



PRESS RELEASE

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Media Contact:

Lisa Cramb, Montagne Communications

O: 603-644-3200 ext. 25

M: 603-689-6986

lcramb@montagnecom.com

Plymouth State University Releases First-ever ‘New Hampshire Foreign Direct Investment Report’ Detailing Opportunities for Economic Development

Report provides analysis of impacts and opportunities globalization brings to New Hampshire and its businesses

PLYMOUTH, NH (March 28, 2018) – State and county economic development agencies, domestic companies and foreign investors seeking suppliers, clients or business partners now have a new resource for decision-making. [Plymouth State University](#) (PSU), with input from the New Hampshire Division of Economic Development, today released the *New Hampshire Foreign Direct Investment Report: Presence and Contributions to State and County Economies*, the result of a year-long analysis of the distribution of foreign direct investment (FDI) and its current and potential contributions within the state. This is the first-ever analysis of its kind within New Hampshire.

“Today’s report is a shining example of why public universities exist and is at the heart of our commitment to this region, all New Hampshire residents and the entire state of New Hampshire,” said Donald L. Birx, Ph.D., President, Plymouth State University. “This report highlights the kind of work our faculty and students do every day, important, cutting-edge research that provides businesses, residents and government entities insight into challenges and opportunities that can increase business, job opportunities and spur economic growth.”

Conducted by PSU professors Chen Wu, Ph.D., and Roxana Wright, DBA, the study aims to provide a complete picture of foreign business presence in New Hampshire, and analysis of the countries of origin of foreign subsidiaries represented across the state’s counties and industries. Dr. Wu and Dr. Wright created innovative indices to help state policy-makers strategically allocate resources to attract FDI from various countries, and to estimate the New Hampshire jobs that could potentially be created by companies headquartered in other countries.

“Plymouth State University’s comprehensive analysis of foreign direct investment in New Hampshire is substantial and important,” said Taylor Caswell, Commissioner, Department of Business and Economic Affairs. “This work will be highly useful as part of our department’s growing concentration on key geographic areas and sector emphasis as we refocus New

Hampshire's international commerce activities. The relationship between BEA and our state's innovative academic centers is crucial to the advancement of our economy. The work that went into this report and the action that it will inevitably lead to is an excellent example of New Hampshire's competitive edge."

According to Dr. Wu and Dr. Wright, East Asia (Japan, Korea, and China), Australia and the Middle East show the possibility of strong FDI growth for New Hampshire. However, the Report's FDI Origin Index shows that European and Canadian companies lead all others in current and potential FDI in New Hampshire. European countries such as Germany, Switzerland, France, Italy and the Netherlands show strong desire to invest here.

Highlights of the *New Hampshire Foreign Direct Investment Report* include:

- Germany alone represents an estimated \$9.15 billion in the value of products that could potentially be generated by its direct investment in New Hampshire.
- Specific recommendations for integrating FDI planning, including growth and location of manufacturing and high-tech operations, as drivers of growth in New Hampshire.
- Presence of foreign firms in more than one supply chain activity shows potential for local integration and opportunities to be more local customer-focused. New Hampshire is a promising market for worldwide companies to discover business opportunities with upstream suppliers, partners, and downstream consumers.
- The distribution pattern of FDI across NH counties reveals a notable geographic cluster of foreign firms in the Nashua-Manchester-Portsmouth economic delta with spillover towards inner center of the state. Efforts to attract new FDI might give priority to locating businesses in the southern region where the FDI cluster is concentrated and facilitate spillovers of foreign investment from the south to the north. Potential to grow foreign business presence in the less FDI-represented northern region of the state is also optimistic. It is worth noting that, even Sullivan County, which has the least FDI of all NH counties, businesses representing six European countries and Canada are present.
- The findings of this study highlight the importance of a strategic plan to guide the state's efforts in attracting and promoting FDI among New Hampshire counties. Specifically, the state must provide guiding recommendations to a potential foreign investor regarding where to invest within New Hampshire. The state recommendations on potential FDI locations should be made based on key factors relating to the foreign business, including (1) country of origin, (2) value chain activity, and (3) industry/sector, and should also aim to match the clusters of FDI in these three key characteristics within a county. Within this strategic mechanism the state economic development agency oversees and coordinates the FDI promotion efforts of county economic agencies for the purpose of increasing the overall pool of FDI in the state.

The results outlined in the report can help state policy by providing key information to foreign companies looking to establish operations in New Hampshire. Local exporters, importers and other firms will be able to also use this information for identifying saturated or prospective markets and business networks.

[Click here](#) for the complete report.

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