

# Building Partnerships for Reshoring Success

**Lynn A. Knight, CEcD**  
**Vice President**  
**Knowledge Management & Development**  
**IEDC**



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**EDA**

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION



**RESHORING  
AMERICAN JOBS**



# Offshoring and Reshoring Factors



Sirkin, Harold L., Michael Zinser, and Justin Rose. "The Shifting Economics of Global Manufacturing." [www.bcgperspectives.com](http://www.bcgperspectives.com). Boston Consulting Group, 19 Aug. 2014. Web. 10 Dec. 2014.

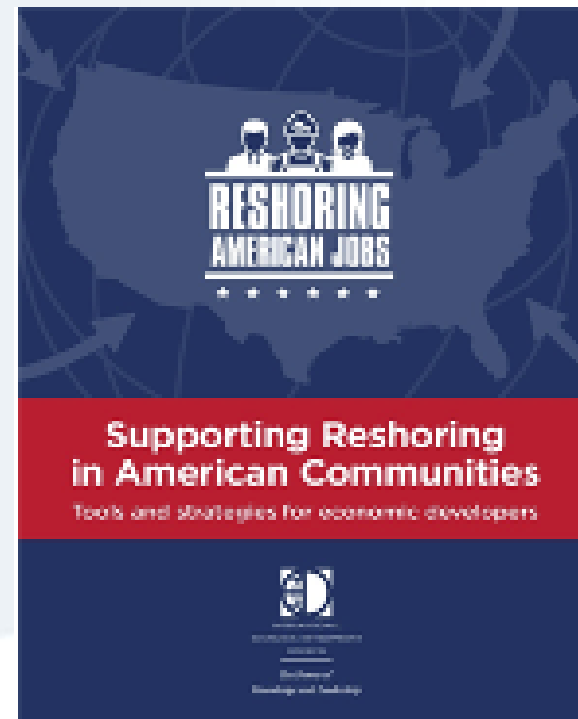
Cottrill, Ken. "Reshoring: New Day, False Dawn, or Something Else?" Supply Chain MIT. MIT Center for Transportation & Logistics, 17 Oct. 2014. Web. 22 Dec. 2014.

# IECDC's Reshoring Publications

“Defining the Reshoring Discussion”



“Supporting Reshoring in Communities: Tools and Strategies for Economic Developers”





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# IEDC's Reshoring Publications

- 6 articles in IEDC's "ED Now"
- 4 articles in industry publications
  - Expansion Solutions magazine
  - Inbound Logistics magazine
  - Industry Week magazine
  - Site Selection magazine





# Why do you believe companies...

## Offshore?

Labor Costs

Environmental  
Factors &  
Proximity to  
Suppliers

Trade Policies &  
Exchange Rates

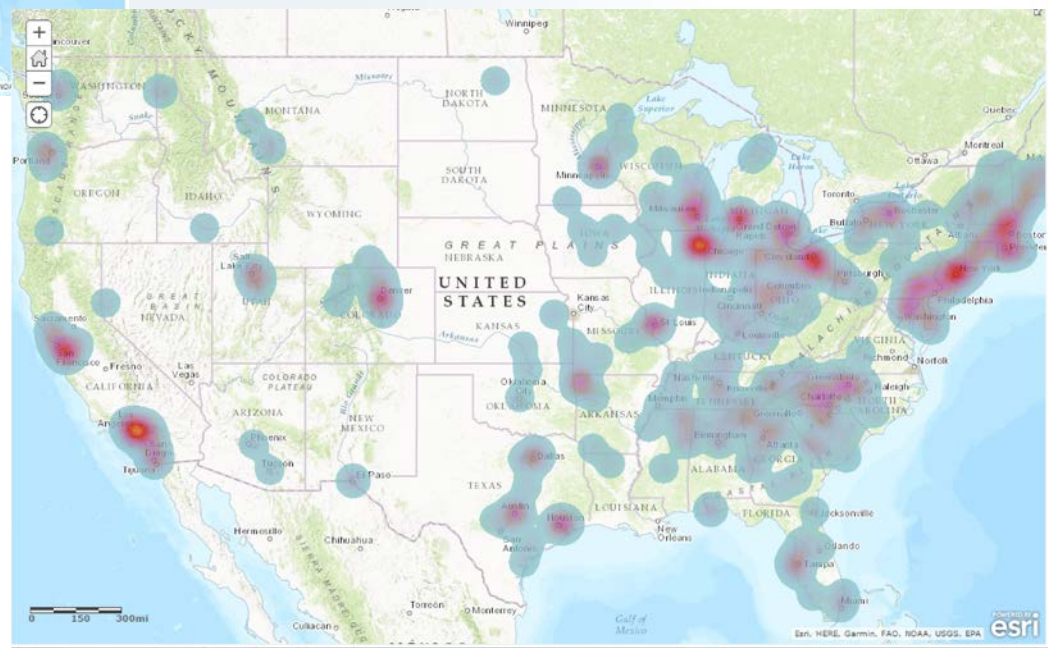
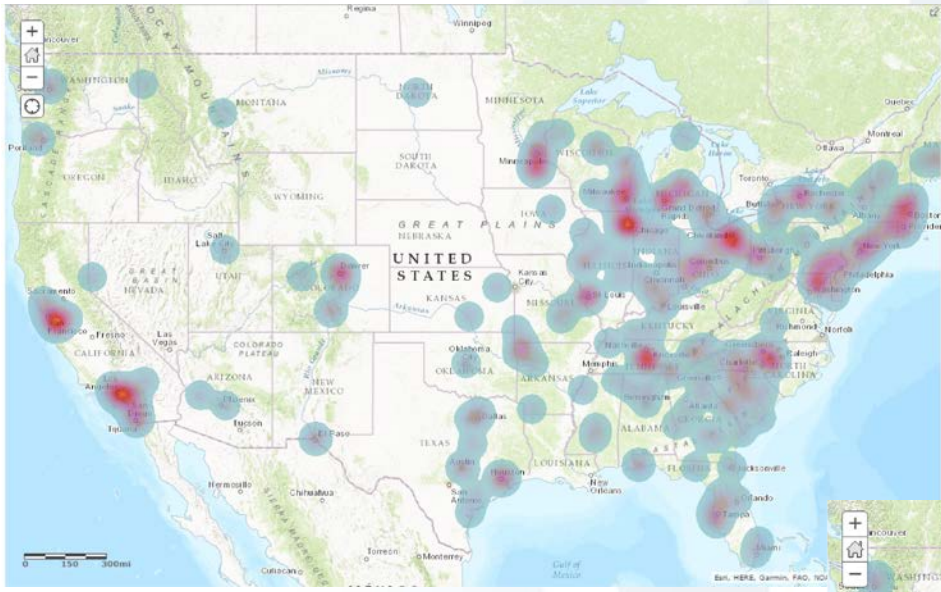
## Reshore?

Quality Control

Intellectual  
Property Protection  
& Transportation  
Costs

Proximity to  
Customers

# Reshoring Heatmap 2015





# IEDC's Reshoring Interview Series

- One-on-one interviews with companies that have reshored and EDOs that have assisted reshoring firms.
- 60 interviews conducted as of January 2016





## What Reshored Firms are Saying

- “In 2005, labor costs in China were around 10 percent and by 2012 [the labor cost] was 37 percent.”
  - Marvin Cunningham, President of Long-Stanton Manufacturing
- “Independence LED has so much faith in the reliability of our products built on American soil that we are now able to offer an industry-leading 10-year warranty.”
  - Charlie Szoradi, CEO of Independence LED

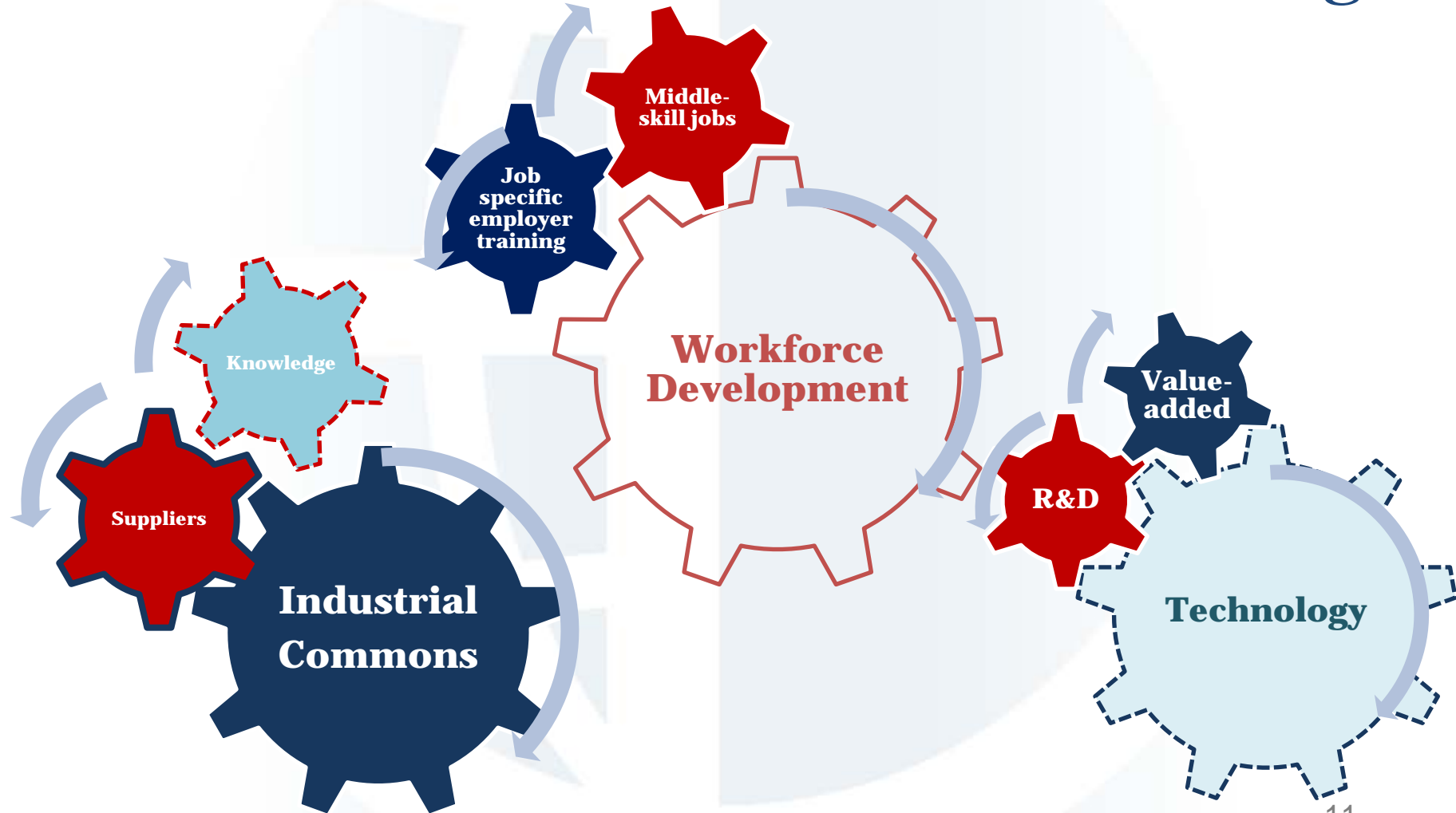


## What Reshored Firms are Saying

- “It is difficult to manage supply chains, and when you have a problem it is much more expensive to solve the problem in Asia than in North America.”
  - Mark Gams, CEO of ACCO Brands
- “Just from a pure apples-to-apples comparison, the math works in America’s favor in a way that it didn’t 15-20 years ago.”
  - Michael Araten, CEO of K’Nex Brands



# An Environment that Sustains Reshoring



"About the Materials Genome Initiative." *The White House*. The White House, n.d. Web. 12 Dec. 2014.

Pisano, Gary P., and Willy C. Shih. "Restoring American Competitiveness." *Harvard Business Review Magazine*. Harvard Business Publishing, 01 July 2009. Web. 10 Jan. 2015.



# Federal Reshoring Tools

1. Assess Costs Everywhere (ACE):  
<http://acetool.commerce.gov/>
2. BusinessUSA.gov: <http://business.usa.gov>
3. Manufacturing.gov: [www.manufacturing.gov](http://www.manufacturing.gov)
4. National Excess Manufacturing Capacity Catalog (NEXCAP): <http://www.edastayusa.org/>
5. U.S. Cluster Mapping Tool:  
<http://www.clustermapping.us/>



## Additional Reshoring Tools

6. Cost Differential Frontier Calculator: <http://cdf-oplab.unil.ch/>
7. ThomasNet: <http://www.thomasnet.com/>
6. Total Cost of Ownership Estimator: [http://www.reshorenow.org/TCO\\_Estimator.cfm](http://www.reshorenow.org/TCO_Estimator.cfm)



## Conclusion

For the latest news, case studies, and in-depth research on reshoring activity, please visit:

### **Reshoring American Jobs**

[www.iedconline.org/reshoring](http://www.iedconline.org/reshoring)

For assistance with reshoring projects, please contact your state or local economic development office via the U.S. EDA's Economic Development

Directory:

[www.eda.gov/resources](http://www.eda.gov/resources)