



Expand Global Engagement

Enhancing Nevada's international presence will boost investment and job creation in Nevada. By focusing strategic initiatives toward targeted opportunities that align with world markets, Nevada will capitalize on an international business expertise that has already been developed. In 2011, Nevada was ranked the number one state in the country for export intensity and growth. The U.S. Chamber of Commerce ranks Nevada as the fastest growing export state in terms of both export value and as a share of the State's total economy.

Benchmarks

- Increased exports.
- Increased foreign direct investment.

Currently, Nevada businesses export billions of dollars of goods and services to 174 countries. We have been particularly successful in emerging markets, such as Brazil, Russia, India, and China, to which Nevada exports grew by 800 percent over the last decade.

In addition, Nevada has positioned its unique asset as a global tourist destination and welcomed foreign investment in Nevada businesses. Currently, there are more than 200 foreign-held firms with operations in Nevada.

Through the effective utilization of state and federal programs, global engagement in the targeted sectors and the regions promises to facilitate an increase in export activity and attract foreign investment. Strategic international events will result in new buyer and distributor contacts and improved trade relationships between Nevada and the rest of the world and will directly contribute to the establishment of high-quality jobs for Nevadans.

Strategic Initiatives

*Facilitate export growth
Increase foreign direct investment in targeted sectors
Enhance global network*

Facilitate Export Growth

Exports create new high-quality job opportunities for Nevada companies, especially small- and medium-sized firms. Export-related jobs typically pay an average of 13% more than the average domestic wage. When companies export, they gain access to a new customer base and also support additional domestic job creation in logistics, financial services, and other industries.

Nevada has a strong foundation from which to continue to grow its international trade efforts. A focus on enhanced globalization projects at both the state and regional levels will assist some Nevada companies to begin to export their products and services and many others to increase export sales.

Key Tactic #1

Collaborative action among regional representatives, sector specialists, and GOED's global experts will allow for a sharp focus on global opportunities within targeted sectors.

During regional economic development planning efforts, GOED staff will work closely with the RDAs to develop and execute **regional global engagement plans** that will enable local businesses to engage globally and empower their success internationally.

Improved partnerships will allow for the establishment of an **Export Assistance Council**. Consisting of representatives from Chambers of Commerce, the U.S. Commercial Service, pertinent business associations, and other interested parties, the Council will assist GOED and the RDAs in the strategic targeting of assets and resources toward increasing Nevada's exports in both goods and services.



Key Tactic #2

GOED will also aggressively assist local businesses to begin or expand their exports of goods and services.

Through the **Nevada Investment and Trade Revenue Opportunities (NITRO)** program, which includes a federal fund of \$160,000, grants will be provided to qualifying small businesses to expand their export capabilities. Several new-to-export companies, many of which are in Las Vegas, have been specifically targeted for this assistance.

GOED will also work with the RDAs to implement **outreach marketing efforts** to small -and medium-sized Nevada companies to educate them on the benefits of exporting and provide them with access to assistance to launch or expand their exports. Such efforts, conducted in partnership with the chambers and other industry associations, will include seminars and support.

In September 2012, the **Governor's Conference on Exporting and Manufacturing**, produced under NITRO, will include representatives from at least 50 Nevada exporting companies, including those that have received federal grants. The conference will provide an opportunity to reinstate the **Governor's Exporter of the Year** award program.



Key Tactic #3

Nevada's international representation and relationships will also receive attention from GOED. Currently, Nevada's six **international representatives** do not receive direct compensation from GOED, which will review that strategy for effectiveness and build a business case for representation in specific countries. The designation of additional representatives, such as one in Korea, will also be considered, based on a determination of a positive return on investment. These representatives work diligently in their own countries to promote Nevada exports, explore business opportunities, and encourage foreign investment in this state. GOED will ensure that these international efforts align with the targeted sectors and this State Plan.

The **Governor's Diplomatic Luncheon with Consuls General** is scheduled for May 2012 and will include Consuls General who represent the countries with which Nevada has – and wants to build – mutually beneficial relationships. Located in Las Vegas, this luncheon is also under the auspices of NITRO and will provide a prime opportunity for businesspeople to meet international representatives. This important event is the first of its kind for Nevada and is expected to continue on regular basis. It is expected that building these relationships will lead toward the establishment of international trade offices here in Nevada and encourage trade missions from other countries to visit Nevada to develop business opportunities.

Another key factor in enhancing Nevada's role and stature in global relations is a presence at **international trade shows** and the conduct of trade missions. Federal grants ensure Nevada's representation in 2012 at trade shows in places such as Dubai, China, and India, and GOED staff will track the leads and deals that are generated at each of these trade shows. GOED will also coordinate a spring trade mission to Israel and a fall trade mission to Korea and China, both expected to be led by Governor Sandoval. In addition, NITRO provides for a renewable energy trade mission to Spain and Germany in June 2012. **Trade missions** will return to Nevada with concrete outcomes, such as new business leads, new investment possibilities, and important new reciprocal relationships.



Increase Foreign Direct Investment in Targeted Sectors

Foreign direct investment (FDI) provides a Nevada company with new markets and marketing channels and access to new technology, products, skills, and financing. On average, foreign-owned firms pay higher wages and have higher worker productivity than comparable domestic companies. For the foreign firm that makes a joint-venture investment, the relationship with a Nevada business also offers access to new technologies, products, organizational technologies and management skills.

Leveraging Nevada's unique assets and with close attention from GOED staff, it is expected that the economic impact of FDI in Nevada will measurably increase each year through 2014.

Key Tactic #1

Unlike most other states, Nevada is directly involved, through GOED, with **matching Nevada businesses with foreign investors**. This unique asset provides a competitive advantage for Nevada and will be leveraged through the development of regional global engagement strategies and sector plans. GOED will encourage strategic initiatives by region and by sector that will effectively utilize this asset.

In addition, GOED will ensure that Nevada's international representatives are deeply familiar with the state's targeted sectors and cluster opportunities. GOED's direct involvement with FDI will generate additional funding options for Nevada businesses seeking to expand and for new businesses that begin here or relocate from other states.

Key Tactic #2

Nevada's attraction as a major international tourist destination is another important asset for building our global presence. Each year, **major trade shows in Las Vegas**, such as CES (electronics), SEMA (automotive parts), and MAGIC (for textiles), attract thousands of international businesspeople. Beginning in 2013, GOED and the regions, working through Team Nevada, will showcase investment opportunities to visiting international business representatives in order to increase FDI in the state. Such activities may include:

- Staffing a booth at sector-specific trade shows;
- Providing opportunities for international CEOs to visit informally with Nevada CEOs; and
- Arranging for familiarization tours for targeted companies before or after pertinent trade shows.

Enhance Global Network

GOED will support the growth in exports and FDI through the development of pertinent data and strategic information, a collaboration with higher education, and the establishment of international business councils.

Key Tactic #1

During the next three years, GOED will develop a more robust **global information** system that will provide policymakers, economic development professionals, and the public with pertinent international market data. This analysis of Nevada's global efforts will be developed in partnership with Nevada's research institutions and disseminated on the website and in print. The system will measure performance and demonstrate the impact of Nevada's international initiatives.

Currently, however, the State does not track the actual number of Nevada businesses that export or what their exported goods and services are. This information is crucial for GOED to assist Nevada businesses most effectively. By 2013, GOED will develop, in conjunction with the Secretary of State, a process for collecting that information.



Key Tactic #2

Through existing academic and research programs, NSHE also provides a global presence for Nevada. GOED and NSHE will collaborate on developing and implementing mutually beneficial **international outreach** plans that promote Nevada business and education. In addition, GOED will continue to foster internship opportunities in its Nevada offices for NSHE students interested in global business development.

Key Tactic #3

International business councils offer an important global networking opportunity both here and abroad. With regional business leaders, GOED will support current, and facilitate the establishment of additional, **international business councils** that will:

- Provide Nevada business representatives to meet with international business leaders who are visiting here for business or pleasure;
- Host foreign trade missions that come to Nevada; and
- Advise GOED and the RDAs on the development of country-specific strategies.

Such interactions will produce leads for new investment, new businesses, and new jobs for Nevada.

