

An aerial photograph of a city, likely in Eastern Finland, with a teal color overlay. The image shows a dense urban landscape with various buildings, including a prominent church with a tall spire on the right side. The sky is filled with clouds.

Business Attraction Management Eastern Finland, June 5, 2018

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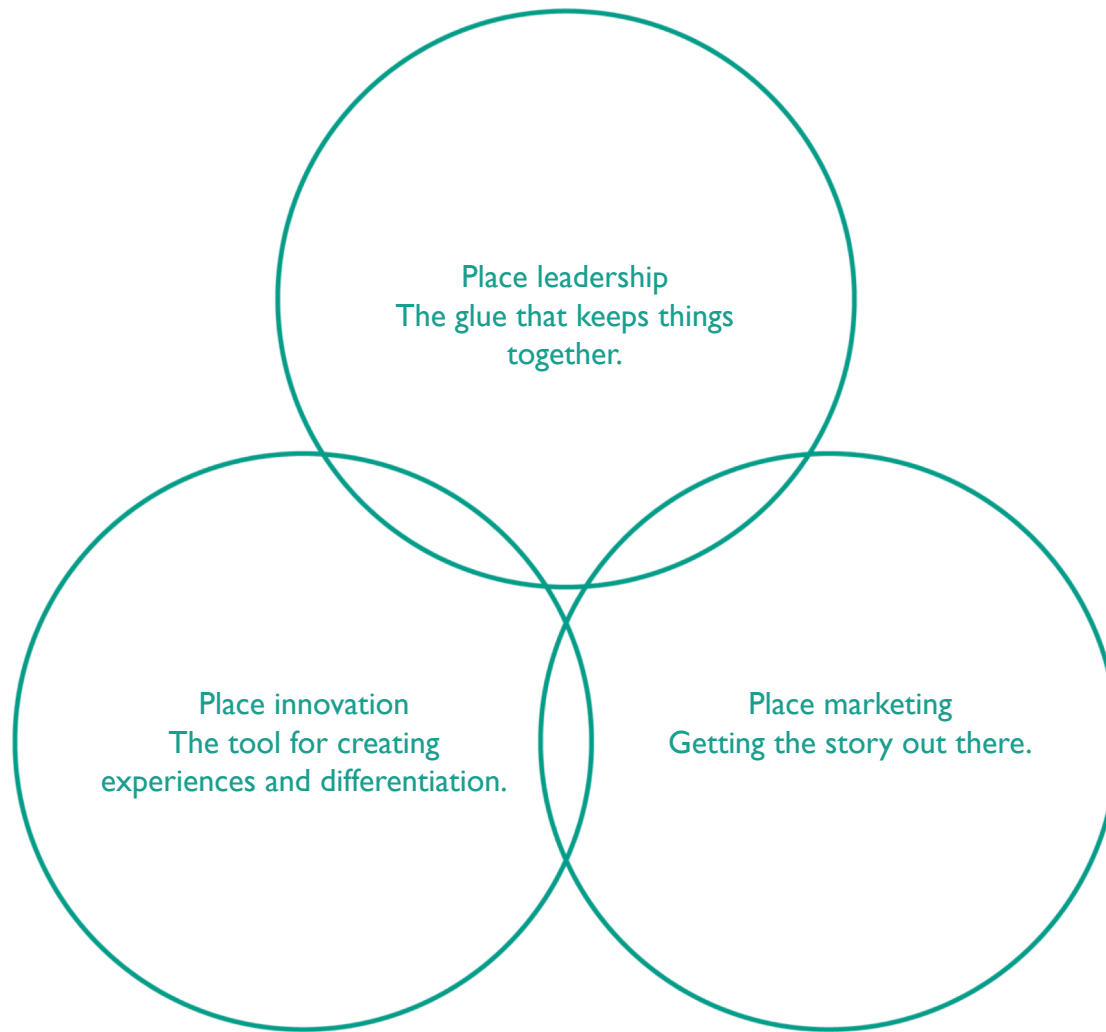
Meet the facilitators

Mats



Pärtel





Introduction of participants

Who you are, and what your role is

Mention something which you hope to get out of this day



Agenda – June 5th

| | |
|---------------|--|
| 09.30 – 10.15 | Introduction, presentation of participants |
| 10.15 – 10.45 | Highlights of Business Attraction Management and why is it important? The case for a place based approach for economic development. |
| 10.45 – 11.00 | Coffee break |
| 11.00 – 12.00 | Workshop – applying the BAM model |
| 12.00 – 13.00 | Lunch |
| 13.00 – 13.20 | Place Value Propositions and differentiation |
| 13.20 – 14.30 | Workshop: differentiation |
| 14.30 – 15.00 | Coffee break |
| 15.00 – 15.40 | Talent Attraction Management – fundamentals |
| 15.40 – 16.15 | Workshop: TAM |
| 16.15 – 17.00 | Summary, next steps |

Highlights of BAM

Helicopter view – what are investors looking for?

Resource seeking

- Example: Access to talent or raw material

Market seeking

- Example: new markets for consumer brands, products & services

Efficiency seeking

- Example: reduced costs for production or logistics

Soft factors

- Example: professionalism/enthusiasm, culture, trust/reliability ...

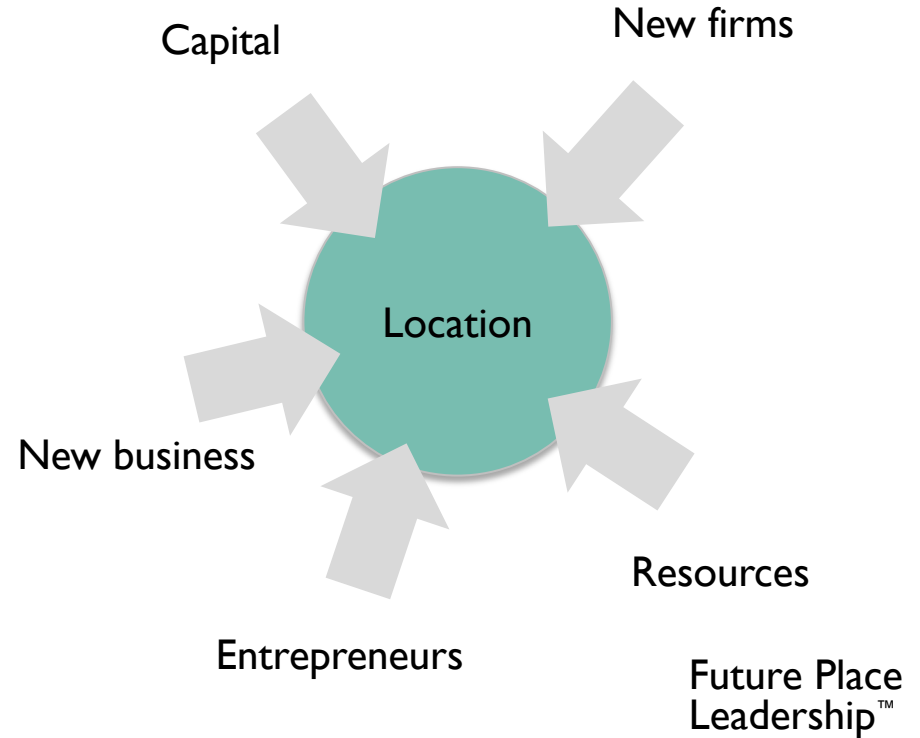
Discussion

Which is the best way to differentiate your Province?

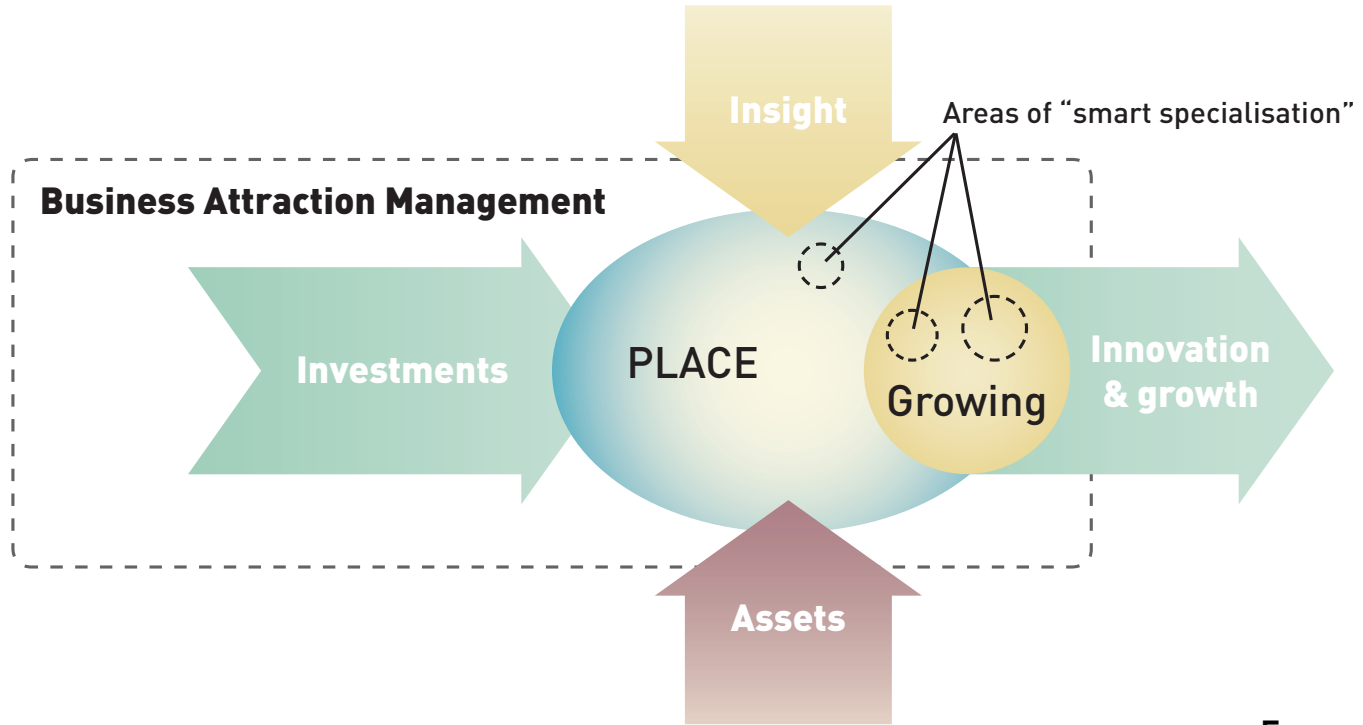


The scope of Business Attraction Management

Management of strategic approaches, processes and activities aiming at attracting inward investment activity



The scope of Business Attraction Management



Direct & indirect jobs
& tax revenue

Cluster development &
smart specialisation

Resource transfer

Why business and
investment
attraction?

Competitive pressure

```
graph TD; A[Competitive pressure] --> B[Productivity]; A --> C[Consumer benefits];
```

Learning

Productivity

Consumer
benefits

Solve challenges &
enhance
attractiveness

Increased local demand

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Discussion - why?

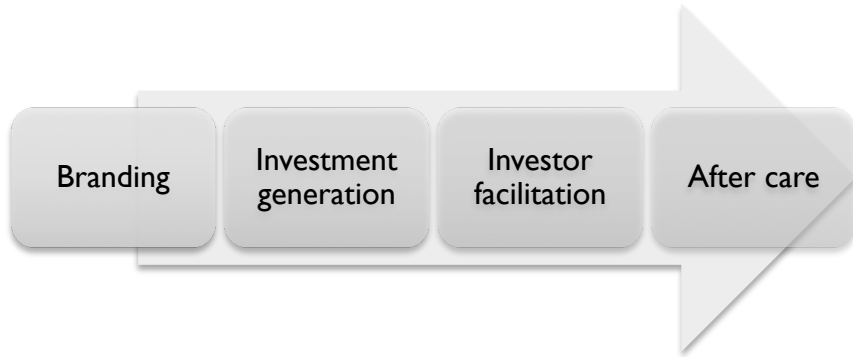
Think about a successful investment that has been made in your Province

- Discuss why you feel good about it?

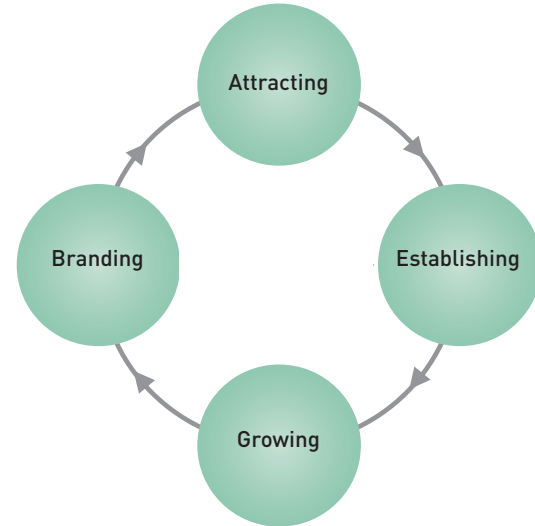


Characteristics of Business Attraction Management

From linear..



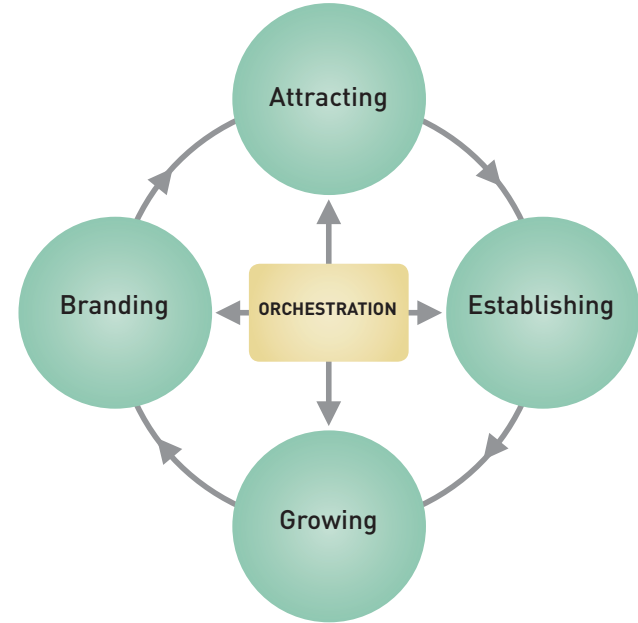
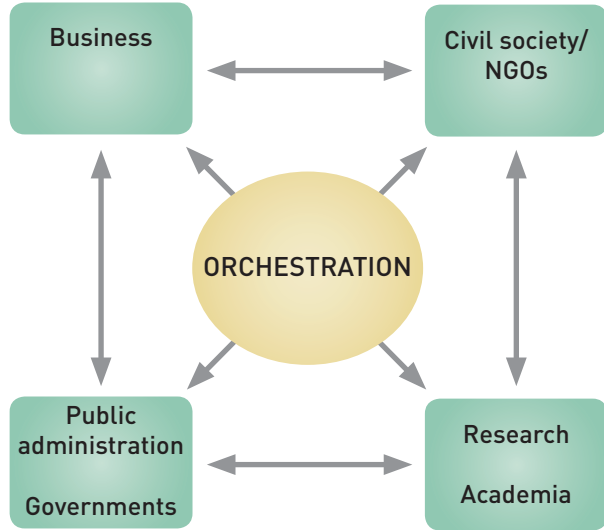
..to circular



Characteristics of Business Attraction Management



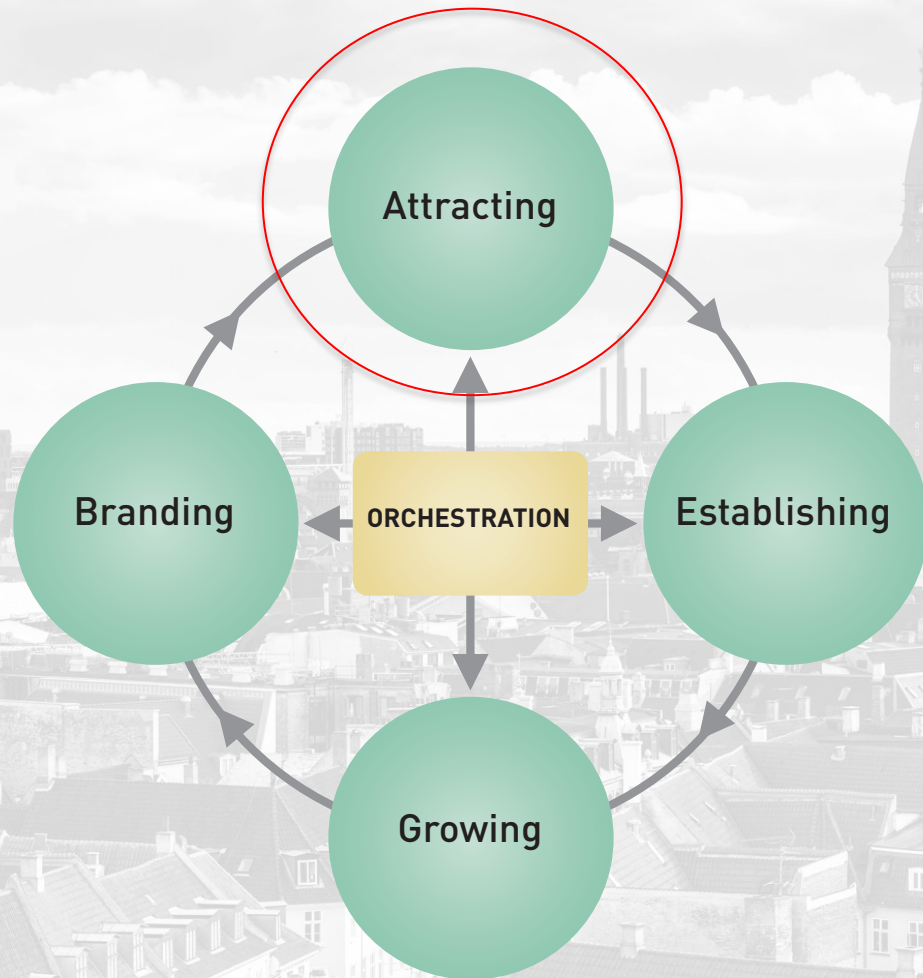
Different contexts for orchestration





Tools and strategies for Business Attraction Management

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How do you market the place for investors?



Mass Marketing



Niche Marketing



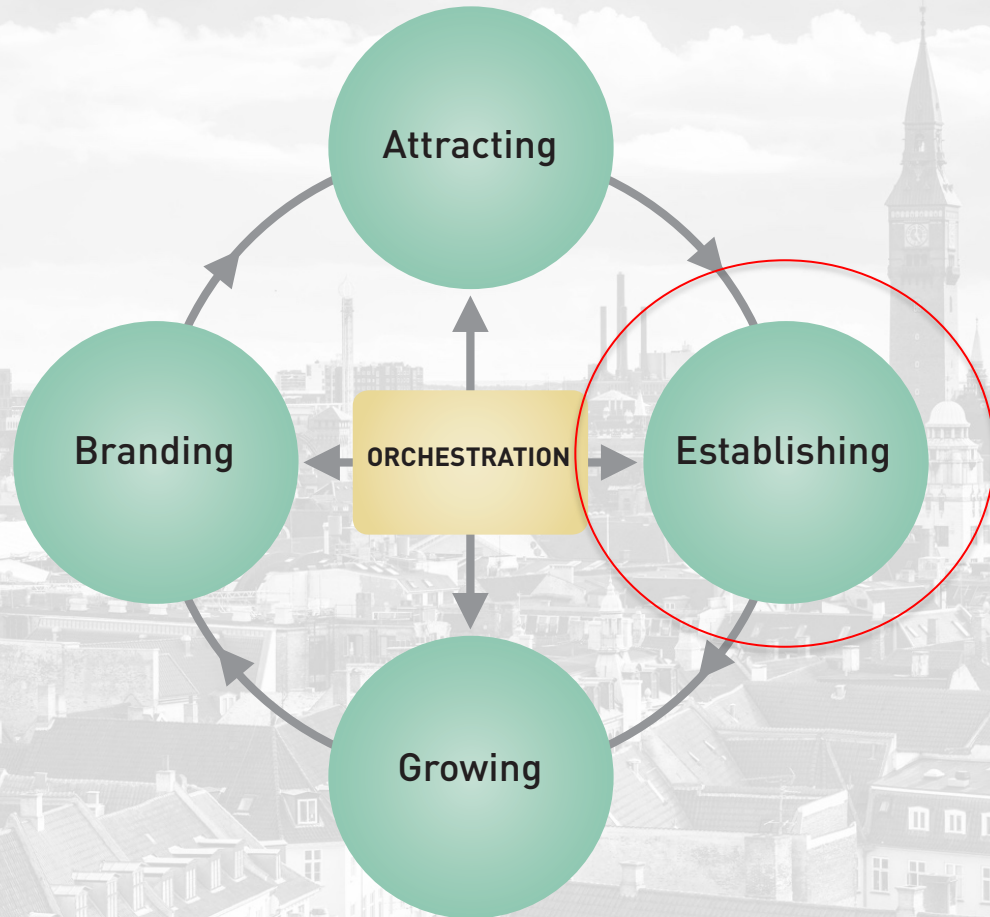
One-to-one

**Meetings,
Visits**

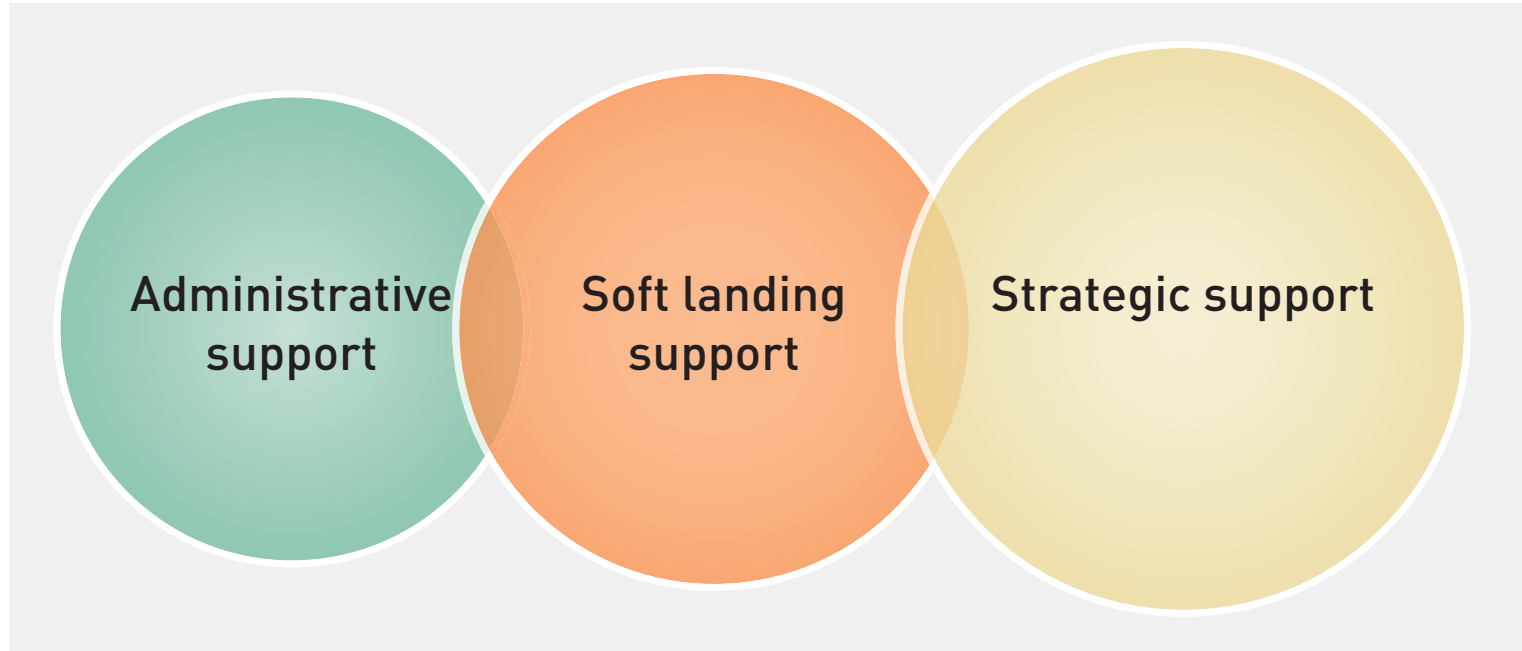
Presentations

Website

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Three types of tools and services

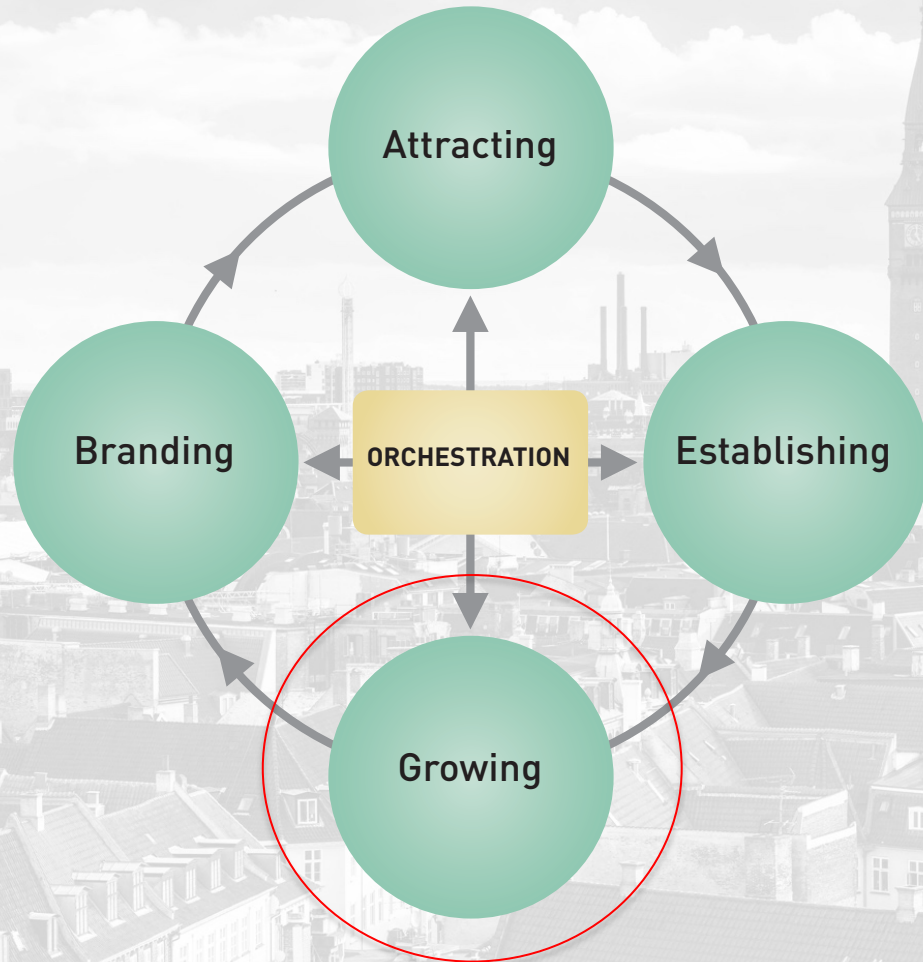


The business
- getting started

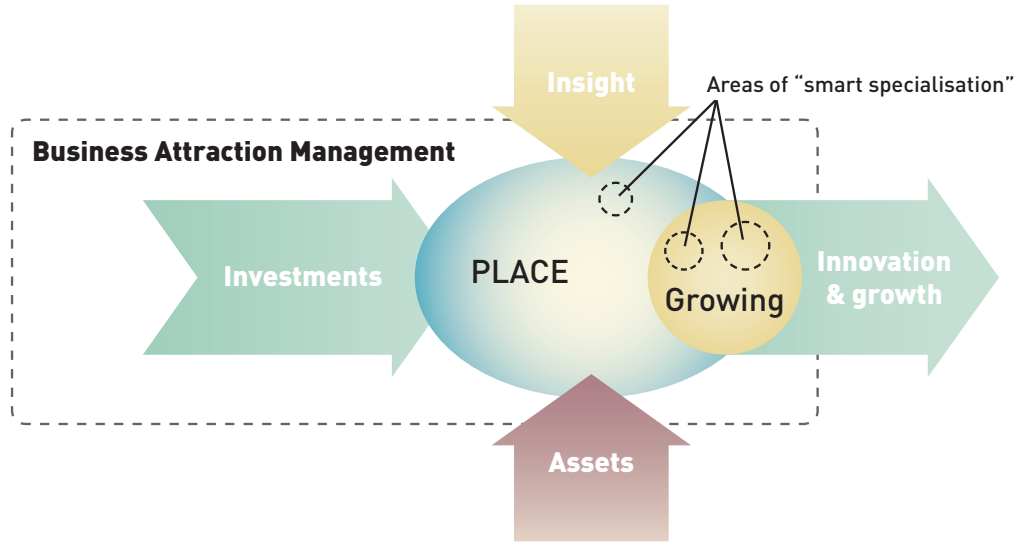
The employees
- **Staff**
- **Expats etc.**

The business
- looking ahead

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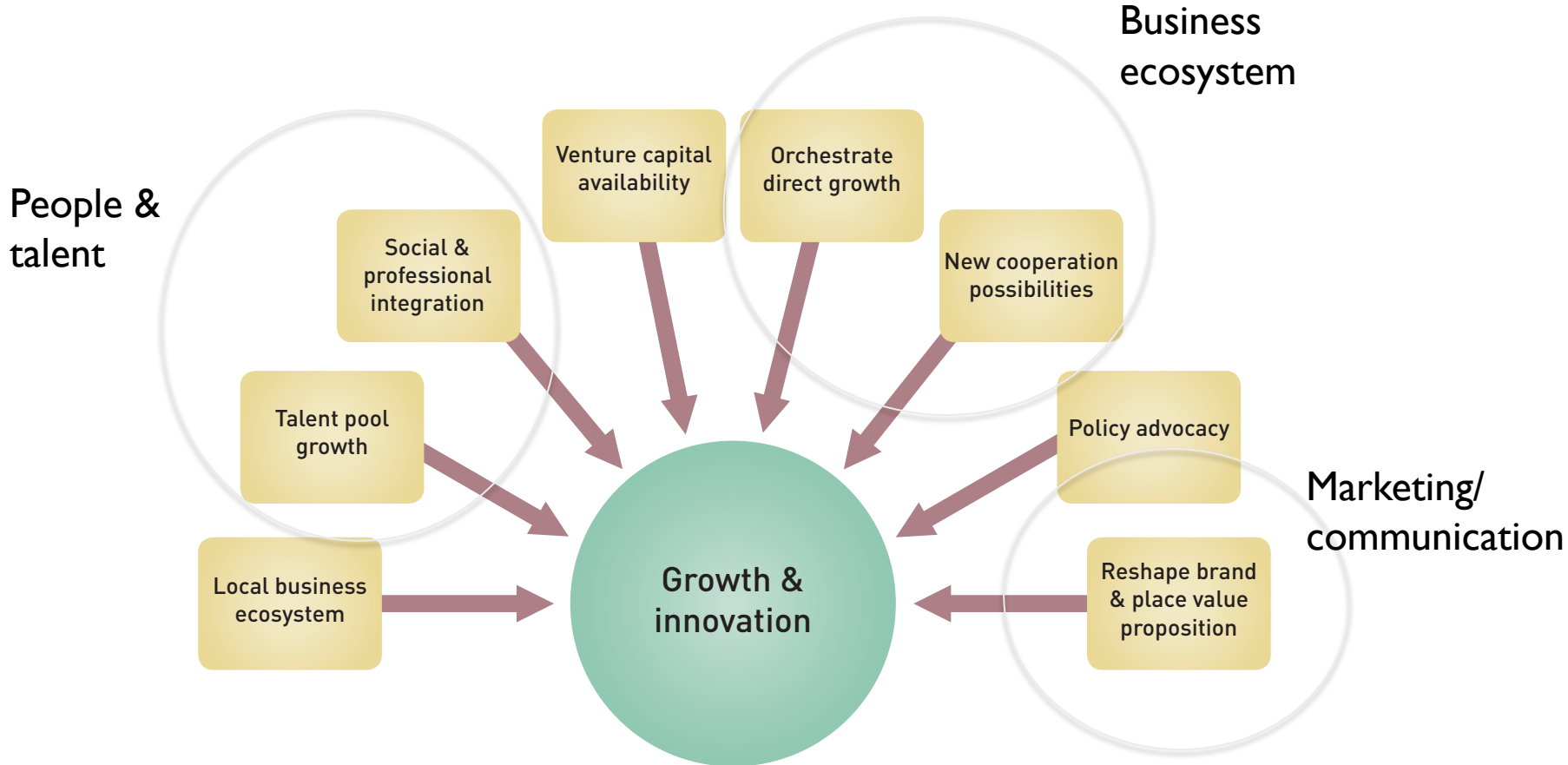


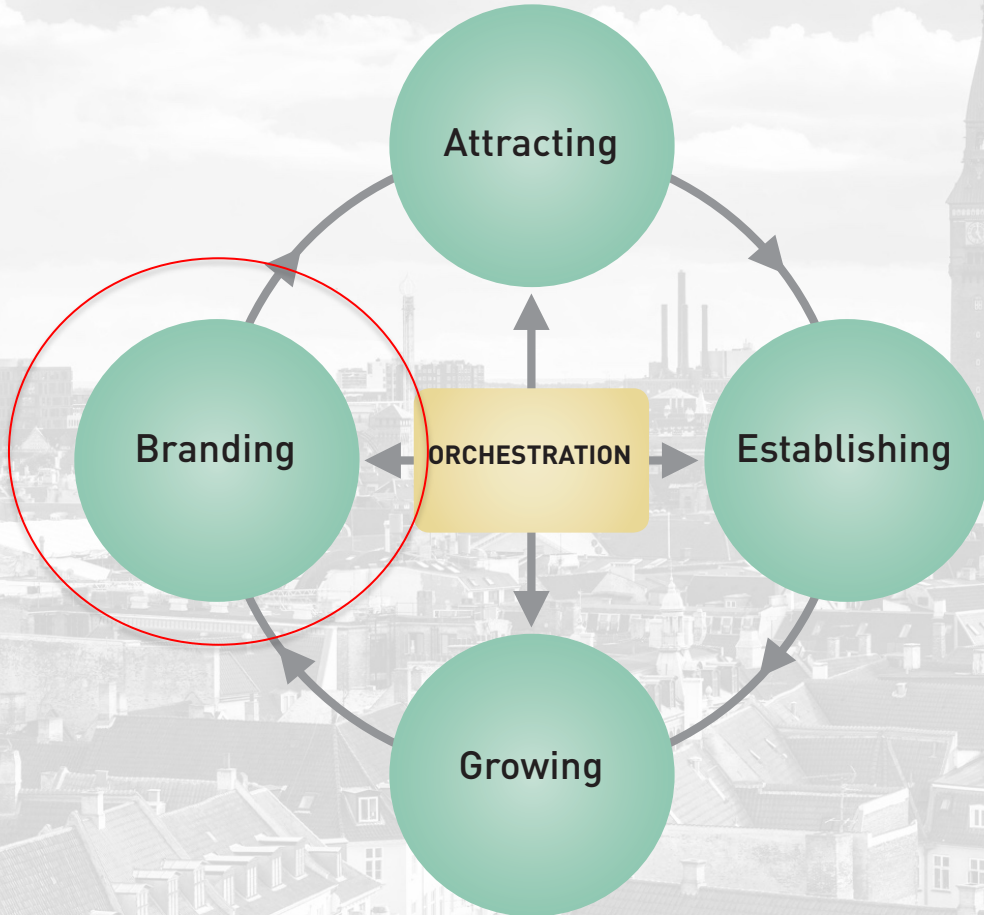
Growing and innovating phase



- Innovation is key to growth – innovation ecosystem
- Regional specialisation and cluster development increasingly important
- Access to talent increasingly important
- Helps to build the brand of the location

Overview – strategies for growth and innovation





Investments are risky decisions

A region or city which is well known and has earned a solid reputation will affect the investor's decision in a positive direction.

Reputation, image

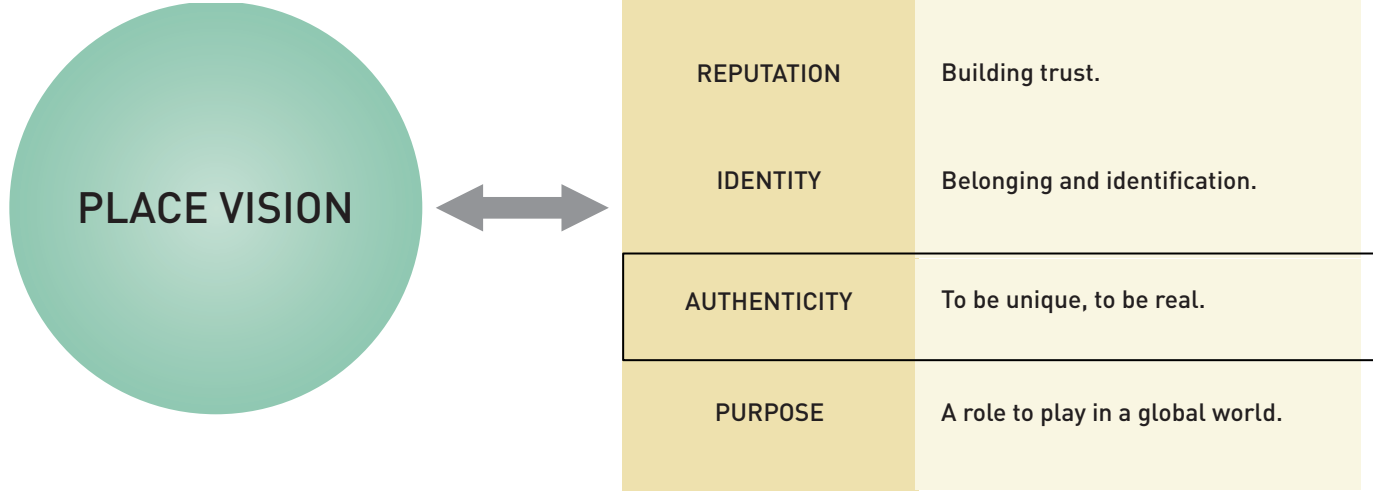


How can the place manage its reputation and achieve a distinct position – based on identity and what it does best?

Specialisation and differentiation



Six aspects of the place brand



Polar Bear Pitching in Oulu, Finland



Ski lift Pitching in Kuopio, Finland



Jukka Piikänen,
Director, Business Development.

An elevator pitch can also be made on a ski lift, when the companies at the Tahko Ski Lift Pitch event present their business ideas to investors.



Kirsi Soininen,
Marketing Director.

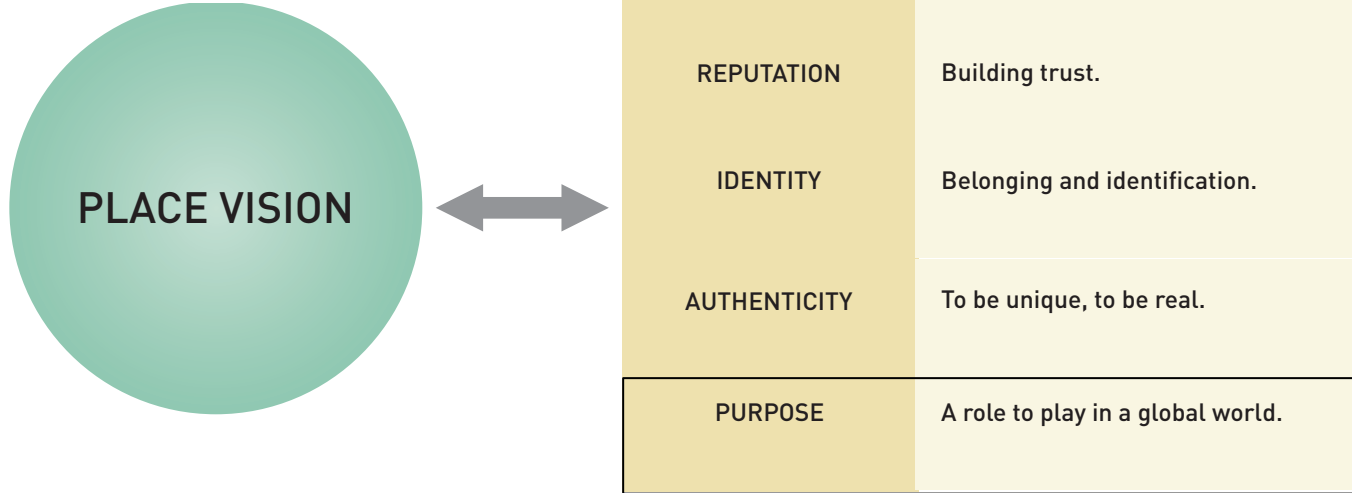
KUOPIO

- business and culture surrounded by nature

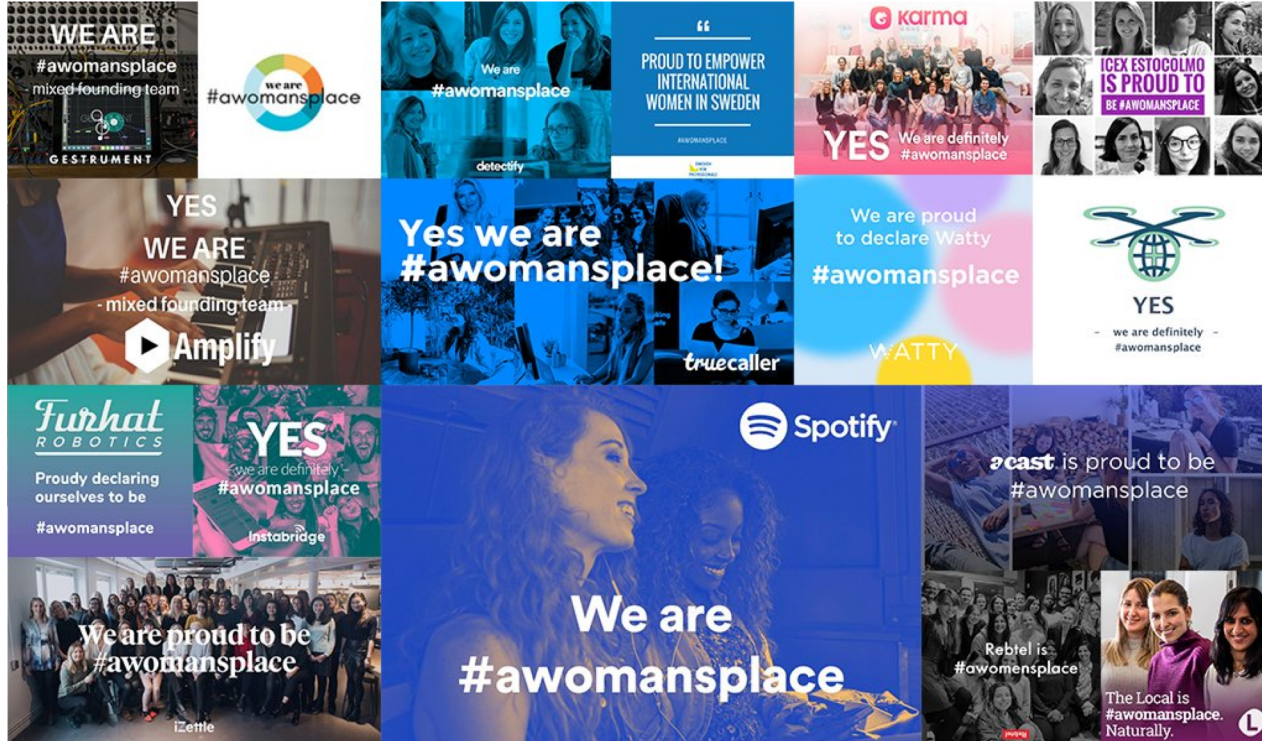
TÄHKÖ
SKI LIFT
PITCH

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Six aspects of the place brand



Stockholm – A Woman's Place



#AWomansPlace

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Zug

It's not the "Valley". It's the crypto.

"Bitcoin accepted here" puts Zug in the crypto global discussion.

A good idea, a strategic move or marketing trick?



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Break – coffee?



Workshop I
Applying the BAM model

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WORKSHOP – applying the BAM model

How do you engage existing businesses in the Growing and Innovating phase?

Which other quad helix stakeholders do/should you involve?

Lunch

Place Value Propositions and differentiation

Some very similar messages ...

- Centrally located
- Large domestic market
- Liberal and reformist investment climate
- Qualified and competitive labor force
- Energy corridor and terminal of Europe
- Successful economy
- Low taxes and incentives
- Infrastructure
- Population



- A prime location for business
- A driver of growth and progress
- Among the prime targets for foreign investors
- Highly trained staff
- Technology, talent and tolerance
- A capital of knowledge
- Europe's Green Metropolis
- Highly developed infrastructure
- High standard of living



- The perfect hub
- Lucrative market access
- The safe choice
- Highly qualified and motivated talent pool
- World leader in cleantech, ICT and life sciences
- World's best test market
- Easy business set-up
- Cost efficient
- The most flexible labour market
- High quality of life



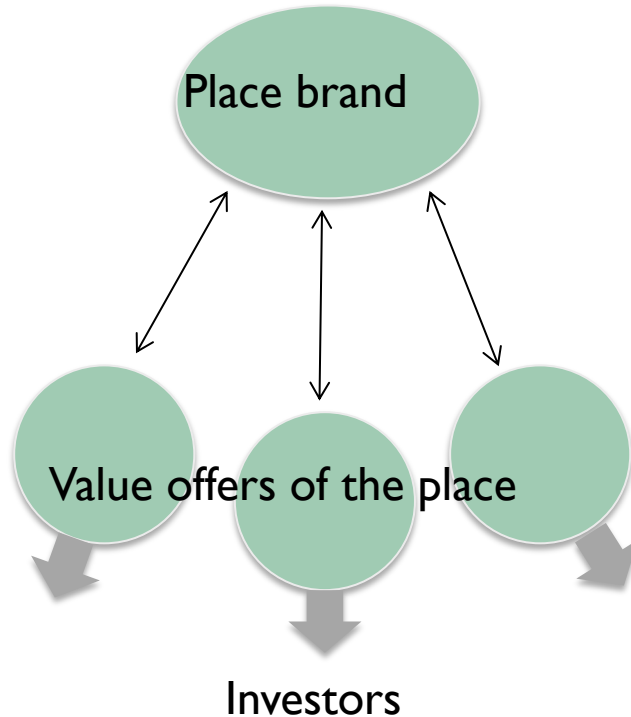
- The ideal location
- Easy access to growing markets
- Stable business environment
- A magnet for talent
- Access to world-class skills, research and technologies
- Growth engine
- A competitive corporate tax structure
- Technically advanced infrastructure
- Excellent quality of life



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Place Value Proposition

– positioning for investments



BRANDING

Many target groups;

- citizens
- businesses
- visitors

ATTRACTING

businesses – specific industry!

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Formulation of Place Value Propositions – to avoid the mainstream trap

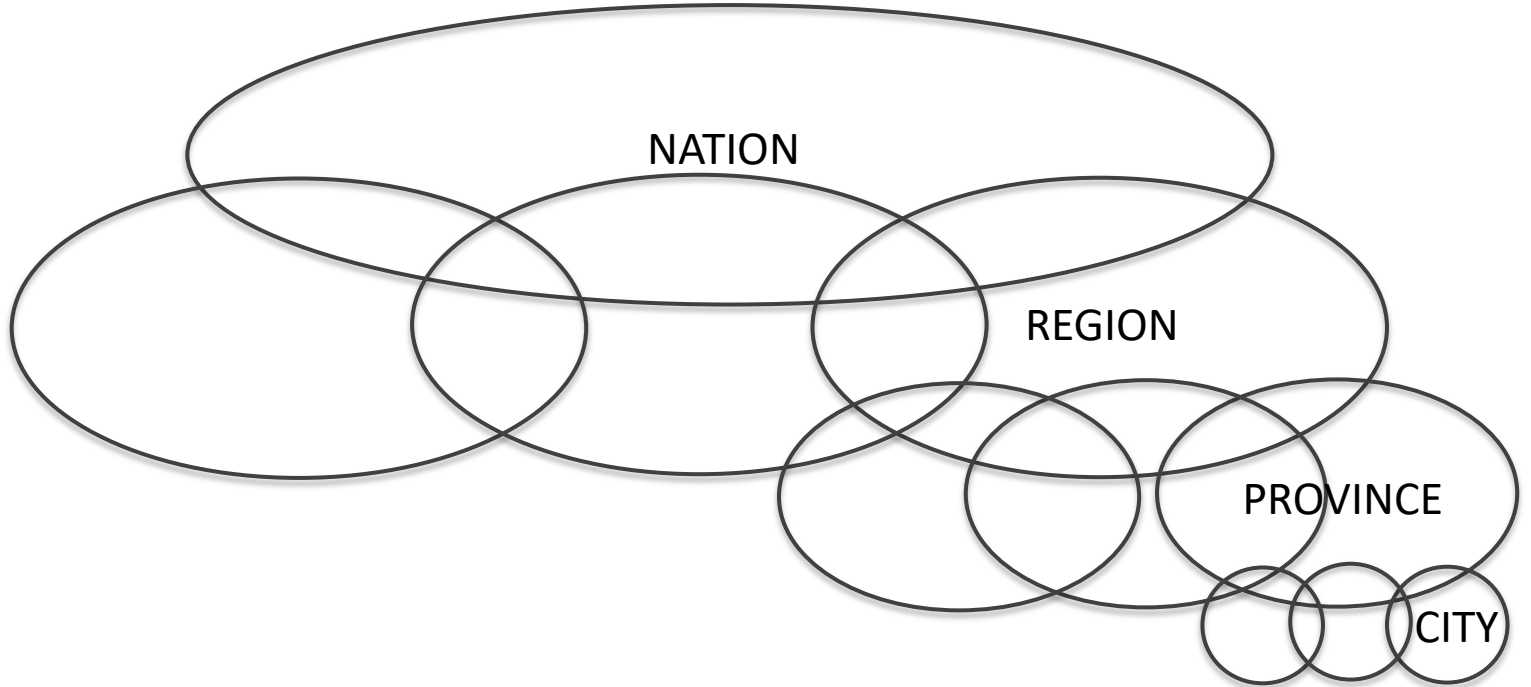
To whom: the target investor

What: we offer these assets/resources

Benefit(s) to an investor:

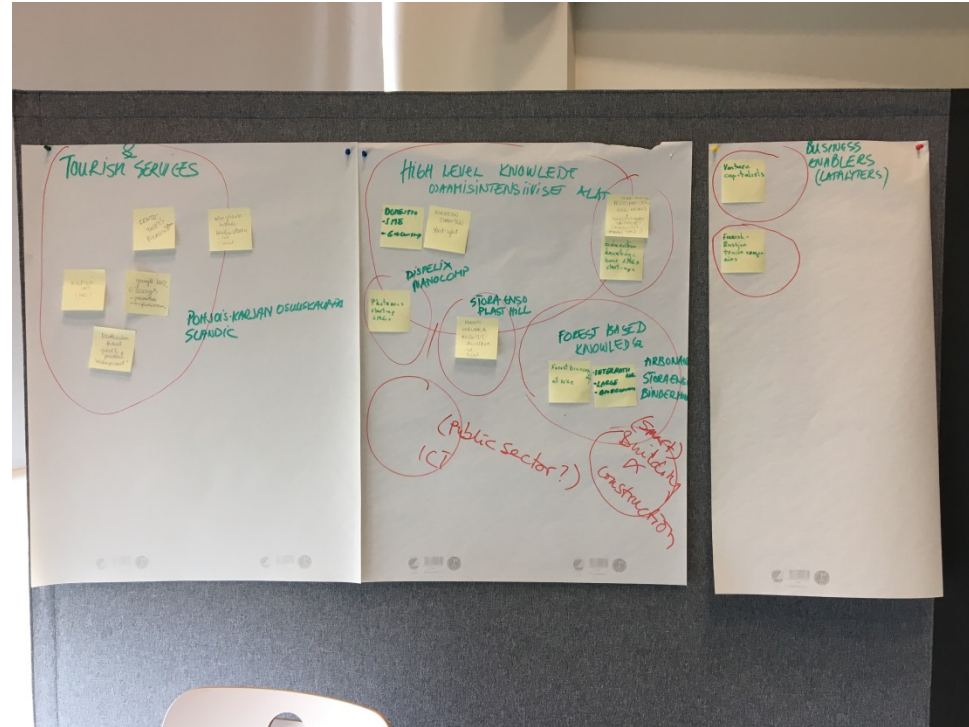
- that will enable you to achieve ... and
- allow you to avoid,
- give you the satisfaction of

Multi-level orchestration



Workshop summary North Karelia (in Joensuu)

- High level knowledge
 - Photonics
 - Plastic substitution
 - Forest based/Bioeconomy
 - Smart building & construction
- Tourism services
- Business enablers/catalysts



North Karelia

JOENSUU

”The Forestry
Capitol of Europe”



A) Unique concentration of forest-based research



B) All the levels in forestry education

C) Forest machines, timber logistics & forest management

600+ experts in bioeconomy

North Karelia

- 1,6 Mill ha forestry land
- Annual growth 9,3 Mm³, harvesting 5,3 Mm³
- 160,000 inhabitants, half of them in Joensuu
- 500 companies, 6000 jobs in forest cluster

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North Karelia

Smart specialization – our choices

Dissolvent pulp for textiles



Enocell pulpmill by Stora Enso
1st line switched in 2012
Both production lines in 2019-
Opportunities 2025 – 2030 ?!

Fortum pyrolysis oil plant



1st integrated fast pyrolysis
plant in the World.
Started in 2013, capacity 50 kt/y
More capacity / plants, refining for
traffic fuels

Wood construction ecosystem



14-storey "Light House Joensuu"
and several other first-of-a-kind
public wooden buildings.
Green Park Joensuu: Lean Wood
Construction Value Chain.
New added-value products &
public procurement!

StoraEnso, UPM,
Binderholz, Sawmill
Kaivospuu, FM Timber,
ScanPole, Prima Timber,
Lunawood, Puupietari,
Arbonaut, Hexion,
Surfactor, Fortum, VAPO,
TimberBros...

North Karelia



World-leading technology for harvesting,
material handling and wood logistics

Arbonaut, JohnDeere Forestry, Mantsinen Group, Kesla, Waratah OM, Pentin Paja, Konepaja Antti Ranta, Konekorjaamo Riikonen, Veeamas, Outokummun Metalli, Vallius Forestry, PKP-Flex...



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North Karelia

JOENSUU SCIENCE PARK



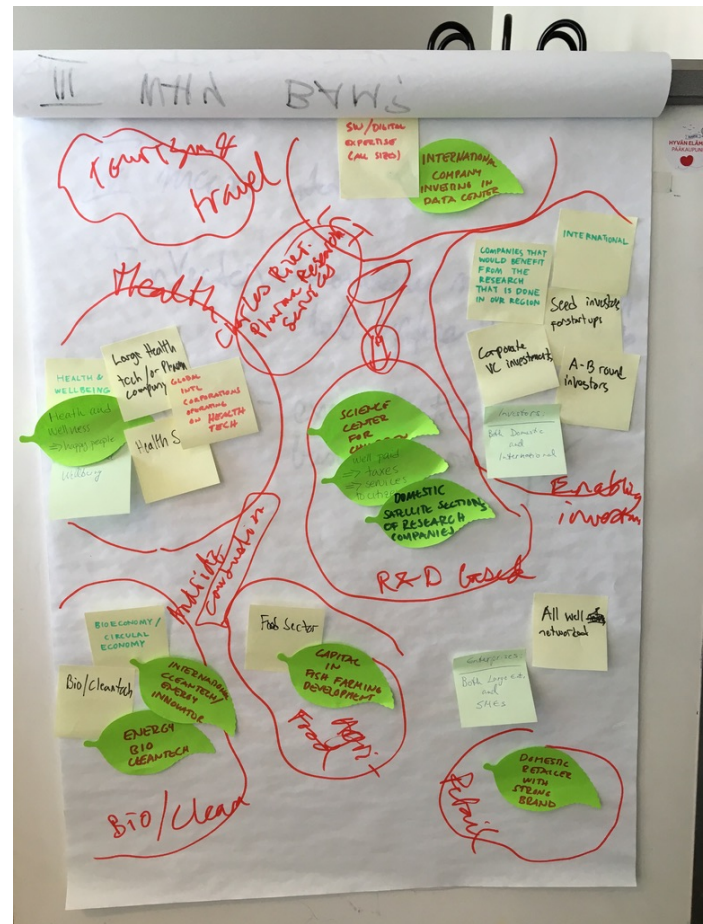
Key Expertise in Forest Bioeconomy

- Forest inventory & management
 - LiDAR-based National Forest Inventory System
- Wood procurement
 - Cut-to-length (CTL) harvesting and timber logistics
 - Bioenergy supply chains
- Wood construction
- Hot topics in precision forestry:
 - Big Data & IoT in forestry
 - Drones
 - VR/AR and simulation in forestry
 - HCT (High Capacity Transport)
 - Soft soil harvesting & logistics
 - Start Ups

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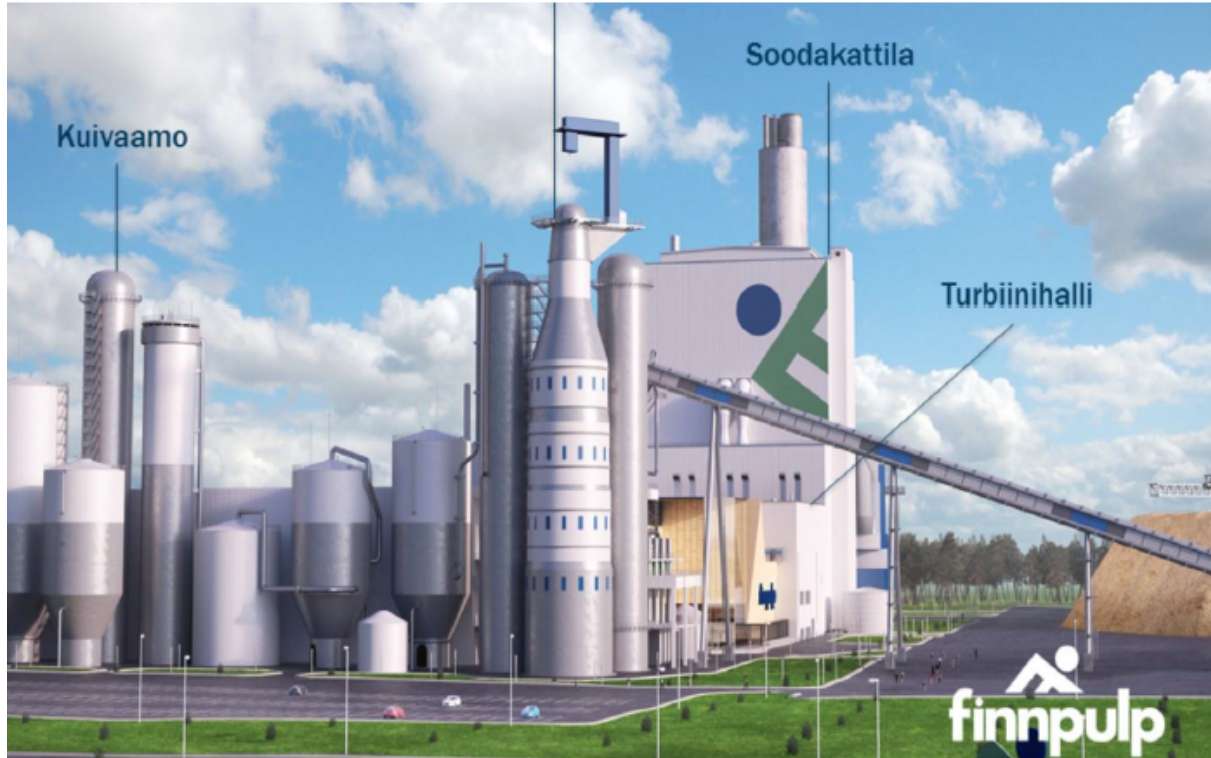
Workshop summary Northern Savonia (in Kuopio)

- Bio-/cleantech
- R&D based
- Health
- Enabling investments – VC etc.
- Agri/food
- Retail
- Tourism & travel



Northern Savonia

Finnpulp – The world's most efficient bioproduct mill will be built in Kuopio, Finland



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Northern Savonia

Sorsasalo

Finnpulp Oy, a company originating in Finland, is preparing to build a massive softwood pulp mill in Kuopio. According to plans, the mill will be located amongst some of Finland's largest forests and its annual production capacity will be 1.2 million tons per year. It will utilize the world's most modern production technology. The new production facility will be the first pulp mill that has been designed and built around a digital ecosystem. The company aims to start production at the mill by the end of the decade. The total amount of the investment is 1.4 billion euros. The factory will locate in the near proximity of Powerflute Savon Sellu, which is producing and selling high-quality semi-chemical fluting.

Savon Sellu is a paperboard mill located in Kuopio, Finland, that produces virgin-fibre Semi-Chemical Fluting under the Powerflute® brand. With exceptional stiffness characteristics and natural resistance against the effects of high humidity, our pure, natural birch fibre-based product has become the leading global brand for corrugators producing corrugated fruit, vegetable and heavy-duty boxes for long distance transportation.

Read more about Finnulp: www.finnpulp.fi

Read more about Powerflute Savon Sellu: www.powerflute.com

Northern Savonia

CLEANTECH & BIOTECH

R&D facilities

- 10 universities and leading research institutes are generating experts to cleantech sector
- Approximately 20 000 students in the area
- Active co-operation with the business life

Innovations & Solutions

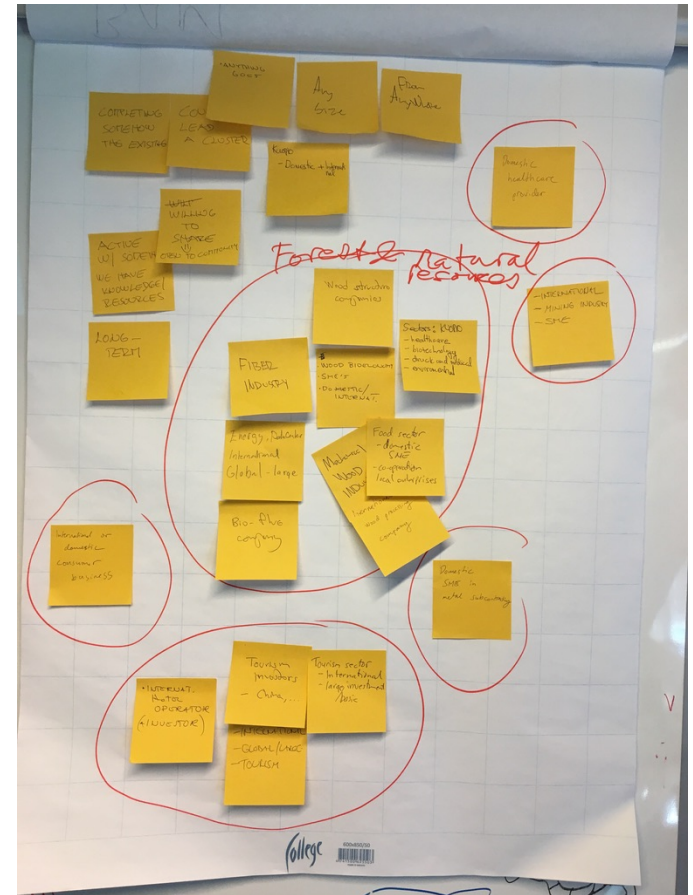
- Unique piloting environments and laboratories offer possibilities to test and develop new products, technologies and materials
- Expertise and know-how such as ICT, measurement and monitoring, sensory technology, safety and well-being
- Networking and partnering activities

Companies

- More than 100 companies, mostly SME's, are operating in cleantech business sector in North Savo area
- Leading companies from high-technology industry, heavy industry, water, air and energy sector, as well as food and pharma industry

Workshop summary Southern Savonia (in Mikkeli)

- Forest & natural resources
 - Wood structure (construction)
 - Fiber
 - Bio-energy
 - Food sector
- Mining industry
- Healthcare
- Domestic SME in metal subcontracting
- Tourism sector & operators



Southern Savonia

- Mikkelä; Bio energy , wood construction
- UPM, Versowood, Misava Homes of Finland ja ORGroup,



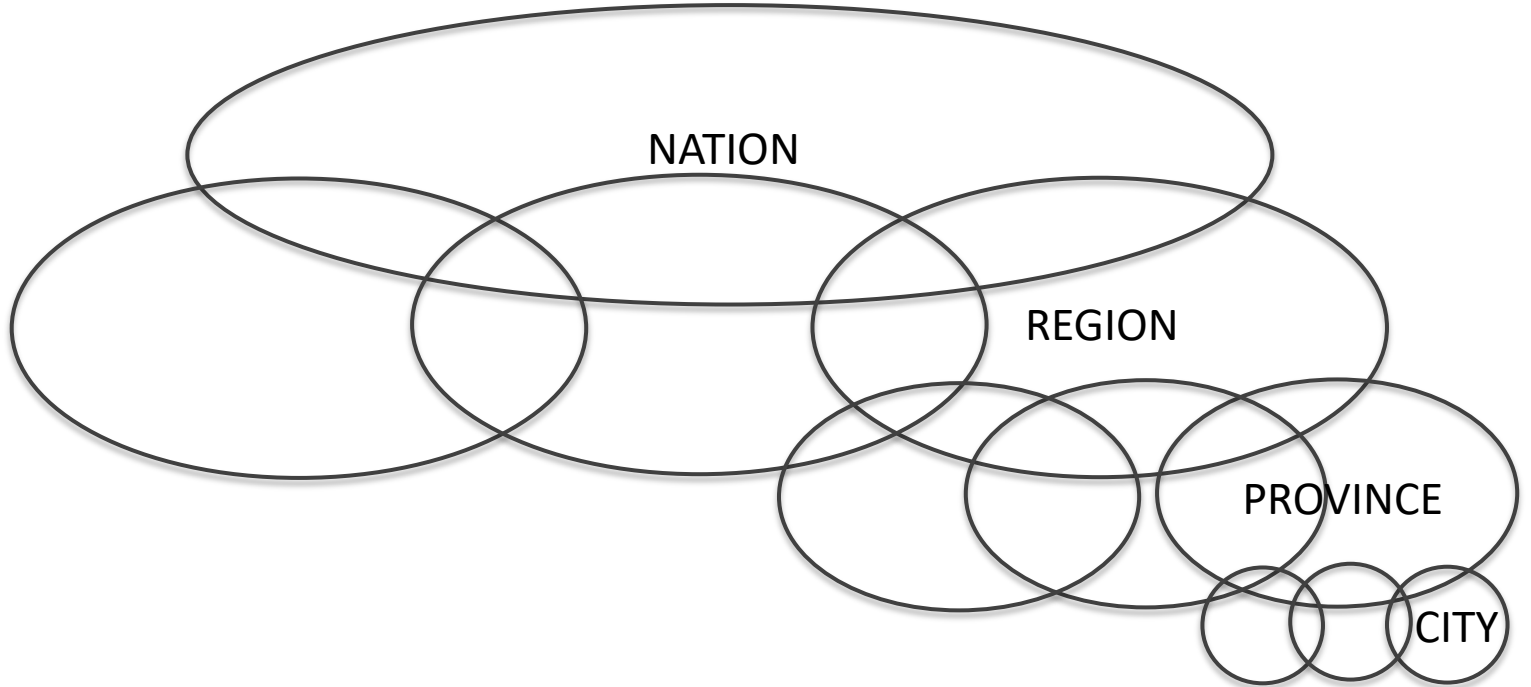
versowoc
(producer of sawn timber)

ORgroup
(wooden products)

MISAWA
Misawa Homes of Finland Ltd.

- Savonlinna, concentration of mechanical wood processing. Wood construction Companies: Metsä Wood,. Production of high end wood products in industrial scale
- UPM WISA PLYWOOD, WISA®-vanerit ja –viilut – Efficiency made easy™ , WISA-product
- Sawmill Sahakuutio Oy, Sahakuutio Oy:n ja Ekosampo Oy
- Puutaito Oy and Punkalive: Wood based packaging materials for paper and carton industry, production of sheets for veneer industry and manufacturing of wooden elements for home building. Punkalive Oy: manufacturing of furniture, wall elements and small products for interior decoration.
- Wood construction : Kaskinen Invest Oy

Multi-level orchestration



Finland – forest related industries according to Business Finland

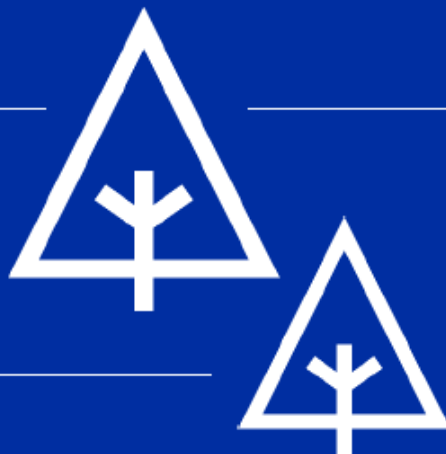
Abundant feedstock

86%

FINLAND IS EUROPE'S MOST HEAVILY FORESTED COUNTRY WITH 86% OF ITS LAND AREA UNDER FOREST

90%

OF THE FINNISH FORESTS ARE PEFC-CERTIFIED



100M m³

ANNUAL GROWTH IS 100 MILLION M³

60%

THE GROWTH POTENTIAL FOR SUSTAINABLE HARVESTING IS CURRENTLY 60%



BUSINESS
FINLAND

INVEST IN
FINLAND

Forest cluster in Finland

22

PAPER MILLS

13

PAPERBOARD MILLS

16

PULP MILLS

18

PAPERS AND PAPERBOARD
CONVERTING MILLS

77

SAWMILLS

11

PLYWOOD, PARTICLE BOARD,
FIBREBOARD AND VENEER MILLS

61

FURNITURE AND JOINERY
INDUSTRY



BUSINESS
FINLAND

INVEST IN
FINLAND

Source: Finnish Forest Industry

Innovative bioproducts

**WOOD CAN SERVE
MANY NEW
MARKETS IN THE
FUTURE**

—

**YET ADDITIONAL
COMPETENCES AND
RESOURCES ARE
NEEDED**

**NEED IN FURTHER
REFINEMENT, PRODUCT
FORMULATION AND
PRODUCTION OF HIGH
VALUE ADDED PRODUCTS**

**SUCH AS:
BIO-CHEMICALS
AND
ADVANCED BIOMATERIALS**

**EXAMPLES OF
APPLICATION AREAS**

- FLEXIBLE SCREENS
 - SOUND SYSTEMS
 - CAR PARTS
 - BIODEGRADABLE PACKAGING MATERIALS
 - ADHESIVES
 - PAINTS
 - COSMETICS
 - MEDICINES
 - TEXTILES
-

Epicenter of Global Bioeconomy Growth

4 BILLION EUROS

WORTH OF BIG NATIONAL AND
INTERNATIONAL INVESTMENT
PROJECTS

IN OPERATION & PLANNING

PRODUCTION OF NEW, ADVANCED PRODUCTS

100 % RENEWABLE DIESEL
TRAFFIC FUEL TALL-OIL
DISSOLVING PULP FOR TEXTILES
PYROLYSIS OIL
CROSS LAMINATED TIMBER
KRAFT LIGNIN

NEW PRODUCT DEVELOPMENT

WOODFABRIC
PAPTIC
BIOPLASTICS
LIGNIN APPLICATIONS
BIOFIBRILS

Biofuels

30 %

BY 2030,
FINLAND WILL
INCREASE THE
THE SHARE OF
RENEWABLE
FUELS TO 30%

600 000 toe

NEW CAPACITY
NEEDED – CREATES
OPPORTUNITIES IN
INCREASING THE
PRODUCTION OF
LIQUID BIOFUELS



Industrial wood construction

**INDUSTRIAL
WOOD
BUILDING
GAINS
MOMENTUM IN
FINLAND**

**USE OF WOOD AS
BUILDING
MATERIAL WIDELY
EMBRACED**

**WELL-
MANAGED,
CERTIFIED
FORESTS**

**HIGH-QUALITY
WOOD AT
COMPETITIVE
PRICES**

**POTENTIAL
PARTNERS**

**SAWMILLING AND
WOOD INDUSTRY
COMPANIES WITH
LONG
TRADITIONS**

The "forestry" industry

- Feedstock - lumber
- Saw mills
- Furniture and joiniture industry
- Industrial wood construction
- Plywood, particle board, fibre board and veneer mills
- Pulp mills
- Paper mills
- Paper board mills
- Papers and paper boards converting mills
- Biochemicals
- Advanced biomaterials
- Forestry machinery providers
- Timber logistics
- Forest inventory
- Forest management
- Precision forestry
- Global Technology industry
- Chemicals and energy industry (focus on biobased raw materials and processes)
- New and advanced products (renewable diesel, traffic fuel, tall-oil, dissolving pulp for textiles, pyrolysis oil, cross laminated timber, kraft lignin)
- New product development (woodfabric, paptic, bioplastics, lignin applications, biofibrils)
- Bioeconomy
- Future products;
 - Biomaterials (tailored pulps, new fibre-based materials, new lignin-based materials)
 - Biochemicals (lignin-based aromatics and adhesives, methanol-derived products, fertilizers)
 - Bioenergy (liquid biofuels, biogas, product gas)

A grayscale aerial photograph of a city, likely Amsterdam, featuring a prominent clock tower (the Belfort) and various buildings. The image is used as a background for the text.

Workshop II

Differentiation

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WORKSHOP – differentiating your Place

- Given that you are all in the Bioeconomy space, how can you differentiate your place? What do you believe is your *true* strength in that industry?
- When you compare your place to others in the region/country what do you believe they are strong at? What advice would you give the other Provinces that are here today?

An aerial photograph of a city, likely in Eastern Finland, with a teal color overlay. The image shows a dense urban landscape with various buildings, including a prominent church with a tall spire on the right side. The sky is filled with clouds.

Business Attraction Management Eastern Finland, June 5, 2018

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