

Cross Agency Priority Goal

Quarterly Progress Update

Job Creating Investment

Goal Leaders:

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FY2015 Quarter 4

Overview

Goal Statement

- Improve federal investment tools and resources while also increasing interagency coordination to encourage foreign direct investment (FDI), spurring job growth.

Background and Challenges

- Competitor nations have mature, robust inward investment promotion programs at the national-level
- Misperceptions exist regarding the attractiveness of the U.S. as an investment destination
- No shared client relationship management system or IT tools that link inter-agency activities and client assistance efforts

Objectives

- Ensure federal agencies maintain focus on and allocate adequate resources towards increasing FDI into the U.S.
- Generate, identify and take full advantage of investment leads, projects, and opportunities in a timely manner
- Create a whole-of-government, one-stop-shop approach to assisting investors

Progress Update

Status Updates

- In FY 2015, SelectUSA assisted 1,651 clients, surpassing the annual target of 1,600 and exceeding the number of investment clients assisted in FY 2014 by nearly 60 percent.
- The 2016 Investment Summit, as well the second Summit Investment Academy, will take place in mid-June 2016 in Washington D.C.
- In FY 2015, SelectUSA full time staffing headcount increased to 24, with 14 Locally Engaged Staff (LES) overseas.
- In FY 2015Q4, SelectUSA leveraged major domestic and international events to promote the United States as a premier investment location. The events include the White House Economic Forum, SelectUSA Nordics Roadshow, Alaska Arctic Foreign Direct Investment Forum, America's Small Business Development Centers Annual Conference, Fifth Annual lowAsia Business Summit, Chinese Investment at MOFCOM's Chinese Provinces-U.S. States Trade, and the Investment Cooperation Seminar Symposium.
- Decision made to have U.S. Investment Pavilion at Hannover Messe 2016.

Risks/Challenges

- Operational challenges related to the rapid growth and development of SelectUSA.
- Duration of time it takes to announce and/or sensitivities in announcing investment deals.
- Clarity of roles and responsibilities across International Trade Administration (ITA), Department of Commerce (DOC), and federal partner agencies.
- Inconsistent user adoption of CRM in everyday operations.

Key Upcoming Milestones in Progress Over the Next Six Months

- Develop and implement an engagement strategy with the Department of State and Posts to support recruitment for the 2016 Investment Summit.
- Continue feasibility study to capture FDI data through new evaluations system and database.
- Build workflows and pilot investment customer satisfaction tools and measures to better incorporate client feedback into services delivered.

Progress Update (continued)

FY 2015 Highlights:

- The 2015 SelectUSA Investment Summit built on the success of the first Summit in 2013 by doubling the number of attendees filling to capacity in late March with over 2,600 participants including:
 - Over 1,120 international investors from over 70 markets.
 - U.S. EDOs from 50 states, two territories and the District of Columbia.
- SelectUSA also led the first SelectUSA Investment Academy concurrently with the Summit, a half-day event where approximately 400 company and EDO representatives learned more about strategies for successful FDI in the United States.
- SelectUSA worked with the U.S. and Foreign Commercial Service (U.S. &FCS) to organize Road Shows in key focus markets: Mexico, Greater China, Taiwan, and the Nordic region.
- SelectUSA signed a Memorandum of Intent (MOI) with the Italian Trade Agency and renewed its MOI with SelectUSA's Korean counterpart, InvestKOREA, for a total of six MOIs to promote business cooperation and investment between partner organizations.

FY 2015 Q4 Preparation for Major FY 2016 Events:

- **The National Aerospace FDI Expo (October 2015):** The ITA, SelectUSA, and the Aerospace States Association co-hosted the Aerospace Expo in Los Angeles, CA. The event brought over 290 attendees, including investors from 23 markets, and resulted in 280 matchmaking appointments.
- **Financial Technology Investment Mission (November 2015):** SelectUSA, with WAYRA-UK and the U.S. &FCS, is organizing a financial technology (fintech) reverse investment mission to the Washington, DC, New York City, and Boston areas where 9 high-potential UK tech start-ups are ready to scale-up in the United States.
- **Hannover Messe 2016 (April 2016):** SelectUSA is leading recruitment of U.S. EDOs to encourage robust participation and exhibit as part of the U.S. Investment Pavilion at Hannover Messe 2016 (April 2016), where the United States will be the official Partner Country for the first time.

Action Plan Summary (1)

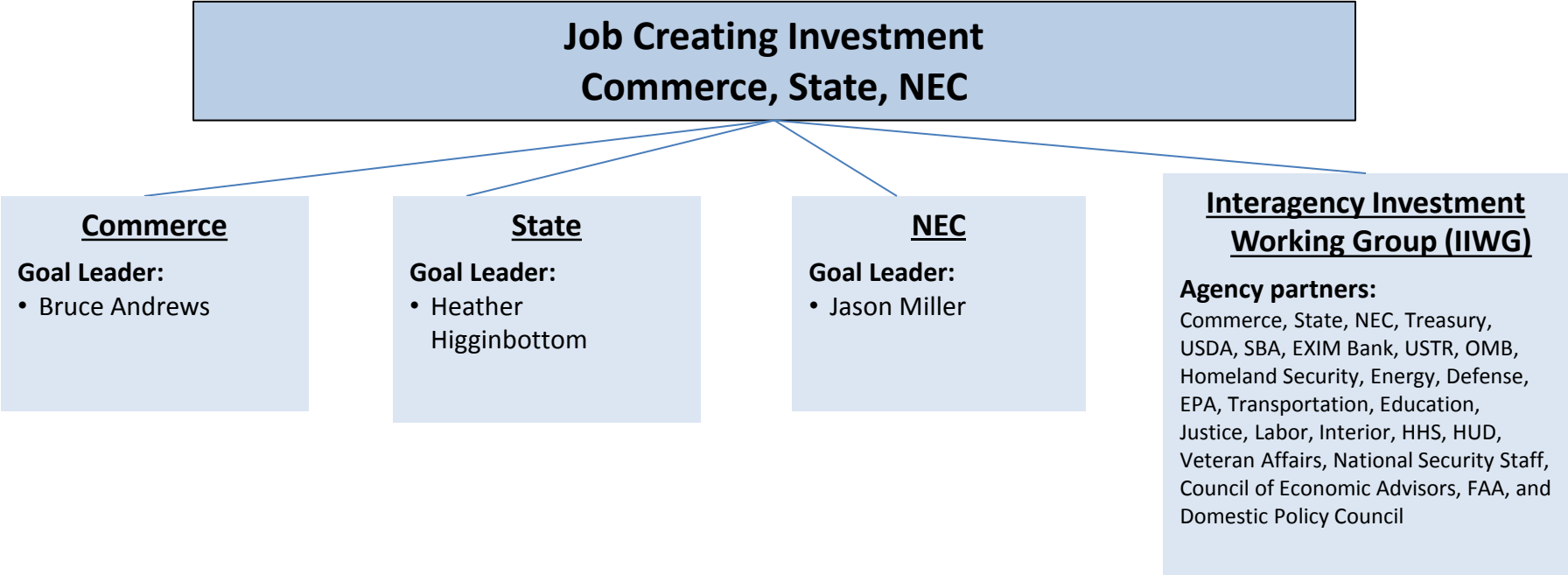
Sub-goal	Major Actions to Achieve Impact
Promote and market the U.S. as the premier investment destination	<ul style="list-style-type: none"> A. Strategically market key strengths and benefits for investing in the U.S. through multiple channels utilizing the IIWG and other strategic partners (e.g., commercial, economic, public affairs, USDA sections at posts, trade associations and multipliers, etc.) B. Conduct coordinated marketing, outreach and education to increase awareness of investment services, resources, and tools C. Execute key outreach events (e.g., Investment Summit, Investment road shows, Economic Development Forum, etc.) D. Develop a broad range of tools, to include internet based platforms, to promote the United States as the premier investment destination; address misconceptions about the U.S. business climate; and provide actionable information to clients E. Establish formal agreements with key public/private partners to enhance and leverage promotional efforts F. Establish a Federal Advisory Committee comprised of global CEOs to provide guidance and feedback
Improve federal services, tools and resources that facilitate inward investment	<ul style="list-style-type: none"> G. Conduct regular client needs assessment/focus groups to refine the suite of services and tools offered H. Enhance ombudsman, advocacy, counseling and other services for clients I. Facilitate access and improve quality of information on “how to invest in the United States” on a state-by-state basis J. Augment existing cluster mapping tools K. Provide databases on investment opportunities (e.g., projects, incentives, sites, etc.) L. Develop FDI attraction plan tools for U.S. EDOs as part of counseling services to facilitate their investment attraction efforts and share best practices

Action Plan Summary (2)

Sub-goal	Major Actions to Achieve Impact
<p>Improve and execute federal business processes that assist potential investors and economic development initiatives to attract, retain, expand, and reshore investment</p>	<ul style="list-style-type: none"> M. Develop and implement clear and consistent client identification, intake, management, and referral tools across agencies N. Develop and affect best practice standards for customer service throughout the investment lifecycle O. Implement a new platform for client management to support and streamline work flow and reporting P. Create a process for integrating program evaluation data, performance metrics, and investment policy into strategic program decisions Q. Optimize IIWG capability and leverage interagency teams to improve responsiveness to client needs
<p>Create a more attractive investment environment by identifying and initiating processes with appropriate agencies to address barriers and disincentives</p>	<ul style="list-style-type: none"> R. Establish client “feedback loops” that identify the most significant barriers/issues/trends/opportunities that can be addressed through federal action S. Establish/employ processes that leverage data-driven analysis to address barriers/issues/opportunities impacting the U.S. investment environment

Action Plan Summary (3)

Sub-goal	Key Performance Indicators
<ul style="list-style-type: none"> Promote and market the U.S. as the premier investment destination Improve federal services, tools and resources that facilitate inward investment Improve and execute federal business processes that assist potential investors and economic development initiatives to attract, retain, expand, and reshore investment Create a more attractive investment environment by identifying and initiating processes with appropriate agencies to address barriers and disincentives 	<p><u>Key Indicators</u></p> <ul style="list-style-type: none"> <i>Number of investment clients assisted</i> <i>Number of EDOs counseled</i> <p><u>Future Indicators</u></p> <ul style="list-style-type: none"> <i>Number of Investment WINs*</i> <i>Announced dollar value of investment success which SelectUSA helped facilitate**</i> <i>Number of U.S. jobs supported as a result of inward investment which SelectUSA helped facilitate**</i> <i>Percentage of clients that achieved their investment objectives***</i> <i>Response times or timeliness of USG response to client needs ***</i> <i>Overall customer satisfaction (both quality and efficacy) with services provided***</i> <i>Improvement in investor perception of the U.S. as a premier investment destination****</i> <i>Impact of investment promotion activities****</i> <i>Number of top strategic barriers/issues/trends/opportunities identified impacting investment ****</i> <p>*The “Number of Investment WINs” has replaced the “Number of Investment Successes”. An Investment WIN occurs when a U.S. EDO, foreign investor, or investor partner, who has received substantive investment promotion assistance achieves a positive outcome(s) such as: a new or increased foreign direct investment in the U.S. (investor deals); implementation of new or enhanced U.S. EDO investment strategy; a major milestone accomplished that demonstrates increase in U.S. investment attractiveness (e.g. signed MOI, other investment agreement); or the retention of operations and investment in the United States. All Investment WINs are client verified. Investment Successes were limited to FDI deals only.</p> <p>**For these indicators, SelectUSA is currently tracking and developing baseline data and trends in FY 2015.</p> <p>***For these indicators, methodologies for tracking and measuring will be developed and implemented over the course of FY 2015-2017.</p> <p>****After careful evaluation, the three Future Indicators previously under review will not be implemented during the FY 2015-2017 CAP Goal period. Measures for these potential indicators are annual in nature and did not meet the GPRA Modernization Act of 2010 (GPRAMA) quarterly indicator reporting requirements criteria. New proposed Future Indicators are under development for the FY 2016- 2017 CAP Goal.</p>



Governance

The Goal Team, comprised of staff level members from Commerce, State, and NEC, will convene monthly to discuss progress of sub-goals and relevant milestones. Team members will meet as needed. SelectUSA will leverage IIWG members and associated meetings to encourage further progress of these goals. The Goal Team will report quarterly in alignment with CAP Goal reporting requirements and in conjunction with existing program reporting process so as to not duplicate efforts.

Work plan 1: Promote and market the United States as the premier investment destination

Purpose

- Improve investment promotion and collaboration at the federal level and develop opportunities to drive economic growth and job creation in the United States
- Actively promote the United States to increase overall awareness and competitiveness of the U.S. as an investment destination

Barriers/Challenges

- Ensuring investment promotion remains a priority for federal partners
- Implementing and ensuring consistent messaging to stakeholders across federal agencies and our FDI supporting partners
- Institutionalizing operational structures across federal agencies so that each is equipped with adequate resources and skills required to effectively execute the objectives of investment promotion and marketing
- Addressing foreign perspectives and misperceptions regarding the extent to which the U.S. is open, supportive, and receptive to foreign investors

Milestone Summary

Key Milestones	Major Action(s) Supported (slides 5-6)	Milestone Due Date	Milestone status	Owner
Develop a multi-channel marketing strategy that will leverage the IIWG and other private/public partners	A, B	FY15 Q1	Complete	Commerce/ITA/SelectUSA
Engage overseas offices/Posts quarterly in key focus markets to assess progress	B, C, D	Ongoing Quarterly	Complete	SelectUSA
Develop a digital, online web presence and social media strategy that includes a range of tools and resources	A, D	FY15 Q3	Complete	ITA/SelectUSA/State
Establish an Investment Federal Advisory Committee	F	FY15 Q4*	Ongoing*	ITA/SelectUSA

*This milestone has been extended to the following fiscal year and is expected to be completed concurrently with the execution of the 2016 Investment Summit (FY16 Q3).

Work plan 2: Improve federal services, tools, and resources that facilitate inward investment

Purpose

- Through collaboration with federal partners, streamline and improve the efficiency of resources and effectiveness of federal services provided by leveraging individual agency strengths to maximize the impact of assistance while avoiding duplication of efforts
- Encourage the collective knowledge, resources and skills of federal agencies to optimize the assistance provided to potential inward investors
- Promote and foster innovation and business process improvement to continually provide improved and value-added services, tools, and resources that meet the current needs of clients

Barriers/Challenges

- Gaining buy-in and affecting change on EDOs to implement and support newly established tools and services targeting investment attraction
- Ability to meet threshold requirements for addressing issues regarding the legal requirements necessary to collect and share client information across federal agencies
- Ensuring collaboration at the state and local levels to address a range of interests and objectives that vary state-by-state while maintaining geographic neutrality

Milestone Summary

Key Milestones	Major Action(s) Supported (slides 5-6)	Milestone Due Date	Milestone status	Owner
Finalize methodology and approach for client needs assessment/focus groups for services, tools, and resources development/improvement	G	FY15 Q4	Complete	ITA/SelectUSA
Identify best practices of EDO investment promotion efforts	L	FY15 Q4	Complete	ITA/SelectUSA/EDA
Engage EDOs to provide state-by-state information and investment opportunities	I, K	FY15 Q2	Complete	SelectUSA/EDA

Work plan 3: Improve and execute federal business processes

Purpose

- Implement processes across federal partner agencies to ensure consistency while also improving efficiency through enhanced processes in order to maximize the federal impact towards increasing inward investment

Barriers/Challenges

- Ability to meet the differing needs of federal partners in a timely manner to enable streamlined workflow and timely reporting of activities and results
- Ensuring the standardization of processes across agencies to ensure timely responses and consistent delivery to clients
- Defining, communicating and reporting investment success consistently across federal agencies and partners

Milestone Summary

Key Milestones	Major Action(s) Supported (slides 5-6)	Milestone Due Date	Milestone status	Owner
Implement a Commerce CRM platform through the International Trade Administration (ITA) that can allow participation by other federal agencies	N, O	FY15 Q4	Complete*	Commerce/ITA/SelectUSA
Develop an evaluation methodology and system to streamline and integrate program and client data capture to improve analysis capabilities	P	FY15 Q4	Complete	ITA/SelectUSA
Identify IIWG priorities, objectives, capabilities, and strategic federal investment barriers to optimize client assistance	Q	FY15 Q4	Complete	Commerce/SelectUSA/NEC
Evaluate effectiveness and impact of the Ombudsman and Advocacy processes towards meeting client objectives	M, N, P, Q	FY15 Q4	Complete	SelectUSA

*The CRM platform was implemented in FY15 Q3. Access to the CRM platform has been piloted outside of the Department of Commerce/ITA.

Work plan 4: Create a more attractive investment environment

Purpose

- Identify and address barriers and disincentives that inhibit inward investment

Barriers/Challenges

- Ability to effectively address barriers may be limited due to lack of authority held by federal agencies (i.e., not within their control to affect)
- Barriers and disincentives may serve legitimate policy objectives, including protecting national security, and may have established domestic constituencies opposing reform

Milestone Summary

Key Milestones	Major Action(s) Supported (slides 5-6)	Milestone Due Date	Milestone status	Owner
Establish a process and framework by which to systematically gather and analyze ongoing client feedback to inform programmatic and strategic decision-making	R	FY15 Q4	Complete	Commerce/ ITA/SelectUSA/ State
Identify the most significant barriers for investors and the necessary actions to address them	R, S	FY15 Q4	Complete	Commerce/ ITA/SelectUSA/ State

Key indicators

Key Implementation Data

Key Indicators	Latest Data (YTD)	FY15 Annual Target	% of Target Achieved	FY16 Annual Target	Frequency
<i>Number of investment clients assisted</i>	1,651	1,600	103%	2,400	Monthly
<i>Number of EDOs counseled</i>	93	N/A	N/A	N/A	Monthly

Macroeconomic Data:

The United States is both the largest recipient of FDI and the world's largest source of cumulative foreign direct investment. In 2014, U.S. subsidiaries of foreign firm invested \$107 billion in the U.S. economy and at year end the total stock of direct investment in the United States was valued at over \$2.9 trillion.

(Source: Bureau of Economic Analysis)

Future Indicators in Development:

- *Number of Investment WINs**
- *Announced dollar value of investment success which SelectUSA helped facilitate***
- *Number of U.S. jobs supported as a result of inward investment which SelectUSA helped facilitate***
- *Percentage of clients that achieved their investment objectives****
- *Response times or timeliness of USG response to client needs ****
- *Overall customer satisfaction (both quality and efficacy) with services provided****
- *Improvement in investor perception of the U.S. as a premier investment destination*****
- *Impact of investment promotion activities*****
- *Number of top strategic barriers/issues/trends/opportunities identified impacting investment ******

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Contributing Programs

U.S. Department of Commerce

- International Trade Administration
- Economic Development Administration (EDA)
- Economic Statistical Administration (ESA)
- National Institute for Standards and Technology – Manufacturing Extension Partnership (NIST – MEP)

U.S. Department of State

- Bureau of Economic and Business Affairs
- Bureau of Consular Affairs
- Bureau of Political and Military Affairs

Acronyms

- CAP – Cross Agency Priority
- CEO - Chief Executive Officer
- CRM - Customer Relationship Management
- DHS – Department of Homeland Security
- DOC - Department of Commerce
- DoD – Department of Defense
- DOE – Department of Energy
- DOI – Department of the Interior
- DOJ – Department of Justice
- DOL – Department of Labor
- DOT – Department of Transportation
- ED – Department of Education
- EDA - Economic Development Administration
- EDO - Economic Development Organization
- EPA – Environmental Protection Agency
- ESA - Economical Statistical Administration
- FAA - Federal Aviation Administration
- FDI - Foreign Direct Investment
- HHS - Department of Health and Human Services
- HUD – Department of Housing and Urban Development
- IAC - Investment Advisory Committee
- IIWG - Interagency Investment Working Group
- ITA - International Trade Administration
- NEC – National Economic Council
- NIST/MEP - National Institute for Standards and Technology/ Manufacturing Extension Partnership
- OMB - Office of Management and Budget
- SBA - Small Business Administration
- State – Department of State
- Treasury – Department of the Treasury
- USDA - United States Department of Agriculture
- USTR - United States Trade Representative
- VA – Department of Veterans Affairs