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San Diego-Baja California Border Region Offers Significant Opportunities for Enhanced Global Competitiveness, Growth

Report from San Diego Dialogue Identifies Three Major Findings And Ten Recommendations for New Collaborative Efforts In Creating an "Innovation Corridor of the Californias"

LA JOLLA – The San Diego-Baja California region has the potential to better compete in the global economy, spurring local growth and prosperity, if a broad coalition of interests can overcome previously fragmented efforts and take the steps necessary to collaborate in creating a new Innovation Corridor of the Californias.

The vision was introduced today with the release of *Borderless Innovation*, a research report that is part of a larger effort called the Crossborder Innovation and Competitive Initiative, the current focus of the San Diego Dialogue, a program of UCSD Extended Studies and Public Programs. The report analyzed parallel growth trends in specific industries on both sides of the border and sought answers as to why there have been minimal efforts to collaborate and jointly market significant competitive clusters in high technology, science and other sectors.

Released in both English and Spanish, the report identifies a number of untapped capabilities and opportunities on both sides of the border, including biomedical devices, software, marine biotechnology, and aerospace and defense. The report, co-authored by Kenn Morris, MBA; Nathan Owens, MA; and Mary L. Walshok, Ph.D, describes the complementary institutions, organizations, technology clusters, and other elements that, when properly coordinated and leveraged, could be the impetus for even greater economic growth. Three major findings emerged from the almost two years of research involved in the report:

One – There is a need for strong collaborative marketing efforts related to the high-value technology and innovation clusters in the region;

Two – Leadership from both sides of the border must collaborate on expanding research, technical assistance, professional and workforce education to assure sustainable growth and competitiveness;

Three – The crossborder region needs new social and institutional mechanisms with shared leadership, co-investment and well-orchestrated programs to build competitive capacity for this innovation corridor.

“This new study by the San Diego Dialogue is in a long tradition of thoughtful, progressive reports with solid research data showing the way forward. For more than a decade, the Dialogue has represented a powerful collaborative for identifying pivotal issues and solutions for the social, economic, and environmental challenges confronting the San Diego-Baja California region,” said Nick Bollman, President and CEO of California Center for Regional Leadership. “The report provides a sound roadmap for strengthening the binational economy as well as the economy of California as a whole. It deserves the careful attention of decision makers in local and state government as well as the private sector.”

The report highlights some of the unique attributes of the San Diego-Baja California metropolitan region that can spur future growth: populations of approximately 3 million on each

side of the border with high employment; skilled work forces; added-value industries in technology and science; growing manufacturing and technical capabilities in Baja California, including in aerospace and defense; and educational institutions on both sides of the border offering degrees in technology.

The San Diego Dialogue report also noted several challenges: security at the border and the cost of delays at the most frequently crossed border in North America (60 million crossborder trips annually; average wait time of 45 minutes translates to an economic loss estimated at \$2 billion to \$2.5 billion a year, according to SANDAG); expansion of the global economy; infrastructure, including ports; and the need to increase the number of science and engineering degrees in the region. Finally: the challenge of trust.

“Were the region to develop a strategy to support an Innovation Corridor of the Californias, it would require a significant amount of collegiality and trust among civic leaders, policy makers, educational institutions and the private sector,” the report noted. “This means sharing timely and relevant information, frequent interactions and a commitment to one another’s future and quality of life...only with this level of trust can the region achieve its deepest integration and most promising competitive opportunities.”

To address these challenges, the report closes with ten recommendations for redefining the crossborder region as one with the potential for borderless innovation and catalyzing a new vision for “transforming clusters of opportunity into clusters of prosperity, which improves the quality of life for all.”

The recommendations are:

1. Create a crossborder innovation and competitiveness center as the catalytic agent;
2. Launch a crossborder program to foster scientific and technology relationships and communication;
3. Provide ongoing research and analytical reports on crossborder clusters;
4. Work with Baja California to establish crossborder clinical research as a precursor to growing a transregional biopharmaceutical industry;
5. Promote private investor networks in the region;
6. Promote “smart border” technologies and infrastructure;
7. Expanding existing crossborder education and research linkages, create new ones;
8. Harmonize economic, health and educational data to provide consistent reports;
9. Convene a high-level working group to assess the feasibility of a California model based on the Costa Rican INBio model for balancing conservation and development; and,
10. Explore broader, non-technological economic linkages.

A copy of the 53-page report is available from the Dialogue’s web site, www.sandiegodialogue.org. It was made possible by funding from the State of Baja California; CENTRIS, an economic development collaborative in Tijuana; CICESE, a federally funded science and technology research center in Ensenada; the City of Chula Vista; Wells Fargo Bank; and program and development funds from UCSD’s Division of Extended Studies and Public Programs.

About San Diego Dialogue

Founded in 1991, San Diego Dialogue is a non-profit public policy organization working to increase competitiveness, innovation, prosperity and the quality of life for people and communities on both sides of the greater San Diego/Baja California border by promoting

regional collaboration and innovation. Though self funded, Dialogue is affiliated with the Division of Extended Studies and Public Programs at the University of California, San Diego.

Beyond programs, The Dialogue recently introduced a new initiative to help enhance global competitiveness in the crossborder region in the technology, biotech, medical device, aerospace and defense sectors. The Dialogue is spearheading an effort to create the first dedicated crossborder competitiveness and innovation center on the U.S. – Mexico border.

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