



The World Does Business With Nebraska

OVERVIEW: In addition to promoting the export of goods, services, and produce, Nebraska encourages foreign investments to further its economic development. This lesson looks at some current foreign investments in the State. This list will change over time. Contact your local Chamber of Commerce or the International Trade Institute to keep a current list.

ECONOMIC CONCEPTS: The students will learn about:

1. capital investment
2. production
3. international trade

OBJECTIVES: The students will be able to:

1. identify foreign investors in Nebraska.
2. describe what these investments are.
3. identify where the foreign investment companies are located.
4. assess foreign investments in Nebraska in regard to the countries and products involved.

NEBRASKA STANDARDS: 8.3.5, 8.3.6, 12.3.10, 12.3.13

MATERIALS:

1. Case Study: International Firm Investing in Nebraska
2. International Firms with Facilities in Nebraska Student Handout
3. Foreign Investments in Nebraska Student Worksheet
4. Foreign Investments in Nebraska Teacher Information
5. Foreign Investments in Nebraska Review
6. Foreign Investments in Nebraska Teacher Information
7. Foreign Companies Investing in Nebraska Student Worksheet

PROCEDURE:

1. Begin with a brief discussion of foreign investments in Nebraska by asking students what countries they think have invested in the state, why they have located in Nebraska, and what products they produce.
2. Distribute "Case Study: International Firm Investing in Nebraska" and have students read the article. Instruct them to consider the following questions and to be prepared to discuss their answers:
 - What firm was featured in this article?
 - What is their host country?
 - What city is primarily affected by this news?
 - Why did this company choose Nebraska in their decision?
 - How will this firm's decision impact the local Nebraska economy?
3. Distribute the handout entitled "International Firms with Facilities in Nebraska" to each student and allow them to comment on their observations of the list. Have them check to see if their city is mentioned and the corresponding company.
4. Distribute the Foreign Investments in Nebraska Student Handouts and Student Worksheet and have students answer the questions.
5. Hand out the Student Review on Foreign Investment in Nebraska. Have students match the company to the product produced.
6. After reviewing the worksheets, have the class assess foreign investments in Nebraska with regard to the different types of industry involved, for example: food products, agriculture, manufacturing, or service related products.
7. Have students locate on a map the different nations that are doing business with Nebraska.
8. Locate an international firm doing business in your area. Contact the company and see if a speaker can come to your class to help the students answer the questions on the worksheet, "Foreign Companies Investing in Nebraska". You may want to use the business survey form letter in the lesson, "Finding Nebraska Firms Involved in International Trade" when you contact the foreign firm for information.



Case Study: International Firm Investing in Nebraska

Meeting customers close to home

Novozymes has selected Blair, Nebraska, as the location for its new USD 80-100 million production facility. The plant will produce enzymes for existing corn-based fuel ethanol and later, enzymes for cellulosic ethanol production.

The new facility will be located on a 30-acre property at the Biorefinery Campus in Blair, approximately 25 miles north of Omaha, Nebraska. Novozymes expects to break ground in 2008 and start operations in late 2010.

The search begins

"The search for the perfect location started 18 months ago," says Per Olesen, Vice President and project chairman at Novozymes. "Our objective was to find the most economical and efficient area from which to supply our American fuel ethanol customers. To begin with we didn't limit our options; we started looking across the whole world for possible sites."

The project team quickly narrowed the possibilities - first to the Americas, then the US, then the Midwest, and finally to Blair, Nebraska.

"We found that proximity to our customers means a great deal," says Per Olesen. "There are many excellent sites around the world to place a new enzyme manufacturing facility. But when we looked at the entire package, the Midwest was the best match. There were many variables to consider, including raw material sourcing, utilities supply, transportation costs, construction costs, infrastructure, and the availability of a skilled workforce. In Blair we identified a site where all of our needs could be met in the most optimal way.

Enthusiasm all around

"The US is an attractive and competitive market for us to invest in," explains Peder Holk Nielsen, Executive Vice President at Novozymes. "The new location will allow us to sustain our close cooperation with bioethanol customers

across the Midwest and provides us access to a well-educated workforce and a good infrastructure."

The state of Nebraska also warmly welcomes the new facility. Nebraska State Governor Dave Heineman says, "Nebraska is pleased that Novozymes has selected Blair for its world-class biotech facility."

Initially the facility is planning to bring approximately 100 new jobs to the state. Further development could increase the number significantly.

David G. Brown, president and CEO of the Greater Omaha Chamber of Commerce, says, "This is one of the most exciting investments and job announcements we've had in recent years."

One piece of a larger plan

The new facility in Nebraska is just *"When locating a new production facility, proximity to your customers means a great deal," says Per Olesen, Vice President and project chairman at Novozymes.*

one of the important initiatives that Novozymes is taking to grow with the American biofuel industry.

Earlier in 2008, one of the first steps was taken to meet Midwest customers' needs by opening an office and laboratory facility in Ames, Iowa, another city in the heart of the Corn Belt. The main focus of the Ames office is to develop strong

relationships with Midwest customers and provide quick-response technical support.

Expansion of both R&D facilities and production is also taking place at Novozymes' enzyme facility in Franklinton, North Carolina.

Growing with the industry

With the American biofuel industry growing so quickly, Novozymes wants to have the necessary capacity to grow together with it. The expansion initiatives being implemented right now are key to preparing Novozymes for the inevitable requirements of tomorrow's biofuel industry - not just in the US, but worldwide.



"When locating a new production facility, proximity to your customers means a great deal," says Per Olesen, Vice President and project chairman at Novozymes.



Note: Novozymes is a Danish company with a wholly-owned subsidiary in Franklinton, North Carolina

International Firms with Facilities in Nebraska

By Country of Origin

(Partial List from NE Department of Economic Development, February 2009)



| <u>Country</u> | <u>Company(s)</u> | <u>U.S. Company(s)</u> | <u>Location(s)</u> | <u>Products</u> | <u># Employees</u> |
|----------------|--------------------------------|--|---|---|--------------------|
| Australia | QBE Insurance Group | National Farmers Union Property | Grand Island, Lincoln, Saint Paul | Insurance | 13,000 worldwide |
| Austria | Rosenbauer Aerials | Rosenbauer Aerials | Fremont | Firefighting Technology | 80 |
| Bermuda | Bunge Limited | Bunge North America, Inc.; Bunge Milling, Inc. | Brownville, Crete, Stella | Agribusiness and food conglomerate | |
| Brazil | BCS Stone | BCS Stone | Omaha | Granite, brick and stone | |
| Canada | Enterprises Petco Inc. | PETCO | Omaha | pet supplies | |
| Canada | Ipsco, Inc. | Ipsco Slezl, Inc. | Geneva | Oilfield pipes & casing products | 10-24 |
| Canada | Potash Corporation of Saskatch | PCS Phosphate Company, Inc. | Weeping Water | DiCalcium Phosphate 18.5% and MonoCalcium Phosphate 21% | 25-49 |
| Canada | Quebecor, Inc. | Quebecor Printing Lincoln, Inc. | Lincoln | Commercial printing, magazine printing | 500-999 |
| Denmark | Macartney Holding APS | Subconn, Inc. | Burwell | | |
| England | APAX Partners Holdings, Ltd. | Travelex Currency Services, Inc. | Omaha | | |
| England | John Swire & Sons, Ltd. | United States Cold Storage, Inc. | Omaha | Beverages Division, e.g. Coca-Cola, USA | 125,000 worldwide |
| England | Prudential, Plc. | Investment Centers of America | Atkinson, Fairbury, Nebraska City, Omaha, Wayne, West Point | Retail financial services | |

| | | | | | |
|-----------|--------------------------------|---|--|------------------------------------|-------------------------|
| England | Wolseley, Plc. | Ferguson Enterprises, Inc. | Omaha | Plumbing and builder products | 17,000 in North America |
| Finland | Kone OYJ | Kone, Inc. | Omaha | Lifts, elevators, and escalators | |
| France | Banque Federale Des Banques PO | Coface Services North America | Omaha | | |
| France | BNP Paribas | Bank of the West | Beatrice, Bellevue, Columbus, Fremont, Grand Island, Kearney, LaVista, Lincoln, Norfolk, North Platte, Omaha, South Sioux City | | |
| France | Capgemini | Sogeti, USA, LLC. | Omaha | IT consulting services | 8800 in N. America |
| France | Lafarge | Lafarge North America, Inc. | Omaha | | |
| France | Schneider Electric, SA | Square D company | Lincoln, Omaha | electrical apparatus & equipment | |
| Germany | Siemens AG | Siemens Building Technologies; Siemens Transportation Systems, US Filter Corp | North Platte, Omaha, Alliance, Fremont | | |
| Germany | Thyssenkrupp AG | Safway Services, Inc. | Omaha | | |
| Hong Kong | Swire Pacific Limited | Swire Pacific Holdings, Inc. | Chadron, Scottsbluff | | |
| Ireland | Kerry Group, Plc. | Kerry, Inc. | Fremont | ethanol | |
| Italy | Finmeccanica Spa | Union Switch & Signal, Inc. | Omaha | | |
| Italy | Giovanni Agnelli E C Sapa | New Holland North America, Inc. | Grand Island | farming and construction equipment | |

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|-------------|---------------------------------|--|--|--------------------------------------|---------|
| Italy | Unicredito Italiano Spa | Pioneer Investment Management US | Omaha | | |
| Japan | Dainippon Ink & Chemicals, Inc. | Sun Chemical Corporation | Omaha | | |
| Japan | Daito Electron Co., Ltd, | Daitron Incorporated | Lincoln | | |
| Japan | Fujitsu Limited | Fujitsu Computer Systems Corporation | Omaha | | |
| Japan | Hitachi, Ltd. | Hitachi Data Systems Corporation | Omaha | | |
| Japan | Kawasaki Heavy Industries, Ltd. | Kawasaki Motors Manufacturing Co. | Lincoln | Motorcycles, recreations vehicles | 200-499 |
| Japan | S Foods, Inc. | Fremont Beef Company | Fremont | Processed meats | 100-199 |
| Luxembourg | Provimplux Investments SA | North American Nutrition Compani | Fremont | | |
| Mexico | Vitro, S.A. de C.V. | Vitro America, Inc. | Lincoln | | |
| Netherlands | Buhrmann N.V. | Corporate Express, Inc., Data Documents, Inc. | Omaha, Lincoln | | |
| Netherlands | CSM N.V. | Purac America, Inc. | Blair | bakery supplies and food ingredients | |
| New Zealand | Skellerup Industries, Ltd. | Masport Incorporated; Skellerup Masport | Lincoln | | |
| Norway | Hexagon Composites | Lincoln Composites, Inc. | Lincoln | fuel storage systems | 25-49 |
| Scotland | First Group, Plc. | First Student, Inc. | Crete | charter bus rental | |
| Spain | Barcelo Corporacion Empresaria | Crestline Hotels & Resorts, Inc. | Omaha | | |
| Sweden | Atlas Copco AB | Rental Service, Corp. | Blair, Lincoln, North Platte, Omaha, Scottsbluff | | |
| Switzerland | Nestle S.A. | Nestle Purina Petcare Co. | Crete | Pet foods | |
| Switzerland | Novartis AG | Novartis Consumer Health, Inc.; Novartis Corporation | Lincoln, Seward | Pharmaceutical supplies | |

Foreign Investments In Nebraska



1. What country is most heavily invested in Nebraska?
2. Name five companies with foreign investments in Lincoln?
3. Who is the foreign affiliate of Kawasaki Motors in Lincoln?
4. What country is the affiliate from?
5. What is manufactured?
6. Name four different countries with foreign investment in Omaha?
7. Name two different operations of foreign investments in Fremont?
8. How many different companies have foreign investments in Blair, including Novozymes?
9. What company has foreign investments in Geneva?
10. What do they manufacture?
11. What company has foreign investments in Crete?
12. What do they manufacture?
13. What Nebraska town has Finland invested in?
14. What do they manufacture?



Foreign Investments In Nebraska



FOREIGN INVESTMENTS IN NEBRASKA SOLUTIONS

1. What country is most heavily invested in Nebraska?
Japan
2. Name five companies with foreign investments in Lincoln?
QBE Insurance Group, Quebecor Inc., NBP Paribas, Schneider Electric, S.A.
3. Who is the foreign affiliate of Kawasaki Motors in Lincoln?
Daito Electron Co, Ltd.; Kawasaki Heavy Industries, Ltd.
4. What country is the affiliate from?
Japan
5. What is manufactured?
Motorcycles, recreation vehicles
6. Name four different countries with foreign investment in Omaha?
Brazil, Canada, England, Finland, France, etc. answers will vary.
7. Name two different operations of foreign investments in Fremont?
John Swire & Sons, Rosenbauer Aerials, BNP Paribas
8. How many different companies have foreign investments in Blair, including Novozymes?
Three
9. What company has foreign investments in Geneva?
Ipsco, Inc.
10. What do they manufacture?
Oilfield pipes & casing products
11. What company has foreign investments in Crete?
Burge limited
12. What do they manufacture?
Agribusiness & food conglomerate
13. What Nebraska town has Finland invested in?
Omaha
14. What do they manufacture?
Lifts, elevators, and escalators



Foreign Investments In Nebraska



MATCHING QUIZ

- | | |
|--|-----------------------------------|
| _____ 1. Nestle | a. farming/construction equipment |
| _____ 2. Hexagon Composites | b. granite, brick & stone |
| _____ 3. New Holland North America, Inc. | c. pet food |
| _____ 4. BCS Stone | d. pharmaceutical products |
| _____ 5. Novartis | e. fuel storage systems |
| _____ 6. Purac America, Inc. | f. plumbing & builder products |
| _____ 7. Kerry, Inc. | g. bakery supplies |
| _____ 8. Ferguson Enterprises, Inc. | h. processed foods |

Foreign Investments In Nebraska



MATCHING QUIZ SOLUTIONS

1. Nestle is a Swiss company, produces pet food in Crete, Nebraska (c)
2. Hexagon Composites is a Norwegian company that produces fuel storage systems in Lincoln, Nebraska. (e)
3. New Holland North America, Inc. is an Italian company that produces farming and construction equipment in Grand Island, Nebraska. (a)
4. BCS Stone is a Brazilian company that produces granite, brick and stone in Omaha, Nebraska. (b)
5. Novartis is a Swiss company that produces pharmaceutical products in Lincoln, Nebraska. (d)
6. Katana Summit, produces bakery supplies in Blair, Nebraska. (g)
7. Kerry, Inc. produces processed foods in Fremont, Nebraska. (h)
8. Ferguson Enterprise, Inc. produces plumbing and builder products in Omaha, Nebraska (f)



Foreign Companies Investing In Nebraska

Name of Company: _____

Company's National Origin: _____

Number of Employees: _____

Nationality of Employees: _____

- When and where did you first learn about the benefits of investing in Nebraska?
- What specific factors influenced your decision to locate in Nebraska?
- Describe your company's product(s).
- Is your product made entirely in Nebraska or do you import components from your home country? What percentage of your final product is made in Nebraska? _____ Made in your home country? _____ Imported from other nations? _____
- Where are your products sold? (In Nebraska, the U.S., or overseas?)
- What do you suggest students at our school should study to prepare to work in the global marketplace?