



October 3, 2009

CoEE program provided an opportunity too good to miss

By Ken Reali

I recently traveled to South Carolina to announce that Smith & Nephew would invest \$5 million in South Carolina's Centers of Economic Excellence (CoEE) Program — the program that uses state and private dollars to fund advanced research centers at Clemson, USC and MUSC. Smith & Nephew's investment will help fund the Rehabilitation and Reconstruction Sciences Center at USC.

The center's research and clinical activities will focus on developing tissue-engineered materials and implantable devices that can be used to repair or reconstruct damaged joints caused by orthopedic disorders and exercise- and sports-related injuries.

Despite the challenging economic times, companies like Smith & Nephew are still willing to invest when the potential return for the advancement of technology is so promising, and that's certainly the case with our investment in the CoEE Program.

The Rehabilitation and Reconstruction Sciences Center brings outstanding biomedical engineering researchers at USC together with their counterparts from Smith & Nephew, along with researchers and clinicians from the Orthopedic Research Foundation of the Carolinas (ORFC) in Spartanburg. ORFC is an exceptional source of innovation in the theory and practice of orthopedic medicine.

This team will translate research into practical applications and new products that can be used where they matter most — in the clinic, hospital, rehabilitation center and operating room. Researchers in USC's School of Public Health will then follow the health and wellness of patients, examining diseases, treatments and outcomes. They will use this knowledge to help all of us understand how to anticipate, avoid or best recover from orthopedic injuries and diseases.

Every action that Smith & Nephew takes must be consistent with our mission of improving patients' lives, and our involvement in this center is no different. We believe this collaboration will greatly enhance our ability to participate in research and clinical testing that can lead to effective new therapies for patients who suffer from orthopedic-related pain or injuries. The center will help us identify new clinical needs, and then work to develop technology that will address the specific needs of both patients and the clinicians who treat them.

Smith & Nephew is a global medical technology business, and it is one of the leading global orthopedics companies. The company operates in 32 countries around the world, and annual sales in 2008 were nearly \$3.8 billion.

The CoEE Program is a unique investment opportunity. We are, of course, a business, and we must pay attention to the bottom line. The collaborative structure of the Rehabilitation and Reconstruction Sciences Center will ensure that the research there will be extremely cost-effective, and when that research results in technology with commercial potential, our company will have the opportunity to license such technology in order to develop marketable products. Plus, through the CoEE Program, the state matches our investment dollar-for-dollar, doubling the impact of our investment.

The state's support of this center speaks volumes about South Carolina's commitment to advanced research, and heightens our confidence that this partnership will lead to success for all involved — in the form of research breakthroughs, improved patient care, and economic growth for the state. After examining the long list of respected companies that have invested in the program and the impact that

their investments have already made, we decided that this was an opportunity we could not afford to miss.

The CoEE Program provides a distinctive approach for companies like ours to participate in the generation of new research that is specific to the needs of our business and the product areas in which we want to grow. Smith & Nephew will be actively involved in the center, not only by giving our input on the research and clinical collaborations that will take place, but also by helping search for a CoEE Endowed Chair — a world-class scientist who will lead the center.

South Carolina should be very proud of the CoEE Program — we at Smith & Nephew are certainly proud to be associated with it. It is bringing opportunities for knowledge development and economic growth to the state —opportunities that may not have appeared if the program didn't exist.

Additional Facts

GUEST COLUMN

Ken Reali is senior vice president and general manager of Smith & Nephew Biologics & Spine Division. For more information go to www.smith-nephew.com.
