



EXPERTS IN CORPORATE EXPANSION

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

Site Selection 101

- Understanding Site Selectors
- The Site Selection Process
- 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

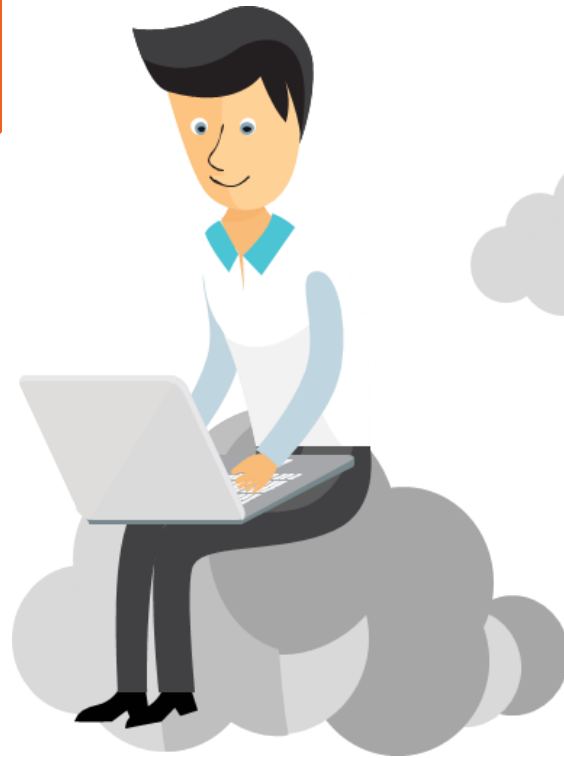
Real Estate
Brokers/Consultants

Engineers

Attorneys

Supply Chain
Consultants

Corporate
Management





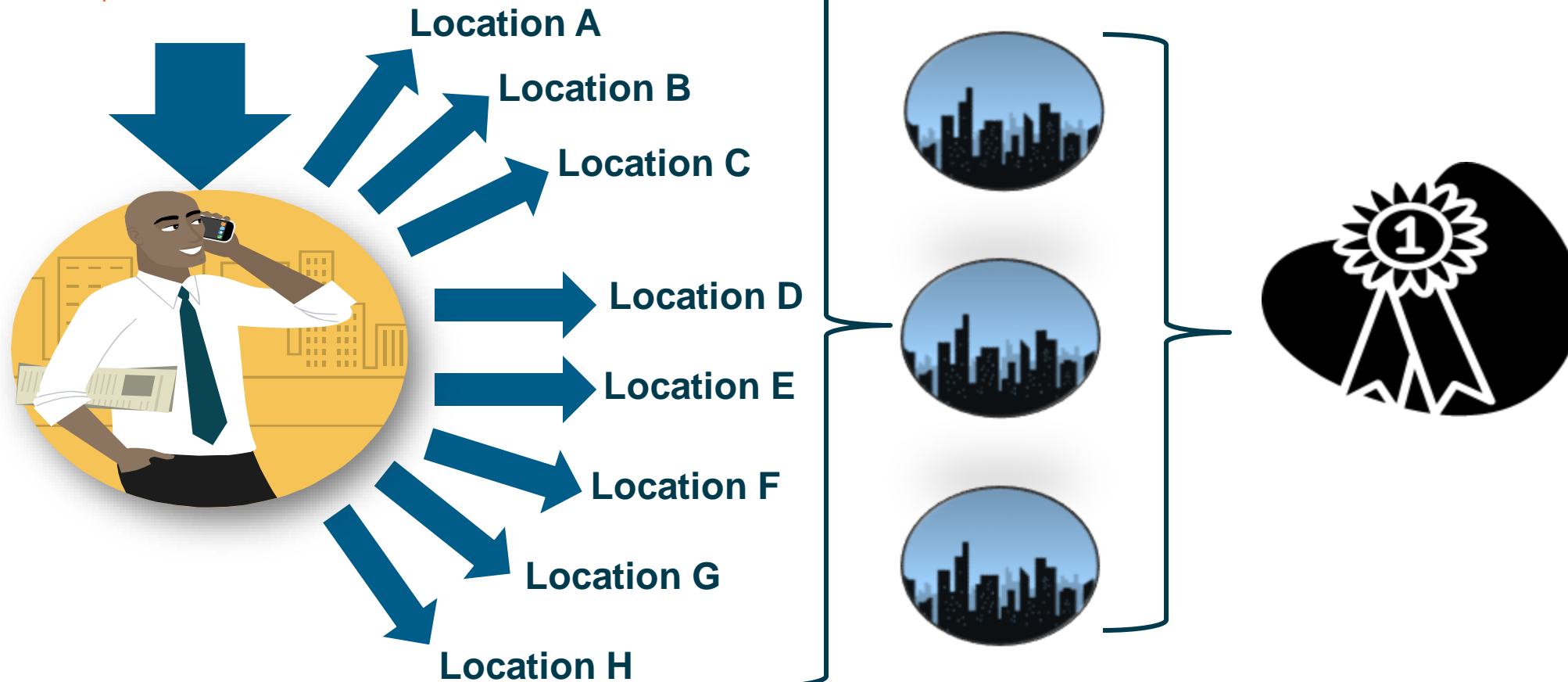
2 | The Site Selection Process

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

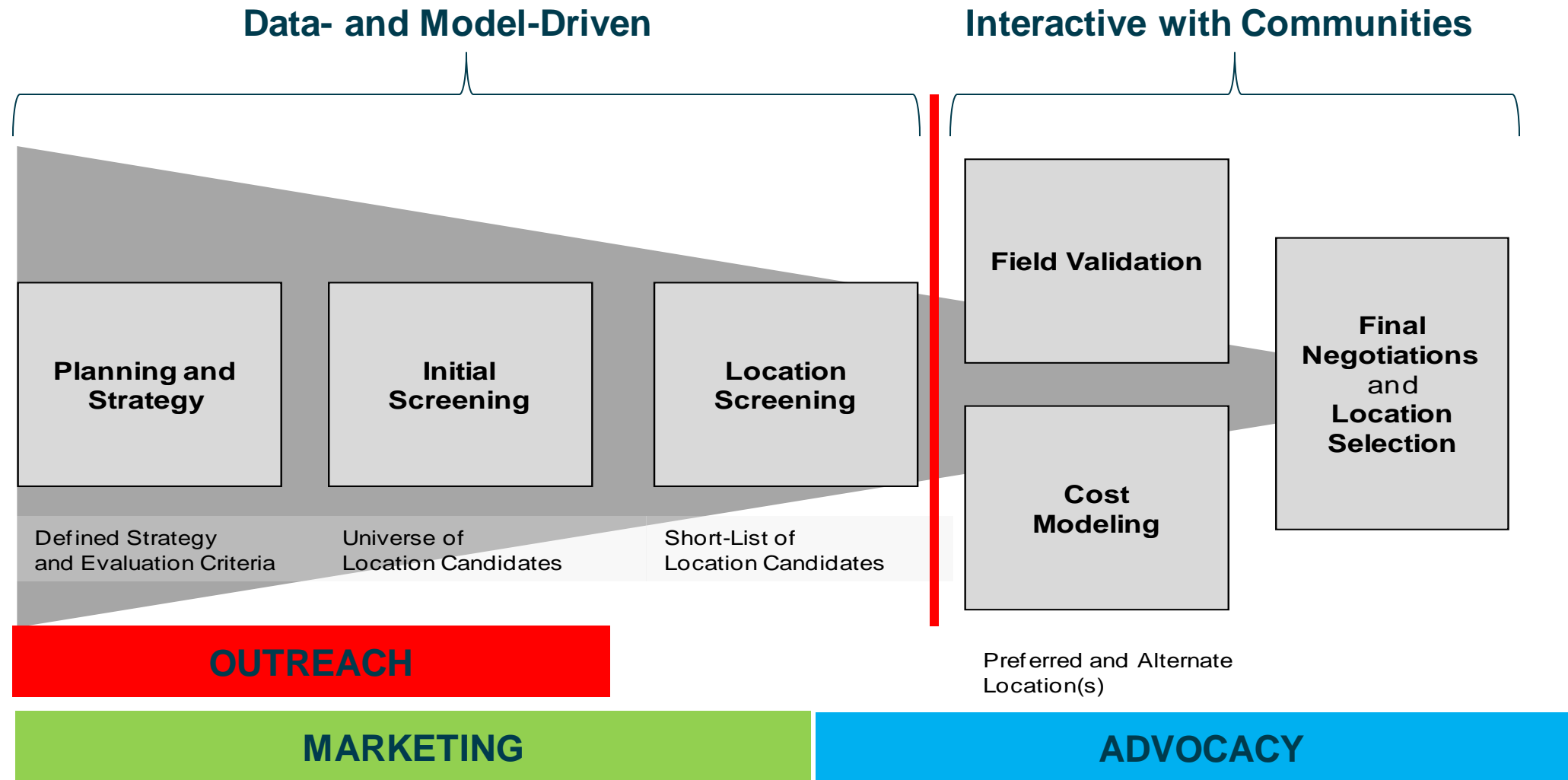


Services



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

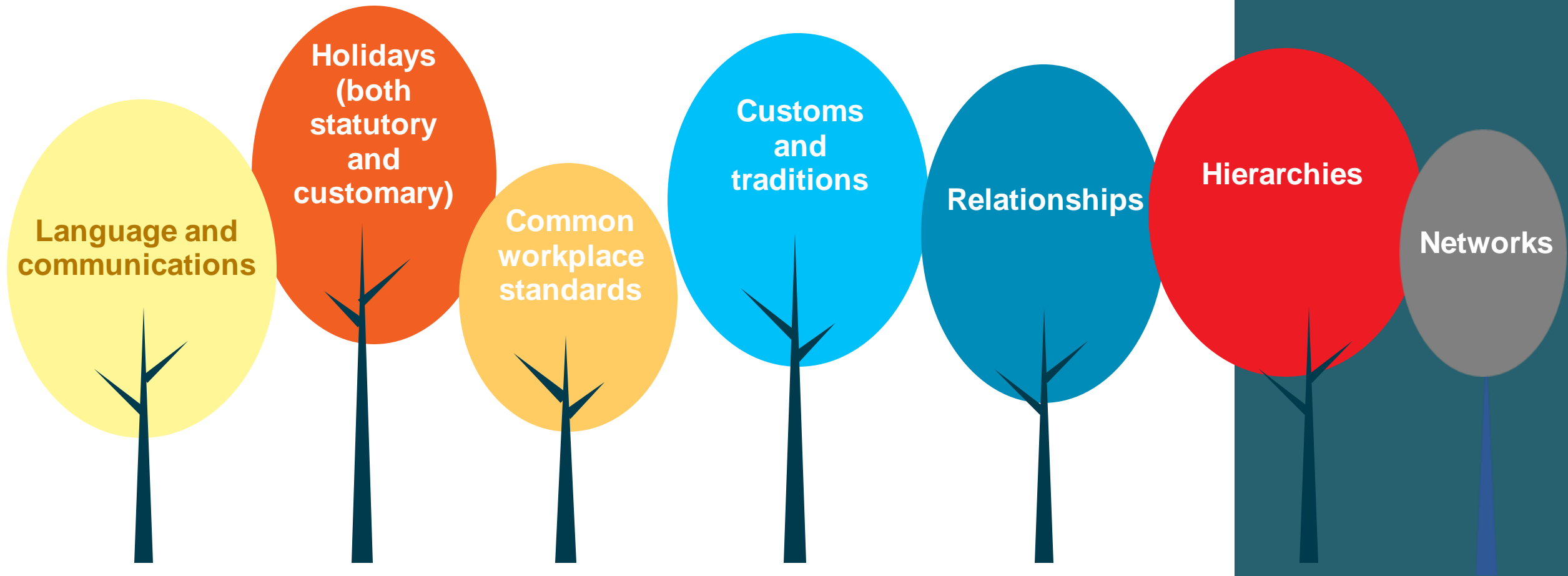
Qualitative research



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

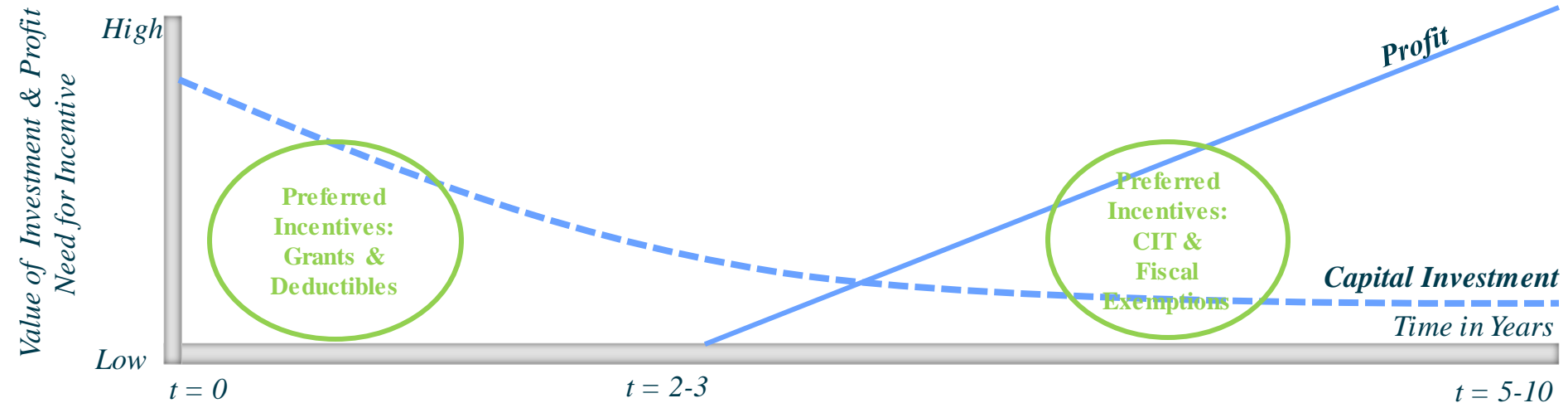
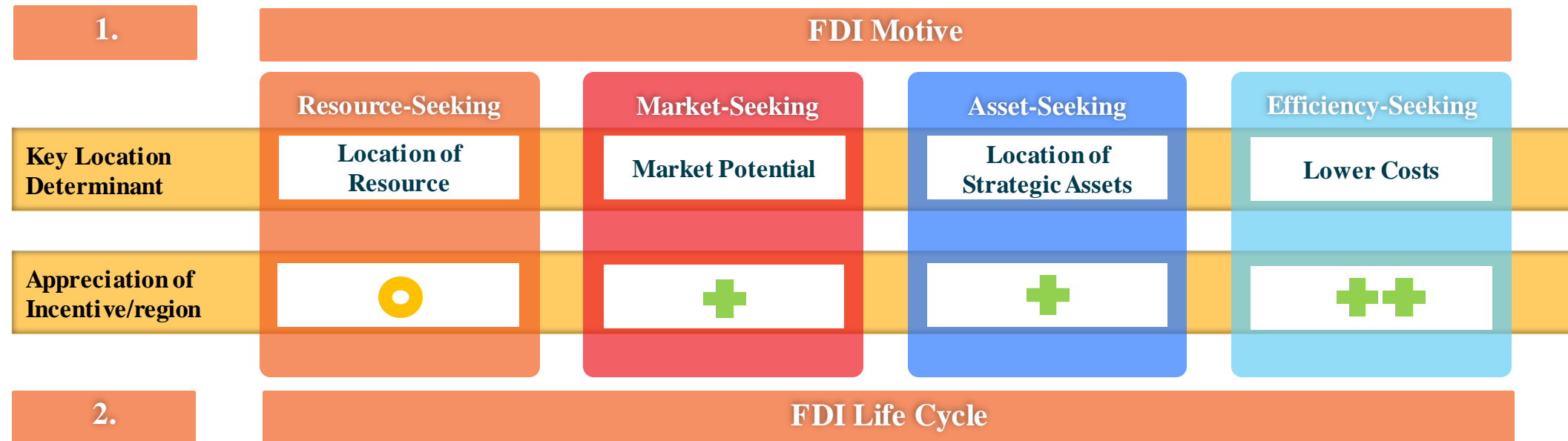
***All represent opportunities for
EDO's as they interact***

3 | A few words on incentives



Corporate site selection process

Incentives 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:

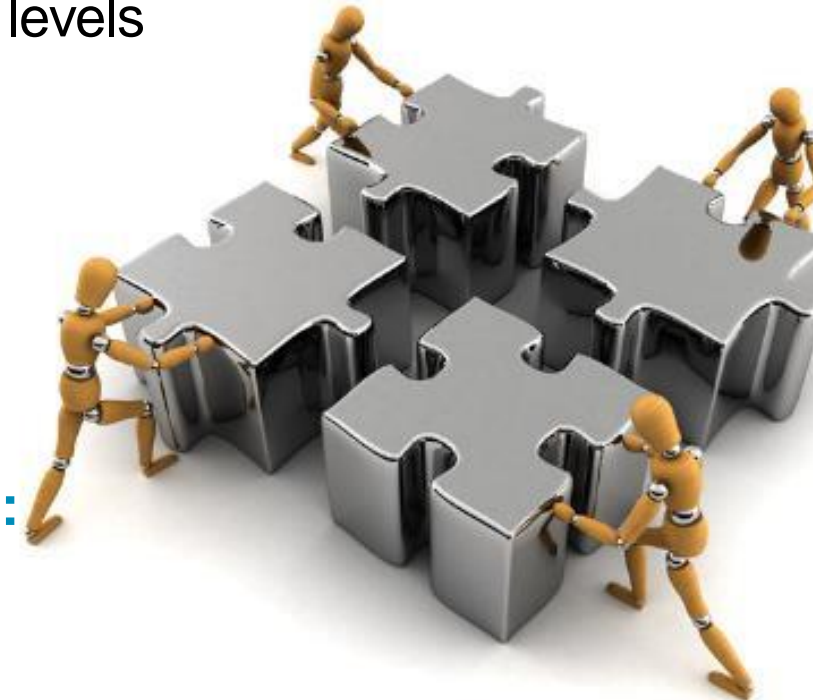
- + Earlier revenue generation through accelerated start up
- + Cost optimization; and
- + Maintained or Improved quality/service levels

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

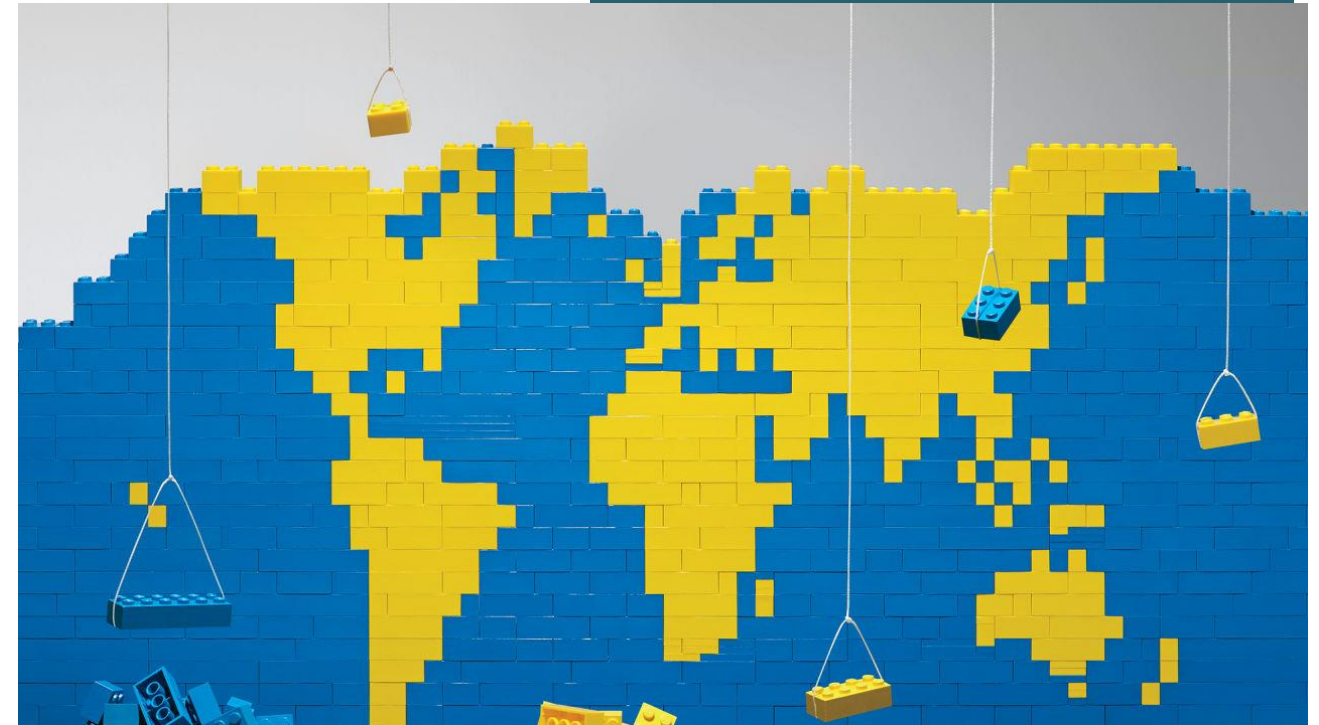




4 | Adapt and Prepare

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

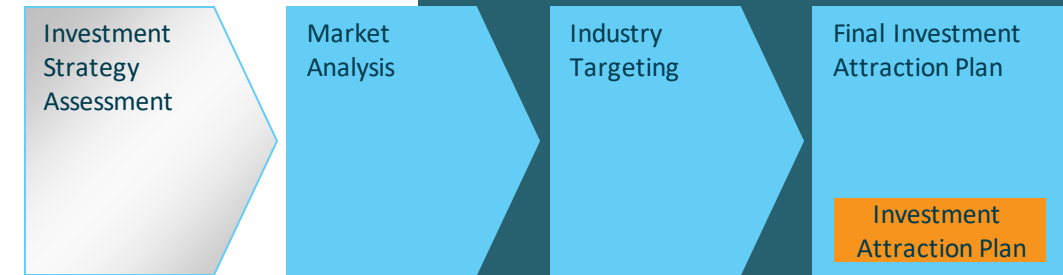
Final Investment Attraction Plan

- 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

Define the Problem



First: Understand and define Goals and Resources

- What does the community want to achieve? What are its development goals
- Which community groups and resources will participate in investor attraction?
- What resources can the community or region bring to bear on the process?
- How will the plan be implemented? How will it be made sustainable?

Look at Relative Strengths & Weaknesses

General Demographics and Labor Force Dynamics

Economic Base and Regional Partners

Availability of Skills and Talent

Education Resources

Transportation and Logistics

Utility and Infrastructure Advantages

Overall Cost Base

Real Estate Availability, Suitability and Cost

Business Environment, Taxation, and Incentives

Quality of Life

Investment
Strategy
Assessment

Market
Analysis

Industry
Targeting

Final Investment
Attraction Plan

Investment
Attraction Plan

- An honest, objective and complete assessment of the community's strengths, weaknesses, and goals
- Provides the assessment of the available parts for constructing sustainable business relationships
- Identifies area for competitive improvement

Identify Likely Suspects



What is the match between Community and Target Investors?

- What is the existing regional base for the industry, and what are the dynamics
- What are the greatest pressures and opportunities facing the industry
- What typically forces changes in any of these companies' real estate and asset strategies
- Which industry players are either facing now or will be facing a key decision threshold in the near future
- What are the roadblocks keeping these companies from changing to meet new business demands

Tell the Story

First: Build competitive advantage

- Develop partnerships between public agencies and private companies
- Build training programs for specific skills or a particular labor class
- Install key infrastructure
- Provide environmental remediation for key properties
- Address legal, permitting and regulatory challenges at the site level
- Address tax, permitting, and regulatory issues at a community or regional level
- Provide funds for base financing
- Develop tailored deal structures to meet the needs of specific users and investors

Second: Spread the word



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



https://youtu.be/IQL_YsZQvPI

THANK YOU!



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