IRELAND
Innovation comes naturally
# Horizon 2020

IDA Ireland Strategy

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I am delighted to take up the role of chairperson of IDA Ireland as we launch a new strategy for attracting investors into Ireland and for investing companies and the Irish economy to mutually benefit from the relationship.

There are great challenges before us but there are also great opportunities. The sweeping changes in technology and the world economy outlined in this document promotes an increased sense of urgency as we change the way IDA performs its mission. I have full confidence that the expertise and energy IDA staff bring to the task will ensure we remain one of the world’s most professional agencies for promoting FDI.

Working for more than 30 years in international business makes me keenly aware of how important good strategy is to success. I believe the strategy outlined in this document offers IDA and all our stakeholders a roadmap to a more prosperous future for Ireland.

The IDA Ireland Horizon 2020 strategy will be a guide as we adapt to the constantly changing environment and look forward to the future.

Liam O’Mahony
Chairperson
IDA Ireland

March 2010.
Back in the late 1980s, clothing and textiles were still a significant part of Ireland’s foreign direct investment (FDI) landscape. Intel was in early discussions about creating a presence in Ireland. Dublin’s IFSC was a collection of derelict buildings. Google was just a misspelling of a word for a large number. And the only Facebook that Mark Zuckerberg had created were drawings in crayon.

The lesson of the Irish experience with FDI is that success is never permanent and to stand still is to be left behind. Challenges create business opportunities. Companies and countries best able to continuously adapt and renew themselves will harness those opportunities.

Ireland can win new investment that will create thousands of high-quality jobs. These investments will come from the development of existing client companies, industries and markets. They will also come from new types of companies, in new areas like green technology, services innovation across all industries and convergence; and originating from new markets. But success is far from guaranteed.

Our unique proposition is a world-class environment for business, combining our track record in winning investments from and partnering with multinationals, our pool of talent, our tax regime, and our embrace of technology.

But in 2010 Ireland faces unprecedented challenges. Following years of healthy export-led growth stimulated by hard-won FDI, our economy became too reliant on the construction and retail sectors. Consumption-led growth saw the cost of doing business in Ireland increase and our competitiveness decline.

As the worst global downturn since the 1930s unfolded, Ireland has been among the most affected countries.

Our international reputation was seriously challenged and unemployment was driven up. But Ireland has continued to develop a powerful presence of many of the world’s most innovative companies in ICT and digital media, life sciences, engineering, business services, and financial services.

This continued success has allowed FDI-fuelled exports to temper the economic downturn and serve as a vital part of our recovery. But the threats to our ability to win FDI have not gone away and national priorities require that we compete not just for new investments but ones that maximise job creation without sacrificing quality.

This is an era of both peril and promise.

FDI has been, is now and will be a catalyst for a future of sustainable prosperity in a Smart Economy. FDI creates hundreds of thousands of high-quality jobs, both for the employees of the investing company and in the firms that provide goods and services to those companies. Continued success requires a process of constant transformation in technology, skills and business processes.
IDA is driving transformation within our client companies, in partnership with local and corporate management. Together we can make new technological breakthroughs in clean technology, convergence and services innovation and make them a commercial reality. Collaborating with leading indigenous firms, universities and sister agencies, together we can make Ireland a global innovation hub.

IDA Ireland began a comprehensive review of its strategy in 2009. We consulted with client company executives here and at their headquarters abroad. We included external experts from academia, our sister agencies and the policymaking community. Those discussions were invaluable in the creation of a business and technology roadmap that informs the strategy we describe in this document.

Never before has IDA Ireland published its thinking in this way. We are doing so now because the achievement of the FDI goals set out in the strategy require engagement with a broader range of stakeholders than ever before.

The IDA Ireland 2020 strategy presents our view of how the environment in which IDA operates will change over the next 10 years. We examine the opportunities for FDI in Ireland created by global trends, what goals Ireland needs to set to capitalise on those opportunities and how public and private sector partners must work together to achieve those goals.

We also set out specific targets for the period 2010-2014:
- 105,000 new jobs
- 640 investments
- 50% of investments will be located outside Dublin and Cork
- 20% of greenfield investments originating from emerging markets by 2014
- Annual client spend of €1.7bn in research, development and innovation by 2014

IDA will increase its focus on winning new investments in the following areas:
- Global services
- High-end manufacturing
- Research, development and innovation

IDA will focus on winning new investments, particularly from the following sectors:
- Life sciences
  - Pharma and biopharma
  - Medical devices
- Information & communications technology
- Financial services
- Content industry, consumer and business services
- Diversified industries and engineering
- Clean technologies

A growing proportion of FDI will come from high-growth markets new to Ireland and IDA will win investments from these markets.
FDI will also come increasingly from early-stage companies, which IDA can help attract to Ireland in part because so many established leading multinationals are already here.

The most important thing that IDA will do is serve as a catalyst for change. Change in how our client companies operate. Change in how IDA works with multinationals serving the Irish market. And change in how multinational firms partner with indigenous firms.

Without a consistent, continuous drive to create value for investors and potential investors the Irish economy simply will not provide the opportunities needed.

In a world where Ireland faces new and growing competitive threats every year for our share of FDI, resting on our laurels will guarantee only failure. Success will require an unprecedented level of collaboration from all stakeholders in the Irish system to continuously adapt: government, IDA and our sister agencies, universities, current multinationals and indigenous entrepreneurs. We call that group Team Ireland. If our past success was built on a world-leading proposition combining our track record, talent, tax regime and technology, our future depends on our ability to add transformation to the list of things at which Team Ireland excels.

As we developed this strategy, the staff of IDA have demonstrated their determination to contribute to Ireland’s success. Their unwavering dedication and commitment to innovation have shaped this strategy and are critical to its successful implementation.

This document is a high-level overview of the goals and broad direction that IDA will take to accomplish those goals. For competitive reasons IDA cannot reveal all of the detailed action plans that will be undertaken to achieve those goals.

I am confident that the strategy outlined here is a robust plan that will, with the commitment of Team Ireland working together, pave the way to renewed and sustainable prosperity in Ireland.

Barry O’Leary  
CEO  
IDA Ireland

March 2010.
FDI is vital to the success of the Irish economy. Without it, Ireland would not have the more than 140,000 jobs directly created by foreign companies operating here. We also would not have the additional 100,000 jobs that support these firms.

IDA-supported multinational companies make up 30% of Gross Value Added in the economy; account for more than two-thirds of all exports, at €110 billion annually; contribute nearly half of all corporate tax revenues; spend €7bn on payroll; and account for €19 billion in total spend in the Irish economy*.

As IDA client companies have changed in composition and their activities in Ireland have moved from commoditised manufacturing activities to include high-end manufacturing, such as Intel and Johnson & Johnson and international services at Google and PayPal, FDI has also brought longer-term benefits in Irish business culture.

Productivity in IDA client companies is four times that of the Irish economy as a whole. The management skills and expertise in dealing with global supply chains practiced by multinational companies bring lasting benefits for the whole of the Irish economy as local management use those business practices in their dealings with indigenous firms.

Innovation in Ireland is powered in part by foreign companies doing high-level research and development (RD&I) activity in the country. IDA client companies spend nearly €1.2bn per annum on RD&I, accounting for nearly three-quarters of all RD&I spend in the country by business. It will be a catalyst for research and commercialisation activity at universities and is the foundation of an innovation infrastructure that indigenous Irish entrepreneurs can leverage.

Innovation is also powered by the process of transformation embraced by successful multinational companies. As companies develop new solutions to benefit businesses and consumers, adopt new technologies, upskill their employees and drive greater productivity and value-creation through their businesses, these innovations spill over into the wider economy.

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**IRELAND’S POSITION IN THE GLOBAL RANKINGS†**

1st for the availability of skilled labour
1st for the availability of financial skills
1st for real corporate taxes
3rd for flexibility and adaptability of people
3rd for being open to new ideas
4th for labour productivity

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*Sources: Indecon, Forfás, CSO.
†Source: IMD World Competitiveness Yearbook 2009
KEY FDI IMPACTS ON THE IRISH ECONOMY

- €110 billion exports
- 240,000 jobs in total
- 50% of corporation tax
- €19 billion in expenditure
- €7 billion in payroll
- 73% of business RD&I expenditure

WORLD LEADERS CHOOSE IRELAND

- 8 of the top 10 in ICT
- 8 of the top 10 in pharmaceuticals
- 15 of the top 25 in medical devices
- More than 50% of the world’s leading financial services firms
The history of FDI in Ireland is the progressive addition of new sectors and business models, enabled by new technologies and innovative policy interventions. Each addition, from manufacturing to the IFSC to internet firms, has made the Irish story in FDI that much more compelling.

In the development of this strategy, IDA has undertaken a deep and far-reaching analysis of the trends shaping the business environment through to 2020 and what opportunities those trends will create here in Ireland. Our analysis give us a clear vision of what developments lie ahead in the period 2010-2014 and beyond. Some examples of those developments are outlined above. For competitive reasons, however, IDA cannot reveal all of the detail of our predictions and the action plans that will be undertaken to achieve the goals outlined in this document.

* Illustrative examples only
Objectives and Goals for FDI
What should Ireland strive to achieve in this decade? We have unique strengths to build upon. We have a young, highly skilled workforce and easy access to the best young talent across Europe. Our corporate tax regime is compelling. Our achievements in attracting successive waves of FDI to Ireland and focusing them into highly dynamic and innovative clusters, such as medical technologies, digital media and games, is highly admired. The natural curiosity of our workforce makes us naturally disposed to innovation and creativity.

Our talent, tax regime, technology and track record are core strengths that underpin our uniquely business-friendly environment. Looking at the global environment for FDI, we know that demographics, climate change, risk aversion, high-growth markets and new flows of FDI are important. And we know we need to ensure that the investment we attract supports our larger national goals to create new employment, support regional economic development and build the Smart Economy.

Mission
IDA will maximise the impact of FDI in the transformation of Ireland into a global hub for innovation and commercialisation, bringing new employment opportunities and economic benefits for all its people by sustaining and winning high quality investment. In collaboration with other stakeholders, IDA will ensure Ireland remains a uniquely attractive environment in which multinational companies can grow.

GOALS FOR 2014
Creating employment opportunities will be a top priority for IDA. We will deliver on that by achieving the following targets over the period 2010-2014:

- **62,000 NEW JOBS**
- **105,000 IMPACT**
- **REGIONAL ECONOMIC DEVELOPMENT**
- **50% OF INVESTMENTS OUTSIDE OF DUBLIN AND CORK**
- **HIGH-GROWTH MARKETS**
- **20% OF GREENFIELD INVESTMENTS FROM EMERGING MARKETS BY 2014**
- **RD&I**
- **ANNUAL €1.7BN CLIENT INVESTMENT BY 2014**
- **INVESTMENTS**
- **640**
Factors Driving Change in the FDI Landscape

Choosing where to locate international operations has never been a more consequential decision for multinational companies and the market for FDI has never been more competitive. Long-term trends in the policy environment and the economic balance between the developed and developing world are already reshaping the choices companies make.

The global economic downturn and technological change have combined to accelerate those trends.

IDA Ireland will win investments driven by these trends. An example is the IBM Smart Cities Technology Centre. The Centre will be located in Dublin, where IBM will build a highly skilled and cross-disciplinary team to help cities around the world better understand, interconnect and manage their core operational systems such as transport, communication, water and energy.

Here we outline our view of the most relevant trends and how Ireland can navigate the challenges and seize the opportunities they create.
Diverging Demographics
By 2020, the US and Europe will be greyer but Ireland will be relatively young. 16% of Americans and 19% of Europeans will be over 65 years of age. This will place new challenges on developed economies. Ireland, by contrast, will have an advantage. With a comparatively younger population, with just 14% of Irish people over 65, Ireland will have a relatively larger proportion of highly skilled and educated workers from which to draw. Ireland also remains a vibrant and attractive place for younger workers from within the EU, making it easier for multinationals locating here to attract young talent from the whole of the 500 million-strong European Economic Area.

Demographic change will also create opportunities in areas in which Ireland has particular strengths in its existing base of FDI client companies. Many of our client companies are developing innovative services and products to meet the needs of ageing populations.

The Technology Research for Independent Living (TRIL) Centre is a showcase of advances of this type. One of the largest projects of its type in the world, Intel’s Digital Health Group is working with researchers from Trinity College Dublin, University College Dublin and National University of Ireland, Galway to develop innovative technologies that will help people live more independently as they age.

Climate Change
Companies and countries in the developed world are innovating to find ways to mitigate the effects of climate change, reduce greenhouse emissions and create less carbon-intensive ways of doing business. Ireland has pledged to reduce greenhouse emissions by 20% by 2020. Broader international targets are under negotiation as the decade unfolds.

Greener economies will require cleaner technology in the automotive, electricity, pharmaceutical and IT sectors as well as new energy solutions. Ireland can compete to attract innovators in this new sector as new firms or new divisions of established multinationals seek to set up operations for research, development and innovation (RD&I), high-value manufacturing and as a test bed for new products and services that are then commercialised and traded internationally. The investment by Swedish energy firm Vattenfall, working with indigenous firm Wavebob to develop “wave farms” to harness Ireland’s ocean energy is an important step towards turning that trend to Ireland’s advantage.

From Risk to Resilience
The adverse shocks of the last decade in security, energy and global credit markets have prompted urgent rethinking in the world’s boardrooms about risk. Global supply chains made companies and economies more efficient but also more vulnerable to the effects of sudden shocks.
Resilience is the new watchword as companies in areas as diverse as retail to automotive to aviation to financial services to consulting to ICT seek to identify stress points in supply chains and concentrate them in secure locations that have a stable regulatory and currency environment. As a developed economy with an excellent track record in FDI, a stable regulatory regime for internationally traded goods and services and membership of the EU and eurozone, Ireland is a low-risk location from which to establish and develop an international presence.

Leading firms involved in risk management, including AON and Citi, have recently established centres of excellence in Ireland.

High-Growth Markets
Developing economies will grow faster and take a larger share of global trade and with it become increasingly important sources and destinations of FDI. Companies based in leading high-growth markets Brazil, Russia, India and China (BRIC countries) quadrupled their share of the Global 500 list from 15 to 62 between 2006 and 2008. As China returned to double-digit growth and overtook Japan as the world’s second largest economy, the effects of the downturn and dearth of credit may see that trend accelerate. Ireland’s proven FDI track record allows it to compete with other Global destinations as a logical location for dynamic multinational companies from the BRICs and other future high growth markets such as the Gulf States as they establish or expand an international presence to support world markets.

New Forms of FDI
FDI is changing. In the classic model, a foreign company would build a factory in a new country. Locations were selected based on cost competitiveness and incentives, as well as proximity to markets.

Today, technology has enabled companies to change both the solutions they offer their customers and the way they create those solutions. Collaboration between firms in different sectors allows the development of entirely new projects. Multinational firms assemble networks of people in their own organisations as well as engaging with other multinational firms and indigenous companies to create new products and services.

The ICT sector in Ireland is already playing a leading role in showing this model in operation, with Facebook connecting with local application developers through its Developer Garage programme and Google’s Code Jam engaging in a similar way. Firms in other sectors from medical devices to the emerging clean tech sector will seek new ways to collaborate with indigenous players to create new value.

And as Ireland’s indigenous technology sector matures, FDI may also take the form of acquisitions such as Intel’s purchase of Havok, the Trinity College Dublin campus spinoff company that provides software and services used by digital media creators in gaming and film.
In order to achieve the priority goals for 2010-2014 set out in this document, IDA is advancing a series of initiatives to maximise the employment created or influenced by foreign direct investment in the Irish economy.

1. Drive Company Transformation
2. Win Employment-Intensive Services FDI
3. Win New Forms of FDI
4. Drive Regional Economic Development
5. Attract Investors from New High-Growth Markets
6. Win Business from Emerging Companies
7. Build Brand Ireland Abroad and Online
8. Embrace Open Innovation
9. Strengthen Ireland’s Value Proposition
10. Partner with Team Ireland
This section outlines 10 of the most important actions the IDA is taking to make those goals a reality in the period 2010-2014 and to put Ireland in the best possible competitive position to take advantage of worldwide trends that will reshape global business by 2020.

1. **Drive Company Transformation**

Foreign direct investment is responsible for 140,000 Irish jobs and is a catalyst for an additional 100,000 jobs. There is a strategic need to maintain these jobs in Ireland, which will require a constant programme of improvement and investment. IDA will assist local and corporate management in these firms to help them engage in transformation programmes to improve competitiveness, enhance their use of technology, grow the skills of their employees, engage in research, development and innovation, develop their business processes and make their operations more efficient.

We do this by building on our experience with firms that reinvent themselves here in Ireland.

In recent years, IBM has transformed its business in Ireland to become a vital strategic part of its global network. Now Ireland hosts IBM’s next generation data centre, research facilities on application development, water management, high performance computing, European venture capital centre and its Smarter Cities Technology Centre.

Baxter Healthcare is investing €75m over six years in a programme to transform its operations in County Mayo into a state-of-the-art healthcare facility. The company is investing in new technology, creating new product lines and investing in staff training. Baxter is also investing €5.5m to install a 3MW combined heat and power plant (CHP) that will help reduce their energy costs and reduce the company’s carbon emissions. IDA is well-placed to build on this expertise in green energy and clean technology to assist other companies as they move towards greater energy efficiency.

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**ESSENTIAL ELEMENTS OF TRANSFORMATION**

- Company wide Competitiveness Initiatives
- Technology Uplift
- Skills Uplift
- Research & Development and Innovation
- Process Development
- Energy Efficiency
2. Win Employment-Intensive Services FDI

In its recent strategic approach, IDA has focused on winning the greatest possible number of new investments in its portfolio of sectors and corporations. In particular this has meant an increased focus on attracting high-end manufacturing, RD&I projects and global services. IDA will continue to work across the sectors in which it has attracted FDI and in new sectors.

Through 2014 there will be a particular focus on delivering employment intensive investment, led by burgeoning global growth in demand for services. Ireland is already a leader in offering multinational companies an attractive location for shared services in operating an EMEA or international headquarters from Ireland, tech support, supply chain management, HR, finance, purchasing, logistics and many other services.

IDA will build on that success and be an early mover at attracting new types of services. We will see clients expand the portfolio of shared services functions operating from Ireland.

IDA will also win new services investments in software, life sciences, online retail, IT services and gaming.

Services innovation will represent a significant area of growth, as different sectors converge and new solutions are developed such as health informatics, financial analytics or digital lifestyle management. This ‘servicisation’ of companies offering new solutions will be an increasing source of new employment to 2014 and beyond.

3. Win New Forms of FDI

Foreign direct investment increasingly takes new forms. Companies that come initially to sell to the domestic market can find it advantageous to expand their operations to include centres of excellence – testing new technologies in Ireland before releasing them in other markets, for example. IDA will capitalise on this trend.

IDA will target new investments of this type from multinationals across a range of sectors. Foreign companies that have successfully tendered for a public sector contract and foreign companies that serve the domestic consumer market will be prime candidates for such investments.

IDA will showcase Ireland as one of the world’s best laboratories for companies to “develop, testbed and
internationalise”. Ireland can be the ideal place for a multinational to test a new technology, service or business process before launching it to other markets.

Clean tech is an example. With abundant renewable resources, advances in electricity and internet infrastructure, and the right regulatory environment, Ireland can become a world leader in the testing, development and commercialisation of new clean tech.

Changes in technology have made possible whole new categories of products and services. Companies that once exclusively thought of themselves as ICT firms such as IBM now develop solutions in applying that technology to promote better healthcare. Companies working at the forefront of nanotechnology and microelectronics are developing applications for the Life Sciences. Even building materials are being embedded with sensors connected to wireless networks to create smart buildings.

These innovations require an approach to project development that stretches across firms in previously unrelated sectors. The IDA is already a pioneer in bringing such projects to fruition. With that track record and with the presence of so many world-leading firms across sectors, IDA is in an excellent position to ensure that future convergent projects of this type find their natural home here in Ireland.

IDA will also expand its traditional mandate by seeking investments in a targeted way, where FDI could increase competition in a sector, fills an infrastructure deficit or improves costs competitiveness.

These innovations in how IDA does business, in collaboration with other Team Ireland partners, will comply with national policy objectives and will help enhance employment and competitiveness.

4. Drive Regional Economic Development
IDA will ensure that between 2010 – 2014, 50% of FDI projects will be located outside of Dublin and Cork. In line with the Government’s National Spatial Strategy (NSS), IDA will make smart use of its property portfolio in regions targeted for investment. We will work with local authorities to make potential sites as attractive as possible for investors.

IDA has identified key areas of infrastructure improvement that are essential if we are to be successful in winning new investments into the regions outside Dublin and
Cork. Transport and energy are vital. The importance of delivering next-generation networks is arguably the most important of all.

High speed broadband access across Ireland, delivered in a timely and cost-effective way, must be a national priority and will require government intervention. Advanced FDI projects will require access to cloud computing, which in turn requires high-speed broadband access to be viable for mission-critical functions within a business.

IDA believes success in winning FDI for the regions also requires constant vigilance on competitiveness. Local authority charges and infrastructure prices must not be a barrier to investment.

5. Attract Investors from New High-Growth Markets

As new high-growth economies including the BRICs become more important sources of FDI, IDA will increase its focus and resources on winning investments originating from these markets. IDA will ensure that by 2014, 20% of greenfield investments into Ireland originate from these new high-growth markets.

IDA has established a dedicated team working to attract investments specifically from these markets. IDA will work with our sister agencies to make Ireland a global location of choice for companies headquartered in these dynamic growth markets as they grow their international presence. IDA will demonstrate to these firms our track record of meeting and anticipating the needs of multinational clients as they grow outside their home market. Whether they come to Ireland through stand alone investments, partnership or via merger or acquisition, IDA will ensure that the most compelling mix of incentives and opportunities are offered to these emerging business leaders.

6. Win Business from Emerging Companies

High growth technology companies have impact hugely disproportional to their size. They are often first to market with new ideas and new business models in digital media, clean tech, financial services, life sciences and mobile technology. These young companies are the seeds of tomorrow’s multinationals – whether through organic growth or in mergers or acquisitions, often with more established firms. IDA will increase its emphasis and focus on these high potential companies in support of the development of Ireland as a global innovation hub.

IDA has established a dedicated team focused on the needs of these companies. Working with sister agencies and other stakeholders, we will assist these emerging companies with financial support and in making connections in Ireland. These high-growth firms will become an increasingly important part of Ireland’s innovation ecosystem, linking up with established multinationals in ICT, life sciences, financial services and globally traded businesses; third level institutions and their talented graduates; and indigenous companies of similar scale and potential.
Google is one of IDA Ireland’s client companies that participated in its advertising campaign in the USA. This ad appeared in a variety of business media in the USA.
7. Build Brand Ireland Abroad and Online
IDA Ireland responded vigorously to counter negative perceptions about Ireland as the economy contracted with a proactive communications campaign initially directed at the North American market. The campaign, which has itself attracted international attention, positioned Ireland as the place where “Innovation Comes Naturally”.

This message was delivered to key executives in the US in advertising on CNBC, Bloomberg, in key airports in New York, Chicago, San Francisco, Washington and other cities, in the Wall Street Journal and New York Times as well as online, using innovative techniques in social media to promote discussion of ‘Innovation Ireland.’

An effective PR campaign enabled our executives and other Team Ireland spokespersons to directly challenge and correct negative impressions of Ireland, with interviews by IDA chief executive on CNBC’s Squawk Box and Bloomberg TV as well as with other key media outlets. The campaign itself was covered by the New York Times. And our website has brought to life the stories of the many successful client companies that Ireland boasts.

This new campaign launched in September 2009 and continues to enhance Ireland’s reputation abroad. That campaign will continue to keep Ireland as an FDI destination top of mind in the world’s boardrooms. IDA attracted the participation in the advertising of several key clients, including Boston Scientific, Citi, Facebook, Google, Lenovo, Merck Sharpe & Dohme and Microsoft.

IDA also realises that because the digital communications landscape is global, how Irish FDI is perceived and talked about at home and in social media has an effect on our reputation abroad.

Using social media, IDA will continue to engage with bloggers and other influencers here at home to make sure that the story of Ireland’s emerging Smart Economy is told online in a way that reflects the true picture of Ireland’s determination to transform.

8. Embrace Open Innovation
IDA is constantly scanning the horizon to explore innovation in the ways companies do business. As the world has become more networked, collaborations that were previously unimaginable now become commonplace. Organisations that are superb innovators – such as Apple, BMW, Google, Microsoft, Nokia, Samsung and Tesco – use a process of open innovation. They nurture and harvest the best ideas from across their internal and external networks of customers, suppliers, staff, competitors and partners in order to gain greater results for all involved.

IDA is itself adopting the open innovation model. To harness the best of global thinking, we engage with partners, clients, staff, other agencies and the Irish diaspora and continually renew our intellectual capital. We are putting in place the infrastructure and tools that will help IDA become ever-more adaptable, learning-focused and flexible.
Enhancing the skills that will empower them to make meaningful contributions to an organisational culture created around open innovation will be a central part of IDA staff development over the coming years.

9. Strengthen Ireland’s Value Proposition
Ireland’s track record in attracting FDI, our deep and broad talent pool, our tax regime and our embrace of technology – all in one of the most business-friendly environments in the world – are the key elements of the value proposition that has won Ireland its current base of FDI. As competing locations have copied the model that led to our own success, those elements are increasingly ‘entry level’. They are necessary, but not sufficient.

In order to stay ahead of our competitors, Ireland must adopt a forward-leaning stance that sees our value proposition continually enhanced.

To talent, track record, tax and technology Ireland must add transformation as something Ireland does exceptionally well and that the IDA helps to facilitate. IDA will lead the effort, but protecting our existing FDI base and winning new investment will require a continuous, concentrated effort from other agencies, from government and from higher education institutes.

As well as our overall value proposition, the value proposition for each sector must evolve. In Life Sciences for example we have seen this proposition further develop to include:-

- the SFI Centres for Science, Engineering & Technology such as the Biomedical Diagnostics Institute and Systems Biology Ireland;
- strategic sites for bio-pharma;
- establishment of the National Institute for Bioprocessing Research and Training (NIBRT), a €57m investment to further develop the skills base and assist industry with research challenges in the area of bio-processing
- a renowned track record with the FDA.

Regulation can also be a source of advantage. Ireland must ensure that it remains at the forefront of creating a regulatory environment that is robust, credible and ‘fit for purpose’ – one that does not place undue burdens on business.

In areas such as clean technologies, the regulatory environment must be innovative and responsive enough to create incentives for these emerging businesses to locate in Ireland. This is the only way to achieve the ultimate goals of positioning Ireland as a true global hub for innovation, a leader at commercialising and internationalising new products and services, and maintaining Ireland’s position as the location of choice.

10. Partner with Team Ireland
IDA will lead the effort to achieve the ambitious goals set out but IDA cannot do it alone. Success in making Ireland the location of choice for new investors while helping
existing clients transform their own operations will be possible only with commitment from all players in the system.

It will require closer and sustained cooperation first and foremost between all of the key stakeholders in the Irish system. Sister agencies including Enterprise Ireland, Science Foundation Ireland, Forfás, FÁS, SEAI, Shannon Development and Udaras na Gaeltachta and others must work together in a far more integrated way, in order to increase the prospects for Irish success.

In the preceding pages, we outlined our strategy of what IDA will do to maximise the impact of FDI on the transformation of Ireland and to provide the maximum opportunities for employment.

IDA has also identified needs that must continue to be supported by other members of Team Ireland in order to maximise the effectiveness of FDI.

Ireland must continuously improve its competitiveness. We must ensure that our work practices and cost base make us a highly attractive location for a variety of employment-intensive projects with multinational companies.

We must ensure our tax regime remains compelling when compared to those in other locations.

We must ensure that we quickly enhance our broadband infrastructure and deploy Next Generation Networks that enable the most advanced uses of cloud computing technology – all across Ireland.

We must make sure that Ireland’s energy infrastructure continually delivers world-class networks and energy at a competitive price.

We must continually enhance our education system and training programmes to ensure we have a workforce with relevant skills across all sectors and a workforce that supports advanced RD&I activities.

And we must ensure that the regulatory environment of Ireland is fit for purpose. Regulation must be strong, credible and flexible to adapt to changing conditions to maximise the opportunities for job creation, innovation and the emergence of new sectors.

We are confident that with commitment from all stakeholders, Team Ireland can offer a world-beating environment for business success.
IDA is committed to being the most competitive, client-focused FDI agency in the world.

Delivery of this strategy requires that IDA receive adequate resources and support from government.

This document is a high-level overview of more detailed and extensive strategy documents prepared over the course of several months. For competitive reasons IDA cannot fully disclose every initiative in detail.

In the preceding pages we have made our case to show how, with the commitment of other partners in Team Ireland, IDA can pave the way to greater employment, be the innovative leader in new forms of FDI, and strengthen Ireland’s opportunities for success in the years to 2020.
Building on our past success, Ireland must strive to continually improve our value proposition to ensure we remain a uniquely attractive environment for global business.
IDA OFFICES

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