



MEMORANDUM

TO: Mayor Lawlor and Members of Council

FROM: Graham Lowe, Senior Economic Development Officer

DATE: June 2, 2023

MEMO NO.: BEC-2023-0004

SUBJECT: 2023 Foreign Direct Investment (FDI) Activities and Trade Mission

PURPOSE OF THE MEMORANDUM:

The purpose of this Memorandum is to provide Council with an update on the implementation of the Town's non-residential Foreign Direct Investment (FDI) attraction program throughout 2023, including in-market activities planned for Fall 2023. These focused activities will continue to sustain momentum and help showcase Halton Hills as a prime investment destination.

BACKGROUND:

In March 2020, Halton Hills' [FDI Attraction Strategy](#) was approved. The Strategy is focused on the target markets of Germany and the Netherlands, and the sectors of Advanced Manufacturing, Food and Beverage Processing, Agri-Business, and Clean Technology/Renewable Energy.

FDI is part of the Town's comprehensive economic development workplan, and part of the its broader Economic Development and Tourism Strategy. FDI activities can benefit local businesses, help attract quality local jobs, and increase non-residential assessment and associated municipal revenue.

In 2022, Halton Hills' first in-market international trade mission to Germany and Netherlands was successfully implemented. Halton Hills was showcased to pre-qualified companies through in-person meetings as well as via discussions with investment intermediaries. Almost 30 face-to-face meetings took place, and 5 companies were identified for ongoing investment follow-up. An update was provided to Council in [March 2023](#). Throughout 2023, staff have continued to be engaged with ongoing follow-up and

servicing of the investment leads from the Fall 2022 trade mission.

Recognizing that investment attraction is a long-term process, the 2022 trade mission was the first of such missions. While investments are not guaranteed, subsequent focused missions and sustained effort are required to sustain momentum, maintain in-market presence, and to help ensure that investment leads turn into real investments.

COMMENTS:

1. Focused and Tailored FDI Approach

Halton Hills' FDI Attraction Strategy was developed to complement and amplify the investment attraction activities undertaken by other organizations and levels of government, while being tailored for Halton Hills.

Along with many communities in the Greater Toronto Area (GTA), Halton Hills recognizes that improving the Town's capacity to attract FDI can help drive economic prosperity. In addition to municipal efforts, there are several organizations at the federal, provincial, and regional levels that engage in FDI activities, many of which organize their own trade missions. Over the past three years, Halton Hills has proactively established itself as an important part of this network.

This approach includes Halton Hills becoming a member of the [Ontario Manufacturing Communities Alliance \(OMCA\)](#) in 2023. OMCA is a partnership of economic development organizations from across Ontario, including Hamilton, Simcoe Country, Middlesex County, Windsor Essex, Kingston, London, Brampton and others. Membership in OMCA provides Halton Hills with additional investment leads, as well as the opportunity to attend any of the six advanced manufacturing international trade shows that OMCA has planned delegations to in 2023. The Town's participation in OMCA activities helps reduce the cost of in-market activities, while providing additional investment leads and enabling staff to build relationships with other municipal investment attraction leads throughout Ontario.

Recognizing the resources required to plan and implement a stand-alone trade mission in-house, in early 2023, Town staff began exploring partnership opportunities for future joint trade missions with other investment promotion organizations such as OMCA and Toronto Global. While recognizing that standalone and Town-led trade missions will likely be necessary in the future, for 2023, the Town has an opportunity to leverage OMCA efforts to maximize benefits, while reducing costs.

2. 2023 Trade Mission Options

Halton Hills' OMCA membership provides the Town with an opportunity to attend six OMCA-led tradeshow in 2023, including:

- Hannover Mess (April 17-21, Hannover, Germany)

- Automatica (June 27-30, Munich, Germany)
- IAA Mobility (September 5-10, Munich, Germany)
- hy-fcell (September 13-14, Stuttgart, Germany)
- FABtech (September 11-14, Chicago, USA)
- eMove360° Europe (October 17-19, Munich Germany)

Staff has undertaken a detailed review of the six tradeshow options. A number of factors were taken into account, including relevance of target markets and target sectors, number of attendees, travel costs and trade show dates. Based on this review, only one Town staff representative will be attending the IAA Mobility trade show in Munich, Germany from September 5-10, 2023 and the hy-fcell trade show in Stuttgart, Germany from September 13-14, 2023. Doing so will allow staff to attend two tradeshow that align with the Town's target sectors and target markets.

Given that the Town's participation in these two tradeshow will be part of a larger delegation of OMCA members, there will be significantly less planning and staff resources required to execute in-market activities. Lead generation and meeting schedules for both shows will be coordinated through OMCA.

The following provides a brief description of the two trade shows being attended in 2023.

- IAA Mobility:

IAA Mobility is one of the world's largest mobility trade fairs, focused on connected and autonomous mobility, smart city infrastructure and the circular economy. The show features approximately 750 exhibitors from 95 countries, and typically attracts approximately 400,000 visitors. Following discussions with in-market lead generation representatives and government officials, IAA Mobility was determined to be a good fit for Halton Hills given sector and target market alignment. Other communities attending IAA Mobility as part of the OMCA delegation currently include Stratford, Durham Region and London.

Attending IAA Mobility will provide staff with the opportunity to further strengthen Halton Hills' presence in Germany, meet with German companies from the Town's lead pipeline, and continue the momentum created from Halton Hills' Fall 2022 trade mission.

- hy-fcell:

hy-fcell is a tradeshow in Stuttgart, Germany, where the hydrogen and fuel cell industry gathers to discuss technological advancements, transfer knowledge and tap into international markets. The main subsectors of focus at hy-fcell are fuel cell components, fuel cell systems, hydrogen production and infrastructure, as well as fields of application for fuel cells and hydrogen. This English-language exhibition is a smaller, but rapidly growing show, with approximately 2,000 visitors and 130 exhibitors – more than double

the number of exhibitors that there were in 2022.

Additionally, the Baden-Württemberg Ministry of the Environment, Climate Protection and the Energy Sector (Germany) is a partnering sponsor of the hy-fcell show. As part of Halton Hills' participation in OMCA, Town staff have led the development of a relationship with this Ministry throughout 2023, which has included the generation of new investment leads and establishing a framework for partnership between OMCA and Baden-Württemberg. Attending the hy-fcell tradeshow will allow staff to meet Baden-Württemberg Ministry representatives in-person and further solidify this valuable relationship.

In addition to the above, Town staff continue to connect and build a collaborative relationship with Toronto Global (TG). TG is a non-profit investment attraction agency that supports the expansion of foreign-owned businesses to the Toronto Region. As an arms-length organization representing municipalities throughout the GTA, TG is partially funded by Halton Region, in addition to the provincial and federal governments. Consequently, through the Town's location within Halton Region, Halton Hills is an indirect participant in TG.

Throughout 2023, staff have continued to assess partnership opportunities for future joint trade missions. Based on currently available information, a trade mission planned by TG for 2023 does not align with the Town's target markets and sectors. Discussions on potential future joint missions will continue, as appropriate.

In addition to the in-market activities noted above, additional Town FDI-related investment attraction initiatives planned for 2023 include:

- Developing a comprehensive Community Profile marketing document;
- Creating four short, sector-specific marketing videos that will communicate Halton Hills' investment value propositions to potential investors; and
- Staff participation in FDI training focused on lead generation and management.

3. Budget

Partial funding for the in-market activities outlined above has been obtained from an external grant that helps accelerate the Town's existing work. The remainder will come from the Town's existing Economic Investment Attraction Fund. No additional funding is required. The total Town-portion of the trade mission is not expected to exceed about \$4,000, and offers high value given the two trade shows being attended.

CONCLUSION:

Upon completion of Halton Hills' 2023 in-market FDI activities, staff will provide Council with a post-mission report outlining successes, objectives achieved and key lessons for future missions.

Reviewed and approved by,

Tony Boutassis, Manager of Investment Attraction

Damian Szybalski, Commissioner of Business, Environment & Culture

Chris Mills, Chief Administrative Officer