



# GLOBAL DSM: TRADE AND INVESTMENT STRATEGY

The Global Cities Initiative, a joint project of Brookings and JPMorgan Chase.







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**The Global Cities Initiative** is a joint project of the Brookings Institution and JPMorgan Chase designed to help metropolitan leaders advance and grow their regional economies by strengthening international connections and competitiveness on key economic indicators such as advanced manufacturing, exports, foreign direct investment and traded sectors. GCI activities include producing data and research to guide decisions, fostering practice and policy innovations and facilitating a peer-learning network. The Global Cities Initiative is chaired by Richard M. Daley, former mayor of Chicago and senior advisor to JPMorgan Chase. It is directed by Amy Liu, vice president and director of the Brookings Metropolitan Policy Program.

For more information, see [Brookings.edu/projects/global-cities.aspx](https://www.brookings.edu/projects/global-cities.aspx) or [Jpmorganchase.com/globalcities](https://www.jpmorganchase.com/globalcities).



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# THE GREATER DES MOINES IMPERATIVE FOR GLOBAL ENGAGEMENT

As the marketplace becomes more globally connected, a metropolitan region's ability to compete for global trade and investment is more important than ever before. Currently, 95 percent of the world's consumers live outside of the United States and 80 percent of global economic growth is projected to occur somewhere other than the U.S. from 2015 to 2020. Seventy-five percent of the world's purchasing power is outside our nation's borders. Exports increase the growth of jobs and wealth; according to the International Trade Administration (ITA), every \$1 billion in export value creates 5,400 new jobs. The ITA also attributes 12 million U.S. jobs to employment by foreign-owned firms. Greater Des Moines must leverage exports and foreign direct investment in order to remain competitive; enhancing the region's global identity is an integral part of that mission.

Greater Des Moines has achieved economic development success in the domestic market in recent years, including significant investments from Microsoft, Facebook, Principal, DuPont Pioneer, Wells Fargo and Kemin. These projects have helped catapult Greater Des Moines into the national spotlight with numerous national rankings and accolades from publications including *Forbes*, *POLICOM* and *Fortune*. The regional economy remained relatively stable during the Great Recession and the

unemployment rate is among the nation's lowest. While the recent success has generated positive momentum for the region, Greater Des Moines' long-term success is far from assured in a rapidly changing and more competitive global economy. One of the primary challenges facing Central Iowa will be to stay competitive and maintain future economic success. To achieve long-term success, Greater Des Moines will need to be more focused about global engagement in order to capture opportunities that exist beyond the marketplace in the United States.

Greater Des Moines lags behind many U.S. cities in attracting foreign investment. In 2011 (the latest year available), the Des Moines MSA ranked 81st in jobs in foreign-owned enterprises (FOEs). While the total share of private employment in FOEs continues to increase, Central Iowa is still below the national average. Greater Des Moines regularly competes with larger metro areas for domestic business opportunities. Many of these metros have extensive resources and capabilities to attract foreign direct investment and global talent to their markets, giving them a significant advantage in the long term. The global companies that compete against businesses in Greater Des Moines present challenges. Many of these companies have established themselves in the global marketplace and are better positioned for growth.





## GREATER DES MOINES' RESPONSE TO THE CHANGING GLOBAL ECONOMY

Acknowledging that the 21st century economy is changing, the region must work to build a stronger global presence. Greater Des Moines' strategic economic development plan, Capital Crossroads, was launched in the fall of 2011. This multi-faceted economic development road map charted an aggressive path for the region. A key part of this plan was to enhance the region's global connectivity through trade development, foreign direct investment and international talent recruitment.

While Greater Des Moines has had significant success marketing the region on a national level and working closely with economic development partners to attract domestic investment, the existing effort to attract foreign direct investment has been primarily

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**“The world economy remains adrift in choppy waters.”**

— *Brookings Institution*

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reactionary. There is no existing strategy to determine which global regions have synergies with Greater Des Moines that could lead to increased trade and investment. Trade Missions are conducted annually by the Iowa Economic Development Authority. However, they focus on opportunities for the entire state rather than the Central Iowa region. While this has led to some opportunities for Greater Des Moines, a deliberate approach based on improved

market intelligence is needed to better maximize these efforts. Key performance indicators must also be developed to determine the effectiveness of global engagement strategies and to track progress.

In the spring of 2014, the Greater Des Moines Partnership (The Partnership), Ames Chamber of Commerce/Economic Development Commission and other partners announced the creation of the Cultivation Corridor, a newly-branded agriculture bioscience corridor in Central Iowa. Throughout the Corridor, public and private partners are working with institutions of higher learning to cultivate innovation and accelerate growth in the agbioscience, biorenewables, biotechnology and advanced manufacturing industries. With a goal of further developing and marketing its world-renowned bioeconomy, the Cultivation Corridor is building on a rich history of innovation to enhance environmental sustainability and accelerate business development by attracting companies, talent and capital from across the globe. With an emphasis on scientific discovery and research, companies and institutions in the Cultivation Corridor are forging new pathways to energy independence, sustainable food sources and innovative products made from renewable resources.

In addition, since spring 2014, Des Moines has hosted the inaugural Global Insurance Symposium which attracts insurance executives from around the world. Insurance and financial services is another significant business sector for Greater Des Moines, and the Global Insurance Symposium serves as a high-profile way to introduce Des Moines to potential global investors.

Another key insurance initiative is the Global Insurance Accelerator (GIA), launched in 2015. This accelerator enables startup companies to create products and services specifically for the insurance industry in a controlled environment with on-site mentors. In the last two years, the GIA has attracted companies from Brazil, Australia, Silicon Valley, Omaha, Canada, Ireland, Silicon Valley, New York, St. Louis, Madison and Des Moines. Des Moines has been contacted by London to learn more about the program, as there is consideration to create a similar initiative in the United Kingdom.

Workforce development was also a key work platform in the Capital Crossroads plan. In 2015, The Partnership launched the Des Moines Immigration Initiative in conjunction with the Partnership for a New American Economy.

State and regional leaders have been working with the Republic of Kosovo since 2012. This relationship emanated from the Iowa National Guard's training of the country's peacekeeping force. Due to these strong ties and many diplomatic exchanges, Kosovo opened its Midwest consulate office in Downtown Des Moines on January 29, 2016. The consulate office further connects Greater Des Moines to the global community and could open the door for other nations with agricultural-based economies to consider Greater Des Moines for a consulate.

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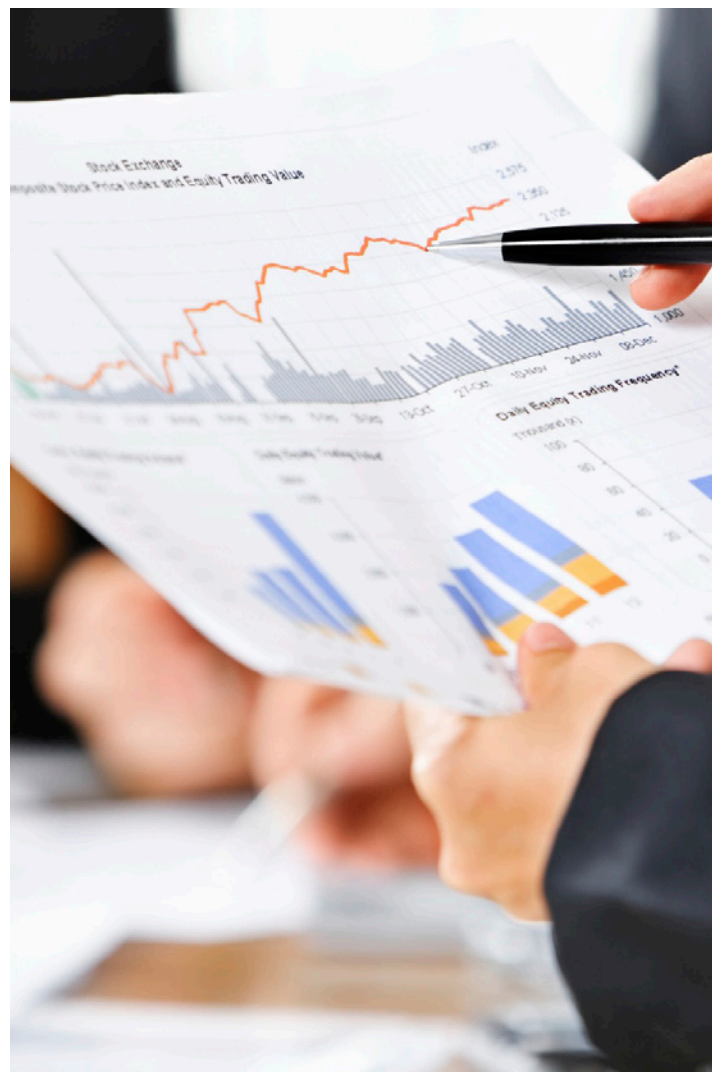
Increased collaboration and a more unified effort amongst stakeholders has provided businesses with the resources they need to succeed in the global marketplace.

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Although Greater Des Moines does not currently have a targeted approach to attract and retain foreign direct investment in the marketplace, the region's leaders are committed to taking it to the next level. Greater Des Moines began its participation in the Global Cities Initiative (GCI) in 2012 when the Brookings Institution selected Des Moines for the Metropolitan Export Exchange. The GCI was created by JPMorgan Chase and the Brookings Institution to help provide metros with resources and guidance to create specific plans to capitalize on global opportunities and become more competitive in global trade and investment.

Immersion in the Metropolitan Export Initiative has been pivotal for Greater Des Moines to identify key assets and leadership to create a blueprint for success. The process has been led by a Core Team and Steering Committee comprised of key public, private and education leaders who all have a stake in increasing global connectivity to keep Central Iowa competitive over the long term. Increased collaboration and a more unified effort among stakeholders has provided businesses with the resources they need to succeed in the global marketplace. Greater Des Moines published a regional export plan in 2013 which has served as the foundation of the Global DSM: Trade and Investment Strategy.

Finally, The Partnership has created an International Council to oversee the implementation of the Greater Des Moines Regional Export Plan and the Global DSM: Trade and Investment Strategy. The International Council is comprised of business, government and academic leaders who provide thought leadership and guidance on international initiatives which demonstrate the region's focus on increasing global engagement.





# THE INTERSECTION OF EXPORTS AND FOREIGN DIRECT INVESTMENT

Greater Des Moines began working on the Global Cities Initiative in 2012 and has conducted market assessments in both exports and foreign direct investment. The body of research on trade and foreign direct investment that was shared by the Brookings Institution, combined with 37 in-depth interviews with regional companies, provided a baseline for understanding the advantages and challenges faced by global businesses. Research indicates exports and foreign direct investment are interrelated and mutually reinforcing.

## **AGRICULTURE BIOSCIENCE IS A KEY INDUSTRY CLUSTER WITH GLOBAL POTENTIAL.**

Companies in this cluster make up a significant part of the economy in Greater Des Moines and their future competitiveness is crucial to the economic success and vitality of the region. A significant portion of companies in this cluster are engaged in exporting activities and rely on global markets for continuing growth, including DuPont Pioneer, Kemin Industries, John Deere, Vermeer, Monsanto and Hy-Line International. Agbioscience companies represent significant Foreign Direct Investment (FDI) opportunities, primarily through mergers and acquisitions (M&A) activity as global firms have sought to acquire genetic strains (Hy-Line, Choice Genetics), technologies and access to inputs (land, water, feedstock). Existing examples of FDI in this cluster include Syngenta, BASF, Danfoss, Boehringer Ingelheim, Barilla and DSM Nutritional Products. Iowa State University is one of the nation's premier agbioscience and research institutions offering access to emerging technology, facilities, business incubation and consulting for companies. Greater Des Moines has recognized the economic importance of agbioscience and has created a major initiative (Cultivation Corridor) to position the region as a global leader.

## **GLOBAL ENGAGEMENT PRESENTS SIGNIFICANT GROWTH OPPORTUNITIES FOR EXISTING COMPANIES.**

Exports lead to additional sales which increase a firm's capability to expand and hire new employees. Foreign-owned enterprises (FOEs) rely on additional investment from the parent company in order to expand locally while competing with other company-owned facilities. Small and medium-sized firms often are not aware of available resources to assist with exports or attracting additional foreign investment.

## **EXPORTS AND FDI SUPPORT JOBS FOR IOWA'S WORKERS.**

In 2013, a total of 3,420 companies exported from Iowa locations. Of those, 2,845 (83.2 percent) were small and medium-sized enterprises with fewer than 500 employees. Foreign-controlled companies employed 54,800 Iowa workers and were responsible for 4.2 percent of the state's total private-industry employment. According to the Brookings Institution, foreign-owned firms also invest more in research and development (R&D), which equates to five percent of employment but 19 percent of corporate R&D spending.

## **LOCAL COMPANIES ARE ENCOURAGED TO EXPORT BY THEIR FOREIGN-BASED PARENTS.**

The majority of interviews with regional FOEs conducted in 2015 showed that exporting is a natural and expected part of doing business. Interviewees attributed as much as fifty percent of total sales to exports. In addition, Brookings' underlying trade data documented robust importing activity.



# KEY FINDINGS FROM THE MARKET ASSESSMENT

The Brookings Institution provided cohort members a custom, comprehensive set of export and foreign direct investment (FDI) data from which to evaluate metro areas, counties and the United States. The county data is especially important to regions like Greater Des Moines, where data must be aggregated to evaluate a wider regional geography than a standard Metropolitan Statistical Area (MSA). Export data from 2003 to 2014 resulted from a different methodology, revised for the entire time period and not directly comparable to figures used in the original export plan. The Brookings Institution was able to provide custom FDI data

as well, which covers the time period from 1991 to 2011. These datasets were assembled over a two-year period using the Dun & Bradstreet NETS database. Generally, the FDI portion of the study is based on job counts and firm counts, and not on monetary values. However, the additional information on FDI source countries, regions and companies lent further insight on Greater Des Moines' state of globalization. The Core Team and Steering Committee members added their market knowledge to personal interviews with companies, survey data and numerous research documents to develop the key findings.



## FOREIGN DIRECT INVESTMENT

### Greater Des Moines underperforms in foreign direct investment on multiple measures.

Despite success in generating domestic investment, Greater Des Moines ranks low in jobs and share of employment in FIEs. For example, the Des Moines MSA ranks 19th among its 20 peer metros in total FDI employment. Among the 100 largest MSAs, Des Moines ranks 81st in jobs and 78th in share of employment in FIEs. Growth in the number of firms in the region has slowed in the past decade. The International Trade Administration reports that 4.2 percent of Iowa’s private employment is supported by foreign investment (2013). Nationally, the average is 5.5 percent and the Des Moines metro is 3.4 percent. The region’s 13,820 FIEs jobs claim just one percent of the Midwest total, according to the Brookings Institution.

Greater Des Moines has the opportunity to be more deliberate about attracting FDI to the region. The current approach relies on the Iowa Economic Development Authority and other external partners who represent the entire state of Iowa. As a result, trade missions, marketing efforts, etc., are not always focused on the inherent strengths and key industry clusters that make the region successful. Greater Des Moines must become more intentional with efforts to attract FDI and connect strategies and efforts to partner initiatives.

### Greater Des Moines is a recognized leader in insurance — but not on the global stage.

The Des Moines metro is home to 81 insurance headquarter locations (nearly 60 percent of those in Iowa), has the highest concentration of insurance employment among U.S. metros at more than three times the national average and is recognized domestically as a major insurance hub. Even so, Greater Des Moines has not yet expanded this recognition to a worldwide level. Two big acquisitions were announced recently: Symetra Life was purchased by a Japanese company and Fidelity & Guaranty Life was a Chinese purchase. Both are expected to yield positive results. Greater Des Moines offers a low cost of doing business structure for insurance companies to enter the U.S. market including a one percent insurance premium tax, no sales tax on computers used for data processing and no premium taxes on the sales of annuities, qualified insurance plans or surtaxes on insurance carriers.

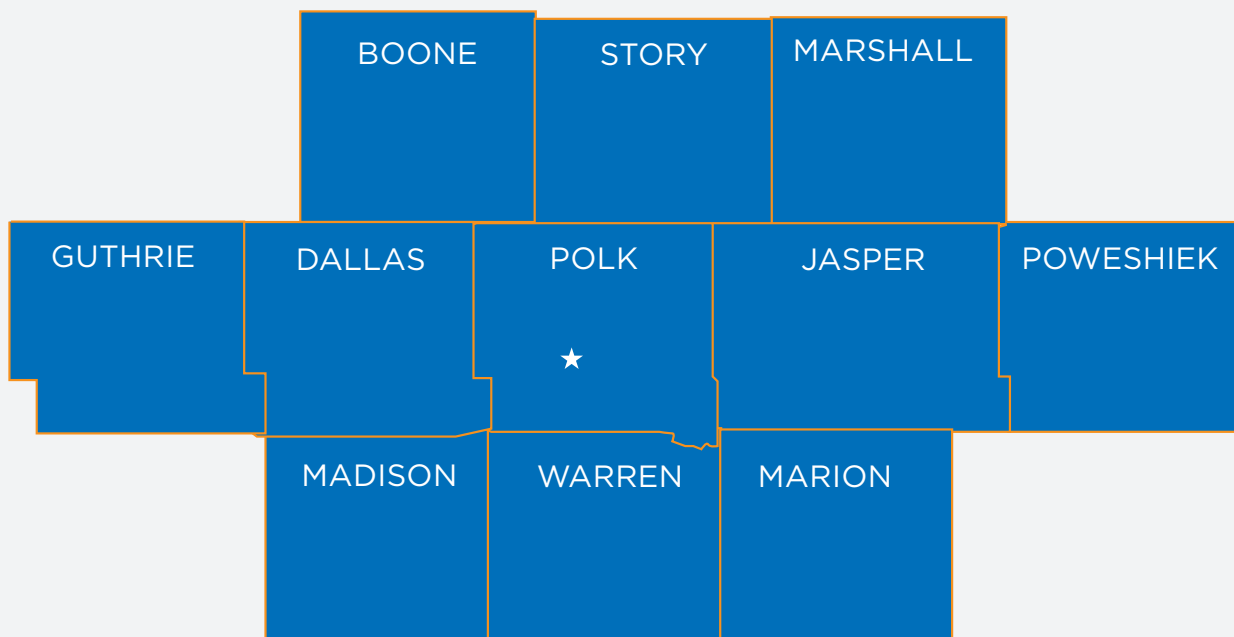
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“... for every direct job attributable to FDI an additional job is indirectly attributable.”

— Stefan M. Selig

*U.S. Under Secretary of Commerce for International Trade*

## THE GREATER DES MOINES REGION



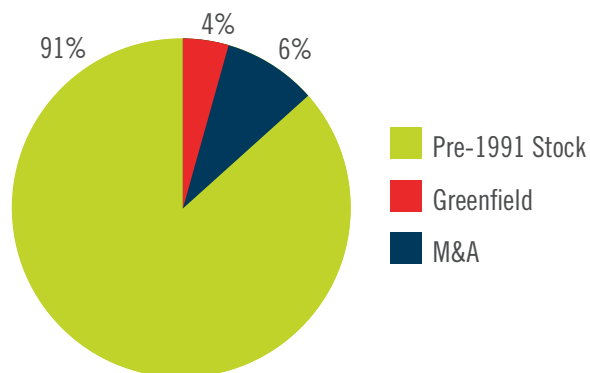


## Firms: 10-year Snapshots

### Mode of Entry for FOEs in the Region

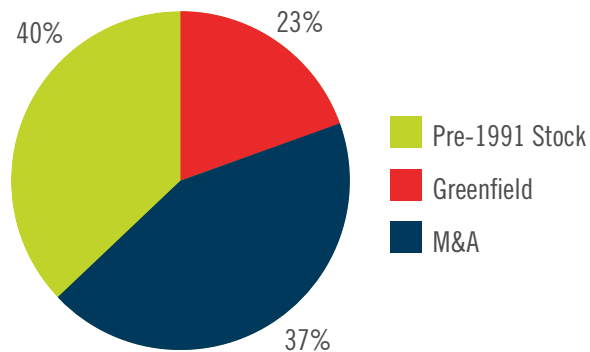
#### 1991: 109 FIRMS

Nearly all stock was established by 1991.



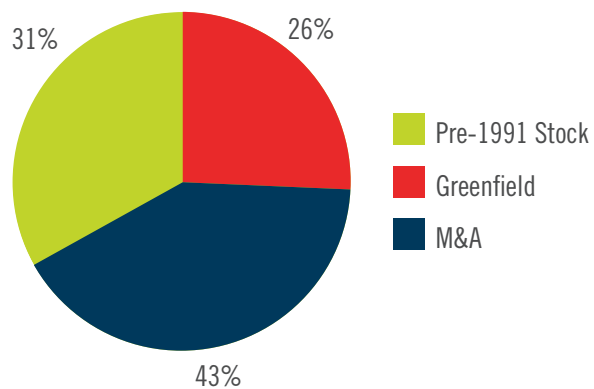
#### 2001: 220 FIRMS

Ten years later, the number of FOEs in the region had doubled.



#### 2011: 246 FIRMS

Slower growth; Mode of entry on-trend as the largest share of FOEs resulted from mergers and acquisitions.



Source: Brookings Institution



**Mergers and acquisitions represent the majority of FDI, but firms receive little attention after entering the Des Moines market.**

The Baker & McKenzie Global Transactions Forecast projects global M&A activity to continue to rise from \$2.7 trillion in 2015, \$3 trillion in 2016 and \$3.4 trillion in 2017. The report asserts that many U.S. and European companies have large cash balances available for acquiring new businesses. Des Moines will undoubtedly see its share of the M&A action (considering the region's affinity for European connections), but no program is in place to reach out to firms to address their needs and embrace the change. Existing business retention and expansion (BRE) efforts are not designed to engage local firms following such transactions. The existing BRE program does not emphasize the importance of helping firms, either quickly or over the long term, following transactions to ensure the new parent company has access to state and local government leaders, regional and local economic development contacts, workforce development resources and initiatives and local policies or business climate concerns.

**Workforce availability is a challenge for existing FDEs, inhibiting competitiveness and the ability to attract more investment from parent firms.**

While the workforce in Greater Des Moines is highly skilled and trained, the unemployment rate is extremely low (less than four percent), creating the need to attract more skilled workers to the region. During personal interviews, FDEs cited the inability to find skilled workers as one of their biggest challenges when trying to expand local operations. This is a national trend. However, it is exacerbated in Greater Des Moines by low unemployment and Iowa's stagnant population growth. A consistently low unemployment rate and low state population limit the ability to quickly fill workforce needs. Immigration and H1B Visa reform have stalled, preventing international students/talent from filling gaps in the workforce that must be filled.

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**Regional investment comes from 48 metro areas in 22 foreign countries.**

**FDI SOURCES FOR THE DES MOINES REGION RANKED BY NUMBER OF JOBS IN 2011:**



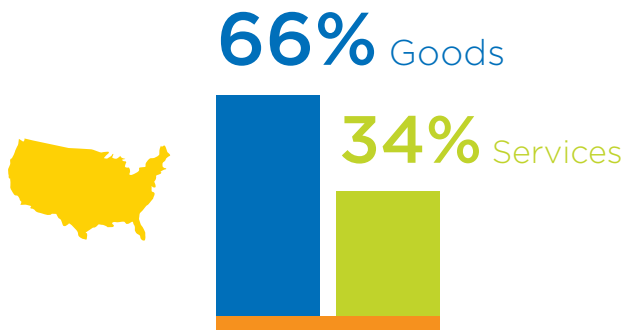
Source: Brookings analysis of BEA, National Establishment Time-Series and Dun & Bradstreet data

**The Central Iowa region mirrors the U.S. ratio of goods and services exports valuation.**

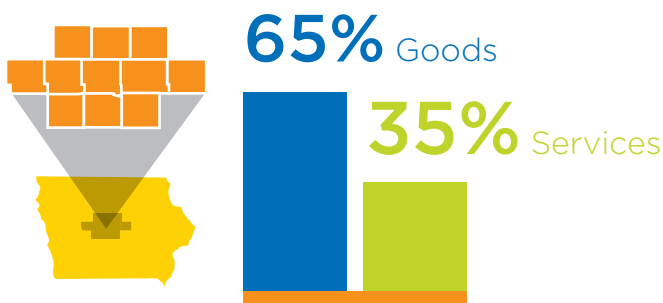
In 2014, Export Nation data from the Brookings Institution estimates U.S. exports at 66 percent in goods and 34 percent in services; the 11-county Greater Des Moines region matches almost exactly with 35 percent in services exports. The five-county Des Moines MSA has a larger share of services exports, primarily due to Polk County's effect on statistics for the smaller number of counties. Polk County logged about 53 percent of its exports in services in 2014; no other county comes close to that share. Rural and/or smaller counties in Central Iowa have the highest industry share of exports in goods. Guthrie, Madison, Marshall and Marion counties have 92 percent or higher in goods exports.

**Goods and Services Exports:**  
National and Regional Comparison, 2014

**United States**



**Region**

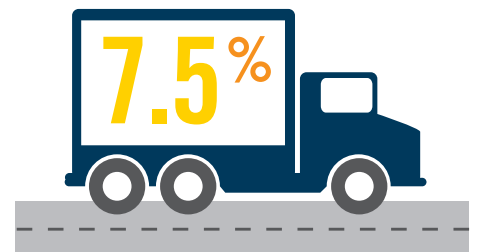


**Goods and Services Exports:**  
Trend in the Region

**2003 Real Exports**



**2003 Export Intensity\***



**2014 Real Exports**



**2014 Export Intensity\***



\* Intensity is exports share of Gross Regional Product Source: *Export Nation*, 2015, Brookings Institution



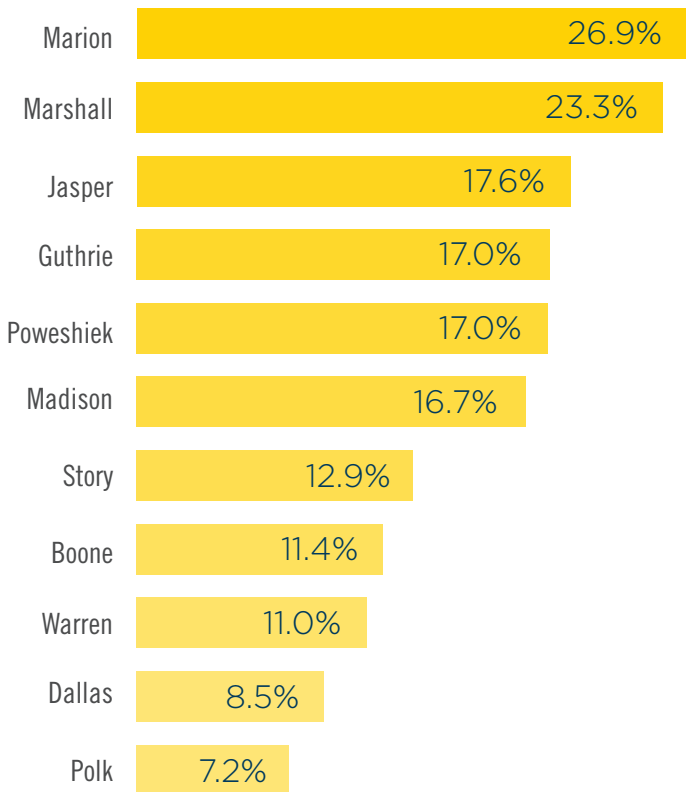
**Service sector clusters are prime targets to achieve gains in the value of exports.**

In 2014, the Des Moines region logged \$1.8 billion of the state of Iowa's \$5.1 billion total exports through the delivery of services. In the Des Moines MSA, Insurance Carriers took the first spot among the top five industries in real exports, which consists of insurance, credit and manufacturing sectors. Data from the measure of concentration called the location quotient (LQ) reveals the metro's export industry edge over that of the nation's. For example, Insurance Carriers has a hefty 17.4 LQ — 17 times more concentrated than the nation as a whole.

A 2013 online survey with local companies indicated that companies do not necessarily know their services are exportable. The Kiplinger Letter (February 22, 2013) states the potential for growth is enormous and “global markets clamor for the skilled services in which the U.S. excels...” Central Iowa companies will continue to discover that their service strengths are exportable, along with their goods. The nature of some services, such as education and healthcare, allows customers to consume their export here.



**Export Intensity In Regional Counties: 2014**







## Twenty Countries Will Generate 85% of Global GDP Growth Through 2016

COUNTRY	NOMINAL GDP, 2015 (\$BILLIONS)	SHARE OF GLOBAL GDP GROWTH 2014-2016 (%)
China	11,212	30.3
United States	18,125	21.7
India	2,308	6.5
United Kingdom	2,853	3.1
Germany	3,413	2.7
Indonesia	896	2.2
South Korea	1,435	2.0
Australia	1,252	2.0
Canada	1,615	1.9
Mexico	1,232	1.6
Japan	4,210	1.6
Nigeria	515	1.3
France	2,470	1.2
Spain	1,230	1.2
Turkey	753	1.2
Saudi Arabia	649	1.0
Poland	528	0.9
Philippines	491	0.8
Malaysia	308	0.8
Colombia	328	0.8

Source: *International Monetary Fund*,  
World Economic Outlook Database

## Jobs Supported By Regional Exporting Activity

In 2003:

**11,495**

Direct Jobs

**23,653**

Direct and Indirect Jobs

In 2014:

**16,700**

Direct Jobs

**34,747**

Direct and Indirect Jobs

Source: Brookings Institution



An abundance of local exporters were either selected by a foreign customer or had other foreign relationships that prompted their first exports.

The survey and interviews conducted for the Market Assessment document provided a mix of both proactive and reactive reasons that illustrate the complexity of the decision to export. In 2013, at least 450 companies had been identified as exporters in the region and, given the \$5.1 billion in goods and services exports in 2014, it is possible for both service and goods providers to succeed in the international arena. Enhanced export education offerings and other support are becoming mainstream tools in economic development programming, better preparing small- and medium-sized enterprises for the first unprompted sale.

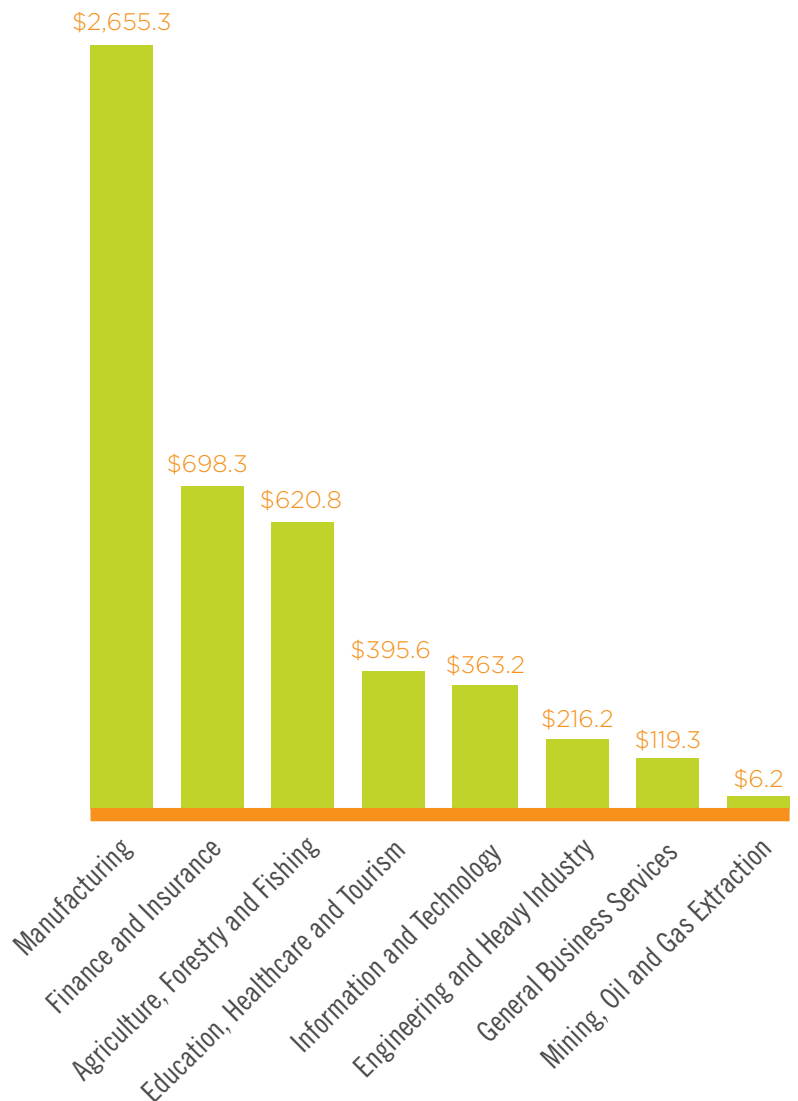
Companies are forthright about their challenges and obstacles to fill participation in export activity, as well as policy changes and infrastructure they feel would benefit the overall export environment.

Company representatives were able to express the challenges and obstacles inherent in international business. Smaller companies especially mentioned financial concern — that is, that there are startup costs to export. Although some of the challenges are non-economic in nature, such as insufficient knowledge of another culture or language, economic concerns regarding bureaucracy, costs, competition and regulation are among the list of issues to be addressed. Government involvement likely will be required to improve many of these concerns over the long term.



(Regional Data Not Available)  
Source: International Trade Administration

### \$5.1 Billion in Real Exports in Region (2014, in millions of current dollars)



Source: *Export Nation*, 2015, Brookings Institution

# GOAL, OBJECTIVES, STRATEGIES





## GOAL:

Maximize Greater Des Moines' long term economic competitiveness by accelerating the growth of key advanced industry clusters through global engagement.

## OBJECTIVES:



Grow exports and foreign direct investment by aligning economic development efforts around key industry clusters and global markets.



Build the region's economic competitive advantage with clear focus on the opportunities and impacts of globalization.



Strengthen the global mindset in the region through the creation of a strong local export and FDI culture and the attraction of international talent.

## STRATEGIES:

### 1. Global Leader in Agriculture Bioscience

Utilize the Cultivation Corridor to elevate Greater Des Moines as a global leader in agriculture bioscience. Incorporate the Cultivation Corridor into existing global strategies to increase brand awareness and position Greater Des Moines as the global center of excellence in agriculture and bioscience.

#### Tactics:

- The Cultivation Corridor is directly engaged with partners and governments in the countries of Israel, Australia, Germany and New Zealand in order to improve ties and attract FDI. The Corridor is also working with Iowa Economic Development Authority on a potential Corridor-led trade mission to Israel in 2017.
- The Cultivation Corridor will represent The Partnership in global activities in the agbioscience cluster through attending tradeshows including the World Bio Markets Congress and Exhibition, World Ag Expo, European Forum for Industrial Biotechnology and the Bio International Convention.

- The Cultivation Corridor will become the primary intake for FDI inquiries in agbioscience cluster and will take the lead on greenfield assistance and M&A rapid response, etc.
- The Cultivation Corridor will connect agribusiness companies throughout Central Iowa with qualified export partners, including private sector logistics consultants as well as public and public/private exporting resources.
- Leverage Iowa State University's expertise and resources to help attract agbioscience firms to Central Iowa. Iowa State University will provide campus experts, tours and information about university resources to assist recruiting efforts.
- Launch an Ag Tech Accelerator to assist Ag Tech startups. The focus will be on big data, farmer productivity, etc. The accelerator is expected to strengthen the Ag Tech ecosystem, gain exposure and create stronger companies.

### 2. Market the Region as a Global Insurance Hub

Increase the region's global identity through the insurance and financial services key industry cluster. Utilize Greater Des Moines' position as a U.S. leader in insurance/financial services and position the region as a global leader in the cluster.

#### Tactics:

- Continue attracting international insurance executives to Des Moines through the annual Global Insurance Symposium (GIS). The GIS brings together leaders from around the globe to discuss the latest insurance industry trends. Speakers include state insurance commissioners, industry leaders, regulatory representatives and insurance experts from around the world.
- Recruit international entrepreneurs to participate in the Global Insurance Accelerator through direct email marketing campaigns, attending conferences and meeting with consulate offices. The concept is global and therefore efforts are focused on entrepreneurs rather than specific countries.
- Participate in global trade shows and industry events to sell the advantages Greater Des Moines has to offer to the insurance industry.

### 3. Globalize Business Retention Expansion Program

Emphasize global competitiveness in BRE efforts. Greater Des Moines will implement a BRE program targeting global companies to better understand their needs and provide assistance and resources. Existing BRE efforts are primarily focused on local business climate issues including industry, workforce, technology and satisfaction with municipal services. Following the creation of the Regional Export Plan in 2013, updates were made to the BRE program to address export activity and local economic development practitioners were trained on why helping businesses increase exports matters. Existing BRE strategy does not presently address the needs of greenfield expansions or mergers and acquisitions from FOEs. These locations often report to an overseas parent and compete for investment with other company locations.



#### Tactics:

- Deliver targeted BRE program focusing on global companies and address global competitiveness issues.
  - » Connect exporters and FOEs with all available resource partners to ensure their needs are supported.
  - » Collaborate with partners at the Iowa Economic Development Authority, International Traders of Iowa and the U.S. Department of Commerce/Commercial Service to provide meaningful education/training seminars for both exporters and FOEs based on company feedback.
  - » Educate local economic development practitioners on global competitiveness issues including increasing exports and FDI and resources available for businesses.
- Respond to M&A transactions swiftly and over the long-term.
  - » Utilize M&A tracking features provided in subscription company databases, such as Hoover's and Corporate Affiliations.
  - » Meet with local company contacts immediately when M&A transactions or announcements of intentions occur and address any challenges they expect to encounter during the transition.
  - » Engage high ranking political leadership (Governor, etc.) to meet with executives of parent company to reinforce the importance of their location and to offer assistance.
  - » Remain engaged with local company contacts and periodically follow up to offer assistance with the transition however possible.
  - » Create a clearinghouse for M&A activity at the Iowa Economic Development Authority.
- Expand export reach through existing industry call program in partnership with local economic development practitioners.
  - » Utilize Synchronist Business Information System to collect export data from local firms to gain knowledge of export markets, obstacles, need for assistance and desire to expand into additional markets.
  - » Provide ongoing training opportunities for staff on export resources available at the federal and state levels to assist firms who are new to export (NTE) and small- and medium-size exporters (SME) in the region.
  - » Define roles in the service delivery process for economic development organizations such as the Iowa Economic Development Authority Trade Office, U.S. Department of Commerce and Small Business Association (SBA).
  - » Develop target lists of companies to be contacted in the region.



#### 4. Attract Global Talent

Aggressively recruit and retain talent in Greater Des Moines. Utilize talent recruitment and development initiatives to attract global talent and train existing workforce to meet the needs of global firms.

##### Tactics:

- Launched Des Moines Immigration Integration Initiative in conjunction with the Partnership for a New American Economy. The Initiative includes government, business and community leaders that put forth policy recommendations for Greater Des Moines that draw on experience of other cities with such initiatives and partnerships around the country. Findings raise awareness about immigration's positive effects on the local and state economy and guide the process for recruitment and retention of immigrant talent in the region via Global DSM: International Talent Strategy.
- Push for H1B Visa reform to allow international talent with the desire to stay in Greater Des Moines the opportunity to do so.
- Exhibit at 50 college career fairs annually to attract students to Greater Des Moines.
- Capitalize on the launch of the Education Drives our Greater Economy (EDGE) initiative and its "75x25" campaign to build skills of existing residents. EDGE is a community initiative to build a sustainable cradle through career talent pipeline for Central Iowa. EDGE launched a "75x25" campaign to ensure that 75 percent of Central Iowa adults have postsecondary certificates, credentials or degrees by 2025 that align with workforce needs. This "75x25" campaign goal was formed with input by 140 private and public partners who recognize the role education and business play in developing our region's talent pool. It is focused on aligning existing programs to ensure they are working toward the same overarching goal. Industries such as finance, healthcare, advanced manufacturing and others report being unable to find a sufficient number of qualified workers to fill open positions. EDGE is designed to address the critical need to solving the skills gap facing Central Iowa employers and it is committed to improving the educational pipeline that is crucial to achieving a skilled workforce and human talent pipeline. For more information on Global DSM: International Talent Strategy, visit [DSMpartnership.com](http://DSMpartnership.com).

## IMPLEMENTATION PLAN SUMMARY

The successful implementation of the Global DSM: Trade and Investment Strategy will require collaboration and coordination with partner organizations including the Iowa Economic Development Authority, International Trade Administration/U.S. Department of Commerce, SBA, Cultivation Corridor and the International Traders of Iowa organization. The Partnership has developed an International Council comprised of business, government and academic leaders to achieve the following:

- Oversee the implementation of the goals and objectives from the Global DSM: Trade and Investment Strategy.
- Provide updates on issues facing global businesses in the region and provide thought leadership on how they can potentially be addressed through collaboration.
- Provide support when visits occur from trade delegations and foreign dignitaries.
- Support educational offerings and programming related to international trade and investment.

The Partnership has taken the lead on the staffing and convening of the International Council, which meets quarterly. The Partnership will also serve as the lead organization for the implementation of the Greater Des Moines Global Trade and Investment Strategy and will coordinate the strategies/tactics outlined in the plan with regional business, civic, government and academic partners. The Partnership will also lead the effort to work with economic development partners on the globalization of the BRE strategy and delineating specific roles and responsibilities as required when projects arise.

The success of this initiative will not be dependent on creating a new organization or program. The desired outcomes will be achieved by enhancing economic development initiatives to be more deliberate about increasing trade development and positioning Greater Des Moines as a global insurance hub and world leader in agriculture/bioscience.

# POLICY SUMMARY



## PUSH FOR IMMIGRATION AND H1B VISA REFORM

The United States economy, now more than ever, needs skilled workers. Businesses must have access to technology, science, education, health and engineering workers, which the U.S. is not producing in adequate numbers at the present time. America needs a comprehensive, rational and balanced immigration policy that secures the borders, while welcoming legal immigrants who want to work toward the American dream and realistically addressing the unauthorized workers already in the United States. The continuation and expansion of the

temporary H1B and L-1 Visa programs are vital to assure highly-skilled workers are available to remain competitive globally, and to fill the jobs created by an expanding export market. The Employment-Based (EB) Visa program requires modernizing to clear backlogs and create a system where all equally qualified highly-skilled workers, no matter their country of birth, will receive green cards in the order they apply and based solely on their skills. Learn more about Global DSM: International Talent Strategy at [DesMoinesMetro.com/GlobalDSM](https://DesMoinesMetro.com/GlobalDSM).



## SUPPORT EXPORT COMPETITIVENESS AND CAPACITY

### Enhance the transportation infrastructure:

- Continue to improve the region's business climate. Lowering the cost of operations will enable exporters to be more competitive in foreign markets. Survey responses show some exporters see a challenge in finding shipping containers. The region should explore the development of a container pool.
- With the closing of the Maytag facility in Newton (Jasper County), the region lost its only intermodal facility. A subsequent study by the Des Moines Metropolitan Planning Organization illustrated that the region may not have enough lifts to justify an intermodal center. The region is working on attracting a transload facility to increase rail connectivity and decrease shipping costs.

## ADVOCATE FOR MORE FREE TRADE AGREEMENTS

Many foreign countries still maintain steep tariffs and other barriers against U.S. exports, while the U.S. market is largely wide open. Across the world, there are about 300 free trade agreements (FTA) in force, and the United States is a party to 20 of them. Trade agreements level the playing field by lowering other nations' trade barriers, opening up foreign markets to U.S. exports and setting strong enforceable rules for trade between the U.S. and these countries. Since 2005, Iowa's goods exports to FTA partners has increased by 72 percent. In 2015, \$7.2 billion of Iowa's merchandise exports, or 55 percent, went to FTA partners. Iowa's workers and farmers deserve the opportunity to compete — and succeed — on a level playing field.

## TRANS-PACIFIC PARTNERSHIP COUNTRIES



Source: United States Trade Representative

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