



Facilitating Investment in the United States

2013 E3 Webinar Series

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FDI and the U.S. Economy



5.3 million

Workers Employed by U.S. Affiliates of Foreign Firms in the U.S. in 2010

\$41.3 billion

Amount U.S. Affiliates of Foreign Firms spent on R&D in the U.S. in 2010

\$149 billion

Amount U.S. Affiliates of Foreign Firms Spent on Capital Investments in 2010

\$227 billion

Size of FDI Flows into the U.S. in 2011

33%

Percentage of total FDI in the manufacturing sector

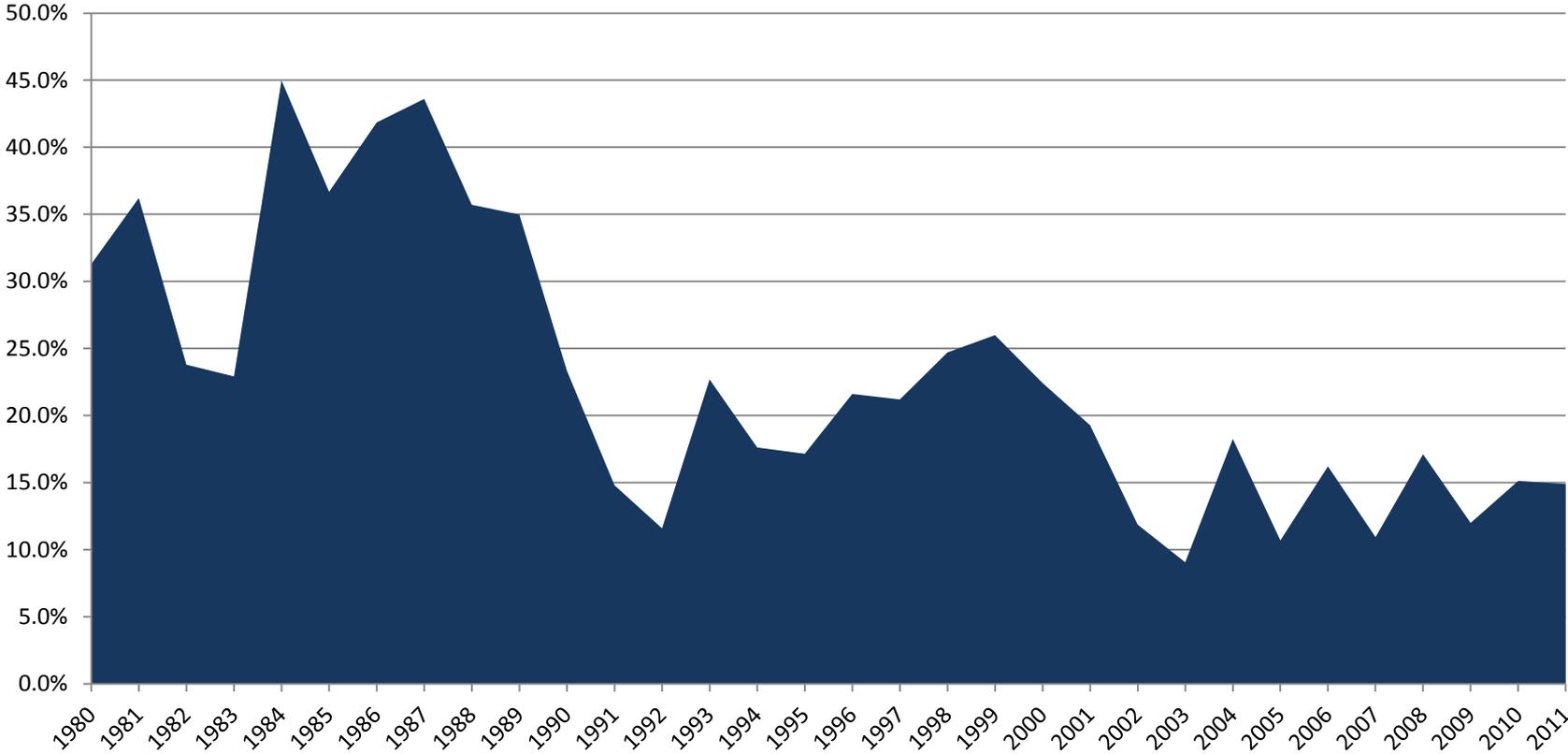
18%

Percent of all U.S. exports come from U.S. Subsidiaries of Foreign Firms in 2010

Source: Bureau of Economic Analysis

I. FDI in a Global Context

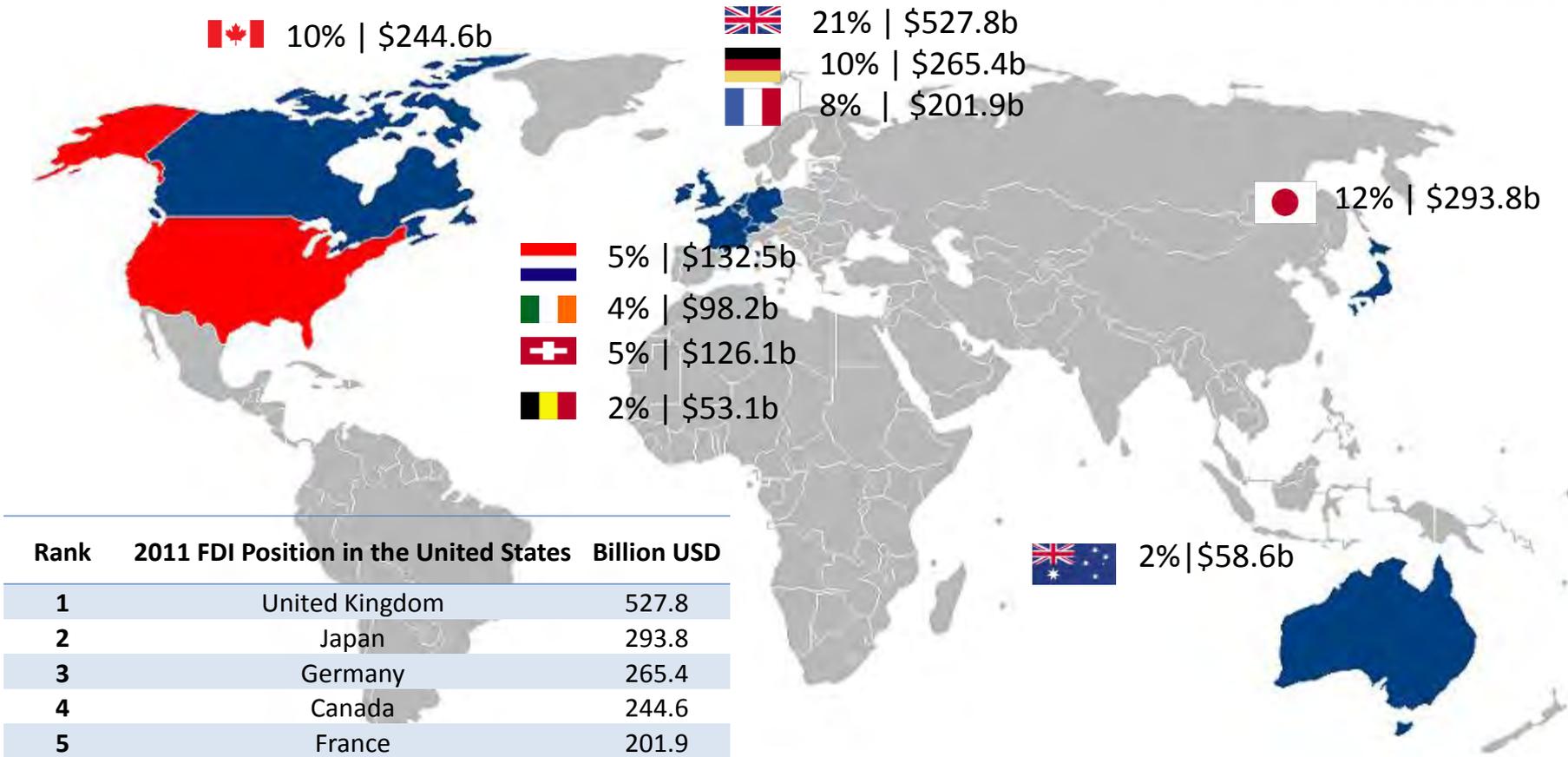
Share of Global FDI Flows Captured by the United States



Source: UN Conference on Trade and Development (UNCTAD)

U.S. FDI Trends

Top 10 FDI Stock Positions, 2011



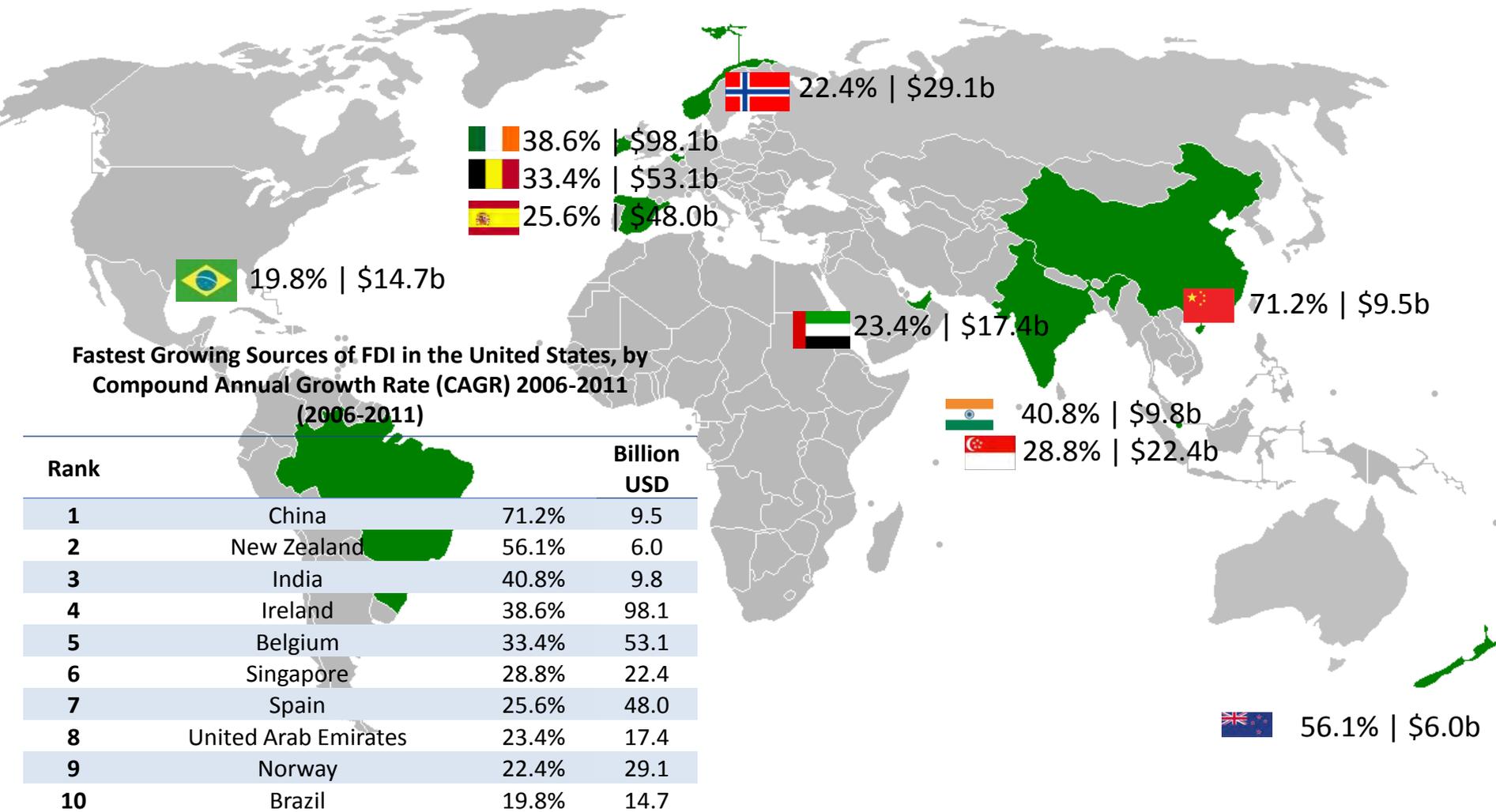
Rank	2011 FDI Position in the United States	Billion USD
1	United Kingdom	527.8
2	Japan	293.8
3	Germany	265.4
4	Canada	244.6
5	France	201.9
6	Netherlands	132.5
7	Switzerland	126.1
8	Ireland	98.2
9	Australia	58.6
10	Belgium	53.1

Source: Department of Commerce, Bureau of Economic Analysis – FDI by Ultimate Beneficiary Owner

U.S. FDI Trends



Top 10 FDI Growth Markets, 2011



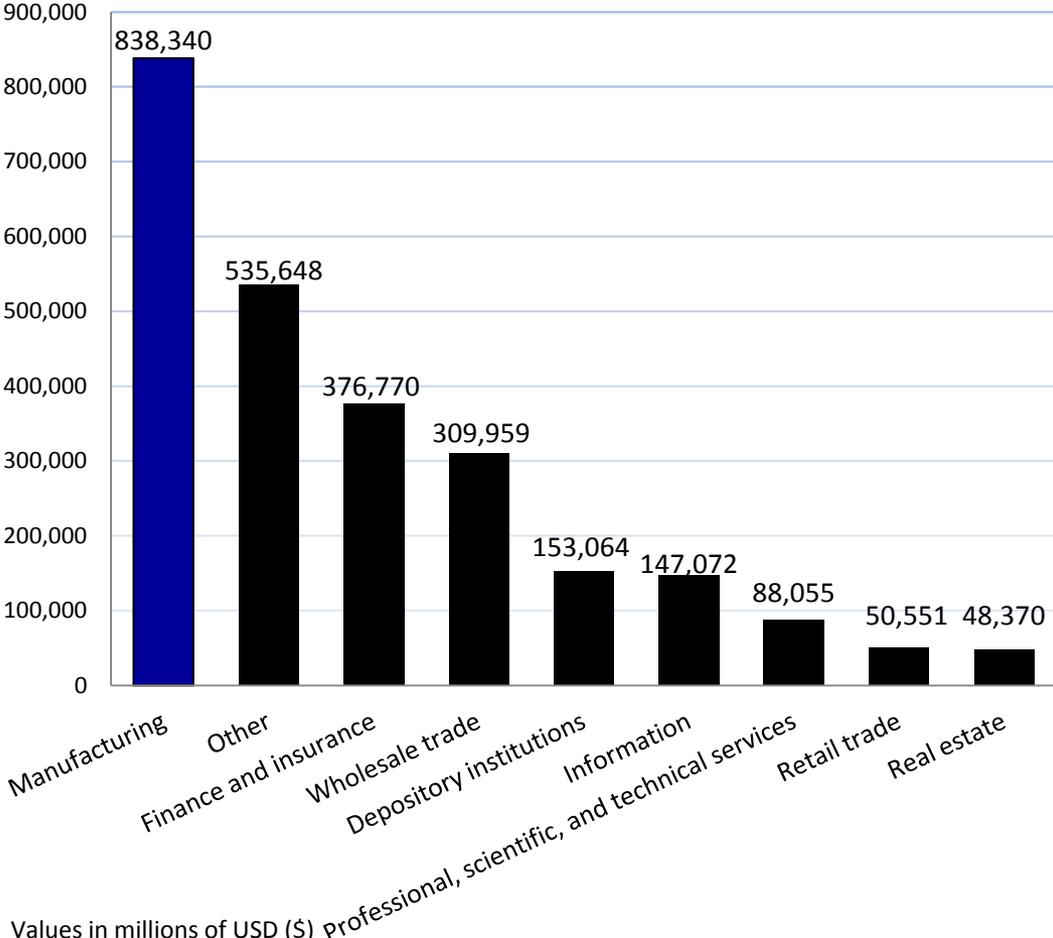
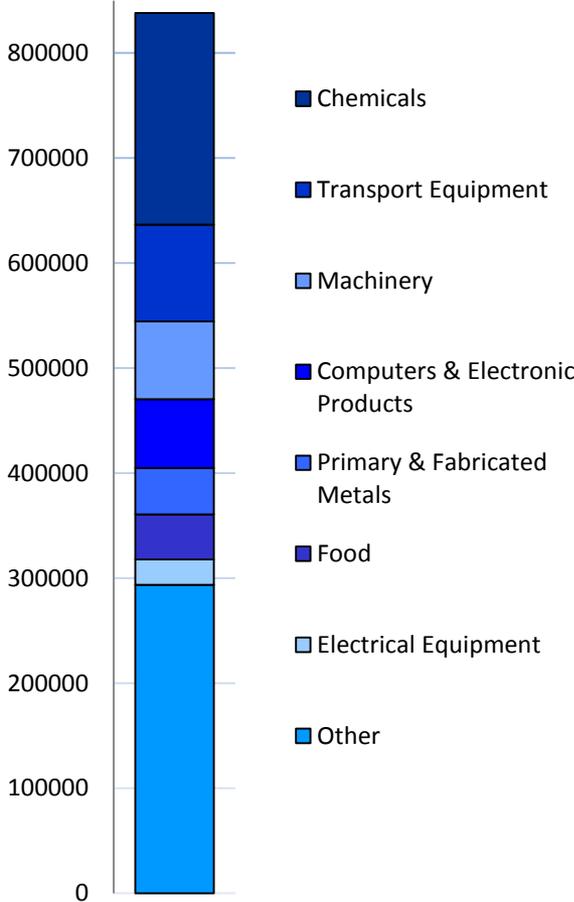
Source: Department of Commerce, Bureau of Economic Analysis – FDI by Ultimate Beneficiary Owner
 Note: Figures denote 5 year compound annual growth rate (2006-2011) of the stock FDI position and the total stock of FDI in the United States

U.S. FDI Trends



Industry breakdown of total U.S. FDI stock (\$2.5 trillion)

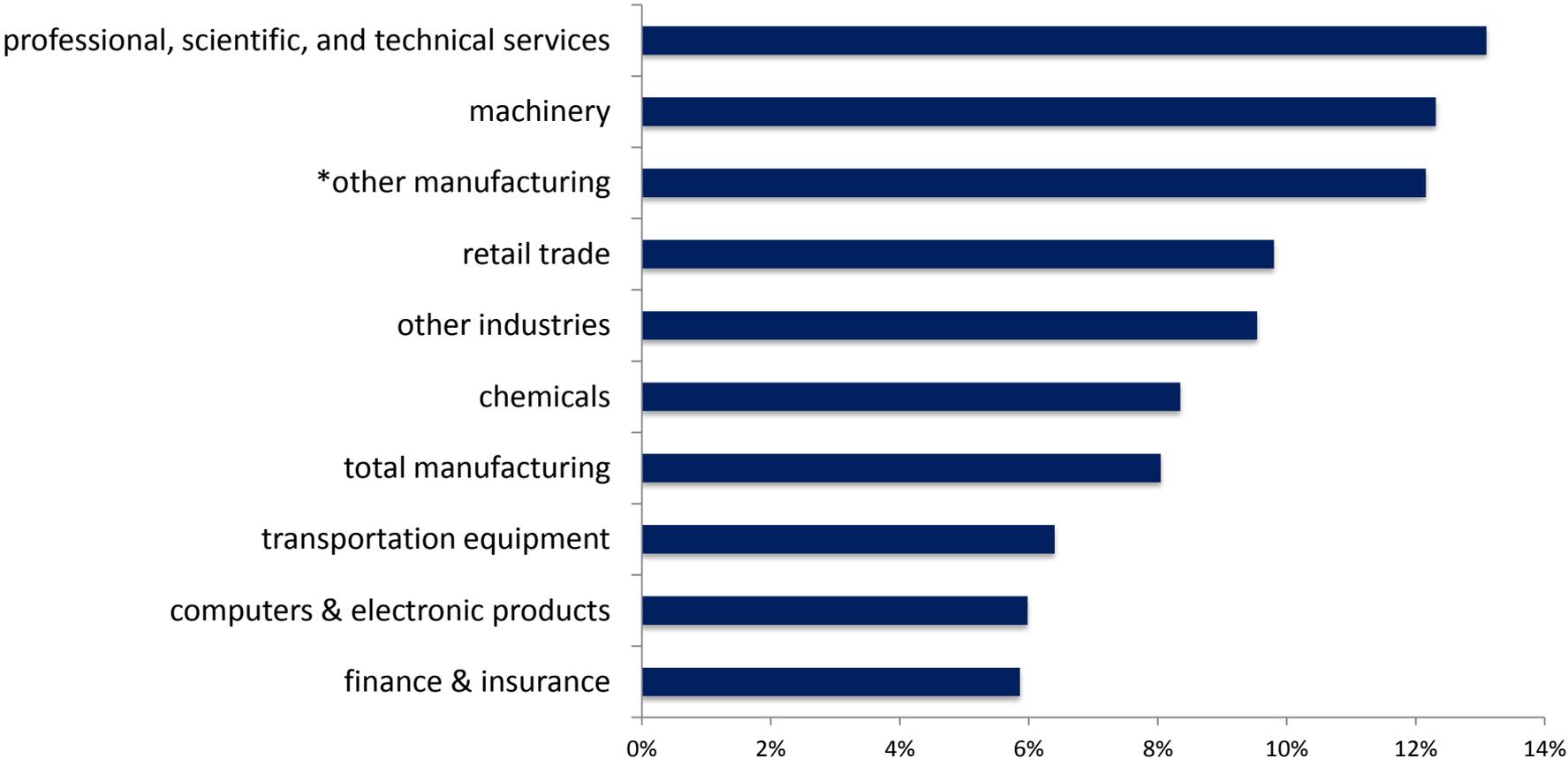
Manufacturing Breakdown



Values in millions of USD (\$) Source: Department of Commerce, Bureau of Economic Analysis

Top 10 FDI Growth Sectors in the United States

(Compound annual growth rate in FDI position between 2006 and 2011 on a historical cost basis)



*“Other Manufacturing” does not include food, chemicals, primary and fabricated metals, machinery, computers and electronic products, electrical equipment, appliances and components, and transportation equipment.

Source: Department of Commerce, Bureau of Economic Analysis

II. SelectUSA Services

About SelectUSA



- Mission: Facilitate business investment in the United States in order to support job creation, spur economic growth, and promote American competitiveness.
- Established through executive order in 2011
- Housed in the International Trade Administration at the U.S. Department of Commerce - leverages staff in 72 markets around the world
- Geographically neutral in the United States

Vol. 76, No. 118 / Monday, June 20, 2011 / Presidential Documents

35715

Presidential Documents

Executive Order 13577 of June 15, 2011

Establishment of the SelectUSA Initiative

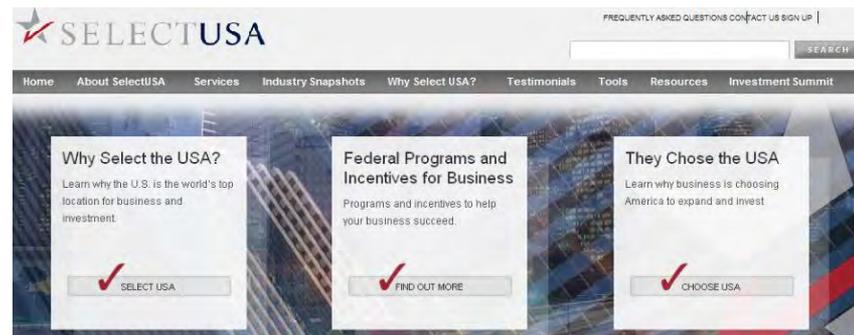
By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to support private-sector job creation and enhance economic growth by encouraging and supporting business investment in the United States, it is hereby ordered as follows:

Business Solutions

SelectUSA provides actionable information and counseling to investors to help them...

- Incorporate a business in the U.S.
- Understand basic U.S. tax and legal concepts
- Navigate federal rules or regulations
- Learn about incentives available to businesses in the U.S.
- Apply for a business-related visa
- Connect with U.S. state, city, or regional economic development offices to learn about investment opportunities

SelectUSA assists foreign firms *and* U.S. firms to locate and expand in the U.S., including firms considering returning production or offices to the U.S. (reshoring firms)



Ombudsman Assistance

SelectUSA works across the federal government on a case-by-case basis to...

- Address foreign investor concerns and issues
- Connect with a federal agency/ office to seek insight into a specific case
- Offer to facilitate direct communication between the relevant federal agency and the client, as appropriate
- Identify federal regulations or processes to U.S. policy makers, that may negatively impact the U.S. business climate

SelectUSA cases are treated as business-confidential



SelectUSA Case Study:

Jyoti Industries (India)



- Jyoti Industries, an Indian electrical equipment and pylon manufacturer, completed construction of a new facility in Conroe Texas. The \$34 million investment will create as many as 157 jobs.
- Jyoti approached SelectUSA during an American Chamber-sponsored event in Mumbai, India. The company had experienced difficulties obtaining visas for its employees who were expected to visit the United States to train its U.S. company technicians.
- Over the course of several months, SelectUSA led an interagency effort that resulted in Jyoti successfully obtaining the required visas.

Advocacy Assistance

SelectUSA can, when appropriate, promote the U.S. business climate to a potential investor in an ongoing project that:

- May be at risk,
- May face international competition, and
- When a federal-level engagement can convey the appropriate support.

Senior leadership in USG, DOC, or ITA may be asked to engage to help advocate for the investment being made in the United States.

SelectUSA Case Study:

Sasol (South Africa)



- Sasol, a South African energy company announced that it would build America's first commercial plant to convert natural gas to diesel and other liquid fuels. The investment totals \$14 billion and is expected to create 1,200 permanent and 7,000 temporary construction jobs.
- After years of work by the state of Louisiana, SelectUSA helped facilitate high-level engagement by Department of Commerce officials in the successful conclusion of this investment. SelectUSA headquarters staff worked with Louisiana Economic Development to offer advocacy and ombudsman assistance for the potential completion of the investment. SelectUSA also worked with Sasol's representatives to discuss potential policy constraints impacting their investment decision timeframe.
- Acting Secretary Blank spoke with Louisiana Governor Jindal, highlighting the Department of Commerce's support for the investment, and later met with Sasol CEO David Constable in Johannesburg, advocating in favor of Sasol investing in Louisiana.

EDO Counseling

SelectUSA has the expertise to help U.S. states, regions and economic development organizations (EDOs) recruit and retain investment.

Assistance may include:

- Develop a data-driven FDI attraction strategy
- Collaborate within their region
- Invest in an information-rich website
- Ensure strategic and productive foreign operations
- Secure organizational funding tied to multi-year performance
- Explore additional measures, including retention and expansion or company partnerships with local universities



Connecting to Global Opportunity

Single Location Promotion (SLP): SelectUSA leverages the Foreign Commercial Service network across 72 countries to provide tailor-made events promoting individual U.S. jurisdictions as FDI destinations.

Facilitated Investment Missions (FIM): SelectUSA conducts FIMs, designed as a platform where multiple U.S. governments or economic development entities can present their priority projects to interested foreign firms in a particular foreign location.

Facilitated Investment Missions, May 2013

[SelectUSA Seminar for German Manufacturers](#) - 05/15/2013, Dusseldorf, Germany

[Networking Roundtable with Irish Multipliers for US EDOs](#) - 05/15/2013, Dublin, Ireland

[Investment Road Show \(Mexico\)](#) - 05/21/2013 – 05/23/2013, Mexico City; Guadalajara; Monterrey

[Investment Opportunities in the U.S. \(Japan\)](#) - 05/22/2013 – 05/24/2013, Tokyo; Nagoya; Osaka

visit SelectUSA.gov for a complete list of upcoming activities

SelectUSA Investment Summit



October 31-November 1, 2013

Marriot Wardman Park Hotel - Washington, DC

Information: www.SelectUSA.gov

- Connect investors from around the world with opportunities in the U.S.
- Moderated panels on the latest industry trends and sector analysis
- Networking opportunities and coordinated one-on-one meetings in private meeting rooms
- Plenary sessions, moderated panels, and breakout sessions about U.S. investment opportunities, programs and resources
- Exhibits from U.S. states and regions



Thank You



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