

METRO PHOENIX

GLOBAL INVESTMENT PLAN

THE GLOBAL CITIES INITIATIVE, A JOINT PROJECT OF BROOKINGS AND JPMORGAN CHASE

The Metro Phoenix Global Investment Plan examines the challenges and opportunities for attracting and retaining foreign direct investment in Greater Phoenix, and develops strategies for establishing the region as a leader in the Internet of Things (IoT) and sensor technology applications. The initiatives outlined in the plan are designed to encourage growth of the region's legacy and emerging IoT assets and improve global readiness, trade, international investment and the region's competitiveness.

This strategic plan is an integral component of the Greater Phoenix region's participation in the Global Cities Initiative, a joint project of Brookings and JPMorgan Chase, designed to help metropolitan leaders advance and grow their regional economies by strengthening international connections

and competitiveness on key economic indicators.

In developing the plan, GPEC conducted interviews with local business, government and community leaders. These interviews, along with data from the Brookings Institution, federal sources and the Maricopa Association of Governments, form the basis of the critical findings in the plan.

Foreign direct investment brings added economic benefits to a region, beyond those incurred by domestic business attraction. Foreign firms tend to be resilient, offer high wage jobs and competitive benefits, contribute to a region's innovation potential, and provide access to global research and development. These and other benefits represent a significant opportunity for Greater Phoenix through regional alignment of foreign attraction efforts.

GREATER PHOENIX, USA

KEY STATS



4.63M

Residents call Greater Phoenix Home (JobsEQ)



1,573

FOEs Operating in Greater Phoenix



\$18.5B

Real Value of Exports (2015)



123,392

Total Export Supported Jobs (2014)



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KEY FINDINGS

1. Historically, foreign direct investment into Greater Phoenix has not been aligned with the region's aerospace and microelectronics clusters.
2. The impending Internet of Things (IoT) revolution is creating new international investment opportunities for the region.
3. Greater Phoenix is well positioned to capitalize on the evolution and growth of sensor application industries.
4. Due to demographics and the structure of the region's economy, foreign entry through mergers and acquisitions will continue to grow over the next five to 10 years.
5. Small expansions are becoming a larger portion of domestic and international investment into Greater Phoenix.
6. Many companies who initially consider Greater Phoenix for its low costs, business-friendly environment and market size, are drawn to the region for the exceptional quality of life.
7. Many international companies feel highly courted entering the market, but seek additional connectivity after arriving.
8. Canada and Mexico are essential partners for both trade relations and long-term investment opportunities; Europe and Asia are essential for near-term FDI strategy.

These findings suggest that for Greater Phoenix, the opportunity lies in understanding where the region's legacy sectors are evolving and specializing in their emerging technologies, particularly in the semiconductor and aerospace industries. By capitalizing on the region's existing supply chain, talented workforce and robust research capacity, Greater Phoenix has the opportunity to develop a meaningful, recognized global industry identity.

STRATEGIES

1. Enhance the global competitiveness of the region's emerging industry clusters, starting with smart sensor applications.
2. Launch a full service concierge platform, integrating attraction and aftercare for all new international companies and cluster anchor companies..
3. Promote a global partnership program that connects parties interested in joint ventures, acquisitions, or investment opportunities.
4. Enhance collaboration within and outside metro Phoenix to capitalize on the region's connection to the CANAMEX trade corridor in order to support emerging sensor technology companies and other advanced manufacturers.

Through the execution of this plan, the region is committed to enhancing the competitiveness of domestic and foreign firms, promoting IoT innovation, and launching a new brand for Greater Phoenix.



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