



Sector and Technology Value Propositions Economic Development Training Seminar Frankfurt, November 20th 2018

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Profile of Buck Consultants International



Corporate clients

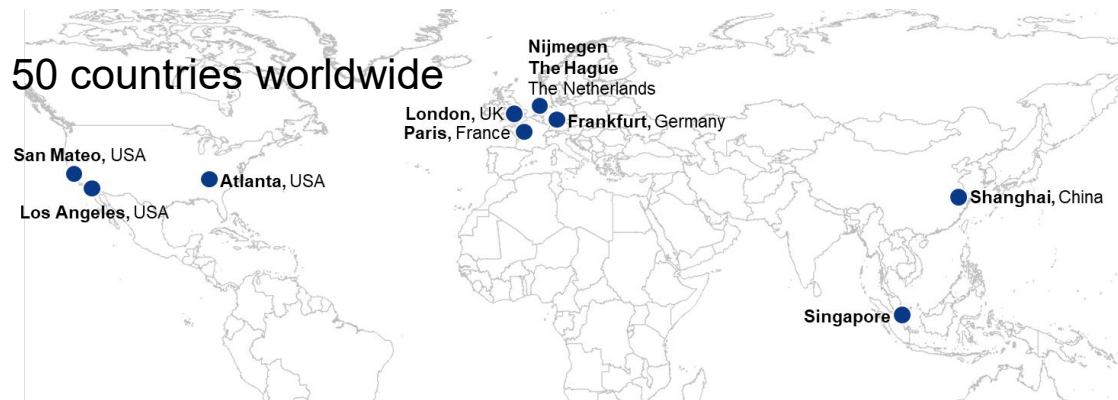
- Worldwide footprint strategy
- Location advice
- Real estate strategy and projects
- Business strategy development
- Supply chain optimization
- Strategic outsourcing

Private & public clients

- Economic development
- Strategies and programs to attract foreign enterprises
- Transport, logistics and infrastructure projects
- Seaport and airport development

Profile

- Established in Nijmegen, the Netherlands in 1985
- Employs 65 full-time professionals
- Offices in The Netherlands, London, Paris, Frankfurt, Atlanta, San Mateo, Los Angeles, Shanghai and Singapore
- Performed studies in more than 50 countries worldwide



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Living Medicines

Baxter

Boston Scientific

 **Edwards Lifesciences**



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 **ST. JUDE MEDICA**

 **Abbott**

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Johnson & Johnson

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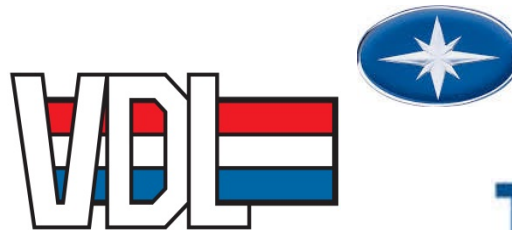
SPX



CORNING



Clients in the Automotive Industry



Clients in Chemicals, Materials & Energy



Clients in Food & Beverages Industries



Clients in Fashion and Apparel



Clients in Logistics



- 1 Introduction Value Propositions**
- 2 Elements of a Strong Value Proposition**
- 3 Best Practice Examples**
- 4 Value Proposition Elements in the current Global Context**
- 5 How to use the Value Propositions in Practice?**
- 6 Conclusions and Take Aways**

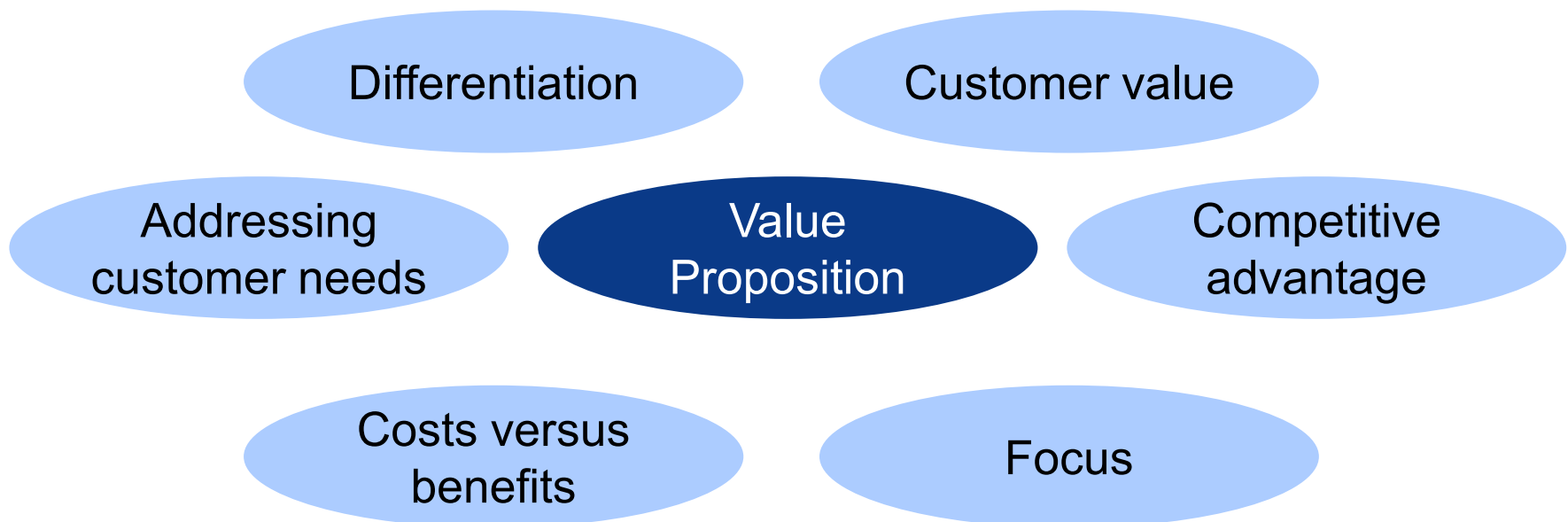
1 Introduction Value Propositions



First definition McKinsey (1988)

“a clear, simple statement of the benefits, both tangible and intangible, that the company will provide, along with the approximate price it will charge each customer segment for those benefits”

Common elements of different definitions in literature



Examples of Regional Value Propositions

LOGISTICS HUB: JAMAICA'S VALUE PROPOSITION, MORE THAN JUST GEOGRAPHY

Jamaica stacks up very well when benchmarked against Panama and Singapore.

	Panama	Jamaica	Singapore
Ship Registry	x	x	x
Ship ownership			x
Container Port	x	x	x
Transshipment Centre	x	x	x
Free Trade Zone/SEZ	x	x	x
Cruise Ship/Tourism	x	x	x
Logistics Centre	x	x	x
Ship Repair/Drydock	x		x
English based laws		x	x
Financial Centre			x
Maritime training		x	

The Netherlands is the best gateway to Europe



Why?

- ✓ Central location within the European market → Reach 244 million consumers within 1000 kilometers
- ✓ First-class quality infrastructure → Our world-class airport, top-ranked seaports and high-speed road, rail and broadband networks are second to none
- ✓ A constructive government approach to trade → A good business climate for an optimal European supply chain
- ✓ The competence and quality of logistics service → Acknowledged by being in the top of the World Bank Logistics Performance Index for years
- ✓ Customs efficiency and border clearance in our main ports → Makes planning your business efficient and reliable

Examples of Regional Value Propositions



duisport hat bereits 1998 unter der Marke logport mit der Entwicklung und Vermarktung des 2.650.000 m² großen ehemaligen Krupp-Hüttenwerk-Areals (logport I) im linksrheinischen Duisburg-Rheinhausen begonnen. Ziel war die Etablierung eines trimodalen Logistikzentrums für hochwertige Stückgüter und die Ansiedlung von international operierenden Logistikdienstleistern.

Heute sind auf dem logport I Logistikareal rund 50 Unternehmen angesiedelt, darunter führende Logistikunternehmen wie Kühne + Nagel, DB Schenker, DHL oder NYK / Yusen Logistics. Neben drei intermodalen Terminals gibt es rund 650.000 m² Hallenfläche am Standort, darunter mehr als ein halbes Dutzend europäischer Distributionszentren für Johnson & Johnson oder Siemens. Über 4.000 direkte Arbeitsplätze sind hier seit 1998

Besser als geplant: Die Plandaten zur Vermarktung und Entwicklung des logport-Geländes wurden seit Beginn der Aktivitäten kontinuierlich überschritten.



WHY SINGAPORE

OUR INDUSTRIES

HOW WE HELP

NEWS & RESOURCES

ABOUT EDB

Gerade logistikorientierte Unternehmen machen ihre Standortwahl vor allem von der C Hafeneinrichtungen wie Terminals abhängig. Der Ausbau des alten Krupp-Werkshafer Terminals (DIT), des Duisburg Trimodal Terminals (D3T) und des Duisburg Kombiterm bildeten daher eine wichtige Basis für die erfolgreiche Vermarktung der Flächen.

At a Glance

1st

in Asia since 2007, according to the World Bank's Logistics Performance Index.

1st

in efficiency of customs clearance, out of 160 countries¹. Singapore Customs processes 90% of electronics permit applications within 10 minutes and clears 90% of physical cargo within 8 minutes.

600

ports in 123 countries are connected to Singapore by 200 shipping lines. One-seventh of the world's container transshipment throughput is handled by Singapore – the most for any hub on the planet.

3mil

tonnes of cargo – Changi Airport's annual handling capacity. The airport occupies 1,300 hectares of land, including two 4km runways, 4 passenger terminals with an annual handling capacity of 85 million passengers and an air freight centre consisting of 7 cargo terminals.

BCI Observations

Value propositions of regions are mostly

- Very much supply-driven
- Not focused on specific target groups
- Not addressing the target segment's pain points
- Not providing real solutions
- Not showing the real differentiation versus competitive regions

Questions that potential investors are left with are:



- How is this region different from the one I looked at yesterday?
- How does this region fit with my specific company's requirements? Do they really understand what I am looking for?
- Which solutions do they offer to take away my pain points and concerns?

Value Proposition ≠ Brochure

Brochure

- Broad target group
- Supply oriented
- General info
- No link with concrete marketing actions
- Text

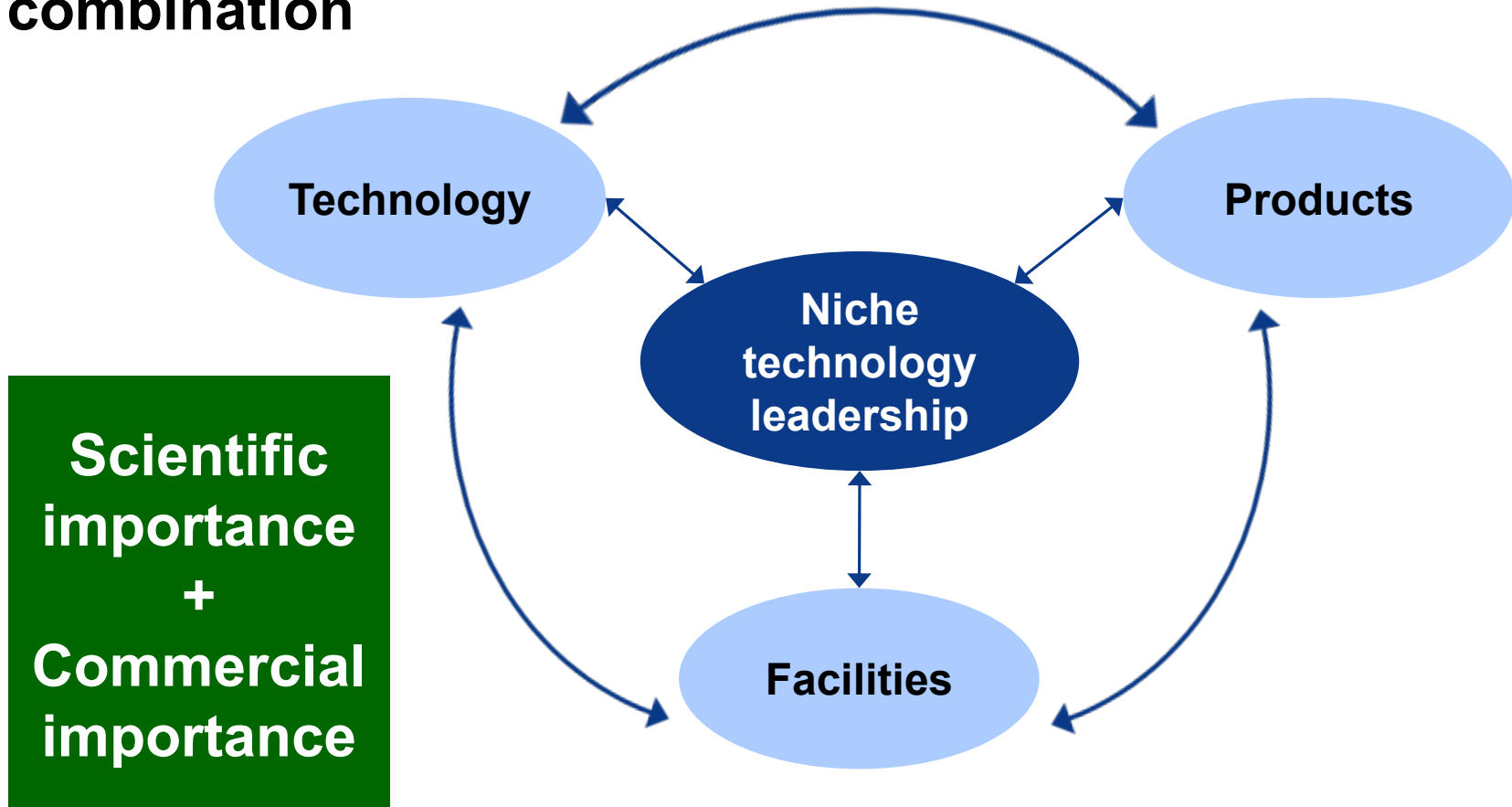


Value Proposition

- Specific target group (including subsectors)
- Client focused
- Specific info ('value')
- Direct link with concrete marketing actions

First select your target segments, then build a value proposition

Example: selection of technology niche(s) is based on the availability of technologies, products, facilities or a combination



Example - technology niches in life sciences



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**Advanced
biomedical
materials**

**Lab-on-a-
chip**

**Hearing
devices**

**Tissue
engineering**

**Wound
care**

**Implantable
devices**

**Molecular
imaging**

**Early drug
discovery**

**Regenerative
medicine**

2 Elements of a Strong Value Proposition



Key questions to be addressed

1 Focus

Who is your target group?

Sector, industry, company size, etc.

2 Understanding

What are their exact requirements?

Key location criteria

3 Solution

What is your answer to their requirements?

Proposition(s): investment climate, cluster, existing business, sites, knowledge bases, etc.

4 Benefits

How does your target benefit from locating in your region?

Quality, risk, cost, flexibility

5 Differentiation

How do you differentiate from competitors?

Benchmarks, USPs

6 Support

How can you facilitate?

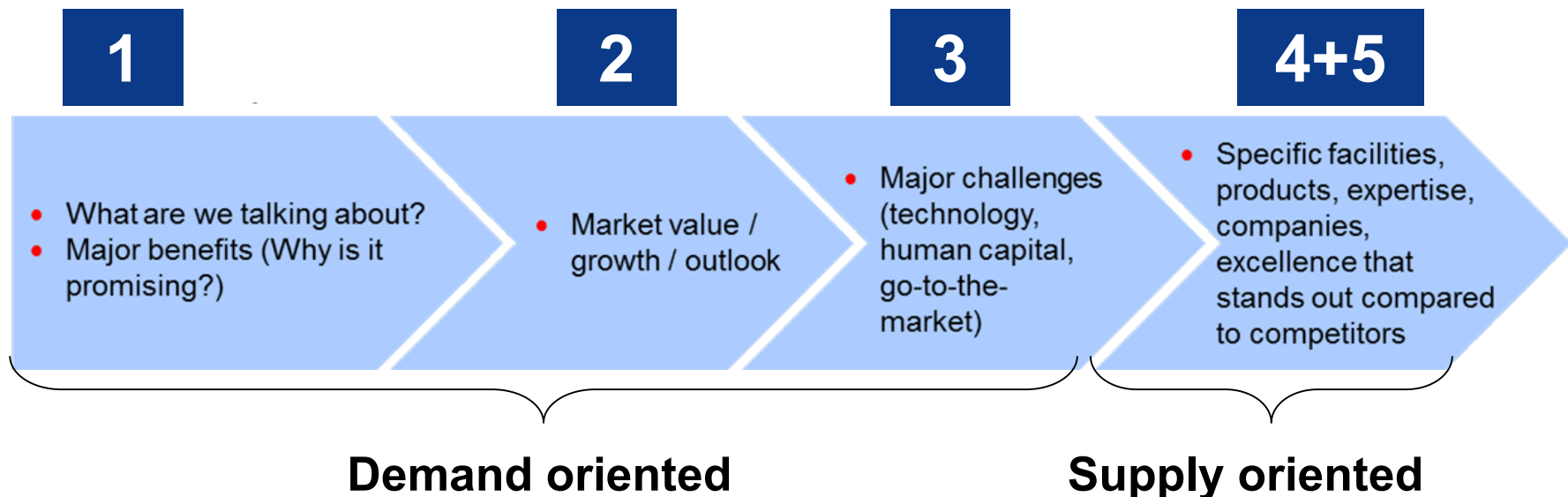
Expertise, contacts network, facilitation, incentives

Tips & Tricks: first demand than supply



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- 1 Make clear you understand their business
- 2 Include market forecasts
- 3 Address challenges and how you can help to cope with them
- 4 Show your added value
- 5 Demonstrate your track record



3 Best Practice Examples

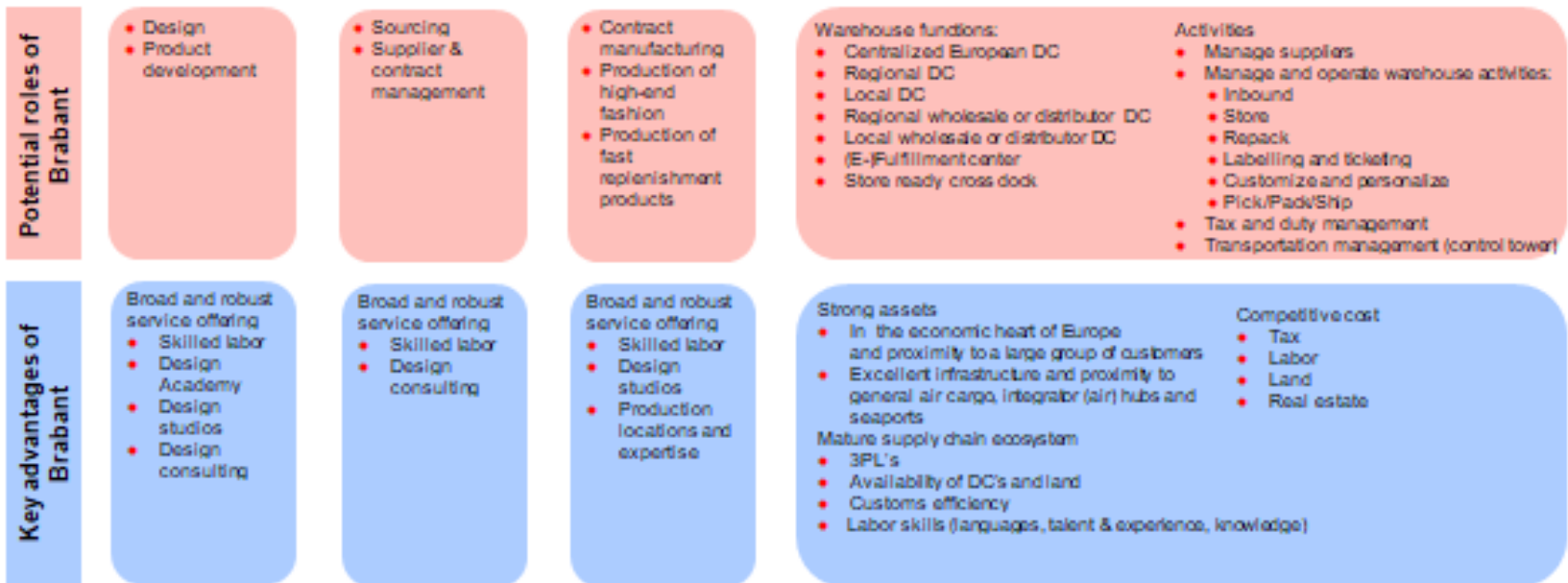
- Snapshots of a Logistics Value Proposition
- Example of a Technology Value Proposition

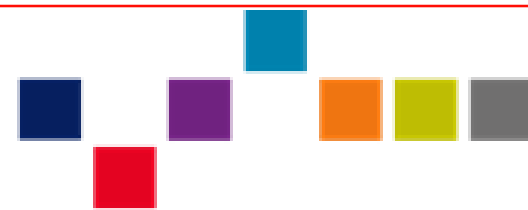
Snapshots of a logistics value proposition

Brabant Development Agency



5 The journey of a product





Brabant's position and core capabilities

At competitive primary cost

- Labour
- Real estate

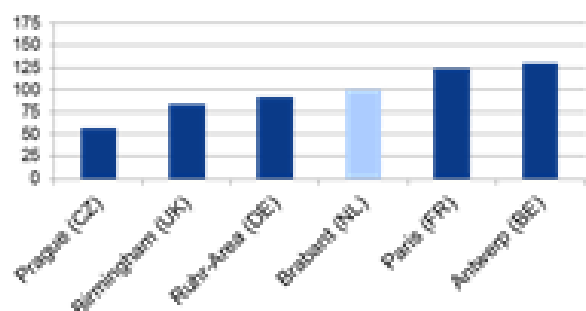
And unbeaten secondary cost

- No extra compensation required for shift/night/weekend work, allowing cost efficient facilitation of late order cut off and volatile demand
- Easy VAT-deferment (cash flow neutral)



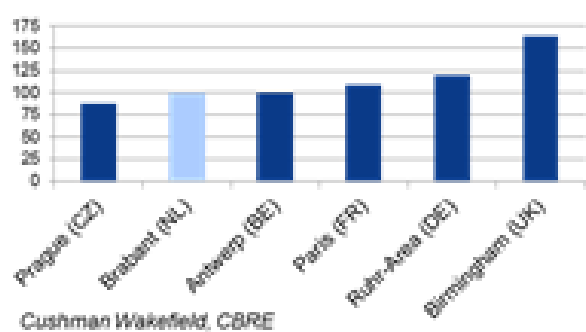
Low cost to serve

Cost of labour (index, Brabant = 100)



Recruitment agencies Randstad, Manpower, Adecco

Lease costs warehouse (index, Brabant = 100)



Cushman Wakefield, CBRE

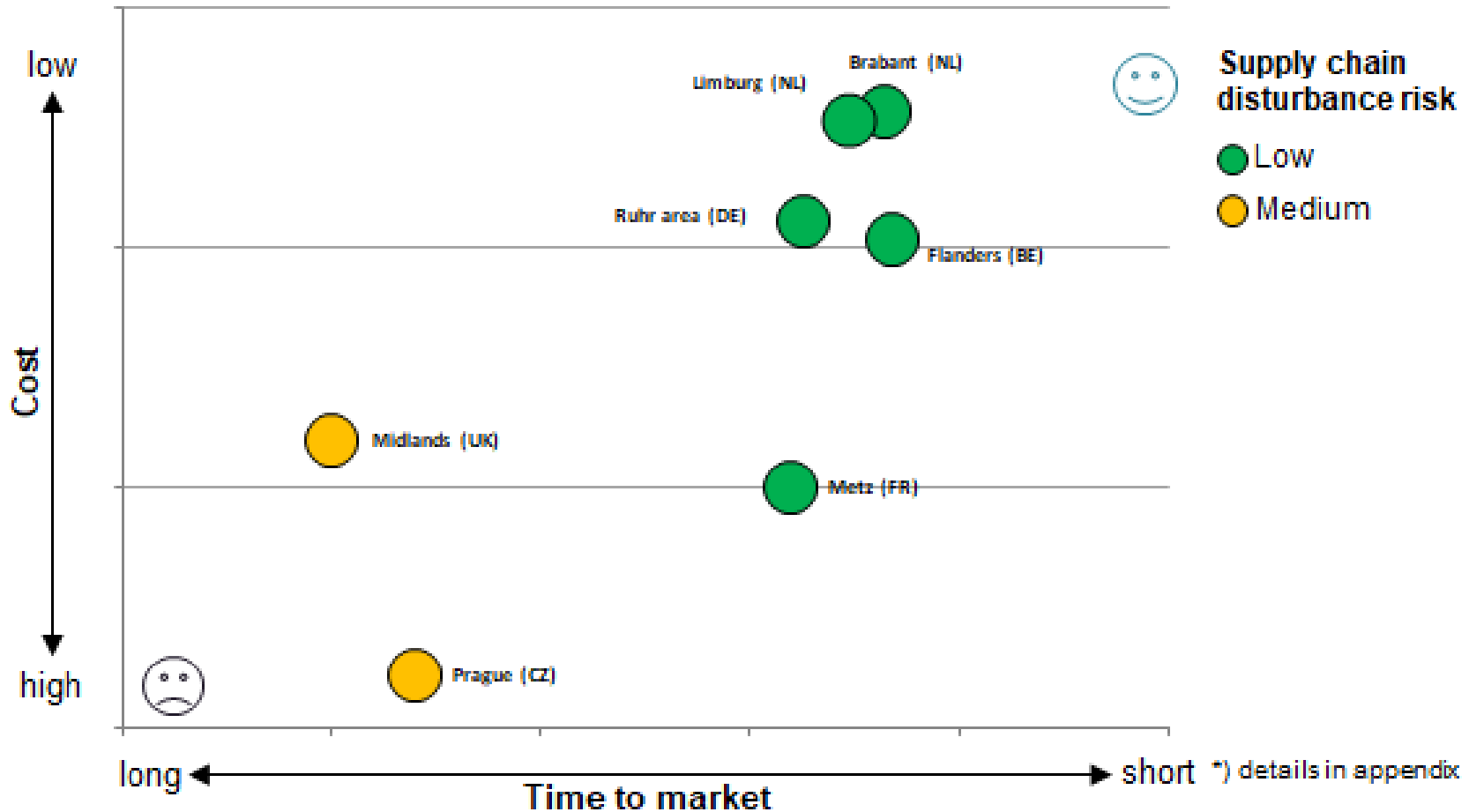
Flexible labour regulations

Labour regulations	Allowed	Additional financial compensation for workers
Shift work	✓	0%
Night work	✓	0%
Weekend work	✓	0%



In summary: Brabant offers short time to market at low cost and low risk

Case example fashion *)



Nature's Engineers

New Approaches of Sustaining Health

Contents

- 1 Introduction**
- 2 Creating powerful plants**
- 3 Our offer in a nutshell**

1 Introduction

Plant science

Functional foods

Personalised medicine

Nutraceuticals

Organoids

Bio-informatica

Prevention + treatment

Pharmacology

Microbial science

Plant bases vaccines

Microbiome Engineering

Carbo-hydrates

Nutrigenomics

Integrated Gut Biology

Data visualisation

Bioactive compounds

Preventive / stratified medicine

System biology

Common factor (1)

Main drivers and challenges in healthcare

Drivers

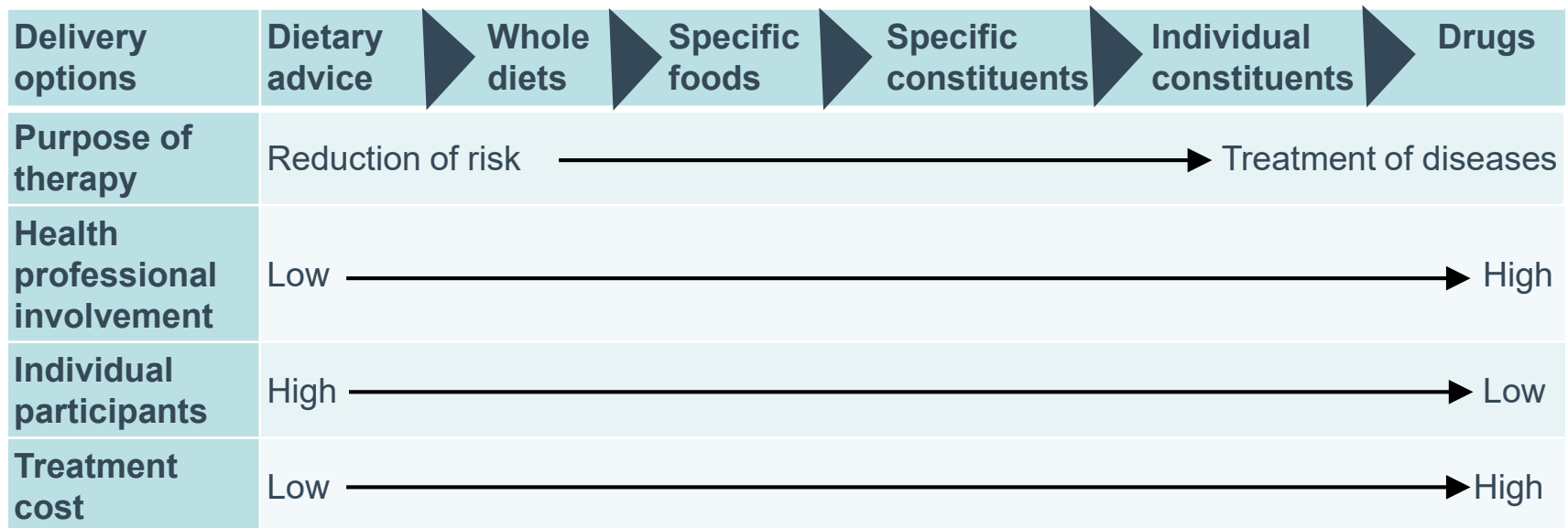
- Fast growing global market
- 4P's: **p**redictive, **p**ersonalised, **p**reventive and **p**articipatory health
- The combination of consumer desires, advances in food technology, and new evidence-based science linking diet to disease and disease prevention has created an unprecedented opportunities
- Expected lack of (financial) resources in all aspects of the healthcare chain
- Ageing global population
- Growing burden of chronic diseases

Challenges

- Difficulties in screening and producing bioactive compounds
- Process of translating the scientific advances and innovations into consumer products is costly and complex and not without pitfalls
- More complex diagnostic tasks
- Multidisciplinary approach
- Regulatory policies

Common factor (2): Norwich Research Park

- All of the expertise is available at Norwich Research Park which provides novel ways of making people healthy



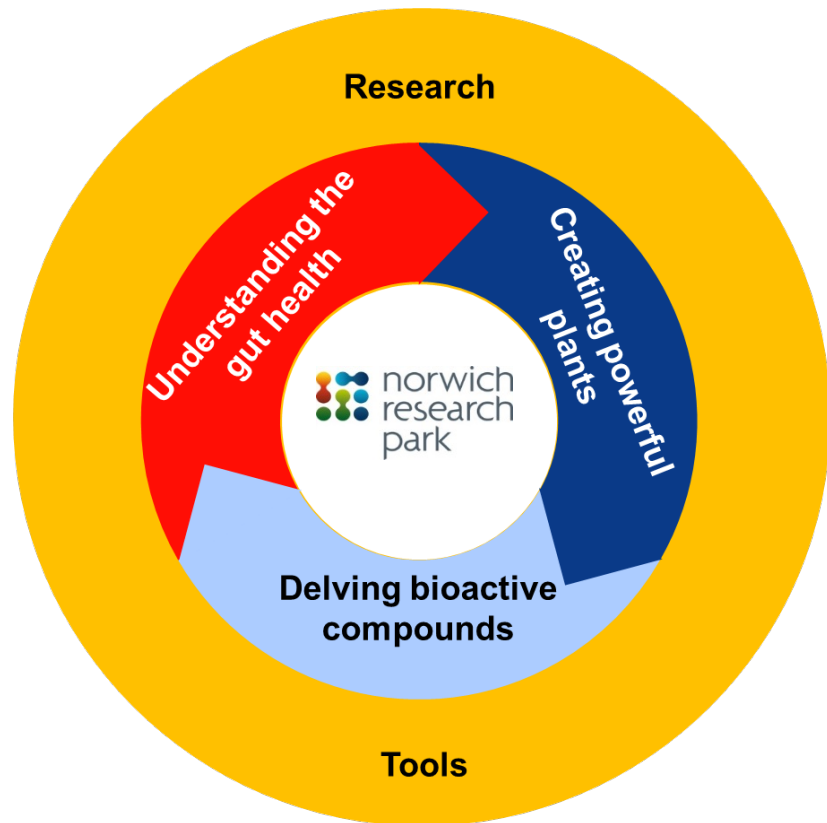
Business opportunities for your company!

- Are you looking for new market opportunities?
- New opportunities to increase your competitive advantage?
- Do you want to renew your product line?
- Are you interested in innovative ways of cost reduction for a strong position in the future economy?
- Meeting the changing consumer preferences?

You can reach multiple business goals at the same time by using nature's opportunities whether your business is in staying healthy (prevention) and/or getting better (treatment)

Our competitive edge?

Covering the complete health chain from prevention to treatment by unlocking nature's diversity



Six world class (research) institutions have combined their forces to help you develop your health related business opportunities



2 Creating powerful plants

Norwich Research Park understands best how nature's factories can be of added value to your company

– Digital biology

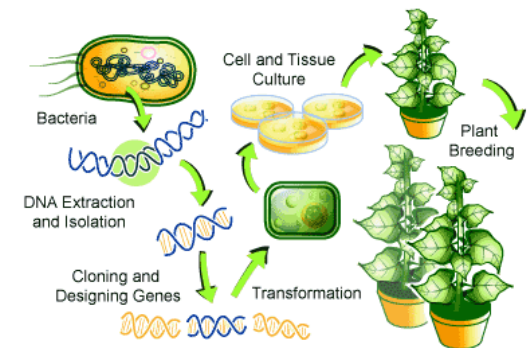
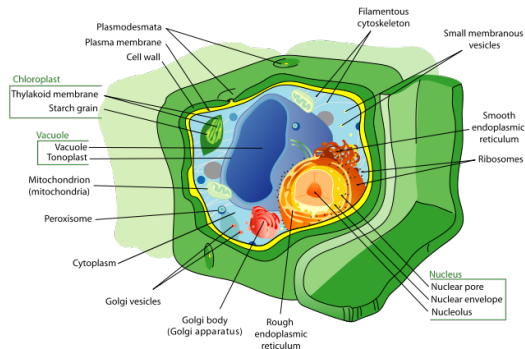
- DNA foundry Support the design, generation and exploitation of high-value compounds and bioactives obtained from plants and microbes
- Genome Bespoke genomic services across next-gen sequencing and bioinformatics, delivered by genome experts, a.o.: whole and targeted sequencing, transcriptomics, optical mapping, single cell genomics, and metagenomics
- High-performance computing World-class computing and storage infrastructure that allows to undertake some of the most challenging data-intensive research in the fields of genomics and biosciences
- Tools Designing dedicated tools for scalable bioinformatics approaches to accelerate the time to completion of large and complex calculations

– How plants are functioning

- Plant cell biology The mechanisms involved in the regulation of plant cell organisation
- Molecular biology Chemical processes in biomass

– Biomass health and breeding

- Production system Optimal production of plants
- Plant physiology How plants respond to changes in their environment
- Virology Viruses as direct threats for plant production
- Entomology Insect/plant interactions and the ecology of parasite/host and predator/prey interactions



Proven track record at NRP

Beneforté

The new variety of broccoli Beneforté has high levels of a key phytonutrient: glucoraphanin. Of which is proven that it has beneficial effects on human health such as reducing chronic inflammation and stopping uncontrolled cell division associated with early stages of cancer



Super tomato

AtMYB12 protein increases the tomato's ability to create Resveratrol (life-extending) and Genistein (prevention of steroid-hormone related cancers). It also influences the plant's ability to devote more carbon and energy to the compound creation



Biofortification of wheat grain

Wheat grains contain low levels of iron and zinc. Based on the wheat genomic sequence availability combined with functional genomic approaches we are able to engineer new varieties of wheat that holds improved levels of iron and zinc



Successful case: DRAGEN

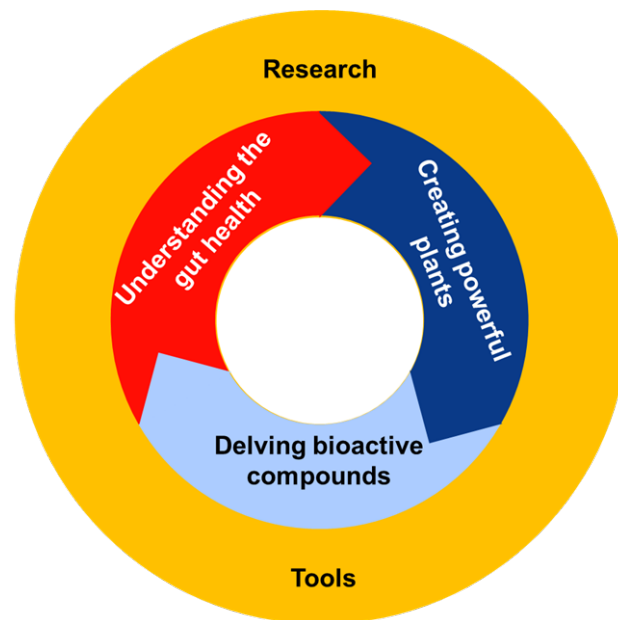
- Bringing new and disruptive technologies to the bioscience community. First adaptation of the DRAGEN technology for the analysis of non-human genomes
- The DRAGEN Bio-IT Processor is integrated on a PCIe card and available in a pre-configured server, enabling seamless integration into bioinformatics workflows. DRAGEN is highly reconfigurable, using a field-programmable gate array (FPGA) to provide hardware-accelerated implementations of BCL conversion, compression, mapping, alignment, sorting, duplicate marking, haplotype variant calling and joint genotyping
- The DRAGEN system, therefore, is much faster than traditional approaches that execute algorithmic implementations in software



3 Our offer in a nutshell

Norwich Research Park is a world-class leading research and business park for companies who want to benefit from the healthcare business opportunities. Why? Ten reasons:

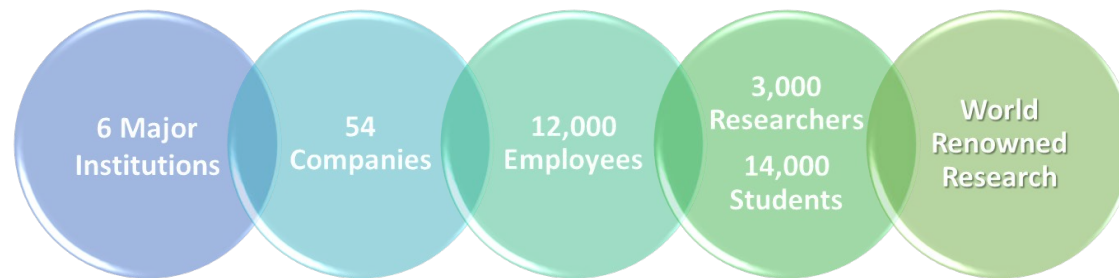
- Reason 1 : Developing better, time and cost effective solutions for complex human health related products
- Reason 2 : Covering the complete health chain from prevention to treatment by unlocking nature's diversity



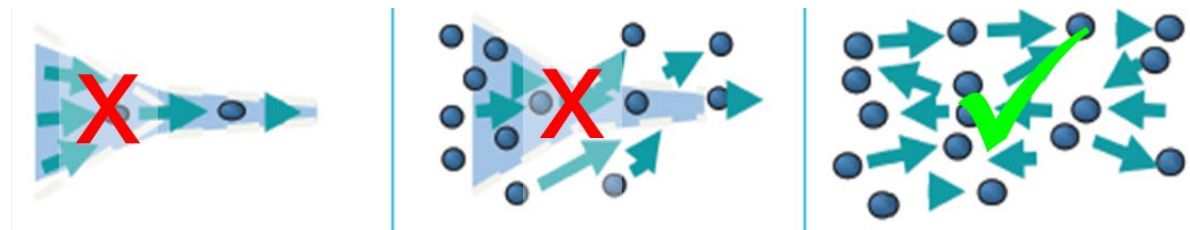
Reason 3 : Six world class (research) institutions have combined their forces to help you develop your health related business opportunities



Reason 4 : A highly educated, flexible, multidisciplinary workforce and access to all expertise necessary at one location for the best outcomes



Reason 5 : Not closed innovation, not open innovation but tailor made innovation



Reason 6 : State of the art research facilities



Reason 7 : Strong international and national links with research groups and global industry, backed by government support

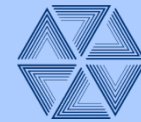
Reason 8 : Proven strong track record in research delivery and successful educational & training programs

Reason 9 : Favorable fiscal climate and available incentives

Reason 10 : A wide range of offices, research labs and development land to locate your business and an attractive quality of life

Norwich Research Park: Improving the human health as one of the leading nature's engineers

4 Value Proposition Elements in the current Global Context

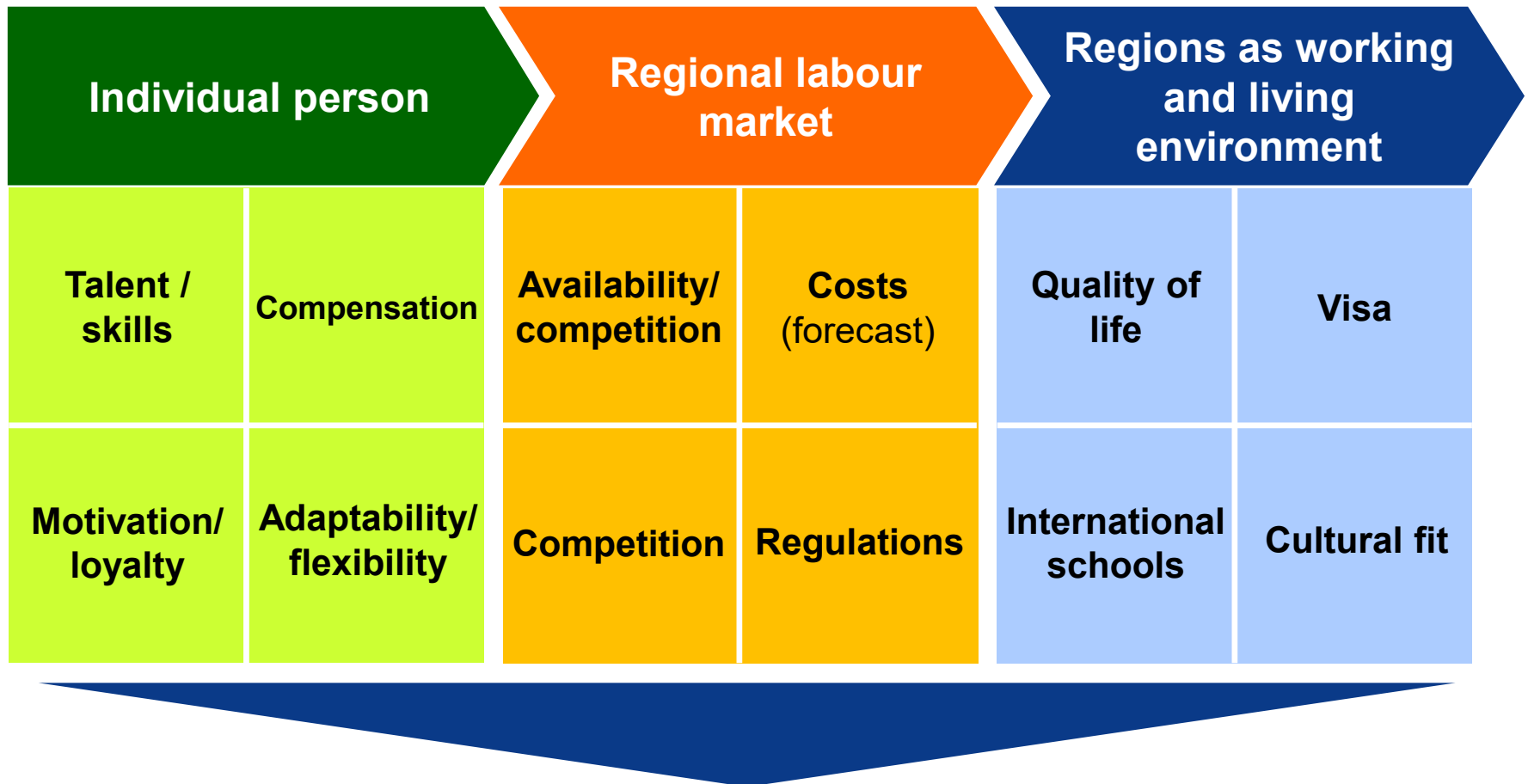


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The current global business context requires attention for two specific challenges of potential investors

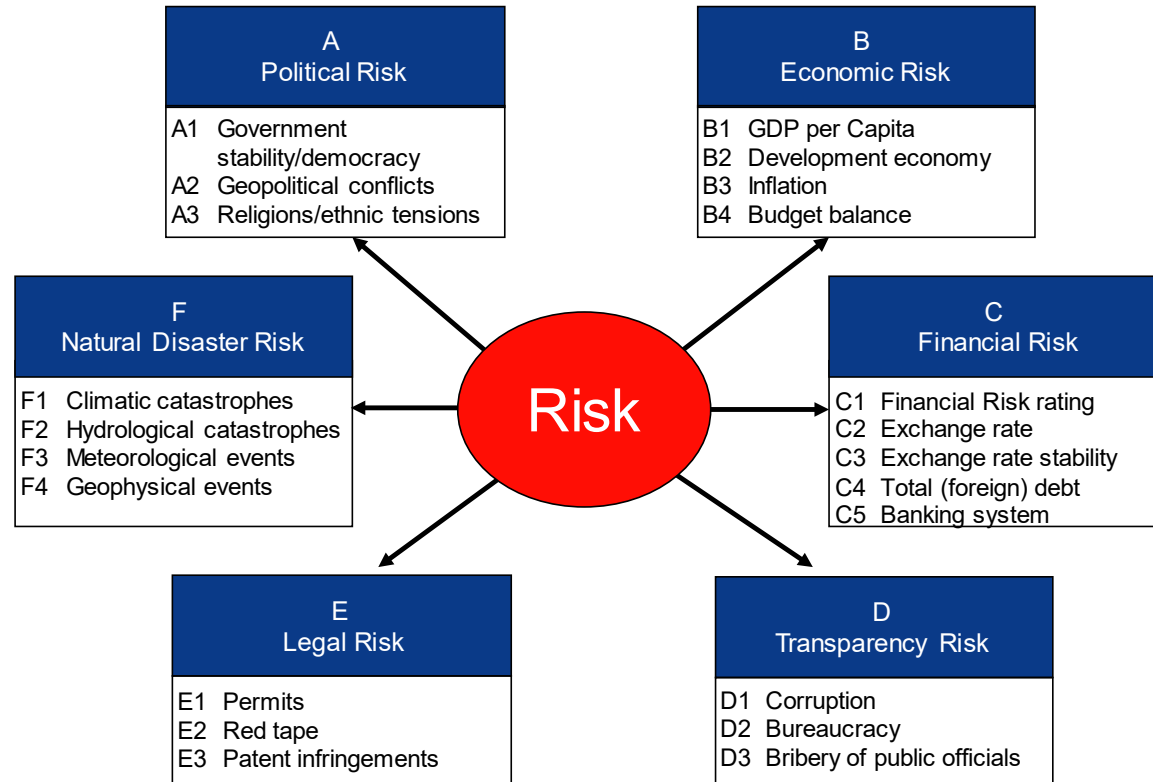
- 1 Talent – Labor Availability**
- 2 Location Risks**

1 Talent – Labor Availability

















Including an integrated insight in the region's labor market potential, focused on the current and future needs of the specific target segment is a key element of a strong value proposition

2 Location Risks



Addressing clearly how your location supports mitigation strategies for the strong value proposition

Changing Skills

Abilities	Basic Skills	Cross-functional Skills	
<p>Cognitive Abilities</p> <ul style="list-style-type: none"> • Cognitive flexibility • Creativity • Logical reasoning • Problem sensitivity • Mathematical reasoning • Visualisation <p style="text-align: right;"></p>	<p>Content Skills</p> <ul style="list-style-type: none"> • Active learning • Oral expression • Reading comprehension • Written expression • ICT literacy <p style="text-align: right;"></p>	<p>Social Skills</p> <ul style="list-style-type: none"> • Coordinating with others • Emotional intelligence • Negotiation • Persuasion • Service orientation • Training and teaching others <p style="text-align: right;"> </p>	<p>Resource Management Skills</p> <ul style="list-style-type: none"> • Management of financial resources • Management of material resources • People management • Time management <p style="text-align: right;"></p>
<p>Physical Abilities</p> <ul style="list-style-type: none"> • Physical strength • Manual dexterity and precision <p style="text-align: right;"></p>	<p>Process Skills</p> <ul style="list-style-type: none"> • Active listening • Critical thinking • Monitoring self and others <p style="text-align: right;"> </p>	<p>Systems Skills</p> <ul style="list-style-type: none"> • Judgement and decision-making • Systems analysis <p style="text-align: right;"> </p>	<p>Technical Skills</p> <ul style="list-style-type: none"> • Equipment maintenance and repair • Equipment operation and control • Programming • Quality control • Technology and user experience design • Troubleshooting <p style="text-align: right;"></p>
		<p>Complex Problem Solving Skills</p> <ul style="list-style-type: none"> • Complex problem solving <p style="text-align: right;">  </p>	

 Increasing demand

5 How to use the Value Proposition in Practice?



Focus

- **Target the right companies with the right value proposition**
An e-commerce logistics company is different than a chemical logistics specialist and a pacemaker manufacturer has different requirements than an IVD manufacturer

Integrate

- **Make sure the value propositions are integrated into your total marketing/communication platforms**
Your targeted value proposition loses 50% of its power if a potential investor looks at your website and does not find anything about its specific sector at that site



Ownership

- **Make sure your value proposition is explained by your sector specialist. Not the generalist**
The credibility of your value proposition increases significantly if it is accompanied by a real discussion counterpart for the potential investor

Ambassadors

- **Create your ambassadors by activating existing companies in the specific sub-sector**
Who do you think the potential investor will trust more? You or their direct peer who already located in the region?

Platform

- **Be creative in creating your own platforms to present your region's value proposition to the target audience**
Sector-specific trade shows and conferences, own targeted webinars, social media,

6 Conclusions and Take Aways



- 1 Value propositions are more than a brochure**
- 2 A strong value proposition shows specific sector knowledge and understanding of companies' challenges and pain points and links the region's strengths to it**
- 3 Value propositions should be part of an integrated marketing/communication approach**
- 4 Value propositions must be presented by true discussion counterparts for the potential investor**
- 5 Existing companies in the region are part of the value proposition: activate them!**