# Site Selection Dynamics: How to Win in Today’s Investment Climate?

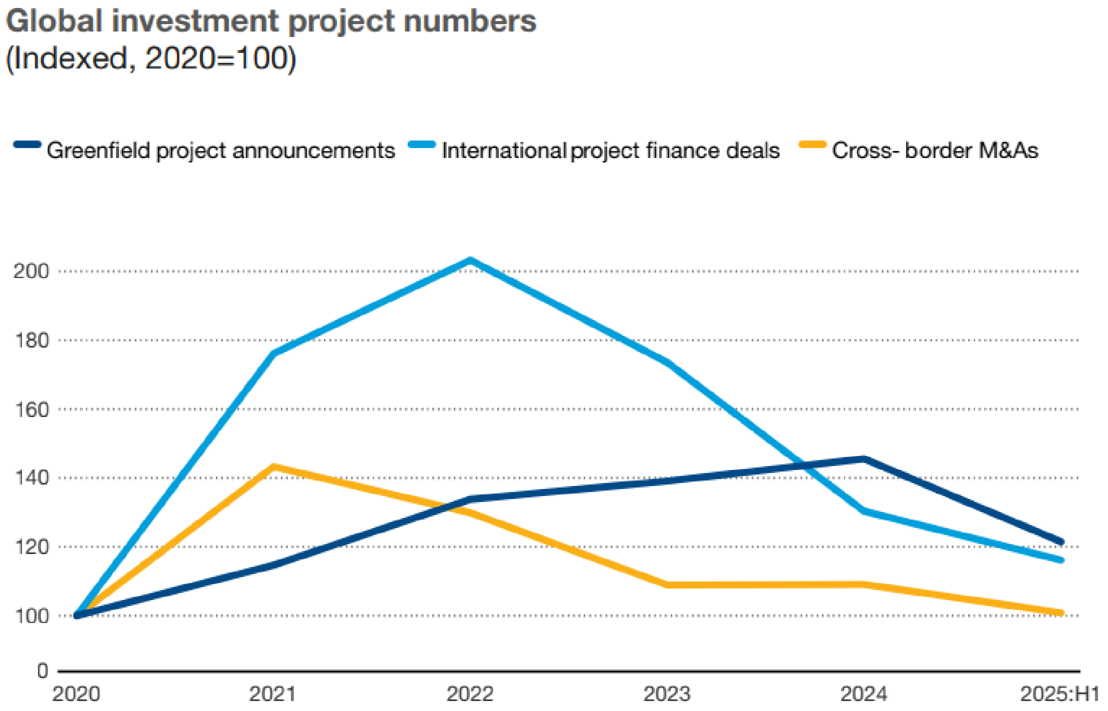
BUSINESS TAMPERE

**David Dera**
Senior Managing Director &
Head of Location Strategy EMEA

**November 13, 2025**

NEWMARK

# Global FDI remains weak – to avoid falling behind in the race for FDI, action must be taken now!




*Source:* UNCTAD, based on information from The Financial Times, fDi Markets (www.fDimarkets.com) and LSEG Data & Analytics.

- Global foreign direct investment (FDI) flows remain steady at low levels. This indicates that the **competition for FDI is growing**.
- The global economy is **undergoing transformation** driven by protectionist tendencies (post-globalization), automation, and the widespread use of AI.
- Choosing a location is not only about cheap labor anymore, but building a **resilient production footprint**, with access to cost efficient **labor**, **energy** and **policy alignment**.
- Competitive **countries and regions are stepping up their game** with new incentives, new site readiness programs, improved infrastructure, and robust workforce development programs.

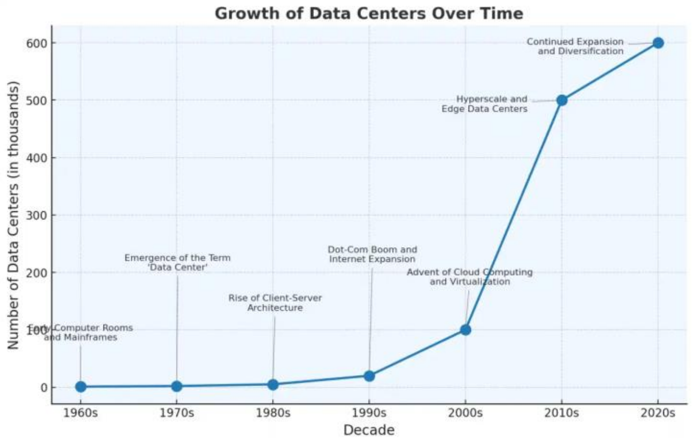
# Large-scale investments into global production facilities driven by growth and geopolitical implications…

**News** | **Articles** | June 16, 2025

## UCB to Invest $5 Billion into US Production Plant

*Author(s)* *Nicholas Saraceno, Editor*

*The biopharma company—whose US headquarters is in Atlanta—will be building a new biologics manufacturing facility in a city to be named at a later date.*




CAR AND DRIVER SIGN IN

e.g. 2025 Toyota RAV4

Home / News

## Report: Audi Might Build a U.S. Factory in Response to Tariffs

If built, Audi's new factory would likely be in the southern United States and could cost around $4.6 billion to construct. What could be built there? Possibly the popular Q5.

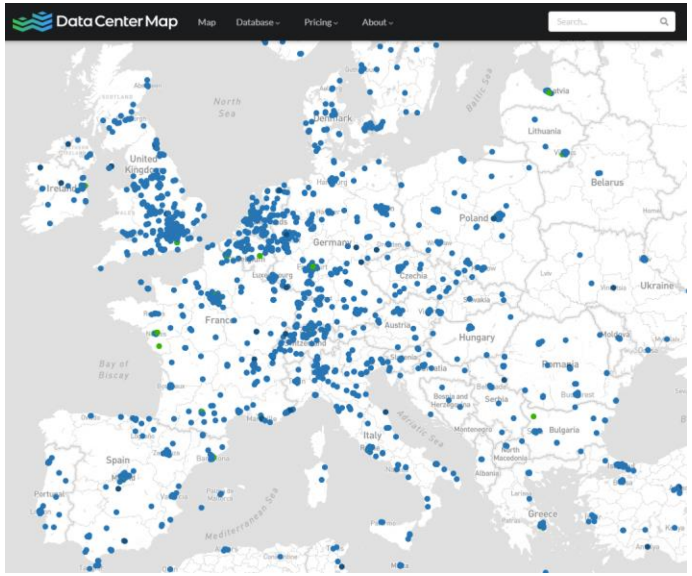
By Caleb Miller Published: Jun 20, 2025

## Siemens breaks ground on new battery plant

New factory in Germany will open in 2027 and will produce complete battery systems for locomotives and multiple units.


Photo Credit: Siemens Mobility

SIEMENS Mobility has begun construction of a €35m production facility for rail traction battery systems in Luhe-Wildenau in southern Germany.

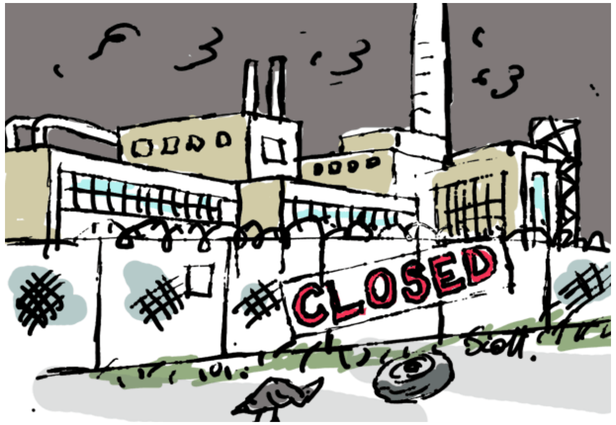



Automobile

## BYD could build a third European plant in Spain

China's top EV manufacturer BYD is considering Spain as the preferred site for its third European production facility, according to sources familiar with the company's plans. The company is already setting up shop in Hungary and Turkey.

# …as well as reconfiguration of global footprints due to rapidly changing operating environments and transformation of industries





- A relocation wave has raised fears of "*deindustrialisation*" in Germany
- Surveys in 2024 found **37% of German industrial companies have considered moving production abroad or cutting domestic output**, up from just 21% in 2022
- Among large manufacturers (>500 employees), **over half** say relocation is on the table if conditions don't improve – energy-intensive firms are the most alarmed
- The cumulative job impact is already in the **tens of thousands –** major announcements since 2022 alone account for well over **10,000 German jobs affected**
- On top of direct layoffs, there are **knock-on effects** on local suppliers and service providers in industrial regions. German unions and officials have voiced deep concerns, warning of a "silent farewell" to the country's industrial heritage if the trend continues
- ***"It is no longer possible to make a profit in Germany"*** under current conditions

*Source: Handelsblatt, Clean Energy Wire, brusselssignal.eutrans.info*

# Introduction – Who is David Dera?

## David Dera

*Senior Managing Director*
*Global Strategy, Newmark*

CERTIFIED SITE SELECTION CONSULTANT

*Years of Experience*

10

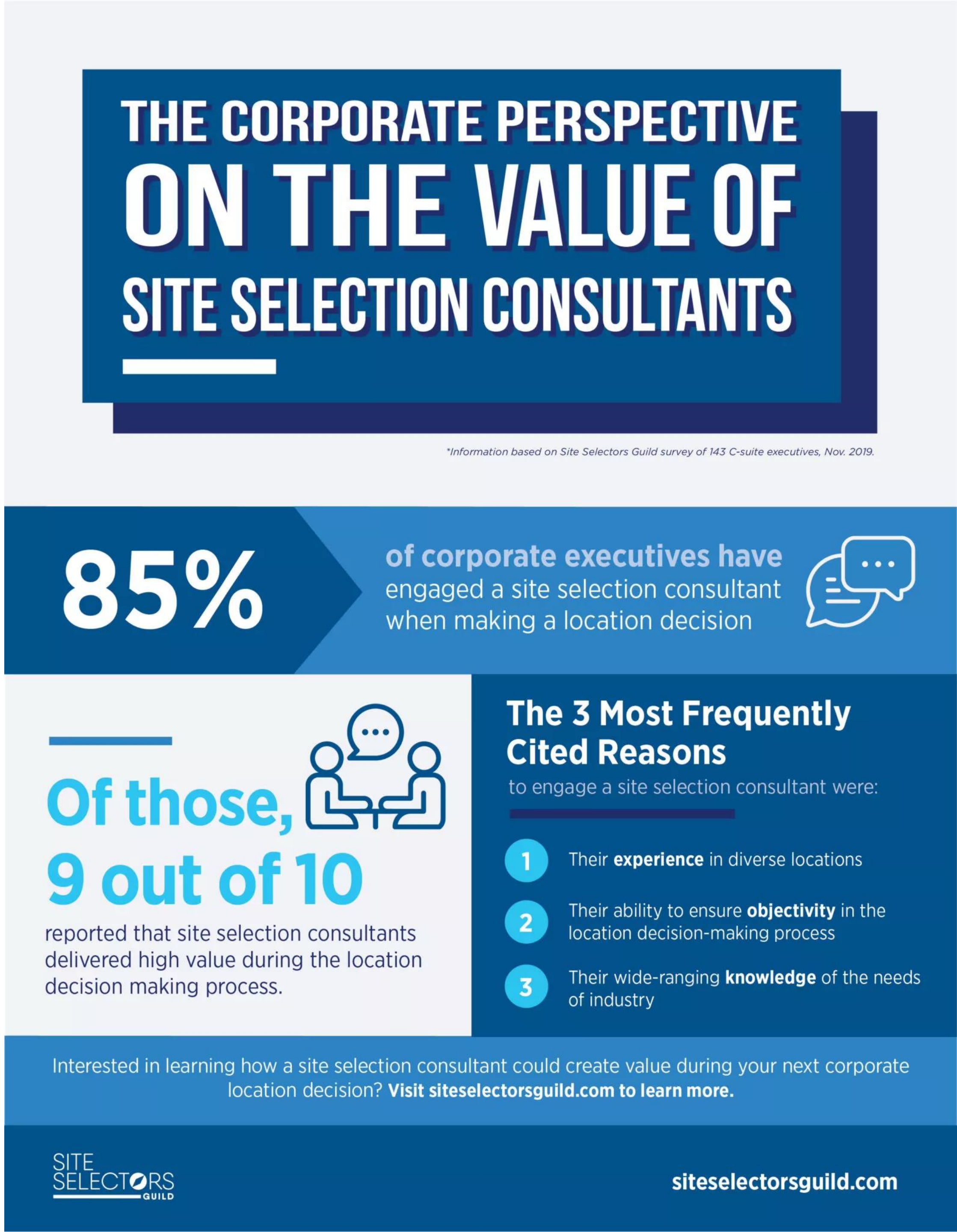
### *About me*

- Senior Managing Director within Newmark Global Strategy
- Head of Location Strategy EMEA
- Dedicated consulting focus: location strategy, site selection, incentives, economic development
- 50+ corporate & economic development engagements
- 20+ country field experience, including Europe, North Africa & Latin America
- B.Sc. in Business Administration & Economics from University of Hohenheim
- M.Sc. in International Business from Copenhagen Business School
- Member of the Site Selectors Guild

# Why work with a Site Selector?

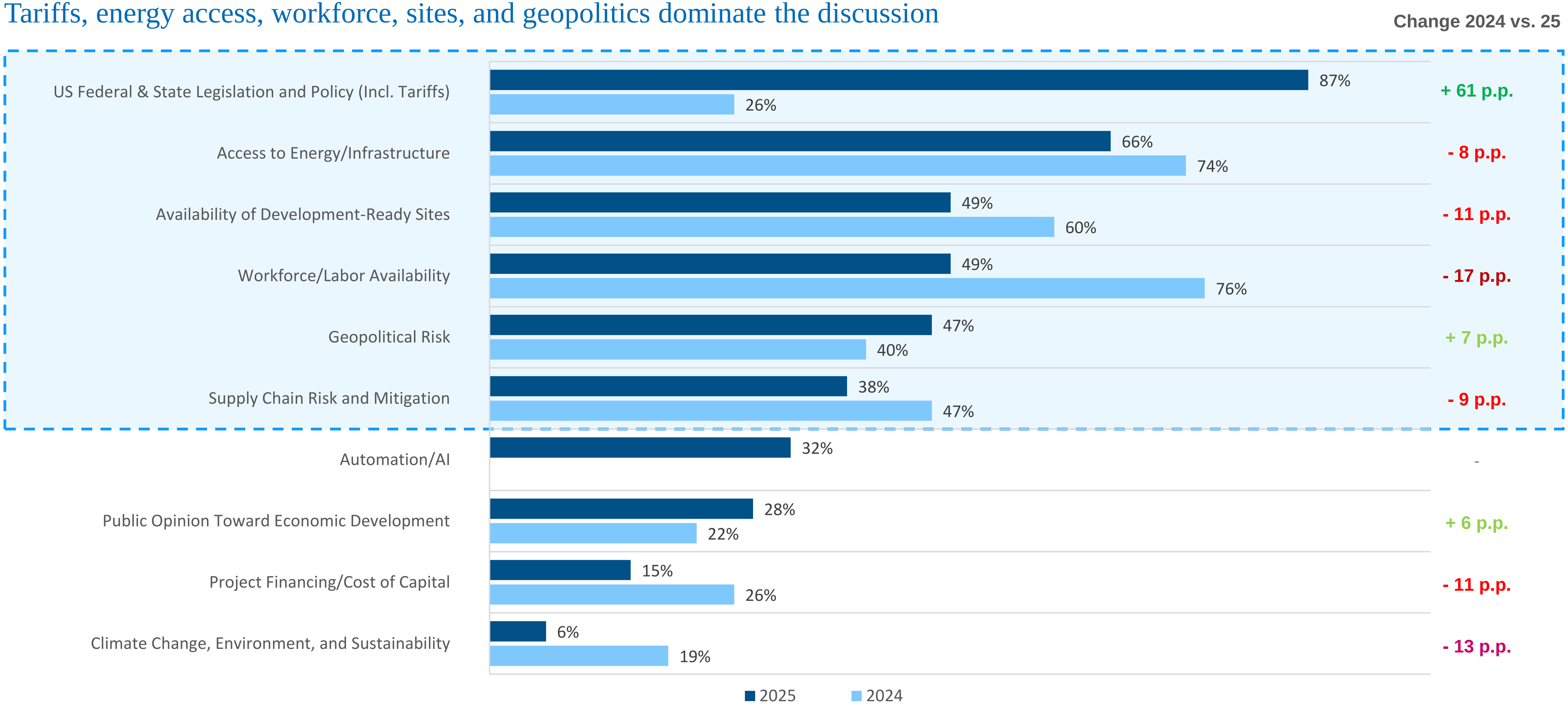
- **Objectivity** establishes credibility of decision making with stakeholders
- **Experience** and Expertise – **we do this every day**
- Industry and functional knowledge
- **Speed, process, analytics** and decision support
- Risk mitigation and management – especially for politically sensitive projects
- **Confidentiality** – internal and external communications

In many large-scale investment projects the stakes are too high to under-invest in the right team in order to find the right location!



# Top Factors Impacting the Site Selection Industry

## Tariffs, energy access, workforce, sites, and geopolitics dominate the discussion




*Source: The Site Selectors Guild – 2025 State of Site Selection*

# The Market is Changing

**Crowded Market and Increased Competition Driven by Aggressive Capital Deployment (esp. Data Centers)**

**High Energy Costs in Most EU Countries and Severely Limited Electrical Capacity**

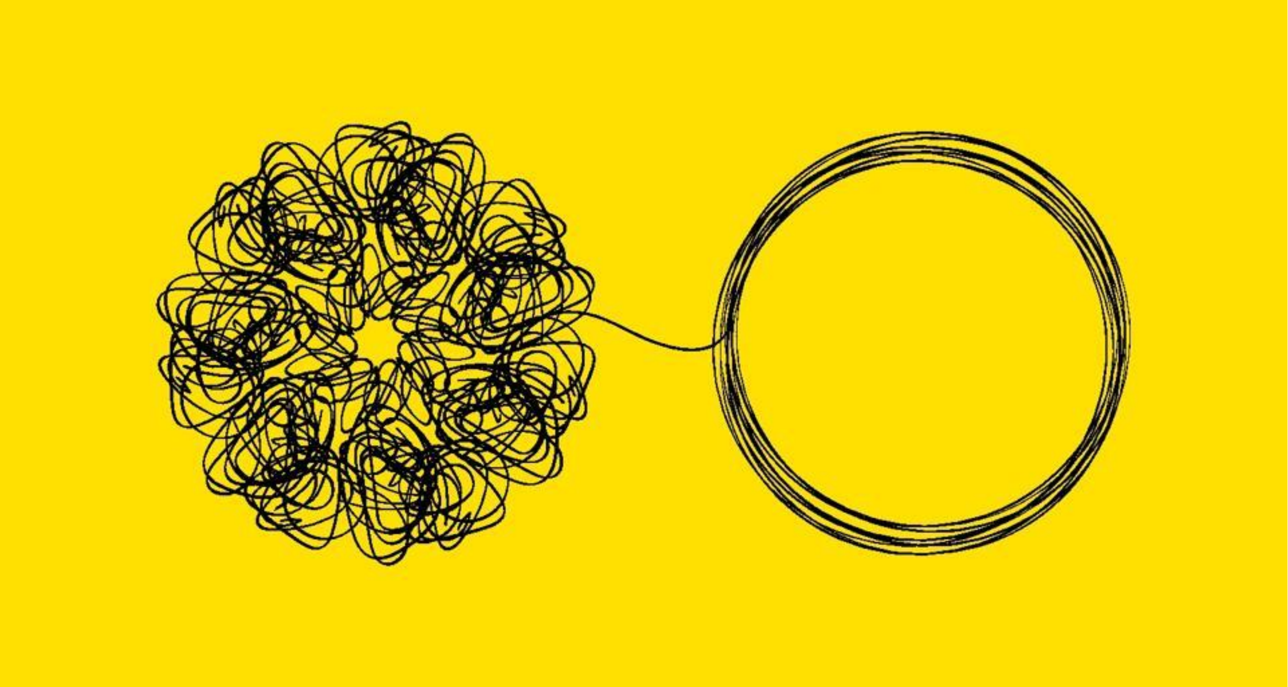
**Depleted Ready Site Inventory, Leading to Increased Land Prices and Competition**

**Increased Pushback from Local Municipalities and Their Residents**

**Changes and Risks Associated with US Policies and Tariffs (“VUCA”)**

# VUCA is Real!

- **VOLATILITY**
- **UNCERTAINTY**
- **COMPLEXITY**
- **AMBIGUITY**



- **VISION**
- **UNDERSTANDING**
- **CLARITY**
- **AGILITY**

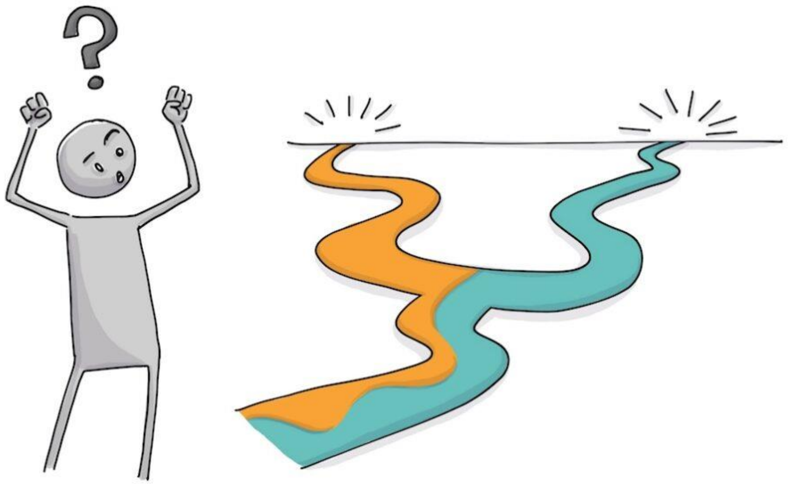
VUCA describes the chaotic, turbulent and rapidly changing business environment that has become the ‘new normal’ - are you equipped to deal with it?

Source: Forbes, Getty Image

# As a conequence companies are increasingly rethinking their global footprint

**The "Stay vs. Go" decision matrix:**

- Cost vs. Capability
- Risk vs. Resilience
- Productivity vs. Ramp-up
- Existing Environment vs. Unknown Local Reality
- Operating Model vs. Market Access
- Production footprint considerations are not just cost-driven decisions, but **highly strategic!**
- **Critical Factors:** Labor, energy, supply chain implications, regulatory, incentives, and speed-to-market, among others



# Site Selection Process

## Competitive locations pass multiple screening processes

### A PROCESS OF ELIMINATION

**Filter 1: Fatal Flaws**

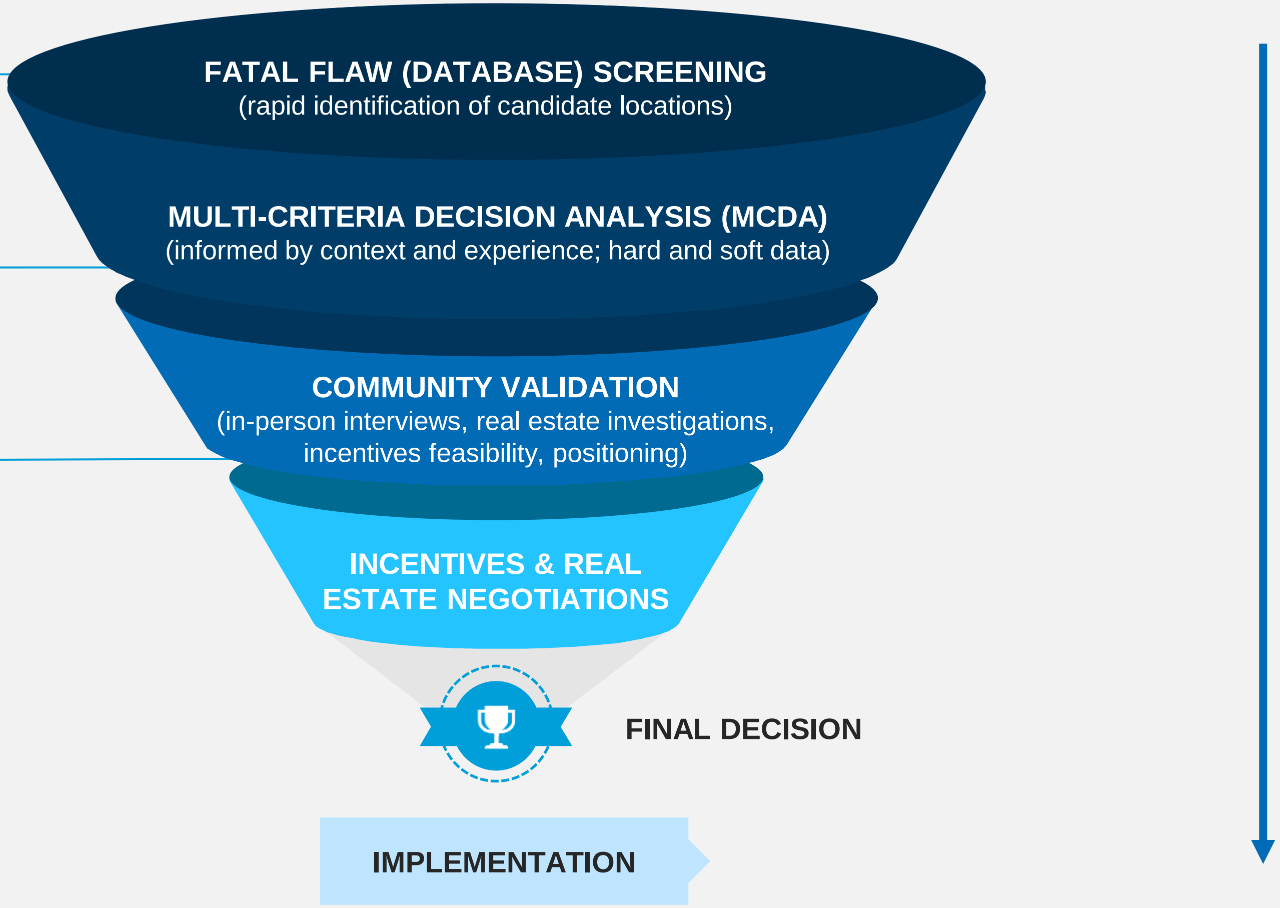
Screen out locations with fatal flaws related to Critical Location Factors, e.g., locations with insufficient alignment

**Filter 2: Serious Flaws**

Rule out locations with serious flaws, e.g., locations with key attributes but inadequate infrastructure (physical, talent)

**Filter 3: Controllable Flaws**

Consider locations that meet all critical criteria but have manageable issues – flaws that can be remedied or mitigated through negotiations with government officials



# Site Location Critical Factors

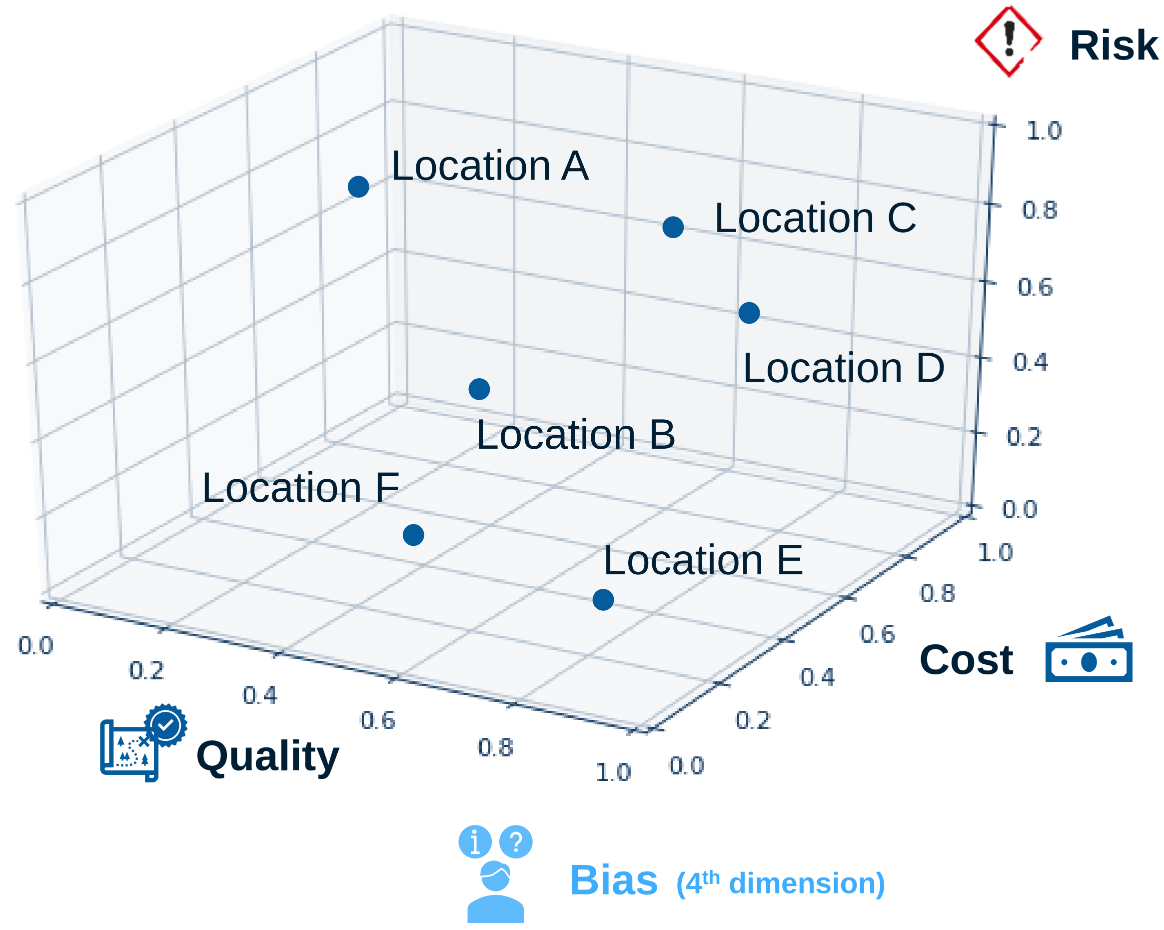
## The fundamentals still matter. But complexity is increasing.

### Quality

- Site Suitability & Sustainability
- Labor Quality, Talent Pipeline & Educational Attainment
- Logistics & Connectivity
- Business Climate / Taxes
- Quality of Life / Amenities
- Community Attitude, Experience and "Fit"

### Bias

- Investors / Boards
- Business Unit Competition
- Executive Influence
- Financial Markets
- Customer Preferences




### Risk

- Geopolitics
- Volatility of energy prices
- Poor due diligence
- Timeline risks (permitting, utility infrastructure, etc.)
- Change to investment / business laws or regulations
- Shifting budgets and tariffs
- Construction / SOP Delay

### Cost

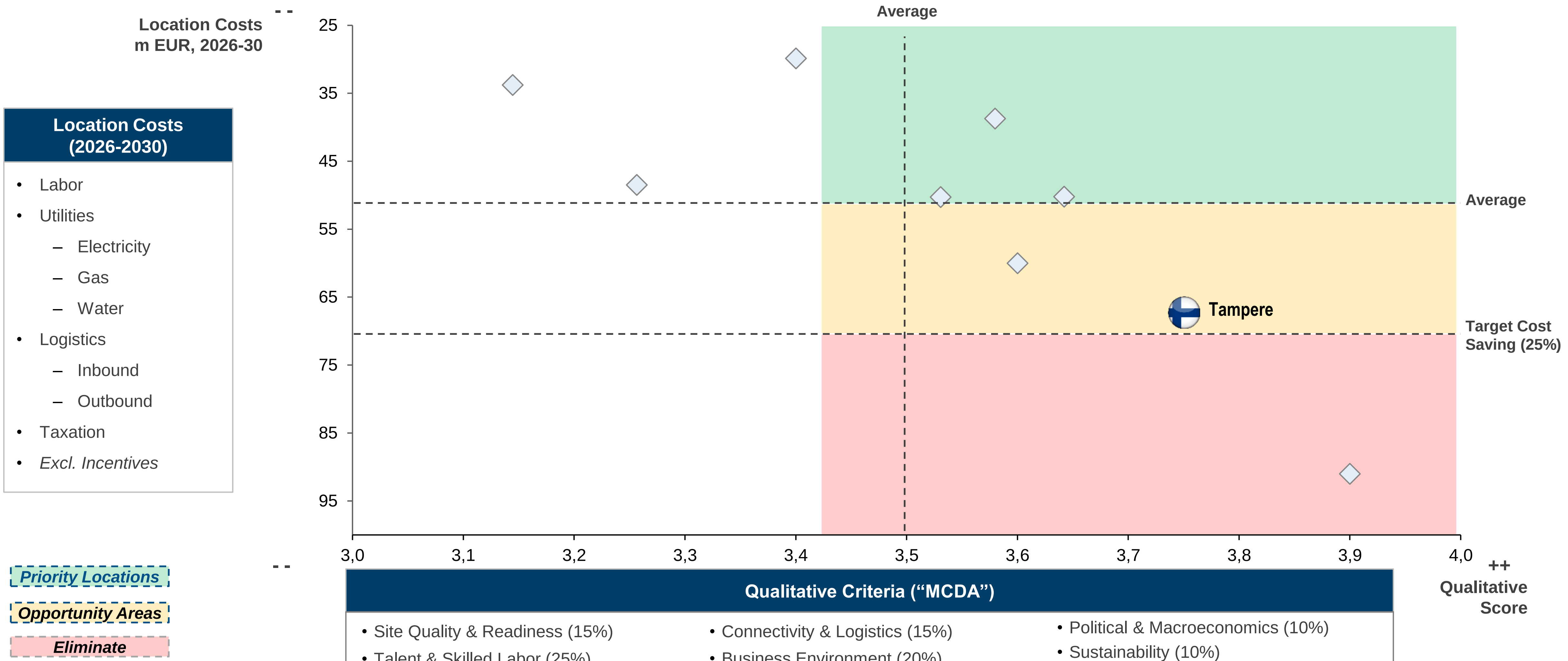
- Labor & Benefits Cost
- Land / Real Estate Cost
- Utility cost (e.g., water, sewer, gas & electricity)
- Logistics & Transportation
- Economic Incentives

# Reconciliation: Optimizing Factors

**Case Study**

**Location Costs (2026-2030)**

- Labor
- Utilities
  - Electricity
  - Gas
  - Water
- Logistics
  - Inbound
  - Outbound
- Taxation
- *Excl. Incentives*

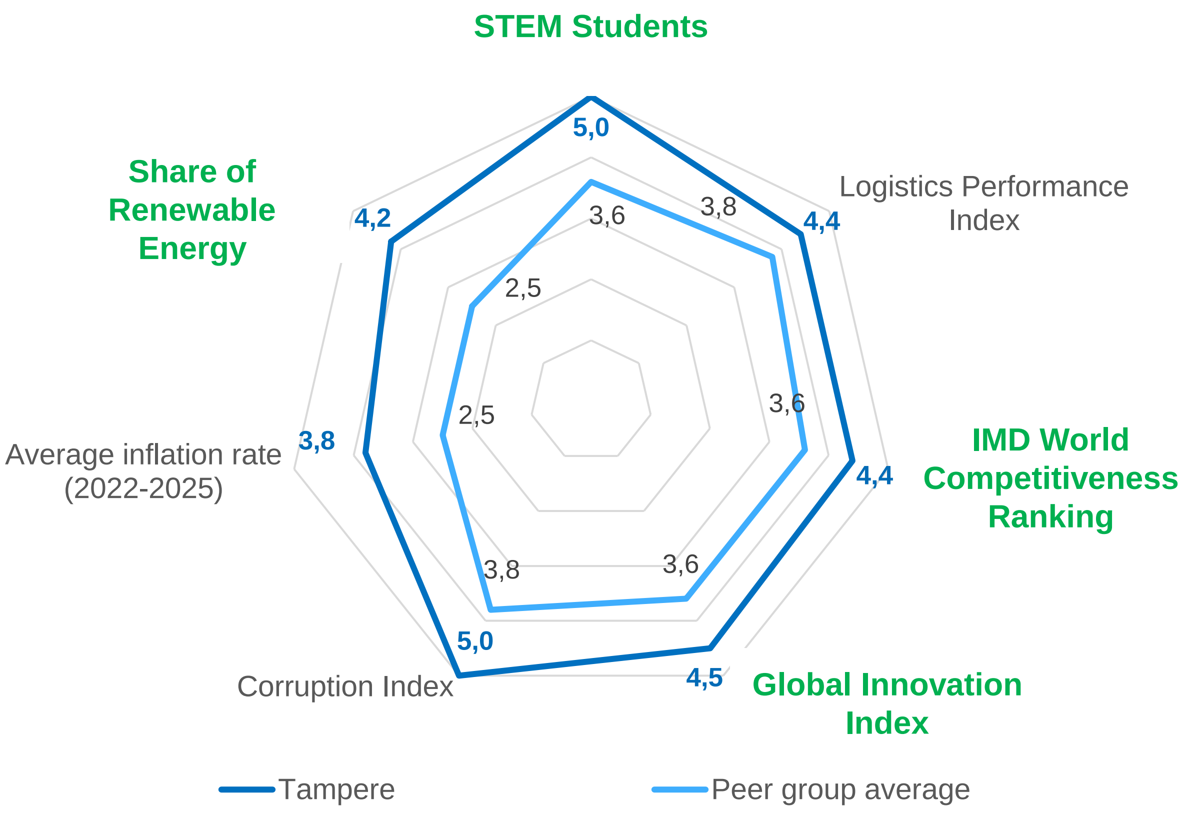



**Qualitative Criteria ("MCDA")**

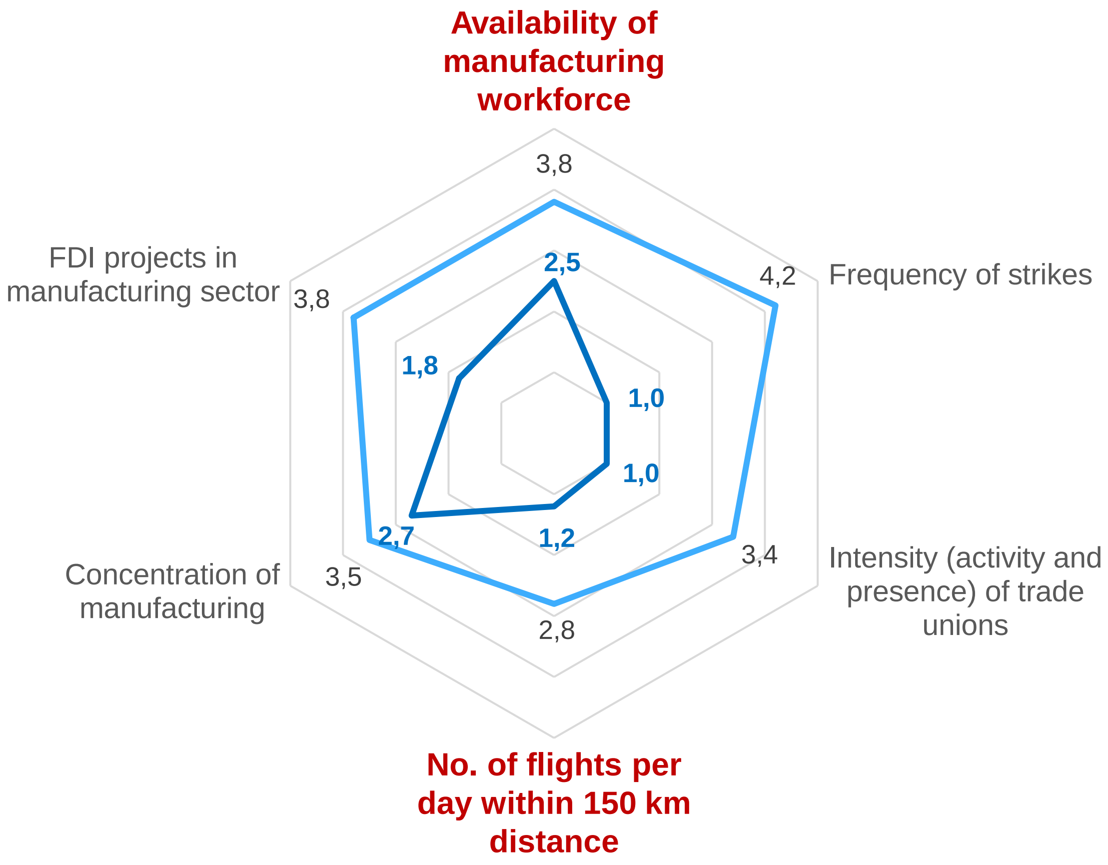
- Site Quality & Readiness (15%)
- Talent & Skilled Labor (25%)
- Connectivity & Logistics (15%)
- Business Environment (20%)
- Political & Macroeconomics (10%)
- Sustainability (10%)

# How we see the Tampere Region – Selected Location Criteria

## Strenghts of Tampere




## Weaknesses of Tampere



# So how can regions be more visible??

- **Be strategic** and promote your specific strenghts – „industrial“ is not a strategic sector
- Aftercare – Care for your local investors and **share your sucess stories**
- **Do not completely rely on others** – Business Finland is great, but has its on strategy and priorities
- **Be proactive** – attend and speak at conferences and industry events
- Collaborate with site selectors – work ***with us*** instead of ***against us***!

# Example of what to avoid….

SITE SELECTION DYNAMICS

# A successful site selection is possible if all stakeholders feel engaged, see reasonable “fit”, and achieve a WIFM in the near term

- ✓ Suppliers & Customers
- ✓ Renewable Asset Owners
- ✓ Consumers & Neighborhoods
- ✓ Utility and Infrastructure Providers
- ✓ Regional and Local Authorities
- ✓ National Governments
- ✓ Manufacturers in the Region

NEWMARK

# Thank You!

Feel free to connect during or after the conference:

**DAVID DERA**

**Senior Managing Director**
**Global Strategy**

+49 (173) 762 30 37
david.dera@nmrk.com