

2) Investment Partnerships Canada

These activities complement the work being done by Investment Partnerships Canada (IPC), which is focusing on corporate liaison with selected major MNEs in five countries, including the U.S. The appointment of federal Deputy Ministers as "Country Champions" for these countries (three in the U.S., one for each major North-South corridor) is also strengthening relationships with major investors and provides a mechanism for them to discuss opportunities and concerns with senior levels of Government. This refinement adds further impetus to the corporate liaison undertaken by Consul Generals in the U.S. with *Fortune 500* companies.

3) Investment Expertise at U.S. Posts

Another feature of the strategy is the addition in several countries of investment-related responsibilities to Trade Commissioners and Business Development Officers in sectors related to investment targets. In the case of the U.S. Business Development Program, the integration of the trade, investment and technology activities has been completed in the majority of Posts which now approach investment and technology development as part of a "business development continuum". Investment coordinators have also been appointed at U.S. Posts to facilitate this approach and the liaison with the posts' clientele, including provincial and municipal economic development officers (EDOs).

The latter are also an essential component of the strategy and presentations on international investment opportunities by the Department at the annual meetings of the Economic Developers' Association of Canada (EDAC) have been held for the past few years. This builds on efforts undertaken to raise the profile of Canadian municipalities abroad and to develop closer linkages with the U.S. site selection and relocation professions, including major related U.S. publications such as the *Area Development* and *Site Selection* magazines. The latter often produce articles and special issues highlighting Canada's appeal (including its regions) as an investment destination.

4) Other Partners and Back-up Services

In addition to several joint initiatives with some provinces, other successful examples include food projects with Agriculture and Agri-Food Canada (AAFC); the development with Industry Canada and AAFC, of sector-specific investment promotion material for the U.S. (agrifood, call-centres and semiconductors); and cooperation with the Industrial Research Assistance Program (IRAP) of

the National Research Council (NRC), the Medical Research Council and other agencies. Also, a new cooperative approach with the Alliance of Manufacturers and Exporters of Canada (AMEC) emphasizing the North-South region comprised of Toronto, Hamilton, Buffalo and Rochester was initiated in 1997.

Support from the headquarters of DFAIT, Industry Canada and AAFC in the form of timely and current literature, success stories, newsletters, sectoral investment promotional kits; the servicing of investor enquiries; the development of training courses; and cooperation with other government departments, the provinces and the private sector, is another essential component of the Government's 1996 investment strategy.

The three North-South U.S. economic corridors are described in **Annex I**. Activity profiles are included for all DFAIT Posts in the United States. Emerging and priority industrial sectors are identified, and major U.S. high-technology clusters are highlighted, including key R&D players.

International investment and its attraction are covered in **Annex II**, where the importance and role of foreign investment to Canada's economic development are discussed. Marketing and promotion techniques are listed to illustrate the range of investment development activities performed at U.S. posts. Also discussed are longer term factors influencing investment attraction such as: partnering, R&D and venture capital, and the relevance of the U.S. site selection and relocation professions in North America.

The purpose of this paper is to adapt the above strategy to the United States highlighting the challenges and opportunities offered by high corporate concentrations and high-technology clusters in key regional markets where U.S. Posts are located. These are important sources of investment and technology in both the short and long term. The U.S. states have been grouped into 12 regions within three main North-South corridors (Eastern, Midwest and Western) to reflect the reality of bilateral trade and business development between Canada and the United States, and the geographical distribution of DFAIT Posts within these U.S. corridors.

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