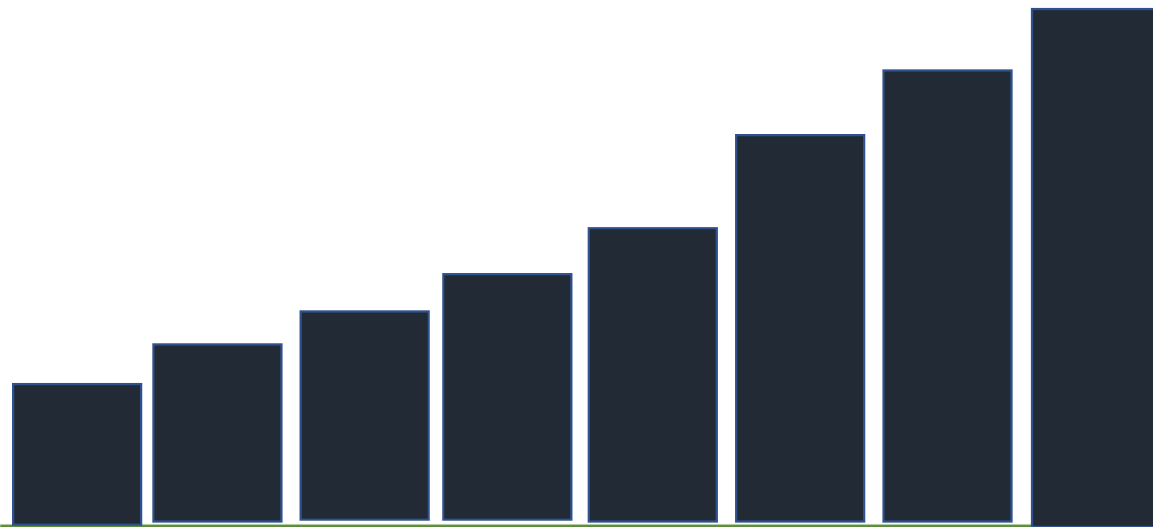


STATE OF THE REGION 2018

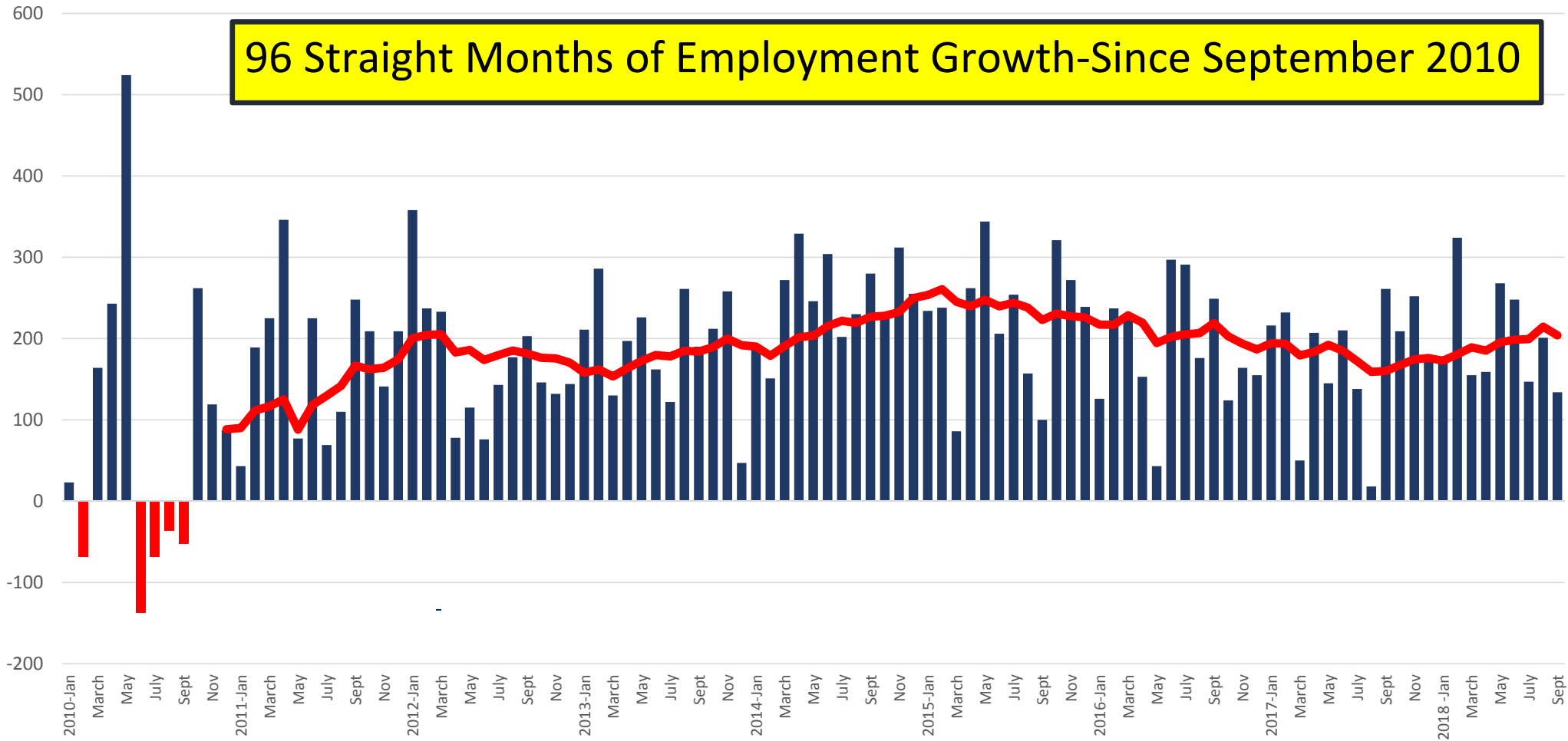


PIEDMONT TRIAD
PARTNERSHIP



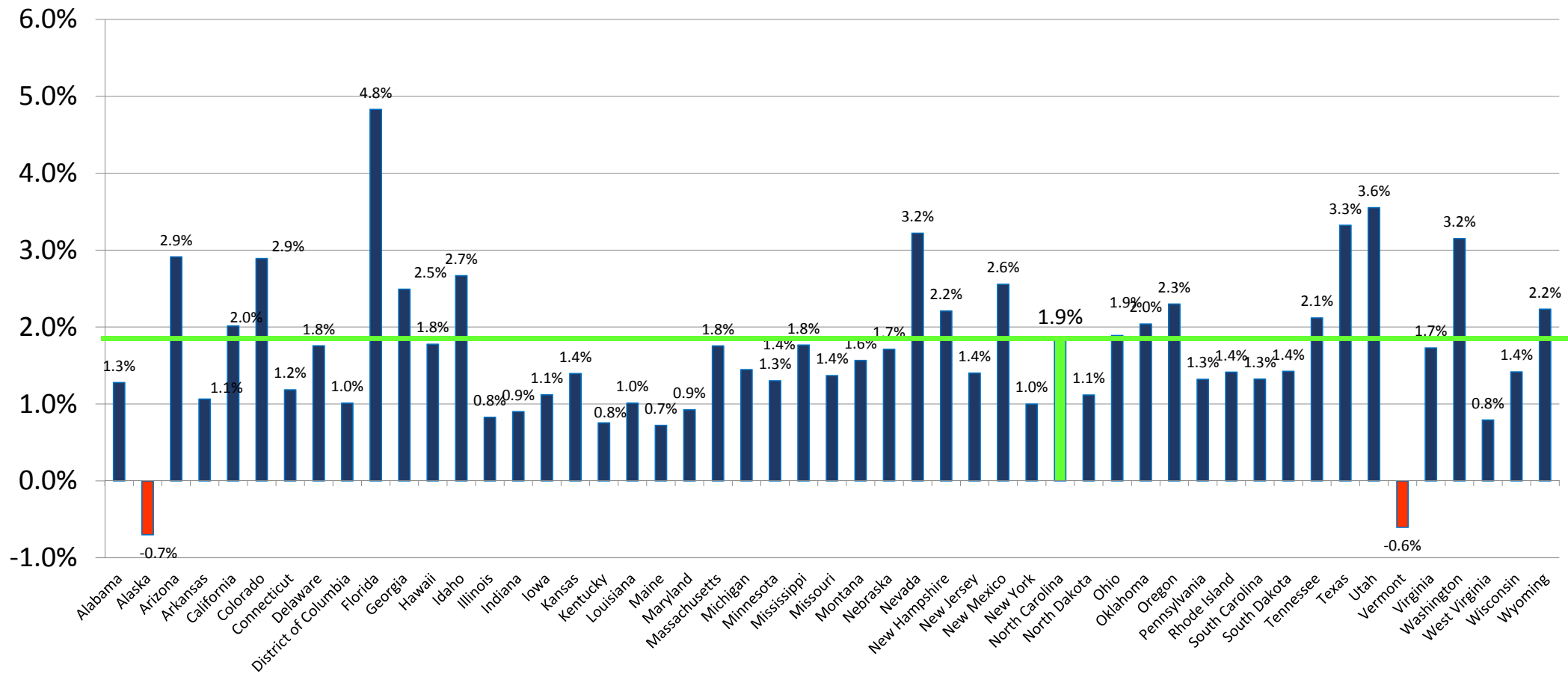
USA Non-Farm Payroll Employment

96 Straight Months of Employment Growth-Since September 2010

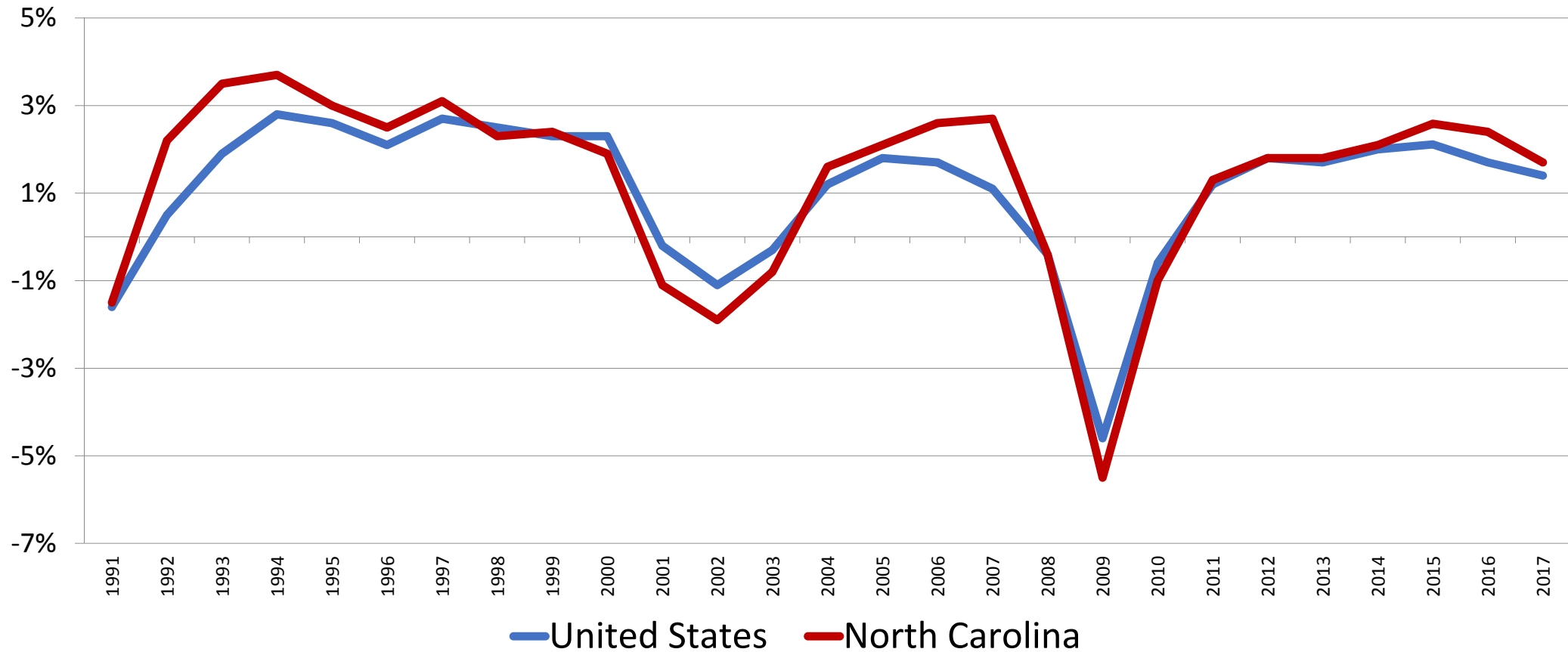


All States 1-Year

Total Employment Percentage Change Sept 2017 to Sept 2018

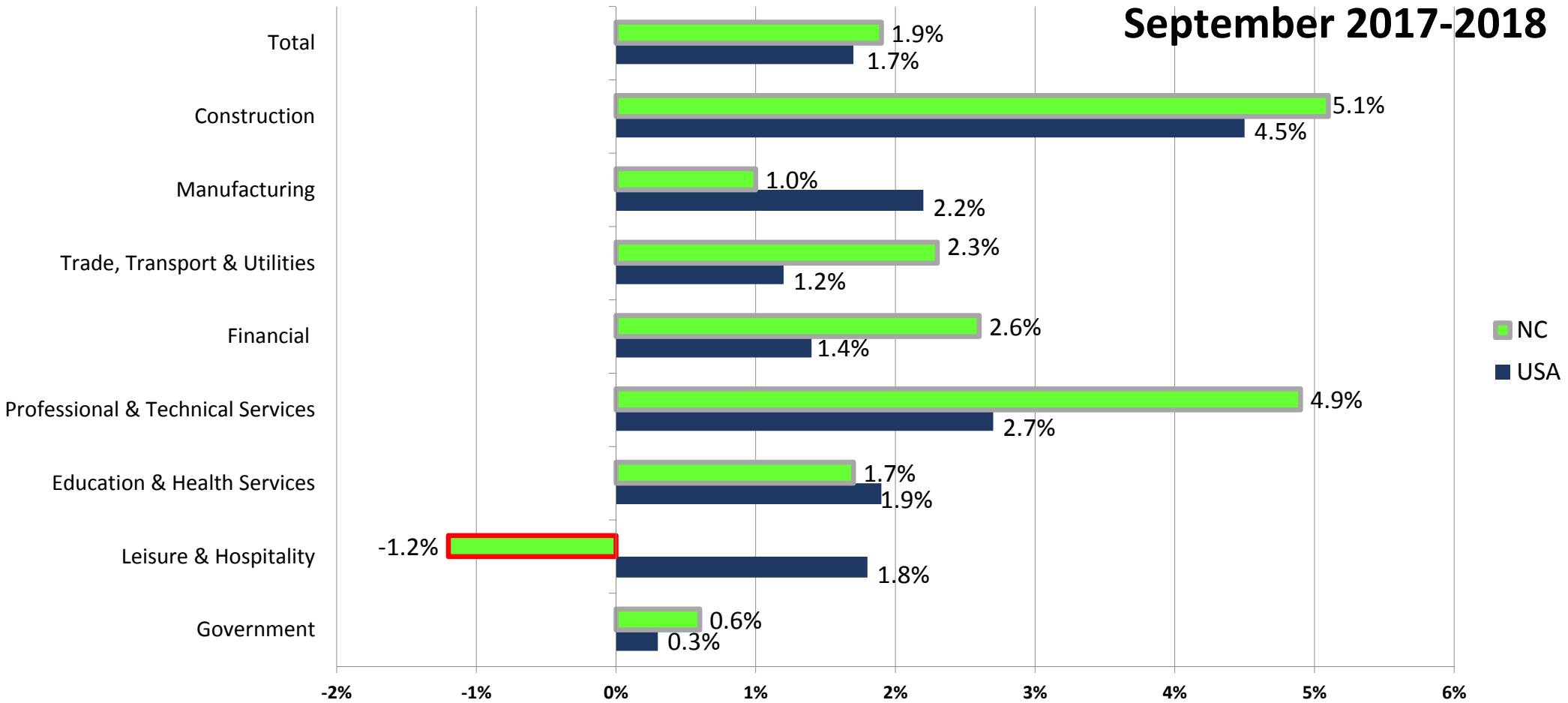


Percentage Annual Job Change 1990-2017



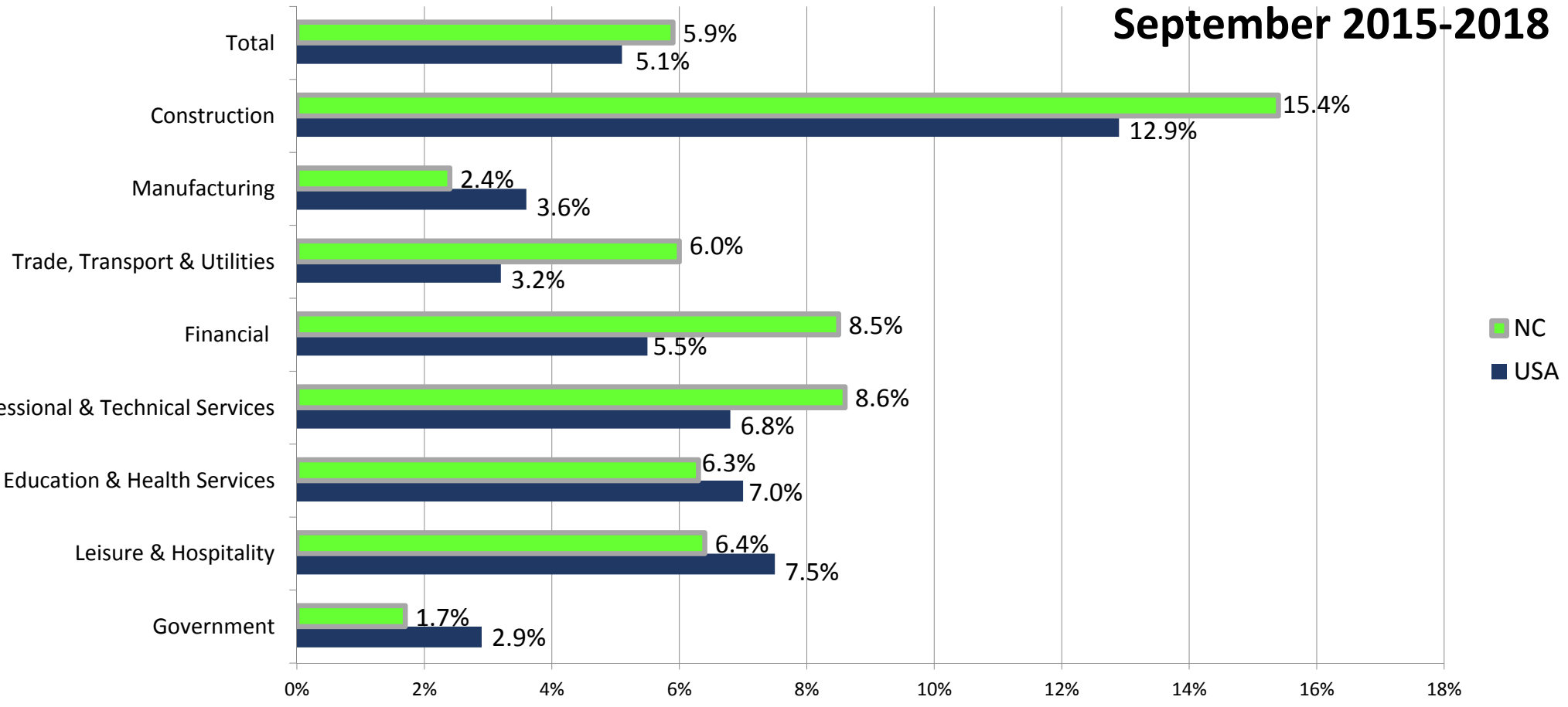
Employment Gains By Sector for the United States and NC

September 2017-2018

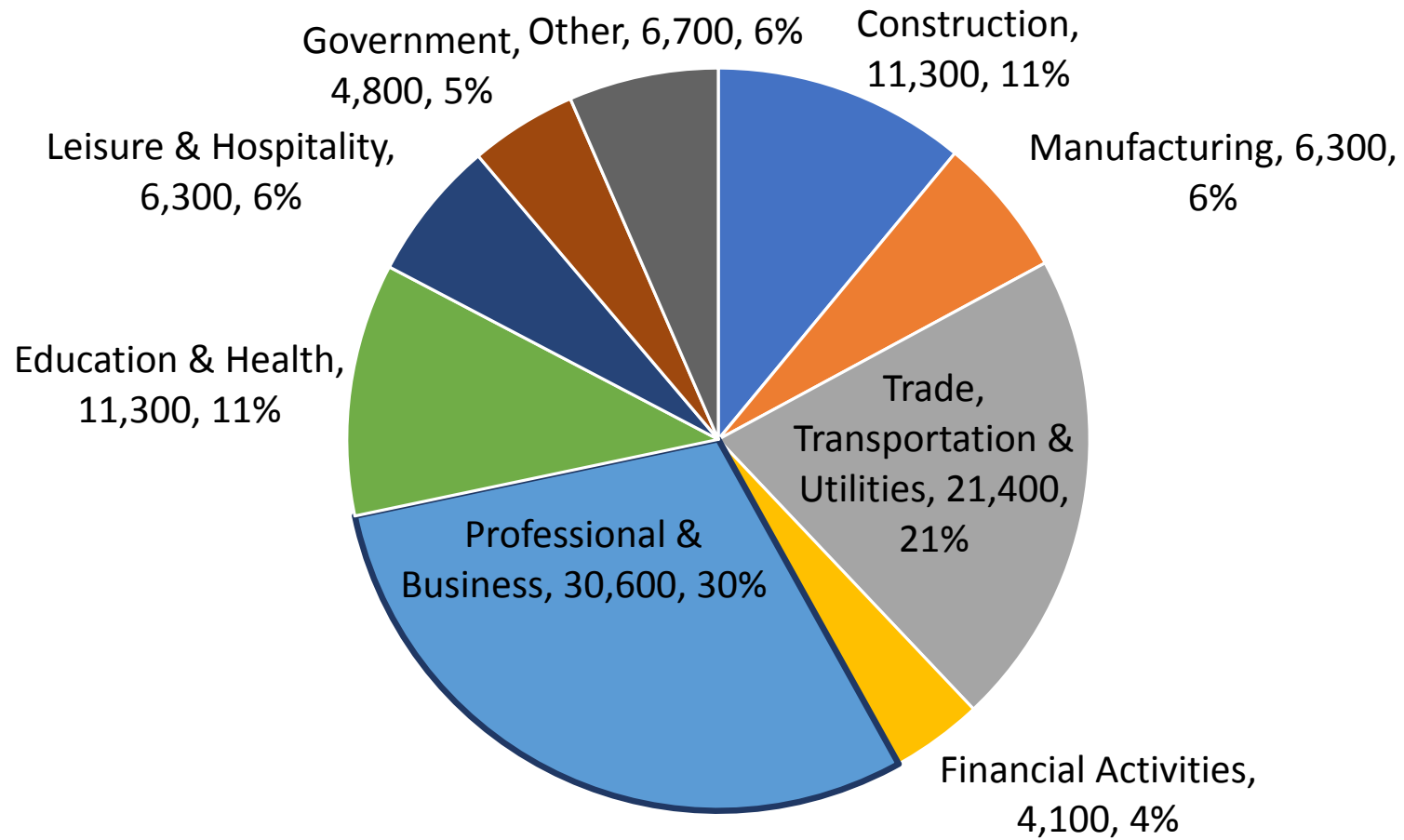


Employment Gains By Sector for the United States and NC

September 2015-2018

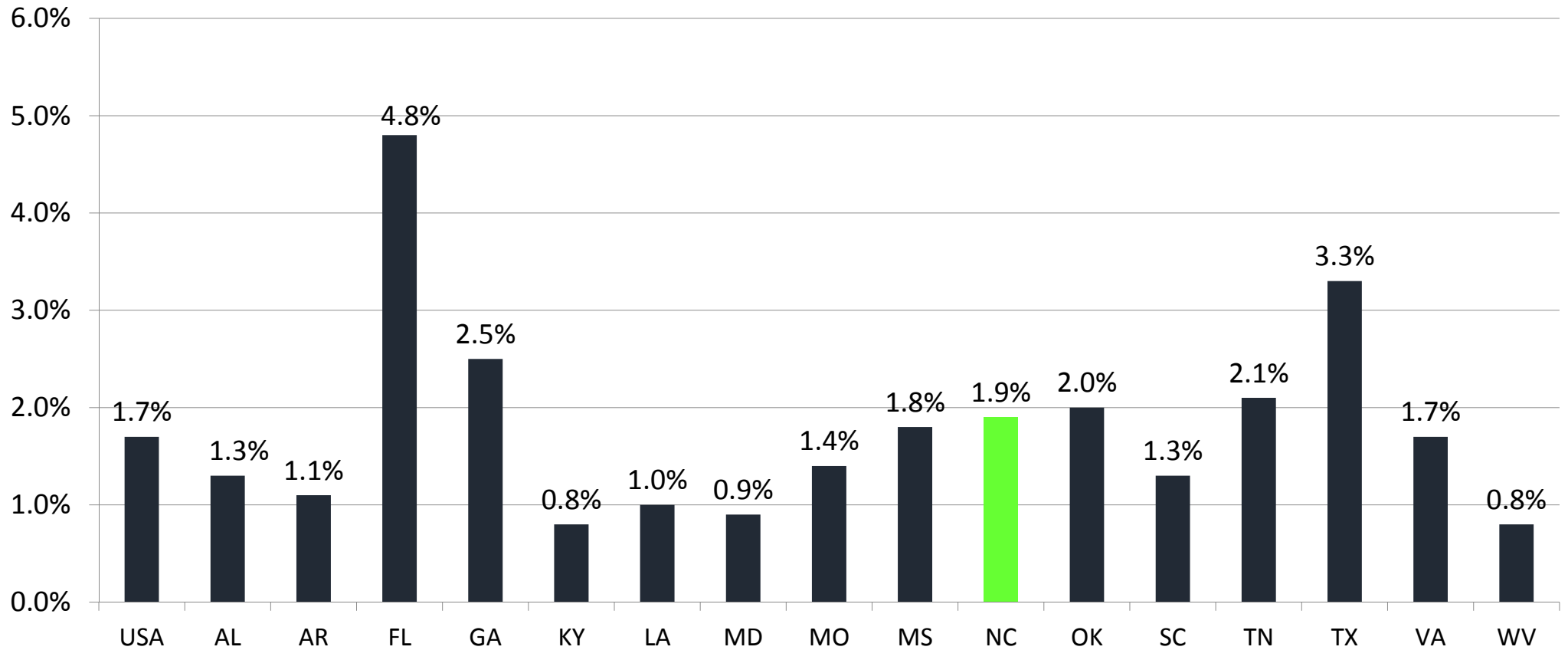


NC Employment Growth August 2017 – August 2018



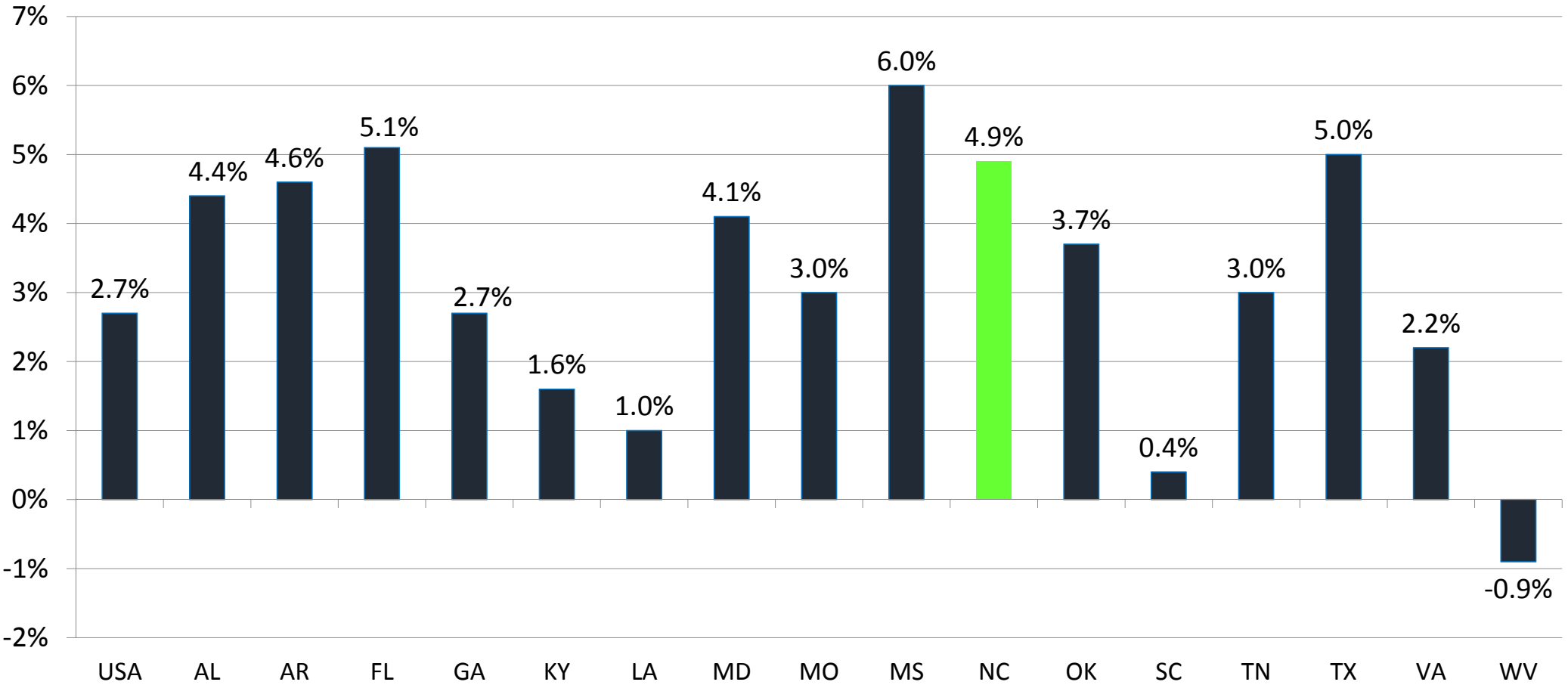
Southern States 1-Year

Non-Farm Employment September 2017 to September 2018



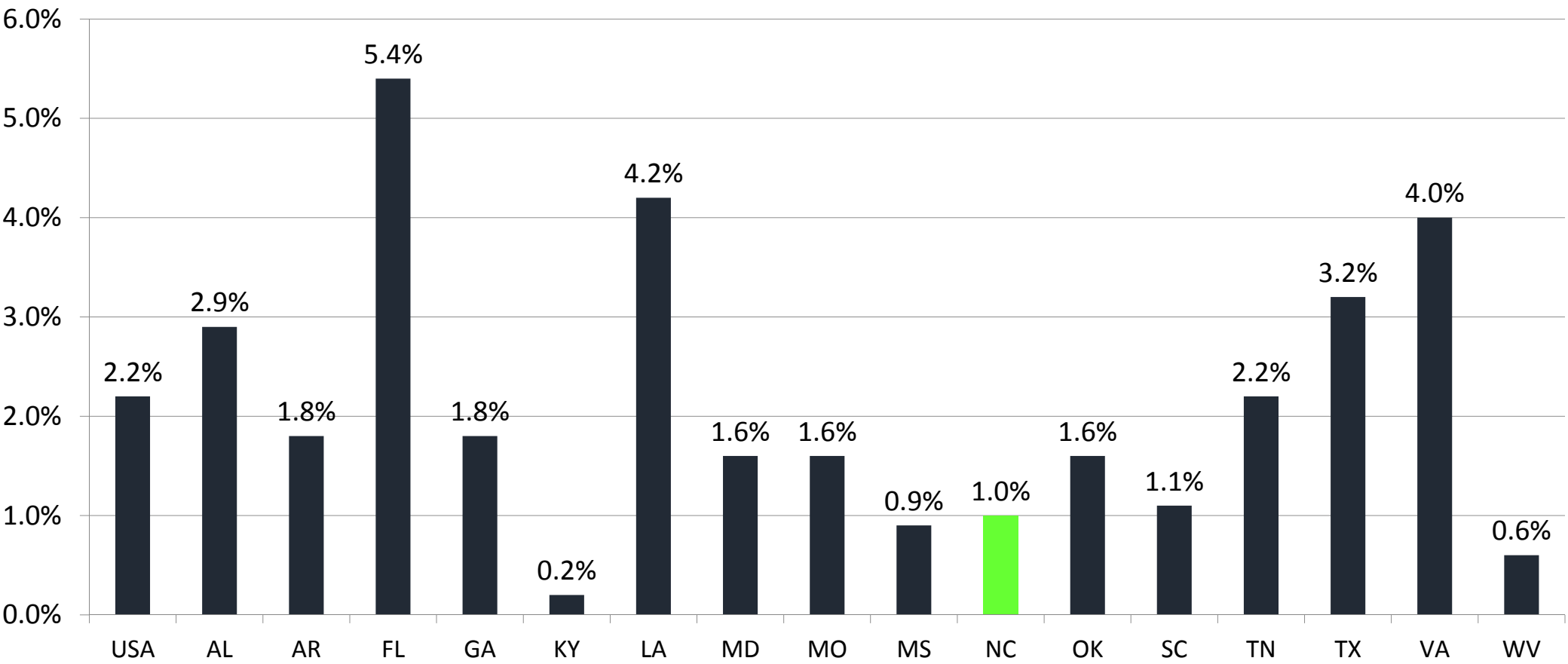
Southern States 1-Year

Professional & Business Services Employment Changes Sept 2017 to Sept 2018



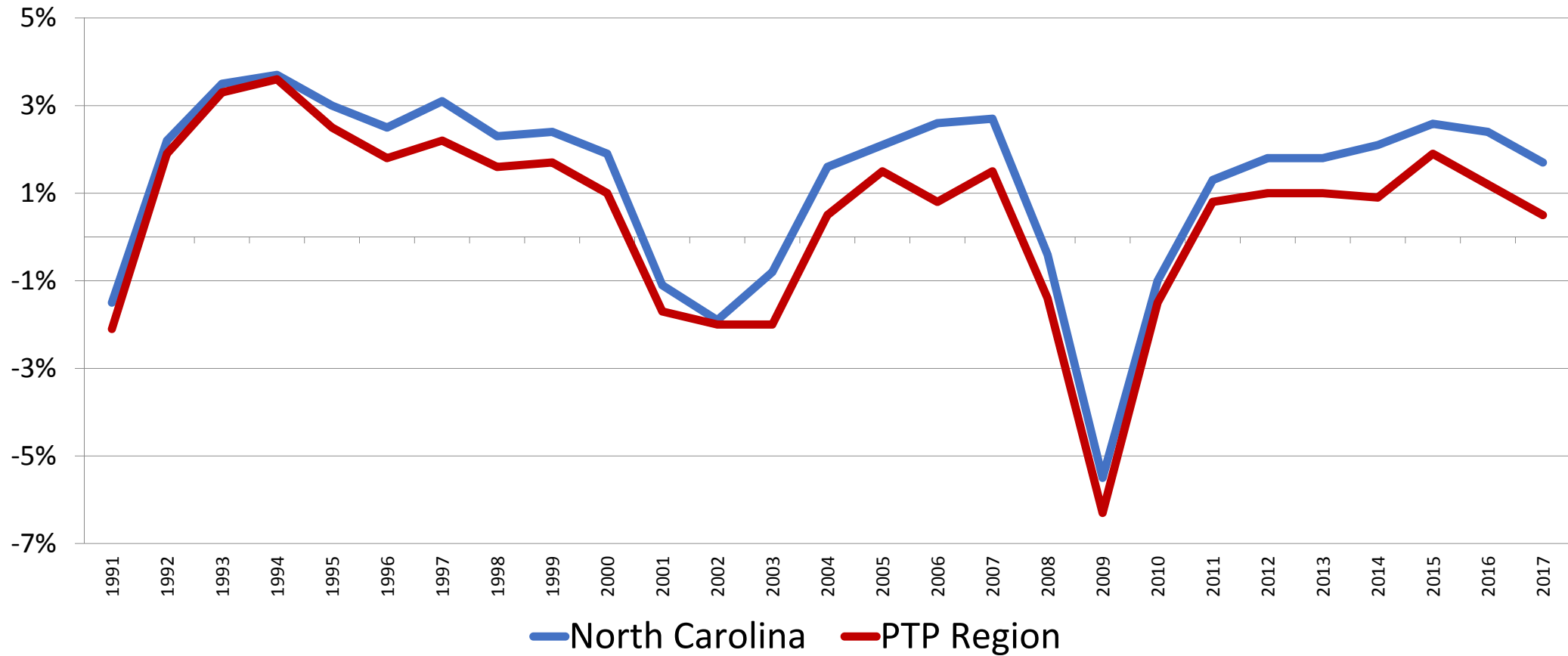
Southern States 1-Year

Manufacturing Employment Sept 2017 to Sept 2018

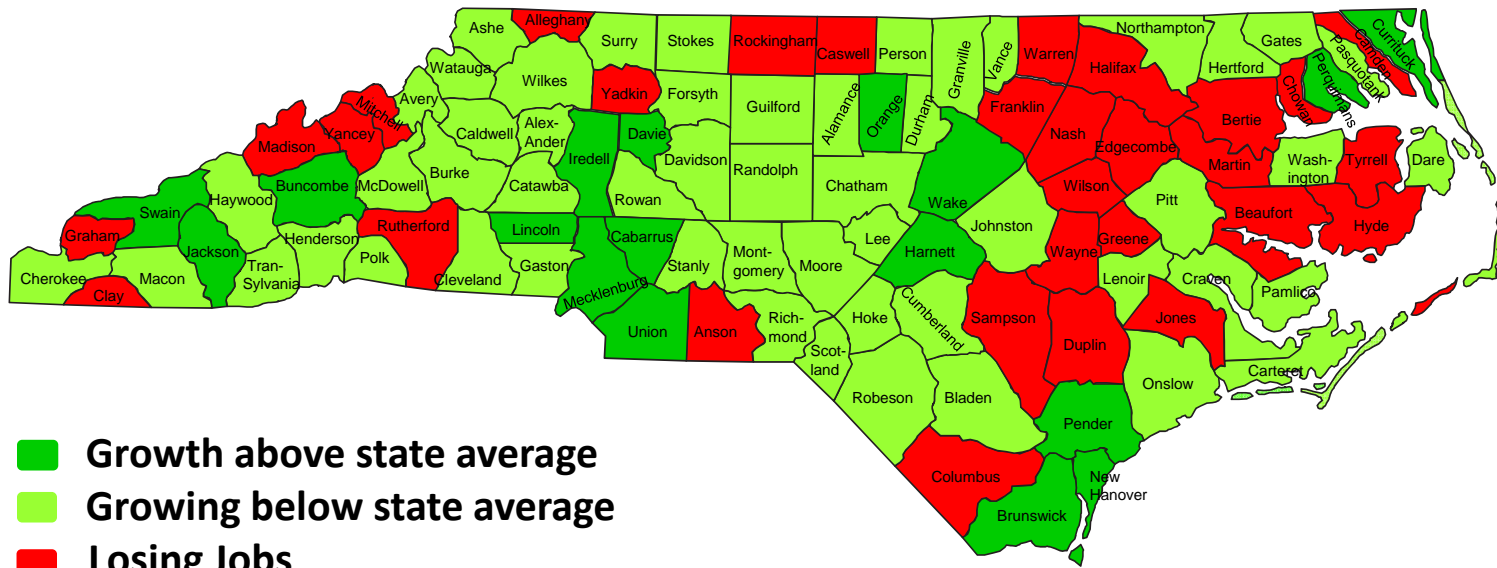


Source: US Bureau of Labor Statistics

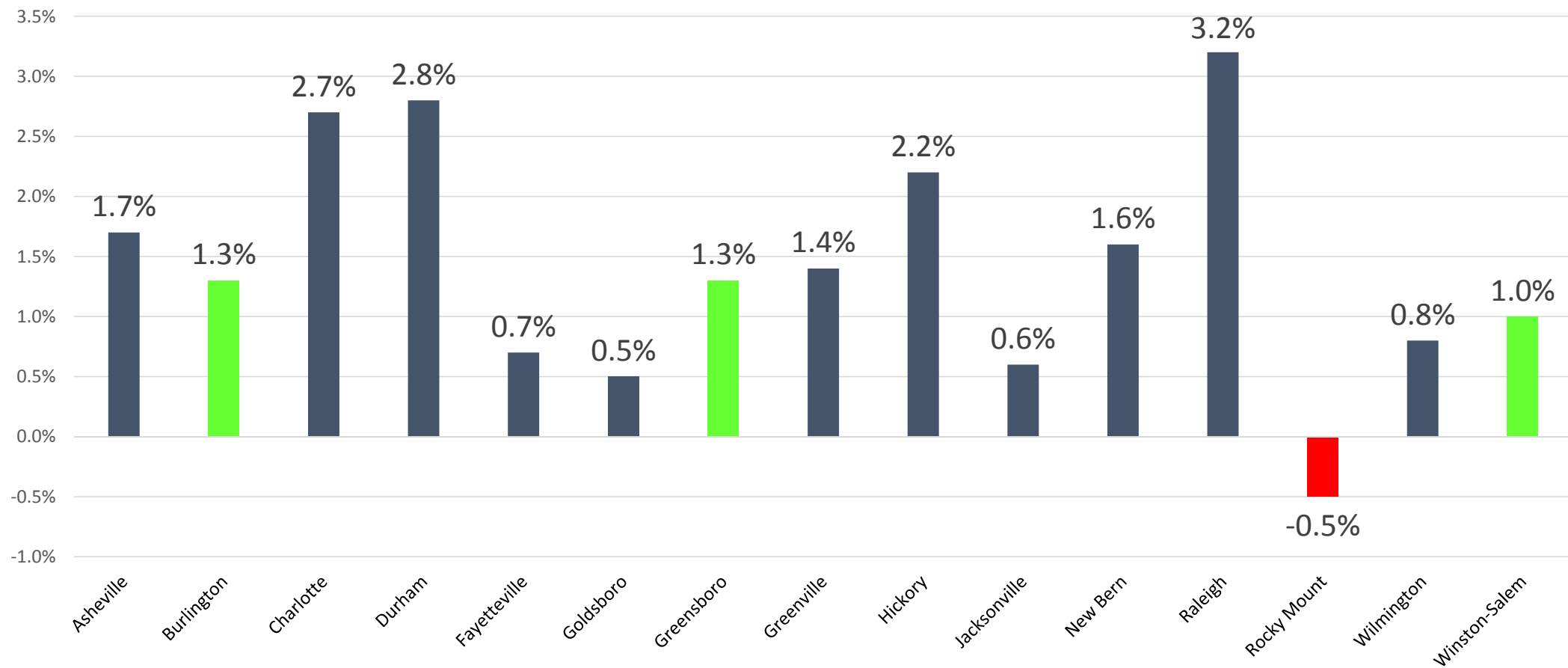
Percentage Annual Job Change 1990-2017



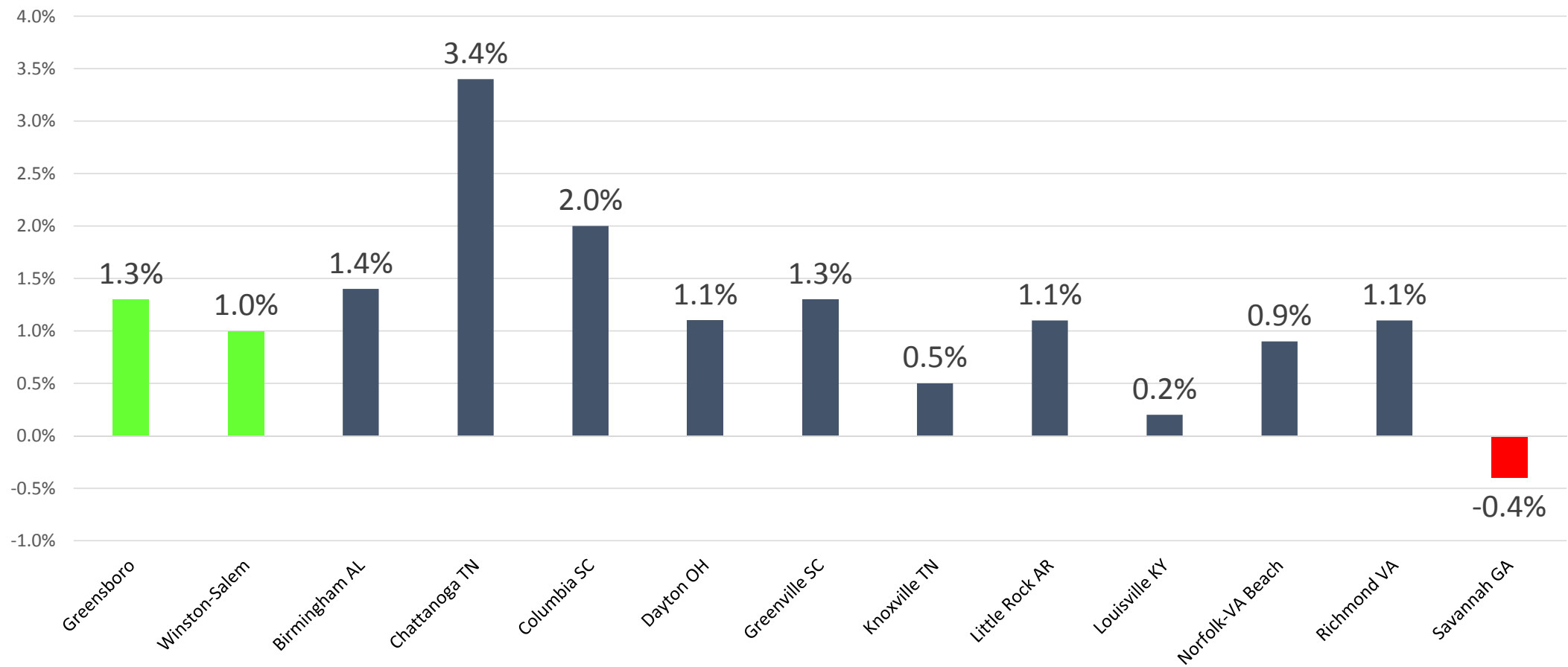
5 Year Job Growth 2012-2017 North Carolina Average 10.8%



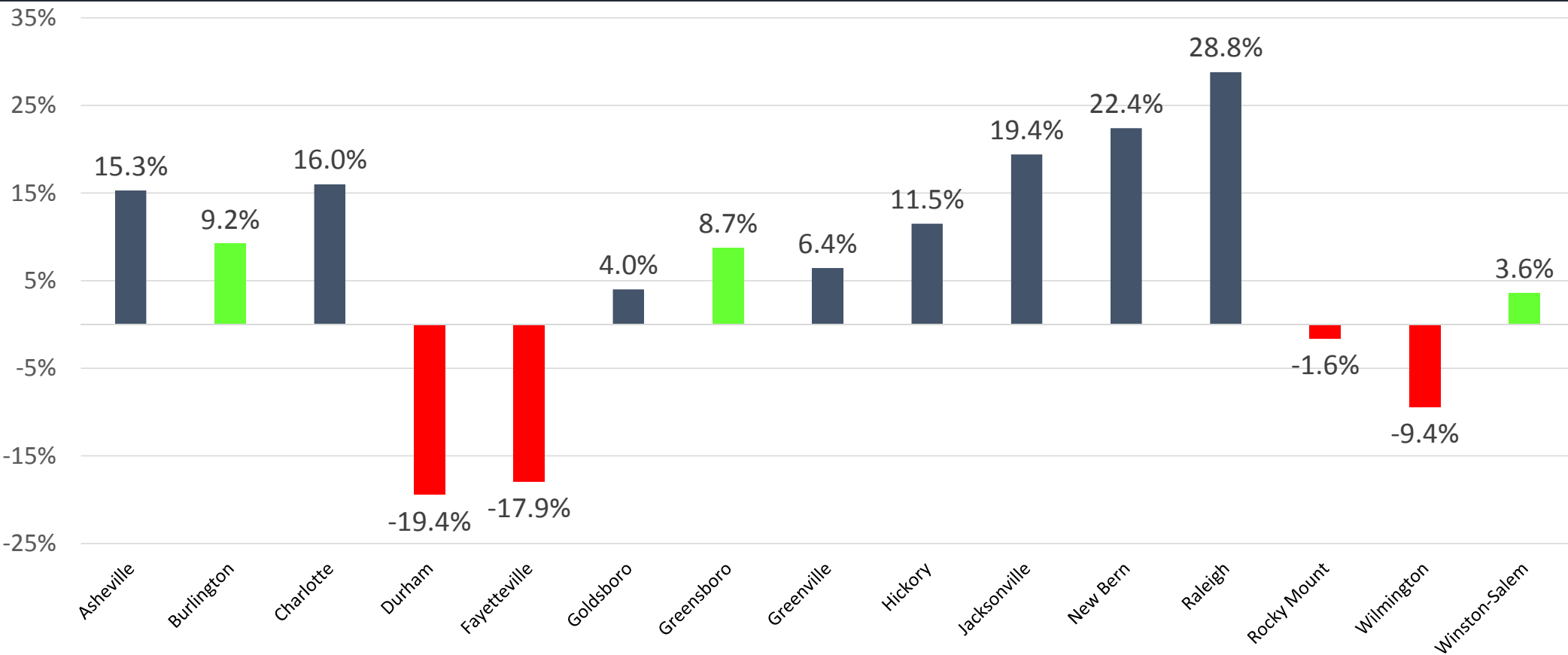
NC Metro % Non-Farm Employment Growth August 2017- August 2018



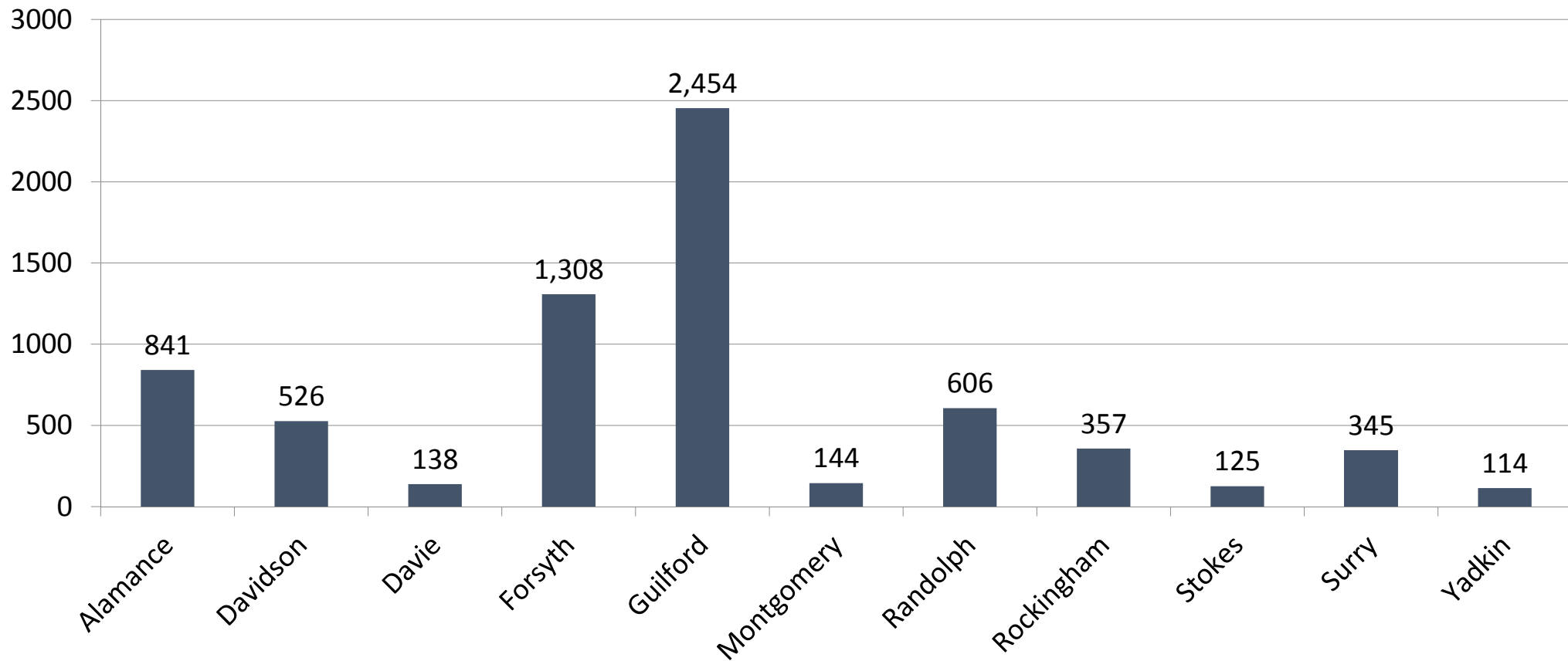
Similar Size Metros % Non-Farm Employment Growth August 2017- August 2018



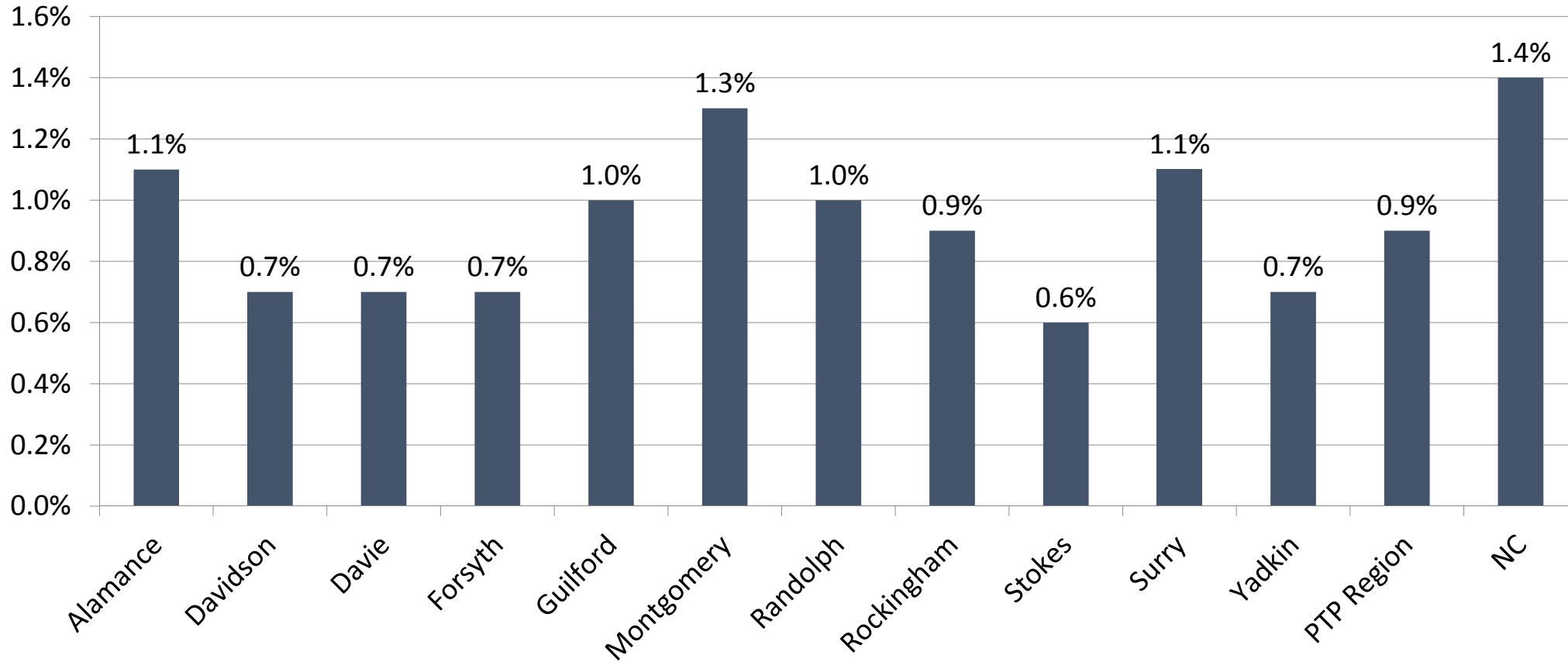
NC Metro Manufacturing % Growth 2010-2017



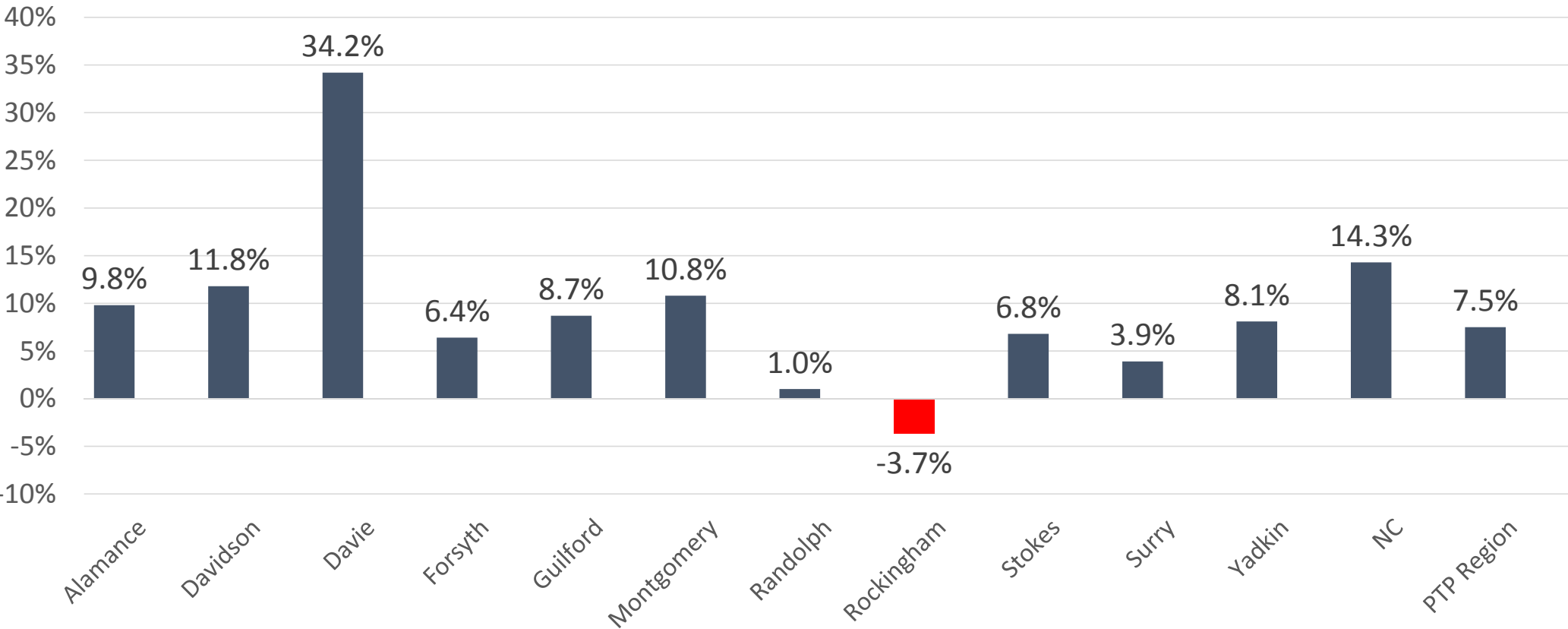
PTP County Employment Growth August 2017– August 2018



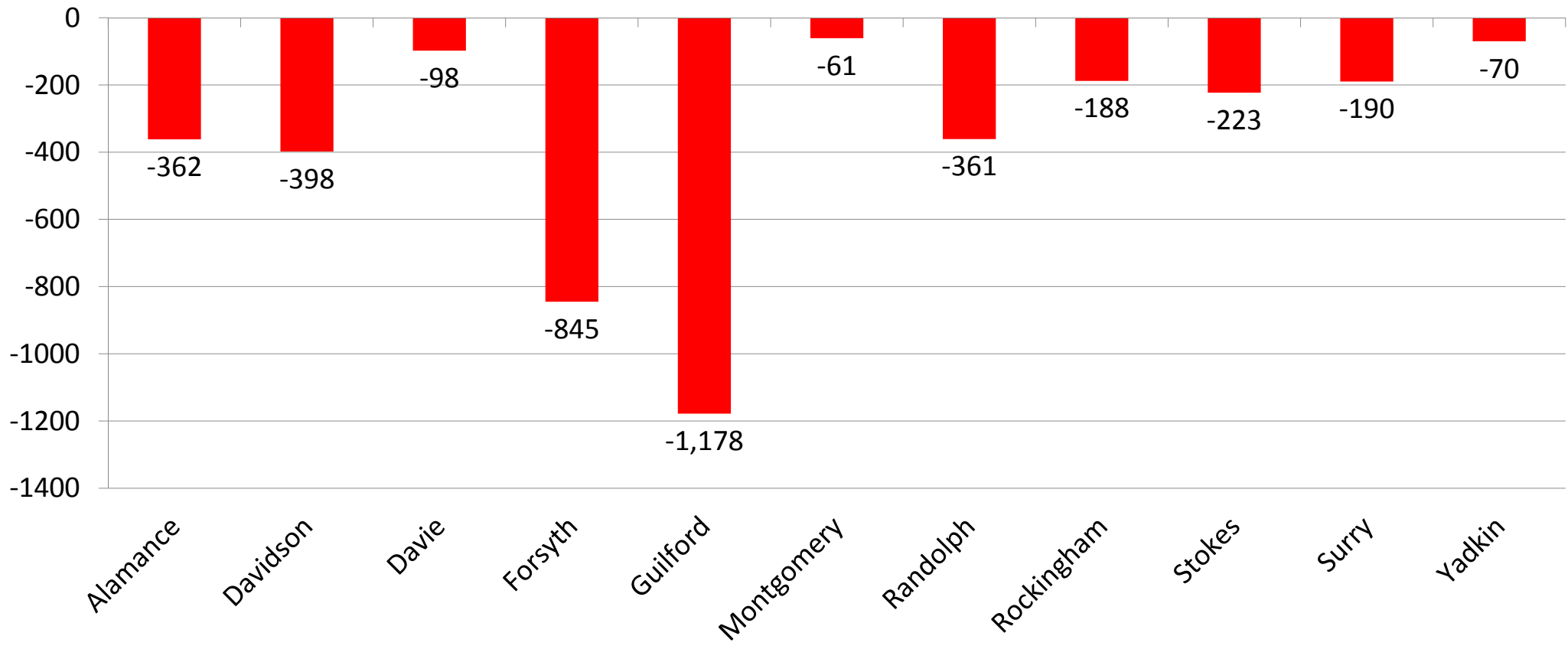
PTP County Employment Growth August 2017 – August 2018



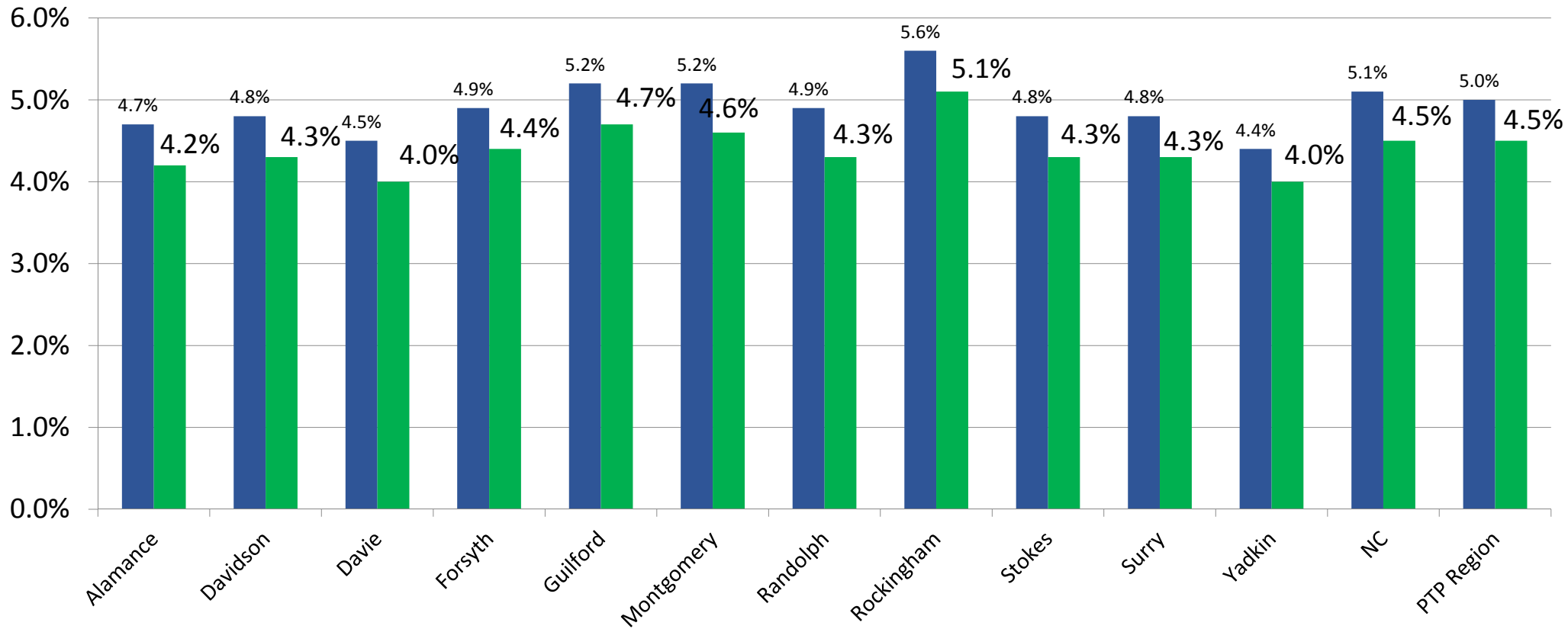
Percentage Job Growth By County 2010-2017



PTP Counties Change in Unemployed Persons 2016 –2017



PTP Counties Change in Unemployed Rate 2016–2017



NC Ranked Compared to All States

	<u>Job Growth</u>	<u>Wage Growth</u>	<u>GDP Growth</u>
1 Year 2016 – 2017	13	10	14
5 Year 2012 – 2017	13	14	15
10 Year 2007 - 2017	13	18	23

DC is included so that all rankings are of 51 “states”



Top Factors for Companies Considering New Investment

- (1) Highway accessibility
- (2) Labor costs
- (3) Availability of skilled labor
- (4) Quality of Life
- (5) Tax exemptions
- (5T) Occupancy costs or construction costs
- (7) Proximity to major markets
- (8) Corporate tax rate
- (9) State & local incentives
- (10) Available land
- (11) Expedited or “fast track” permitting
- (12) Proximity to suppliers

The World's Most Competitive Economies

Countries ranked by national economic competitiveness in 2018 (100=most competitive)*



*The index assesses the microeconomic and macroeconomic foundations of national competitiveness, which is defined as the set of institutions, policies, and factors that determine the level of productivity of a country.



@StatistaCharts Source: World Economic Forum

Forbes statista

2019 State Business Tax Climate Index – State Ranking

(1 is Best, 50 is Worst) Overall	Corporate Tax	Individual Income	Sales Tax	Property Tax
Alabama 39th	20	30	48	15
Arkansas 46th	40	40	44	26
Florida 4th	6	1	22	11
Georgia 33rd	8	38	29	24
Kentucky 23rd	27	17	14	35
Louisiana 44th	36	32	50	32
Maryland 40th	22	45	18	42
Mississippi 31st	15	27	35	36
Missouri 14th	4	25	25	7
North Carolina 12th	3	16	20	33
Oklahoma 26th	9	33	39	19
South Carolina 35th	19	34	34	27
Tennessee 16th	24	8	46	29
Texas 15th	49	6	37	37
Virginia 22 nd	10	35	10	30
West Virginia 19th	13	28	18	18

Source: 2019 State Tax Climate Index

State Fiscal Conditions Rankings

2017
EDITION

OVERALL FISCAL CONDITION RANK

MERCATUS CENTER
George Mason University

TOP FIVE

1. Florida
2. North Dakota
3. South Dakota
4. Utah
5. Wyoming

ABOVE AVERAGE

6. Nebraska
7. Oklahoma
8. Tennessee
9. Idaho
10. Montana
11. Missouri
12. Alabama

13. Ohio
14. Nevada
15. North Carolina
16. Indiana
17. Alaska
18. Virginia

AVERAGE

19. South Carolina
20. Arkansas
21. Oregon
22. Georgia
23. Texas
24. Minnesota
25. New Hampshire

26. Washington
27. Hawaii
28. Iowa
29. Wisconsin
30. Colorado
31. Delaware
32. Kansas

BELOW AVERAGE

33. Arizona
34. Mississippi
35. Maine
36. Michigan
37. Connecticut
38. Rhode Island

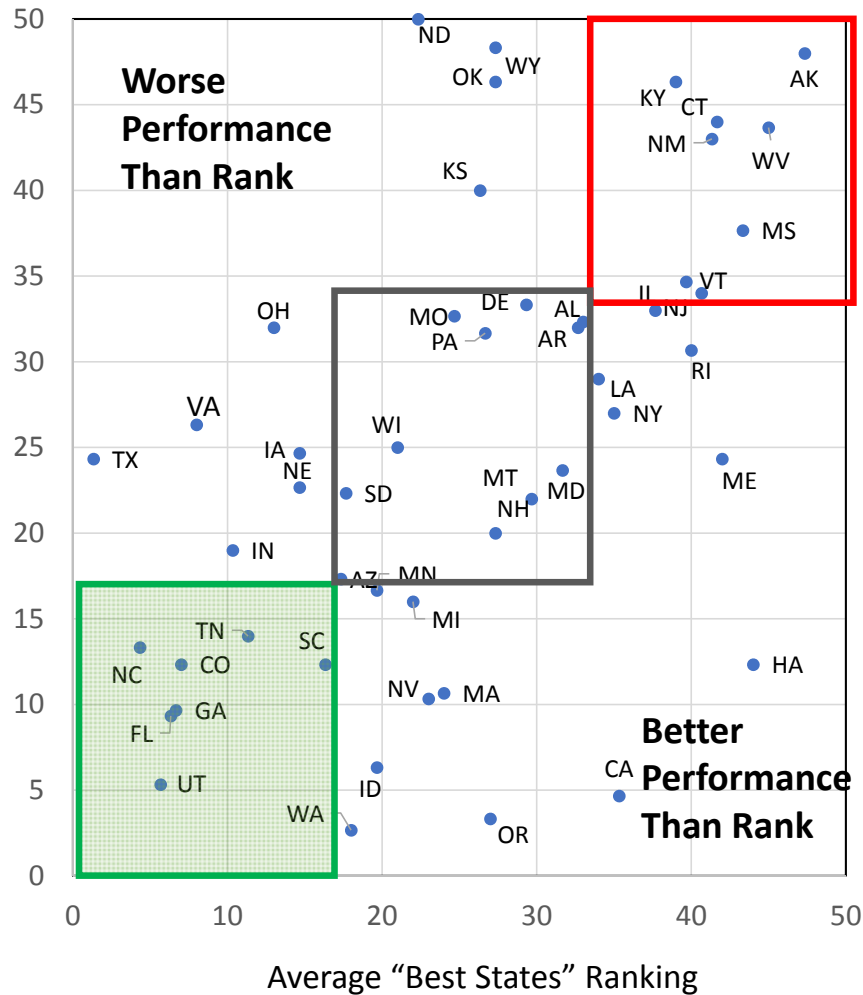
39. New York
40. Vermont
41. New Mexico
42. West Virginia
43. California
44. Louisiana
45. Pennsylvania

BOTTOM FIVE

46. Maryland
47. Kentucky
48. Massachusetts
49. Illinois
50. New Jersey

SOURCE: Eileen Norcross and Olivia Gonzalez, "Ranking the States by Fiscal Condition, 2017 Edition" (Mercatus Research, Mercatus Center at George Mason University, Arlington, VA, July 2017).

Rankings and Performance



States By Average Ranks by Forbes, CNBC, and Chief Executive

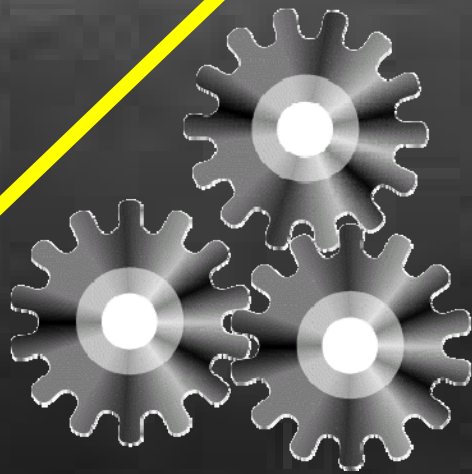
Forbes released 11/28/17; CNBC released 7/10/18; Chief Executive released 5/3/18

Plotted Against

Actual Performance for Job Growth, Wage Growth and Growth in GDP

3 years 2014-2017 Jobs & Wages: BLS QCEW annual; GDP: BEA Real GDP 2009 chained dollars

Tracking Trends and Anticipating Tangents



Big data analytics	Extended Life
IoT	Declining Fertility Rate
Cognitive Systems	Decreasing Poverty
Augmented Reality	Declining Marriage Rate
Nanotechnology	Resource Competition
Robotics	Expanding Consumption Class
Blockchain	Inequity
Drones	Weather Impacts
4-D printing	Evolving Governance
Genomics	Independent Workers
Smart Grid	Nationalism
Artificial Intelligence	Family Transformation
Cyberwar	Education Revolution
Human-Machine	Natural Language Processing
Convergence	Computer Vision

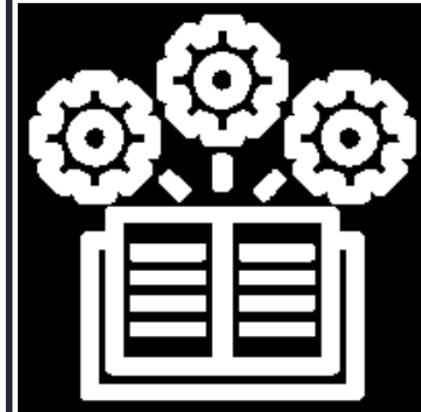
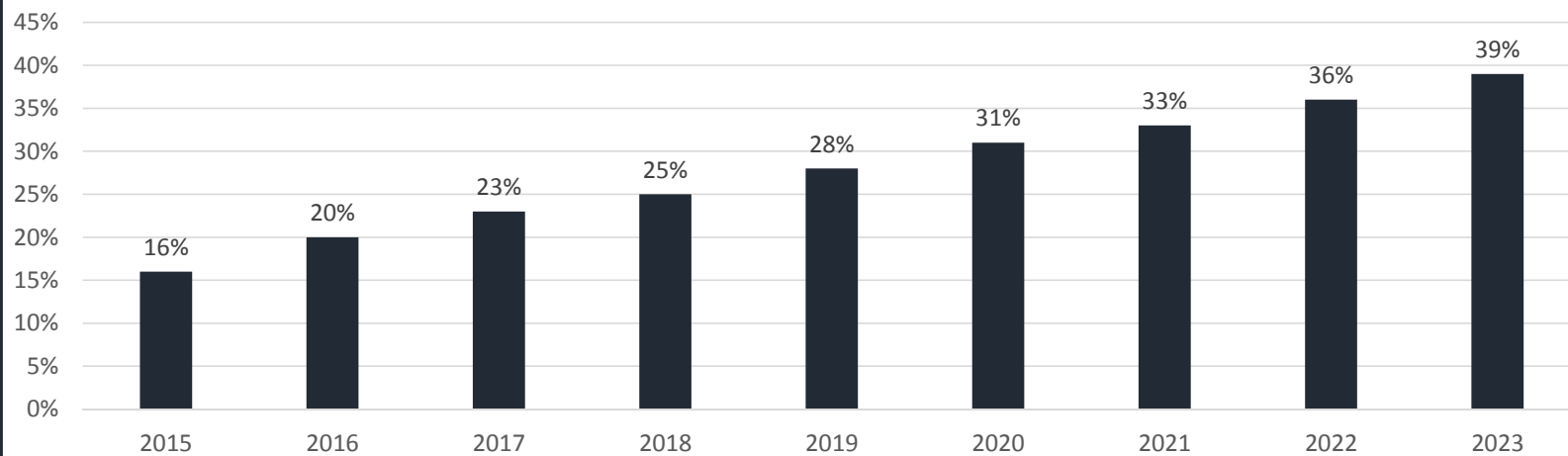
Political...Social....Demographic....Consumer Preferences....Technology....Global....Equity....Culture...Purpose.....Choices...Biological

Machine Learning

A branch of artificial intelligence that automates the building of analytical models, allowing a machine to act without being programmed

Enables large-scale data analysis that can be used in predicting consumer trends and behaviors **Machine learning crunches large data sets to identify trends**

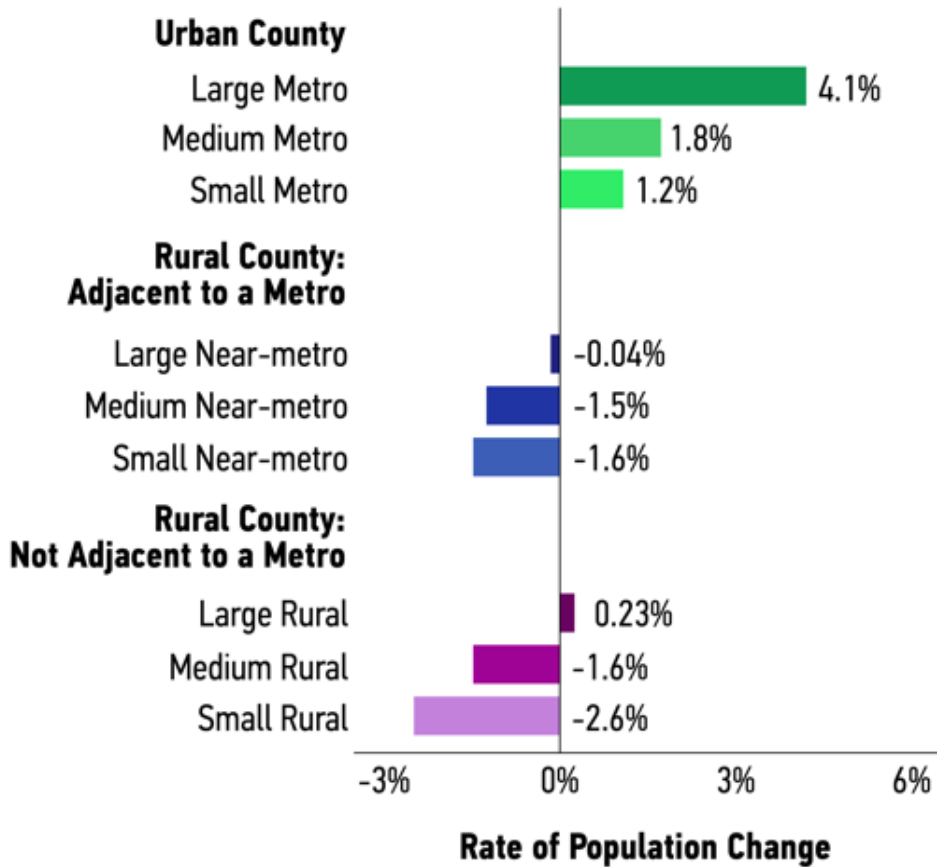
USA Mobile Commerce as a Percent of E-Commerce



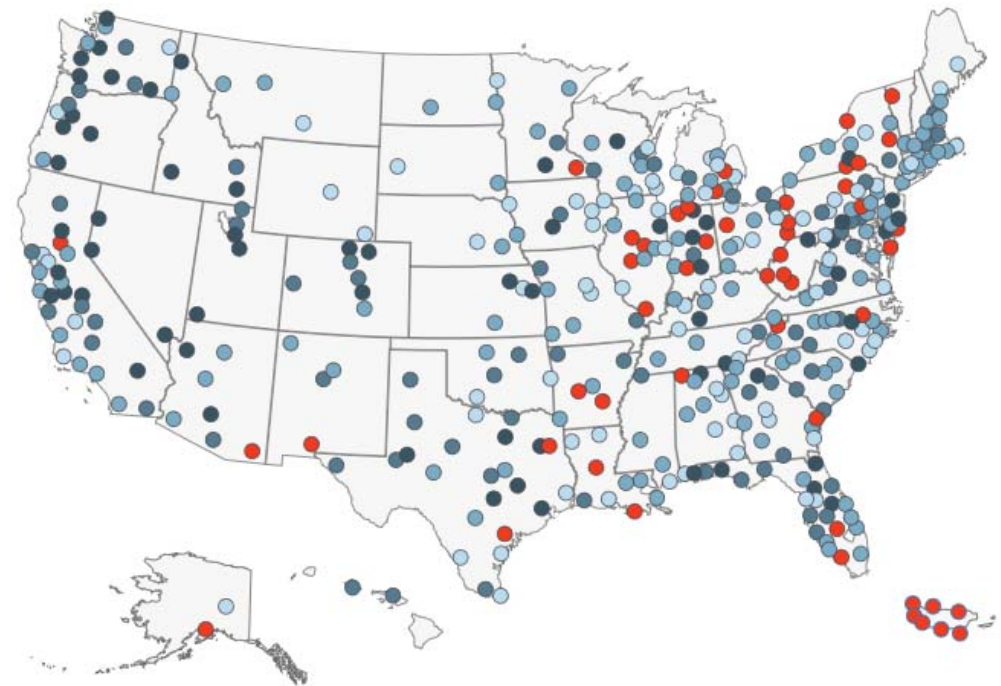
People, Wealth and Jobs Continue to Concentrate with Fewer Winners



Rate of Population Change 2001-2016



% Change in Total Non-Farm Employment for Metros August 2017 to August 2018, not seasonally adjusted

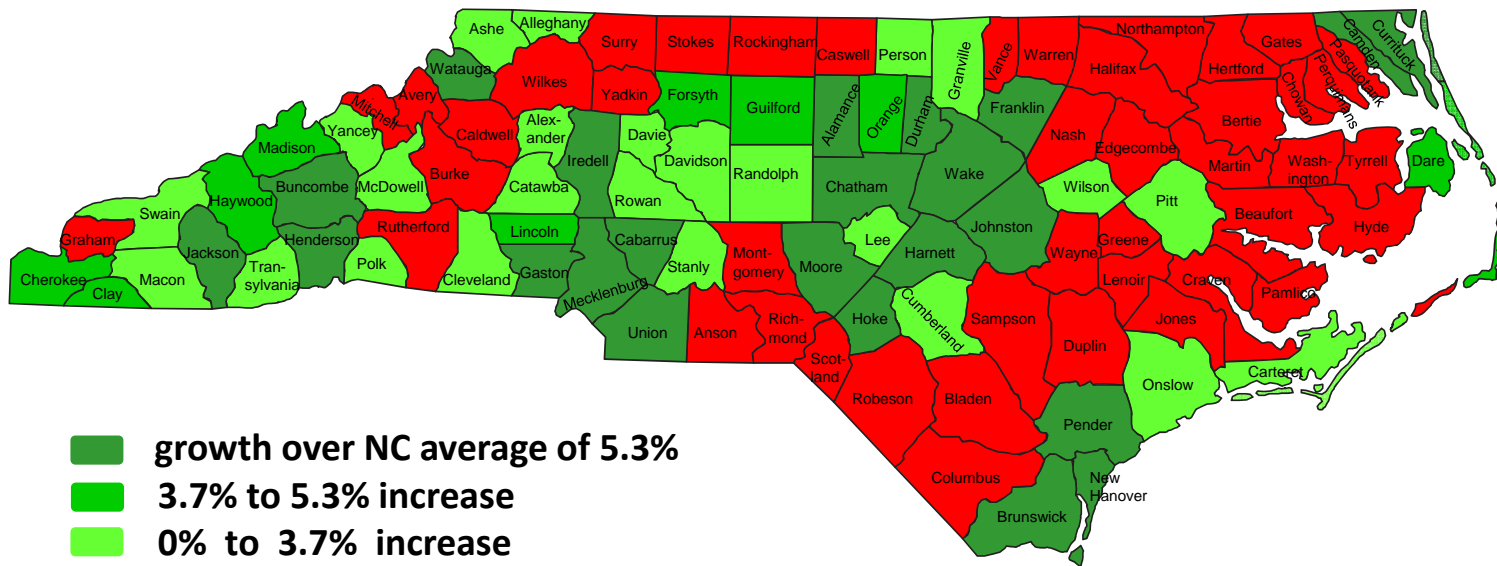


Source: U.S. Department of Agriculture (Madison McVeigh/CityLab)

Population Growth More Concentrated

NC Change in Population 2012 - 2017

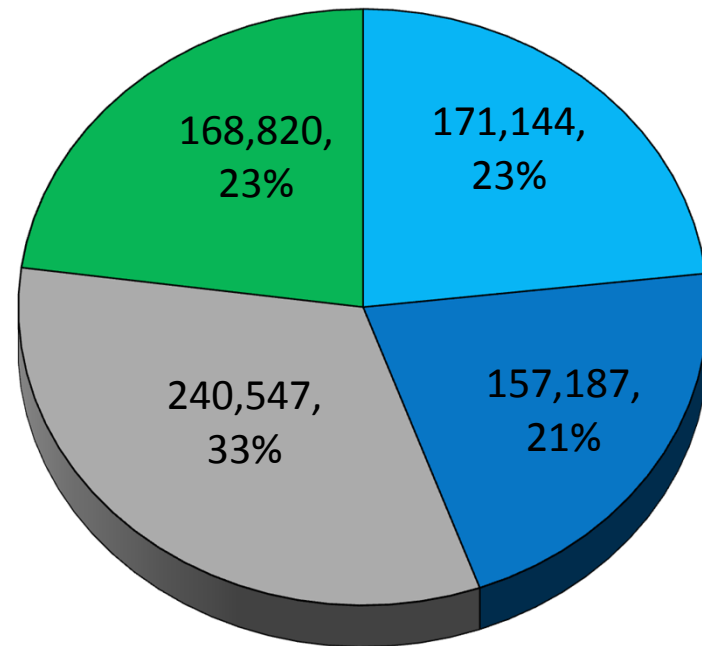
North Carolina Average 5.3%



NC County Population Growth 2000-2017

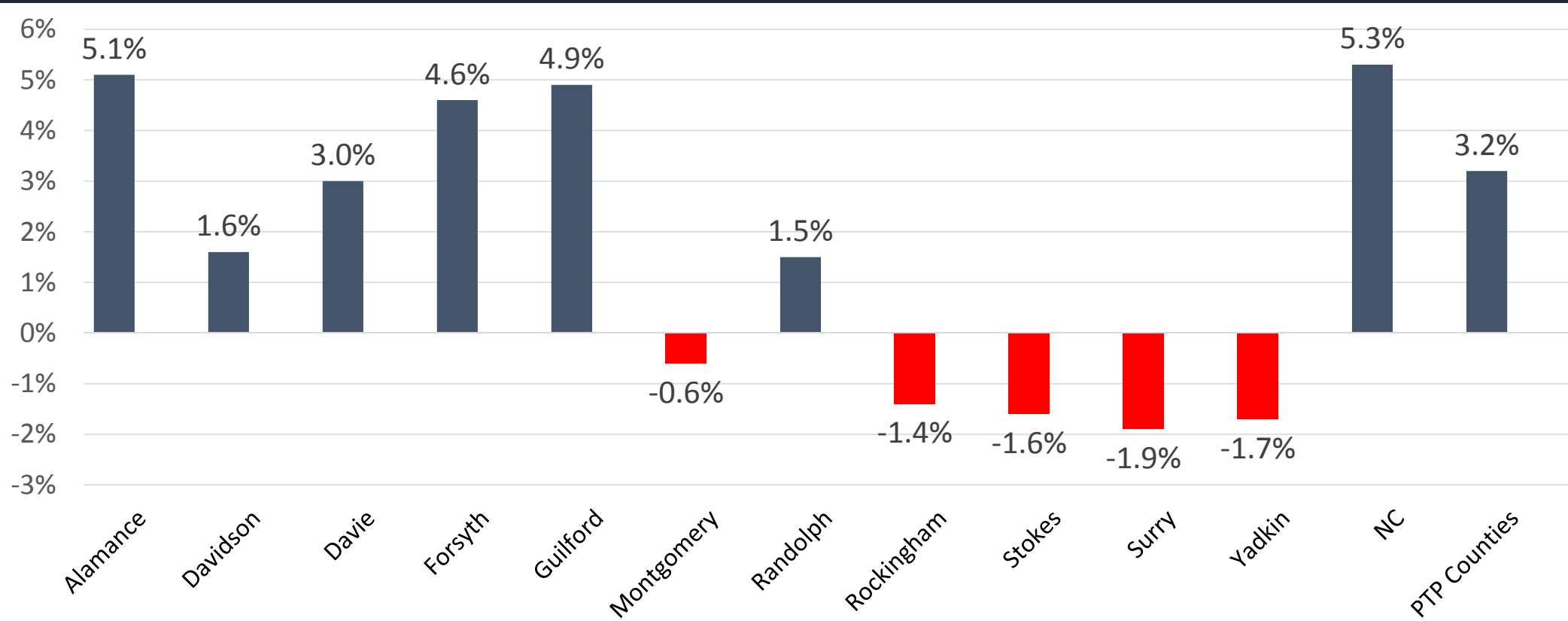
1) Wake	+171,144
2) Mecklenburg	+157,187
3) Durham	+ 41,656
4) Guilford	+ 38,535
5) Union	+ 30,107
6) Cabarrus	+ 28,786
7) Johnston	+ 27,836
8) Forsyth	+ 25,646
9) New Hanover	+ 24,515
10) Brunswick	+ 23,466

Wake and Mecklenburg added 44.5% of the state's 737,698 net new residents

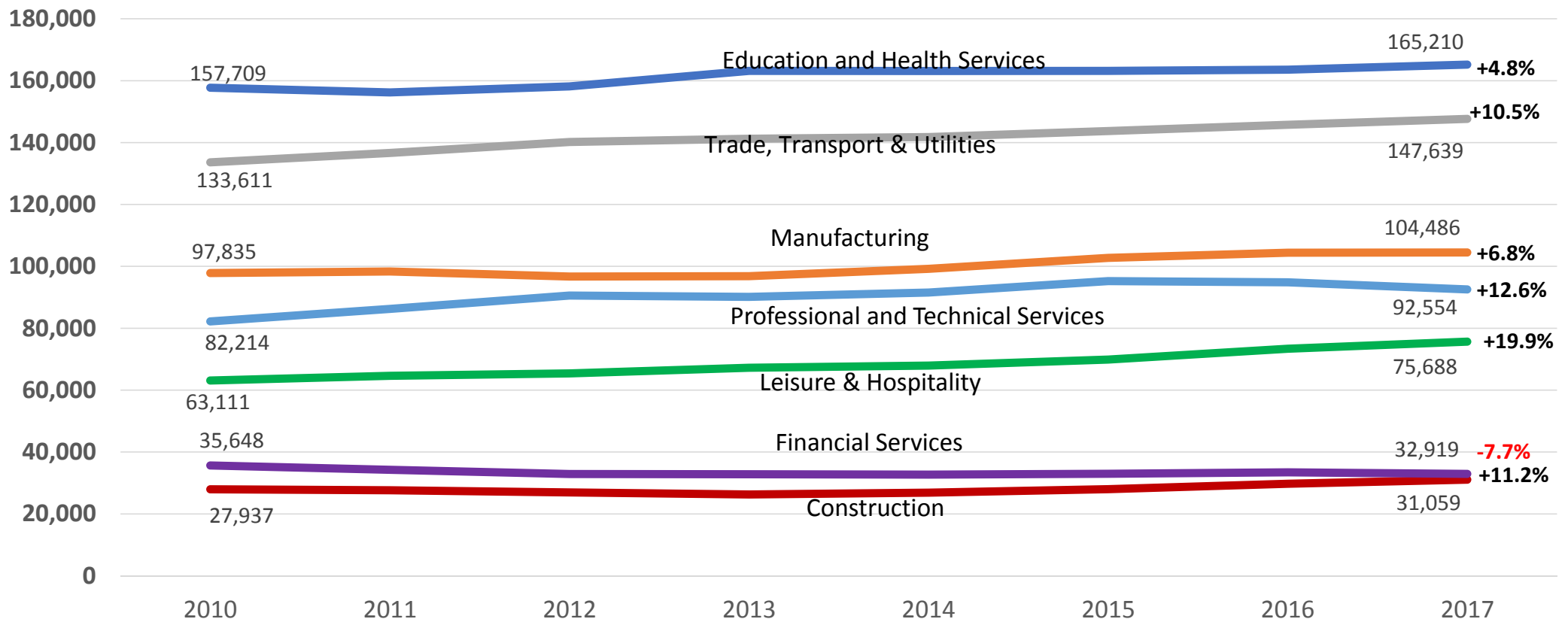


■ Wake ■ Mecklenburg ■ Balance of Top 10 ■ 90 Other Counties

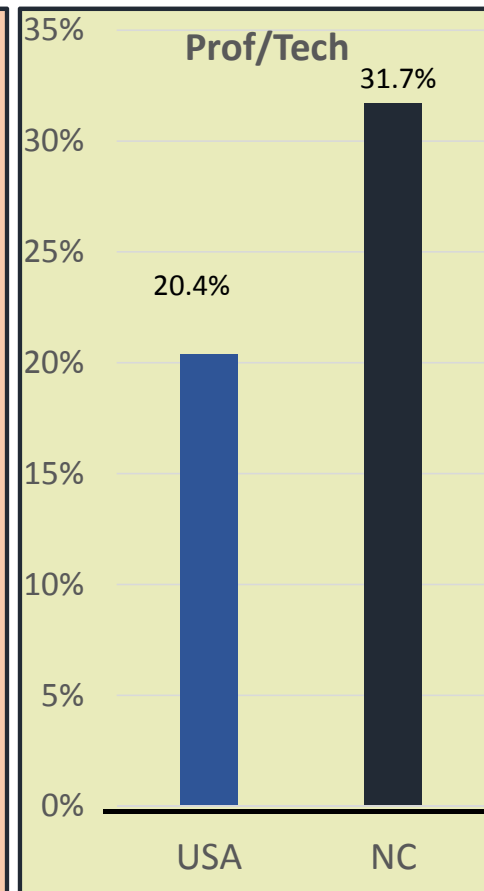
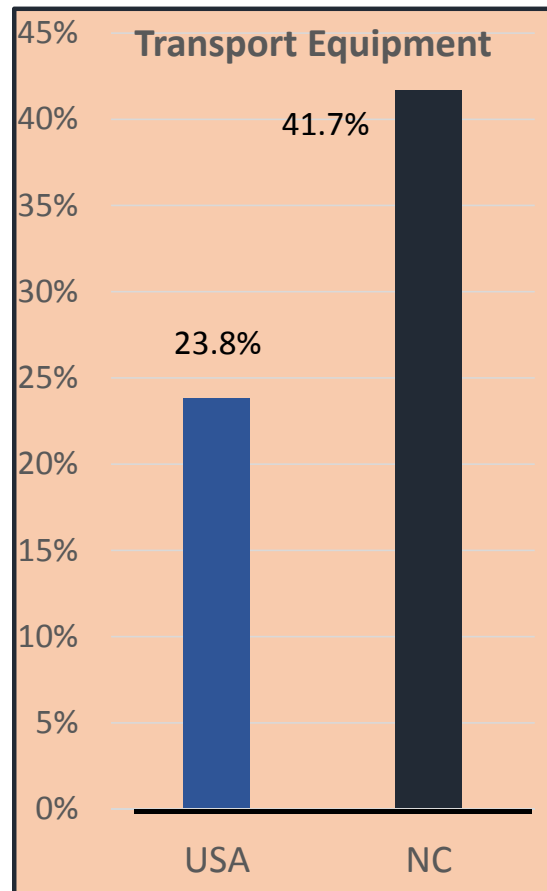
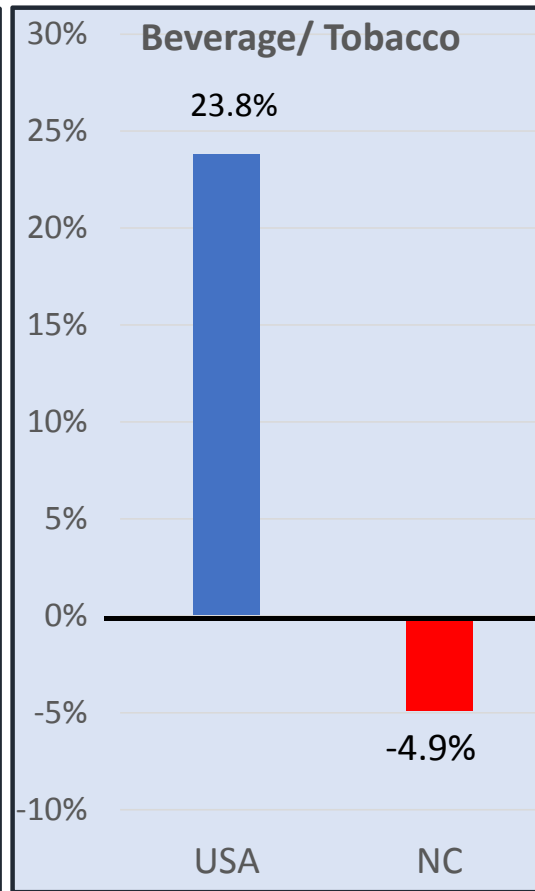
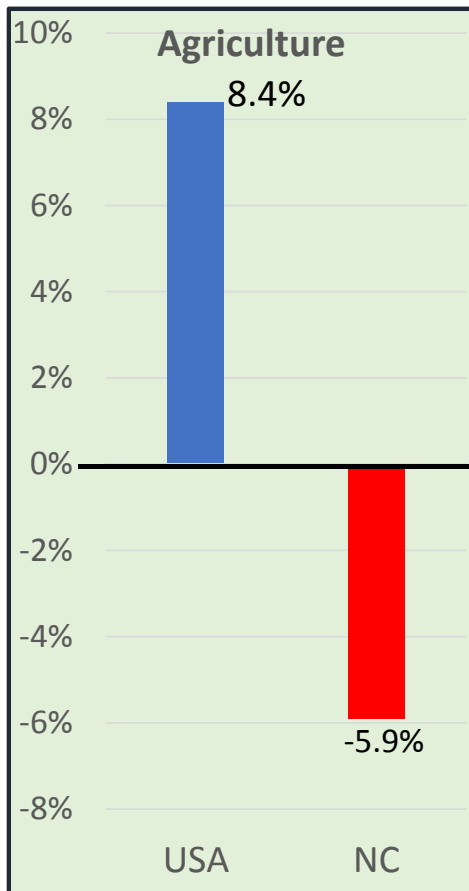
Projected Population Growth By County 2017 - 2027



PTP Employment Trends 2010-2017



Tracking the NC Economy Evolution Post-Recession Employment- 2010-2017



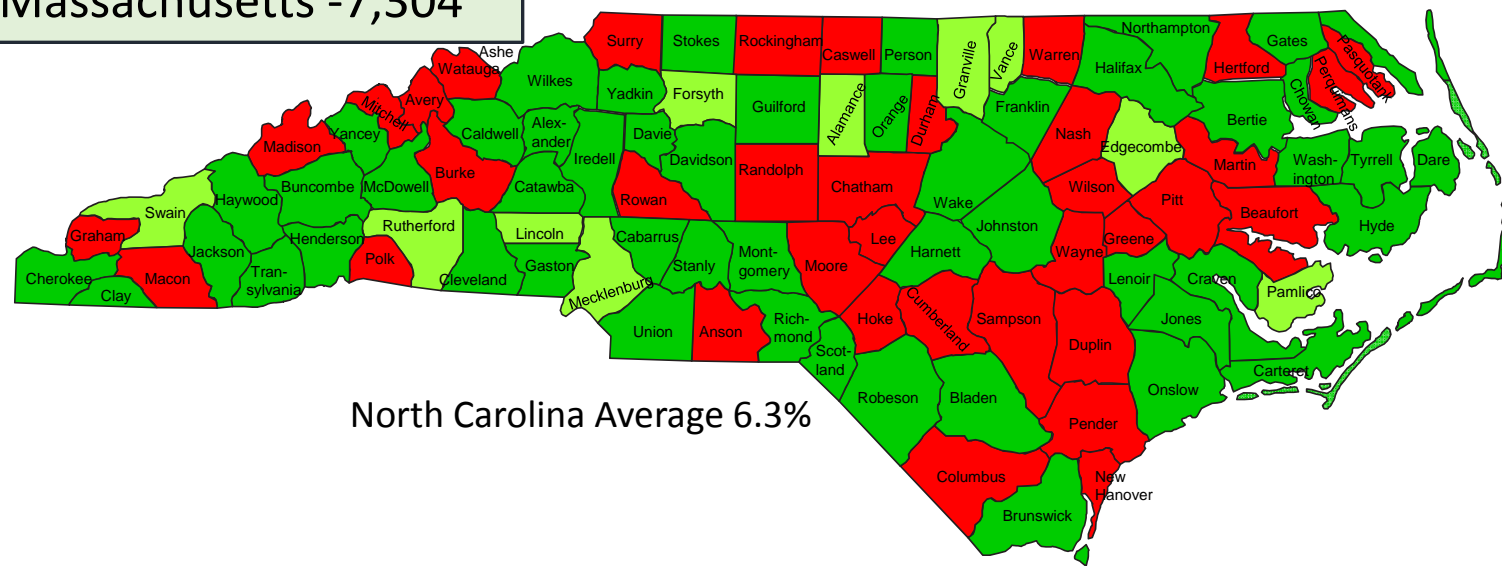
Manufacturing Shifts 2012-2017

States Adding Jobs

Michigan	+79,291
California	+57,776
Indiana	+49,467
Florida	+46,374
Georgia	+44,059
Tennessee	+34,887
Ohio	+29,617
North Carolina	+27,688
Kentucky	+27,218
South Carolina	+20,371

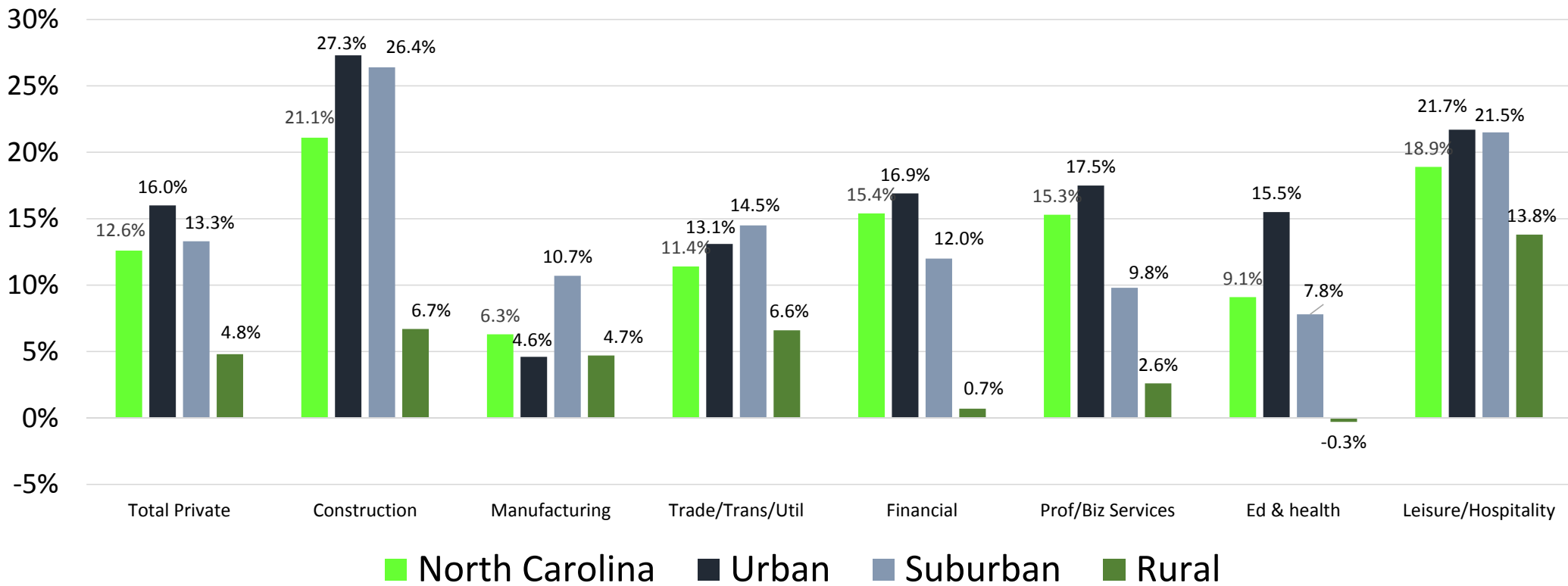
States Losing Jobs

New York	-12,552
Texas	-12,055
Illinois	-7,735
Massachusetts	-7,304



NC Job Growth 2012-2017 By County Designation

Percentage Job Growth



Finding the Talent

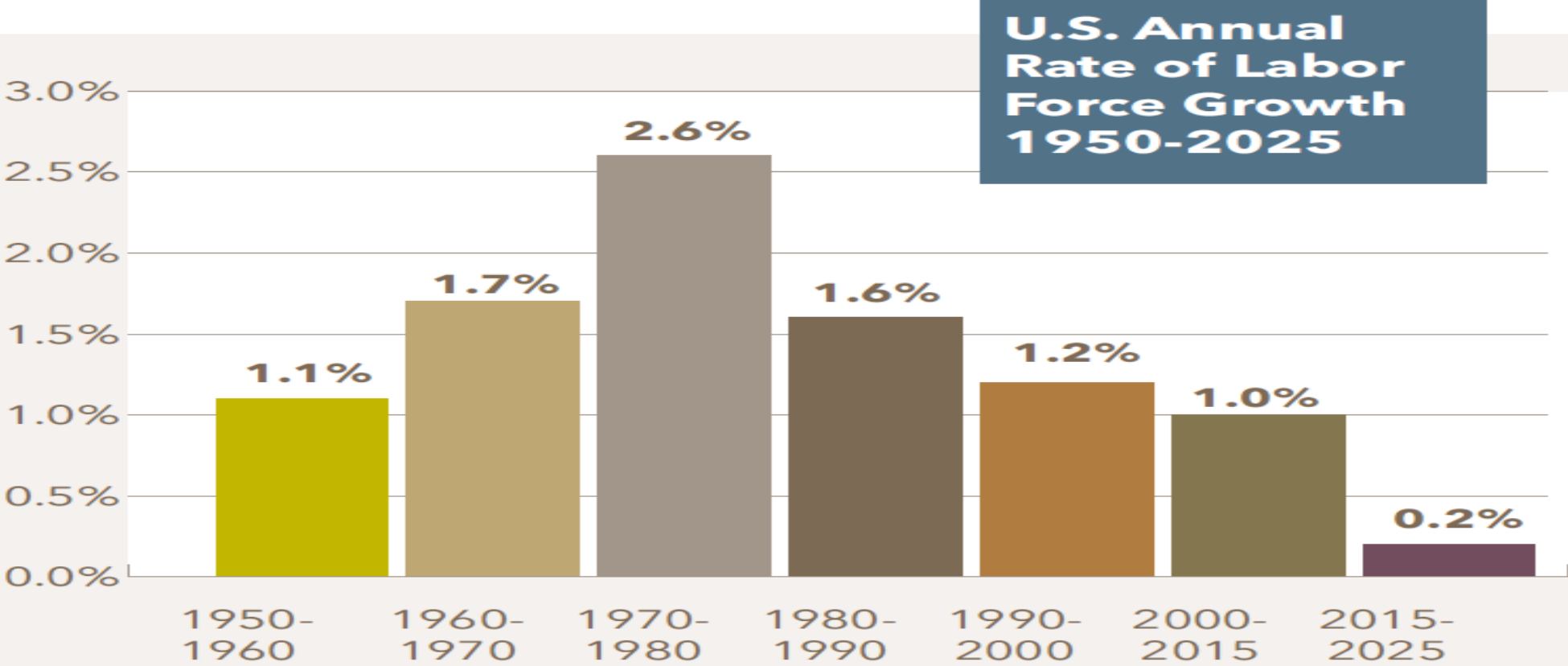


The Workforce Supply-Demand Balance

Automation, robotics
and the possible loss of
jobs and need for labor

Slowing birthrates,
aging baby boomers,
declining participation
rates, immigration
debates

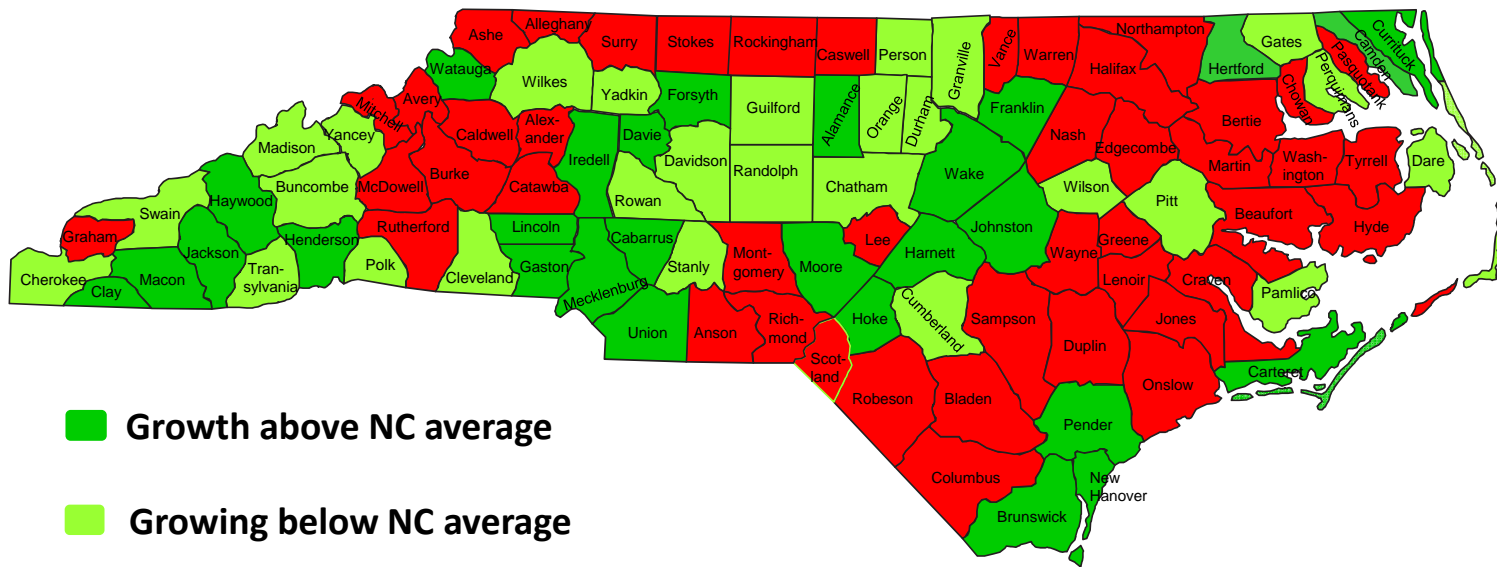
Our National Labor Supply is Declining



Source: U.S. Bureau of Labor Statistics

Projected Change in Working Age Population Ages 25 – 44 2017 - 2027

North Carolina average 3.8%



- Growth above NC average
- Growing below NC average
- Losing working age population

Talent Attraction



How would **you** make a decision about where to live and work?

Placemaking

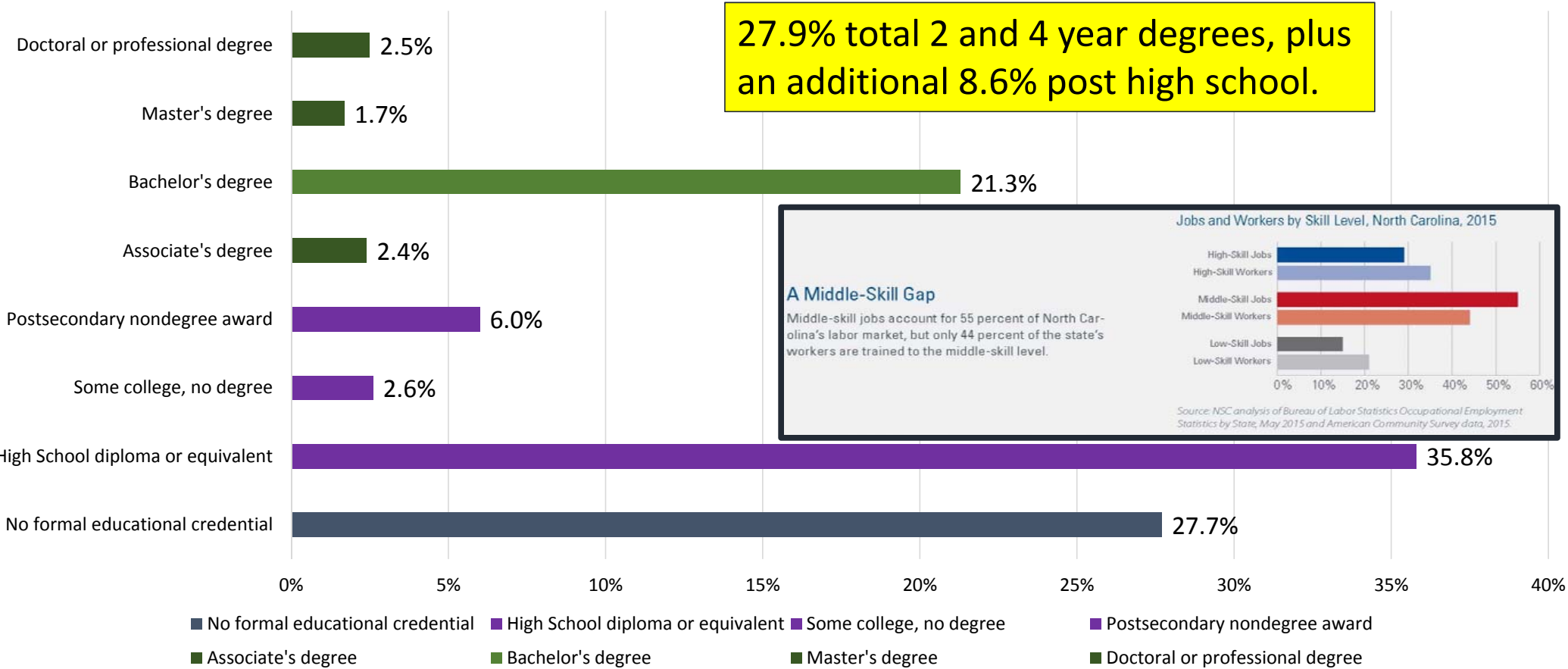


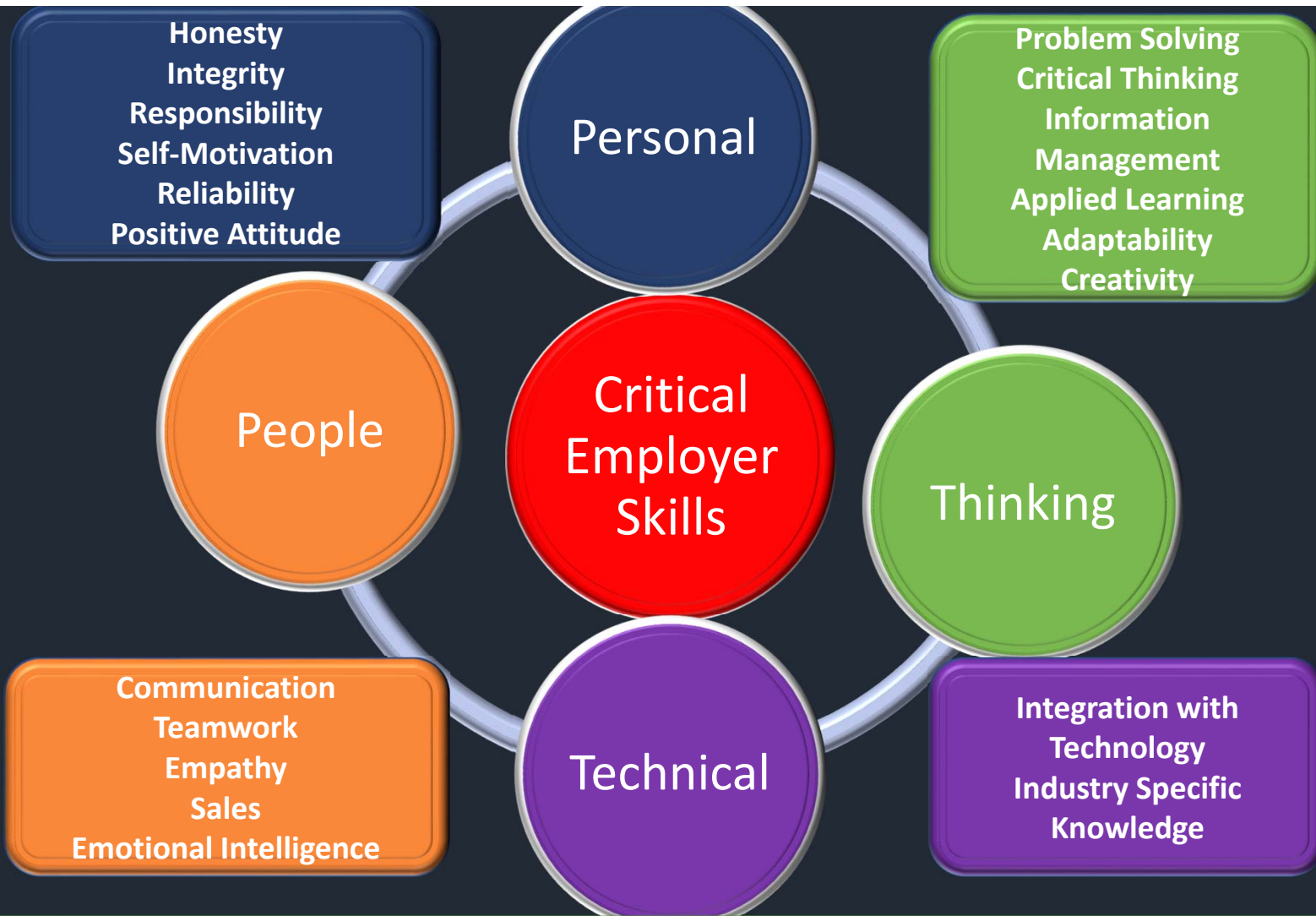
The Rising Skills and Education Balance

Employers Demand
Higher Skills But Are
Not Finding Them

More People Go To
College, But We Seem
to Have a Mismatch

Typical Entry-Level Education Requirement as Percent of Total Employment – May 2016

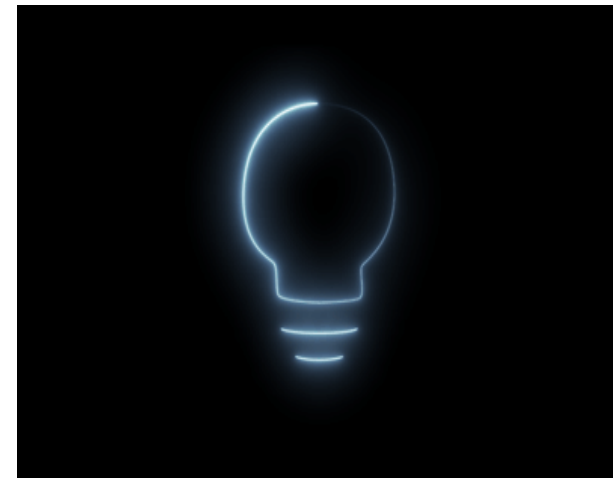




Regional Competition is Fierce

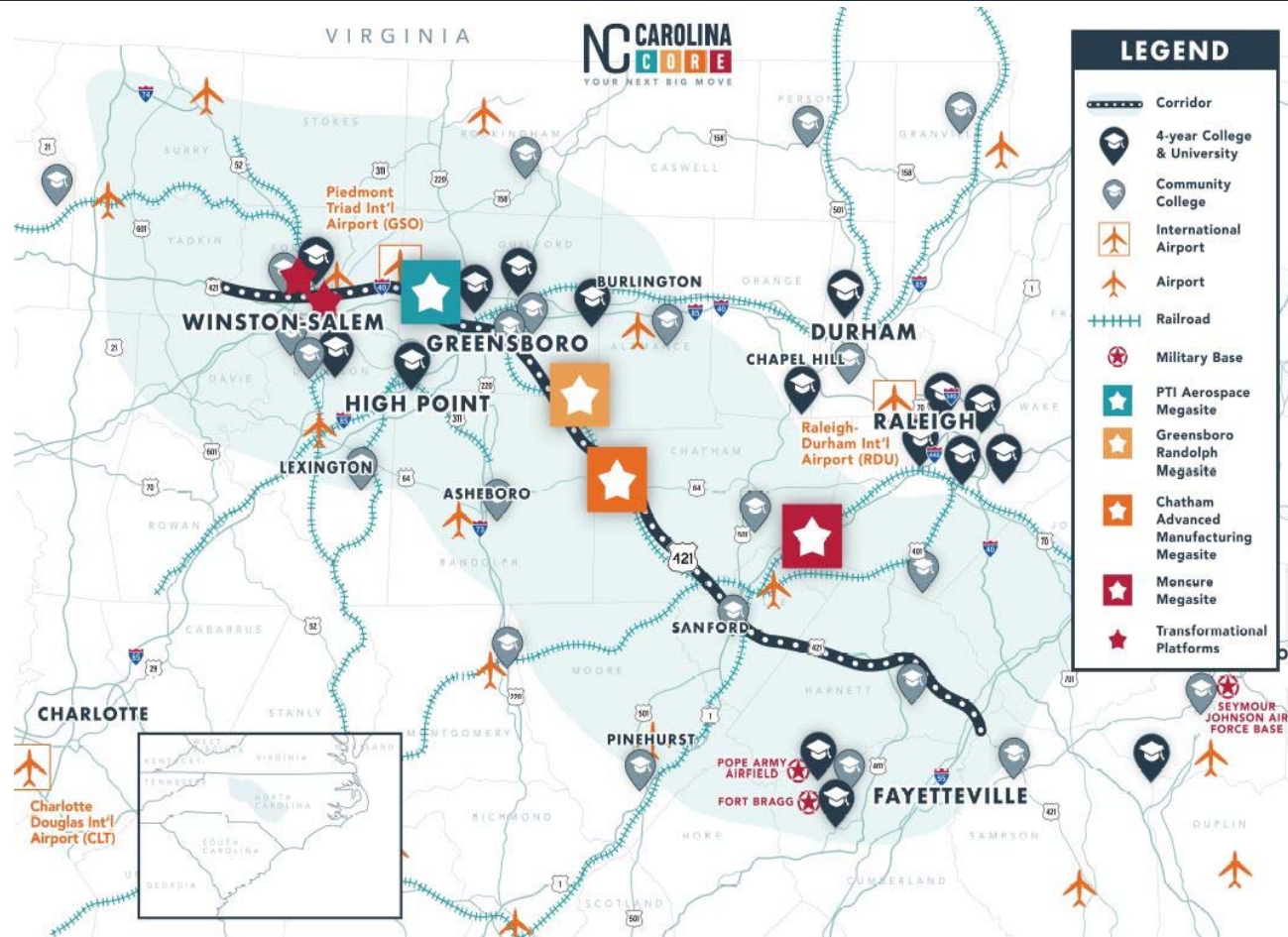
The Winners are...

- ✓ Focused on Talent
- ✓ Aligning Their Leadership
- ✓ Forward Thinking
- ✓ Intentionally Transformative
- ✓ Data Watcher (Trends and Tangents)



The Challenge For Every Place

- ✓ Compete with Assets
- ✓ Raise Awareness
- ✓ Above the Noise
- ✓ Align Efforts



What about the Economy in 2019?



What about the Economy in 2019?





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