



Regional Workshop

A cluster based approach to attracting FDI

5th – 8th December 2005
Marseille, France

PROGRAMME



A project funded by
the European Union,
MEDA programme



SUMMARY

Operation :	Regional Seminar
Participants :	20 – 25 IPA personnel (from ANIMA and WAIPA networks combined) responsible for business development and FDI promotion and lead generation strategy
Location :	Agence Française de Développement (AFD), Atrium 10.3, Les Docks, 10 place de la Joliette, Marseille
Duration :	4 jours
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SEMINAR OBJECTIVES

This joint ANIMA/UNCTAD/World Association of Investment Promotion Agencies (WAIPA) regional workshop follows last year's successful collaboration which tackled the subject of "Strategic Marketing". This year the seminar seeks to explore in depth the business development concept known as "clusters" and its application in the promotion and generation of Foreign Direct Investment (FDI). Hosted by ANIMA in Marseille, France, this event is supported by OCO Consulting with study trips and case study presentations facilitated by Provence Promotion, SAEM Sophia Antipolis and Paris Développement.

The objective of the workshop is to help investment promotion practitioners to understand the changing nature of FDI and in particular the shift towards skills and technology seeking projects rather than pure cost or incentive driven investment. In order to attract such investment IPAs need a deeper understanding of their location offer in terms of local capability, evidence of emerging or established clusters and how to harness and promote such strengths. Workshop participants will be introduced to analytical tools for Investment Promotion Agencies (IPAs) to identify and develop a cluster-based approach to investment promotion.

The workshop will involve exercises for the participants helping them to define and develop their cluster based promotional approaches and identify the most promising potential target markets and companies. Participants will be given full access to Locomonitor, OCO Consulting's unique FDI tracking and analysis tool to allow them to validate their target market assumptions and propositions on real data and company profiles.

This theoretical approach will be supported by case study material delivered by guest speakers, as well as on-site visits to cluster developments in and around the Marseille region. Practical outputs of the seminar will include individual outline cluster based marketing plans for each participant IPA which will also be presented to, and discussed by, the wider group.

SPEAKER PROFILES

- **Training Manager: Louise Gibbons** joined ANIMA in October 2004 and works as Communications and Marketing Manager as part of the team in Marseille. She spent the previous 8 years with the Welsh Development Agency in their offices in Cardiff, UK (1997-2000) and Amsterdam, the Netherlands (2001-2004). During her time in Cardiff she actively contributed to the development of a series of European-funded programmes (span out of Wales's Regional Technology Plan) aimed at encouraging the uptake of technology and innovation within the indigenous business community. In Amsterdam, Louise was co-responsible for the creation of a European HQ and in her role as European Project Manager she successfully developed in-market marketing and communications functions within the WDA's European target markets. She was also responsible for the replication of this function into the US and Canadian operations. A graduate from the University of Wales with a Joint Honours degree in Modern Languages, Louise is trilingual in English, French and German.

- **Representative of UNCTAD: Vladimir Pankov** is a staff member of the Investment Promotion Section of the Division of Investment, Technology and Enterprise Development of the UNCTAD Secretariat. A national of Russia he has been working in UNCTAD since 1991 and was dealing with issues of technology transfer, enterprise development and investment promotion. In the latter area he participated in the implementation of a number of technical cooperation projects and in organizing several training events, including ANIMA/UNCTAD/WAIPA joint Workshop on Strategic Marketing held in Marseille in December 2004. Prior to joining UNCTAD he worked as a government official and as a diplomat. He has a PhD degree from the Moscow State Institute of International Relations.

- **Mark O'Connell** is Managing Director of OCO Consulting, one of the leading specialist consulting firms in inward investment and trade promotion. Mark spent his early career in international trade with Alrumaih Corporation where he was responsible for sales and distribution in the Middle East, working on behalf of some leading European brands. After a short period working with Enterprise Ireland, the Irish government agency responsible for export, in 1995 Mark joined PwC as manager of their marketing strategy division. In this capacity mark worked for a wide variety of inward investment and trade development organizations. In January 2001 Mark established OCO Consulting which has grown to a team of 20 consultants with offices in Ireland UK and Belgium.

- **Henry Loewendahl** is a Director of OCO Consulting. Henry is an expert in FDI and has a PhD in inward investment from University of Warwick. Henry has worked in consulting for over 10 years, initially with PwC in London prior to joining IBM-PLI in Brussels as manager of their IPA practice. Henry joined OCO Consulting in 2002 where he developed Locomonitor, a unique tool for tracking and analysis of inward investment trends at company level. Henry and Mark have designed and delivered training programmes for numerous government agencies including UKTI, Enterprise Ireland, and have participated in other WAIPA training programmes.

- **Pierre Distinguin** is Executive Director at Provence Promotion and is in charge of International Business Development. Pierre Distinguin has a sound knowledge of the various fields of the digital economy. He is particularly involved with the European semiconductor industry, telecoms and multimedia, attending major events in Europe as well as in North America. He has a degree in accounting and financing and a Master in Business Administration from the University of California in San Francisco. He worked with Ernst & Young for 4 years, on auditing and consulting missions. After completing his MBA, he spent 2 years with the Trade and Commerce Agency of California as a Foreign Investment Specialist. Back in France, he joined the Picardy Regional Council's Economic Development Agency, then Provence Promotion where he successfully launched the "HomeSweet Home" concept,

including a marketing campaign and an attractive investment package, targeted towards the nationals that have emigrated in another country and successfully created a business, in order to encourage them to come back to invest in their home country. This programme is very successful and has already originated 28 new projects investment projects, including 16 from the USA. 60 % of these investments are in the high tech sector. Furthermore, in March 2005, Provence Home Sweet Home was elected "France's most innovative programme towards entrepreneurs" by a jury of 26 economists.

▪ **Hubert Duault** is a specialist in international business development and holds graduate degrees in engineering from the Ecole Nationale Supérieure des Etudes et Techniques de l'Armement (ENSIETA), and in Business Administration from the Université de Rennes. Between 1990 to 1996, after five years as Armament Engineer in French Navy Shipyards, Hubert was Deputy Director in charge of the Brittany Region at DATAR's regional economic development agency for Western France. He successfully executed several major foreign investment projects including green field investments, partnerships and acquisitions involving companies from Japan, England and the United States. For 4 years, Hubert was also Senior Vice President of the Invest in France Agency, a government agency based in New York dedicated to developing cross-border alliances and strategic investments between French and American companies. In 2000, he participated in the creation of Equity Capital Network an online investment bank, headquartered in New-York with offices in North America and Western Europe. Since 2002, Hubert has held the post of Chief Executive Officer of the Paris Development Agency, the economic development agency for Paris.

▪ **Christian Cabrol** currently works as Commercial Director for SAEM Sophia Antipolis Côte d'Azur, the structure responsible for the planning, development and commercialisation of the science park. His responsibilities include preparing and reinforcing the marketing strategy for targeting both French and foreign companies and the commercial packaging of sites within the park. Christian is a graduate in English and Politics and before coming to Sophia Antipolis in 1977 he held various positions in the Compagnie Française de l'Afrique Occidentale (CFAO), including that of General Manager of a subsidiary, Nigerian Motors Industries .

ABOUT ANIMA

A MEDA Programme

ANIMA is a European-funded project that works with Investment Promotion Agencies (IPAs) across partner MEDA countries (Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestinian Authority, Syria, Tunisia and Turkey) and Cyprus and Malta (who have now become EU members) to encourage overseas investment into the region.

Partner Network

The Invest in France Agency (AFII), assisted by ICE (Italy) and the Direction des Investissements (Morocco) lead the project. ANIMA is also supported by a number of additional partners such as the City of Marseille, the Region Provence-Alpes-Côte d'Azur, Euroméditerranée-Marseille, the Invest in France Agency and many other EU development agencies.

Boost Foreign Investment !

The overall objective of the project is *to increase foreign direct investment* into the Mediterranean region.

This is done across the following activities:

- Creation of a think-tank and resource centre (studies, website, investment observatory)

- Capacity building and technical assistance
- Investor targeting

ABOUT UNCTAD

The United Nations Conference on Trade and Development was created in 1964 and is a part of the United Nations system. During four decades, the organization has been the focal point within the United Nations for the integrated treatment of trade and development and related issues in the areas of investment, finance, technology, enterprise development and sustainable development. UNCTAD promotes the development-friendly integration of developing countries into the world economy. UNCTAD has progressively evolved into an authoritative knowledge-based institution whose work aims to help shape current policy debates and thinking on development, with a particular focus on ensuring that domestic policies and international action are mutually supportive in bringing about sustainable development. The work on investment issues, which is of particular relevance to this workshop, is undertaken within UNCTAD secretariat by the Division on Investment, Technology and Enterprise Development (DITE). DITE publishes each year one of major UNCTAD publications – World Investment Report. UNCTAD, through DITE, closely cooperates with ANIMA and WAIPA in its various activities in investment promotion.

ABOUT WAIPA

The World Association of Investment Promotion Agencies (WAIPA) was established in 1995 and is registered as a non-governmental organization (NGO) in Geneva, Switzerland. The Association currently has 166 member agencies from all over the world. WAIPA acts as a forum for investment promotion agencies (IPAs) to provide networking opportunities and facilitate the exchange of best practices in investment promotion. Membership is open to all agencies whose prime function is to promote any country or territory for investment. WAIPA aims to:

- Improve cooperation amongst IPAs on a regional and global basis and facilitate the exchange of experiences in attracting FDI;
- Promote and develop understanding and cooperation amongst IPAs;
- Strengthen information gathering systems and information exchange amongst IPAs;
- Share country and regional experiences in attracting investment;
- Help IPAs to gain access to technical assistance and training through WAIPA sponsored events or by way of referrals to relevant international or multilateral agencies; and
- Assist IPAs in advising their respective governments on the formulation of appropriate investment promotion policies and strategies.

PROGRAMME

Monday 5 December 2005

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|--------------|--|
| 9.00 – 9.20 | Introduction of Participants
Welcome Address by ANIMA, UNCTAD, WAIPA and OCO Consulting |
| 9.30 – 10.00 | Introduction
<i>Objective: To set the overall stage for the workshop</i> |

- Present the workshop objectives and outline
 - Present the "Cluster based Marketing" concept
 - Roundtable presentation of the participants
- Introduction to marketing templates for the exercises

OCO Consulting

10.10 – 11.00

MODULE 1- Understanding current FDI market

Objective: To understand the importance of investors' viewpoint as a basis for fulfilling the investors' needs

- The dynamics of the overall FDI Market
- Current global location strategies
- Recent FDI trends globally and in the region

OCO Consulting

11.00 – 11.30

Coffee Break

11.30 – 13.00

MODULE 1 (cont'd): Understanding Clusters

- The concept of a cluster
- Elements of successful clusters
- Case studies

Followed by round table discussion

OCO Consulting

13.00 – 14.30

Lunch

14.30 – 16.00

MODULE 2: Evidence of regional clusters

Objective: A group exercise to define and profile emerging or existing clusters in the MEDA region

- Key elements to be considered
- Principles of cluster marketing
- Location as a cluster: The competitive positioning of the location

OCO Consulting

16.00 – 17.00

Conclusions & Discussion

Tuesday 6th December 2005

9.00 – 11.00

MODULE 3: Designing the cluster marketing plan

- Identifying target markets
- Understanding competitive position/ benchmarking
- Differentiation of location
- Sales strategy

Including round table discussion

OCO Consulting

11.00 – 11.30

Coffee Break

11.30 – 13.00

MODULE 4: (Practical Exercise) : Researching target markets

Objective: This module will be interactive and allow participants to identify source

markets, sectors and companies to whom they can actively promote their clusters. The participants will be given access to Locomonitor to help them research the best prospects for their clusters.

At the end of the session, each IPA will be expected to defend their choice of target markets and identify a shortlist of companies that align with his cluster offer.

OCO Consulting

13.00 – 14.30

Lunch

14.30 – 15.30

CASE STUDY – UK Midlands transport technologies and ICT clusters

Objective: OCO Consulting will share some recent client experience where they helped a regional promotion agency to define and understand its local clusters and package them in a way to assist the investment promotion effort.

OCO Consulting

15.30 – 17.00

MODULE 5: Developing the cluster campaign

Objective: In this final exercise we will invite participating IPAs to define their cluster campaign messages and prepare a short powerpoint presentation to promote their cluster to investors. The previous exercises on cluster positioning, target markets/clients, sales strategy will serve as a basis on which to develop the campaign.

- Describe the cluster
- Demonstrate capabilities/successes
- Articulate investor benefits
- Explain the IPA role
- Agree next steps

OCO Consulting

17.00 – 18.00

Final Questions and Discussion with regard to the modules discussed

Wednesday 7 December 2005

9.30 – 17.30

CLUSTER VISITS

A day of visits hosted in conjunction with Provence Promotion to cluster activity in the Marseille area, including visit to Marseille Innovation

Hosted by Pierre Distinguin, Executive Director International Development, Provence Promotion accompanied by Hubert Duault, Directeur Général, Paris Développement

Thursday 8 December 2005

9.00 – 10.15

ANIMA's involvement in "Mediterranean Intelligence" and future plans for 2006

A presentation of ANIMA's recent "Mediterranean Intelligence Study", a study which represents the first analysis of innovation and research activity across the MEDA region, includes an overview of technology related FDI and provides data useful in any consideration of cluster development activity. This presentation will also look forward to future ANIMA activity.

Louise Gibbons, Marketing Manager, ANIMA

10.15 – 12.15

CASE STUDY: The Sophia Antipolis Story

This science park, based near Nice in the South of France, was created by a private non-profit making partnership and in association with the local authorities (le département des Alpes Maritimes). The park has continued to develop since its conception over 30 years ago and now houses over 1200 operations employing nearly 26,000 people.

This presentation will explain the chronological development, the partners, the strategy, the motivations, the marketing and communications plan and the financial structuring behind such a success, as well an overview of the companies present and Sophia Antipolis' visions for the future.

Christian Cabrol, Commercial Director, SAEM Sophia Antipolis Côte d'Azur

12.15 – 13.30

Lunch

13.30 - 16.00

CASE STUDIES: Capital Games & Paris Biopark

Capital Games is a regional cluster founded in 2003 that brings together independent video games producers and developers in and around Paris. Participation has quadrupled in just two years.

The Paris Biopark - 70 Start-up companies, 17 Public Hospitals, 3 Science Universities, 10 000 Life science Researchers, 60 000 Students, 22 biotech VC funds, 4 Incubators and 4700 employees in the Pharmaceutical Industry ...

Hubert Duault, Directeur Général, Paris Développement

16.00 – 16.30

Coffee Break

16.30 – 17.30

A FINAL THOUGHT – The role of Aftercare in Cluster Development

There is a large potential for job creation in the development of a suitable aftercare programme that seeks to encourage the development and expansion of existing industrial activity already in place in a region. This section examines the importance of such a programme in the development of cluster activity and its complementarity with a pure FDI marketing approach.

Hubert Duault, Directeur Général, Paris Développement

17.30 – 18.00

Evaluation & Conclusions

Closing remarks and distribution of certificates.