



Embassy of Belgium

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## BUSINESS MEMO

### Foreign Investment Projects, Competitiveness On the Rise

Belgium jumped five places in the latest **World Competitiveness Ranking** by the International Institute for Management Development (IMD) in Switzerland. Of 61 countries ranked, Belgium claimed 23rd position.

The IMD study analyzes more than 300 criteria. Belgium's climb in the rankings was, in particular, supported by its recent labor market reforms. On pension financing, for example, Belgium gained 27 places. Significantly, IMD also gave Belgium better marks this year for the government's ability to respond to changing economic conditions. The economic reforms by Belgium's new Government are clearly boosting Belgium's international standing.

Perhaps on a related note, foreign investment in Belgium reached a ten-year high in 2014, according to EY's 2015 **Barometer on Belgium's Attractiveness**. The 198 investment projects begun last year represent a 13% increase over 2013 (175 projects). It also makes Belgium the fifth European destination in terms of number of projects. Two thirds of the projects were new or greenfield investments. Two third of the projects were in marketing.

Yet the average number of jobs created per project continues to fall, from 20 jobs per project in 2013 to 17.6 last year. Especially the provinces of Antwerp and Liège were main attractions for investment projects.

Source: [IMD, E&Y Belgium](#)

### New Ahold Delhaize Fifth Largest Retailer in U.S.



European supermarket groups Ahold and Delhaize are to combine in a €25bn deal designed to give the two companies greater scale in the U.S.

The combination will create the fifth-largest retailer in the U.S. Netherlands-based Ahold and Belgium-based Delhaize generate the majority of their sales in the U.S., where they own chains such as Stop & Shop, Giant, Food Lion and Hannaford. Ahold Delhaize, as the new company will be called, will be based in Europe but generate about 60% of its sales in the U.S.

The tie-up comes as supermarket groups in the U.S. and Europe are facing multiple challenges, from the rise of German discounting chains to bulk retailers like Costco, changing consumer habits, and more grocery shopping online. By combining, the companies can use their increased scale to negotiate better terms with suppliers.

Source: [Wall Street Journal](#)

### Belgium Ranked 9<sup>th</sup> in Global Retail E-Commerce Index

Belgium was ranked 9th in the **Global Retail E-Commerce Index**, which ranks the top 30 countries for their e-commerce potential, based on several variables that rate both a country's current market and its potential for growth. Growth in Belgium is especially anticipated in the food, textiles and electronic sectors.

Belgium moved up 15 places in one year. The index revealed that 80% of electronic commerce companies operating in Belgium are based abroad. However, the Belgian Government just launched the action plan 'Digital Belgium'. This initiative brings together both public and private stakeholders, who have defined priorities and set up working groups based on the themes of regulation, taxation, innovation and internationalization. An initial measure to benefit the e-commerce sector which is currently under discussion is more flexibility with regard to night work.

Source: [AT Kearney](#)

### Belgium in Top 10 For Human Capital

Belgium was ranked 10th in the World Economic Forum's **Human Capital Index** among 124 countries surveyed. The Index quantifies how countries are developing and deploying their human capital and tracks progress over time. It takes a chronological course approach to the analysis, evaluating the levels of education, skills and employment available to people in five distinct age groups, starting from under 15s to the over 65s.

Belgian strong points were specifically the primary education attainment rate (1st), youth literacy rate (1st), the quality of primary schools (2nd), the quality of education for the 15-24 age group (6th), higher education rate and staff training services for the 25-54 age group, and the healthy life expectancy at birth (1st). Overall, Belgium scores best for the under 15 age group and the 25-54 age group.

The Index also shows 38% of the Belgian population is employed in services, 11% in industry, 1% in agriculture.

Source: [World Economic Forum](#)

### Bone Therapeutics Establishes U.S. Subsidiary

Bone Therapeutics, the bone cell therapy company active in the field of bone fracture repair and bone fracture prevention, announced on April 13 that it established a U.S. based subsidiary, Bone Therapeutics USA Inc. in Boston. The establishment of the U.S. headquarters is the first step for the Company to move forward its US clinical trials programme.

Enrico Bastianelli, CEO of Bone Therapeutics, commented: "We are very excited to become part of the biotechnology cluster in Cambridge and believe this prime location will prove to be extremely beneficial to the Company as we move our clinical development forward in this important market."

Bone Therapeutics is a leading biotechnology company specializing in the development of cell therapy products intended for bone fracture repair and fracture prevention. The current standard-of-care in this field involves major surgeries and long recovery periods. To overcome these problems, Bone Therapeutics is developing a range of innovative regenerative products containing osteoblastic/bone-forming cells, administrable via a minimally invasive percutaneous technique; a unique proposition in the market. Founded in 2006, Bone Therapeutics is headquartered in Gosselies, Belgium.

Source: [Business Wire](#)

### Prayon Manufacturer of the Year in Georgia

On April 14, Belgian company Prayon was named by Gov. Nathan Deal of Georgia as one of Georgia's 2015 Manufacturers of the Year. Prayon, located in Augusta, Ga., won in the category of 150 employees or fewer.

"These three winners are emblematic of what's great and happening in manufacturing in Georgia," said Gov. Deal before presenting the awards. "They create value through jobs, stimulate business throughout the supply chain and are good corporate citizens." The award was based on excellence of production, the management of the company and the contribution to the local economy.

Prayon has been based in Georgia since 2000. Source: [Prayon](#)

### Barco Acquires Advan Int. Corp.

Healthcare imaging specialist Barco announced on June 15 the acquisition of U.S.-based Advan Int. Corp., a manufacturer of high-quality LCD displays for medical modality applications. The acquisition fits within Barco's strategy to grow its market share in the modality imaging segment and strengthen its partnerships with leading medical device manufacturers worldwide.

Advan, based in Fremont, California, is a leading provider of medical imaging and healthcare LCD displays since 1997. ADVAN Int'l Corp is headquartered in the Bay area, employs 45 people and houses facilities for research and development and operations. The company has a second location in Seoul, South Korea, which operates as a liaison office.

The acquisition of ADVAN Int'l Corp is in line with Barco's corporate strategy to expand its healthcare business in domains where it has established a leadership position, tapping into opportunities to expand the global market footprint.

Source: [Barco](#)

### Solvay Expands in Longview, WA

Solvay, the world's largest producer of hydrogen peroxide, plans to expand its production facility in Longview, WA., to meet growing demands from pulp and paper producers in the Pacific Northwest and other industrial markets around the United States.

Solvay expects to increase its North American production capacity by about 20 percent. This investment will help to ensure that Solvay can continue to supply key markets that rely on Solvay to support their own growth projections.

The investment will be in two stages. Longview construction is expected to begin later in 2015 and completion of stage one is expected in late 2016. Stage two of the expansion will take place in the near future as market conditions require.

Since the Longview plant opened in 1989, Solvay has more than tripled its local production in a longstanding partnership with the forest products industry.

Solvay generates 90% of its net sales in activities where it is among the world's top three players. It serves many markets, varying from energy and the environment to automotive and aerospace or electricity and electronics. The group is headquartered in Brussels, employs about 26,000 people in 52 countries and generated €10.2 billion in net sales in 2014.

Source: [Business Wire](#)

### U.S. Investments in Belgium

**Lone Star Funds**, a U.S. private equity firm, has signed a definitive agreement to acquire the Belgian [Balta Group](#), the leading European carpets and rugs manufacturer, from Doughty Hanson, a European private equity firm. Founded in 1964, Balta Group is a global market leader in mechanically woven rugs and is the European market leader in wall-to-wall carpets. It also has a significant and growing market position in carpet tiles. The Balta Group has 3,300 employees across eight production sites worldwide, six of which are located in Belgium and two in Uşak, Turkey. The Group also has distribution centers in Sint Niklaas, Belgium and Dalton, GA .

Virginia-based **Clarabridge** announced on May 21 the acquisition of [Engagor](#), a company specialized in follow up of client relations via social media. Engagor, created in Ghent, Belgium in 2011, sells software to big consumer brands like McDonalds, Volvo, Ikea and Pepsi. The company's 40 employees will stay, with offices in Ghent, Belgium and San Francisco. Clarabridge collects, analyzes, and activates customer feedback data from all channels, not just social media. The addition of Engagor's 360 clients in the enterprise space brings Clarabridge's base up to more than 800 clients worldwide.

The U.S. advertising giant **Omnicom Media Group** announced on May 11 it has acquired a majority stake in [Semetis](#), the leading digital advertising and business intelligence agency in Belgium. Established in 2009 by Nicolas Debray and Gabriel Goldberg, Semetis has become the Belgian market leader in optimizing digital advertising campaigns with the help of web analytics, digital business intelligence and tailor-made technologies. Semetis is fully accredited by Google (AdWords, Analytics, Analytics Premium & API), BING, Facebook and Doubleclick.

**Agilent Technologies Inc.** and Leuven-based [Cartagenia](#) announced on May 4 that they have signed a definitive agreement under which Agilent will acquire Cartagenia, a leading provider of software and services for clinical genetics and molecular pathology labs (DNA research). Cartagenia, a spin-off of the Katholieke Universiteit Leuven, has already offices in Boston. Its software helps to detect genetic distortions which can indicate cancer; it is also used in prenatal research, for example to detect Down Syndrome. About 150 hospitals and labs use Cartagenia's software, in Europe as well as in the U.S. Today the company employs 37 people, three times more than 15 months ago. Agilent Technologies Inc., based in Santa Clara, CA, is a global leader in life sciences, diagnostics and applied chemical markets.

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