



EXPERTS IN CORPORATE EXPANSION

Advisory | Analytics | Consulting | Events | Lead Generation | Trade | PR & Marketing | Publishing | FDI Training | Association Management



CONWAY

Site Selection 101

- Understanding Site Selectors
- The Site Selection Process
- Incentives
- Investment Readiness
- Investment Attraction Opportunities

1 | What is a Site Selector?



What is a Site Selector?

- Site Selectors help companies make location decisions.
- They advise on matters of workforce, regulation, business environment, cost, economic networks, real estate, logistics, legal, tax, quality of life, and other locationally relevant matters.

Who is a Site Selector?

Site Selectors can be.....

Traditional
"Site Selectors"

Management
Consultants

Tax
Consultants

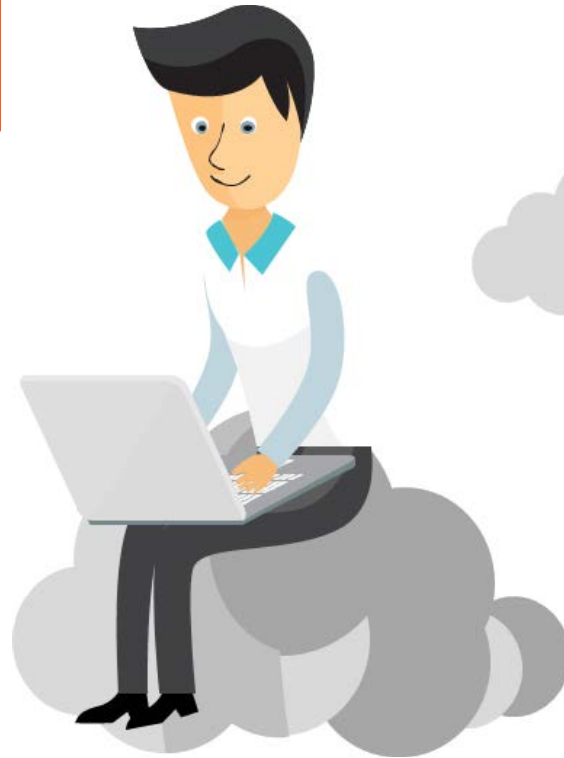
Real Estate
Brokers/Consultants

Engineers

Attorneys

Supply Chain
Consultants

Corporate
Management





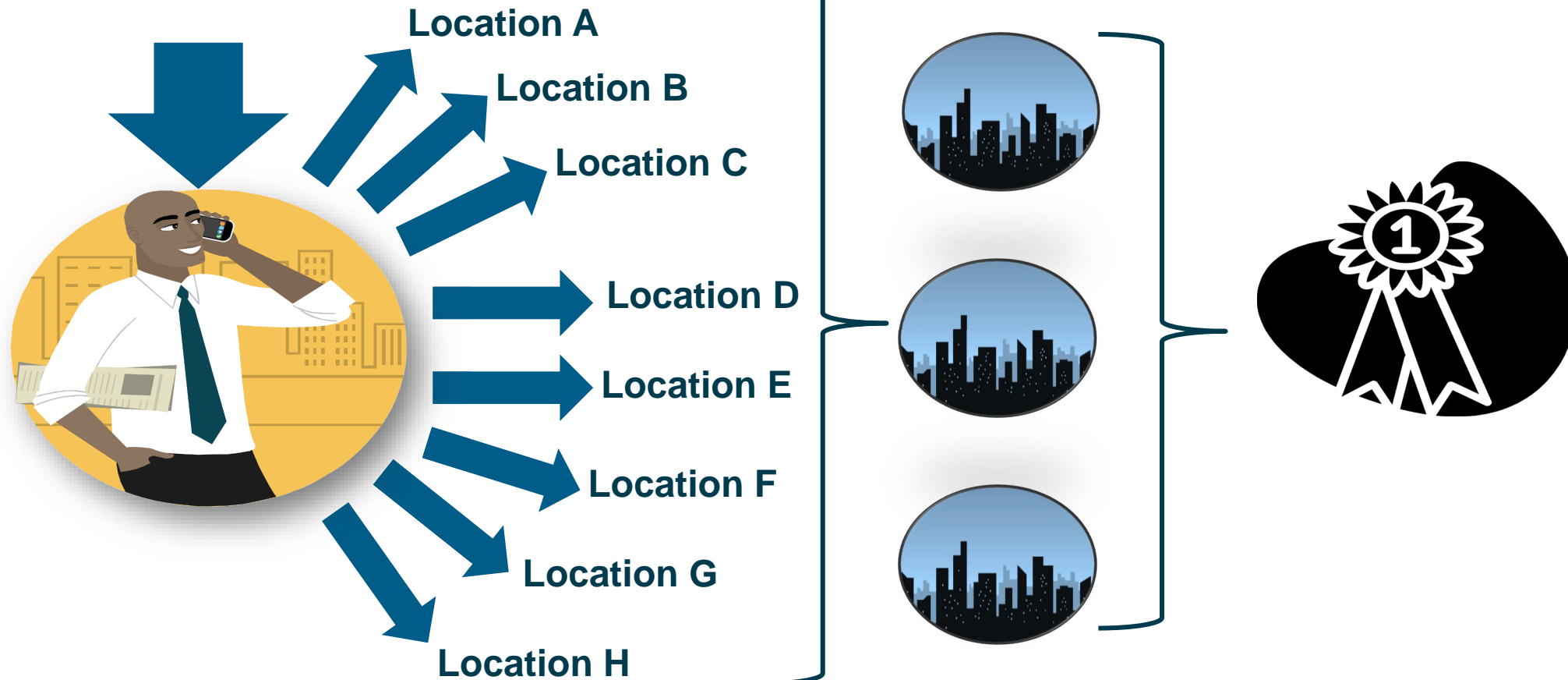
2 | The Site Selection Process

Corporate site selection process

1990 investment decision making process

- + Site visits
- + Journals
- + Newspapers
- + Brochures
- + Trade Shows

SIX MONTHS



Corporate site selection process

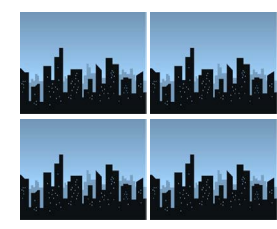
2019 investment decision making process

85% of initial search = Internet

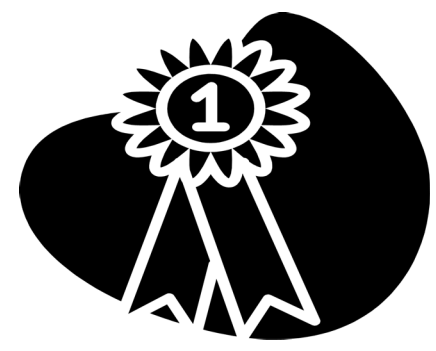


EIGHT WEEKS

Detailed info

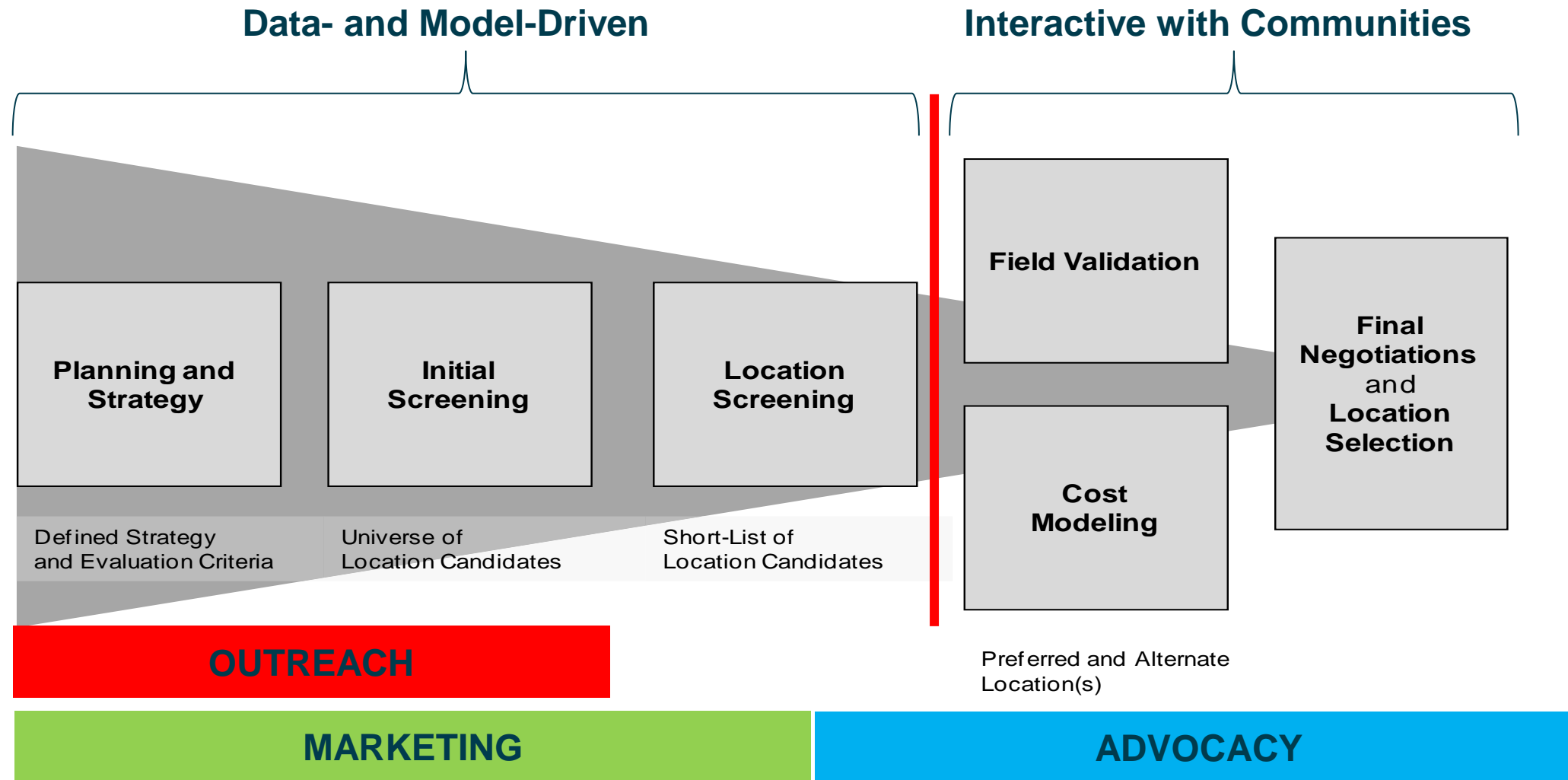


Services



The Site Selection Process

*It's important to note that **most** of the process is performed before the community is ever aware there's a project.*



Corporate site selection process

More than the Sum of the Parts

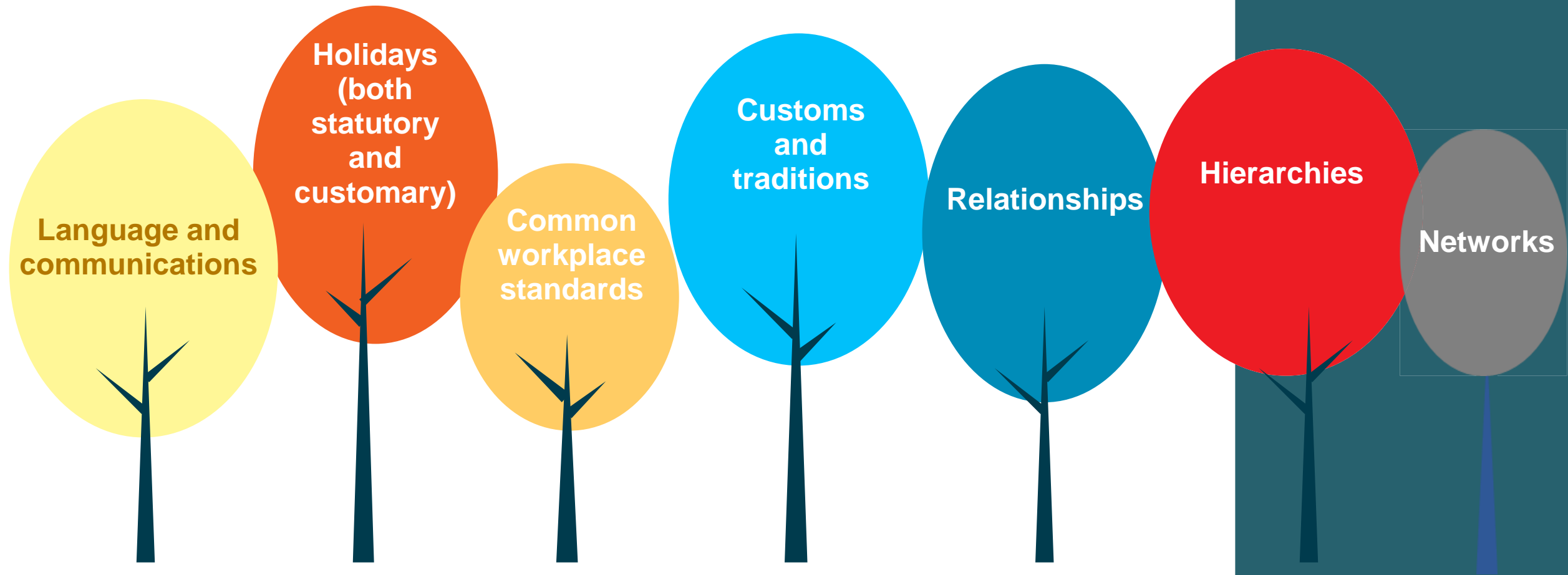
Qualitative research



Especially in FDI assignments, Site Selection Consultants have the role of explaining the real impact of the data, explaining the story behind the numbers

Qualitative research that which explains context, culture, and other human factors allows companies to better understand what it will be like to operate in the new environment

Common Factors



Potential Obstacles

Unreasonable deadlines

Unresponsive
EDO's

Incomplete
data

Changing
directives

Shortages of
resources



Indecisive management

*All represent opportunities for
EDO's as they interact*

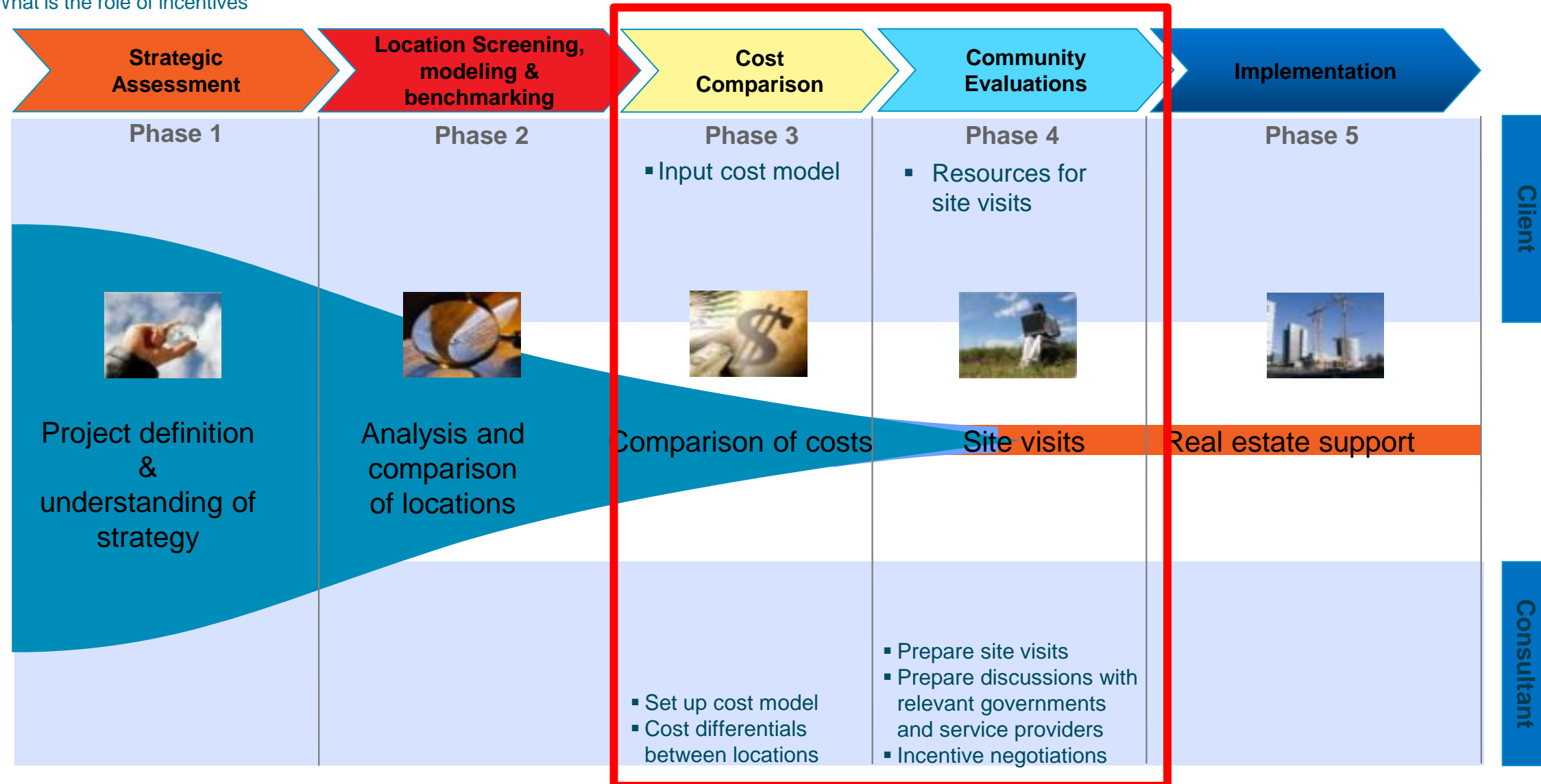


3 | A few words on incentives

Corporate site selection process

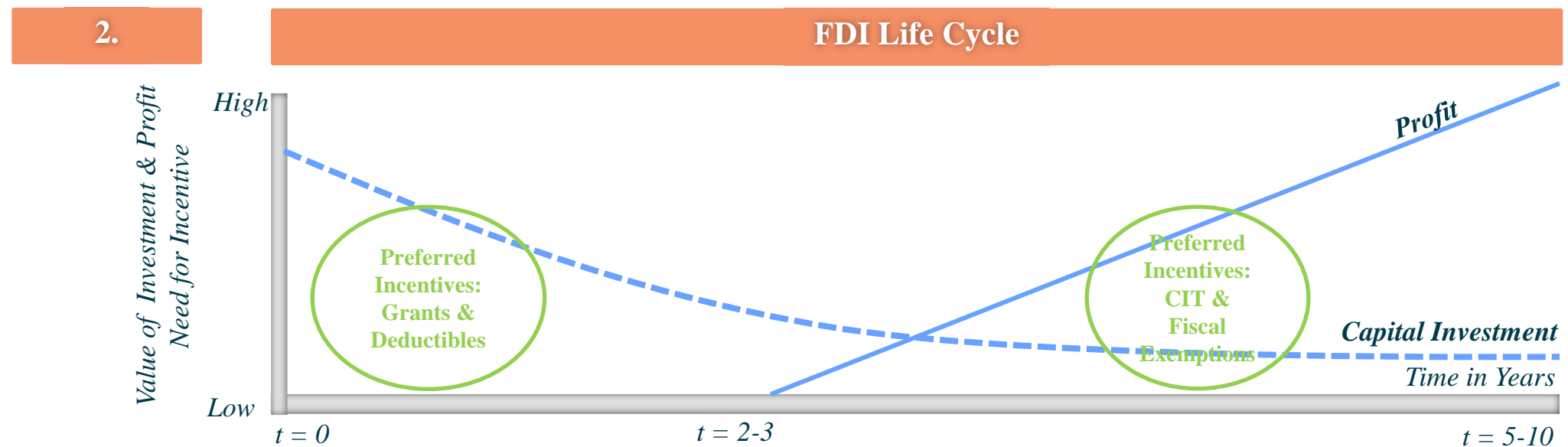
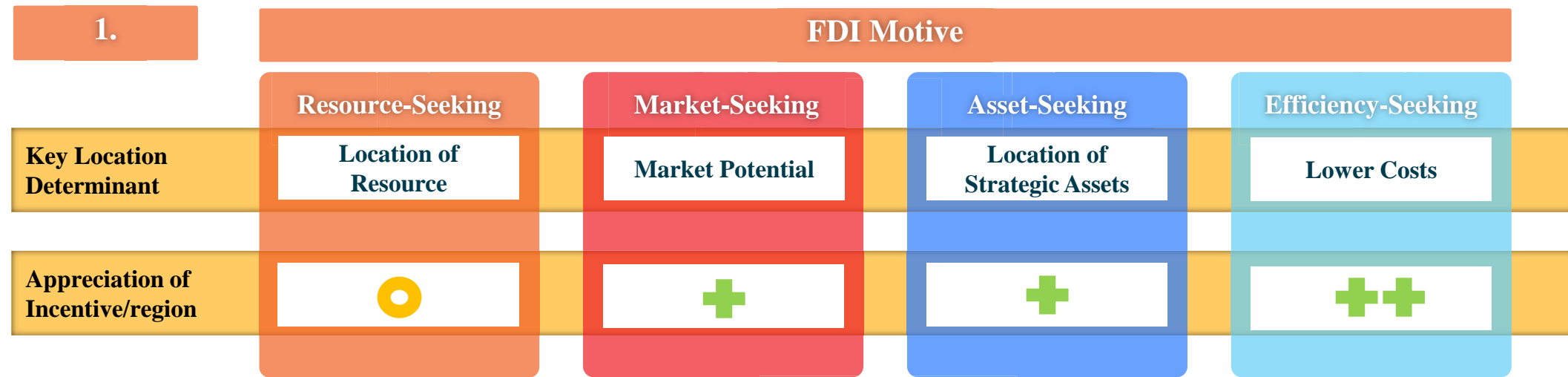
Incentives play a role in differentiating finalists and in helping to form a relationship between public and private sector

What is the role of incentives



Corporate site selection process

Incentives strategy - Examples



What is the role of Incentives?

Incentives Can't



Turn a bad location into a good one



Address considerable disconnections between location and business needs



Create an industry cluster where it doesn't already want to exist



Ensure a long-term connection between business and country or region

Incentives Can



Create partnerships which benefit both society and company



Create partnerships which benefit both society and company



Fix small regulatory and tax problems



Create a sense of a country's or region's willingness to work with business

Getting creative with incentives

Local service
and buying
pools

Community
owned land

Community
owned utilities

Power purchase
agreements
(renewable energy)

Non-Traditional Incentives

Infrastructure
improvement
pools

Shared cloud
processing or
data resources

People incentives
(attracting people
instead of
businesses)

Can we add
another here?



Corporate site selection process

Incentives strategy

Maximizes return on investment through:

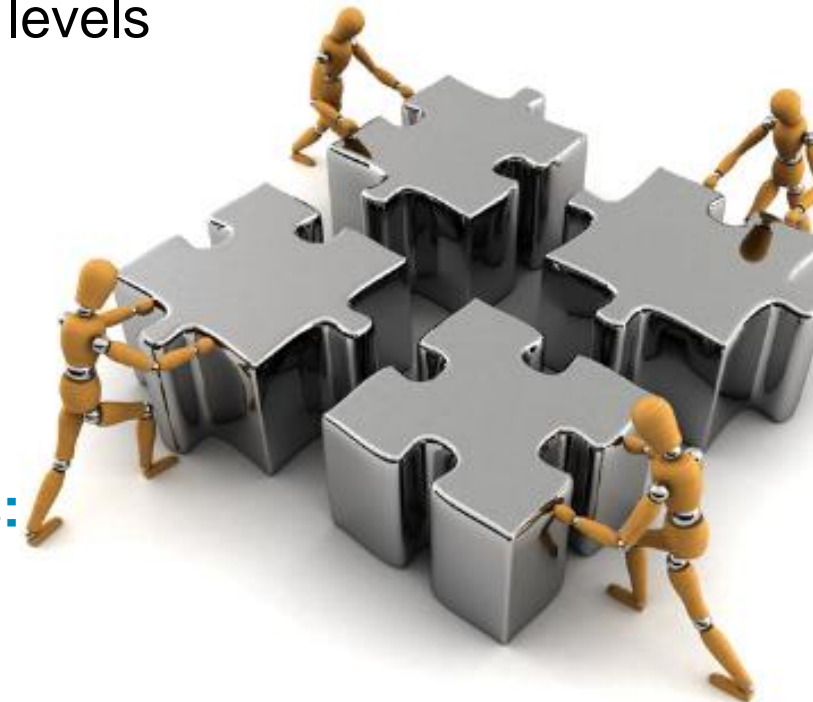
- + Earlier revenue generation through accelerated start up
- + Cost optimization; and
- + Maintained or Improved quality/service levels

Achieves 'best deal' with:

- + Financial grants and incentives
- + VAT
- + Taxation and Transfer Pricing issues

Provides an objective decision process:

- + Independent and transparent
- + Based on "Best Practices"
- + Best use of dedicated resources, tools and time

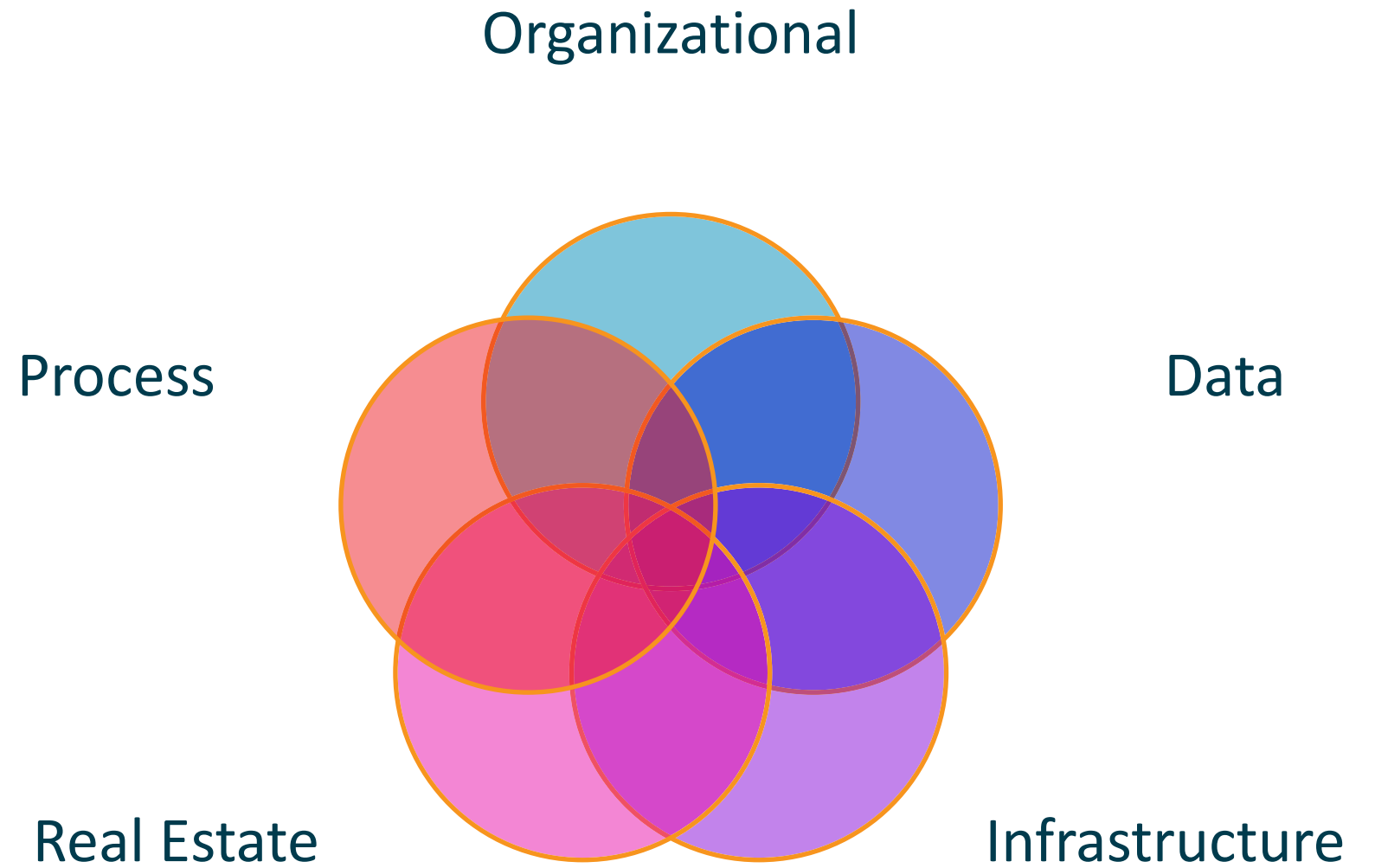


4 | Becoming Investment Ready





READINESS COMPONENTS



ORGANIZATION

Does the community have an idea of what it wants to achieve, and has the public had an opportunity to weigh in on this? Does the municipality have the institutions to respond to the inquiries and needs of new and growing businesses?

- Community vision for growth and investment attraction
- Attraction Strategy Plan
- Dedicated Economic Development staff
- Dedicated Business Attraction staff
- Website with clear contact data
- CRM



DATA

Site selection decisions are driven by data and by minimizing risk. By having the following data on hand, municipalities can both better benchmark their own opportunities and minimize the unknowns for potential investors:

- Labor Market Data
- Business Data
- Infrastructure Data
- Utility Data
- Cost Data
- Tax/Regulatory Data



REAL ESTATE

Real estate, facilities, and developable land must be available if a municipality is to successfully land a project. Location decisions are made on a complex collection of factors, but they can't move forward if there's no place to move to.

- Database of available buildings and properties
- List of "shovel-ready" sites
- Permitting process for "near-ready" sites
- Working relationship with broker/developer community



INFRASTRUCTURE

Roadways, rail, water, sewer, electric, gas, and telecom are all essential to the functioning of modern business. Some are within the purview of municipal government, and some require strong working relationships with private sector providers.

- Road capacity and condition
- Rail availability
- Water/sewer capacity
- Electric/gas capacity
- Data/fibre/telecomm
- Working relationships with key utilities



PROCESS

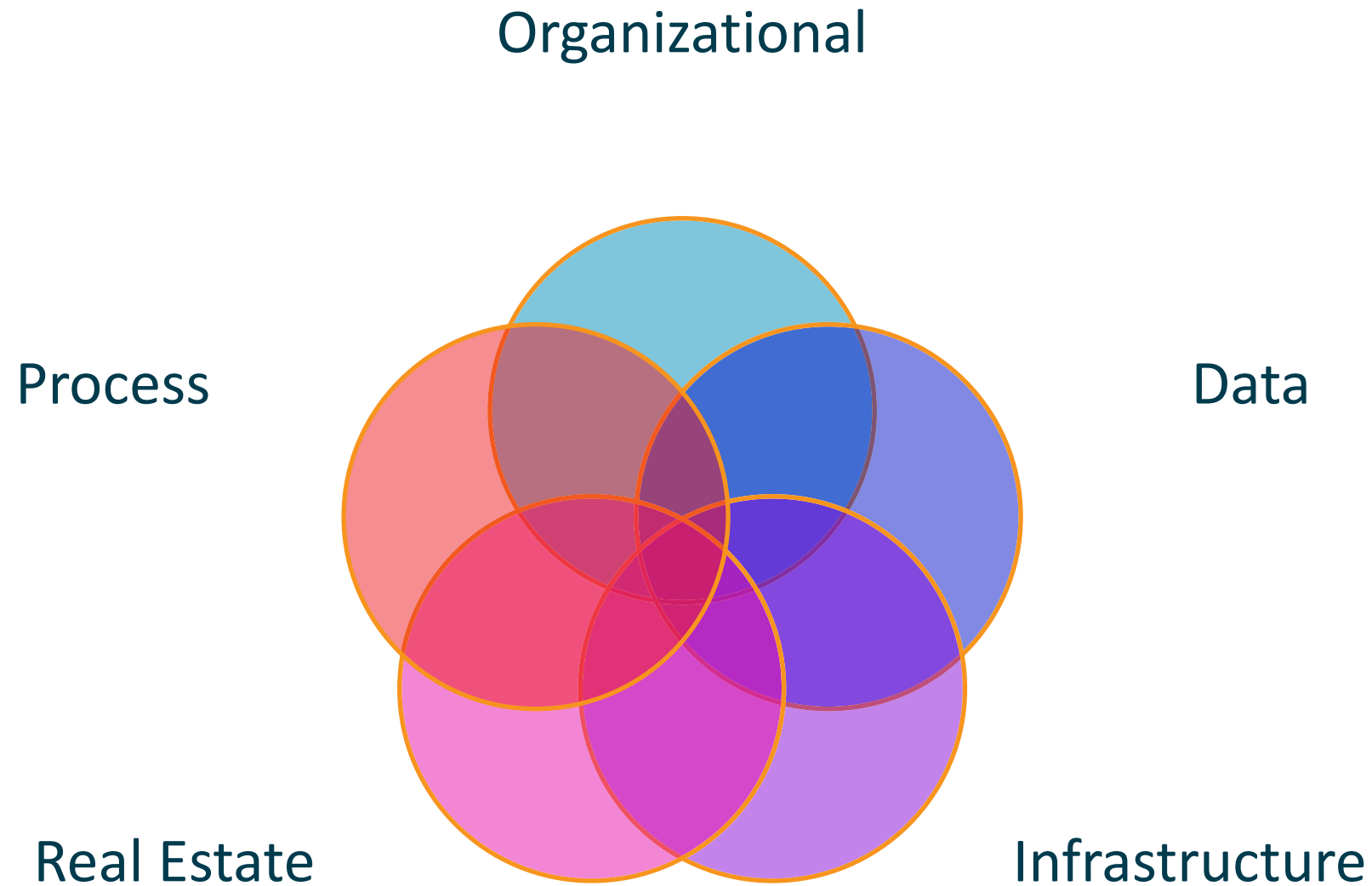
Companies value transparency and predictability as much as they do speed and cost. A clear “Yes,” “Yes, if,” or “No, but” are much more helpful than a “maybe, probably.”

- Regulatory and permitting guidelines
- Overall government "Business Friendliness"
- Bandwidth of oversight and permitting bodies
- Awareness of competitive landscape



REGULATIONS

The Importance of Having it All



All of these capabilities are necessary to successfully land investment,

and all have varying levels of importance during the investment facilitation process.



5 | Adapt and Prepare

Adapting to a Changing World

How do we match community strengths and goals to the needs of business?



Common Pitfalls

Shaky relationships with private sector

Wishful thinking

Unresponsiveness

Shortages of resources

Regulatory and institutional unreadiness

Lack of community consensus

Address ALL before reaching out to the marketplace



Reverse Engineering the Site Selection Process

Understand the link between community attributes and business needs

Investment Strategy Assessment

- Determine investor goals and resources
- Determine key stakeholders
- Catalog site characteristics
- Determine market and catalog regional attributes
- Examine existing regional and local economic base
- Establish initial strategic parameters

Market Analysis

- Collect published and proprietary data on key criteria
- Construct weighting and ranking model to test development candidates under prime and alternative scenarios
- Combine screening results with industry knowledge to understand market dynamics
- Identify initial target industry candidates

Industry Targeting

- Determine existing industry base
- Understand key dynamics for selected industries
- Examine availability of key inputs
- Look for key vendors and partners
- Determine existing reality and perception of benefits and obstacles in the site and region

Final Investment Attraction Plan

- Complete remediation plan as required
- Develop incentive plan if required
- Develop key marketing targets and customized message and tactics for each
- Develop deal structure(s)



Investment Attraction Plan

First Steps

- Understand Your Community
- Organize and Prepare
- Engage the Current Corporate Base
- Build Regional Strength
- Build Relationships Among Government, Business, Education, and Economic Development
- Develop a Coherent External Image Supporting Economic Development
- Actively Reach Out
- Be Creative

An aerial night view of a city skyline, likely New York City, with numerous skyscrapers illuminated. A prominent red semi-transparent overlay covers the bottom half of the image. A URL is centered in the middle of the image.

https://youtu.be/IQL_YsZQvPI

THANK YOU!



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