategic partnerships in emerging technology.

- **China's VCs are backing very different horses than foreign investors.** Three quarters of the \$5.7 billion that Chinese venture capitalists invested in 2010 went to Series A deals – an increasing number of which backed emerging technologies in energy, chemicals, and healthcare. But more telling: Chinese VCs focused their investments on different technologies than foreign investors, suggesting they have very different insights into where the domestic opportunities lie.
- **In addition to a powerful economy, China has the means to focus its vast resources.** Focused government policies may fuel China's innovative engine even more than the country's raw economic power. Well-funded and coordinated initiatives such as China's 863, 973 and 948 programs, and 985 and 211 institutions all reflect the government's accelerating aggressiveness in developing world-class research and technology within its borders. Further illustrating China's proclivity for well-coordinated innovation is an expanding number of industrial parks, now numbering close to 100, each of which provide resources for hundreds of start-ups.

"As we've accelerated our local coverage, we've rapidly uncovered hundreds of innovators fielding new technologies that could compete on a global basis, yet two thirds of them are still searching for foreign partners," said Richard Jun Li, the Shanghai-based Research Director of the China Innovation Intelligence service. "Among the China Innovation service's upcoming reports will be a survey and evaluation of China-based venture backing for emerging technologies, and an assessment of the country's industrial parks – a hotbed of technology innovation."

Clients subscribing to the [Lux China Innovation Intelligence](#) service receive ongoing research on market and technology trends, continuous technology scouting reports and proprietary data points in the weekly Lux Research China Innovation Journal, and on-demand inquiry with Lux Research analysts.

#### **About Lux Research**

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