



Breakout Session 7

FDI and America: Countries & Companies to Watch in 2023 and Beyond

Rene Buck – BCI Global

Andreas Dressler – Location Decisions

Dennis Meseroll – Tractus Asia

Wolfgang Riedel – Riedel Consulting

Elias van Herwaarden – Colliers



FDI and America Trivia

- **What country accounts for the 2nd largest employment in Texas?**
- **What country accounts for the largest share of total FDI in the US?**
- **What sector accounts for the largest share of total US FDI?**
- **How many people are employed by foreign companies in the US?**



FDI and America by the Numbers

- **US No. 1 destination for FDI in the world**
 - 30% of total FDI in 2021
 - Total Value \$405 billion
- **Total Stock of FDI in the US - \$5 trillion**
 - 42% or \$2.1 trillion in manufacturing
- **Fastest Growing Sectors - Retail Trade, Real Estate, Leasing and IT**
 - Manufacturing grew 43%
- **Largest Sectors - Chemicals, Computers/Electronics, Transport Equipment, Medical Equipment**
- **Top 3 Investors - Japan (\$721 B), Germany (\$637 B), Canada (\$607 B)**
 - UK, Ireland, France, Netherlands and Switzerland
 - Top 8 account for 75% of all FDI

Source: Global Business Alliance

FDI and America

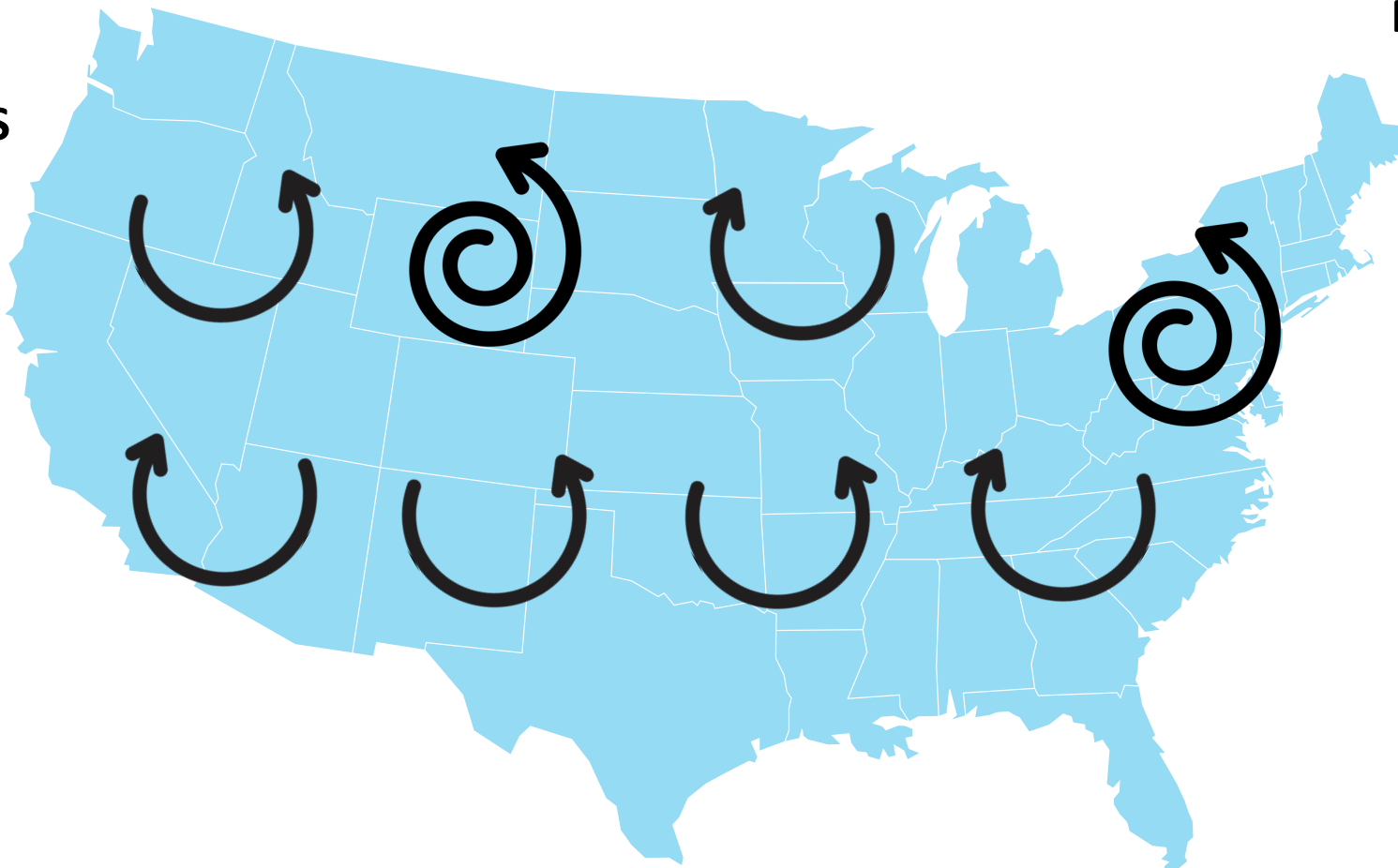
Europe/Manufacturing



European FDI in US

Investor Relation Approach: Account Management / After Care

Europe = 64%
of all FDI in US



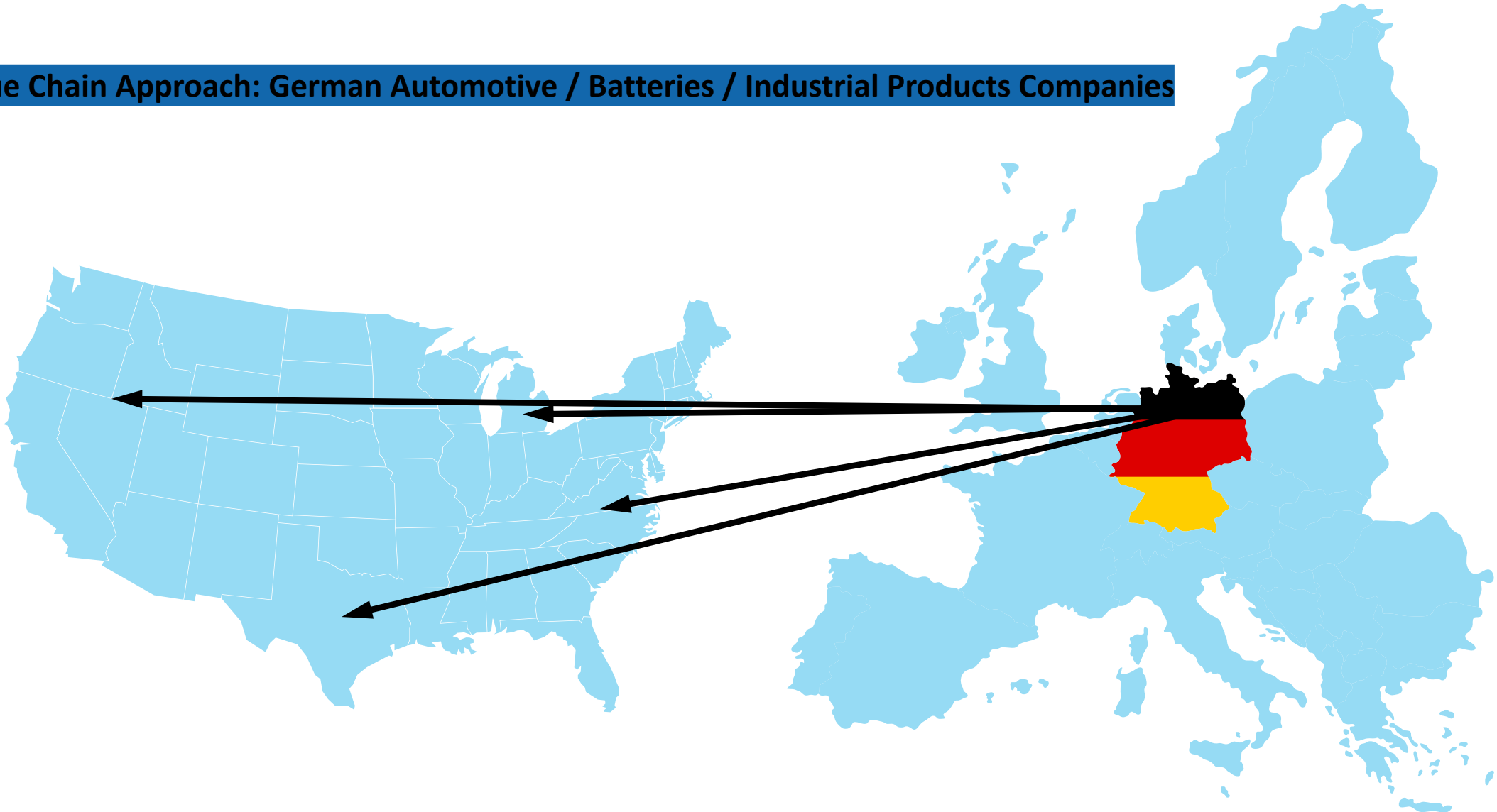
Most important European
donor countries





European FDI in US

Value Chain Approach: German Automotive / Batteries / Industrial Products Companies

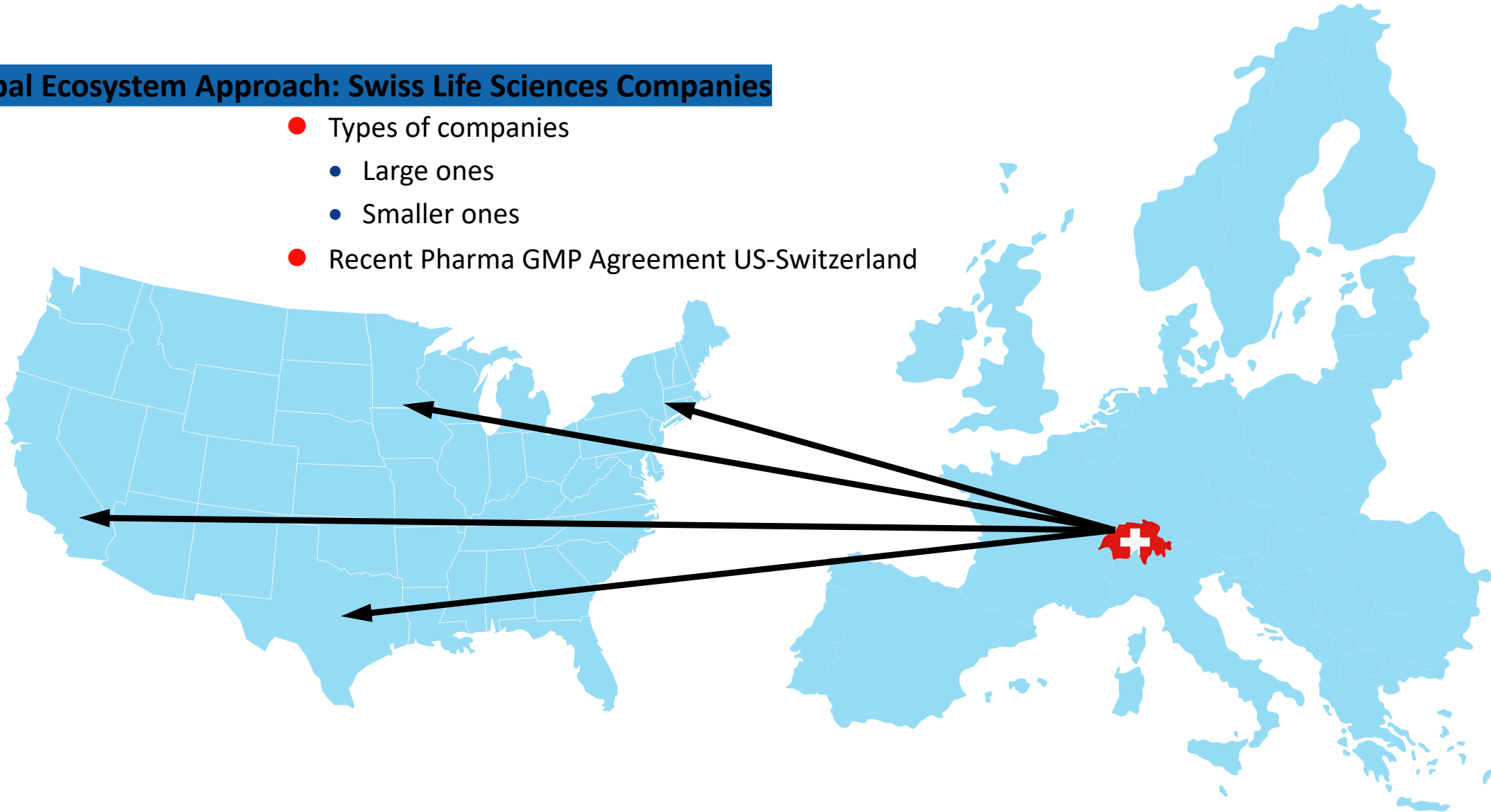




European FDI in US

Global Ecosystem Approach: Swiss Life Sciences Companies

- Types of companies
 - Large ones
 - Smaller ones
- Recent Pharma GMP Agreement US-Switzerland

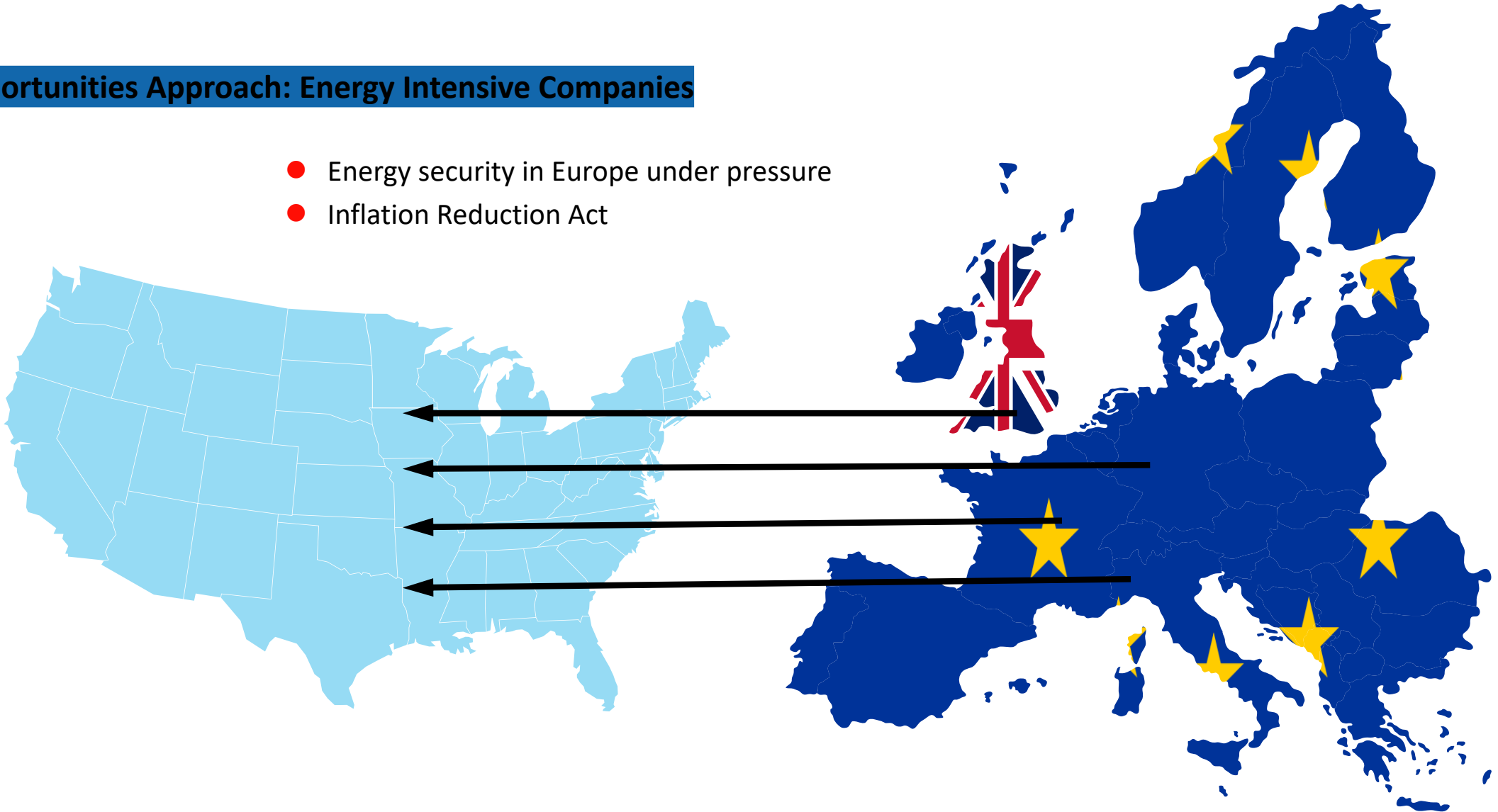




European FDI in US

Opportunities Approach: Energy Intensive Companies

- Energy security in Europe under pressure
- Inflation Reduction Act



FDI and America

Advanced ICT



Advanced ICT – global trends

- **Advances in digitalization, mobility, and clean energy require more than just hardware**
- **Investment is flowing into numerous areas of ICT, including:**



Semiconductor
design



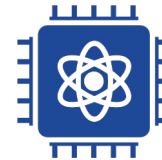
Artificial
intelligence



Cybersecurity



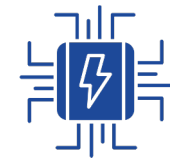
Automotive
driving software



Quantum
computing



Automation/
robotics



Energy systems
software

- **Beyond the buzzwords, there are real projects**



Advanced ICT – global trends

Selected FDI project announcements in North America (last 12 months)

Release

2022.08.12 00:00:00 | No.

Hyundai Motor Group Launches Boston Dynamics AI Institute to Spearhead Advancements in Artificial Intelligence & Robotics

🕒 14 September 2022, 06:00 (PDT)

Solidigm Builds R&D Facility in Greater Sacramento, Home to 1,900 Jobs

Nokia launches 'groundbreaking' 5G cybersecurity lab in Dallas

By Monica Allevan • May 9, 2022 10:59am

MediaTek Announces Commitment to Open New Semiconductor Design Center at Purdue University in Indiana

First Midwestern facility for Leading Global Design Firm

🕒 Jun 29, 2022 - 12:00 AM

Nexperia officially launches new Dallas design center

March 25, 2022

Nijmegen -- First R&D Facility in North America enables entry to power management IC market

Addverb Technologies Expands U.S. Presence With Silicon Valley Robotics R&D Center

Addverb also names former Google engineer to lead its Bay Area research and development center.

By Robotics 24/7 Staff · 🕒 September 7, 2022 · 🔗 in 🐦 f



Advanced ICT – global trends

Selected FDI project announcements globally (last 12 months)

28/04/2022

CARIAD reinforces regional software development with China subsidiary

News • Luxembourg • Oct 20, 2022

Rolling Wireless Opens Budapest R&D Centre to Spearhead Automotive Connectivity Software Platform Development

Cisco launches semiconductor design center in Spain

By Linda Hardesty • Nov 10, 2022 05:21pm

Apple announces new €1 billion investment to expand Silicon Design Centre in Munich, Germany

David Joseppi POSTED ON 02/03/2023

🏠 / Media / Press Releases / Schaeffler Group inaugurates software technology center in India to strengthen its e-mobility offering worldwide

Schaeffler Group inaugurates software technology center in India to strengthen its e-mobility offering worldwide

Elektrobit and Continental expand in Mexico with new automotive software development center offering job opportunities for local engineers

September 13, 2022



Advanced ICT – global trends

Keys to attracting advanced ICT projects

- **Access to specialized skills is the main driver of expansion and location decisions**
- **Companies have highly specific skills requirements**
- **Universities with the required skills are essential**
- **A relevant start-up ecosystem is also attractive**
- **Opportunities for collaboration and/or testing are an added benefit**

FDI and America

Asia

M&A Approach: ASEAN Food Sector Companies



the beautiful foods company®

\$40 million
177 jobs



48% growth





Raw
Materials



Battery Grade
Materials



Electrolytes



Battery
Cells



Modules
& Packs



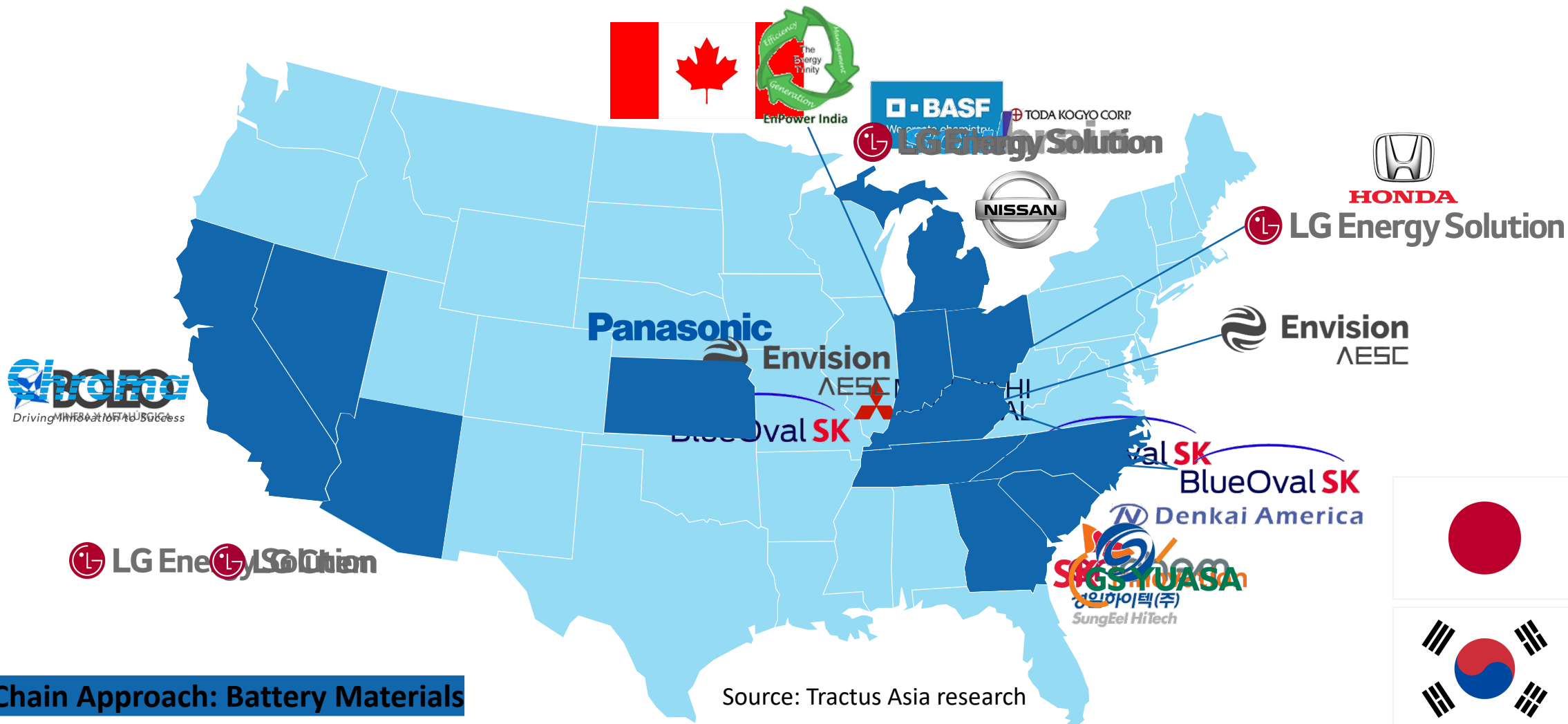
EOL



Equipment



R&D



Value Chain Approach: Battery Materials

Opportunities Approach: IT/ITES and Pharmaceuticals Companies



Source: Tractus Asia research



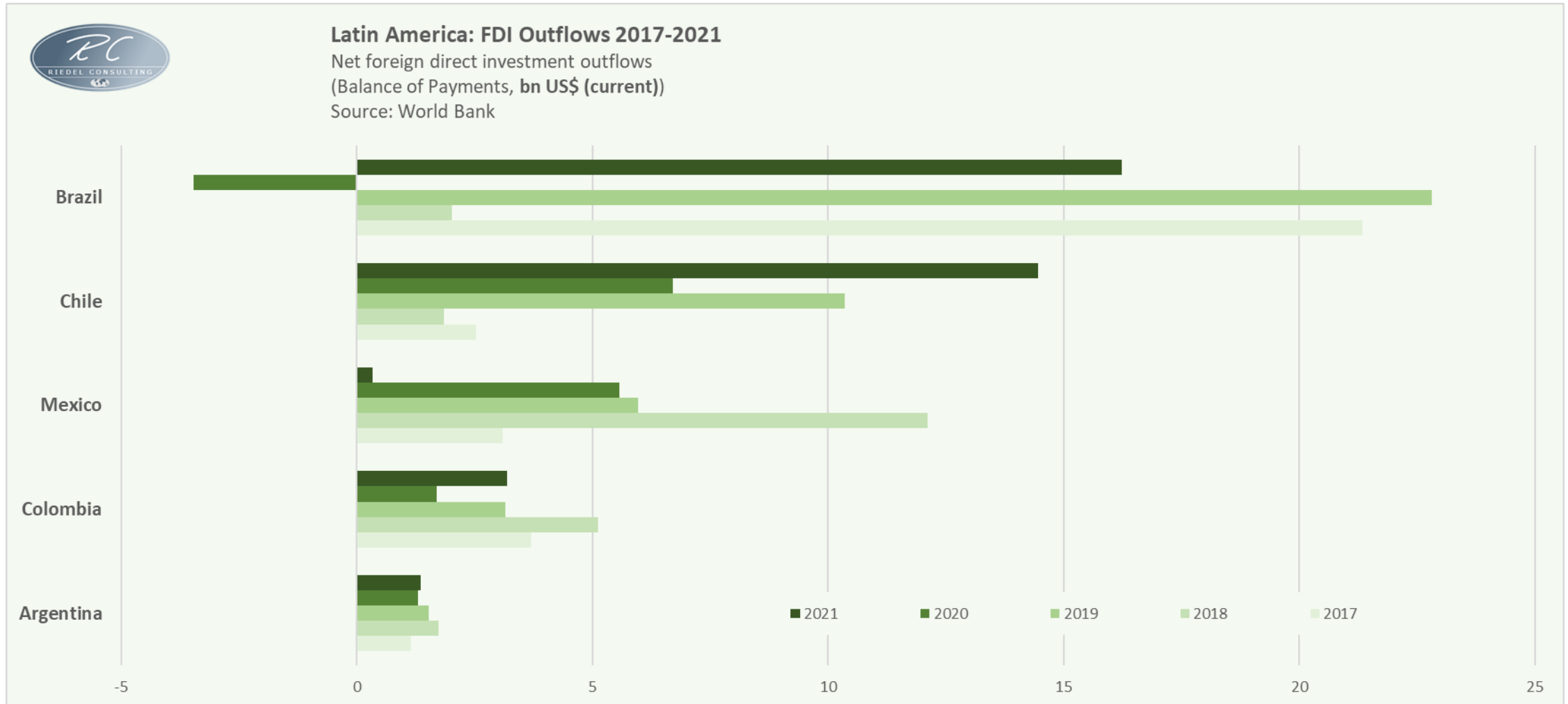
FDI and America

South & Central America



Latin America: FDI Outflows 2017-2021 (bn US\$)

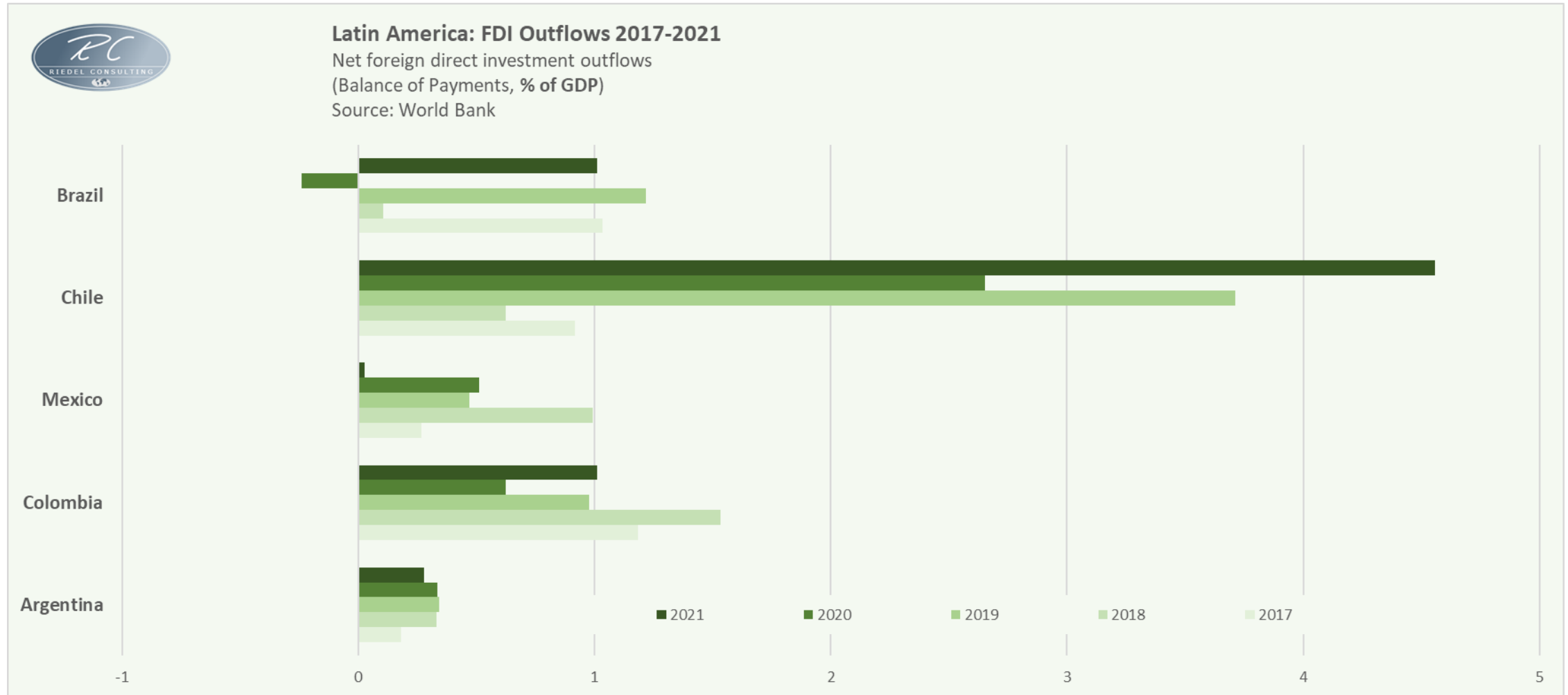
Largest contributor by bn US\$: Brazil





Latin America: FDI Outflows 2017-2021 (% of GDP)

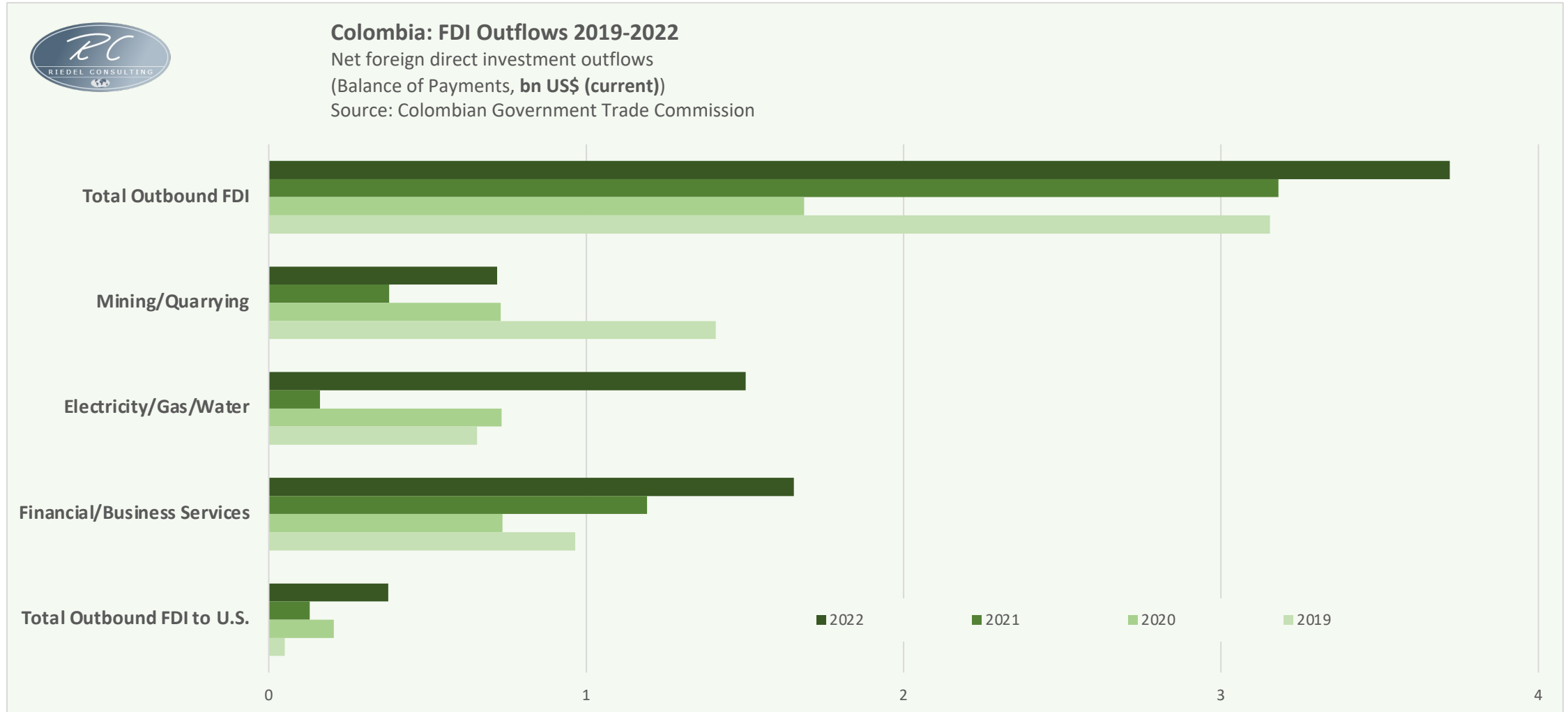
Largest contributor by % of GDP: Chile





Colombia: FDI Outflows 2019-2022

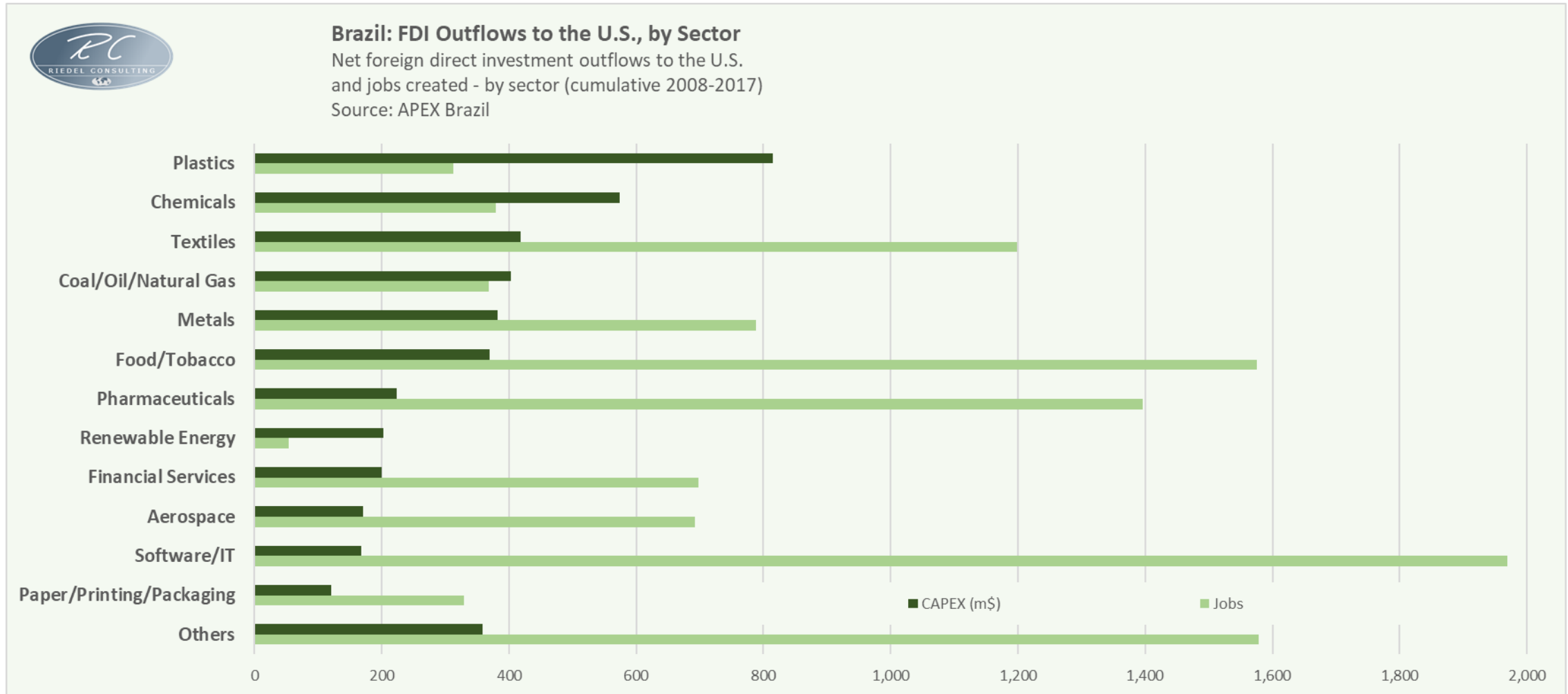
Breakdown by most relevant sectors, compared to total dedicated to the United States





Brazil: FDI Sector Outflows to the U.S. & Jobs Created

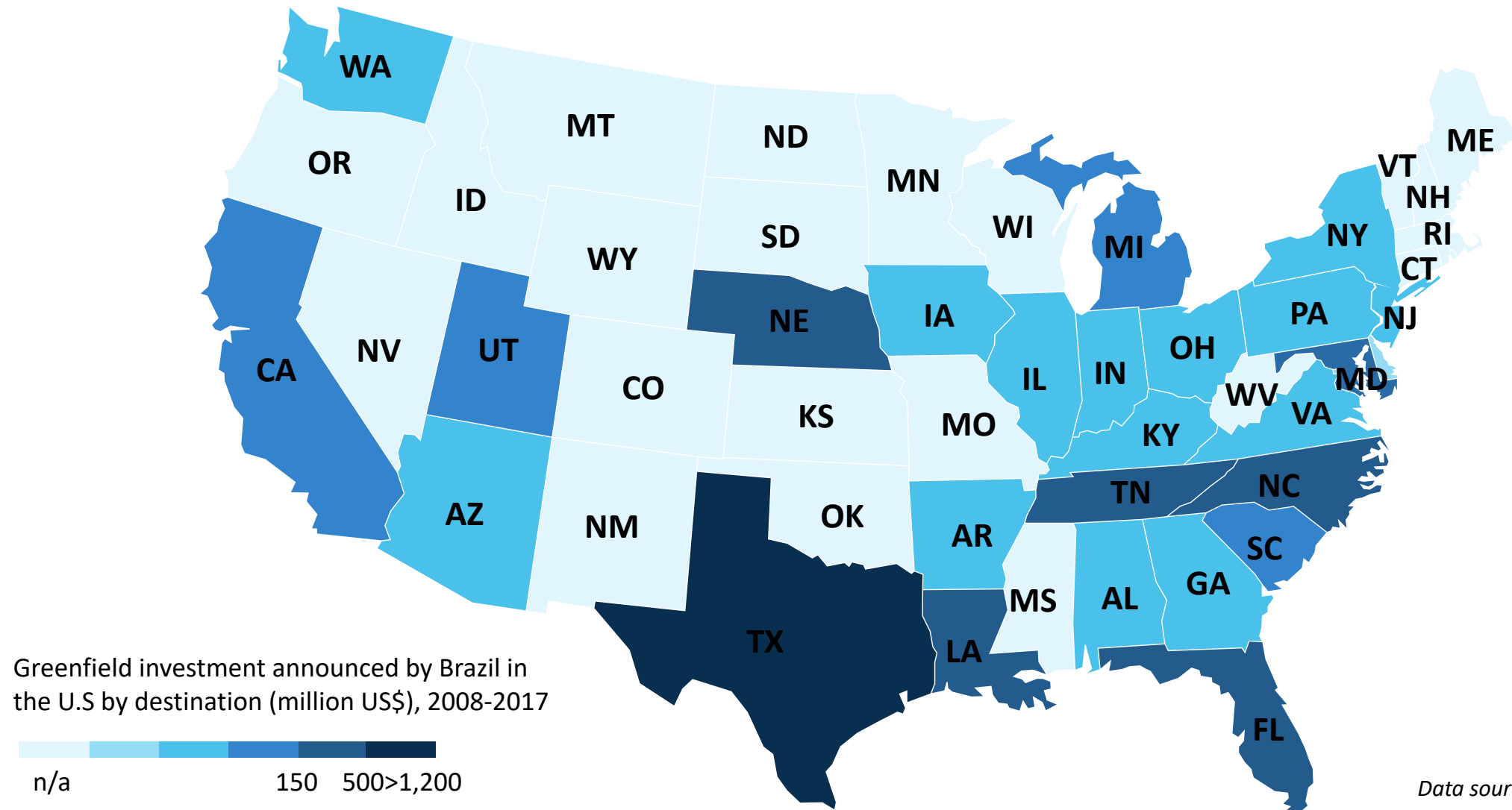
Breakdown by sector & jobs created





Brazil: FDI Outflows to the U.S. - by State

Breakdown: FDI to U.S. states



Data source: APEX Brazil, RC analysis



United States: FDI Inflows from Brazil - by State

Breakdown: FDI origin is limited to distinct Brazilian states



Data source: APEX Brazil, RC analysis

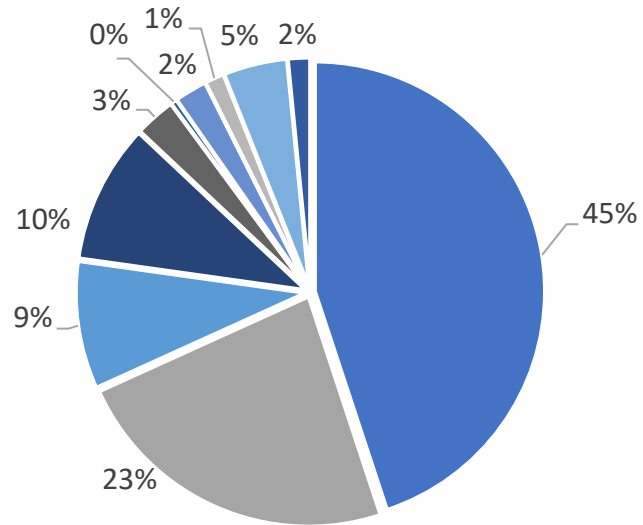
FDI and America

Canada



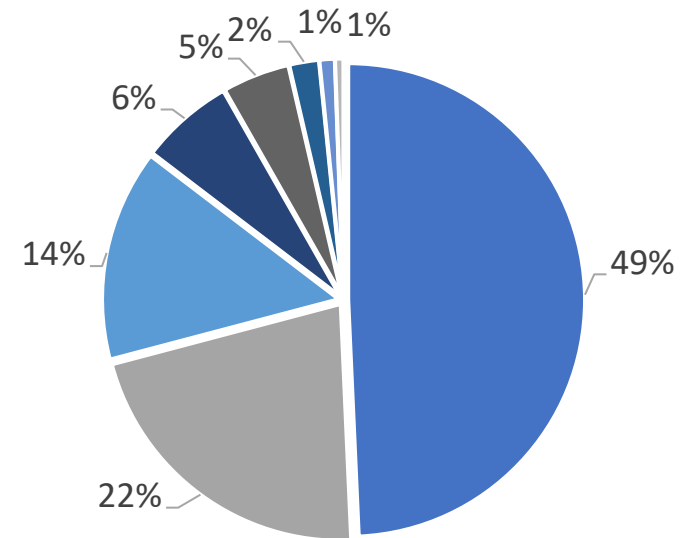
Where to hunt – The proximity factor

US investment into Canada - 2012-2022



■ Washington ■ California ■ New York ■ Michigan
■ Ohio ■ Colorado ■ Massachusetts ■ Texas
■ Illinois ■ Pennsylvania

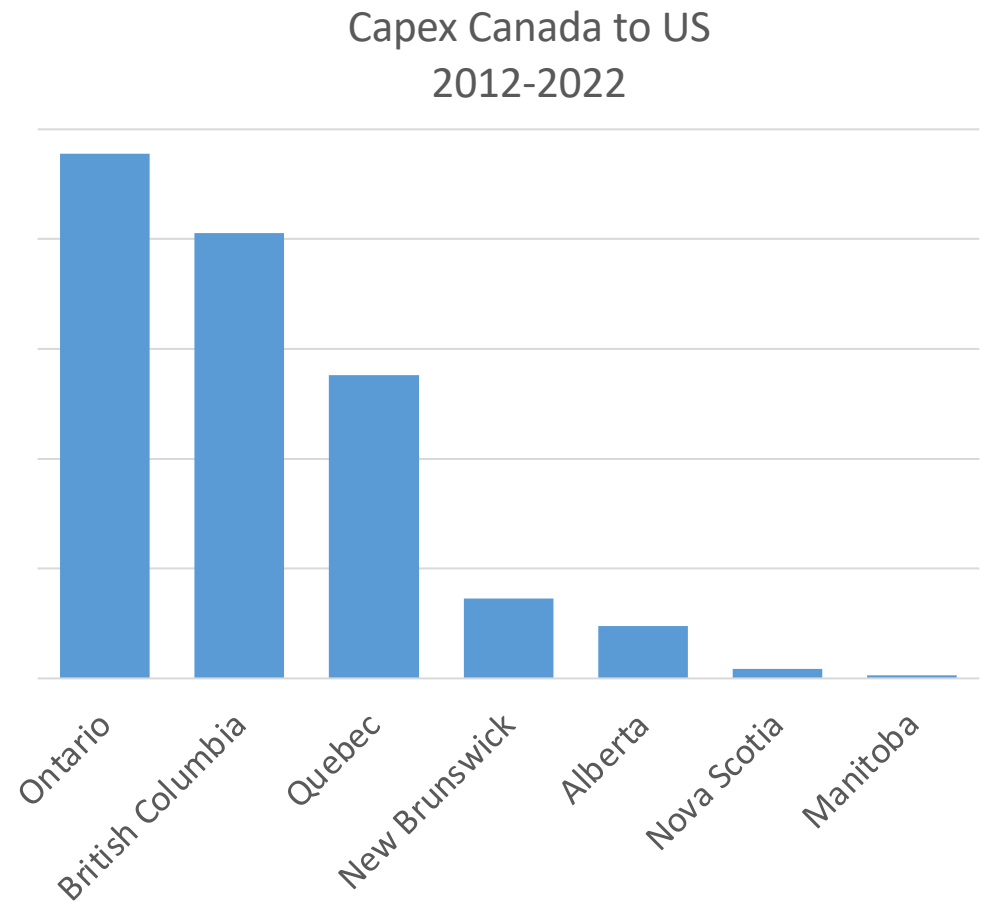
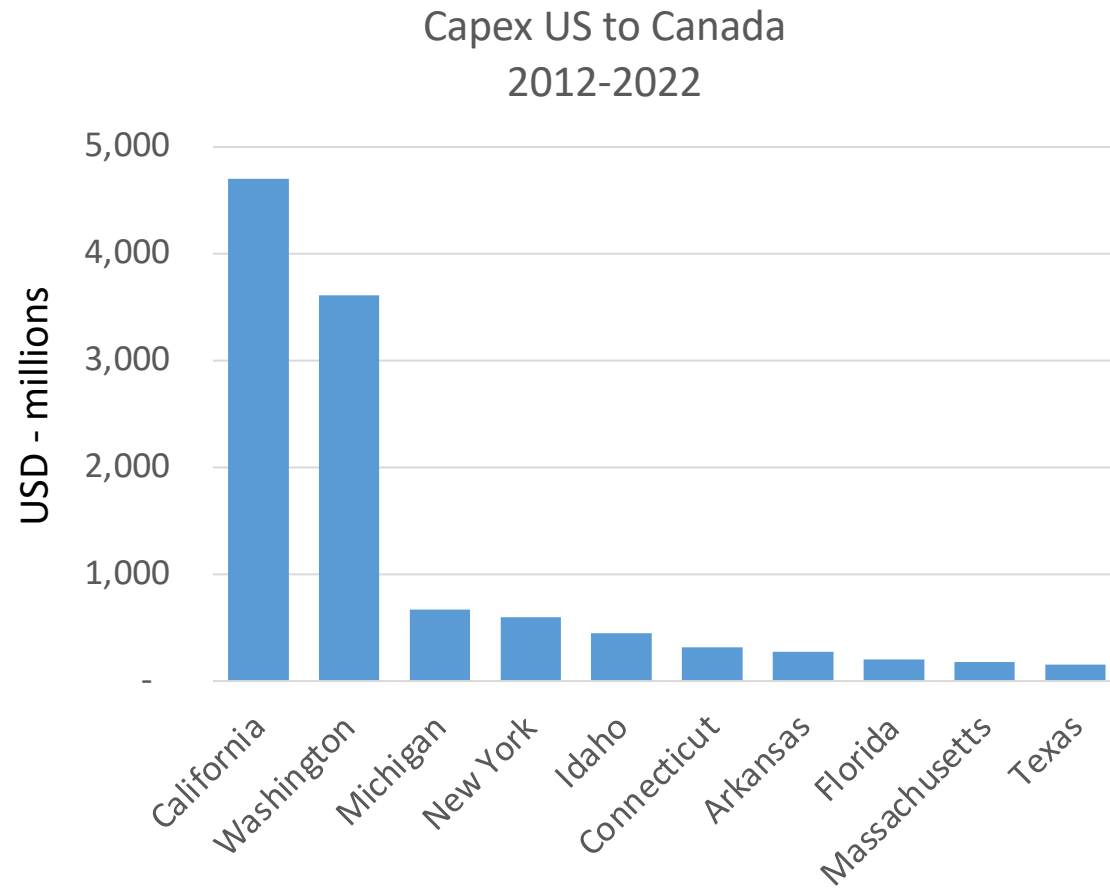
Canada Investment into US



■ Ontario ■ Quebec ■ British Columbia
■ Alberta ■ Manitoba ■ New Brunswick
■ Saskatchewan ■ Nova Scotia



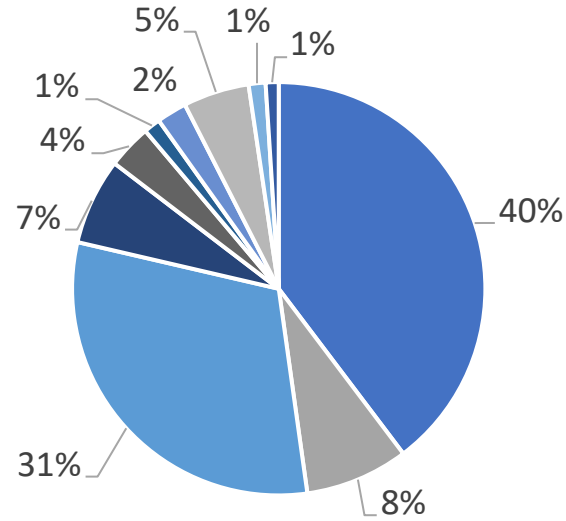
FDI by capex – A two-way street





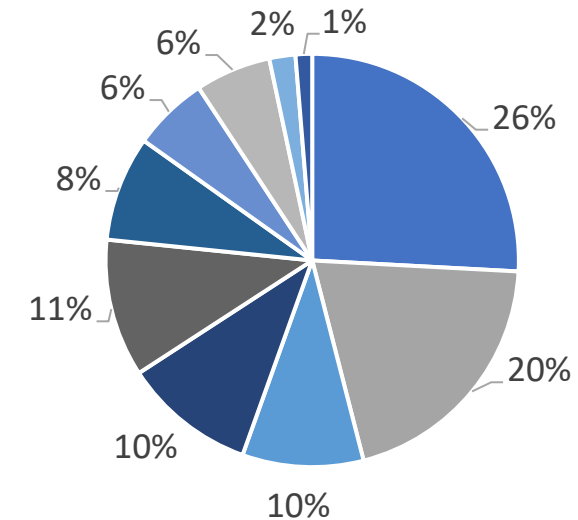
What to hunt – The job creating sectors

US to Canada Sectoral Job Creation – 2012-2022



- Software & IT services
- Consumer products
- Food & Beverages
- Transportation & Warehousing
- Aerospace
- Business services
- Automotive OEM
- Automotive components
- Communications
- Pharmaceuticals

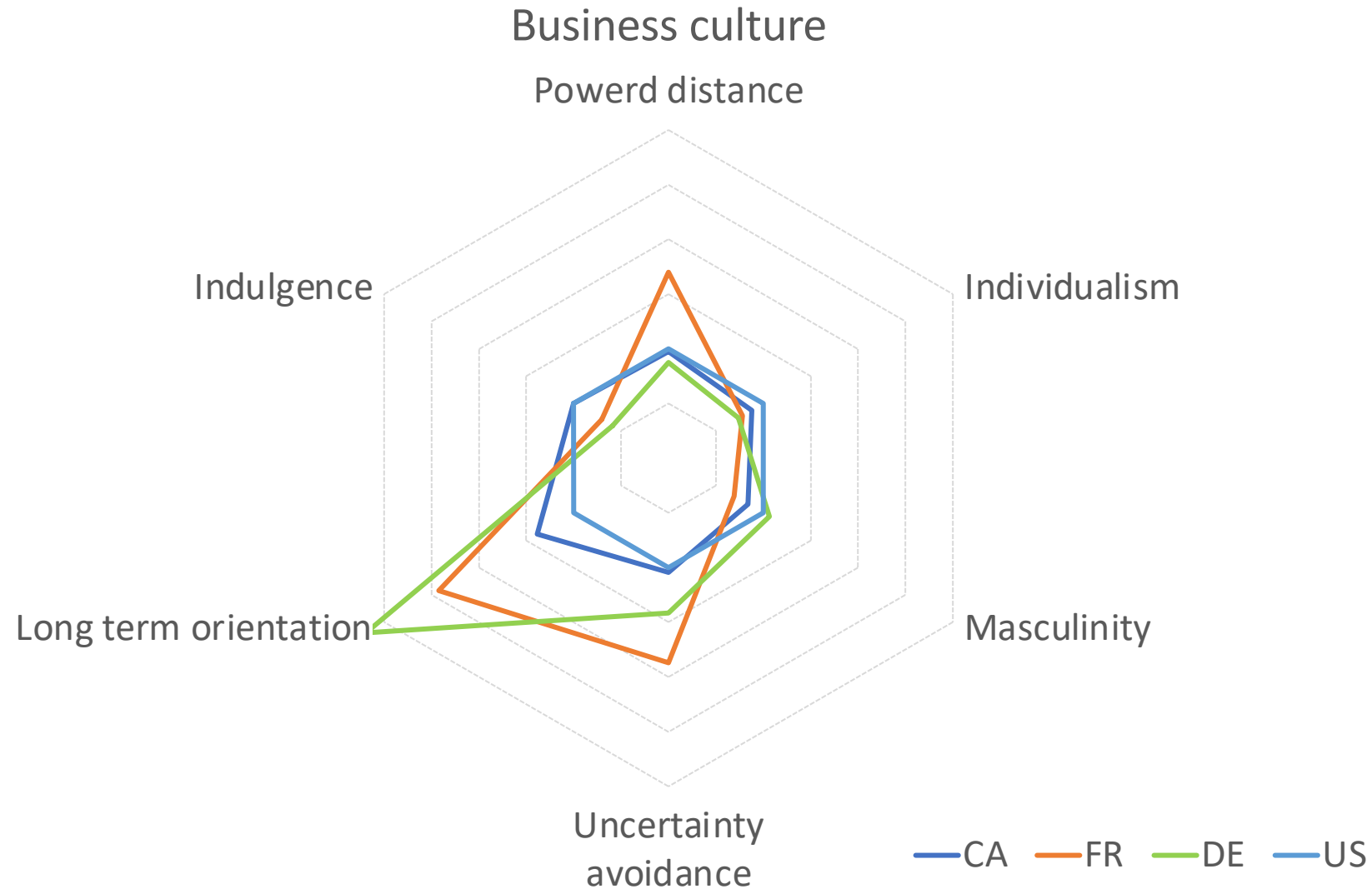
Canada to US - Sectoral Job creation 2012 - 2022



- Automotive components
- Business services
- Industrial equipment
- Paper, printing & packaging
- Financial services
- Food & Beverages
- Metals
- Software & IT services
- Plastics
- Aerospace



Canada and the US – Similar Business Cultures





Thank you!