

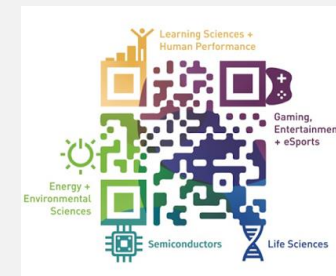
Leveraging Transatlantic Partnerships for High-Tech Success

Silicon Saxony
Online – Event, Oct 22, 2024



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Agenda



U.S. Market Overview

Challenges & Opportunities

Important Market Considerations – Production Technology Example

Success Story – Mind S.A.

Key Do's & Don't

Available Regional Resources to Consider – Central Florida Cluster Initiative

U.S. Market Overview

U.S. Market Overview

- 9,826,675 sq km, 2 ½ times the size of Western Europe
- Most technology powerful country in the world
- 342 million population
- GDP of \$25.4 trillion
- GDP per capita (purchasing power) of about \$76,300
- Population below poverty – 11.5%
- Official Unemployment – 4.2%
- Under Employed – 7.8%

World Fact Book, CIA, 2023

US Census Bureau 2022

US Bureau of Labor Statistics, Sept 2024

AREAS OF THE US AS EUROPEAN COUNTRIES OF EQUAL GDP AND CORRESPONDING CITIES

EACH EUROPEAN COUNTRY COVERS AN AREA OF THE US WITH THE SAME GDP (GROSS DOMESTIC PRODUCT). THE LARGEST/MOST IMPORTANT CITIES IN EACH AREA OF AMERICA ARE SUBSTITUTED FOR THE LARGEST/MOST IMPORTANT CITIES IN THE EUROPEAN COUNTRY WHICH COVERS IT.



Challenges & Opportunities

Main Challenges – Easily identifiable

- ✓ **Size of the Market** – Normally need to identify target regional markets
- ✓ **Geographical Distance From the Market** – Adds supply chain costs
- ✓ **Time Zone Differences** – 5 to 10 hour difference depending on the regions involved
- ✓ **Exchange Rate Fluctuations** – Euro to Dollar 12 month range: 16%
- ✓ **Local Laws and Regulations** - Challenges with regulations, testing, and standards
- ✓ **Strong Competition** – Saturated market (products and services)
- ✓ **Litigation is Common** – Highest number of lawyers per capita



Challenges & Opportunities

Potential Challenges – Product/service dependent (requiring market analysis)

- ✓ **Achieving a Competitive Price Point** – Manufacturing and supply chain costs plus tariffs can price products out of the market
- ✓ **Effective Market Presence** – Costs associated with required market representation
- ✓ **State Requirements** – Non-tariff barriers vary by state (e.g. labeling)
- ✓ **Product Liability Law** – Need to implement highly precautionary measures to reduce risk
- ✓ **Complex Tax System** – Taxes on services and products can be imposed by both the US federal government and individual states, counties and cities.



Challenges & Opportunities

Main Opportunities

- ✓ **Large Single Market** - Largest consumer market with a GDP of \$25 trillion and 342 million people.
- ✓ **One Common Language** – Although Spanish can be important in specific regional markets
- ✓ **Common General Culture** – Common spending trends by demographic
- ✓ **Economically and Politically Stable** - Ranked among the first 20 countries with the lowest regional political risk in the world
- ✓ **Access to Global Supply Chain** - Can lead to doing business with other markets
- ✓ **Low Average Tariffs** - EU-US low average tariffs (under 3%)



Challenges & Opportunities

Potential Opportunities – Product/service dependent (requiring market analysis)

- ✓ **Technologically Advanced Economy** – Business opportunities in new areas
- ✓ **Niche Market Opportunities** – Value added products or perceived value from country of origin
- ✓ **Comprehensive Intellectual Property (IP) Laws** - strong legal enforcement against infringement, offering a high standard of protection for IPR
- ✓ **Product Certification** - certain products can be tested and certified for the US market by private industry organizations



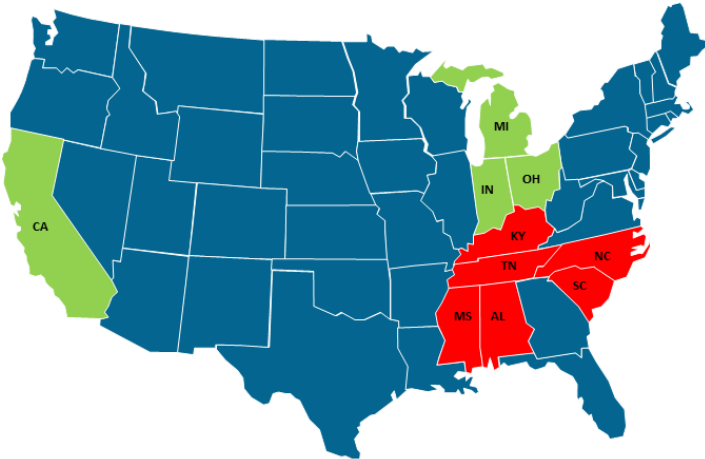
Production Technology Perspective

Production Technology Subsector – Machine Tool Manufacturing

Geographical Trend of Production Technology Market

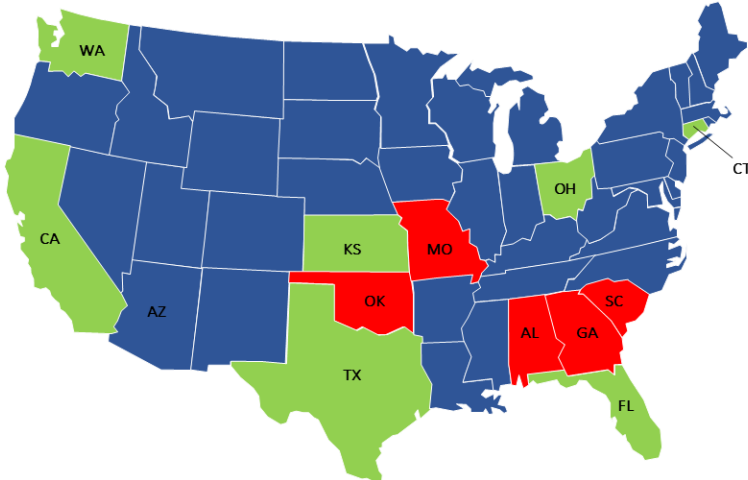
Automotive Industry Influence

Migration from Green States and Abroad
to Red States

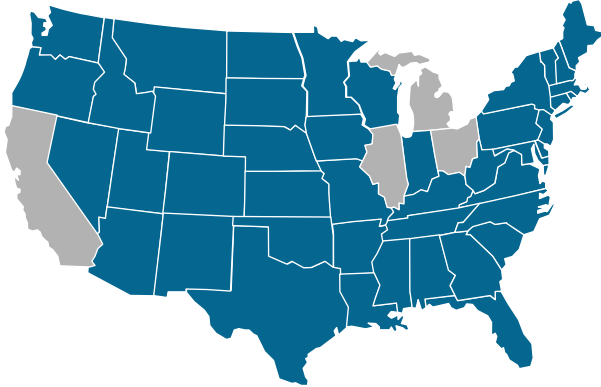


Aerospace Industry Influence

Migration from Green States and Abroad
to Red States



Concentrations of Competitors

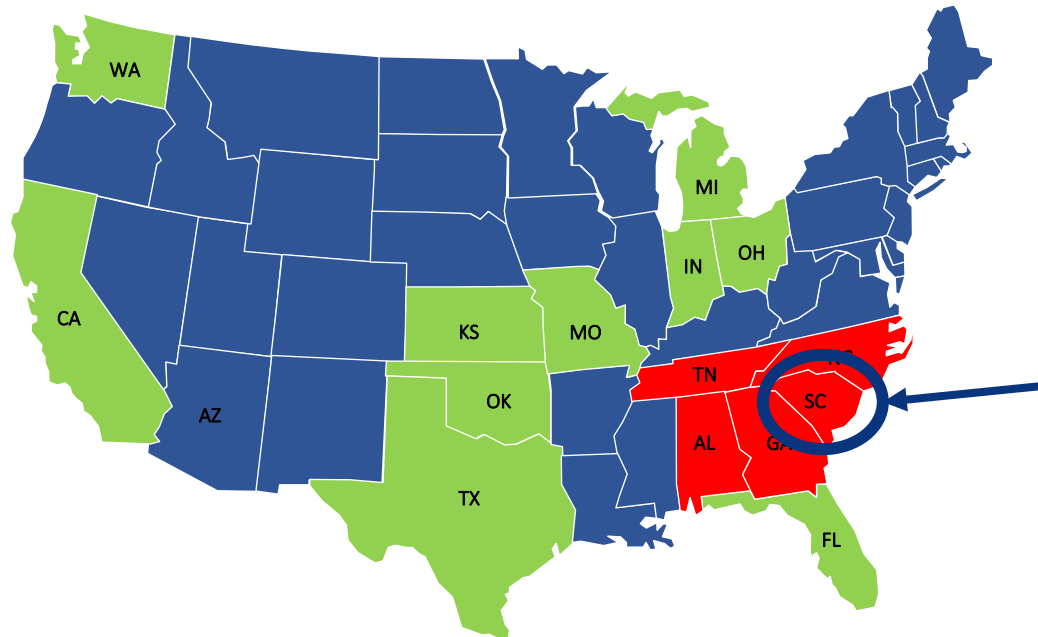


Relevant Market Channels

- Manufacturer’s Local Representative, 55%
 - Distributor, 25%
 - Manufacturer Direct, 15%
 - Turnkey Solutions Providers, 5%
- ** Manufacturer Direct sales increasing trend
- ** Manufacturer’s Local Representative sales decreasing trend

Production Technology Perspective

Market Analysis Conclusions



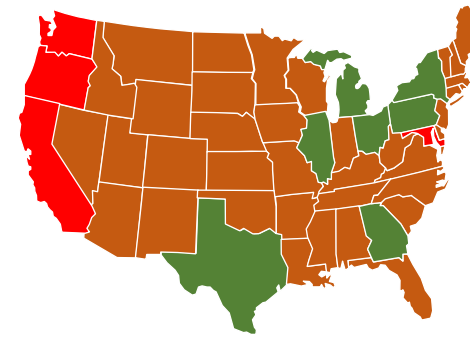
- **Manufacturer's Local Representative**
- **Located in South Carolina**
- **Direct access to growing markets in surrounding States (Red States)**
- **Target States for potential expansion (Green States)**

Success Story

Mind S.A. – Integrated CAD/CAM Solutions / Custom Software Development

- Established Mind's largest client worldwide in 2009 – Portland, Oregon
- The 3 largest sports shoe brands headquartered in the US are Mind clients.
- Target US market requires local representation to manage real-time communications, negotiations/agreements, and develop opportunities (client specific product development projects)
- Work with Digital Innovation Teams of the largest brands on **Customized Software Development.**

<https://mindtech.pt/>



North America Strategic Partners



Key Do's & Don'ts

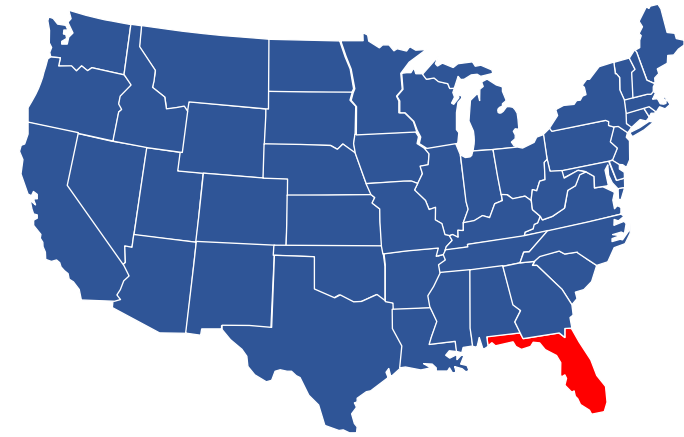
Do's

- ✓ Do your due diligence on the competition's
 - approach to the market (market channels)
 - strengths and weaknesses
- ✓ Determine minimum price - 'landed cost' and required profit margin
- ✓ Identify/prioritize key regions of the market (market landscape)
- ✓ Take a **low-risk approach** to the market
 - Establish a strategic partnership
 - **Establish a presence with Cluster Support**

Don'ts

- ✓ Focusing on traditional landing locations (New York, California)
- ✓ Developing a market strategy that addresses the entire market
- ✓ Assuming a multi-location physical presence is necessary
- ✓ Finally, approaching the market on your own

Region Example – Central Florida



ORLANDO IS HOME TO MAGIC & MICROCHIPS

NEOCITY IS THE REGION'S 500 ACRE EPICENTER OF SEMICONDUCTOR MANUFACTURING RESHORING.

[DOWNLOAD SECTOR BRIEF](#)



<https://business.orlando.org/l/semiconductor-industry-cluster/>

Semiconductor Cluster – Growth Through Federal Support



\$15M

AWARDED OVER TWO YEARS

OSCEOLA COUNTY WINS

One of ten organizations awarded and the only in the State of Florida

\$160M

POTENTIALLY OVER 10 YEARS



OSCEOLA COUNTY WINS

Only organization in Florida
Exclusive semiconductor industry proposal

\$50.8M

AWARDED AS ONE OF 21 RECIPIENTS



OSCEOLA COUNTY WINS

U.S. Department of Defense awards \$3.65M for workforce development and a spending ceiling of \$120M with the potential for an additional \$169M

\$289M

POTENTIAL AWARD



POSITIONED FOR PARTNERSHIP



L3HARRIS

Tektronix®



LUMINAR



MicroTec

SIEMENS



SYNOPSYS®

TEL™

On-Site Semiconductor R&D Partners

imec

- R&D research hub for **high-speed electronics and photonics solutions, including integrated circuit (IC) design research**
- Provides prototyping and low-volume production service



skywater
TECHNOLOGY FOUNDRY

- Public-private partnership with Osceola County and BRIDG
- Accelerate access to domestic development and manufacturing services for microelectronics advanced packaging
- Operates the Center for NeoVation fabrication facility

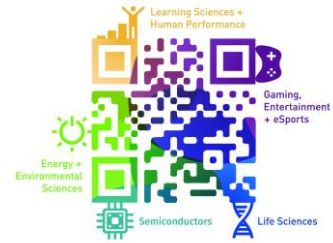


NEOCITY

ideate > create > innovate without limits

bridg
Bridging the Innovation Development Gap

The Corridor – Cluster Management Organization



the
florida
high tech
corridor

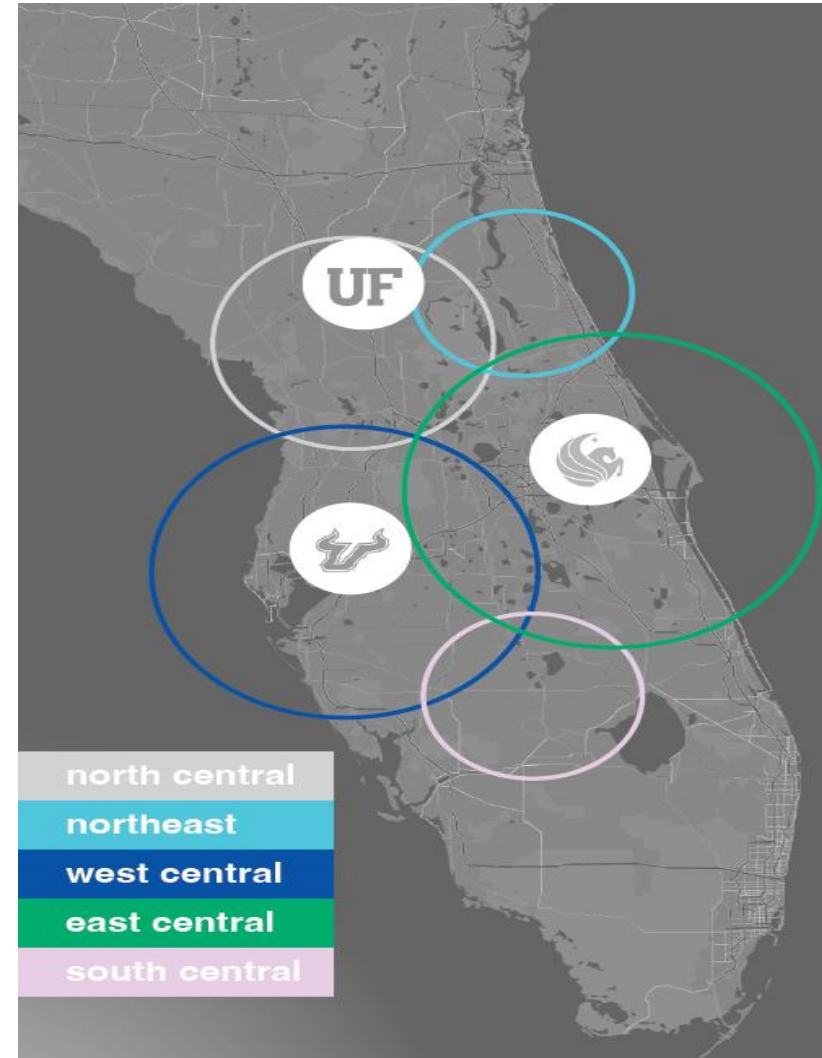
The Florida High Tech Corridor is more than an initiative or facilitator; it's a force multiplier. The 23-county region that spans Central Florida and defines The Corridor is anchored by three of the country's largest research institutions: the University of Central Florida (UCF), the University of South Florida (USF) and the University of Florida (UF).

MATCHING GRANTS RESEARCH PROGRAM

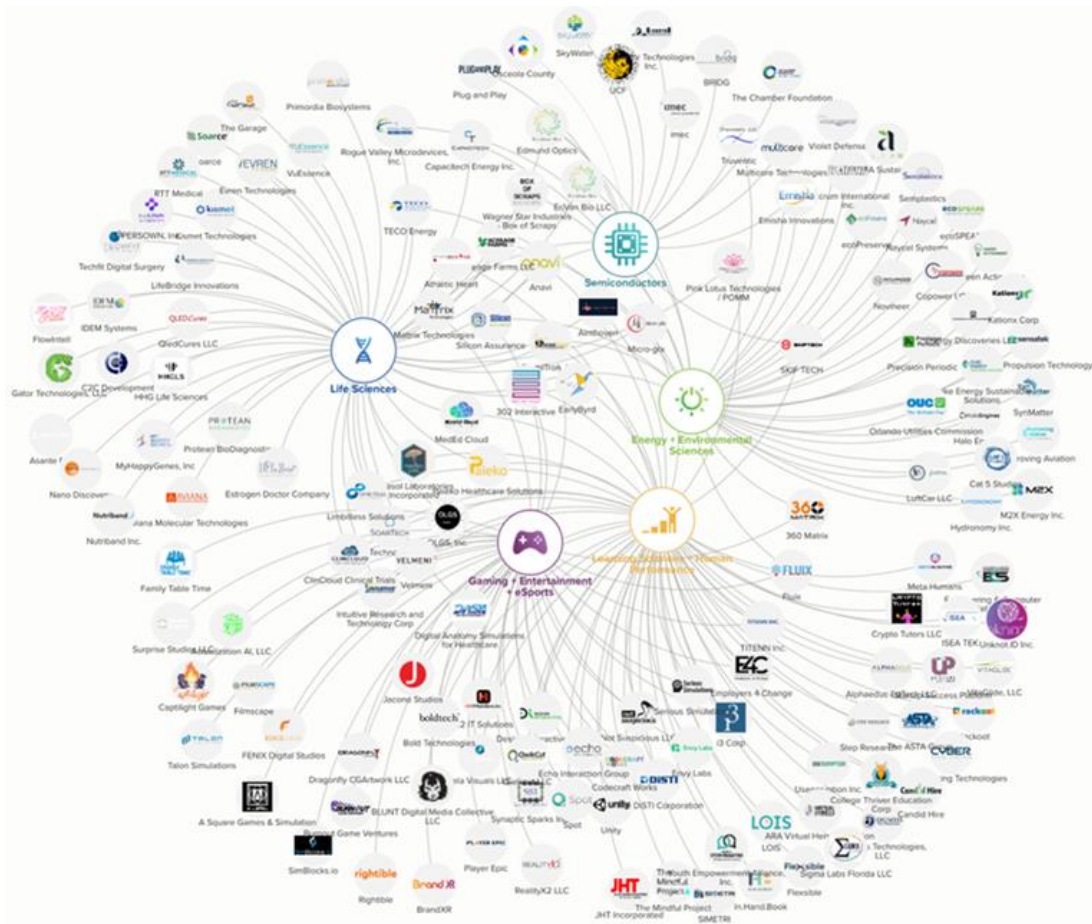
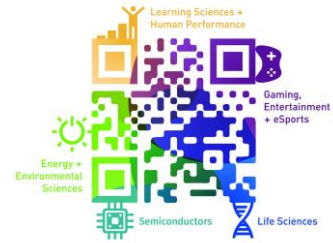
120+ patents, **1650+** research projects,

500+ companies and **\$1B+** in downstream impacts

<https://floridahightech.com/>



Internationally Recognized Clusters

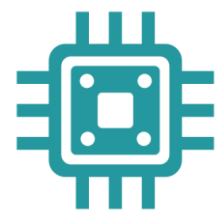



**Energy +
 Environmental
 Sciences**

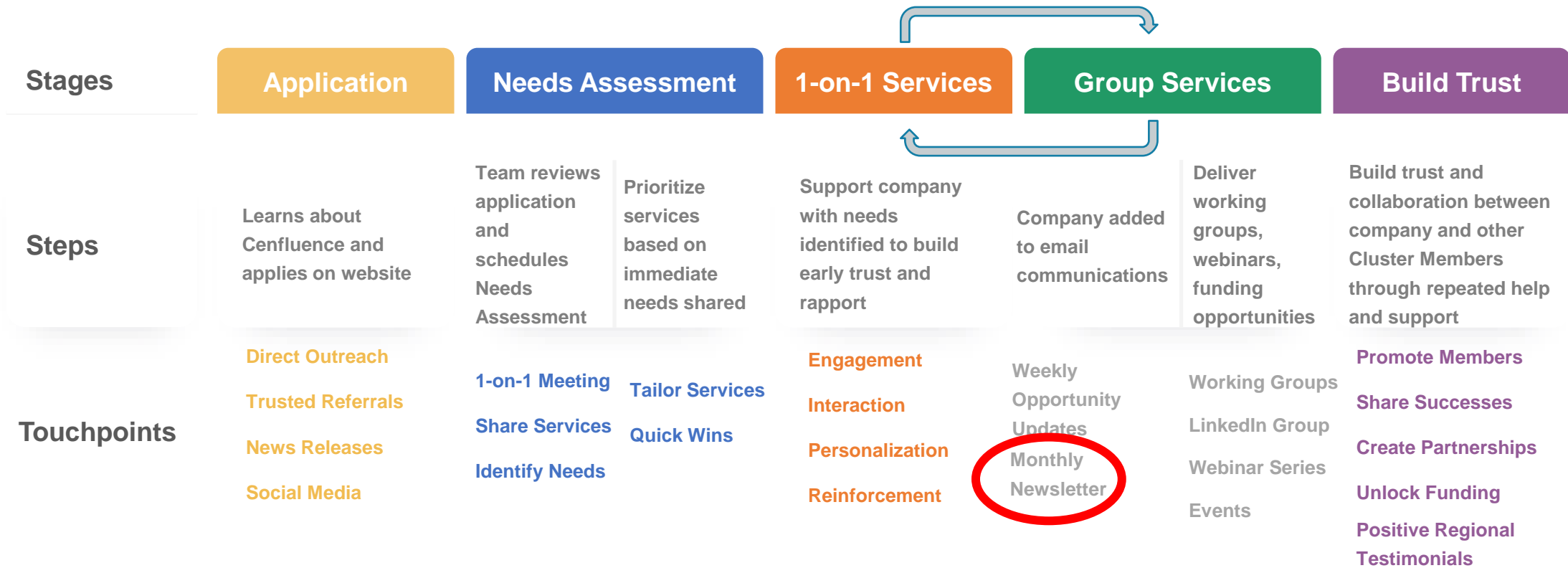
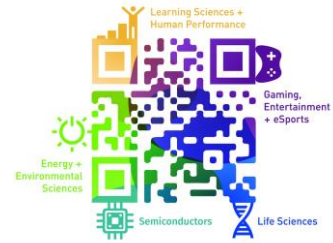

**Gaming,
 Entertainment
 + eSports**


**Learning Sciences +
 Human Performance**

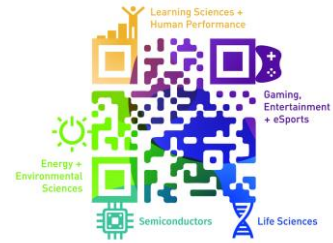

Life Sciences


Semiconductors

Cenfluence Cluster Member Journey



Opportunity is Everywhere – Sign up



Issue 33
October 1, 2024

WELCOME TO CENFLUENCE COLLISIONS

Hello Mark,

Welcome to another edition of *Cenfluence Collisions*. Each week you'll find funding opportunities, local and national collaboration opportunities and other important happenings. As always if any of these interest you, feel free to reach out to the Cluster Team: clusters@floridahightech.com.

REMINDERS + ACTION ITEMS



FUNDING OPPORTUNITIES

The Cenfluence team can offer a range of support if you are applying for funding – market research data, proposal format guidance, a proposal review prior to submission, partnership development with local research universities, insights about our matching grants program.

Reach out to clusters@floridahightech.com if you would like support on a proposal or pitch.

- [Stanley Creators Fund](#)
 - o Close Date: October 4
 - o Stanley Creators Fund offers grants to support leaders working at the intersection of humanity, sustainability and possibility. Our grant recipients represent a dynamic group of emerging Creators, Builders and Inventors who reflect the many communities they serve and bring optimism for a better future through their work.
- [Exploration of Highly Complex Defense Systems](#)
 - o Close Date: October 4
 - o The Defense Advanced Research Projects Agency Tactical Technology Office (DARPA/TTO) is seeking applications from researchers, engineers, and subject matter experts to attend an invitation-only workshop focused on design, development, and management of highly complex systems.
- [Veteran Shark Tank](#)
 - o Close Date: October 6
 - o Apply for your chance to compete for \$50,000 in the 11th Annual Veteran Shark Tank - December 9, 2024 in Philadelphia
- [GoAERO Prize](#)
 - o Close Date: October 9
 - o GoAERO is offering \$2+ Million in prizes for the best thinkers, creators and inventors to build an Emergency Response Flyer and unlock a new era of disaster and rescue response.

BEYOND REGION OPPORTUNITIES

- [Weapons Science & Technology \(S&T\) Summit](#)
 - o October 7 - October 8
 - o Doolittle Institute
 - o Doolittle Institute, on behalf of the Air Force Research Lab Munitions Directorate (AFRL/RW), is seeking industry partners who are developing novel technologies and solutions to increase weapon range and production rates. Participants are welcome to submit novel, early stage technology, however, AFRL/RW is primarily interested in technology that can be feasibly matured to TRL 6 in 3-5 years. Interested parties are encouraged to submit a one-page summary of their solution or technology.
- [EDTECHWEEK](#)
 - o October 8 - October 10
 - o New York City, NY
 - o This premier education innovation festival unites all stakeholders driven by a shared mission to: inclusively tackle the most pressing challenges confronting education and workforce sectors today.
- [Grace Hopper Celebration 2024](#)
 - o October 8 - October 11
 - o Philadelphia, PA
 - o At GHC 24, you'll do more than join your community. You'll become part of an unstoppable force driving change in the tech industry and propelling us toward a future where the people who imagine and build technology mirror the people and societies for whom they build it.
- [Veteran Women Igniting the Spirit of Entrepreneurship \(V-WISE\)](#)
 - o October 11 - October 13
 - o Salt Lake City, UT/Virtual
 - o Veteran Women Igniting the Spirit of Entrepreneurship (V-WISE) was created to empower women veterans and military

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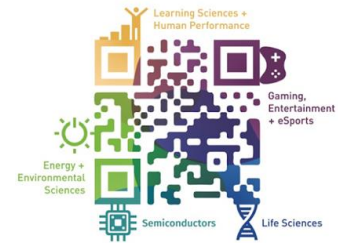
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<https://business.orlando.org/l/semiconductor-industry-cluster/>

