Interview: Jaime Malet – President, AmCham Spain



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Jaime Malet, president of the US Chamber of Commerce (AmCham) in Spain, discusses the importance of the trade relations between the US and Spain, with eight percent of GDP made up by American companies, the Chamber's commitment to make Spain an attractive investment hub, the strategic assets that Spain as a country has and the results of recent investments from leading American multinationals.

The American Chamber of Commerce in Spain recently celebrated its 100th anniversary. What is the significance for the American-Spanish business community?

Spain and the US have a very good and balanced relationship. We export and import almost the same and we have similar numbers in foreign direct investment (FDI) capacity. The US has a long tradition in investment in our country with more than 80 million stocks invested in Spain. Spanish investment in the US is very young but maturing and it is aiming to reach significant numbers. Until 16 years ago, investment was very marginal, whereas now, investments create jobs. Our 300 AmCham members make up 24 percent of the entire GDP, including Spanish and non-Spanish companies. They equal 248 billion in sales. These sales are just in Spain. Around eight percent of the Spanish GDP is made up of the American companies.

In 2014, the most important challenge for AmCham was to push for a more competitive, productive and internationalized economy in Spain. How has the situation evolved now?

It is safe to say that it is still pretty much the same. Just like five years ago, we had a long-term commitment to make out of Spain an attractive investment hub for American companies, but of course trends and dynamics tend to change and today we have a different focus. We focus now on how American and Spanish companies can help boost the Spanish economy and adapt itself to the disruptions and changes that are coming with the industrial revolution.

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Can you provide our audience with an overview of the presence of American business in Spain?

The US is the largest foreign direct investor in Spain – the country has a long tradition in investing here dating back as far as the ’60s. This is critical because it is not only a matter of figures, but it also has a great impact on the business community and the wellbeing of the population. American companies have added a lot of aspects to the existing practice of compliance and accounting and, more importantly, to the business culture through the large consulting, auditing and law firms with a strong footprint in Spain. In addition to this, the largest investment banks are American. American companies have been introducing a lot lately into research and development. The investment is big and the value it adds to Spanish business community is incredible.

What do you identify as Spain’s main competitive strengths?

Spain is a country that has incredible assets, one of them being the highly skilled business class. We have a country with strong institutions and capacities to be an anchor between the US and Europe, Africa and Latin America. As a matter of fact, Spanish companies are the largest investors in Latin America. Furthermore, Spain has a first-class and incredible infrastructure, we can even say one of the best in the world. The country has shown in the last years a lot of resilience and doing very well in economic terms growing over three percent in GDP for the last three consecutive years.

How strategic is the pharma sector within AmCham?

US pharmaceutical companies employ almost 50 thousand people in Spain and create 20 thousand direct jobs. The healthcare sector employs 22 thousand, which you would agree is a very strong participation. American pharma companies represent 40-50 percent of the entire pharmaceutical market in Spain. We join forces with a lot of them, and also have some Spanish companies doing very well in the States – Grifols being one of them, as a great success story from Spain.

Speaking about other Spanish mid-caps – what is the challenge for them to step up and become truly global companies?

Of course, every company is different, and Grifols is more of a biotech. Other companies are more typical pharma companies. I believe these companies are strong in Spain, but what they need is a better and more effective internationalization strategy: they would need to increase their capacity to finance acquisitions and R&D, and in this sector, it is neither cheap or easy. These companies are doing very well, and the US is the best market for selling products but also to base one's R&D activities and, last but not least, embrace capital.

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Big pharma companies such as Gilead and MSD have recently invested in new technologies and biomedical R&D. Why do these players feel the need to invest in Spain right now?

It is very difficult to know, because every company takes their own investment decisions. As mentioned earlier, Spain is showing a strong recovery and willingness to emerge as an investment hub. Big players, such as global pharma MNCs, noticed this and consider Spain a fundamental place to invest.

Spain ranks as the second country with the highest country of biotech related companies, second only after the US. Can AmCham help create the link between local biotech start-ups and American pharma companies looking to outsource their R&D activities?

This is something that companies already proactively do but we believe that there is always a lack of bridges between what biotech companies are working on here in Spain and what is happening in Massachusetts, a renowned biotech hub in the US and California.

What is the reason behind AmCham's strong footprint in Spain?

Firstly, we have an international network of AmChams that are very strong in many countries. Also, American companies and Spanish multinationals often have the best possible leadership in the country as all the executives are very committed and know a lot about R&D, the industrial revolution and have a clear vision of what they want the future to look like for them. When you are surrounded by such excellent executives, you have a very easy task as a Chairman. US companies have a lot to bring to Spain, especially things related to the state of science and technology, which is more advanced in the US than in other EU countries.

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