



U.S.-Russia Investment Opportunities

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SelectUSA

FDI and the U.S. Economy



5.3 million

Workers Employed by U.S. Affiliates of Foreign Firms in the U.S. in 2009

\$43 billion

Amount U.S. Affiliates of Foreign Firms spent on R&D in the U.S. in 2008

\$154 billion

Amount U.S. Affiliates of Foreign Firms Spent on Capital Investments in 2009

\$220 billion

Size of FDI Flows into the U.S. in 2011 (preliminary)

\$410 billion

Amount of Wages Paid to Employees of U.S. Affiliates of Foreign Firms in 2009

21%

Percent of all U.S. exports come from U.S. subsidiaries of foreign firms in 2009

33%

U.S. Affiliates of Foreign Firms On average Pay 33% More than the economy-wide average in 2009

Source: Bureau of Economic Analysis

SelectUSA was created by the Executive Order of the President of the United States in June 2011.

The Executive Order outlines:

1. The Administration's policy on business investment
2. The establishment and functions of the SelectUSA initiative

Presidential Documents

Executive Order 13577 of June 15, 2011

Establishment of the SelectUSA Initiative

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to support private-sector job creation and enhance economic growth by encouraging and supporting business investment in the United States, it is hereby ordered as follows:

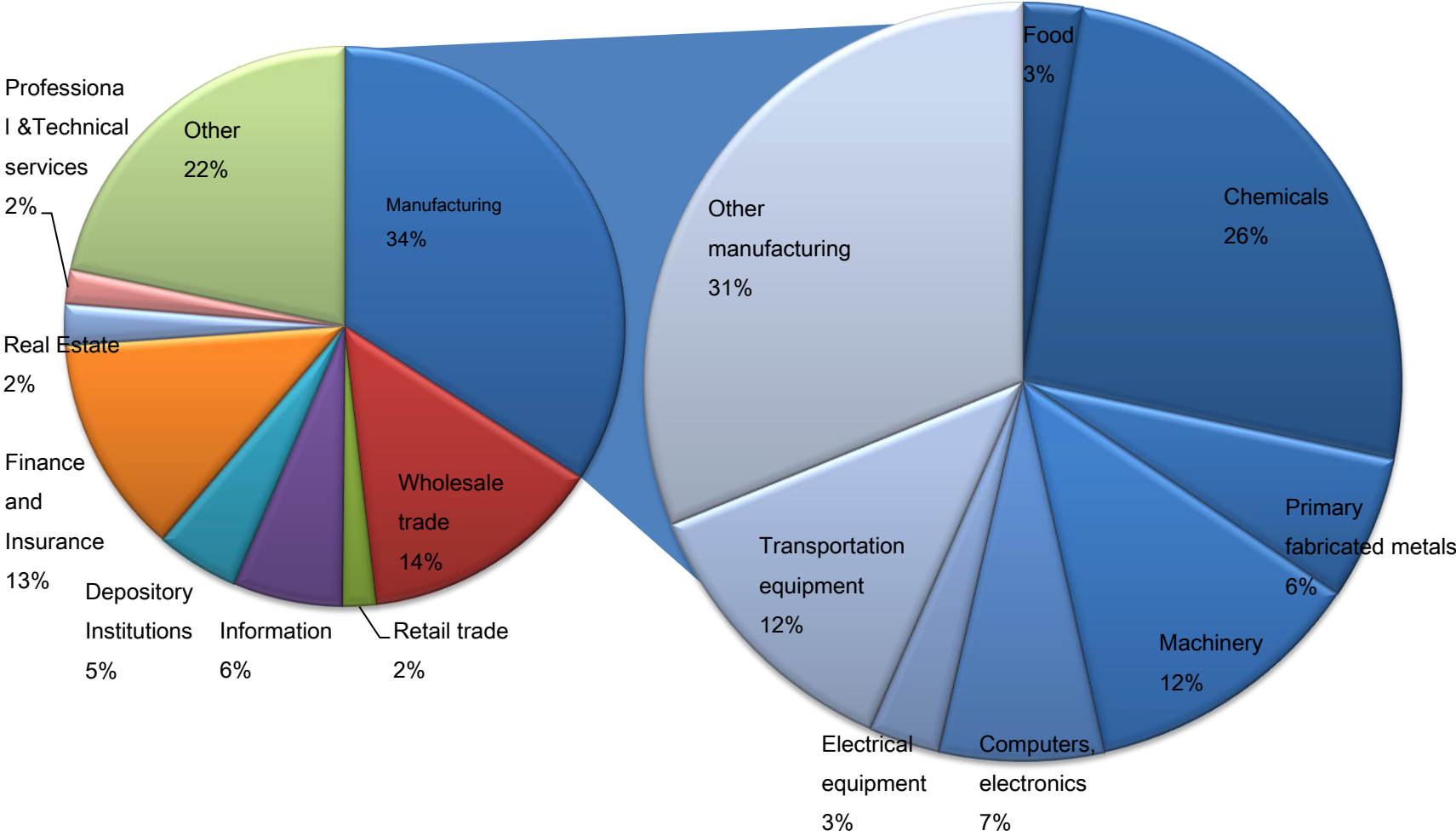
Section 1. Policy. Business investment in the United States by both domestic and foreign firms, whether in the form of new equipment or facilities or the expansion of existing facilities, is a major engine of economic growth and job creation. In an era of global capital mobility, the United States faces increasing competition for retaining and attracting industries of the future and the jobs they create. My Administration is committed to enhancing the efforts of the United States to win the growing global competition for business investment by leveraging our advantages as the premier business location in the world.

As a place to do business, the United States offers a hardworking, diverse, and educated workforce, strong protection of intellectual property rights, a predictable and transparent legal system, relatively low taxes, highly devel-

U.S. FDI Trends



Industry breakdown of total U.S. FDI stock (\$2.3 trillion)



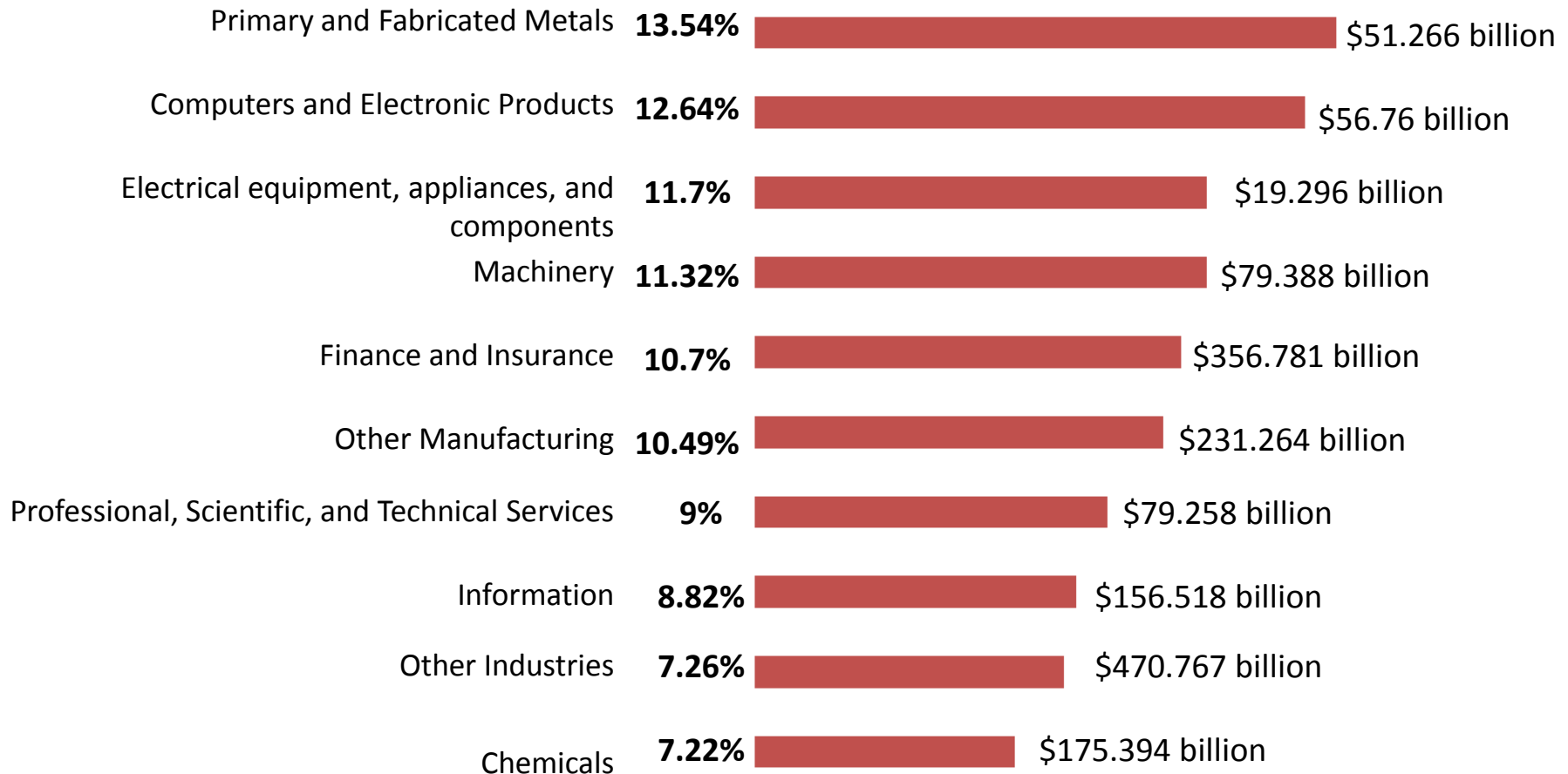
Source: Bureau of Economic Analysis

FDI and the U.S. Economy

Top 10 FDI Growth Sectors in the United States

(Compound annual growth rate in FDI position between 2005 and 2010 and dollars in 2010 on a historical cost basis)

Total Stock in 2010



Source: Bureau of Economic Analysis

#1

IESE Business School's 2011 Venture Capital and Private Equity Index

France: #17 Germany: #16 UK: #3

#4

World Bank's Ease of Doing Business 2012 ranking

France: #29 Germany: #19 UK: #7

#4

AT Kearney's 2012 FDI Confidence Index

France: # 17 Germany: #5 UK: #8

#5

World Economic Forum's 2011-2012 Global Competitiveness rankings

France: #18 Germany: #6 UK: #10

The U.S. Business Climate



- **Center for Global Innovation and Entrepreneurship**

U.S. Responsible for 36% of Total World R&D Expenditures (EU-27 accounted for 24%);
Average 558,000 new businesses created per month in 2009 ¹

- **Strong Intellectual Property Right Protections**

50.1% of the Patents Granted in 2009 by the U.S. Patent Office Originated from a Foreign Country ²

- **A Leader in Higher Education**

15 of the top 20 universities in the World (Europe has 4 of the top 20) ³

- **Productive Workforce**

U.S. labor productivity grew 2.3% in 2009 (France: -1%, Germany: -2.3%, UK: -2.5%) ⁴

- **Strategic Market & FTAs**

Population of U.S. and FTAs is 695 million; U.S. 42% of Global Consumer Goods Market ⁵

- **Open to People, Cultures, and Ideas**

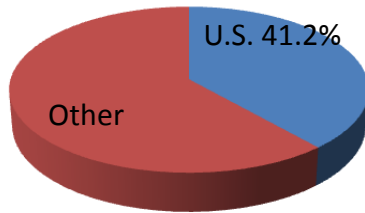
U.S. has more Irish than Ireland, Filipinos than Manila, Chinese than Hangzhou* and Poles than Warsaw ⁶

¹ National Science Foundation Science and Engineering Indicators 2010; Kauffman Index of Entrepreneurial Activity 1996-2009; ² U.S. Patent and Trademark Office; ³ The Times Higher Education Report 2010-2011 (U.K.); ⁴ OECD Labor Productivity Statistics; ⁵ Office of the U.S. Trade Representative; Central Intelligence Agency – The World Factbook; and Credit Suisse survey; ⁶ U.S. Census Bureau, *Hangzhou city proper



More Nobel prize winners completed their winning research in the U.S. than in all other countries combined.

In 2009. . .



41.2% of all R&D in developed countries took place in the United States



The U.S. received more patent applications (456,106) than any other country, more than half were from non-residents. China: 314,573 Euro. Patent Office: 134,580 Japan: 348,596



U.S. researchers published over 270,000 articles, more than anywhere else in the world.

Entrepreneurship and Opportunities

The U.S. ranks 5th in entrepreneurship and opportunities. A strong entrepreneurial climate in which citizens can pursue new ideas and opportunities for improving their lives can lead to higher levels of income and well-being.

How The Countries Rank

Source: The 2011 Legatum Prosperity Index

The Legatum Prosperity Index assesses 110 countries, accounting for over 90 percent of the world's population, and is based on 89 different variables, each of which has a demonstrated effect on economic growth or on personal wellbeing. The Entrepreneurship & Opportunity List is based on a strong entrepreneurial climate in which citizens can pursue new ideas and opportunities for improving their lives leads to higher levels of income and wellbeing.

- High Ranking Countries (Top 30)
- Medium Ranking Countries (Middle 50)
- Low Ranking Countries (Bottom 30)
- Insufficient Data



Source: The 2011 Legatum Prosperity Index

U.S. Ranks #1 in Global Talent Index

Global Talent Index maps the world at 2012

The map uses color to represent thirty countries' overall talent ranking at 2012, indicating at a glance how countries score at nurturing talent, from red-hot beds to blue cooler climates.

Global Talent Index scores in 2012 – numbers represent how countries score at nurturing talent



2012 rank	country	rank change	GTI 2012	GTI 2007
1	United States	0	53	52
2	United Kingdom	+ 2	48	46
3	Canada	- 1	47	47
4	Netherlands	- 1	46	46
5	Sweden	0	45	45
6	China	+ 2	44	42

Source: Heidrick & Struggles and the Economist Intelligence Unit



Russian FDI in the United States



Russian FDI in the U.S.



#25

...Investor in the United States, by Stock FDI from immediate foreign parent (2010)

\$8.8 billion

Size of Russian FDI stock in the U.S., 2010

12,600

Number of U.S.-based employees of Russian firms, 2009 (most recent available)

\$17.4 billion

Value of assets owned by Russian affiliates in the U.S., 2009 (most recent available)

Source: U.S. Bureau of Economic Analysis

Russian FDI in the United States

Recent Greenfield Announcements



Source: fDi Markets

Our Role



- Our mission is to encourage, facilitate, and accelerate business investment to create jobs, spur economic growth, and promote American competitiveness
- Geographically neutral in the United States
- Engage in international and domestic business investment
- What we do:
 1. Facilitate Business Inquiries
 2. Act as Ombudsman and Advocate
 3. Connect Investors with State/Local EDOs

What We Do:

Information Clearinghouse

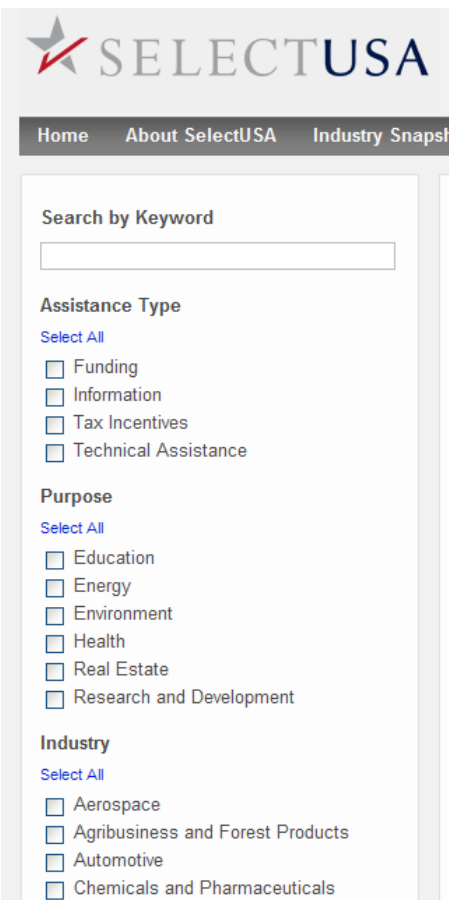


SelectUSA provides actionable information to foreign firms to help them...

- Incorporate a business in the U.S.
- Understand basic U.S. tax and legal concepts
- Learn about incentives available to businesses in the U.S.
- Connect with U.S. state, city, or regional economic development offices to learn about investment opportunities
- Apply for a business-related visa

Foreign investors can communicate with SelectUSA by phone or email in Washington, DC, or with our local U.S. Commercial Service office in Moscow and St. Petersburg.

SelectUSA Services: Information Clearinghouse



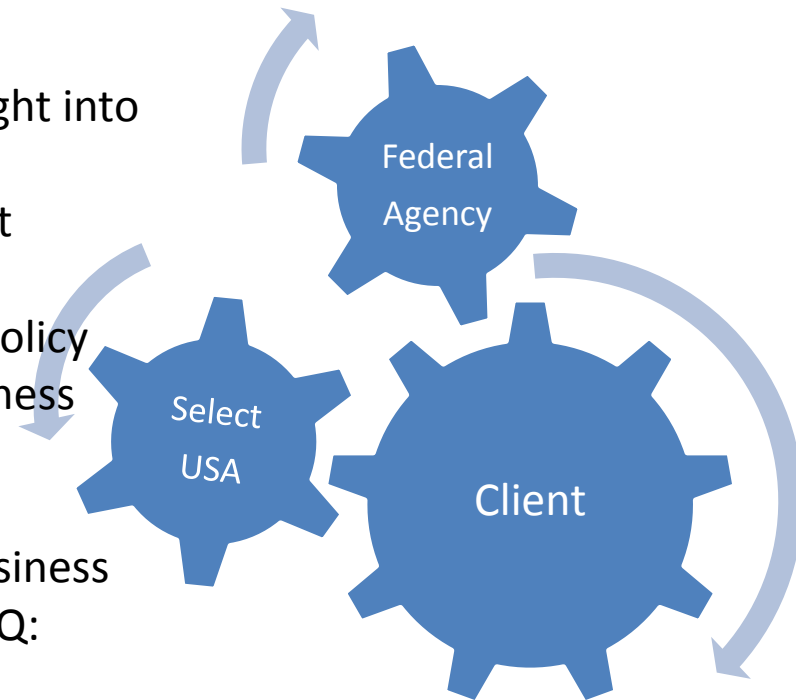
- Research & Development Tax Credit
- SBIR Funding Opportunities
- Renewable Energy Tax Credit
- DOE Loan Guarantee Program
- ARPA-E Funding Opportunities
- Updated Guide Available at selectusa.gov
- Contact Invest in America with questions



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 direct communication between the relevant federal agency and the client
- Identify federal regulations or processes to U.S. policy makers, that may negatively impact the U.S. business climate



The SelectUSA Ombudsman function is considered business sensitive and administered strictly by the SelectUSA HQ:

- SelectUSA does not share company information
- SelectUSA may report on the types of federal regulations, countries, industry sectors and other aggregate information about cases to determine the efficacy of its ombudsman function

Thank You



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