

Transportation Advisory Board Meeting,
October 17, 2018

Our MN Industry Development Focus

- Healthcare/Med-tech industry growth efforts of a sustainable and strategic nature
- Supporting transportation and supply chain infrastructure improvements in support of HC industry cluster
- Public institutional engagement and relationship building with targeted MSP Healthcare industry and government leaders



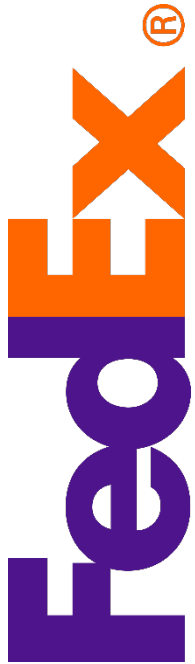
INDUSTRY DEVELOPMENT

We're building something very unique

- FedEx has a strong presence and recognized leadership in the Healthcare industry within the State of Minnesota
- We are becoming a recognized and respected voice in creating “the Healthcare solution” as a leader and innovator in transportation and supply chain management
- We are connecting to and working with the fastest growing, most innovative healthcare companies of today, that will be the most likely success stories of tomorrow.



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The Healthcare Stakeholders

Review of partner organizations



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Key Stakeholders and Partners

- **Medical Alley Association**

The Med-Tech/Med-Device/Healthcare Industry's largest association of HC companies with approximately 700 members

- **Greater MSP**

Twin Cities Economic Development organization, (in alignment with State ED agency)

- **AdvaMed** (hosted their 2016 National Conference in Minnesota and will return in 2021)

Advanced Medical Technology Association

- **MSP Metropolitan Council**

Transportation Advisory Board

- **MN Worlds Fair / Expo 2023** (now focused on 2027) with a Health and Wellness theme, FedEx hosted a prestigious reception in Paris, in June 2017 and hosted a Minnesota Delegation to Memphis in September, 2017, related to this global activity

Led by former Minnesota Secretary of State, Mark Ritchie

- **MN Freight Advisory Committee** (first developed FAC in the USA, over 19 years ago)

- **Univ. of Minnesota** - Carlson School of Management, (Supply Chain and Operations)

- Humphrey School of Public Affairs (TPEC)



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October 9, 2018

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Medical Alley- Who are they?



FOUNDATIONAL & SUSTAINING MEMBERS



Sustaining Members



+700 other member from:

- ✓ BIO-PHARMA
- ✓ DIGITALHEALTH
- ✓ MEDICAL DEVICE
- ✓ PAYORS/PROVIDERS
- ✓ ACEDMIC INSTITUTIONS
- ✓ GOVERNMENT
- ✓ INVESTORS
- ✓ NON-PROFITS
- ✓ CLINICAL/QUALITY/
- ✓ REIMBURESMENT
- ✓ PROFESSIONAL SVCS
- ✓ SOFTWARE



Greater MSP- Who are they?

GREATER > MSP

Minneapolis Saint Paul Regional Economic Development Partnership

Medtronic
Further, Together

FedEx

ECOLAB

**MAYO
CLINIC**

**UNIVERSITY
OF MINNESOTA**
Driven to Discover

DELTA

TARGET

**GENERAL
MILLS**

Cargill

Pentair

HealthPartners

smiths medical
bringing technology to life

uponor

**WELLS
FARGO**

- ✓ Bank of America
- ✓ Best Buy
- ✓ Cargill
- ✓ Delta Airlines
- ✓ Deluxe Corp
- ✓ Doresey & Whitney
- ✓ EcoLab
- ✓ FedEx Corporation
- ✓ General Mills
- ✓ HealthPartners
- ✓ Jefferson Lines
- ✓ Kraus-Anderson
- ✓ Land O'Lakes
- ✓ Mayo Clinic
- ✓ Medtronic
- ✓ Mercer
- ✓ Minnesota Vikings
- ✓ Minnesota Wild
- ✓ Patterson Companies
- ✓ Pentair, PLC
- ✓ Smiths Medical
- ✓ Target Corporation
- ✓ Valspar Corp
- ✓ Thompson Reuters
- ✓ United Health Group
- ✓ University of MN
- ✓ University of St. Thomas
- ✓ Uponor
- ✓ Wells Fargo
- ✓ Xcel Energy

AdvaMed- Who are they?



- ✓ 3M
- ✓ Abbott
- ✓ Alcon
- ✓ Apple
- ✓ Baxter
- ✓ Biomedical Dynamics
- ✓ Boston Scientific
- ✓ Cantel Medical
- ✓ CryoLife
- ✓ Edwards Life Science
- ✓ HeartFlow
- ✓ Hill-Rom
- ✓ IBM
- ✓ Intel
- ✓ Johnson & Johnson
- ✓ Medtronic
- ✓ Novo Nordisk
- ✓ Nypro Healthcare
- ✓ Pfizer
- ✓ Philips
- ✓ ResMed
- ✓ Roche
- ✓ Stryker Corp
- ✓ Teleflex Corp
- ✓ Vascular Dynamics
- ✓ Waters Corp
- ✓ Wright Medical
- ✓ Zimmer Biomet Holdings



What we are doing:

- Engaging with C-Level industry execs regarding global supply chain issues, (such as through Medical Alley).
- Taking a Top-Down approach with industry and government leadership
- Through building relationships and developing solutions, FedEx has gained additional respect in the marketplace
- We are positioning FedEx as the “go-to” for transportation and supply chain solutions in the Healthcare and Med-Tech Industry in the State of Minnesota



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Key next steps....

Establishing connections, building capability development and moving toward executing solutions for the growth of the Healthcare and Wellness industry:

The support of Medical Alley leadership with the Minnesota Delegation in traveling to Memphis for a successful set of meetings on June 7th, has led to the development of strategic opportunities between the Minnesota Market, Memphis Market and FedEx Leaders.

Delegation attendees that were included:

<i>Charlie Zelle</i>	<i>MN Commissioner of Transportation</i>
<i>Shawntera Hardy</i>	<i>MN Commissioner of Employment and Economic Development</i>
<i>Mark Ritchie</i>	<i>CEO Expo 2027/ Former MN Sec. of State</i>
<i>Lisa Clarke</i>	<i>Exec. Director, Destination Medical Center, Rochester</i>
<i>Shaye Mandel</i>	<i>President & CEO Medical Alley Association</i>
<i>Michael Langley</i>	<i>CEO of Greater MSP</i>
<i>James Hovland</i>	<i>Chair, Metro Council Transportation Advisory Board and Mayor of Edina</i>
<i>Gene Winstead</i>	<i>Mayor of Bloomington</i>
<i>Kelli Slavik,</i>	<i>Mayor of Plymouth</i>
<i>Alene Tchourumoff</i>	<i>Chair, Metropolitan Council of the Twin Cities</i>
<i>Nick Thompson</i>	<i>Director, MTS, Metropolitan Council</i>
<i>.....and many others....a total of 18 members of this Delegation are traveling to Memphis</i>	



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Key next steps....

ESTABLISHING CONNECTIONS, BUILDING CAPABILITY DEVELOPMENT AND MOVING TOWARD EXECUTING SOLUTIONS FOR THE HEALTHCARE INDUSTRY

Advanced
Solutions:
(an example to be
executed)



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A strategic example of potential follow-up and strategic positioning from the Minnesota Delegation visit:

Related to the Aerotropolis framework, there are several key factors that highlight the Minnesota and the Memphis Markets.

Specifically Memphis has the distribution capabilities and global hub and spoke system for moving commerce/freight, providing a order-processing cycle time window that is hard to replicate anywhere else in the world.

At the same time, the Twin Cities has developed the "headquarters capabilities" of Marketing, R and D, Technical capabilities and other key resource positions and skill sets of a HQ community, similar to what San Jose has become known for in the Silicon Valley.

In addition, the MSP Airport has become an excellent example of the connectivity of moving people around the world, with non-stops to many major global markets.

We believe this will lead to key next steps by all parties from the Minnesota Delegation and Memphis leadership that met on June 7th, including, key opportunities that will focus on how these two major Markets could and really do complement each other.

We also believe there is one specific company that showcases as an excellent example of using this theory/strategy in both Markets: Medtronic.

As we know, Medtronic has become a major Market leader in Med-tech/Med-device in Minnesota, plus, Medtronic has consolidated a major portion of their global distribution and supply chain activity in Memphis.

This framework could be called: "The Mississippi Corridor Healthcare Project"

Key next steps.....

MEDICAL TECHNOLOGIES AND THE VISION FOR THE MEDICAL DEVICE INDUSTRY:

- 1) A “Soft Landing” strategy for international medical device companies coming to the US would be the number one concept. Between Memphis and Minneapolis, we have a comprehensive ecosystem from concept to distribution that could serve any device company wanting to gain regulatory approval and penetrate the US market. This integrates perfectly with the global efforts of the World’s Fair 2027 Committee and Medical Alley to educate countries and companies from around the world regarding our USA capabilities in Health and Wellness. In addition, as discussed in Memphis, Mark Ritchie is strategically guiding us toward the important goal of a 2027 World Expo focused on Health and Wellness. This link provides further details and information: <http://www.inparkmagazine.com/a-bid-for-expo-2027-minnesota/>
- 2) Small Business “Bio-logistics Zones” As part of the soft landing strategy, many small companies need the manufacturing and logistics capabilities only available to larger companies. We could develop multi-tenant manufacturing and logistics centers in “Bio-logistics” zones in both cities that provide a destination for these small companies that offer aggregated services that easily plug into FedEx volume and pricing models. One area of initial focus could be through the efforts of the Rochester, MN, Destination Medical Center innovative efforts, in conjunction with the Mayo Med Labs efforts to bring new healthcare companies to the marketplace.
- 3) Device Entrepreneurship. Partnering together, the two combined innovation ecosystem assets could make the two cities the nationally and internationally recognized medical device startup destination. There is a potential to cross fertilize our innovation ecosystem, leveraging the unique assets in each community to supplement what is offered individually. Specific areas that have been discussed, is to work with the 150+ companies in Plymouth, MN, that could expand their headquarters, R & D and other key functions in Minnesota, while utilizing the major global distribution capabilities that Memphis offers, similar to the gold standard example of Medtronic’s developments in both Regional areas.
- 4) Innovation co-development. Many of our corporate healthcare partners are looking for Innovation help to find early-stage concepts. The combined ecosystem could co-develop/de-risk products and commercialize technology to augment what is in their pipeline.
- 5) Sector-based cooperation in target growth areas. Both communities have state, local, corporate and university investments in 3D printing of biologic systems and regenerative medicine. These investments could focus our attraction to other partners globally and together, offer a more competitive case to companies and site selectors in these focus areas.



Explore Aerotropolis Advantages for Economic Development
A Leadership Roundtable between Greater MSP and Greater Memphis
The Peabody Hotel, Memphis, TN
June 7, 2018

Purpose: Greater Minneapolis St. Paul (MSP) regional is a global leader in healthcare and medical device innovations. MSP is a passenger hub with global connection. Greater Memphis region is a global leader in just-in-time transportation and logistics known as the American's Aerotropolis. Memphis is also a national leader in medical devices, healthcare, and home of the Blues & Birthplace of Rock 'n Roll. Sponsored by FedEx, a Greater MSP leadership delegation will visit Memphis on June 7th to explore synergies between the two regions and identify potential economic cooperation.

This roundtable gives both public and private stakeholders from both region to:
Share information on economic development plans/strategies
Discuss potential areas for cooperation and explore potential for a long term strategic relationship

8:00 AM Breakfast at the Peabody Hotel, 149 Union Ave, Memphis

8:15 AM Welcome Remarks and Expectations for today:

Phil Trenary, President and CEO Greater Memphis Chamber

Michael Langley, President and CEO of GREATER MSP

Tom Dale, VP, FedEx Industry Marketing

8:45 AM Panel discussion: Vision for the Medical Device Industry

Shaye Mandle, CEO of Medical Alley Association

Steve Bares, President of Memphis Bioworks Foundation

Jerry Beyl, VP, FedEx Worldwide Services, Healthcare Solutions

Moderator: Randy Berger, Managing Director, Worldwide Services, Healthcare Solutions

9:40 AM Break



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10:00 AM Presentation: Aerotropolis Framework by Dr. John Kasarda

(Dr. Jack Kasarda is known as the developer of the Aerotropolis concept, which positions airports as 21st century drivers of business location and urban economic growth)

10:20 AM Panel Discussion: Vision for the MEM and MSP Aerotropolis

Scott Brockman, President, Memphis Shelby County Airport Authority

Brian Ryks, CEO of the MSP Metropolitan Airport Commission

Mayor Gene Winstead, Bloomington (Retail and Hospitality)

Lisa Clarke, Executive Director Destination Medical Center Rochester MN (Medical Tourism)

Paul J. Volpe, CFO Elvis Presley Enterprises (Cultural Tourism)

Moderator: Dr. John Kasarda

11:25 AM Break for working lunch

11:35 AM Lunch and Round the Table: What's on your minds? What's next?

Facilitator: former Minnesota Secretary of State, Mark Ritchie

Explore Aerotropolis Advantages for Economic Development
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1:00PM Break from lunch and preparation to depart for tour at Medtronic

1:30 PM Depart the Peabody Hotel for the Medtronic Distribution Center, (Buildings B and C), 4340 Swinnea Rd., Memphis

2:00PM, at the Medtronic Distribution Center, Buildings B and C

Pam Summons and Jeff Ellenbecker of Medtronic, will provide a welcome to the Medtronic Distribution Center

3:00PM, depart for FedEx Institute of Technology at University of Memphis, 365 Innovation Dr., Memphis

3:30PM, arrive at FedEx Institute of Technology at University of Memphis

Welcome by Ted Townsend, Chief Economic Development and Government Relations Officer, University of Memphis

Kevin Humphries, SVP, presents on Global Cyber Security

Dale Chrystie, VP of Strategic Planning, presents on Blockchain Technology

Wrap-up discussion and roundtable review.

Explore Aerotropolis Advantages for Economic Development
A Leadership Roundtable between Greater MSP and Greater Memphis
The Peabody Hotel, Memphis, TN
June 7, 2018

5:00 PM, depart from Peabody Hotel

6:00 PM, Reception and dinner at Texas de Brazil, 150 Peabody Place, #103, Memphis

Thoughts from the direct reports of Minnesota's and Tennessee's Governors:

Commissioner Shawntera Hardy, Minnesota Department of Employment and Economic Development

Chair Alene Tchourumoff, Metropolitan Council of the Twin Cities Area

Commissioner Charlie Zelle, Minnesota Department of Transportation

Commissioner Bob Rolfe, Tennessee Department of Economic and Community Development

8:00 PM End (FedEx Experience Tour to follow for Minnesota delegates till midnight)

6-7-2018

Greater MSP-Greater MEM Roundtable



6-7-2018

Tour at Medtronic and FedEx Express Hub



Thank You.



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