

Texas Familiarization Tour

How to Attract European FDI to Texan Communities?

In co-operation between the European American Investment Council (EAIC) and Team Texas

EAIC Corporate Sponsors



Agenda

Introduction – Global and European FDI Trends

Matthias Beier, President & CEO, EAIC LP

European FDI Flows to the U.S. and Implications for Economic Development Organizations

Florian Stamm, Partner, Head of Site Selection at Smith, Gambrell & Russell LLP

Site Selection USA: What are European Companies Looking For?

Jim Blair, Founder and Managing Director of Navigator Consulting LLC

Q&A and Discussion

The EAIC Advisory Council - 17 Experts in European FDI to the US

Matthias Beier, Council President

President & CEO, EAIC, LP

Matt is the President and CEO of the EAIC. He gained work experience worldwide at an international consultancy and is an expert in European American business relations.

Florian Stamm

Partner, Head of Site Selection, Smith, Gambrell & Russell LLP

At Smith, Gambrell & Russell LLP Florian represents European investors, primarily from Germany, Switzerland and Austria. He focuses his practice on site selection and economic development.

Jim Blair

Founder and Managing Director of Navigator Consulting, LLC

Jim has 32 years of site selection experience having worked as Director of the Georgia's European Office and Managing Director, Site Selection Services of the German American Chamber of Commerce of the South. With Navigator Consulting he has located 10 projects in 2 years representing over 2,000 announced jobs and \$1.2 billion in capital investment

Dr. Ullrich Kämmerer

Partner at Rödl & Partner LLP

Ullrich Kämmerer is partner at Rödl Langford de Kock LLP, where he focuses on market entry, site selection and taxation of European investors in the USA.

Introduction

The European American Investment Council is the leading representative of North American EDOs in Europe

Benefits:

- Additional Exposure
- Information on Industry Trends
- Direct contact to manufacturing companies



The EAIC – A Member Organization



EAIC Team

- Multilingual team (5 full time employees) with offices in Atlanta and Berlin, Germany
- Meets companies at events all over Europe to identify potential leads

Advisory Council (AC)

- Extensive experience in European FDI in the U.S.
- Well connected with a variety of European investors
- Multidisciplinary (tax, law, site-selection, and more)

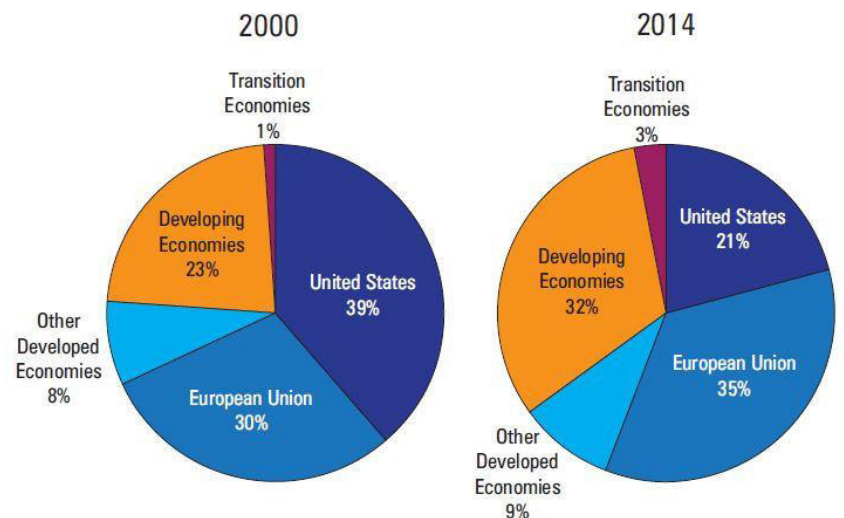
Community & Corporate Members

- Become “visible” in Europe through listing in our membership directory (more than 60 members from 19 U.S. States)
- Get access to premium European FDI information and play an active role in our member driven platform
- Directly meet with European companies looking to invest in the U.S. on our FDI Trips (in- and outbound)

Global FDI Trends – the U.S. share is declining...

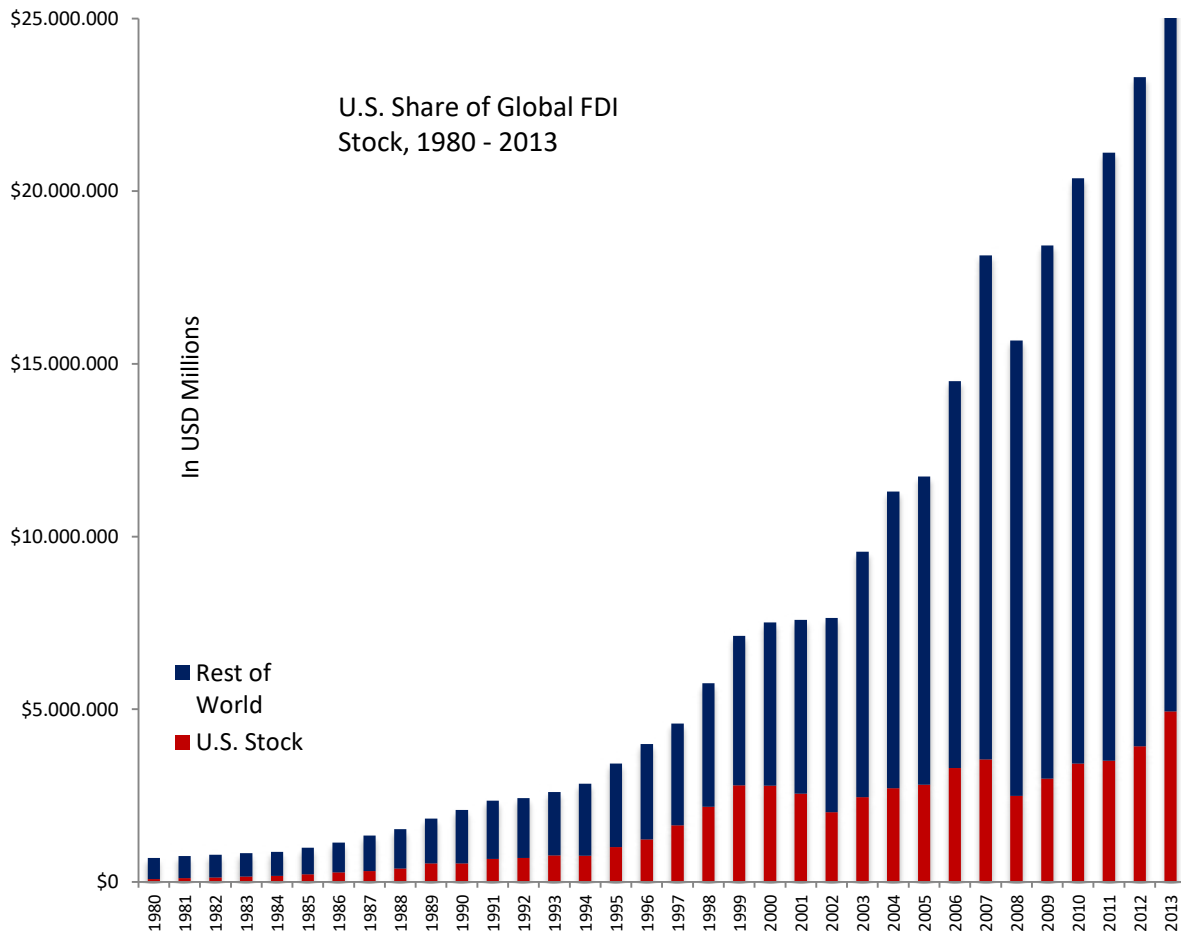
Until the 1980s, the U.S. was the predominant recipient of FDI worldwide. Its proportion has fallen consistently.

Worldwide Inward Stock of Foreign Direct Investment, 2000 and 2014



Source: UNCTAD's *World Investment Report 2015*

U.S. Share of Global FDI Stock, 1980 - 2013



Currency displayed at market values. Source: UN Conference on Trade and Development, 2013

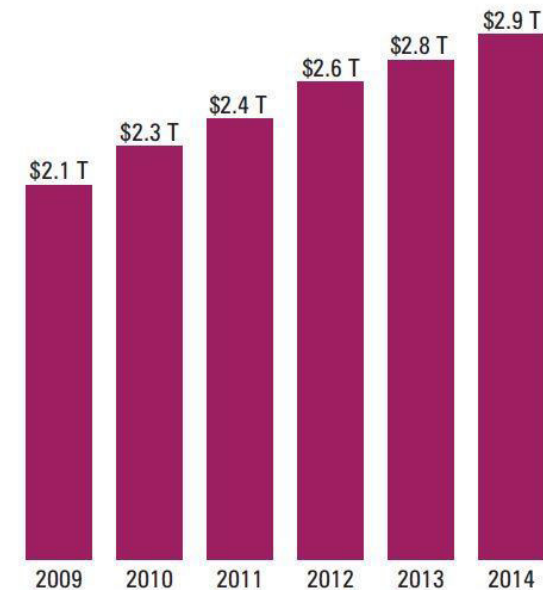
...but FDI to the U.S. are growing

FDI flows to the U.S. are growing due to

- the growing U.S. market
- low regulation compared to many competitors
- a transparent legal and regulatory environment

Annual FDI flows are fairly consistent over the years.

Cumulative Foreign Direct Investment in the United States, 2009-2014



Data are shown on a historical-cost basis, or cost at time of investment.
Source: Bureau of Economic Analysis

Countries of Origin

Classical manufacturing economies:
Switzerland, Germany, France, Italy, Sweden,
Denmark, Spain, Japan and South Korea

Note: Volatility indicates distorting effect of
holding companies, but general trendlines are
consistent.

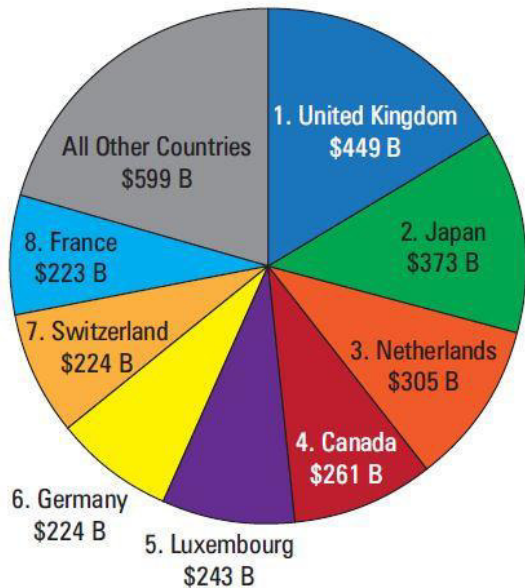
(The Netherlands are a typical place for EU based
conglomerates, like Switzerland and Luxembourg.)

Inward Investment from Leading Countries, 2013-2014 (in millions of dollars)

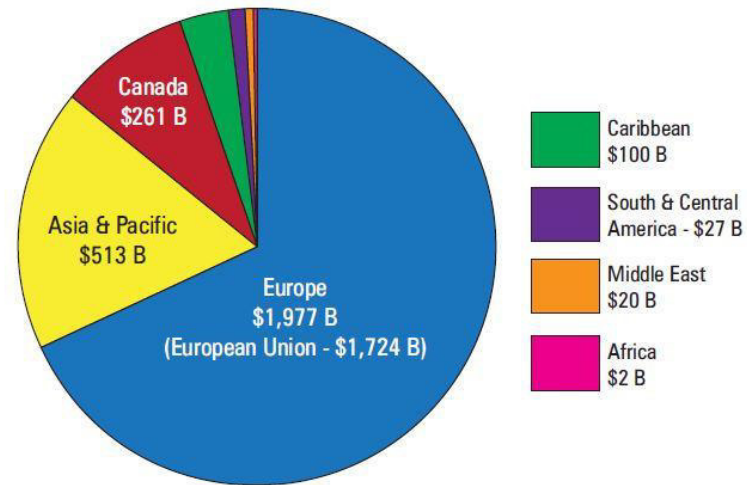
| Rank | Country | 2013 | 2014 | Percent Change |
|------|-------------------------|----------|----------|----------------|
| 1. | Netherlands | \$8,322 | \$38,927 | 368% |
| 2. | Japan | \$43,619 | \$33,765 | -23% |
| 3. | Switzerland | \$18,164 | \$23,541 | 30% |
| 4. | Canada | \$24,153 | \$21,116 | -13% |
| 5. | Germany | \$16,348 | \$19,124 | 17% |
| 6. | Luxembourg | \$31,250 | \$16,130 | -48% |
| 7. | France | -\$3,765 | \$12,882 | n/a |
| 8. | U.K. Islands, Caribbean | \$10,204 | \$7,292 | -29% |
| 9. | Hungary | \$59 | \$4,345 | 7,264% |
| 10. | South Korea | \$6,168 | \$4,139 | -33% |
| 11. | Bermuda | \$3,761 | \$4,081 | 9% |
| 12. | Italy | \$1,950 | \$3,681 | 89% |
| 13. | Sweden | \$808 | \$3,674 | 355% |
| 14. | Denmark | \$1,985 | \$2,775 | 40% |
| 15. | Spain | \$1,507 | \$2,775 | 84% |
| 16. | Mexico | \$3,508 | \$2,421 | -31% |
| 17. | Norway | \$1,685 | \$2,107 | 25% |
| 18. | Belgium | -\$7,662 | \$1,329 | n/a |
| 19. | Ireland | \$9,344 | \$1,207 | -87% |
| 20. | Singapore | \$1,165 | \$1,184 | 2% |

Europe is the predominant source of FDI to the U.S.

Cumulative Foreign Direct Investment in the United States by Country Through 2014



Cumulative Foreign Direct Investment in the United States by Region, 2014



Europe is by far the most important investor, with seven European countries ranked among the top ten investors in the U.S.

Even during the financial crisis, FDI from Europe into the U.S. continued to grow. Cumulative European FDI in the U.S. has doubled over the past decade.

In summary - European FDI in the U.S.

- FDI has become a major source of manufacturing jobs in the U.S.
- Companies like Airbus, BMW, Vestas, Fiat and Siemens have created thousands of jobs in communities all across the U.S., as well as the constant flow of European suppliers and SMEs.

Today we will discuss...

... how to get a share of the large amount of European FDI to your Community?

... and how to make your Community stand out to investors and showcase what make it a more attractive place to invest than the other 3,142 U.S. Counties?