

# Blurring the Lines Between “Us” & “Them”



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INTERNATIONAL  
INVESTMENT

INTERNATIONAL BUSINESS  
INVESTING IN AMERICA

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# Blurring the Lines...

## Organization for International Investment (OFII)

### *Members:*

U.S. subsidiaries of companies based abroad.

### *Mission:*

- **Educate** policy makers & public on why insourcing companies are important to U.S. economy
- **Work** to reduce negative rhetoric and alter overall business environment to eliminate per se discrimination
- Strongly **advocate** to ensure U.S. subsidiaries receive non-discriminatory treatment under law



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# Blurring the Lines...

## Three Reasons U.S. Subsidiaries are Targeted

- Patriotism
- National Security Concerns
- Protectionism



# Blurring the Lines...

## Historical Context



- OFII begins in 1990
  - **Over 2 dozen bills targeting U.S. subsidiaries**
- The “selling of America”
  - **Spurred on by influx of Japanese investment**
  - **A top political concern**
- U.S. subsidiaries seen as a political liability

# Blurring the Lines...

## Historical Context (cont.)



- U.S. subsidiaries needed to begin to communicate for themselves -- shape how they are viewed
- Still, during this last congressional session, there were still many legislative challenges
- Initiatives included: discriminatory tax proposals (federal & state levels), onerous lobbying disclosure rules and disturbing rhetoric surrounding government contracts.

# Blurring the Lines...

## Advocacy challenges 2007-2008:



- Discriminatory Tax Proposals
  - *Doggett Bill*
  
- Onerous Lobbying Disclosure Rules
  - *Closing the Foreign Loophole Disclosure Act*
  
- Disturbing Rhetoric Surrounding Government Contracts
  - *Refueling Tanker Contract -- EADS*

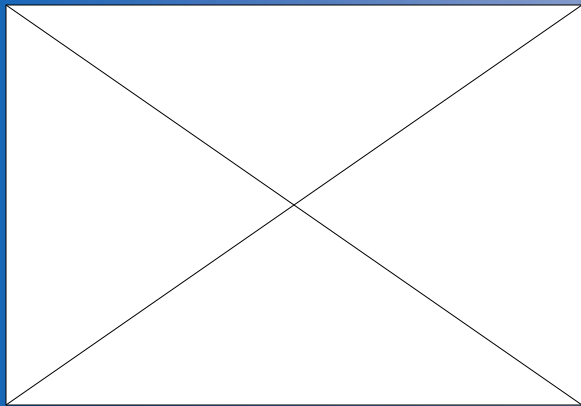
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## Communication opportunities exist:



<http://www.youtube.com/watch?v=n1KJwHvOhcs>

- Economy is struggling
  - Tendency to turn inward → isolationism
- Evolving U.S. role in global economy - outsourcing
- Obama – Internationalist
- Increase of cross-border acquisitions of U.S. companies

# Blurring the Lines...

## Debate can be simplified:



- Traditional definition of “American competitiveness” Success of U.S.-based companies
- Emotion and pride wrapped up in “American competitiveness”
- Path forward is to reshape how policy community and the public define “American competitiveness” in today’s world

# Blurring the Lines...

## Debate can be simplified:



- Rethink “American competitiveness”
- Evolved definition of Competitiveness
  - Competitiveness of American workers
  - Competitiveness of U.S. economy to attract investment from home or abroad
- New definition allows for new thinking
  - Equal support - Hershey U.S. and its American workers & Nestle U.S. and its American workers

# Blurring the Lines...

## Core Messages

### Messages should focus on emotion & pride:

- Investment in the U.S. is a strength, not a weakness
- Quality of American workforce
- Quality of business environment (i.e., infrastructure, access to Universities, entrepreneurial spirit, regional economies of scale)

### Messages should challenge traditional definition of “American competitive

- Reinvesting profits back into U.S. operations
- U.S. citizens in top global management (breaking the passport ceiling)
- U.S. operations part of global platform – not just to serve American market
- American stock ownership

# Blurring the Lines...

## Summing up:

- Challenges present communications opportunities
- Public relations/communications are critical
- Flag on a company is irrelevant and passé
  - “American competitiveness” is about the success of “us”
- “Us” =
  - American workers American research & development, American manufacturing, American management, American communities and American profits