

OFFICE OF PERFORMANCE MANAGEMENT & OVERSIGHT

FISCAL 2014 ANNUAL REPORT GUIDANCE

The Office of Performance Management & Oversight (OPMO) measures the performance of all public and quasi-public entities engaged in economic development. All agencies are required to submit an Annual Report demonstrating progress against plan and include additional information as outlined in [Chapter 240 of the Acts of 2010](#).

The annual reports of each agency will be published on the Office of Performance Management [website](#), and will be electronically submitted to the clerks of the Senate and House of Representatives, the Chairs of the House and Senate Committees on Ways and Means and the House and Senate Chairs of the Joint Committee on Economic Development and Emerging Technologies.

Filing Instructions:

The Fiscal Year 2014 report is due no later than **Friday, October 3, 2014**. An electronic copy of the report and attachments A & B should be e-mailed to James.Poplasky@MassMail.State.MA.US

1) AGENCY INFORMATION

Agency Name Massachusetts Office of International Trade and Investment

Agency Head C. Richard Elam

Title Executive Director

Website <http://www.mass.gov/moiti>

Address 10 Park Plaza, Suite 4510
Boston, MA 02116

2) MISSION STATEMENT

Please include the Mission Statement for your organization below.

The Massachusetts Office of International Trade and Investment (“MOITI”) is the Commonwealth’s primary international business development agency charged with promoting trade and investment with global partners in Massachusetts and around the world. Our office is dedicated to building successful international collaborations and partnerships essential to bringing new economic opportunities and investments to the Commonwealth. MOITI’s mission is simple: strengthen the Massachusetts economy, create jobs and increase the Commonwealth’s international presence.

3) PERFORMANCE AGAINST PLAN REPORT

Please provide details on the progress and accomplishments for Fiscal Year 2014 as it relates to the Fiscal Year 2014 Plan submitted by your agency. Plans are posted on the OPMO [website](#) for easy reference. This information should be included as **Attachment A and should include prior year perspective**. In addition to your Performance to Plan Report, Questions 4 through 10 provides guidance on the specific information required under Chapter 240 of the Acts of 2010.

4) ACCOUNTING

Please provide financial information for your agency. Below please give a summary of *Receipts and Expenditures* during the fiscal year, and include the *Assets and Liabilities* at the end of the fiscal year. Please include the most recent audited financial report for the agency as **Attachment B**.

	AMOUNT	
Receipts	N/A	
Expenditures	N/A	
Assets	N/A	
Liabilities	N/A	

5) INVESTMENTS OR GRANTS TO BUSINESSES OR INDIVIDUALS

Does your agency make **investments** and/or provide **grants** to businesses or individuals? Yes No

If **Yes**, please provide detailed information on investments and/or grants made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report. Information should include the number, nature and amounts of investments made and grants awarded by your agency along with job, investment and/or other economic development impact. Please list the name(s) of the investment and/or grant programs offered by your agency in the space provided below:

In FY 2013 MOITI administered the 2013 State Trade and Export Promotion (STEP) Grant Program. This initiative, made possible through a grant from the U.S. Small Business Administration, awarded Massachusetts \$720,856 to help enhance international trade opportunities for small businesses, specifically by offsetting the costs of their pre-approved export initiatives. While the program was run on the federal fiscal calendar (October 1, 2012 – September 30, 2013), all sub-granted awards were made within the window of FY 2013. MOITI received 122 applications and provided awards to 71 companies, totaling \$681,310 (with administrative costs at less than 6%). MOITI was later provided a no-cost extension by the federal government and offered approximately \$30,000 in reimbursements to small businesses under this program during the state FY2014.

6) DEBT OR EQUITY INVESTMENT DETAILS

Is your agency involved in **debt** or **equity investments** for businesses? Yes No

If **Yes**, please provide detailed information on debt and/or equity investments made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the name(s) of the debit and/or equity investments programs offered by your agency in the space provided below:

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7) LOAN DETAILS

Is your agency involved in **real estate loans, working capital loans, or any other type of loan or guarantee**? Yes No

If **Yes**, please provide detailed information on loan(s) and/or guarantee(s) made during FY14 in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the types of loan(s) and/or guarantee(s) offered by your agency in the space provided below:

None

8) OTHER FORMS OF FINANCING OR FINANCIAL ASSISTANCE?

If your agency provides any other form of financing or financial assistance, please include FY14 details in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the types of other forms of financing offered by your agency in the space provided below:

None

9) PATENTS OR PRODUCTS

Does your agency track **patents** or **products** resulting from agency-funded activities? Yes No

If **Yes**, please include details in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment and/or other economic development impact. Please list the agency-funded activities of your agency that promote patent and product advancement in the space provided below:

None

10) TECHNICAL ASSISTANCE

If your agency provides technical assistance, please provide detailed information on technical assistance provided during FY14 in the **Performance Against Plan Report – Attachment A** section of this report along with job, investment, and/or other economic development impact. Please list the name(s) of the technical assistance

programs offered by your agency in the space provided below:

MOITI provided technical assistance through online webinars and support with the MA Export Center under the terms of the 2013 STEP Grant program. Given the no-cost extension to the STEP grant program, these assistance programs as outlined in the MOITI FY2013 report were continued in FY2014.

11) MANAGEMENT TEAM

Please confirm that the senior management team listed on your website is accurate and report on any current or pending vacancies and/or replacements.

Executive Director: C. Richard Elam

Manager of Business Development: Brittany McDonough

Manager of Business Development: Hunter Richard

Director of International Missions: Alexander Richman (Not on website)

12) BOARD OF DIRECTORS

If applicable, please confirm that the board of director information on your website is accurate and provide information on any current or pending board vacancies.

None

<i>As outlined in FY2014 Plan</i>		FY 2014 PERFORMANCE
GOALS	STRATEGY	
Promote Foreign Direct Investment into the Commonwealth	<ul style="list-style-type: none"> • Outreach through international and domestic partner agencies • Convene economic development partners in the Commonwealth to attract investment. 	50% increase in FDI wins <i>Baseline: 10</i> <i>Performance: 2 (approximately 800 jobs)</i>
Direct Air-Service Route Development	<ul style="list-style-type: none"> • Under the leadership of the Massachusetts Marketing Partnership in Collaboration with Massport, increase the number of direct flights between Massachusetts and other global centers of activity for our key industry partners. 	50% increase in new international direct service <i>Baseline: 1</i> <i>Performance: 4 (Beijing, Istanbul, Dubai, Hong Kong)</i>
Economic Development Plan Alignment: Aligns with Category for Action 4, Subcategory 4.3 – Market the Strengths of Doing Business in Massachusetts		

The Massachusetts Office of International Trade & Investment (“MOITI”) had two primary strategic goals for the OPMO FY 2014 Business Plan: 1) to attract foreign companies to locate into MA (foreign direct investment or “FDI”) and 2) to assist Massachusetts companies growing internationally through focused export promotion.

In addition to those two primary goals, the agency had three specific shared goals as part of the Massachusetts Marketing Partnership (“MMP”): 4.3.1) to increase by 20% annually over the next five years the number of private sector “ambassadors” sharing their knowledge and enthusiasm about the Commonwealth with businesses interested in locating or growing here, with a corresponding increase in the number of networking events, forums and marketing channels in which these ambassadors participate – through the creation and implementation of the international Global Alumni Network; 4.3.2) to leverage status as a leading host of international

scientific, Medical and technical conferences to better connect and market our key industry clusters – for FDI purposes; and, 4.3.3) to increase the number of direct flights between Massachusetts and other global centers of activity for our key industry clusters.

The Goals, Actions, and Measurements, with relevant progress thereto, are included below:

Goal: Attract foreign companies to locate into MA – foreign direct Investment

Actions:

- Increase foreign direct investment lead generation and tracking
- Create comprehensive database documenting state and local programs and services available to international companies looking invest and or locate in MA
- Build relationships with key international contacts including the Consular Corps, international economic development agencies and international industry associations
- Coordinate with other state and regional economic development agencies/groups to present the best information and marketing to foreign companies
- Market the Strengths of doing Business in Massachusetts to international groups:

4.3.2 Leverage status as a leading host of international scientific, Medical and technical conferences to better connect and market our key industry clusters – for FDI purposes

4.3.3 Increase the number of direct flights between Massachusetts and other global centers of activity for our key industry clusters

Measurements:

1. *FDI Wins and Promotions:* During FY 2014 MOITI assisted at least two international companies establish operations in the Commonwealth. At market entry, the total respective companies projected initial hires at between 400-500 employees. During this period also MOITI met with or called over 50 companies, many of

which continue as active leads. MOITI also liased with the Massachusetts Life Sciences Center, the Massachusetts Clean Energy Center, and the Massachusetts Technology Collaborative to target and assist over 15 new international companies to Massachusetts.

2. *Conference Participation:* In FY 2014, MOITI participated and supported major conferences in the Commonwealth including the EU-US eHealth Marketplace in October 2013. MOITI also participated in Medica 2013 in Dusseldorf, Germany in November and BIO 2014 in San Diego.
3. *Increase the number of direct flights between Massachusetts and other global centers of activity for our key industry clusters:* MOITI assisted Massport and MOTT in the awarding of non-stop direct airline service to 4 destinations in FY2014. New Airline Service Launched in FY2014:

July 2013	Copa Airlines	Panama City, Panama
March 2014	Emirates Airlines	Dubai, UAE
May 2014	Turkish Airlines	Istanbul, Turkey
June 2014	Hainan Airlines	Beijing, China

4. *Implied Measurement – Build relationships with key international contacts including the Consular Corps, international economic development agencies and international industry associations* MOITI participated in several events co-hosted with or featuring members of the Consular Corps including the Consul’s Ball, and other events arranged through the Science and Technology Diplomatic Circle. The Consular Corps represents approximately 60 international markets and is a key coalition to promote the Commonwealth as a destination for investment and partnership.

Goal: Assist Massachusetts companies growing internationally through focused export promotion

Actions:

- Manage and administer the MA STEP Grant Program
- Host inbound foreign delegations
- Organize Governor-led international trade mission with a delegation of Massachusetts companies, industry leaders, and government agencies.
- Facilitate access to various export promotion services at the state and federal level
- Host Export related seminar series; “Doing Business In.....” for MA companies

4.3.2 Leverage status as a leading host of international scientific, Medical and technical conferences to better connect and market our key industry clusters – for export promotion purposes

Measurements:

1. *Track STEP Grant Applicants/Recipients and job creation resulting from the STEP Grant.* In FY 2013 MOITI administered the 2013 State Trade and Export Promotion (STEP) Grant Program. This initiative, made possible through a grant from the U.S. Small Business Administration, awarded Massachusetts \$720,856 to help enhance international trade opportunities for small businesses, specifically by offsetting the costs of their pre-approved export initiatives. While the program was run on the federal fiscal calendar (October 1, 2012 – September 30, 2013), all sub-granted awards were made within the window of FY 2013. MOITI received 122 applications and provided awards to 71 companies, totaling \$681,310 (with administrative costs at less than 6%). Following the awarding of a no-cost extension in FY2014, MOITI continued to administer approximately \$30,000 in STEP grants to approximately 10 companies until March 2014.
2. *Companies Assisted:* In FY 2014, MOITI assisted over 100 companies with questions relating to exporting, market access, and trade shows.
3. *Amount of increased exports (in USD, as reported by the companies):* As the current STEP Program is extended through federal fiscal year 2014, complete metrics for export increase are unavailable at this time.

4. *Number of trade missions; deliverables from missions:* MOITI organized, coordinated, and managed the following 8 innovation partnership missions in FY2014:

Massachusetts-United Arab Emirates Innovation Partnership Mission (2014)

From June 2nd to June 4th Governor Patrick led a delegation to the United Arab Emirates (UAE) with visits to both Abu Dhabi and Dubai.

Massachusetts-Israel Innovation Partnership Mission (2014)

From May 27th - May 30th, 2014, Governor Patrick led his second Innovation Partnership Mission to Israel. The combined Government and Business delegation to Israel numbered over 100 people and was the largest delegation from a single U.S. state to visit Israel in its history. The Mission served as an opportunity to build upon the importance of the bilateral relationship Massachusetts enjoys with Israel and to follow up on the success of the Massachusetts-Israel Innovation Partnership (MIIP) signed in 2011.

Massachusetts-Panama Innovation Partnership Mission (2014)

From March 17th-22nd 2014, Governor Patrick led an innovation mission to Panama and Mexico that focused on creating and strengthening relationships with the emerging innovation economies of Panama City and Mexico City.

Massachusetts-Mexico Innovation Partnership Mission (2014)

In Mexico, the Governor and his delegation met with leaders in Mexico's clean energy, big data, life sciences and transportation sectors.

Massachusetts-Japan Innovation Partnership Mission (2013)

In December 2013, Governor Patrick and a delegation of business and quasi-state agency leaders embarked on a trade mission to Asia where they visited Japan, Hong Kong, and Singapore.

In Japan, the Governor met with Japanese industry and policy leaders including those in health information technology (IT) in Tokyo to discuss collaborations and partnerships between the emerging health IT industry sectors in each region and public policies spurring health technology adoption in each region.

As a direct deliverable to his meeting with Governor Yuji Kuroiwa of Kanagawa Prefecture during the trade mission, Massachusetts and Kanagawa Prefecture signed an MOU in the area of Life Sciences collaboration in May 2014 in Boston. After meeting with Hiroyuki Ishige, Chairman of the Japan External Trade Organization (JETRO) in Tokyo, MOITI and JETRO signed an MOU in June 2014.

Governor Patrick also met with Daisaku Kadokawa, Mayor of Kyoto, and Yamada Keiji, Governor of Kyoto Prefecture. In Tokyo, the Governor met with the Chief Executive Officers of the Mitsubishi Corporation, the Keizai Doyukai of Japan Association of Corporate Executives, Japan Rail East, Rakuten, Softbank, Fujifilm Global, Daiippon Sumitomo Pharma, and JR Tokai. From the Japanese government, the Governor met with Ichita Yamamoto, Minister of State for Science and Technology, Mr. Akihiro Ota, Minister of Land, Infrastructure, Transport and Tourism, and with Prime Minister Shinzo Abe.

Massachusetts-Hong Kong Innovation Partnership Mission (2013)

During his time in Hong Kong, Governor Patrick and delegation members met with representatives from Hong Kong's Mass-Transit Railway to discuss best practices for operating and funding public rail transportation. They also met with leaders from the American Chamber of Commerce in Hong Kong to discuss the importance of international partnerships and collaboration in the global economy. Governor Patrick later met with Hong Kong Financial Secretary, John Tsang. Finally, Governor Patrick met with the Hong Kong Trade Development Council and this meeting led to a MOU between Massachusetts, represented by MOITI, and the Hong Kong Trade Development Council signed in January 2014.

Massachusetts-Singapore Innovation Partnership Mission (2013)

While in Singapore, Governor Patrick met with leaders of key investment institutions and water innovation companies.

Massachusetts-Canada Innovation Partnership Mission (2013)

In October 2013, Governor Patrick led a delegation of government and business leaders to Canada to strengthen the state's partnership with Canada (Massachusetts' number one trade partner) and expand

economic opportunities between the two in order to create jobs in the clean-tech, innovation, digital health, financial services, digital gaming, life sciences, and academic sectors.

During this trade mission, stops were made in Toronto and Montreal where the Governor and his delegation met with business and academic leaders at the Montreal Council on Foreign Relations, participated in several business roundtables with business leaders in the innovation economy sectors, and met with Kathleen Wynne, the Premier of Ontario. In addition to these meetings, Governor Patrick made the keynote address at the Canada Wind Energy Association (CanWEA) conference in order to further promote Massachusetts as a leader in the clean energy sector and as a welcoming place to do business.

5. *Number of inbound foreign trade delegations:* In FY 2014 MOITI welcomed over 60 delegations including the following delegations late in FY2014:

Date	Delegations Welcomed From:
April 2014	Latvia, Republic of Korea, Netherlands, Kenya, China, Denmark
May 2014	Japan, Latvia
June 2014	China, Japan, Estonia

Prior Year Perspective: The Massachusetts Office of International Trade and Investment continues to focus its efforts on targeted trade promotion to markets in East Asia, Latin America, and the Middle East. It has lead 10 trade missions to international markets to destinations including Mexico, U.A.E., Canada, Japan, and Israel. MOITI has also transitioned to a new office at 10 Park Plaza, which has allowed the office to streamline operations and collaborate closely with partner agencies including the MA Export Center, MA Office of Business Development, and MA Office of

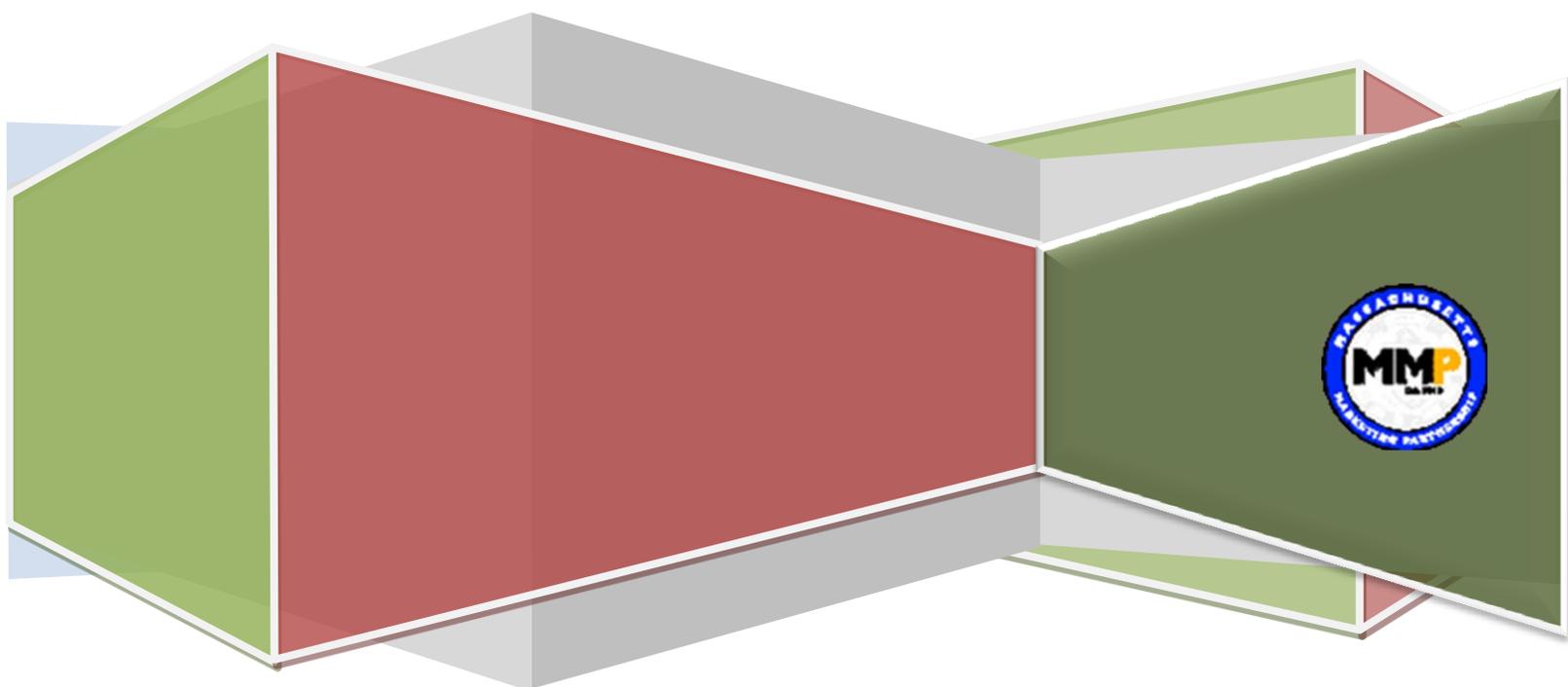
Travel and Tourism. MOITI has hosts trade/business delegations and promoted the benefits of Doing Business in Massachusetts as well as opportunities in the innovation economy. MOITI continues to follow-up with FDI leads and connections made in previous years' trade missions and visits including hosting high-level delegations from Colombia and Japan.

Office of Performance Management & Oversight

Massachusetts Office of International Trade and Investment

Fiscal 2014

Economic Development Business Plan



Massachusetts Office of International Trade and Investment

Mission Statement The Massachusetts Office of International Trade and Investment (MOITI) is the Commonwealth’s primary international business development agency charged with promoting trade and investment with global partners in Massachusetts and around the world. The office is dedicated to building successful international collaborations and partnerships essential to bringing new economic opportunities and investments to the Commonwealth – part of the Massachusetts Marketing Partnership.

Business Plan Summary – The following table summarizes objectives, programs, and initiatives planned for FY14 and performance measurements by which to evaluate progress.

Goals	Strategy	Performance Measurement
Promote foreign direct investment into the Commonwealth	Outreach through international and domestic partner agencies; convene economic development partners in the Commonwealth to attract investment	50% increase in FDI wins; Baseline: 10
Direct air service route development <i>Aligns with Action Item 4.3.3 of the economic development plan</i>	Under the leadership of the Massachusetts Marketing Partnership, in collaboration with Massport, increase the number of direct flights between Massachusetts and other global centers of activity for our key industry clusters	50% increase in new international direct air service Baseline: 1

Business Plan Detail – The following section provides additional information on the primary goals of the Massachusetts Office of International Trade & Investment.

MOITI fulfills its mission in the Commonwealth by preparing Massachusetts based companies to work in global markets, connecting Massachusetts businesses to international partners, developing an informed leadership and constituency for global trade and supporting the infrastructure needed to facilitate foreign direct investment in the Commonwealth and the export of Massachusetts goods and services to international markets.

Internationally, MOITI recruits foreign investors, connects the Commonwealth’s businesses to global partners, promotes Massachusetts’ innovation economy to the international market, and educates foreign audiences on the strengths and advantages of Massachusetts as a premier business and investment destination.

Massachusetts Office of International Trade and Investment

MOITI also serves as the Commonwealth's diplomacy advisor and leverages diplomatic contacts to develop and expand international export and investment opportunities for Massachusetts companies. Through developing strategic partnerships and collaborations, the Commonwealth benefits from the international promotion of its business community and the attraction of international investment.

As part of the Massachusetts Marketing Partnership and partnering with Massport, MOITI assists in Direct Route Development, is working to increase the number of direct flights between Massachusetts and other global centers of activity for the Commonwealth's key industry clusters.