



MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

US & FOREIGN DIRECT INVESTMENT

Drew Coleman, MBA, EDFP
Director

Outline for today's presentation

1. The Team
2. Michigan's FDI leadership
3. Our Approach through Partnership
4. FY2020/2021 Recap
5. FY2021 Numbers
6. FY2022 and beyond!

Addendum: Case Study, SF measures

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THE TEAM

- Drew Coleman, Director

- Domestic Team

- Mark Birkmeier
- Rachel Donaldson
- Kathy Kleckner
- Silicon Foundry*

- Canada/India

- Paul Krepps

- China/Taiwan/Hong Kong/Greater Asia

- Brian Connors
- Courtney Henderson
- Yahang Zhang
- Crystal Li (Shanghai)

- Europe

- Vlatko Tomic-Bobas

- Israel*

- Scott Hiipakka
- Bernard Bourgeois

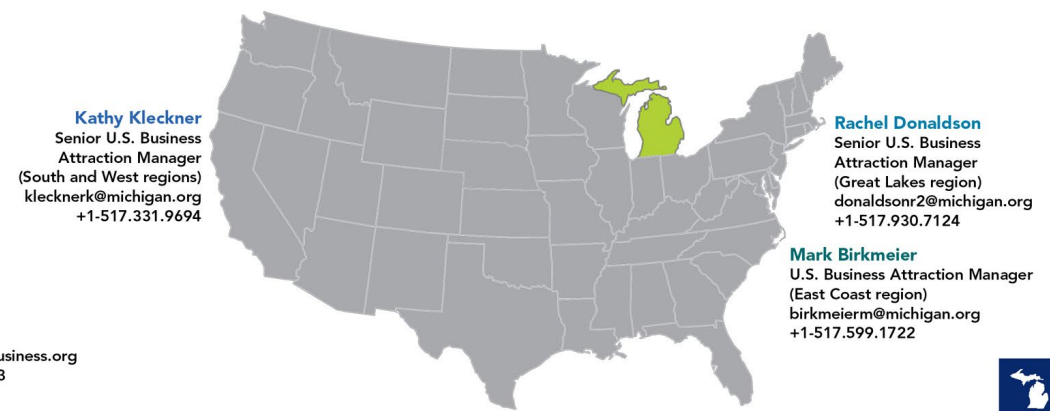
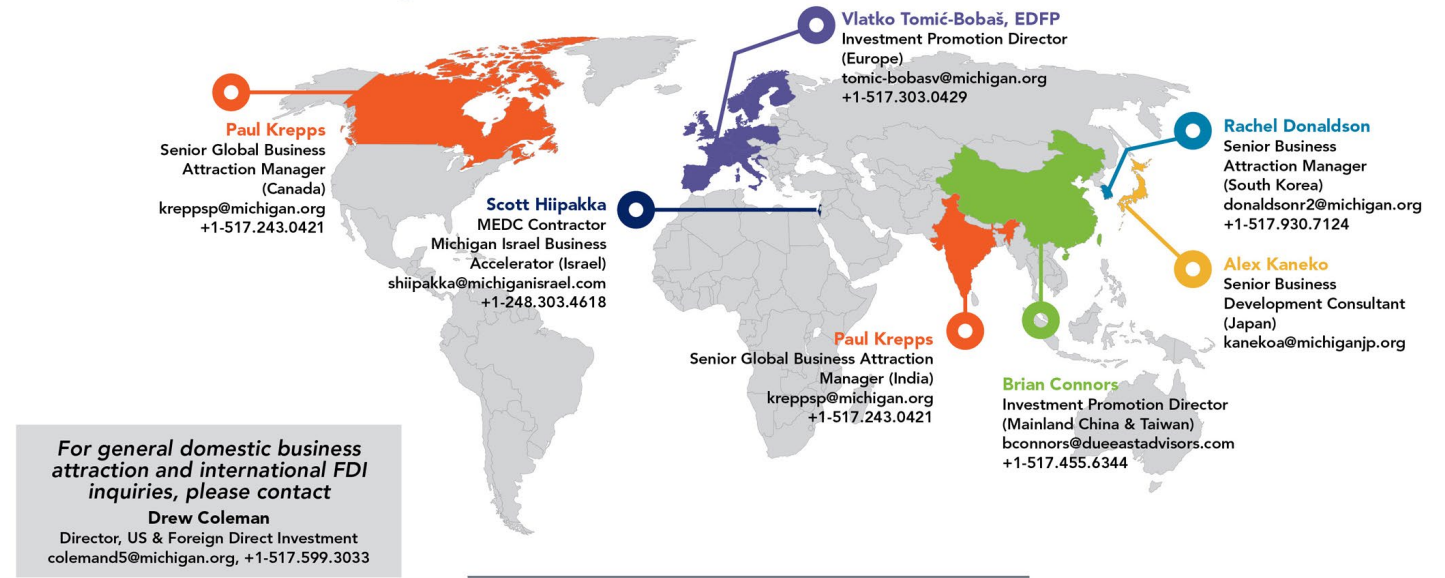
- Japan

- Alex Kaneko
- Masa Yamamoto (Tokyo)
- Kazuyo Kambara (Kyoto)

- S Korea

- Rachel Donaldson

Foreign Direct Investment Team



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Michigan's FDI Leadership



FOREIGN DIRECT INVESTMENT IN MICHIGAN

SITE
SELECTION
MAGAZINE

Michigan is a Top 3 State for
Foreign Direct Investment

THIS JUST IN

MichiganBusiness.org

December 8, 2021

This Just In: Michigan a Top State for Foreign Direct Investment

Michigan Ranks Among the Top 5 States in the Nation for
Ongoing FDI Activity



Michigan is a top global destination for foreign direct investment with more than **1,485 foreign companies** with a total of **5,503 locations across the state**, totaling **\$11.8 billion in investments** since 2016.

Top 10 Countries Investing in Michigan (2016-2020)

U.K.
\$4,865.10
Million

Germany
\$1,604.70
Million

South Korea
\$1,216.50
Million

Japan
\$816.80
Million

Canada
\$718.60
Million

China
\$709.90
Million

France
\$301.50
Million

India
\$274.50
Million

Spain
\$232.60
Million

Italy
\$161.50
Million

MICHIGAN ECONOMIC
DEVELOPMENT CORPORATION

INDUSTRIES SERVICES SITE SELECTION WHY MICHIGAN NEWS

Wednesday, March 3, 2021

Michigan climbs in national FDI rankings

Michigan no. 1 for fastest foreign direct investment job growth over the past five years, according to Global Business Alliance

READ MORE

DOMESTIC TARGET MARKETS

- California – Los Angeles, San Francisco, San Diego
- Florida – Miami
- Georgia – Atlanta
- Illinois – Chicago
- Indiana
- Massachusetts – Boston
- Minnesota
- North Carolina
- Nebraska – Omaha
- New Jersey
- New York
- Ohio – Columbus, Dayton, Cincinnati, Cleveland
- Pennsylvania
- Texas – Austin, Dallas, San Antonio, Houston
- Washington – Seattle
- Washington, DC Region

So how does this work?



ALIGNMENT WITH LEADING INDUSTRIES



**ADVANCED
MANUFACTURING**



**MOBILITY AND
AUTOMOTIVE
MANUFACTURING**



**ENGINEERING,
DEVELOPMENT
AND DESIGN**



MEDICAL DEVICES



TECHNOLOGY

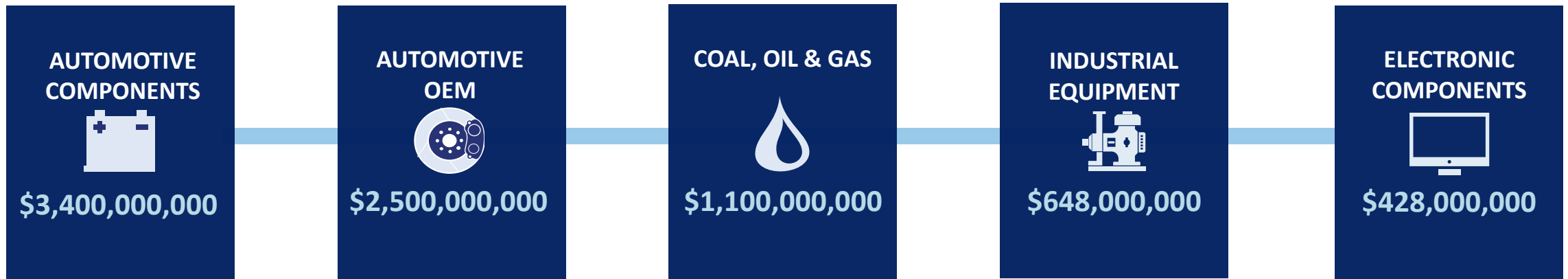


**PROFESSIONAL
AND CORPORATE
SERVICES**

INVESTMENT IN MICHIGAN

By matching **established and diverse industries** with foreign companies that have similar goals, Michigan is the **premier gateway for businesses** from around the world to expand.

Top FIVE Investing Industries in Michigan



PARTERS AND PROCESS

- Accounting, Legal, Immigration, Banking, Commercial Real Estate, and other professional firms
- Regional, National, Global Economic Development Partners and National Chambers of Commerce
- Foreign Governments
- National and Global Travel
- Meetings with CEOs and business leaders
- Meetings with Industry Groups
- Meetings with Foreign Governments
- Trade Show and event attendance

TRADITIONAL SALES FUNNEL

- ***Soft Contact***
- ***Seminar***
- ***Presentation***
- ***Develop Solution***
- Client Evaluation
- Negotiation
- Closing



PRE-INVESTMENT PHASE (SITE SELECTION/CORPS)

Pre-Investment Phase

Site Selection Process – Corporate Side



PRE-INVESTMENT PHASE (EDO)

Pre-Investment Phase

Site Selection Process – EDO Side



Reflecting and Looking Forward



HOW DID WE GET HERE? WHERE ARE WE GOING?

- FY2020
 - Initially supported COVID response
 - Pivoted to maintain activity level and relevance with key decision makers
 - Hosted dozens of virtual summits, webinars, and events
 - Engaged in-person where appropriate and staffing allowed
 - Hosted in-person and virtual site visits
- FY2021
 - 2021 remained a year of transition
 - Held limited in-person engagements through late spring but primarily virtual until fall
 - We have built up a strong pipeline of pending investments, but ultimate decisions appear to have some delay due to market uncertainty
 - USFDI Pipeline has grown 35X as it relates to CAPEX 2021/2020 (\$2B -> +\$70B)
 - Looking to augment our global market strategy with transaction-level partnerships in India, Korea, and potentially other locations
 - Identifying partners to help open doors in domestic US across our strategic industries
 - 90+ events in 2021 including domestic and international engagements
 - Bi-weekly virtual site visits with local EDO groups
 - Value-Add Validation Process established
 - Michiganbusiness.org/fdi established
 - Michiganjp.org established
 - Bi-monthly Pure Opportunity established (+2600 recipients)

FY2021 RESULTS

- Overall FDI CAPEX supported: \$550M
- New contacts created in SF: 207
- New leads generated: 185
- *Current open leads: 299*
- Opportunities created: 32
- *Current open opportunities: 51 (+26k jobs, ~\$71B)*
- Newsletter recipients: ~2700
- SF activity: ~2400
- Event engagements: ~80

FY2022+

- Engagements
 - 80+ events scheduled
 - Increased market presence and capacity to travel (Omicron variant impact TBD)
- Partnerships
 - Continuing engagement with established contractors (China/Taiwan, Europe, Japan)
 - Establishing relationship with lead generation support in Canada, potential for other markets
- Communication
 - Increase receivership of newsletter
 - Continued marketing of Japan website
 - Finalize contractor access to SF Communities





THANK YOU

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Case Studies

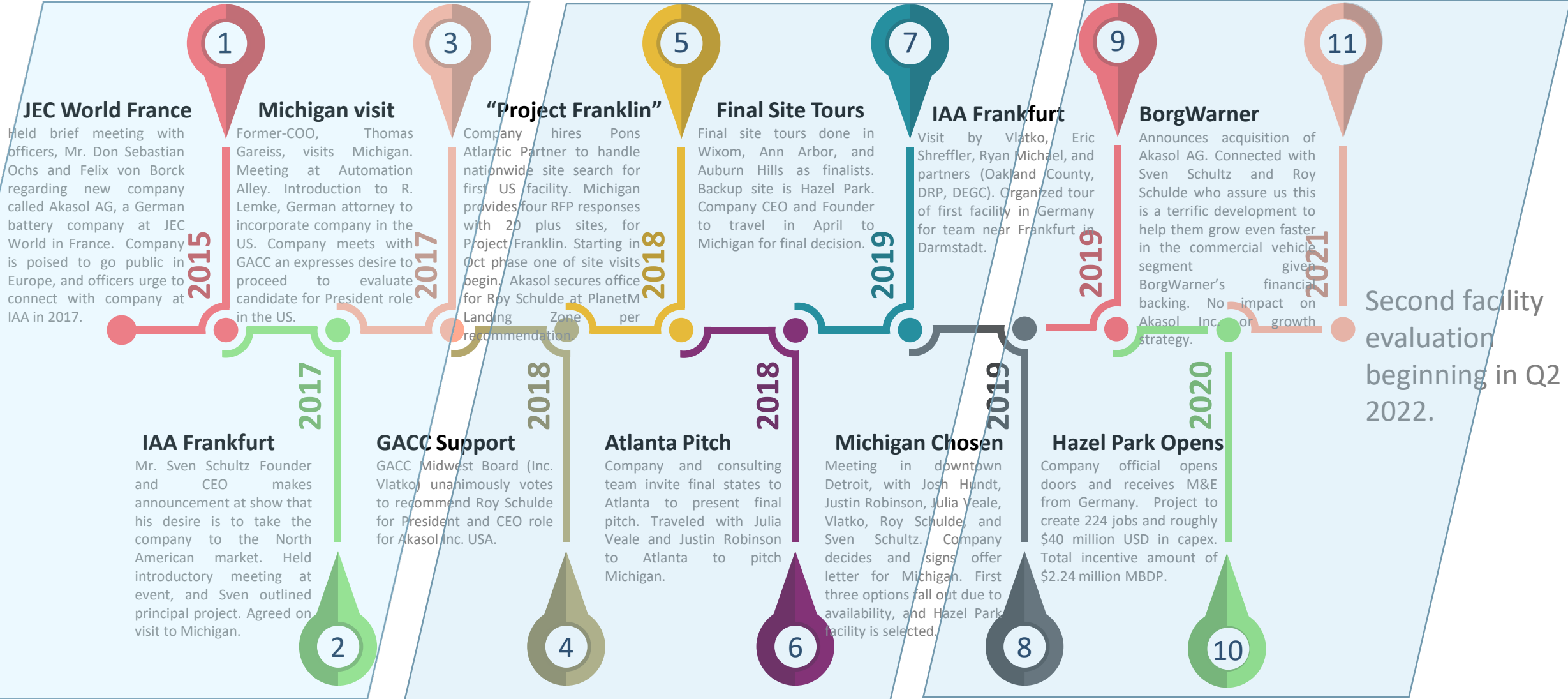


AKASOL NA – ***“PROJECT FRANKLIN”***

- 2 GWh Battery Facility
- NA HQ and First US Site
- 224 Jobs
- \$40M German FDI
 - \$2.24M MBDP
 - SET 6 Mill
 - PA 198

“The facility in Hazel Park is part of our path to international success and expansion. We are proud to have been able to commission the production facility on schedule despite the difficult conditions brought about by the COVID-19 pandemic. The consistent expansion of production capacities creates the ideal basis for further local growth,” according to **Carsten Bovenschen, CFO of AKASOL AG**. Bovenschen also noted that **Hazel Park offers ideal production conditions for industrial firms: “The employees are highly qualified, production costs are competitive, and we are very close to key sales markets and key customers.”** AKASOL is currently seeing a lot of interest in the North American market for electrified commercial vehicles and buses. In order to satisfy existing and future orders and to meet the commercial law requirements for local added value, **further expansion in the production capacities at the US location is necessary and makes absolute sense.**

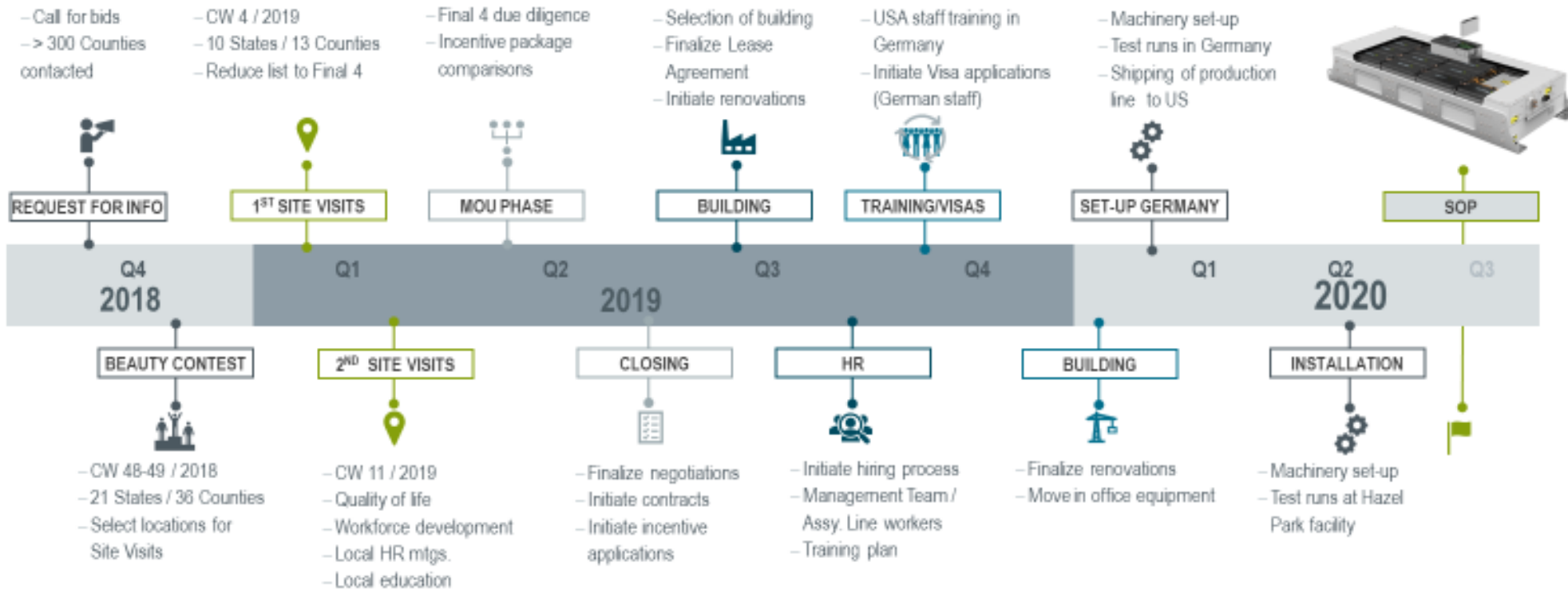
AKASOL ENGAGEMENT



AKASOL NA INTERNAL TIMELINE



USA SITE SELECTION PROCESS TIMELINE



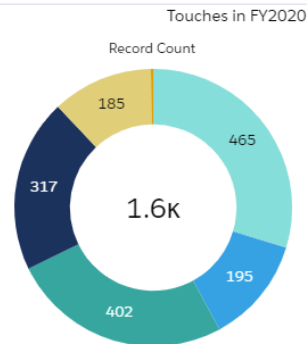
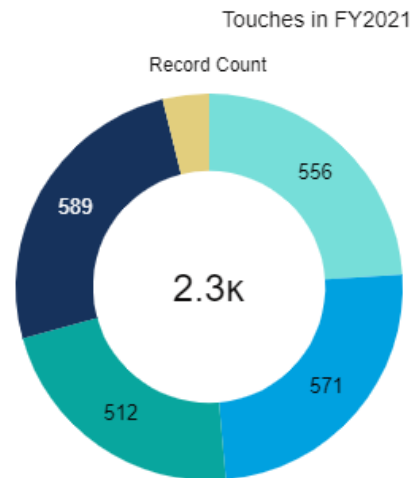
SALESFORCE USE AND ACTIVITY, FY2021

Total activity tracked in SF (FY2021)

2,387 touches tracked in FY2021

~1,600 touches tracked in FY2020

~1,800 touches tracked in FY2019



- FY2021 SF improvement objectives

- Expand SF access to Japan and China contractor groups (NEAR COMPLETION)
- Increase alignment of SF standards
- Finalize Value-add validation process
- Evaluate implementation/use of campaigns to track activities, leads, and opportunities

FY2021 LEADS CREATED AND TOTAL IN PIPELINE (as of 02/21/2022)



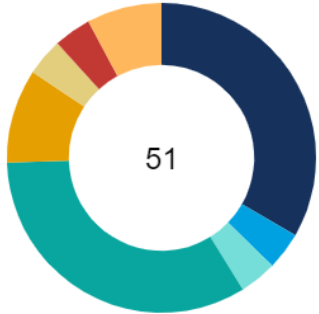
OPEN OPPORTUNITY PIPELINE (USFDI)

Total Records	Total Jobs Created	Total Total Private Investment Am...
51	26,095	\$71,114,784,647.00



US&FDI Open Opportunities

Record Count



Opportunity Industry

- Engineering, Design and Development
- Advanced Manufacturing
- Medical Device Technology
- Mobility and Automotive Manufacturing
- Regional Impact - Other Manufacturing
- Other
- Technology
- Other



THANK YOU

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