

Q3 2023

GROWTH REPORT

Q3 2023 REVIEW

\$1,479,000,000 capital investment*

2363 announced jobs

3.67% employment change (YOY)

3.3% unemployment rate

Regional economy continues to see steady growth. All key industries see positive growth in select occupations. Speed to market remains critical decision driver for many firms, highlighting the importance of site readiness programs.



*Also known as capex.

Announced Investment Activity

Q3 2023 vs. Q3 2022



announcements

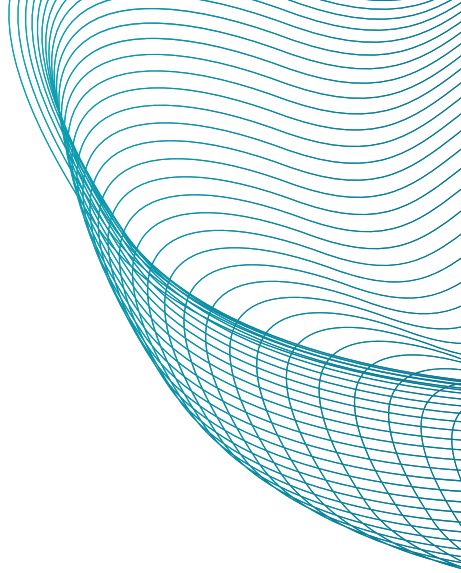


announced jobs



announced capex

Q3 2023 saw announcements in multiple industries, with **the majority related to advanced manufacturing**, followed by logistics and distribution. Half of all announcements are new investments into the region.



Announcements

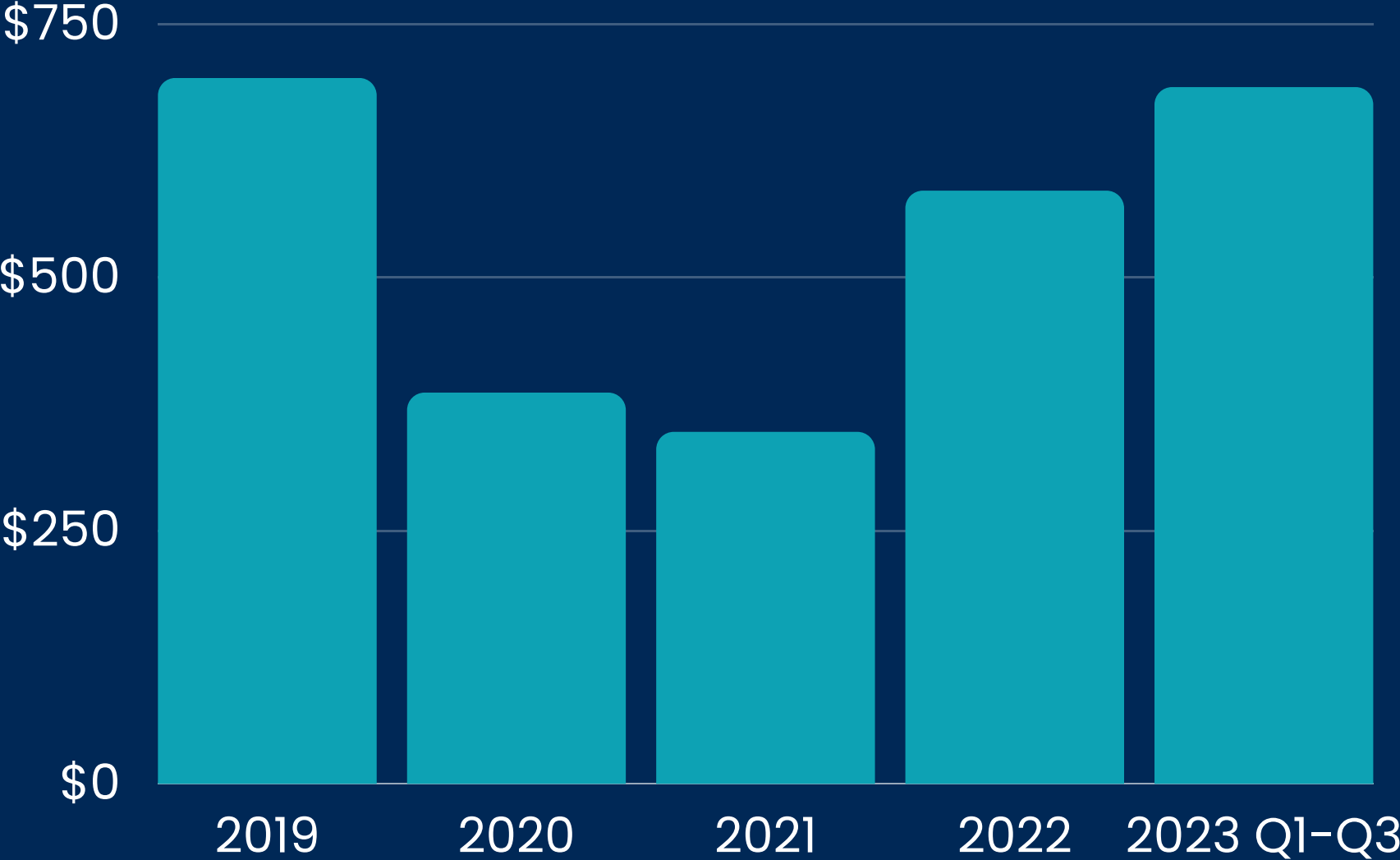
Company	Capex	Jobs	County
Palmetto	-	200	Charlotte/ Mecklenburg
Chick-Fil-A Supply	\$58.3M	112	Rowan
QTS Data Centers	\$1B	-	York
Silfab Solar	\$150M	800	York
Hospitality Seating Concepts	\$6.6M	20	Lincoln

Company	Capex	Jobs	County
Clayton Supply	\$46.6M	263	Stanly
J.P. Morgan Chase	-	200	Charlotte/ Mecklenburg
General RV Center Inc.	\$25M	150	Rowan
Bridgford Foods	\$2M	8	Iredell
IMC Metals Amerca	\$61.6M	75	Cleveland

Announcements, cont.

Company	Capex	Jobs	County
United Racing Parts	\$3.2M	10	Iredell
WestRock	\$23.3M	25	Catawba
Samet Corporation	\$10M	-	Iredell
CommScope, Inc.	\$60.3M	250	Catawba
Old Dominion Freight Line, Inc.	\$18M	100	Cabarrus
TTX Co.	\$14.5M	150	Charlotte/ Mecklenburg

Announced FDI in the CLT Region Over Time (in \$ millions)



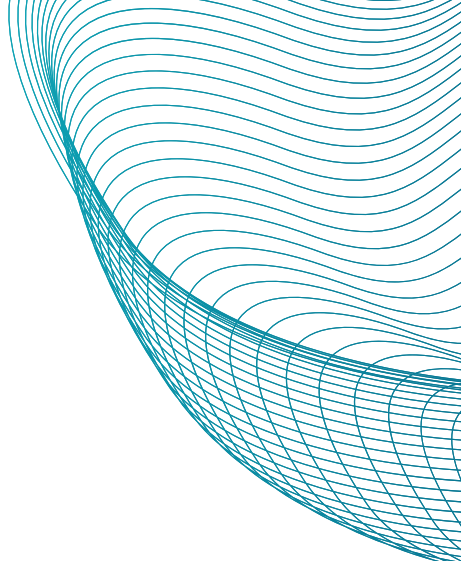
Source: CLT Alliance; The Conference Board, "Global Overview", October 2023.

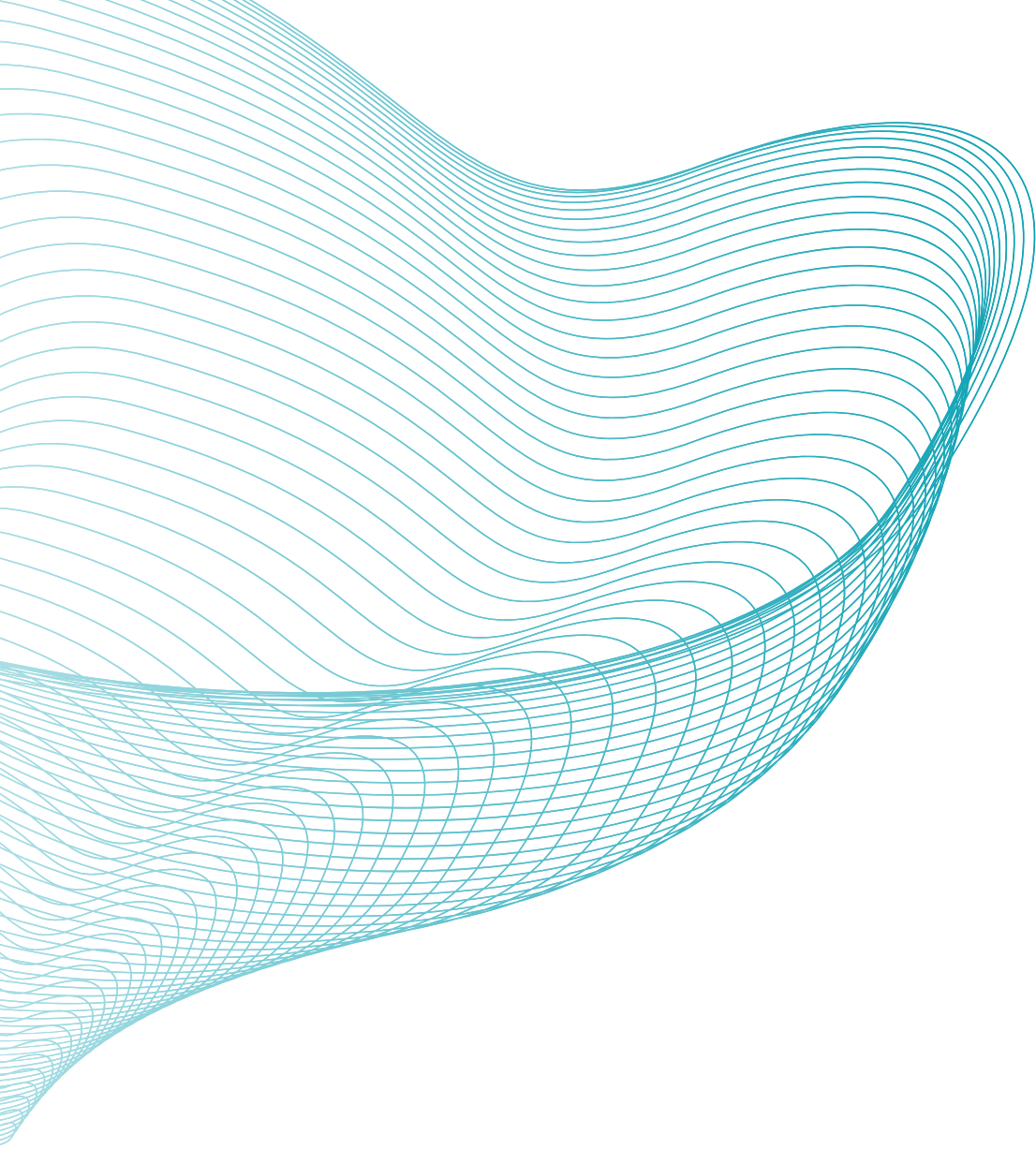
Announced Foreign Direct Investment (FDI)

FDI in 2023 is on pace to surpass previous years at \$687.25M. FDI in 2019 totaled \$696.31M. Announced jobs by foreign-owned firms have already surpassed the four previous years.

Thus far in 2023, Canadian and German companies have announced the most jobs and capital investment. They account for **94% of the investment and almost 70% of the jobs.**

Looking ahead, **2024 may see more modest FDI** in the face of stubbornly high inflation, monetary policy, and international conflict. Recent growth in the UK and Germany, the two largest sources of FDI in the Charlotte Region, have been particularly slow over the past few years. If sluggish growth continues, it may put additional downward pressure on FDI totals in the region.





54.2% of Select CLT's project pipeline are in the manufacturing industry. Select CLT wins include Pallidus, Captron, and alpitronic. Projects are carrying higher capex figures and less jobs.

Select CLT

Project Wins and Pipeline

End of Q3

Alliance-Led Announcements

707

announced jobs

\$462M

announced capex

Q3 Qualified Projects Pipeline

9.6K

qualified jobs

\$1.8B

qualified projects capex



REGIONAL EMPLOYMENT

Charlotte Region employment growth is outpacing state-level growth in North and South Carolina. Since Q3 2022, regional employment has grown by 3.67%.

Since January 2022, employment averages* suggest steady, slowing growth. Compared to this time last year, the average for the Charlotte Region in August 2023 was 0.14% while August 2022 was 0.30%.



Job Postings Comparison

Total job postings across all key industries in the Charlotte Region are 26% less as compared to the same time last year. Not unique to the region, there are significant decreases in new job postings across the country. This suggests a cooling labor market. However, **the region matched or outperformed many other key competitors and high growth regions.** For example, the Charlotte Region had fewer declines in job postings than Dallas (-28%), Atlanta (-31%), and Austin (-33%) compared to Q3 2022.

Driving the job postings are occupations within familiar industries. **Top posted jobs in September included registered nurses (healthcare), software developers (innovation economy, financial services, life sciences), and warehouse workers (manufacturing and logistics and distribution).**

SITE DEVELOPMENT

North and South Carolina are investing widely in site development programs to better speed-to-market competitiveness. For many industrial business recruitment projects, speed to market is a critical consideration. North Carolina is funding the Megasite Readiness Program and the Selectsites Readiness Program. Both programs will invest state funds into due diligence studies and site improvements to mitigate risk for prospective companies and reduce building timelines.

The **Megasite Readiness Program has identified 7 potential megasites** in N.C., **including one in Rowan County**. There is \$10M in the FY23-24 budget for due diligence studies. In FY24-25, there is \$97.8M allocated to begin site improvements.

While the Megasite Readiness Program is targeting sites of more than 1,000 acres, the Selectsites Readiness Program will help develop sites less than **1,000 acres**. Of the 15 sites that will be selected as part of the program, 7 must be under 500 acres and 2 must be under 100 acres. The Selectsites program will begin to identify sites in 2024 and is slated to receive **\$10M in FY24-25**. These programs will help the state's competitiveness for future investment.

Relatedly, Area Development **identified South Carolina's site readiness program as the best in the country in 2023**. This program provides an inventory of vetted industrial sites reducing uncertainty for prospective companies.



THE RESEARCH TEAM

Services include demographic and economic trend research, industry research and deep dives, economic impact analysis, site selection and mapping analysis, and custom reporting.



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