

# Global Location Trends

*Annual Report*



## **Foreword**

Our 4th annual *Global Locations Trends* report covers a time of continued uncertainty and increased complexity for many organizations worldwide. A slowdown in new investment was to be expected, and the trends confirm this. But the data also shows that the forces driving organizations to globally integrate are not letting up. Moreover, emerging trends signal the continuation and deepening of new business model approaches.

Overall, direct investment in foreign countries and the consequent job creation continued its decline, with signs that investment began picking up in the second half of the year. What may be even more notable than the positive direction of this trend, and more indicative of the transformative forces that are reshaping markets, regions and organizations, can be found in the nature of the investments organizations are making.

Current trends indicate that enterprises around the world are structuring a more strategic global footprint. Positioning for future opportunity, organizations are better able to balance and optimize critical tradeoffs such as resources, talent, and cost, when considering new locations for their activities, be it a manufacturing center, service hub or Research facility. Business model changes emphasize agility and speed, with the greater use of shared service centers.

Taken together, these trends and others found in this report, suggest that the full forces of globalization continues to drive not just where organizations choose to locate, but the very structure of their business model and partnerships.

**Frank Kern**  
**Senior Vice President**  
**IBM Global Business Services**

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## Introduction

The recent turbulence in the world economy has forced many companies to rethink their business strategies and models, as the sustainability of existing operating models has been seriously challenged. A critical feature of this consideration has been an assessment of how the company is positioned in the increasingly integrated global economy. This has included reviews of existing global footprints, manifesting themselves in significant changes in how and where companies operate. These changes to corporate structures result in significant upheavals in the global economic landscape, with numerous challenges for cities, regions, and countries that aim to attract and retain companies and jobs.

This year's Global Location Trends report by IBM Global Business Services outlines how these changes are reflected in the most recent trends in corporate location decisions, and ascertains their implications for the global economic landscape and the investment attraction and retention efforts of cities, regions, and countries. As in previous years, the analysis is based upon data from IBM's Global Investment Locations Database (GILD), which continuously records investment project announcements around the world. With, currently, information for over 100,000 investment projects recorded since 2003, GILD allows very detailed insight into global trends in corporate location decision making (see textbox on IBM's GILD database on next page).

The GILD database is maintained by IBM-Plant Location International (IBM-PLI), a specialized service within the Strategy & Transformation consulting practice in IBM Global Business Services. IBM-PLI is a global leader in providing advice to companies on their location strategies, covering all sectors and types of business functions. Moreover, drawing on the extensive expertise and knowledge of what shapes corporate investment decisions, IBM-PLI works with economic development organizations and investment promotion agencies in their efforts to improve and market their locations as attractive business environments for present and new investors.

## Moving towards optimization

The global market for foreign investment has been through a roller coaster ride in recent years, with steady increases until end of 2007, followed by significant declines in subsequent years. This decline continued in 2009, with total jobs created at more than 45% below their peak in 2006.

The number of jobs created from foreign investment in 2009 dropped by over 20% from 2008, to a total of some 680,000 jobs. The trend from 2008, when fewer job-intensive projects were announced as a result of the crisis, therefore continued for 2009 as a whole. However, an increase in these large projects was observed toward the end of the year.

### IBM's GILD database monitors global location trends through new foreign investment

For many years, the only available data for analyzing foreign investment trends around the world were the capital investment data as published by the United Nations. These data measure the capital flows through various forms of foreign direct investment (FDI), including mergers and acquisitions (M&A). Often these FDI flows are used to measure the success of geographical entities (countries, states and even cities) in attracting foreign investment. However, this can lead to misleading conclusions on the capacity of the locations to attract foreign companies. M&As are driven mostly by an interest from the investor in a target company with the objective to gain market share, acquire technology, etc. The business location of the target company is typically not the main driver for the investment, and a location decision is rarely part of M&A investment decisions.

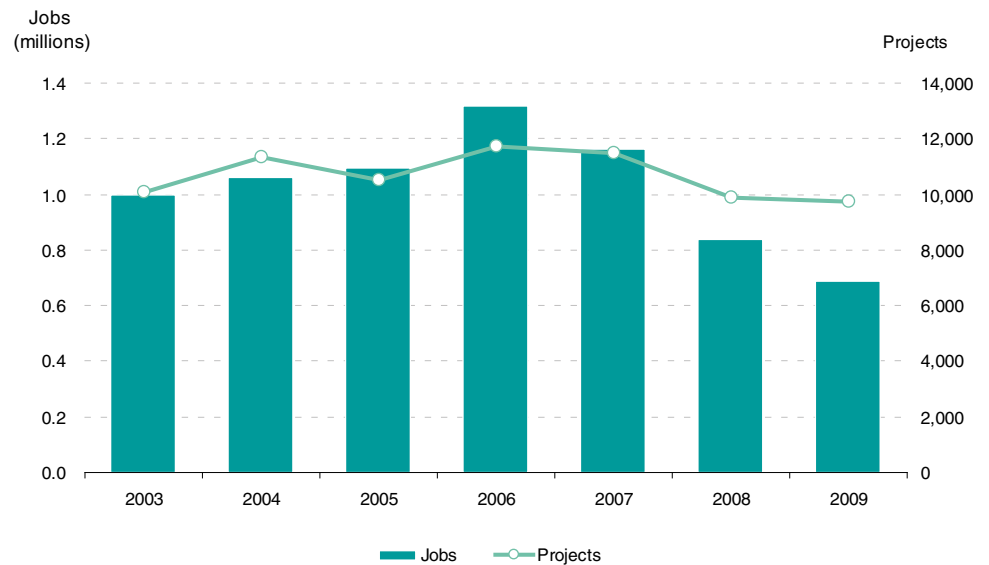
A better approach to measure the success of individual countries in attracting foreign investment is, therefore, to focus on those investment projects for which a clear decision on the investment location has been made. This is the case for the vast majority of so-called 'greenfield' investment projects as well as for new expansions of existing operations owned by foreign enterprises (as such expansions often can be realized in different locations owned by the company). For this reason, IBM-Plant Location International has started to develop the **Global Investment Locations Database (GILD)** in 2002. GILD tracks announced decisions of companies to locate new operations in regions outside of their HQ region/country on an ongoing basis.

Our analysis of volumes of foreign investment focuses on **job creation**. From an economic development perspective, job creation is the best indicator of the local economic impact of the investment. Job positions created through the investment are typically filled by employees in the local labor market (or staff who relocate to that market) and consequently generate income and welfare in the region around the investment location.

The investment capital, however, often ends up in other regions or countries, as a result of the acquisition of plant or machinery, contracting of construction and engineering work outside the investment location, etc. Thus the investment capital regularly is an overestimate of the economic impact of foreign investment in a specific location, particularly in the case of smaller regions or individual cities.

A further positive development is that the number of individual investment projects remained almost stable, at 9,800 projects in 2009 – just 1% below the total for 2008. This shows that the downturn in publicly announced investment plans came to an end during 2009 – an observation supported by the fact that the data also show an increase in the number of projects in the second part of the year.

Figure 1. Foreign investment projects and job creation, 2003-2009



Hence the annual figure for 2009 disguises **distinct differences in the first and second halves of the year**. With the global economy still mired in recession in the beginning of 2009, foreign investment activity continued to be low. Investment projects that had been postponed (or even cancelled) from the onset of the financial and economic uncertainties in late 2007 and early 2008 were kept on hold, while companies continued to face an unfavorable economic climate. As the global economy began to recover in the middle of 2009, companies began to revisit plans for investment and look to new projects. Thus investment activity began to increase toward the end of 2009 and into 2010.

The **return to investment activity in the second half of 2009** represented a more fundamental change in corporate investment behavior. The period from 2003 to 2006 was characterized by investment focused on expansion to cater for a growing and increasingly integrated global economy, often resulting in ad-hoc additions to corporate operational footprints as companies responded to changing market conditions. A central feature of this market-driven investment growth was the continued geographic widening of investment, with expansion into emerging markets. This was partly driven by cost advantages but also the result of these countries' being attractive markets in their own right. Particularly China and India saw many foreign owned companies announce investments in their markets, creating hundreds of thousands of new jobs. Other markets also emerged as alternate locations for investment, profiting from the fact that companies started to look beyond the traditional places. Countries such as Vietnam, Bulgaria, and Romania have ranked highly as investment destinations in recent years, while South American and African countries have also gradually increased their share of investment.

As the economic environment began to weaken at the end of 2007, and deteriorate significantly during 2008 and 2009, companies faced restricted access to credit and a pressing need to manage and conserve cash-flow. Many companies responded by slashing operating costs. Larger projects that required significant up-front investment, and consequently posed higher financial risks, were often cancelled or postponed, with companies hesitant to allocate large amounts of capital to new facilities. Meanwhile, operations and activities that could be reduced or combined without considerable cost or disruption were subject to consolidation, often in more mature, stable locations where companies were already operating.

From the latter half of 2009, we have seen a further change in corporate investment behavior towards a more **strategic optimization of global footprints**. Encouraged by signs of economic recovery and improvements in financial conditions, many companies now seek to position themselves **optimally** for the new economic environment. This means the building of global corporate architectures that optimally balance the requirements for markets, resources, talent, and cost, while being sufficiently flexible to react to unexpected changes in market conditions – changes we frequently see now.

These changes have in many cases involved a **major review of how companies approach their global operations and, more fundamentally, their business models**. Faced with a more uncertain and complex environment in which to operate, companies are aiming to capitalize on the global opportunities for operational excellence and cost efficiency, while incorporating sufficient flexibility and dexterity into their operating models to address unexpected changes. This entails a shift towards a corporate architecture that is agile rather than just lean, responsive rather than just standardized, and internally and externally optimized rather than centralized. This is hardly to say that cost containment does not remain important, but rather that it is pursued within a wider set of considerations that focus on the ability to act effectively in a more complex and uncertain global environment.

### **Trends by business function**

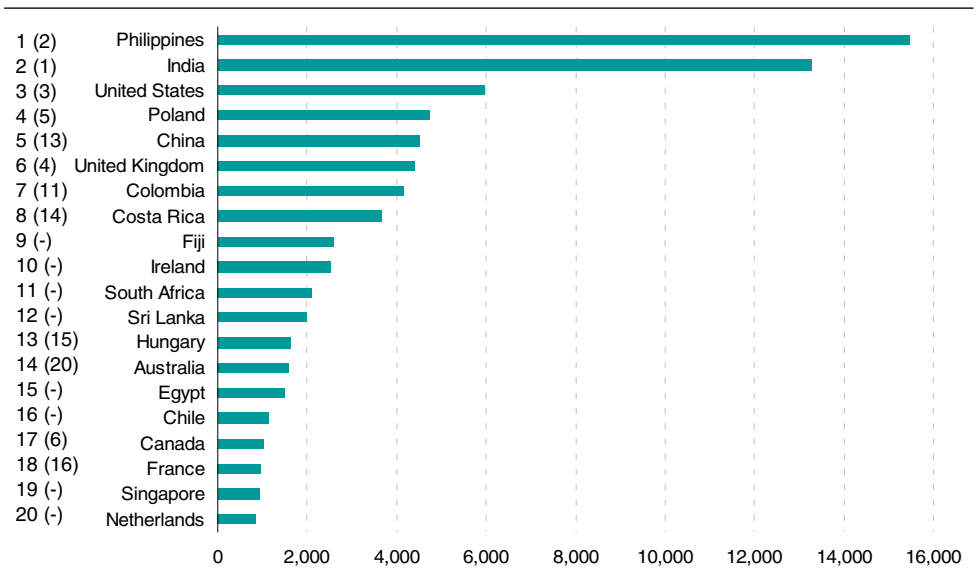
The changes in corporate location strategies manifest themselves in more nuanced ways for different types of business functions. Hence, investment in **services activities** (regional headquarters, shared services centers, business support functions) recovered in 2009, with more than 115,000 jobs created globally in these functions compared to just over 100,000 in 2008. Accordingly, a central feature of the corporate restructuring currently taking place is the move toward greater use of the **Shared Services Center** model (where a particular function is concentrated in one place for use throughout the organization) for a wider range of activities, including higher value added activities such as Human Resources and decision support functions. Meanwhile, as activities are separated into individual shared services centers, we see fewer new large headquarters with all key service activities centralized within one location. Rather, companies are increasingly ready to embrace the opportunities offered by different locations within a region or globally for their service functions, such as to take advantage of the differences in costs and skills in different countries, regions, and cities.

For **business support functions** (such as shared services and business process outsourcing) the **Philippines** has taken over the lead in the global ranking from India, after having challenged the top position for several years. This is the first time that India is not in the leading position for these activities. The Philippines offers a similarly attractive business environment for international business support functions as India, but has not had the same labor cost increases as have occurred in various Indian ‘hot spots’ in recent years. China is continuing its

ascent as a services destination, and confirms it should not be considered anymore “merely” the world’s factory. Sri Lanka is another Asian country that has succeeded in positioning itself as an alternative to India.

While South Africa and Egypt confirm their increased attractiveness for services investment, various other countries have emerged as new preferred destinations, notably in Latin America where Costa Rica and Colombia are now both among the world’s top ten recipient countries. Finally, Fiji is remarkably highly ranked. This is due to one single large services center.

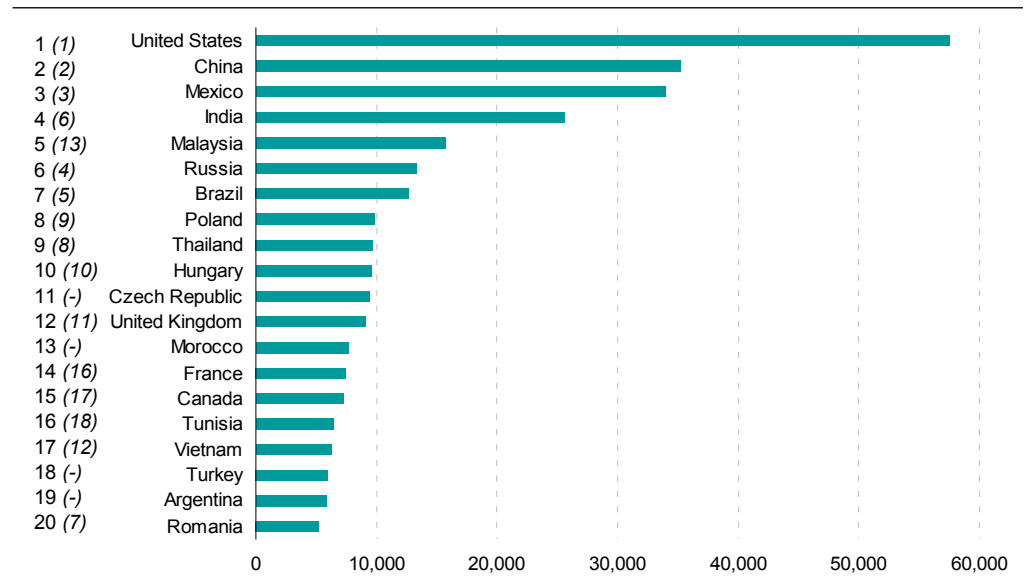
Figure 2. Top ranking destination countries by estimated jobs in business support services – 2009 (08)



In contrast to services, investment in **production** activities remained low, with further decreases in 2009 compared to 2008. This is perhaps unsurprising, as production investment is often more capital intensive and driven by market growth, with companies awaiting firmer signs of economic recovery before initiating such new projects. The decline has been particularly pronounced among the four BRIC countries and traditional hotspots for production investment in Eastern Europe. In contrast, the US saw an increase in production investment and is ranked as the top destination country. Moreover, Mexico saw a huge increase in new jobs in production operations of which many are focused on serving the US market. These trends support the view that in troubled times, production investment returns to the safest, most predictable places, such as the United States, and those countries that are intimately connected to their markets, such as Mexico.

Similarly, **research & development (R&D)** activities are investments with long pay-back periods, with companies typically postponing such investments until there is more solid evidence of a sustainable economic recovery. Consequently, countries that have been key recipients of R&D investment in the past - notably India, which had received many large software development projects - have experienced substantial declines in job creation. Similarly, China has suffered a considerable reduction in inward R&D investment and is now ranked third after the US.

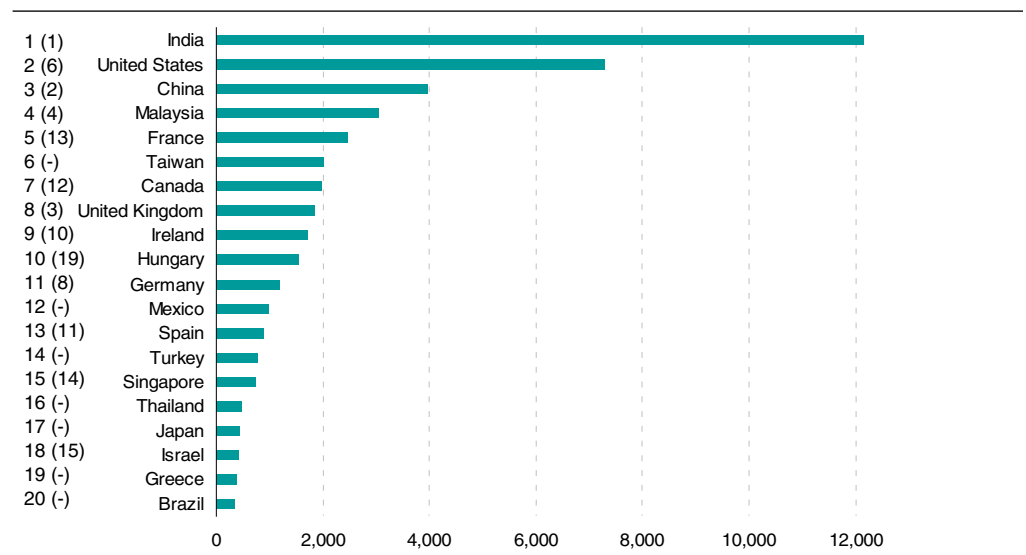
Figure 3. Top ranking destination countries by estimated jobs in production – 2009 (o8)



For R&D investment it is worth emphasizing that the analysis is focused on standalone R&D centers. This means that R&D activity that takes place in support of local production operations is not included in this analysis. As a consequence, the number of R&D investment projects and jobs created in these centers are relatively low in comparison with other business functions, and probably does not reflect the full extent of R&D activities in these countries.

Also, we see more of these R&D activities being done in partnerships, with joint ventures a growing operating model. This suggests that companies will increasingly be looking for locations with an existing R&D base that offers such opportunities for partnership.

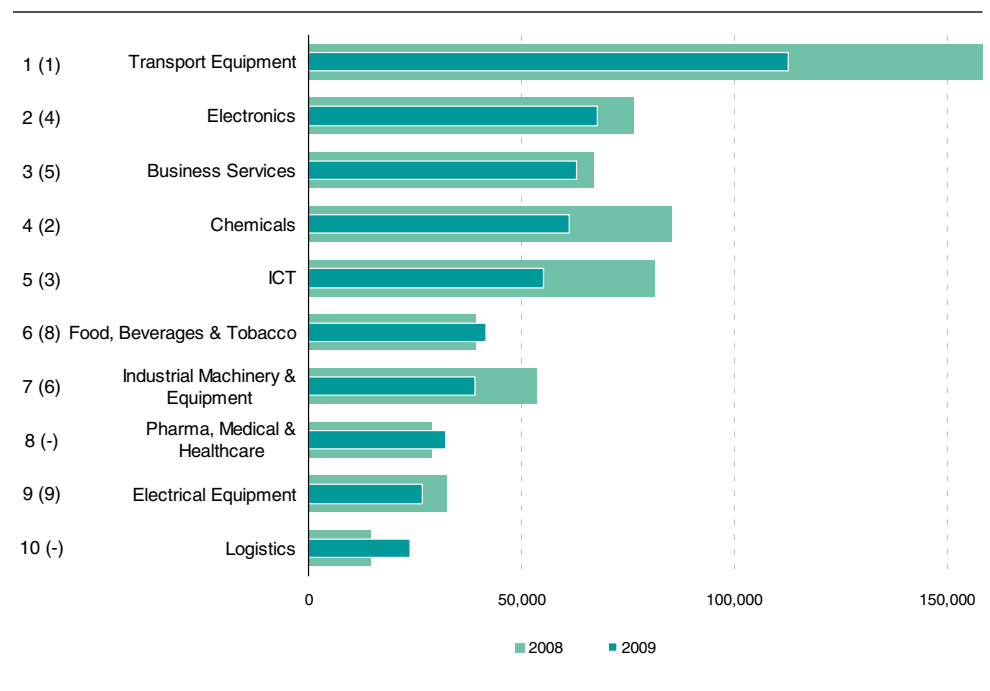
Figure 4. Top ranking destination countries by estimated jobs in R&D – 2009 (o8)



## Sectoral trends

The changing corporate investment patterns also manifest themselves in a different sectoral composition of investment. Traditionally dominant sectors of investment, such as transport equipment, chemicals, and information & communications technology (ICT), all saw significant declines in the numbers of jobs created from foreign investment. In contrast, the life sciences, energy, and logistics sectors all saw varying degrees of recovery in investment levels. It is particularly noteworthy that investment activity within some **clusters** has been more pronounced than what is discerned within individual sectors. For example, **renewable energy** is a cluster that includes activities across a range of traditional sectors, from metals and electronics to chemicals and energy production (see textbox below), and that has continued to grow throughout the recent economic turmoil, while, despite the growth of this cluster, most sectors that contribute to it have seen significant declines. It may therefore become increasingly important for locations to understand how they are positioned for investment within these new clusters rather than in the traditional sectors.

Figure 5. Top ranking sectors by estimated jobs - 2009 (08)



### Renewable energy – powering foreign investment now and in the future?

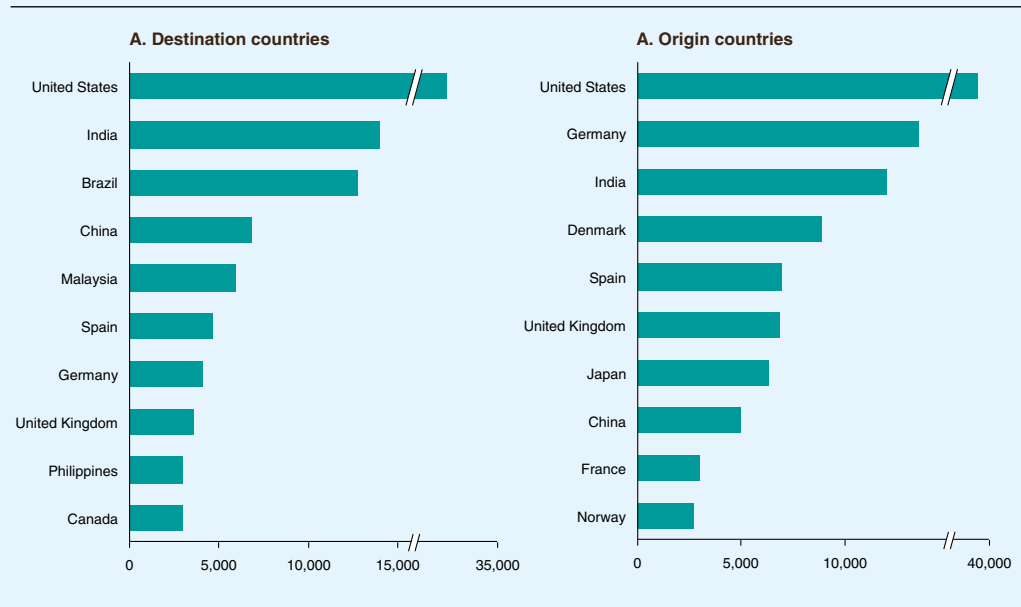
While most sectors have seen considerable declines in foreign investment in recent years, the renewable energy cluster has stood out by its continued growth in investment activity. The cluster as a whole created more than 35,000 jobs globally from foreign investment in 2009, compared to approximately 30,000 jobs in 2008. Within the cluster, solar and wind energy have experienced particular significant growth, each accounting for about 40% of the jobs created in 2009. In contrast, bio-fuels – which perhaps have more-adverse environmental consequences – have seen a dramatic decline in investment activity from a peak of more than 21,000 jobs created in 2007, to just over 8,000 jobs in 2009.

Investment in the cluster has so far been heavily focused on production activities in key markets, with the United States, India, Brazil, and China the top recipients. Other countries that have received significant investment are those that have strived to create a domestic market for renewable energy, such as Malaysia, Spain, and Germany. As the cluster matures, we expect to see more investment in services and R&D activities as well.

It is also of interest to note that the cluster cuts across different ‘traditional’ sectors, with industrial equipment, electronics, chemicals and energy production all contributing with investment in the renewable energy cluster. Locations with strengths in different sectors forming parts of the renewable energy cluster thus stand to gain from the cluster’s growth in the future.

Investment within the cluster is sourced from the US and Germany and a few other dominant economies generating lots of foreign investment globally across many industries, in addition to some countries with strong recent efforts to stimulate the growth of the cluster (such as Denmark, Norway, and Spain). Moreover, Chinese and Indian companies investing overseas play a stronger role in this relatively new cluster than in the more traditional industries.

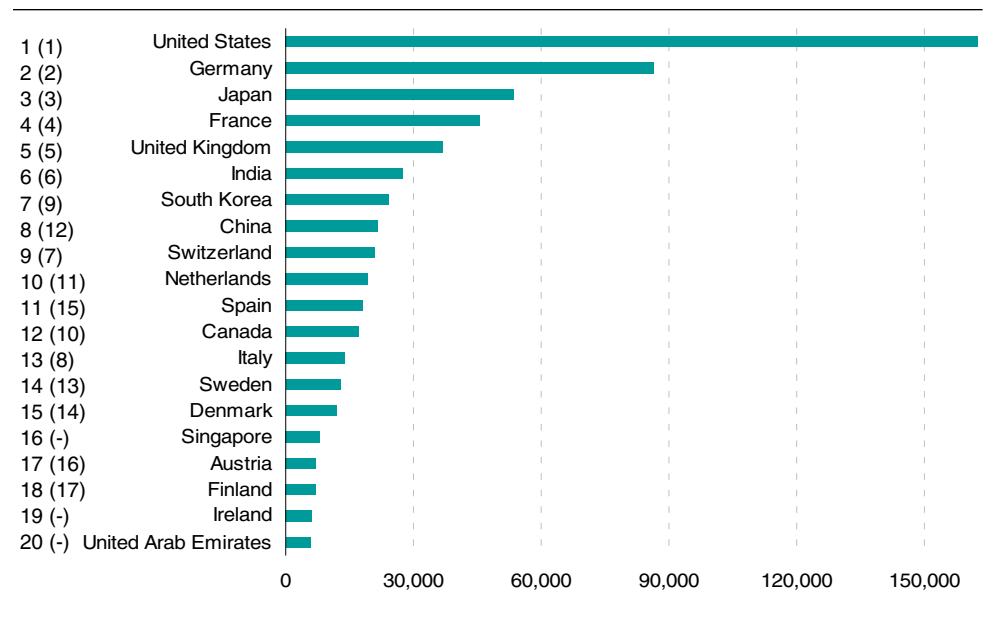
Figure 6. Job creation through foreign investment in renewable energy, 2003-2009



## Sources of investment

It is very noteworthy that the decline in investment activity in 2009 has primarily been among companies from the more mature source markets, such as the United States, Western Europe, and Japan (which very recently went from being the world's second-largest economy to third-largest, behind China). Investors from emerging economies, notably China and India, have largely maintained their levels of overseas investment during 2009 despite the crisis, and thus increased their overall share as sources of investment. Consequently, the share of jobs created from global investment by companies from non-OECD countries has risen from 14% in 2003 to 19% in 2009. This **growing role of emerging economies** in the global market for foreign investment is indicative of a more fundamental shift in the global economic landscape that has been accelerated as a result of the global economic crisis and its aftermath – for instance, throughout the recession, to which China reacted quickly with stimulus funds, China grew at around 10% a year. Accordingly, we expect to see a continued rise in importance of emerging economies as sources for investment in the future, resulting in a more balanced, but also more complex, market for foreign investment. Consequently, locations competing for investment must consider how they can best position themselves for investment in this new market with a variety of sources.

Figure 7. Top ranking origin countries by estimated jobs - 2009 (08)



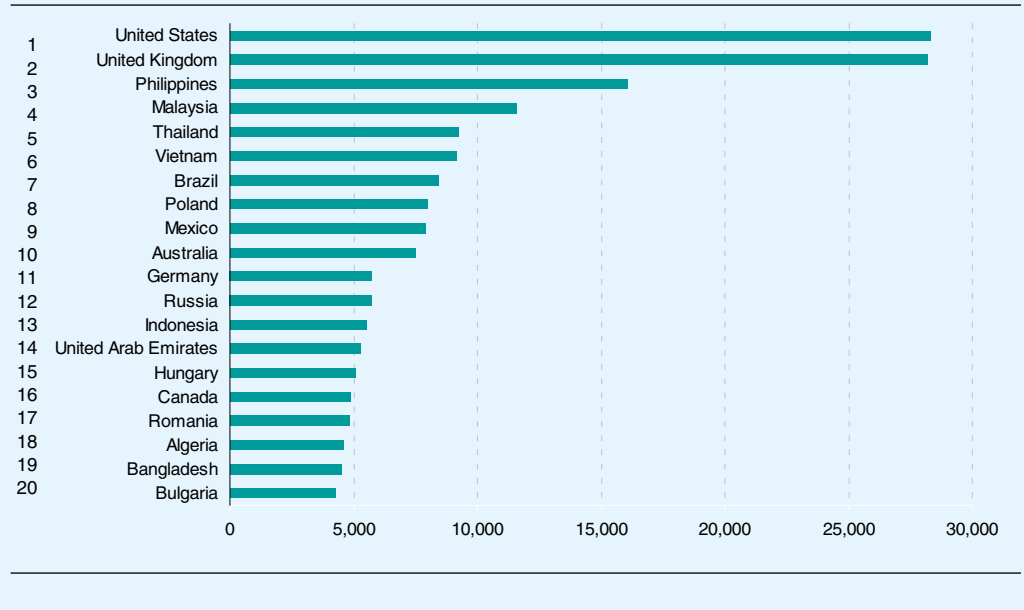
**The internationalization of Chinese and Indian companies**

Companies from emerging countries in general, and India and China in particular, are becoming prominent overseas investors, with substantial job creation overseas as a result. With the continued rise in prominence of these countries on the global economic stage, their role as sources of investment is expected to further increase. This will not only contribute to a larger overall market for investment but also change the pattern of global investment, as Chinese and Indian companies pursue their distinct approaches to overseas investment.

Indian investment abroad has so far been heavily concentrated in the ICT and business services sectors, with the former accounting for almost half of the jobs created by Indian investors overseas in the last four years. These investments have gone to other Asian countries, such as China and Malaysia, while investment activity outside of Asia has been concentrated in the Anglo-Saxon countries, with the US, UK and Australia the main recipients.

Chinese investment is sectorally more diverse, although transport equipment, electronics, and metals are the top sectors. This also results in greater diversification in recipient countries, with less dominance of a few destinations. Moreover, it is of interest to note that in excess of 75% of the jobs created by Chinese investment abroad has been in production activities. In contrast, Indian investors are creating a more even distribution of jobs in production, services, and R&D functions, with each of these functions accounting for between 25% and 35% of jobs created.

*Figure 8. Top ranking destination countries for investment from Chinese and Indian companies, by estimated jobs (2003-2009)*

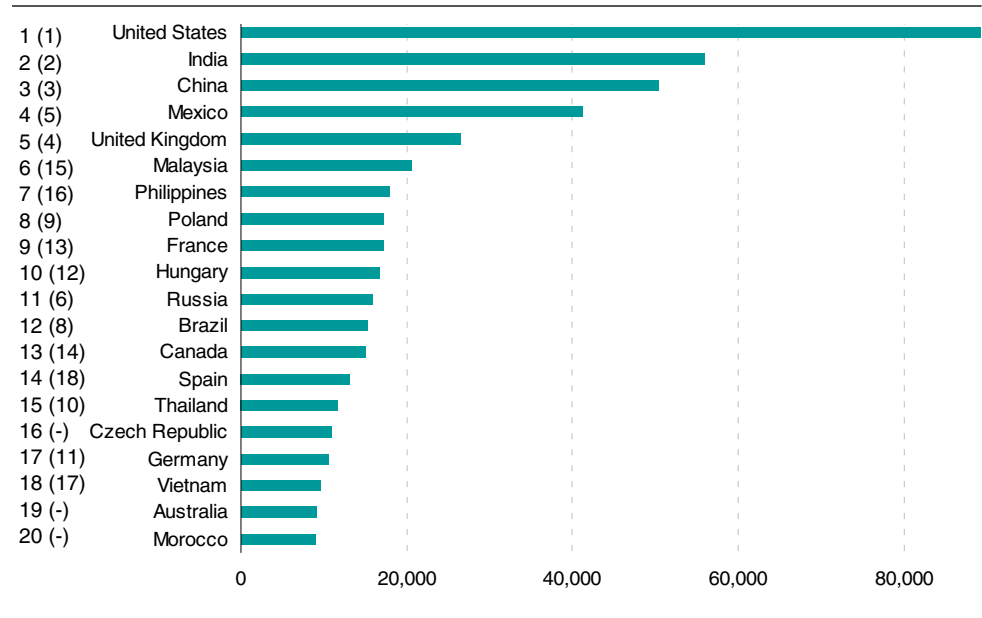


## Winners and losers in the new economic environment

The changing investment patterns have significant implications for how the job creation is distributed among countries and regions around the world. Accordingly, the decline in investment has not been uniform across the regions of the world, with Asia-Pacific and Europe experiencing particularly large declines while Africa and North America saw an increase in the absolute number of jobs created from foreign investment. Some individual countries that have been among the main beneficiaries of the period of growth prior to the economic crisis have seen dramatic declines in levels of investment, with, for example, China, India, Russia, and Romania all experiencing falls in job creation of more than 50% from their peaks. These are countries that have received numerous large investments in production, services, and R&D activities in the past, and have suffered as a result of these large projects being cancelled or put on hold. It is also important to recognize that these countries lack the strong economic development organizations that many mature economies have. When the global economic environment is more challenging, such organizations can help to market their countries and cities as well as support efforts to retain and protect existing jobs in industries or individual companies that are threatened with downsizing or closures. China, India, and Russia are still in the very early stages of creating such economic development capacities – particularly in the area of foreign investment promotion. Romania suffered from a reorganization of investment promotion efforts, which led to an almost non-existent national inward investment service for a large part of the year.

In contrast, some countries that offered a stable and attractive environment for consolidated operations, notably in services, experienced growth in the overall number of jobs created during 2009. For example, the United States and Denmark both experienced growth in the overall number of jobs created.

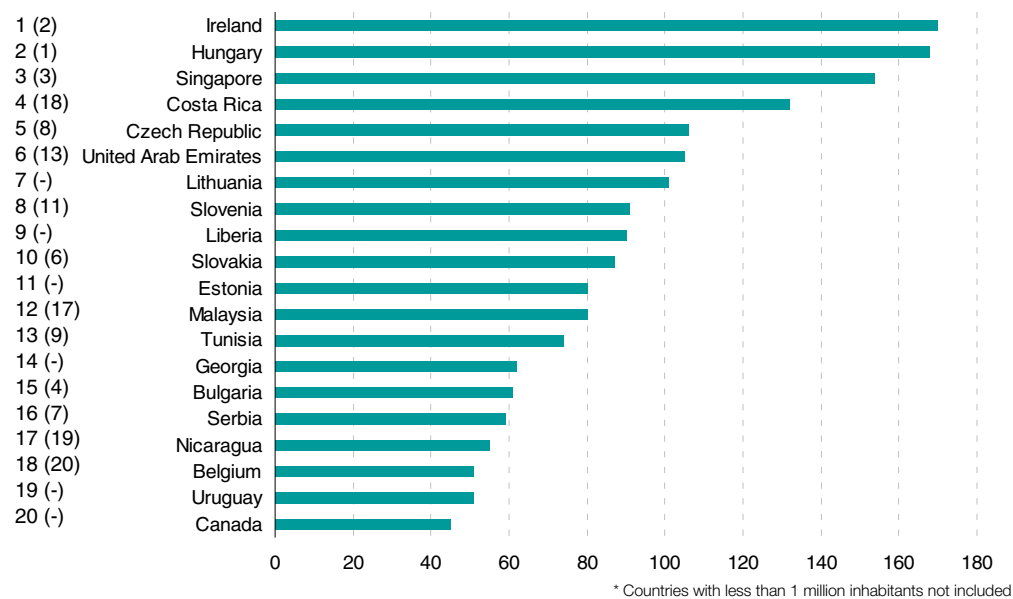
Figure 9. Top ranking destination countries by estimated jobs - 2009 (08)



For a more realistic comparison of individual countries' performance in attracting foreign investment, an analysis of **job creation relative to population size** provides better insight. Ireland, Hungary and Singapore topped the list of recipient countries in 2009 as in 2008, despite their economies' having been hit hard by the global economic crisis. This shows that corporate location trends do not always follow wider economic patterns<sup>1</sup>. Indeed, the investment going to countries such as Singapore, Hungary, and Ireland is often not to cater for the domestic market, but rather to take advantage of the structural strengths and assets (like the education of the people) that these countries have to offer for companies' global operations.

Moreover, while the consequences of absent or inadequate economic development organizations were noted above, the continued strong performance of countries such as Ireland and Singapore confirms that strong investment promotion agencies are key instruments for job creation and wider economic development. Indeed, almost all countries in the ranking of destination countries below have well established investment promotion organizations with strategies focused on attracting and retaining investment in specific target industries and business functions.

Figure 10. Top ranking destination countries\* by estimated jobs - per 100,000 inhabitants - 2009 (08)

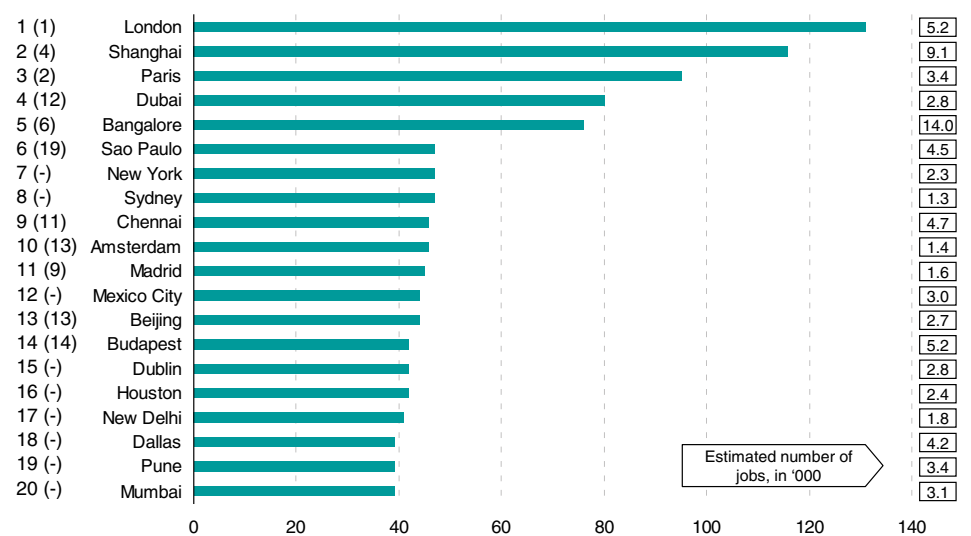


At the level of **cities**, it is clear that the metropolitan areas in emerging countries are becoming ever more important destinations for investment. While London continues to be the world's top destination city measured by number of projects, the BRIC countries (Brazil-Russia-India-China) are represented by 8 of the world's top 20 cities, 5 being in India. Despite the fact that the US as a whole is the leading country for foreign investment, it is represented by only 3 metropolitan areas in the top city ranking, with New York as the leading destination. This is explained largely by investors having a wide choice of very competitive business locations among the many metropolitan areas in the US.

<sup>1</sup> Note that we do not track and analyze closures and reduced activities, which have also been prominent in these countries. Our analysis is purely focused on trends in greenfield and expansion projects.

**Cities are important focal points of economic activity** and development for their wider regions or even countries, and their importance is likely to continue to grow in the future. In addition, cities constitute important assets for marketing the regions or countries in which they are located, simply due to the fact that the global recognition and ‘brand’ of cities is usually far greater than that of regions. What is more, many cities have created their own dedicated investment promotion organizations in recent years (often for the wider city region), and in various countries, city-focused economic development initiatives are gaining importance, while regional efforts are being reduced (due partly to governmental budget reductions).

Figure 11. Top ranking destination cities by number of investment projects - 2009 (08)



\* Investment projects generating less than 10 new jobs are not included

## Future prospects

Investment trends in recent years have shown that **as the global economy becomes more integrated it also becomes more complex and uncertain**. This is in line with the findings of IBM's recent CEO Study 2010, which highlighted that “Increasingly interconnected economies, enterprises, societies and governments have given rise to vast new opportunities. But a surprising number of CEOs told us they feel ill-prepared for today's more complex environment. Increased connectivity has also created strong – and too often unknown – interdependencies. For this reason, the ultimate consequence of any decision has often been poorly understood. Still, decisions must be made. As CEOs turn their attention to growth, a significant number said their success depends on doubling their revenue from new sources over the next five years. (...) Finding these new categories of growth is not easy in an environment characterized by an untold number of discrete markets, proliferating product and service categories, and ever-individualized customer segments. This means CEOs must shake up their portfolios, business models, old ways of working and long-held assumptions. They have to address what customers now care about and reassess how value is generated.”<sup>2</sup>

Hence, as companies continue to adjust to the opportunities offered by global value chains and markets, they will seek to radically change their operating models towards global footprint optimization. Understanding **where to operate** is thus becoming an increasingly important element of corporate strategy, as companies seek to take advantage of global markets, talent, and cost efficiencies. Accordingly, the expected recovery in investment activity in 2010 and onward does not merely constitute an increased volume of investment, but also investment driven by different corporate considerations and priorities.

In view of companies' more strategic pursuit of location advantages, the comparative and absolute advantages of individual locations are being brought to the fore. Indeed, the processes of creative destruction embodied within the developments of recent years have at their core a wider restructuring of the global economy: toward a new geographic distribution of economic activity. Central to this transformation is a **greater awareness among companies of the opportunities for accessing markets, talent, and cost differentials around the world** in a manner that has hitherto not been possible. As a result of companies grasping these opportunities, the degree of specialization in individual locations is likely to increase. Consequently, countries and cities must ensure that they understand how they are positioned to take advantage of the global restructuring, which in turn requires greater awareness of their comparative and absolute strengths and weaknesses in the market for foreign investment. The sectors and functions in which countries and cities already have a competitive position should be targeted for investment promotion efforts. Moreover, wider economic development and cluster development efforts should be aligned to support the location's competitive position in these target sectors and functions.

As such, the outcomes of this year's Global Location Trends report indicate more than ever that countries and cities with **targeted investment promotion strategies, implemented by strong economic development organizations**, manage to attract more investment and create more and better jobs for their citizens than those where such efforts are weak or non-existent.

Furthermore, it is important to recognize that **the market for investment is very dynamic and subject to constant change**. New sectors and clusters emerge as a result of, for example, technological developments, and locations that were previously ignored by corporate investors suddenly become contenders for investment. In addition, investment is being sourced from an increasingly diverse range of countries, with, for example, companies from countries such as China and India emerging as important sources of global investment. Locations need to ensure that they are responsive to such changes and market dynamics, and be willing to continuously monitor and reassess how they are positioned for investment in existing and emerging sectors and functions. This should be complemented with awareness of where investors in these sectors and functions are coming from now and in the future.

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² IBM CEO Study 2010, p. 14

It is also important to keep in mind that the new more uncertain and volatile economic landscape, with unpredictable changes in technologies, industries, and value chains, results in shifting locales of economic activity. In other words, a more complex and uncertain economic environment will result in constant rises – and falls – in where and how value is created around the world. Such volatility will place **flexibility and adaptability** at a premium, with locations that can help companies take full advantage of the changing economic environment gaining competitive advantage. Cities and regions that provide the infrastructure, connectivity, skills-base, and innovation support required for agile corporate architectures will benefit as preferred locations for value creation. This means that as companies seek to optimize their global footprints, **so cities and regions must increasingly optimize their support systems and infrastructures** to meet the needs of business and people. It follows, of course, that political units even smaller than cities – such as towns – can optimize and market their infrastructures.

IBM has captured the optimization of city systems and infrastructures in the concept of the Smarter City, referring to the ability of cities (and the wider city regions) to use a number of new technologies and solutions for instrumenting, interconnecting, and exploiting intelligence in their core services and infrastructures. As part of their efforts to improve the local business environment for new and established companies, cities thus need to understand how they are positioned for providing the support systems and infrastructure required for successful future economic development. Based on such insight, cities can identify key priorities and set out a road map for improvement.<sup>3</sup>

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<sup>3</sup> See IBM Institute for Business Value – How Smart is Your City? - 2010

### **About IBM Global Business Services**

With business experts in more than 160 countries, IBM Global Business Services provides clients with deep business process and industry expertise across 17 industries, using innovation to identify, create and deliver value faster. We draw on the full breadth of IBM capabilities, standing behind our advice to help clients implement solutions designed to deliver business outcomes with far-reaching impact and sustainable results.

IBM Global Business Services offers one of the largest Strategy & Transformation practices in the world. Strategy & Transformation practitioners help clients develop, align and implement their vision and business strategies to drive greater levels of effectiveness, efficiency and growth. Strategy & Transformation fuses business strategy with technology insight to help organizations develop and align their business vision across four strategic dimensions – business strategy, operations strategy, organization change strategy and technology strategy – to drive innovation and growth.

### **About Plant Location International**

Plant Location International (PLI) is a global service of IBM Global Business Services' Strategy & Transformation practice, specialized in corporate location and economic development strategies. Operating as a fully globally integrated service - with a global center of excellence in Brussels, Belgium, supported by dedicated Global Delivery resources, and satellite teams in key markets – IBM-PLI provides expert services to corporate clients for analyzing international business locations for expanding or consolidating companies to select the optimal location (country/city). IBM-PLI also advises economic development organizations on improving their areas' competitiveness, strategic marketing, developing value propositions, and marketing tools, etc.

IBM-PLI is a leading innovator in location strategy and economic development tools and techniques, which are constantly being improved based on latest insight in corporate location decision making. Examples are:

- Cost-Quality location screening methodology, assessing the trade-off between cost and quality of communities as investment options for companies
- IBM-PLI's Location Benchmarking Tool, based on this cost-quality methodology, allowing regions and cities to test their location's value proposition for targeted activities and successfully market their communities to investors
- The Global Investment Locations Database (GILD) which tracks location decisions for contestable investment projects around the world.

### **Further information**

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