



Office of Trade and Investment State of Illinois-Western Europe

Edition 17 - December 2010

“BULLETIN”

European Trade Fairs A strong platform to grow Illinois Exports

The National Export Initiative of March 2010, which aims to double U.S. exports over the next five years, thereby supporting two million American jobs, is bound to focus attention on key European trade fairs which have a track record in delivering direct sales and distributor agreements for U.S. companies. The Export Initiative focuses renewed potential on small and medium sized companies that are already exporting to one foreign market but have not reached out to a second (possibly neighbouring) market. Along with new to export companies, this type of enterprise has always been at the forefront of the OTI's recruitment efforts. The newly appointed Director of the National Export Initiative for the International Trade Administration, Ms Courtney Gregoire, recently visited MEDICA 2010 in Germany, to see for herself how effectively an international trade fair was delivering new export contracts to American companies. The Illinois OTI has supported companies to exhibit at MEDICA since 2006, and was glad to be able once again to organize a strong event in 2010. OTI also participated in this years Pollutec, the world leading fair in clean-tech and environmental technology, an important sector in Illinois.

MEDICA 2010 Duesseldorf, Germany

Medica 2010 hosted 438 U.S. companies including 16 from the State of Illinois. This ranked the U.S. as the second largest non European country presence at MEDICA. The total number of exhibitors was 4,400. Visitor numbers (trade only) were estimated at 137,200, which matched the attendance level of the previous year: Of the visitors surveyed by the show organizers, 72% were decisively or significantly involved in decision-making in their companies.

Seven Illinois companies were promoted from the Illinois OTI Booth. The OTI's aim was to support these companies to concentrate on what they do best- namely meeting potential trading partners, presenting their products and securing future orders. OTI European staff worked on taking all the "pain" out of the event organization, which included assistance with travel arrangements, shipping of products and catalogues, pre show promotion and setting up of prescheduled meetings with distributors. They were also on hand to support companies through-out the four day event.

MEDICA 2010 was deemed a success by the exhibiting Illinois companies. Over 140



Illinois medical device companies on the Illinois stand at MEDICA.

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matchmaking appointments and business contacts were made and substantial progress on signing of new distributor contracts occurred. The companies collectively predicted significant increases in overseas sales in the next 12 months as a direct result of contacts made.

Another result the OTI office can be proud of is that companies previously assisted by the State to be exhibitors on the Illinois booth are now funding their own exhibition space at MEDICA as the increase in exports they have achieved justifies the cost of exhibiting at the event.

POLLUTEC 2010 Lyon, France

OTI West European Office participated in the "U.S. Clean-tech mission to the EU" which took place in Lyon, France and Brussels, Belgium. The mission included

Company	Location	Product
Laitek Inc	Chicago	Data migration and storage
NewMedical Technology, Inc	Northbrook	Scar management products
Typenex Medical	Chicago	Blood transfusion products
Illinois Science and Technology Park	Skokie	State-of-the-art laboratory, research, wet-room and office space for life sciences companies
Lincoln Diagnostic	Decatur	Allergy Test Kits
Doran Scales	Batavia	Medical Scales
Global Pharma Device Solutions	Skokie	Compliance consulting and contract testing

Table 1 – Illinois companies promoted at MEDICA 2010.

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ILLINOIS' 42 YEAR LOVE AFFAIR WITH BRUSSELS Boosting the transatlantic relationship

The U.S. and the EU are the two largest economies in the world, accounting for over 50% of global GDP and 30% of global trade. Together they are the central drivers of the global economy. The transatlantic trade and investment relationship amounted to \$4.4 trillion in 2009. In that year European capital represented 64% of total foreign direct investment into the U.S. and in the reverse direction over 50% of total U.S. investment in foreign countries went to countries in the European Union. United States Secretary of Commerce Gary Locke noted in October 2010 that transatlantic foreign direct investment has created 14 million jobs on both sides of the Atlantic.

Through the Transatlantic Economic Council (TEC), set up in 2007 by U.S. President George W. Bush, German Chancellor Angela Merkel and EU Commission President Jose Manuel Barroso, the U.S. and the EU work to help spur job creation and economic growth by promoting innovation, streamlining regulation, and eliminating barriers to trade and investment. An announcement is expected in several areas of expanded regulatory cooperation at the December TEC meeting. At this meeting, the TEC is also expected to identify ways to enhance transatlantic consultation in the regulation of new technologies, the sharing of best practise and the development of joint principles to promote maximum compatibility of regulation. All of this is happening in the capital of Europe, Brussels, where the Illinois' West European office is situated, actively pursuing trade, investment and high level relationships with the movers and the shakers in Brussels and the surrounding regions and countries.

Over 42 years ago, Illinois had great foresight and vision by recognizing the importance of foreign markets and the opportunities in those markets for Illinois companies. As a result, Illinois opened its very first office in Brussels in 1968, to serve the needs of its home base companies, as well as provide services to foreign companies that wanted to expand into the United States. Those services are still being offered and hence, Illinois' love affair with Belgium and Brussels is still going strong. The now named Illinois Trade and Investment Office is at the centre of the European market, in Brussels and its location giving it a competitive advantage over the other American states with representation in Europe.

UNITED STATES

GDP :	\$14.12 trillion (PPP 2009 est)
GDP Real Growth rate :	- 2.6% (est. 2009)
GDP per capita :	\$46,000
Unemployment :	9.3% (2009 est)
Inflation rate :	- 0.3% (2009 est)
Capital :	Washington D.C.

Source: World Fact Book

EUROPE 27

GDP :	\$14.43 trillion (PPP 2009 est)
GDP Real Growth rate :	- 4% (est. 2009)
GDP per capita :	\$31,900
Unemployment :	10.1%
Inflation rate :	- 0.8% (2009 est)
Capital of European Union Institutions :	Brussels, Belgium

Source World Fact Book & Eurostat

Due to its central and strategic location, low cost of doing business, its international community, and easy access to all major centres in Europe including London, Paris, Amsterdam, Frankfurt, Milan and Madrid, the Illinois office is where it needs to be to get the best return on its investment and get the job done.

Our priorities are led by the Director of Illinois' Department of Commerce and Economic Opportunity (DCEO) Mr. Warren Ribley, and include the expansion of Illinois' export markets and the promotion of emerging technologies such as biotechnology, nanotechnology, life sciences and clean tech/renewable energy.

This is not just a one way relationship because Belgium also has a love affair with Illinois, as a result of the number of companies from the State that are major investors in this country. There are over 80 Illinois companies with facilities in Belgium and some of these have very significant installations. Caterpillar, which has a state of the art facility in Gosselies, south of Brussels, employs over 4,500 people at its manufacturing site.

This makes Caterpillar one of the largest U.S. investors in this small but important country. Caterpillar's Peoria facility is a major supplier of components to the Gosselies site and according to John Disharoon at Caterpillar USA: "Everyday the belly of a Boeing 747 flight number AA 89 from Chicago to Brussels is jammed packed with parts that have been produced at Caterpillar's operation in Peoria." Other Illinois companies in Belgium include Baxter, Abbott, Anixter, Motorola, ITW and Kraft. Organizations

such as the AmCham Belgium, the AmCham to the EU, the American European Association, the US Commercial Service, the US Mission to the EU and the German Marshall Fund are partners of the State of Illinois Trade and Investment Office that offer great networking opportunities at the numerous events organized in the city.

Belgium is one of only two countries where three American Ambassadors sit including U.S. Ambassador to the Kingdom of Belgium, U.S. Ambassador to the European Union and U.S. Ambassador to NATO. It is the seat of the European Commission, European Parliament and the European Council. There are over 1100 active trade associations, The Committee of Regions has its headquarters here, with representative offices from all Europe including Lombardia, Emilia Romagna, Nord Rhine Westphalia, Bavaria, Baden Wurttemberg, the West Midlands, the South East England, Yorkshire, the Paris Region, Rhone Alps and Nord Pas de Calais. These regions have major investments in Illinois. As a result the city offers frequent networking opportunities with the decision makers at the highest level.

Another major advantage is that you can reach a network of multipliers, they are all on tap in Brussels and this is why it is such a great place to do our business, the business of increasing trade and investment for the State of Illinois. However, Illinois is not alone; Florida, Missouri, Ohio and Virginia also have their European representative offices in Brussels.

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The Economic Impact of Wind Energy in Illinois

A recent report published by the Center for Renewable Energy at Illinois State University highlights the growing importance of wind energy to the economy in Illinois. A number of factors have contributed to the rapid growth of wind power capacity in Illinois, which has increased from 50 MW in 2003 to 1,847 MW in 2010. These factors include federal and state policies and incentives which have encouraged investment in wind capacity, a desire to achieve energy security and the availability of suitable development sites. A key policy driver was the passage of the Illinois Power Agency Act in 2007, which included a Renewable Energy Portfolio. This stated that by 2025, 25% of the State's energy was to come from renewable sources, including 75% from wind.

According to the American Wind Energy Association (AWEA) Illinois ranks 6th in the U.S. in existing wind-powered generating capacity (April 2010). Illinois currently has 21 wind projects online. These projects have had substantial economic development benefits in Illinois, which are described in the analysis produced by the Center for Renewable Energy. These benefits include:

- Created approximately 9,968 full-time equivalent jobs during the construction period with a payroll of \$509 million.
- Currently support app 494 permanent jobs in rural Illinois with a payroll of \$25 million
- Supports local economies by generating \$18 million in annual property taxes

- Generates \$8.3 million annually in extra income for Illinois landowners that lease their land to wind farm developers
- Will generate a total economic benefit of \$ 3.2 billion over the life of the projects.

A substantial number of the wind capacity in Illinois have been developed by or with European companies and using European wind turbine technology. European countries like Germany, Denmark, Spain and Portugal have been at the forefront of developing and investing in wind technology in Europe and create many wind-tech jobs in the USA.

The opportunity to attract more wind-tech jobs to Illinois was the reason OTI attended the HUSUM Wind Energy trade fair. HUSUM is the largest wind trade fair in Europe and takes place in the cradle of wind power in the Schlesweg-Holstein region of Germany. At this year's HUSUM visitors came from 80 countries to see a total of 971 exhibitors from 28 nations. Industry experts estimate that projects with a value of around five billion Euros were initiated or further developed during the five-day trade show. Outside Europe the main growth markets for wind are considered to be the USA and China. During Husum., several meetings took place between OTI European staff and European companies interested in learning about opportunities in the USA.

Feedback during the trade fair noted that a key factor in the future growth of wind investment in the U.S. will be whether the

Recovery Act Section 1603 tax credit due to expire in December 2010, will be extended. This grant was intended to solve the problem faced by many potential investors who were not able to avail of an investment tax credit but could avail of a cash grant. It was considered a strong driver in the 2008 and 2009 increase in investment in wind in the U.S. and its extension is being lobbied for by the industry.

For more information see : "Economic Impact- Wind Energy Developments in Illinois Center for Renewable Energy, Illinois State University, June 2010. Authors Dr David Loomis & Jennifer Hinman".

American Wind Energy Association : www.awea.com



Illinois Nanotechnology Industry - All things small !

Nanotechnology is the engineering of functional systems at the molecular scale and has the potential to impact every sector of the economy. Nano-enabled products are projected to be a \$2.6 trillion global industry by 2014. Nano-technology is a building block for high-growth economic sectors including next generation materials, biotechnology, electronics, energy, homeland security, and medical devices.

The worldwide need for nanotechnology workers is expected to reach 2 million by 2015. The United States is predicted to have a bigger share of these workers than any other country- up to 45 percent.

Illinois is a center for nanotechnology research and development and ranks highly among US states. According to a

May 2007 survey by Small Times magazine, Illinois ranks eighth on its list of leading nanotechnology states and fourth specifically for research and education in nanotechnology. There are currently several leading research institutes operating in Illinois that focus on areas of nanotechnology:

- Center for Nanoscale materials (Argonne National Laboratory)
- Center of Nanoscale Chemical-Electrical-Mechanical Manufacturing Systems (University of Illinois)
- International Institute for Nanotechnology (Northwestern University)
- Institute for Bionanotechnology in Medicine (Northwestern University)

- Center for Nanoscale Science and Technology (University of Illinois)
- Micro and Nanotechnology Laboratory (University of Illinois)
- The James Frank Institute (University of Chicago)

As the home of over 200 institutions of higher education, with combined enrollment near 900,000 students, as well as several prestigious national labs, the State of Illinois is uniquely positioned as a Midwestern and national leader in science and technology research and development.

OTI Brussels has promoted the nanotech industry to regions within Europe with strong nanotech clusters and will continue to do this in 2011 to foster collaborations in this exciting industry.

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We provide:

- For Illinois companies : market research, partner searches, information on imports & regulations for Illinois companies that wish to commence or expand their trade in Europe.
- For European Investors : access to experienced Legal, Insurance, Accounting, Banking and Real Estate services and State incentives for qualifying projects.
- Assistance with site selection and sites visits, information on regulation, meetings with local economic developers and access to a large network of multipliers.
- Detailed information on all aspects of the business environment in Illinois.



From the Illinois' Brussels Office,
Sharon, Siobhan and Annick
wish all of our Illinois companies,
European investors, service providers,
partners and colleagues, every best wish
for the New Year and success
in their projects for 2011.

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several networking receptions, luncheons and meetings with French and Belgian companies, distributors, local economic development agencies, and industry clusters. As part of the mission, the delegation attended Pollutec, the largest global trade show for environmental professionals in the world. Pollutec focuses on equipment and services for industrial processes, water treatment and clean technologies. This year's Pollutec attracted over 2,400 exhibitors and received an estimated 75,000 trade only visitors.

The U.S. Ambassador to France, Mr. Charles Rivkin opened the USA Pavilion and met with the American delegation, which consisted of several companies and close to 30 economic developers from all over the U.S. Illinois' European staff held several pre-scheduled meetings with European companies interested in the U.S. market.

For more information :

- www.medica.de,
- www.pollutec.com,
- www.export.gov/cleantechmission

EVENTS - Past and future.

Over the past six months, the OTI West European office staff have continued to market and promote the State of Illinois at many events. Highlights include being hosted by the Spanish Confederation of Employers' Organization (CEOE) for an intensive round of meetings in northern Spain visiting the industrial regions of Cantabria and Asturias. The week's programme included Illinois presenting at two investment seminars and nine company visits. In September OTI Brussels staff were in the UK participating in a CASE and British-American Chamber of Commerce initiative in London, Leeds and Birmingham to meet interested companies. The Renewable European Energy Forum, in London, in October was another venue for investment promotional meetings. FDI meetings were also held at the HUSUM and MEDICA trade fairs in Germany and at the POLLUTEC trade fair in France. In December OTI staff presented to Belgian companies at the Clean Technologies FDI seminar organized by the U.S. Commercial Service Office in Brussels.

Brussels office forthcoming events include the following:

February 8-10, 2011
Logimat Trade show and FDI Outreach
Stuttgart, Baden Wurttemberg, Germany

February 22-24, 2011
CASE FDI Seminar and Outreach,
Toulouse, France

April 11-15, 2011
Doing Business with Illinois Outreach and targeted business meetings,
Milano, Bergamo and Padova, Italy.

May 12-13, 2011
Doing Business with Illinois
The German American Renewable Energy Conference, Berlin, Germany

Upcoming International trade fairs taking place in Chicago:

Promat Expo
Start Date: 24-JAN-11
End Date: 27-JAN-11
Organizer: Material Handling Industry of America

Chicago Auto Show
Start Date: 11-FEB-11
End Date: 20-FEB-11
Organizer: Chicago Automobile Trade Association. The largest auto show in North America

International Home + Housewares Show
Start Date: 06-MAR-11
End Date: 08-MAR-11
Organizer: International Housewares Association

National Restaurant Association
Start Date: 21-MAY-11
End Date: 24-MAY-11
Organizer: National Restaurant Association