



Investing in the United States

13 May 2015

eHealth Week 2015

Global Markets: Tools for Transatlantic Trade

Kim Tuminaro

Senior Trade Officer

U.S. Department of State

U.S. Investment and Business Climate

“The United States reaffirms our open investment policy, a commitment to treat all investors in a fair and equitable manner under the law.”

-Statement by the President of the United States, June 20, 2011

- Upheld by administrations throughout U.S. history.
- Core obligation in bilateral investment treaties (BITs).
Ensures investors and investments receive treatment no less
- favorable than a country affords to its own investors and investments.

A Winning Investment Climate

#1 AT Kearney's 2015 FDI Confidence Index
China: #2 - UK: #3 - Germany: #5

#1 IESE Business School's 2013 Venture Capital and Private Equity Index
Canada: #2 - UK: #3 - Japan: #4

#3 World Economic Forum's 2013-2014 Global Competitiveness rankings
Hong Kong: #7 - Japan: #9 - China: #29

Rank	Market	Δ 2014
1	United States	-
2	China	-
3	United Kingdom	+1
4	Canada	-1
5	Germany	+1
6	Brazil	-1
7	Japan	+12
8	France	+2
9	Mexico	+3
10	Australia	-2

Source: AT Kearney, 2015

Business Climate



Strategic Market & FTAs

Population of U.S. and FTAs is 695m; U.S. 42% of Global Consumer Goods Market ¹

Center for Global Innovation and Entrepreneurship

U.S. Responsible for 33% of Total World R&D Expenditures (EU-27 accounted for 24%)²

Strong Intellectual Property Rights Protections

52.2% of the Patents Granted in 2012 by the U.S. Patent Office Originated from a Foreign Country³

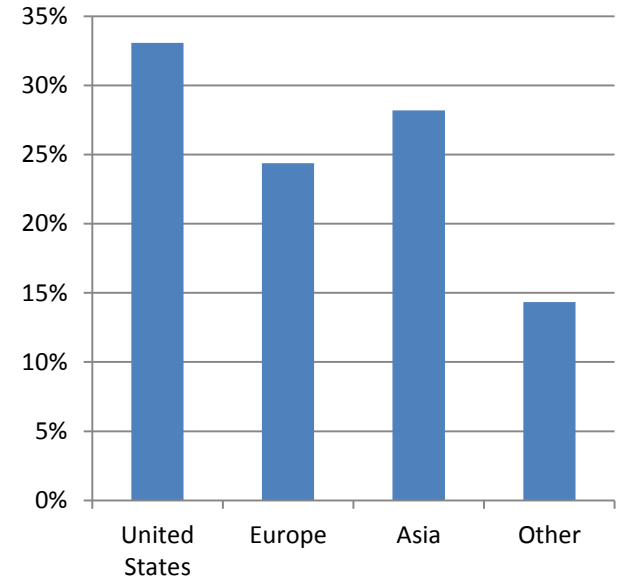
A Leader in Higher Education

15 of the top 20 universities in the World (Europe has 4 of the top 20)⁴

Productive Workforce

U.S. labor productivity grew 1.5% between 2007 and 2012 (France: 0.2%, Germany: 0.3%, UK: -0.6%)⁵

Distribution of Worldwide R&D Expenditures, 2012



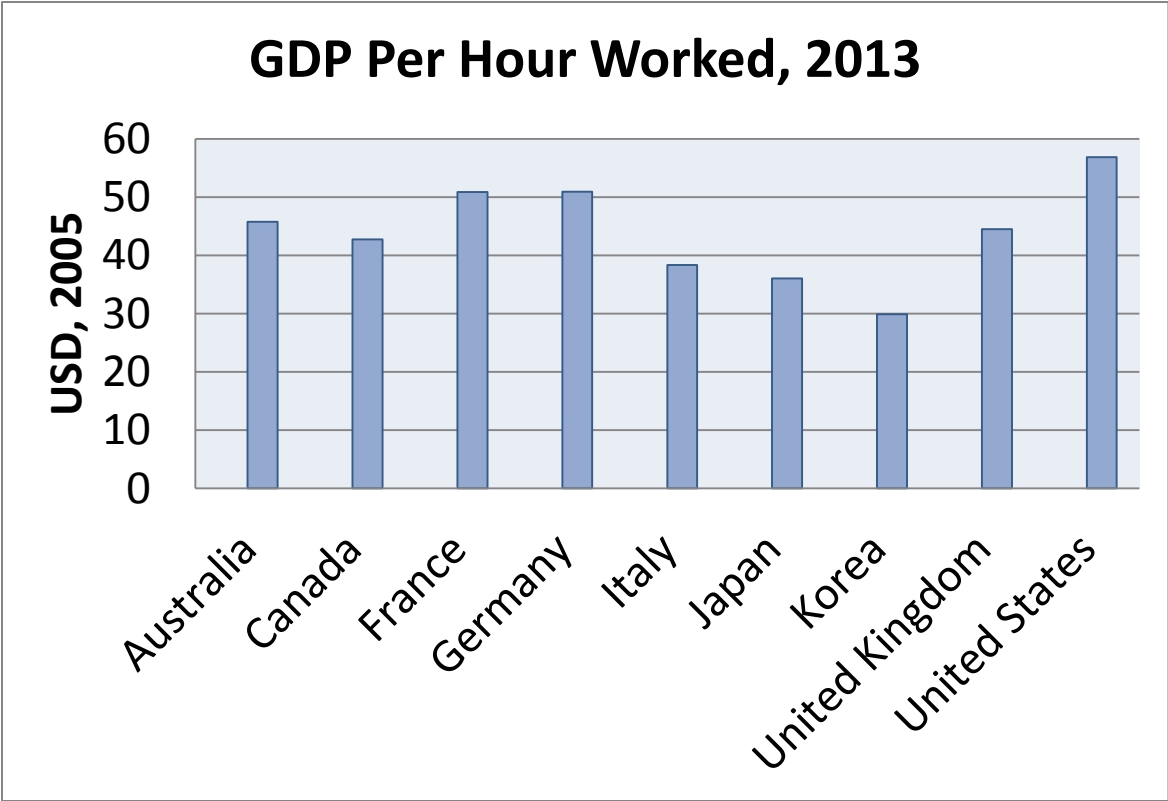
Source: National Science Foundation Science and Engineering Indicators 2012

Sources: 1. Office of the U.S. Trade Representative; Central Intelligence Agency – The World Factbook; and Credit Suisse survey; 2 National Science Foundation Science and Engineering Indicators 2010; Kauffman Index of Entrepreneurial Activity 1996-2010; 3. U.S. Patent and Trademark Office; 4. The Times Higher Education Report 2013-2014 (U.K.); 5. OECD Labor Productivity Statistics

Productive Workforce



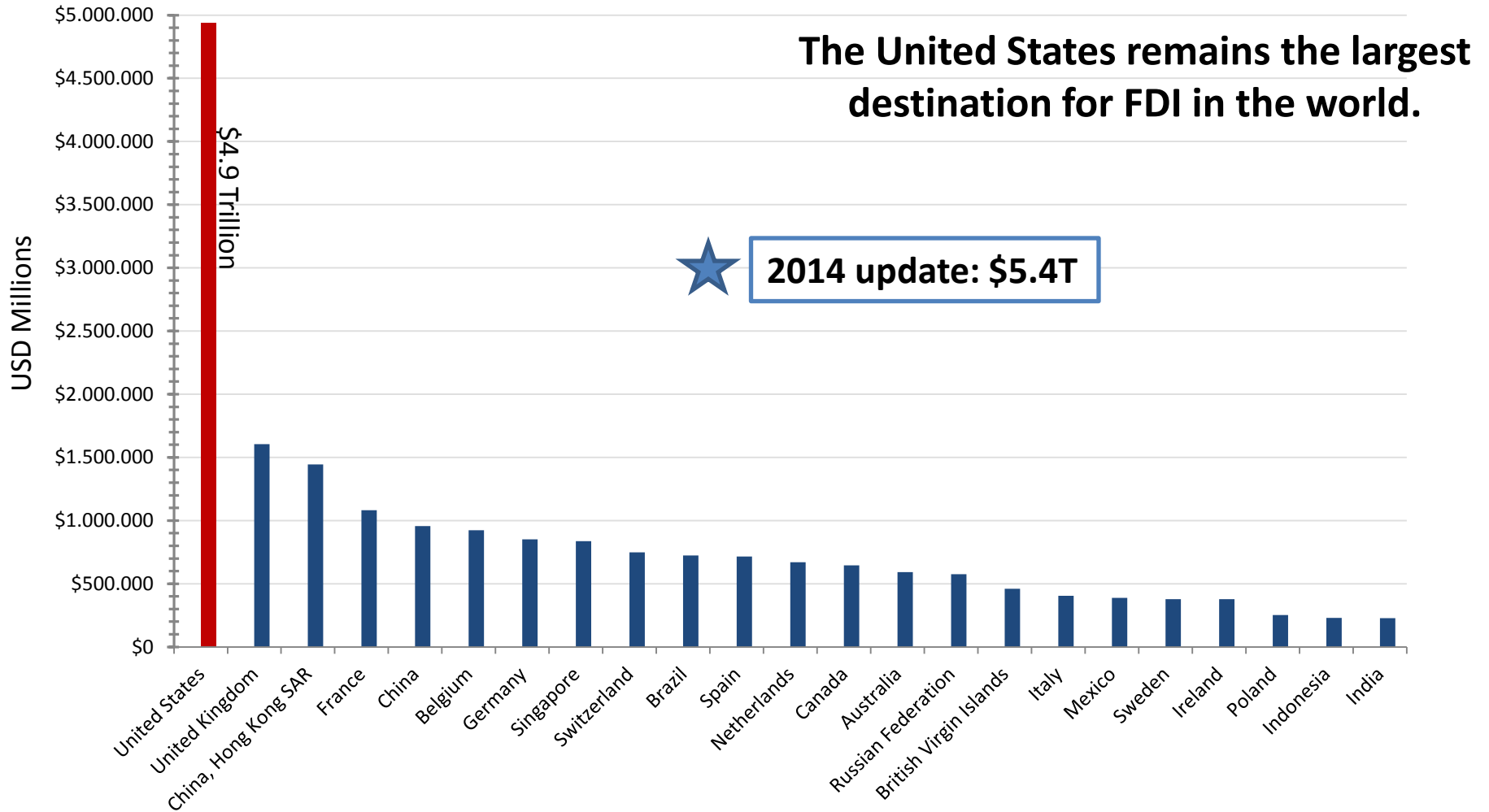
The United States has the most productive workforce among the world's largest economies



Source: OECD, 2013

U.S. FDI Trends

Global FDI Trends



22 largest country recipients by FDI stock in 2013; Currency displayed at current market value.

Source: UN Conference on Trade and Development

FDI Benefits the U.S. Economy



#1 → World's largest destination for FDI

% of U.S. Exports → 22% of all U.S. goods exports

U.S. jobs → 5.8 million U.S. workers

Average annual wage → \$78,900, with \$455.5 billion total in wages

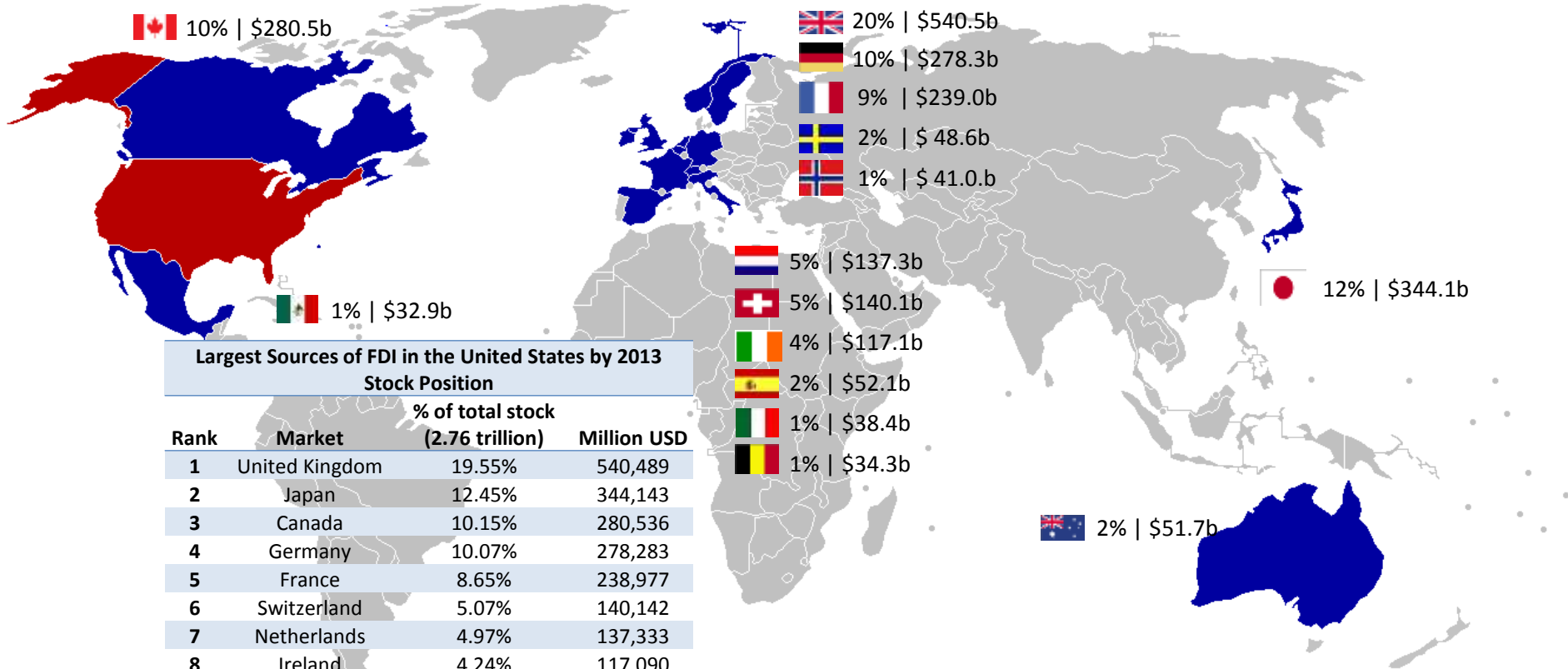
R&D Investments → \$47.9 billion

Investments in Fixed Assets → > \$201 billion in PP&E improvements in one year, alone.

Source: Bureau of Economic Analysis, 2012 figures

U.S. FDI Trends

Top 15 FDI Stock Positions, 2013



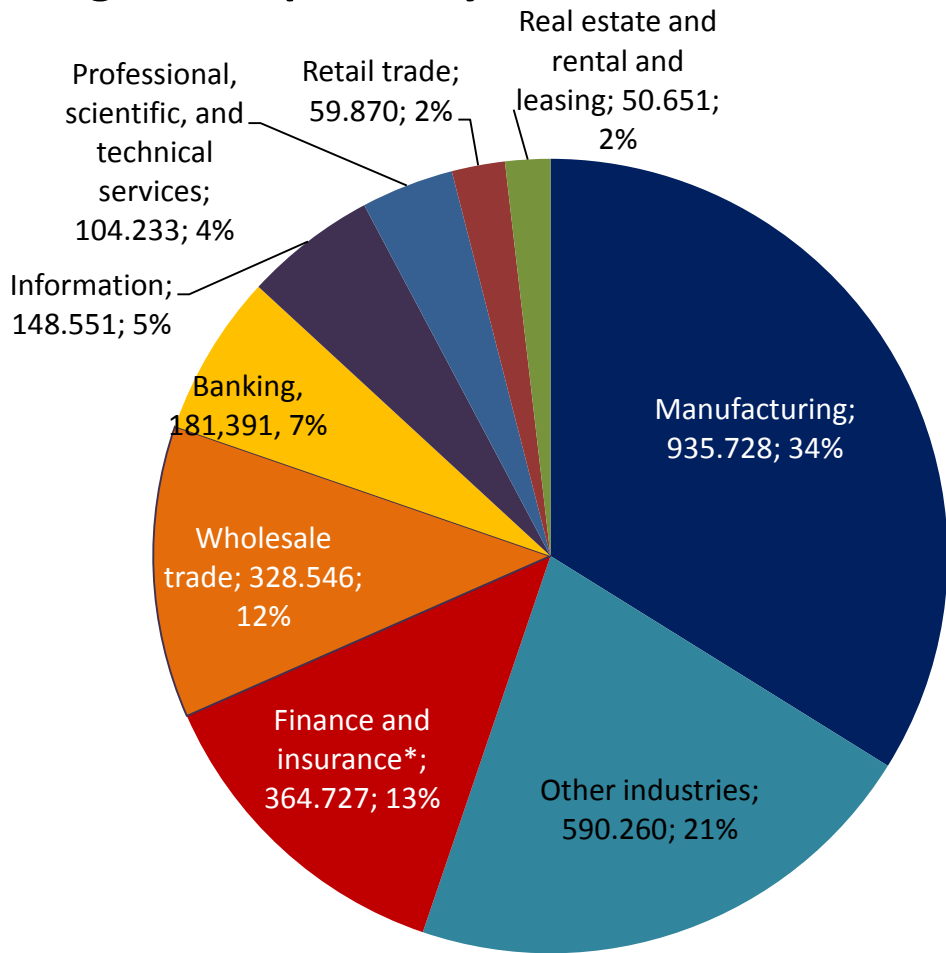
**Largest Sources of FDI in the United States by 2013
Stock Position**

Rank	Market	% of total stock (2.76 trillion)	Million USD
1	United Kingdom	19.55%	540,489
2	Japan	12.45%	344,143
3	Canada	10.15%	280,536
4	Germany	10.07%	278,283
5	France	8.65%	238,977
6	Switzerland	5.07%	140,142
7	Netherlands	4.97%	137,333
8	Ireland	4.24%	117,090
9	Spain	1.88%	52,085
10	Australia	1.87%	51,709
11	Sweden	1.76%	48,582
12	Norway	1.48%	40,986
13	Italy	1.39%	38,445
14	Belgium	1.24%	34,260
15	Mexico	1.19%	32,878

Source: Department of Commerce, Bureau of Economic Analysis – FDI Position by Ultimate Beneficiary Owner, 2013

FDI in the U.S. by Industry, 2013

Largest Recipients by Position



- Manufacturing accounts for more than 1/3 of total position.
- Finance & Insurance and Banking are the second largest recipients
- Other industries: agriculture and forestry, mining, utilities, construction, transportation & warehousing, and more.

Source: Department of Commerce, Bureau of Economic Analysis

FDI from the Nordics/Baltics



Rank	Fastest Growing Sources: FDI into the U.S.	2013 Position (Millions USD)	CAGR 2009-13
1	China	8,023	41.54%
2	Hungary	202	36.61%
3	Luxembourg	23,823	34.56%
4	India	11,040	29.34%
5	Norway	40,986	29.11%
6	Malaysia	1540	24.11%
7	Korea, Republic of	31,520	21.72%
8	Switzerland	140,142	20.83%
9	Brazil	14,852	19.55%
10	Malta	2	18.92%
11	Venezuela	5,190	15.62%
12	United Arab Emirates	21,204	15.25%
13	Sweden	48,582	14.64%
14	Colombia	2,022	14.63%
17	Denmark	11,331	12.39%



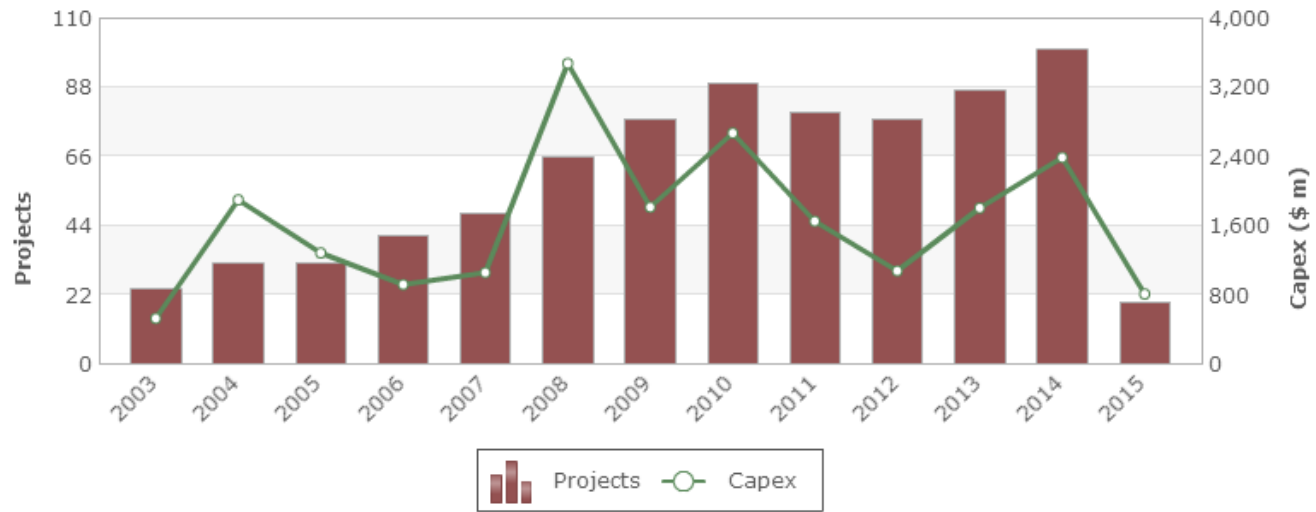
Source: Bureau of Economic Analysis



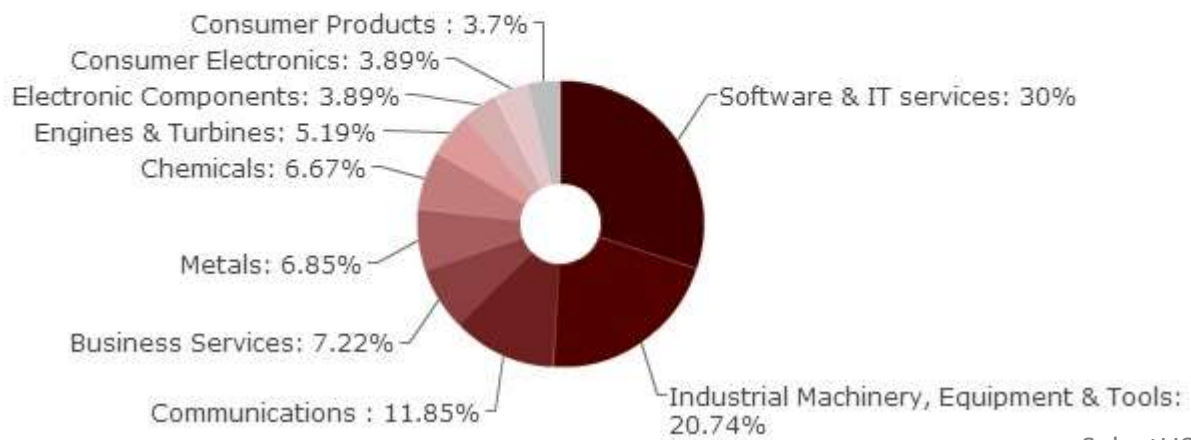
Nordics FDI in the U.S.



Summary of Projects & Capex

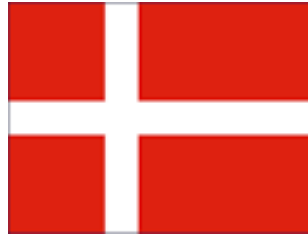


Projects trends - Top 10 Sectors



Source: fDiMarkets.com

Nordics FDI in the U.S.



\$351 M

R&D investment in 2012



\$113,383

Avg Wage in 2012



**5th fastest-growing
source of FDI in U.S.**



302

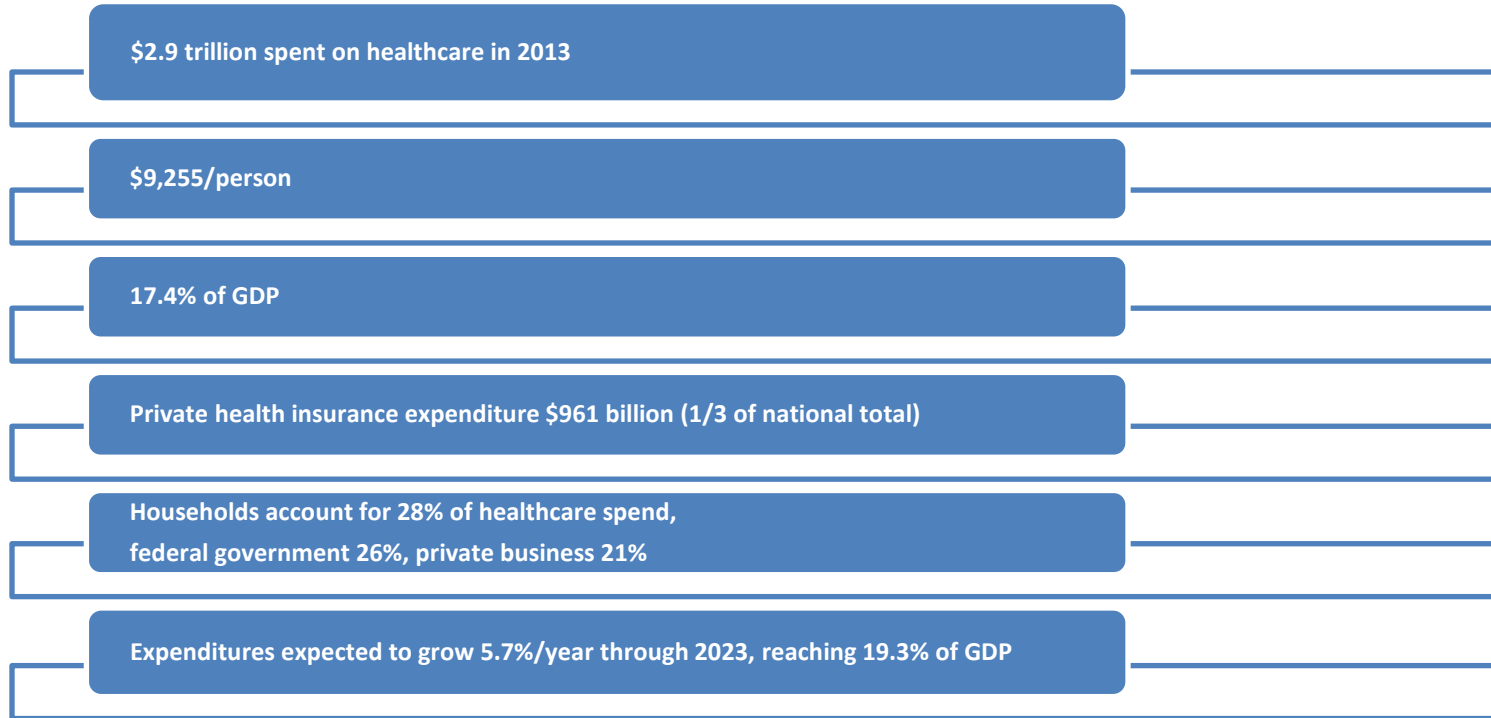
**# of FDI projects announced
1/03-1/15**

Sources: U.S. Department of Commerce, Bureau of Economic Analysis; fDi Markets

Health IT in the United States

U.S. Healthcare Expenditures

Center for Medicare and Medicaid Services tabulates annual healthcare spending




Sources: 2013 National Health Expenditure Fact Sheet; Center for Medicare and Medicaid Services. Accessed May 8, 2015; <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NHE-Fact-Sheet.html>.

U.S. Healthcare Expenditures

Health IT can assist health delivery in many ways, including

- Improving data gathering, collection, analysis
- Coordination of treatment
- Continuous remote monitoring of patients with chronic diseases
- Timely intervention of treatment

 If even 10% of U.S. healthcare expenditure is currently (or could utilize) Health IT, that would represent a \$290 billion market opportunity

Health IT in the United States

94%

of non-federal acute care hospitals use a certified EHR to collect electronic data about patients.¹



78%

of office-based physicians use an EHR system to collect electronic patient data.¹

1 in 8

the number of Americans in 2013 who tracked a health metric like blood pressure or weight using some form of technology.⁸

¹ Office of the National Coordinator for Health IT (ONC) Report to Congress, October 2014; ⁸Pew Research Center. Tracking for Health. January 2013

Health IT

U.S. and European Cooperation

Health IT – U.S. & European cooperation

The European Commission's DG CONNECT and the U.S. Department of Health and Human Services signed a Memorandum of Understanding in December 2010 to strengthen transatlantic cooperation in eHealth/Health IT focusing on:

Standards development: Advance the development and use of internationally recognized standards that support transnational interoperability of eHealth/Health IT

Workforce Development: Develop and expand a skilled eHealth/Health IT workforce in Europe and the United States

- Weekly phone calls and biannual in-person meetings (spring in EU presidency country, autumn in the U.S.)
- Focus to date has been on developing standard vocabularies for a consolidated patient record summary and continuity of patient care, and developing a well-trained workforce to deploy Health IT in the U.S. and EU.
- Roadmap update in final stages of discussion at this conference; should be released soon

About SelectUSA

About SelectUSA



Established through executive order in 2011. SelectUSA is the primary U.S. government-wide initiative to promote and facilitate business investment in the United States. Housed within the U.S. Department of Commerce, SelectUSA is represented by the Commercial Service at U.S. embassies and consulates across 74 worldwide markets.

Our Clients:

- ✓ Companies (investors)
- ✓ U.S. states, regions, and cities

Next up: Services & how we can help



Key SelectUSA Services Offered to Companies:

Information and Counseling: We provide subject-matter expertise to companies on business investment in the United States.

Connections: We assist companies with industry information, analysis, and points of contact and connect them with U.S. cities and states.

Ombudsman Assistance: We help companies with questions or concerns about U.S. federal rules and regulations.

Information & Counseling

Delivering actionable insight helps investors...

- Collect publicly available data and analysis for due diligence
- Understand basic U.S. tax and legal concepts
- Navigate federal rules or regulations
- Learn about incentives
- Connect with U.S. state, city, or regional economic development offices (EDO)
- Incorporate a business in the United States



www.statebook.com
StateBook International



www.stateincentives.org
State Business Incentives
Database



www.clustermapping.us
Cluster Mapping tool and registry

SelectUSA Services for Firms: Ombudsman Assistance



SelectUSA works across the federal government on a case-by-case basis to:

- Address foreign investor concerns and issues
- Connect with a federal agency/office to seek insight into a specific case
- Offer to facilitate direct communication between the relevant federal agency and the client, as appropriate
- Identify federal regulations or processes to U.S. policy makers, that may negatively impact the U.S. business climate

Investor inquiries with SelectUSA are treated as business-confidential, and the **Ombudsman function is conducted by SelectUSA headquarters.**



IV: Events

SelectUSA Investment Summit

March 22 - 23, 2015

Washington, DC area

- **2,600 participants → 1,300 investors**
- **500 EDO participants** from 50 states and U.S. territories
- Investors and officials from **70+ international markets**
- Speakers included senior business leaders, subject-matter experts, governors, President Obama, and six members of the Cabinet
- **Hundreds of matchmaking** sessions and networking on the **tradeshow floor**. Investors met EDOs face-to-face, and were able to meet federal officials at the SelectUSA Help Desk.



Upcoming Events



- May 4-7: Offshore Technology Conference in Houston
- **May 12-14: Mexico Road Show**
- **May 18-29: Greater China Road Show**
- June 15-18: BIO International in Philadelphia
- June 18-20: International Franchise Expo in New York
- **September 14-18 Nordics Roadshow**
- October 26-28: National Aerospace FDI Expo in Los Angeles
- December 8-10: POWER-GEN International in Las Vegas

Thank you!