Welcome Chinese Delegation to Charlotte!

- CLT Global is the absolute best place in the nation for business
- CLT Global is the ideal entry point for access to the U.S. economy
- CLT Global is a premier advanced manufacturing center with access to many competitive ports for distribution around the globe
- CLT Global has a capable workforce and plentiful workforce training programs
The world has changed drastically in the last 10 years!

Global Ship Traffic as Seen from Space

Video: https://www.youtube.com/embed/CP-TcDtSFDI?rel=0&autoplay=1
How we *make things* has changed drastically in the last 10 years!

How the Tesla Model S Is Made

3,000 employees; 160 robots

Video: [http://www.youtube.com/embed/8_lfxPI5ObM?rel=0&autoplay=1](http://www.youtube.com/embed/8_lfxPI5ObM?rel=0&autoplay=1)
Even we have changed drastically in the last 10 years!

3D Printing of Functional Organs

3D printing mimics real organs; even bleed when cut.

Video: https://www.youtube.com/embed/peeWHtYsmdM?rel=0&autoplay=1
However, North Carolina has SIGNIFICANT potential to be the absolute BEST port of entry for doing business in the United States and participating in the U.S. economy and the absolute BEST location for manufacturing goods for transport in any direction around the globe. Let’s take a look at what North Carolina has to offer.

North Carolina as ranked by Forbes in 2016

Gross State Product $499 B As of November 2016

At a Glance

Population: 10,097,400
Governor: Roy Cooper
Median Household Income: $47,830
Job Growth (2016): 2%
Cost of Doing Business: 10.3% below nat'l avg
College Attainment: 29.4%
Net Migration (2015): 63,300
Moody's Bond Rating: Aaa

Forbes Lists

#2 Best States for Business
#2 in Business Costs
#12 in Labor Supply
#7 in Regulatory Environment
#22 in Economic Climate
#9 in Growth Prospects
#13 in Quality of Life
Prosperity Points

Following are the criteria used to arrive at final scores determining the competitiveness ranking of the states. The first six criteria are based on project data resident in Site Selection’s Conway Projects Database:

- Total new and expanded facilities in 2016
- Total new and expanded facilities in 2016 per 1 million population
- Total capital investment in new and expanded facilities in 2016
- Total capital investment in new and expanded facilities per 1 million population in 2016
- Total new jobs created in 2016
- Total new jobs created in 2016 per 1 million population
- Rank in the corporate real estate executive portion of the 2016 Site Selection Business Climate Ranking
- State tax climate as ranked by the Tax Foundation
- Performance in the Beacon Hill Institute’s State Competitiveness Index
- Number of National Career Readiness Certificates per 1,000 residents aged 18-64, according to ACT – Workforce Development Division, administrator of the ACT Certified Work Ready Communities initiative
North Carolina is now part of a GLOBAL marketplace where Location and Logistics play major roles.

NC Has Easy Access to Global Markets
As part of the Southeast USA region, North Carolina can expect to benefit from the intense population growth anticipated over the next decades.

Richard Florida: Southeast USA Population Growth between 2009 and 2060!
As part of the Southeast USA region, North Carolina can expect to benefit from the huge growth anticipated in Advanced Manufacturing over the next decades.

Southeast USA: *Premiere*
Advanced Manufacturing Region

The mega-region dubbed **Charlanta** is known for its combined business product from along the Piedmont Atlantic region which totals about $1.3 Trillion ...about the size of the total product from South Korea.
North Carolina is part of a GLOBAL marketplace which is growing in every direction.
North Carolina is uniquely situated from a geographic and logistics perspective to compete in the GLOBAL marketplace.

Location, Location, Location

The State of North Carolina is logistically centered on the East Coast of the United States midway between the Northeast, Midwest and Southeast markets.

Within 650 miles of North Carolina are 164 million U.S. and Canadian consumers and 55 of the country’s top 100 metropolitan areas.

North Carolina business can reach 60% of the U.S. population within two hours by air and 24 hours by truck.
CLT Airport uninterrupted access to most US cities and increased access to the world.

Charlotte-Douglas International Airport

- Growing from 95 gates to 163 gates
- Growing to 5 parallel runways

- 45 million passengers / year
- 5th busiest airport in the U.S., 6th busiest in the world

https://www.youtube.com/embed/4v3FNHJ45Bs?rel=0&autoplay=1
CLT’s Charlotte Douglas International Airport provides easy access to most major U.S. cities.

U.S. Direct Flights from CLT
American Airlines at CLT has many non-stop U.S. and international routes.
North Carolina’s well-connected highway system provides essential connections to compete in the GLOBAL marketplace.

Major Highways Provide Corridors of Commerce
North Carolina’s railways—Norfolk Southern and CSX—provide essential rail freight transportation and connections across the Eastern U.S.
North Carolina’s railways—Norfolk Southern and CSX—provide essential rail freight transportation and connections across the Eastern U.S.
North Carolina strategic advantages on the East Coast, situated midway between Canada and Mexico and North and South America, and distribution capabilities to the rest of the United States is HUGE and will only increase with post-Panamax shipping.

Southeast USA Logistical Advantages

Choice of ports and choice of carriers—shippers, railways and freight lines—will provide valuable lower cost alternatives in the transportation and distribution of goods.
The Panama Canal EXPANDED and is open for business; the Suez Canal has also undergone expansion.
The Port of Virginia in Norfolk.
The Port of Wilmington in North Carolina.
Doubling in Size by 2020

New Container Terminal

- Three New-Panamax ship berths.
- Dedicated road access to I-26.
- A workable transportation plan for North Charleston.
- Employing the latest technology.
The Port of Savannah in Georgia.
With the expansion of the Panama Canal, the East Coast deep water ports will see substantial increases in post-Panamax commerce; Charleston is expected to catch up to Savannah.

**SOUTHEAST USA PORTS-GROWTH POTENTIAL**

THE PANAMA CANAL EXPANSION IS EXPECTED TO ADD VALUE TO SOUTHEASTERN PORTS AND REALIZE ENORMOUS POTENTIAL TO SERVE THE REGION.

<table>
<thead>
<tr>
<th>Southeast Port</th>
<th>2013 TEUs</th>
<th>2013 Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Savannah</td>
<td>2,375,746</td>
<td>30%</td>
</tr>
<tr>
<td>2. Norfolk</td>
<td>1,842,406</td>
<td>24%</td>
</tr>
<tr>
<td>3. Charleston</td>
<td>1,296,736</td>
<td>17%</td>
</tr>
<tr>
<td>4. Miami</td>
<td>718,661</td>
<td>9%</td>
</tr>
<tr>
<td>5. Pt. Everglades</td>
<td>690,412</td>
<td>9%</td>
</tr>
<tr>
<td>6. Jacksonville</td>
<td>316,873</td>
<td>4%</td>
</tr>
<tr>
<td>7. Wilmington, NC</td>
<td>222,760</td>
<td>3%</td>
</tr>
<tr>
<td>8. Mobile</td>
<td>168,417</td>
<td>2%</td>
</tr>
<tr>
<td>9. West Palm Beach</td>
<td>162,977</td>
<td>2%</td>
</tr>
<tr>
<td>10. Tampa</td>
<td>27,452</td>
<td>0.4%</td>
</tr>
</tbody>
</table>
Increases in port traffic will increase the importance of North Carolina’s intermodal facilities—pictured here, Norfolk Southern Intermodal Facility in Charlotte.

Norfolk Southern Intermodal Facility - Charlotte
The CSX Carolina Connector Galaxy includes two intermodals—one in Charlotte that’s already in place and one in Rocky Mount that is under construction.

The Carolina Connector Galaxy

$310 Million Investment by CSX
The Carolina Connector Galaxy

- CCX - Will connect to 5 major eastern U.S. population centers on the CSX network
- Will serve nearly two-thirds of the nation’s population
- Eastern ports connect resources and manufacturing globally
- Rail network reach is foundation for business diversity
- Adjacent I-95 corridor connects population centers on the eastern seaboard
The CSX Carolina Connector Galaxy points in all directions, delivering containers to and from the ports along the Southeast coast.
The CSX Carolina Connector Galaxy points in all directions, delivering containers to and from the ports along the Southeast coast.

The Carolina Connector Galaxy

- Canada + Pacific NW
- West Coast + Mexico
- Chicago
- NW Baltimore
- RDU
- Charlotte
- Upstate SC
- Atlanta
- CCX
- Winter Haven
- GTP
- Morehead City
- Wilmington
- Charleston
- Savannah
- Brunswick
- Jacksonville
- Norfolk
- Baltimore
- Halifax
- Montreal

Rail Road
North Carolina business strengths places our state ahead of the competition.

North Carolina Business Strengths

- Population Growth
- Central East Coast Location
- Proximity to 5 Major Ports
- CLT – RDU – GSO – ILM International Airports
- Two Grade 1 Freight Railroads – NS & CSX
- Two Major Intermodal Locations – NS & CSX
- Networked Highways
- Logistical/Distribution
- Low corporate and personal taxes
- Low cost of doing business
- Low cost of living
- Clean Air / Clean Water
- First-Class Universities
- Workforce Education and Training
- Advanced Manufacturing
- Innovative & Entrepreneurial
- Energy Sector
- Quality Health Care
- Right to work
- Low Unionization
- Duke Energy
- Piedmont Gas
- Ocean Beaches
- Blue Ridge Mountains
The U.S. is the biggest recipient of Foreign Direct Investment (FDI) in the world!

WHY IS FDI IMPORTANT TO THE U.S.?

• The US is the biggest recipient of FDI in the world. In 2016, foreign companies invested more than $385B in the US, more than twice the amount invested in the UK (#2) and almost 3X more than was invested in China (#3)
• According to the Brookings Institution, FDI accounts for more than 5% of total US employment.
  • Foreign-owned companies on average pay employees 20-30% more than domestic companies.
  • Foreign-owned companies account for more than 15% of total US capital investment, 19% of total R&D.
  • Brookings reports that the Greenville/Spartanburg metro area has the highest per capita rate of FDI in the entire US.

GLOBAL INVESTMENT SUPPORTS THE JOBS THAT AMERICA NEEDS

**Good Paying Jobs.** Across the nation, U.S. workers at global companies earn 30 percent higher compensation than the economy-wide average - making $80,041 annually.

**Record Number of FDI Jobs.** Nationally, 6.4 million U.S. workers are employed by global investment. In fact, these workers produce 26 percent of all U.S. exports.

**Strong Manufacturing Jobs.** More than two million U.S. workers at global companies earn their living in the manufacturing sector - that is 37 percent of all FDI jobs.
WHY IS FDI IMPORTANT TO NORTH CAROLINA?

The Organization for International Investment reports that, in the Carolinas, FDI accounts for more than 375,000 jobs, almost 8% of total private sector employment, and more than 50% in high-paying manufacturing jobs (manufacturing = 3X+ jobs multiplier)
Here’s what foreign direct investment looks like across North Carolina.

Foreign Direct Investment in North Carolina

Nationwide, FDI in the United States contributes to productivity growth, generates U.S. exports, and creates high paying jobs for American workers.

In 2014 FDI is responsible for:

**Competitive Jobs**
- 6.4 Million direct jobs in the United States

**R&D Activity**
- $57 Billion in R&D Expenditures

**Goods Exports**
- 26% of all U.S. goods exports
North Carolina has both quality educational institutions and quality training programs and initiatives.

BEST Workforce Education & Training
Network of Community Colleges and Universities

These students are paid to go to college!

Apprenticeship 2000 has a new model for higher education. It’s a hybrid program in which students are paid to work.

North Carolina has inexpensive electricity.
North Carolina has low natural gas prices as well.

Low Cost Natural Gas

Average Natural Gas Prices: US cents/kWh

Average natural gas price for households over the period 2003-2012 in US cents/kWh (GCV based on average exchange rates for each year.

Source: IEA
North Carolina’s superior quality of life spans the mountains to the beaches.

Superior Quality of Life

*We have the Best of Both Worlds!*

Carolina Atlantic Ocean Beaches  
Blue Ridge Mountains
Anyone wishing to have a copy of this presentation is welcome to leave their business card!

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