



STATE OF GLOBAL ECONOMIC DEVELOPMENT IN DFW

June 2019

DRC Strategic Plan



ECONOMIC DEVELOPMENT

HQ RELOCATIONS | EXPANSIONS | INTERNATIONAL | INNOVATION



**EDUCATION
& WORKFORCE**



**TALENT
ATTRACTION**



**PUBLIC
POLICY**

The Dallas Regional Chamber's strategic plan, Building Tomorrow Together, addresses major issues impacting the Region's businesses. The DRC is focused on growing the local economy and creating opportunity: for business, for talent and for residents.

Economic Development Priorities:

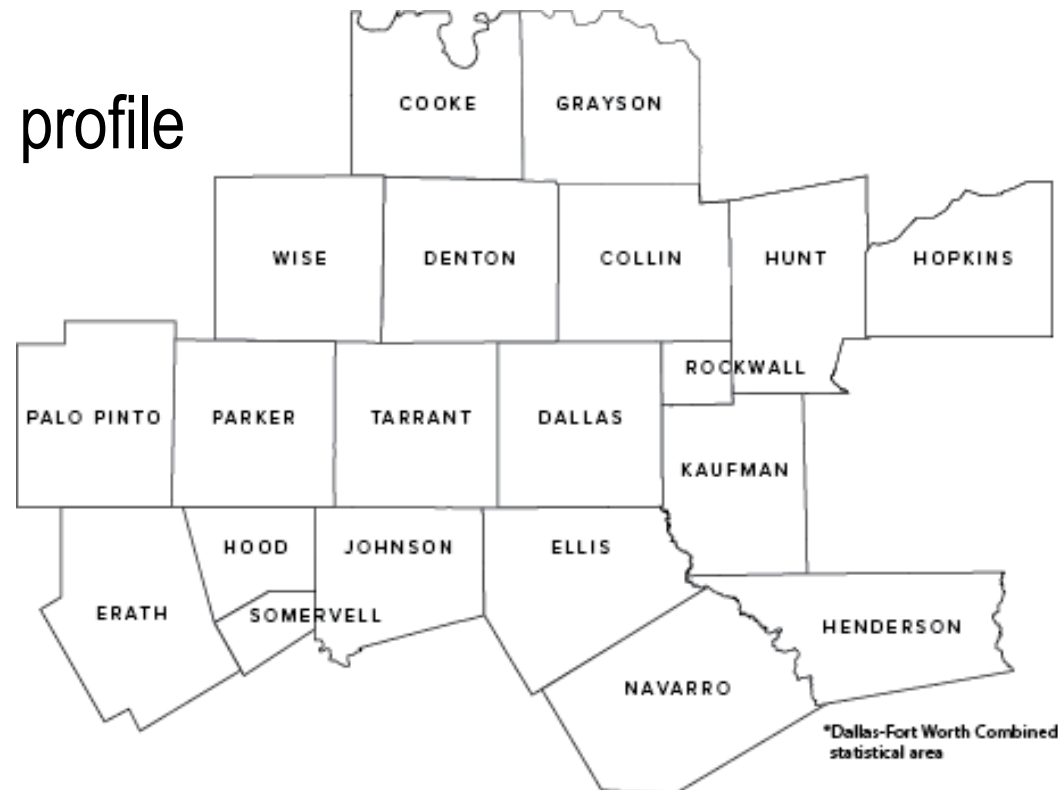
Recruit businesses to the DFW
Region

Help existing businesses grow

Raise DFW's international profile

Drive innovation and
entrepreneurship

**DRC Economic
Development**



JACOBS

 **TOYOTA**

 **BOEING**

 **PACIFIC**
DENTAL SERVICES®

LV
LOUIS VUITTON

 **GlobalPower**

HILTI

 **at&t**

Kubota

 **inogen**

SOLID



KOHL'S

McKESSON

Comerica Bank


Jamba Juice

CEED
CONSOLIDATED ELECTRICAL DISTRIBUTORS, INC.




THOMSON
REUTERS

charles
SCHWAB

Copart

 **JETSUITE**

 **Softtek**

Gartner



ACTIVE

Solera

FLUOR

OKI

NEW YORK LIFE
THE COMPANY YOU KEEP®


chewy.com

Omnitracs

FIESTA
RESTAURANT GROUP, INC.

 **CHRISTUS**
Health

 **salesforce**

gsf
golden state foods

L'ORÉAL

 **USAA**

Makita

 **KidZania**

 **CISCO**

golden living

 **SMOOTHIE KING**

 **Greatbatch**

 **NEOVIA**
Living, breathing logistics

 **vistaprint**

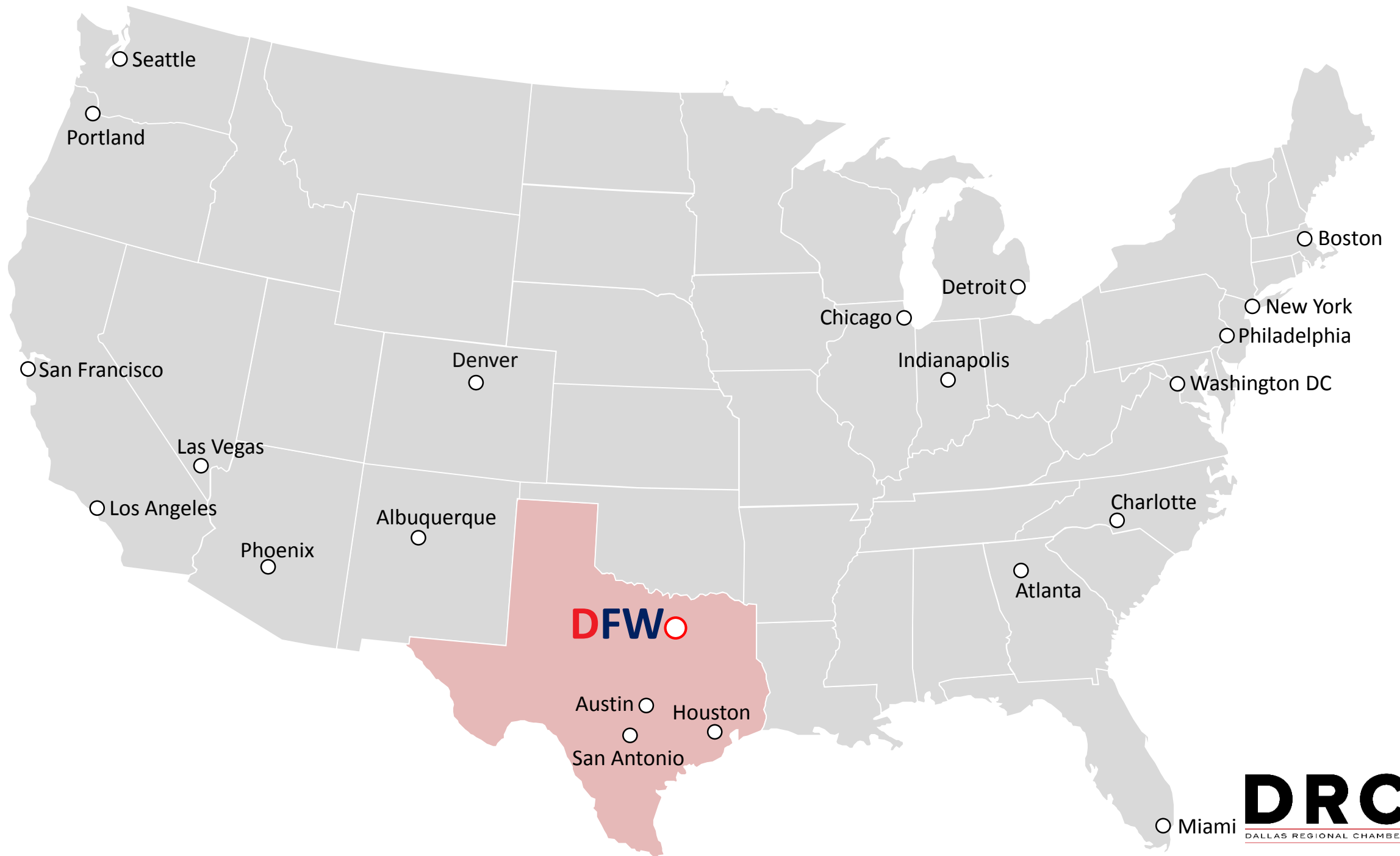
 **PGA**

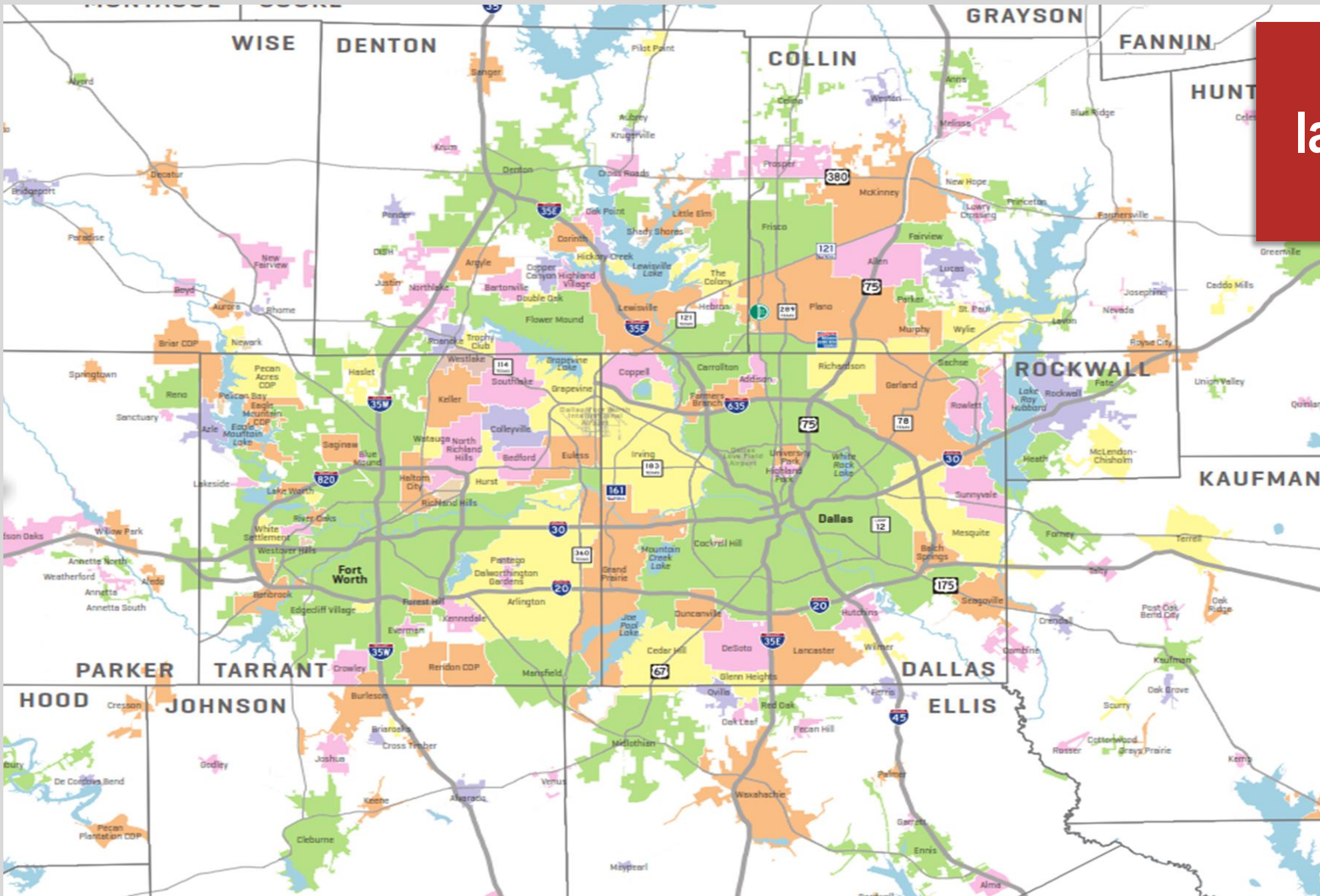
MISAWA

DRC
supported
projects

DRC
DALLAS REGIONAL CHAMBER







DFW is the largest metro in Texas

With 14 cities of 100,000 or greater, DFW is a market of 7.4 million people.

That's more than Houston at 6.9 million, and 3x larger than either San Antonio at 2.4 million or Austin at 2.1 million.

Population of Largest U.S. Metropolitan Regions 1990

1. New York	16,800,000
2. Los Angeles	11,300,000
3. Chicago	8,200,000
4. Philadelphia	5,400,000
5. Detroit	4,200,000
6. Boston	4,100,000
7. Washington D.C.	4,100,000
8. Miami	4,100,000
9. Dallas-Fort Worth	3,900,000
10. Houston	3,800,000

**DFW ranked as
the 9th largest
metro in 1990**

By 1990, DFW had already started to grow rapidly, spurred by the opening of DFW International Airport, its rise as a major hub airport, and a flurry of corporate moves to the region.

Population of Largest U.S. Metropolitan Regions

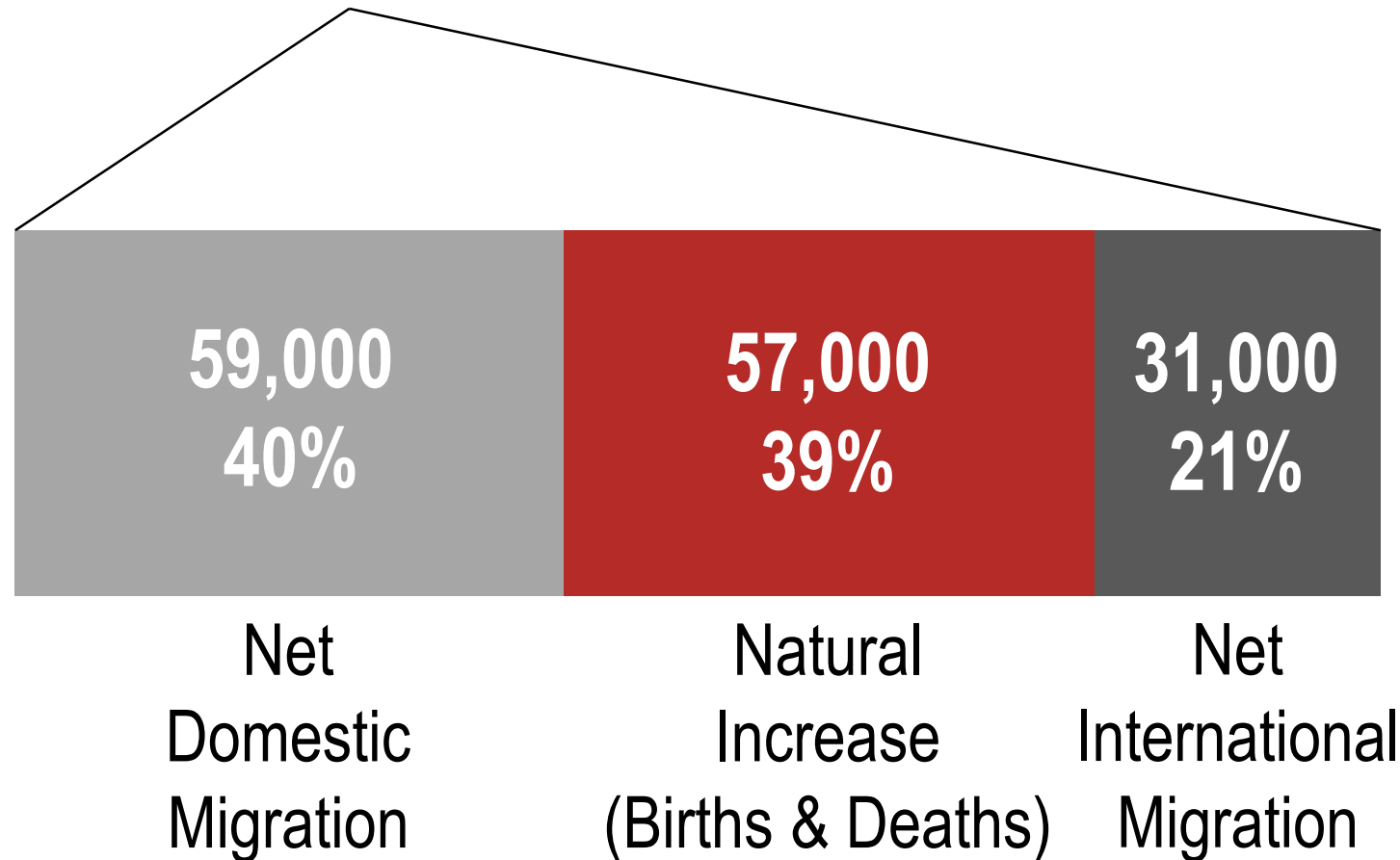
Current

1. New York	20,200,000
2. Los Angeles	13,400,000
3. Chicago	9,500,000
4. Dallas-Fort Worth	7,500,000
5. Houston	6,900,000
6. Washington D.C.	6,200,000
7. Miami	6,200,000
8. Philadelphia	6,100,000
9. Atlanta	5,900,000
10. Boston	4,800,000

**DFW ranks as
the 4th largest
metro in 2018**

DFW Ranks 1st for Metro Population Growth 2018

132,000 people



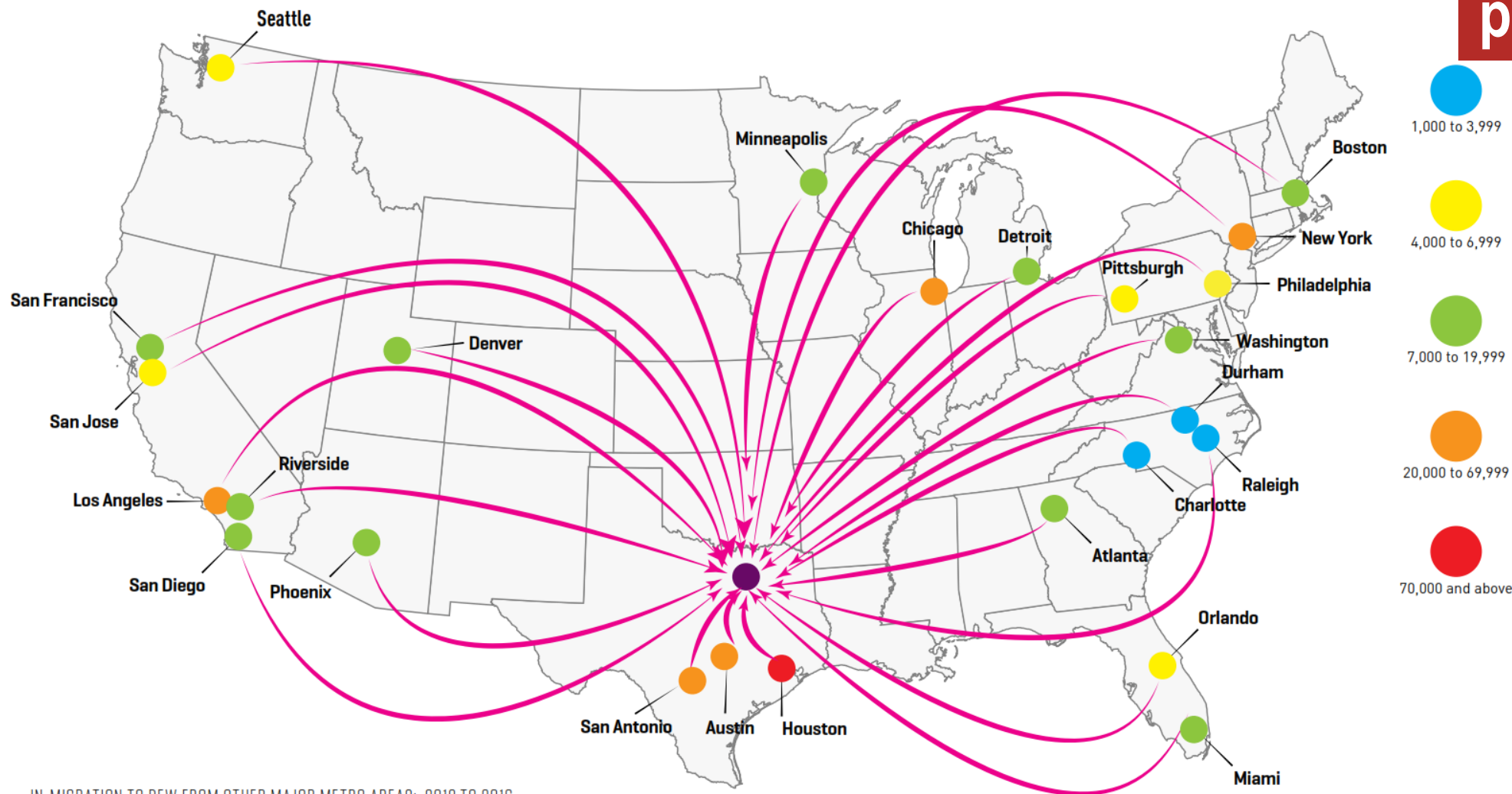
**DFW is #1 for
population
growth**

For its size and availability of amenities, DFW is affordable, especially when compared to other major metros.

This value proposition attracts companies, jobs, and people from all over the U.S. and world.

Net In-Migration to DFW 2012-2016

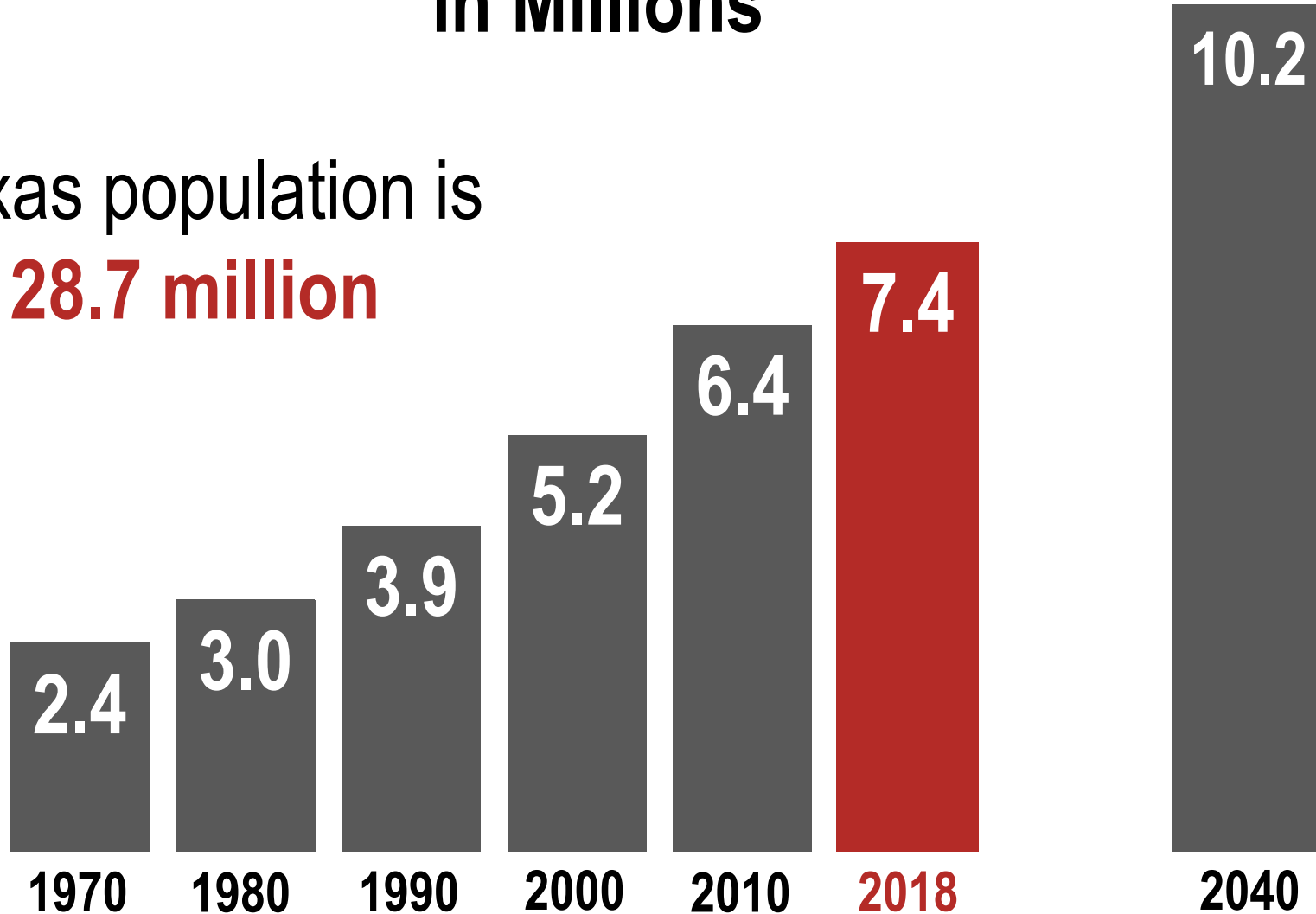
**DFW added
362 residents
per day in 2018**



61% of the 132,000+ new residents came from net migration – about 1/3 from international in-migration.

DFW Population Growth in Millions

Texas population is
28.7 million

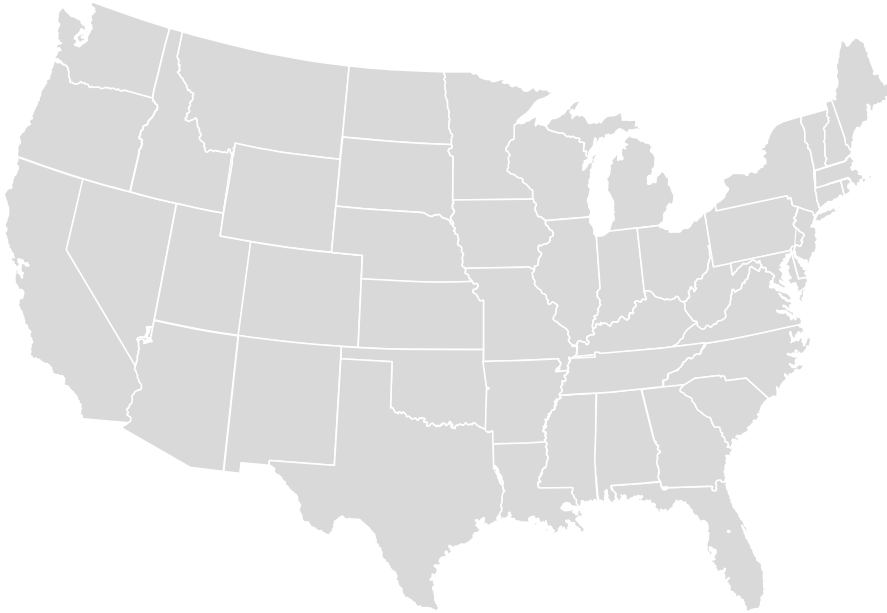


**By 2040, DFW
will be larger
than Chicago**

Projected to reach more than 10 million people in 2040, DFW's growth stems back to the opening of DFW Airport in 1974.

The region is growing at a steady pace, adding one million people every 7 or 8 years.

DFW Ranked 1st for Metro Job Growth In 2018



1.	DFW	116,400
2.	New York	115,500
3.	Houston	108,300
4.	Phoenix	76,900
5.	Atlanta	69,300
6.	Seattle	67,300
7.	Chicago	58,400
8.	Miami	57,400
9.	Los Angeles	56,800
10.	Philadelphia	54,900
11.	Washington D.C.	53,600
12.	San Francisco	52,700

**DFW is a job
creating
machine**

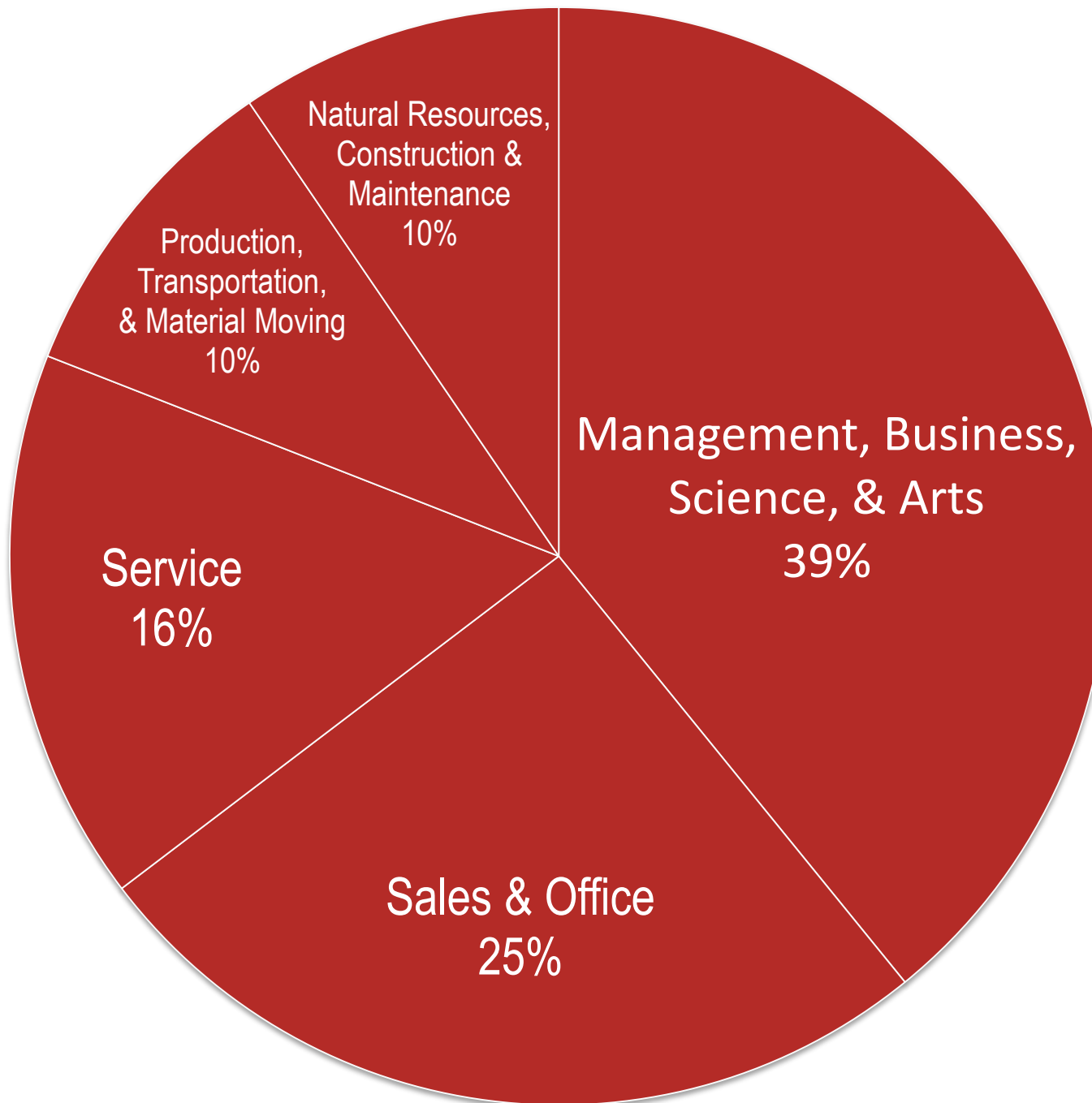
Companies move, grow, and add jobs here in numbers that always rank DFW at or near the top compared to other major U.S. metros.

DFW's job growth would rank 6th if compared to all U.S. states.

DFW's diverse workforce is 3.6M strong

The region's low cost of living means employers can tap into a strong workforce.

The regional economy is one of the most diverse in the nation, which means companies can draw from a deep base of skilled workers across age, experience, and education.





350,000+

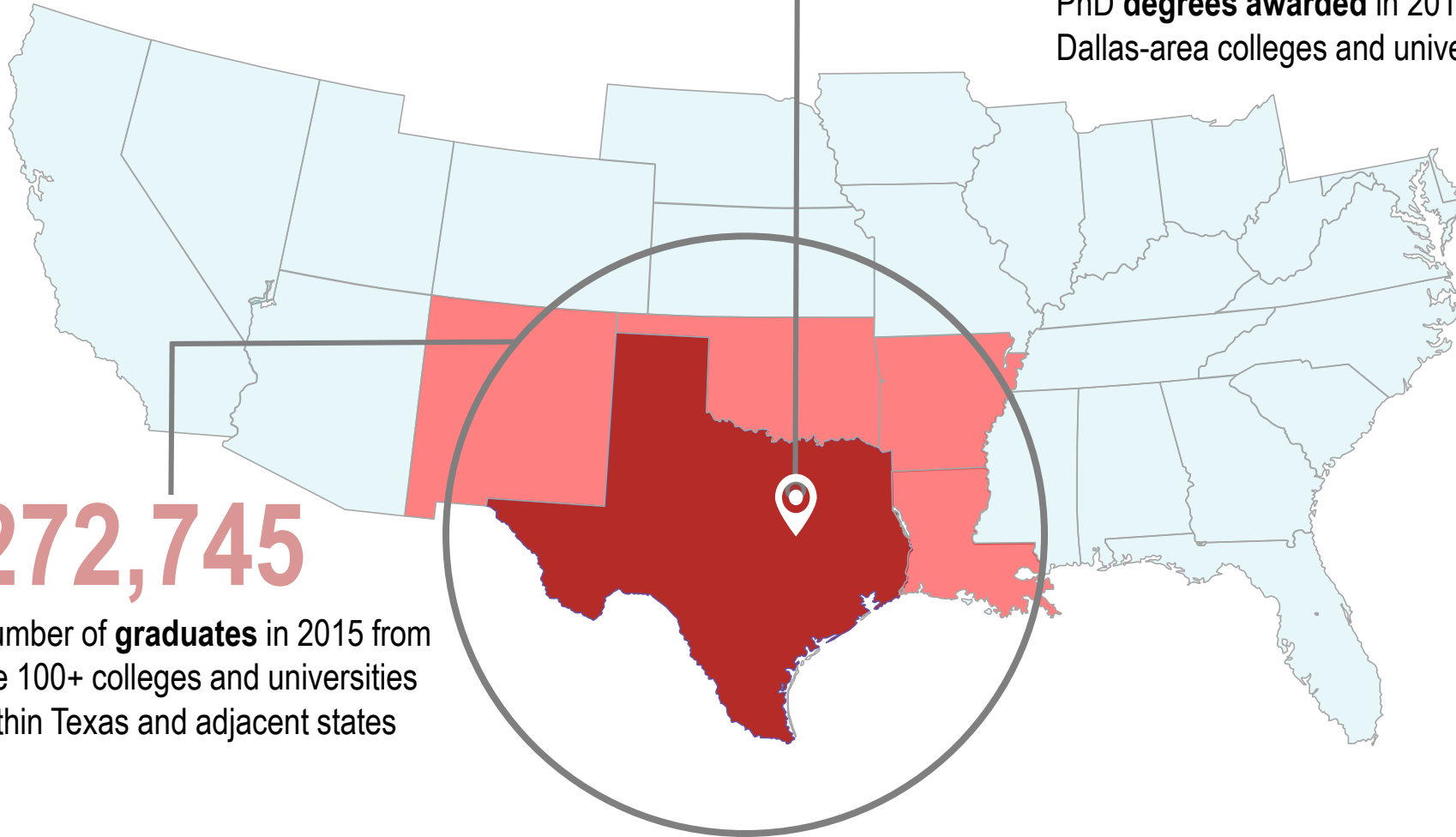
Students enrolled in higher education
in the Dallas area

45,481

Number of Bachelors, Masters and
PhD **degrees awarded** in 2015 by
Dallas-area colleges and universities

272,745

Number of **graduates** in 2015 from
the 100+ colleges and universities
within Texas and adjacent states

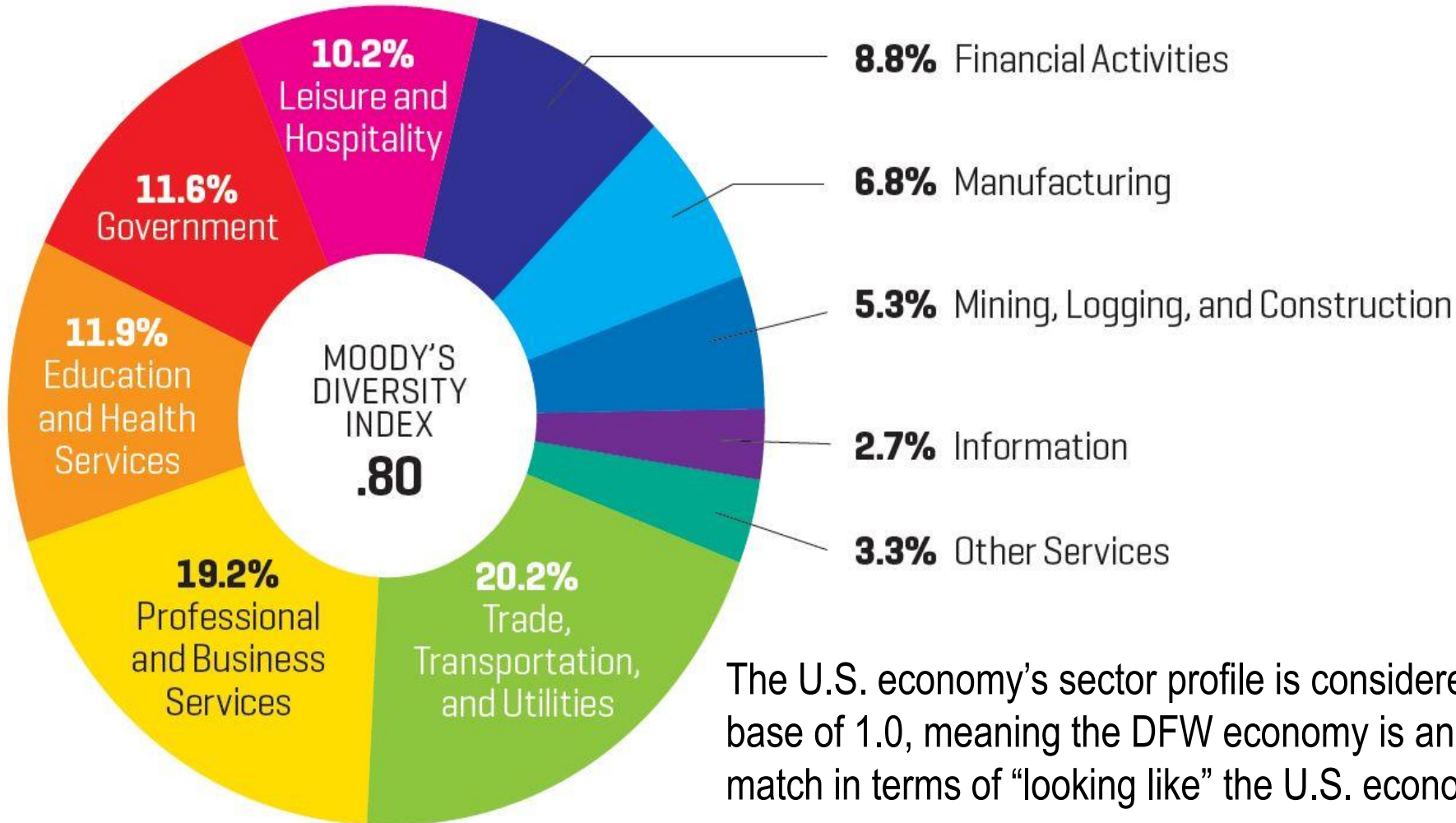


**DFW has a
pipeline of highly
educated talent**

DFW ranks as the 6th best
large metro for retaining 2-
year college graduates,
and the 8th best large
metro for retaining 4-year
college graduates.

DFW's Economic Diversity Mirrors the U.S.

**DFW economy
is healthy and
diverse**



The U.S. economy's sector profile is considered the base of 1.0, meaning the DFW economy is an 80% match in terms of "looking like" the U.S. economy.

DFW's economy is among the few metro economies to mirror the U.S. economy's sector profile so closely, indicating a stable, varied economic footprint.

This diversity makes us good at weathering storms.

DFW is recognized as a **Top 5 North American Metro** in the following industries:

AEROSPACE (#1)
ENERGY (#2)
FOOD & BEVERAGE (#2)
TRANSPORTATION & LOGISTICS (#2)
AUTOMOTIVE (#3)
BUSINESS & FINANCE (#3)
ELECTRONICS (#3)
IT & COMMUNICATION (#4)
MACHINERY & EQUIPMENT (#4)
METALS (#4)



**Areas in which DFW is not
ranked in the top 5:**
Chemicals & Plastics
Life Sciences

**DFW is
competitive
across industries**

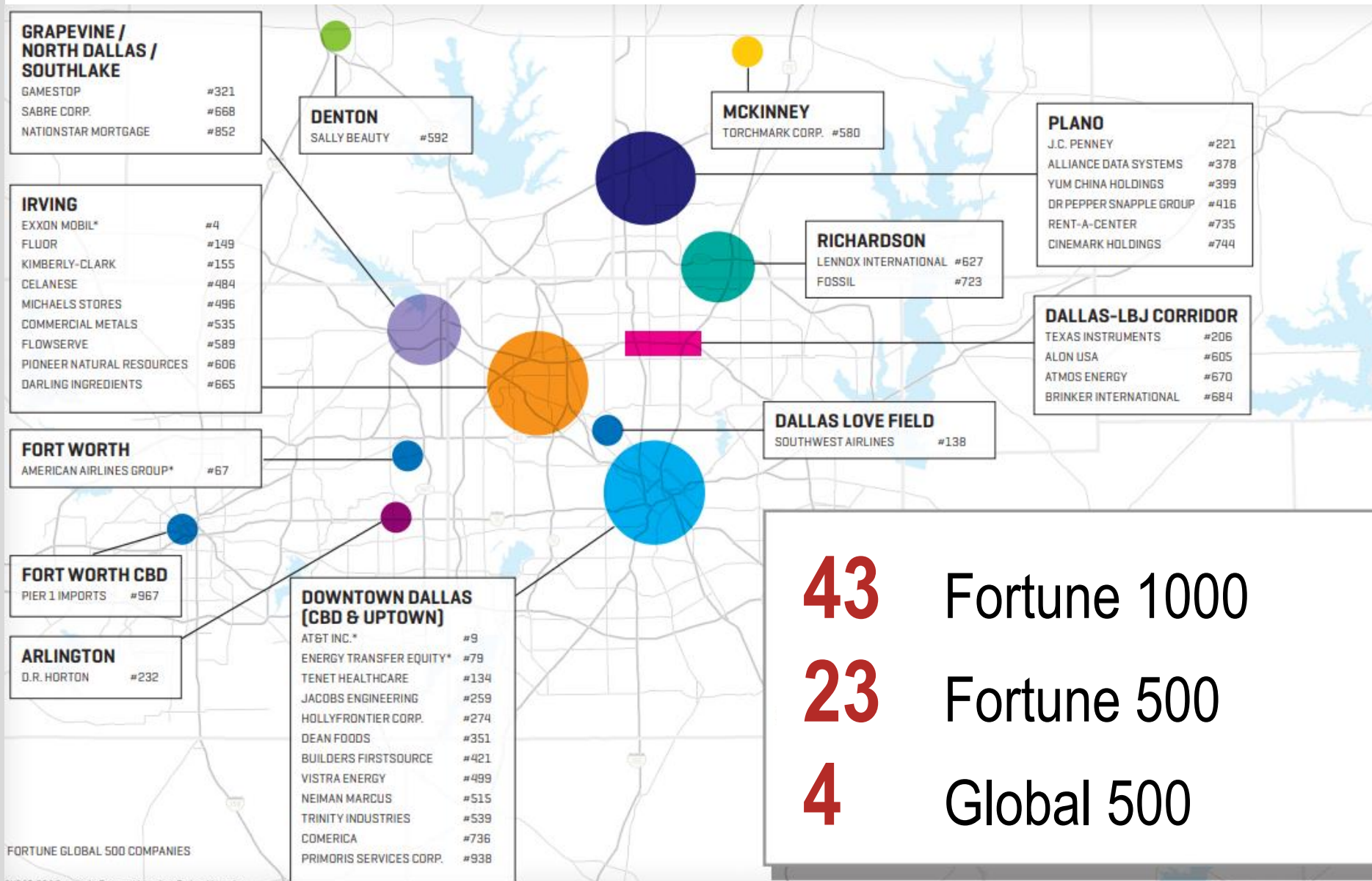
The 2018 World's Most Competitive Cities report ranks urban areas of more than 500,000 inhabitants that demonstrate competitiveness to attract investment across industries.

DFW is in the top 5 metros in 10 out of 12 industries – Chicago is the only other metro in that category.

Dozens of large companies are based in DFW

DFW continues to draw Fortune and Global 500 headquarters.

These companies choose to base their operations all over the Metroplex, with the largest concentrations in central Dallas, the northern part of the region, and around DFW Airport.



FORTUNE GLOBAL 500 COMPANIES

SOURCE: DRC Research; Fortune Magazine; Forbes Magazine

3 of the 10 largest U.S. Companies are Headquartered in DFW

ExxonMobil



AT&T

MCKESSON

(Arriving in 2019)

No other metro area in
the United States has
more than one
Fortune 10 HQ.

New York, Chicago and
Los Angeles have none.

**DFW is a
headquarters
magnet**

These 3 companies
are also ranked in
Fortune's global top
20.

Only Beijing has as
many, and no other
U.S. or international
metro area has more
than one.

130 Headquarters Located in DFW Since 2010

37 From California Alone

**DFW is a
headquarters
magnet**

From California:

Active Network
Core-Mark (2019)
Copart
Farmer Brothers Coffee
Jacobs Engineering
Jamba Juice
Kubota Tractor
McKesson (2019)
Omnitracs
Toyota Motor North America
...27 others

Select Others:

Boeing Global Services
Bombardier Recreational Products
Hilti North America
NTT Data
PeiWei
Smoothie King
Steward Health Care
Sunoco
TopGolf

Joining many headquarters that moved here before 2010:

American Airlines
AT&T
BNSF Railroad
Comerica Bank
Exxon Mobil
Fossil
Fluor
Kimberly Clark
Southwest Airlines
Texas Instruments

DFW is home to 24 Fortune 500 headquarters, including (2 moving here in 2019), due to its central location, air service, talent base, lower taxes and costs, and good quality of life.



Alcon



TOYOTA



FUJITSU

Hitachi Consulting



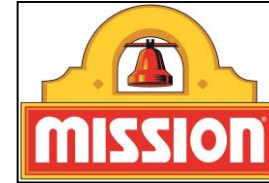
NTT DATA



ACCOR

NEC

Alcatel-Lucent



Turner
Interceramic®
Simplemente lo Mejor



SAMSUNG

BAE SYSTEMS

ALON USA

GALDERMA



ERICSSON



SKANSKA



ASSA ABLOY

Balfour Beatty

BOMBARDIER

ZTE中兴



**Global companies
choose DFW for
their U.S. base**

An estimated 1,200
foreign-owned
companies have
chosen DFW to base
their U.S. or North
American
headquarters, offices
or manufacturing.

DRC
DALLAS REGIONAL CHAMBER

DFW “Punches Above Its Weight”: Population vs Regional Output

**DFW is a
productive
region**

DFW Share of Texas
Population

26%

DFW 7.4 million
Texas 28.7 million

DFW Share of
Texas Economy

32%

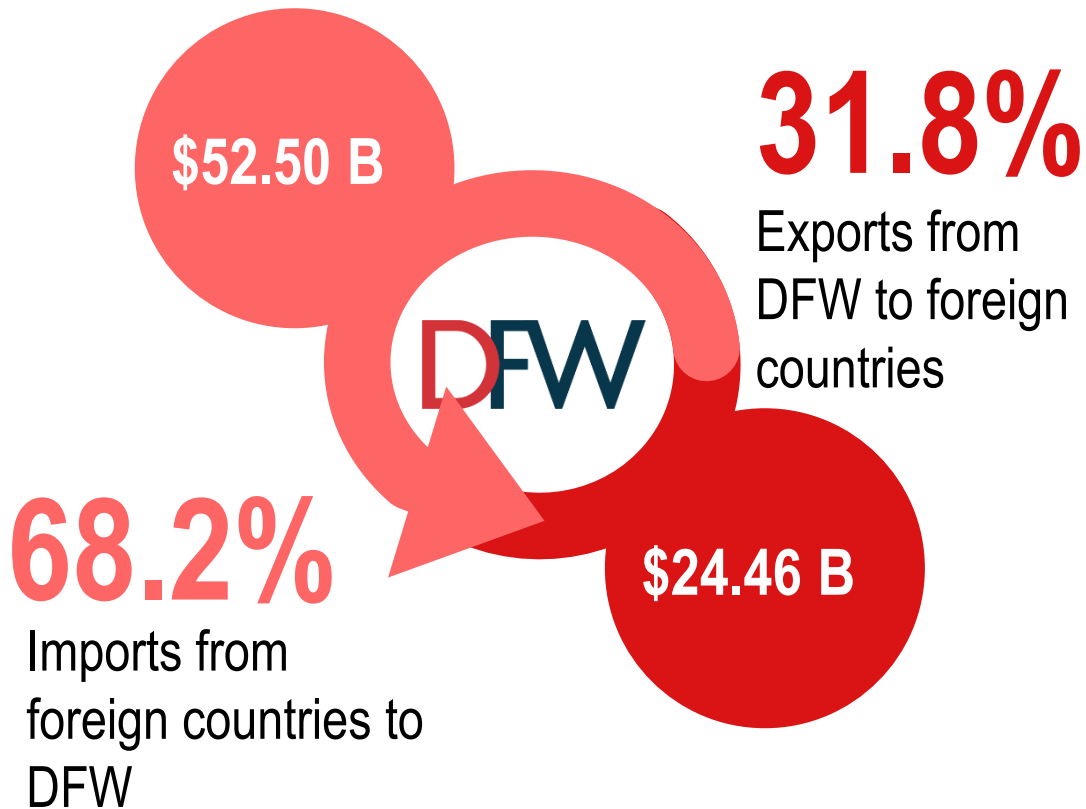
DFW \$535 billion
Texas \$1.696 trillion

DFW's contribution to Texas' economic output is 6 percentage points (about \$102 billion) above what might be predicted by population size.

High value goods and services are produced in DFW.

DFW INTERNATIONAL TRADE: \$76.96 BILLION (in USD)

**A global trading
center**



DFW's Top 10 Trade Partners

China, South Korea, Japan, Canada, Vietnam, Taiwan, United Kingdom, Thailand, Germany, Singapore

Top 5 **Goods** Exported from DFW (USD)

Electric Machinery	\$9.4 B
Nuclear Machinery	\$6.4 B
Aircraft & Spacecraft	\$3.8 B
Optical & Surgical Equipment	\$2.0 B
Pharmaceutical Products	\$501 M

Top 5 **Services** Exported from DFW (USD)

Financial Services	\$2.2 B
Air Transportation	\$1.7 B
Freight	\$1.7 B
Management & Consulting	\$1.3 B
Information Technology	\$1.2 B

Texas is the #1 exporting state in the country.

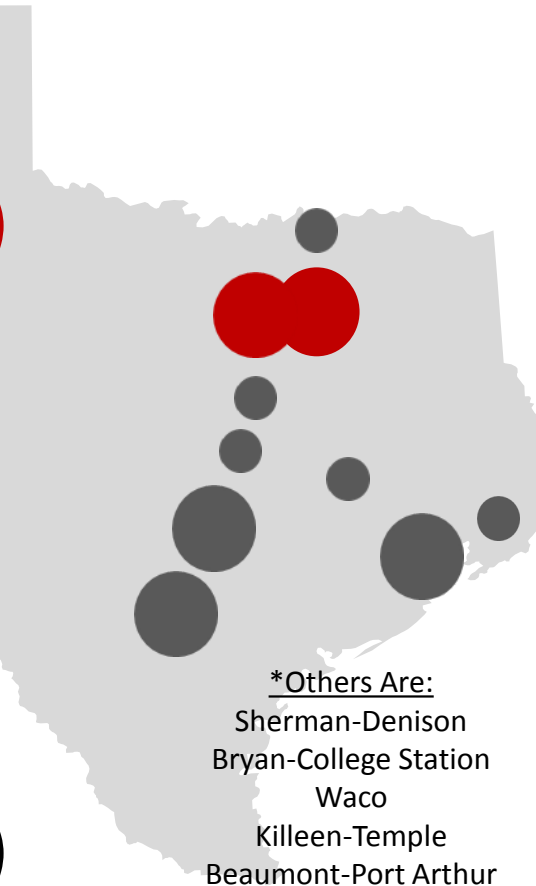
The Dallas Region is a major player in global logistics supply chains, and the top market for Asia-to-Latin America trade.

DFW total trade with all Asian countries totaled \$52.8 B in 2018.

DFW, Houston, Austin and San Antonio Form the \$1.37 Trillion “Texas Triangle”

2017 Gross Output of “Texas Triangle” Metro Areas (% of Texas)

DFW	\$ 535 billion (31.5%)
Houston	\$ 490 billion (28.9%)
Austin	\$ 149 billion (8.8%)
San Antonio	\$ 129 billion (7.6%)
5 Others*	\$ 69 billion (4.0%)
Total Above	\$ 1372 billion (80.8%)
 All Texas	 \$ 1696 billion (100.0%)



**Texas Triangle
would rank
15th globally**

The Texas Triangle is about the size of South Carolina, yet rivals the economic output of Russia, Canada, or Australia.

The Texas Triangle would rank 15th in the world if a nation; the state of Texas would rank 11th.

Texas Ranked 1st for State Job Growth In 2018



1. Texas	382,900
2. California	295,100
3. Florida	232,400
4. New York	123,100
5. Georgia	119,200
6. DFW	116,400

**Texas is a job
creating
machine**

Texas added more jobs than any other state in 2018.

The DFW region alone would rank 6th among all U.S. states for job growth in 2018.

DFW and Texas Fully Satisfy A Critical Set of Location Factors

- Business friendly taxes, fair legal system and fair regulations
 - No state income tax
 - Proximity to Mexico
- “Capitol” of the NAFTA Region
 - Central U.S. location
 - Fast-growing, diverse population
- Large, talented labor base
- Major colleges and universities
 - Accessible
- Critical mass of support services
- Desirable place to live and work
 - Perceived by CEOs as a top place for business
- Low union participation rates

**U.S. CEOs rank
Texas #1 for 14
years running**

There are many reasons companies choose where to go and grow, but Texas and DFW address the most critical and often-cited reasons better than any other place.

CEO Magazine has ranked Texas the #1 state for doing business for the past 14 years in a row.

130

New Headquarters

175

Office Project Announcements

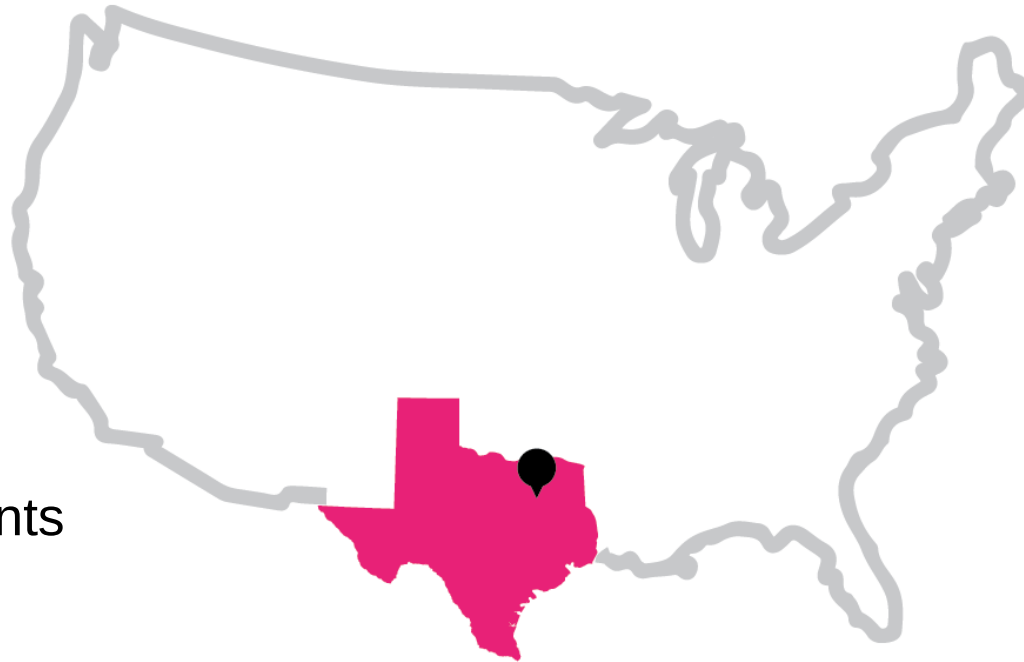
92

Industrial Project Announcements

(since 2010)

Top Industry Groups:

1. Technology
2. Retail
3. Manufacturing
4. Finance



**Companies
are choosing
DFW**

Over the past several years, dozens of companies have selected the Dallas-Fort Worth Region for their headquarters and hundreds more have chosen DFW for another operation.

April 2014

TOYOTA MOVES AND CONSOLIDATES HEADQUARTERS FOR ITS NORTH AMERICAN MARKET IN PLANO

More than 350
Japanese
Companies in DFW

“Many people want to know why we chose Texas for our new headquarters. Frankly, there were many factors behind the decision. In fact, we picked North Dallas/Plano after evaluating more than 100 locations against a wide range of criteria.

“As we looked closer, though, the advantages Plano offered our company and the quality of life it offered our employees became clear — including the cost of living, access to top-tier schools and cultural offerings, low tax rates and a wide range of affordable urban and suburban living options within a short commute of our headquarters site.”

- **Jim Lentz, Chief Executive Officer, Toyota North America, Inc.**

Toyota announced relocation from Torrance, CA, Erlanger, KY and New York, NY in 2014

About 350 Japanese companies join an estimated 1,200 internationally-owned firms operating in the DFW Region.

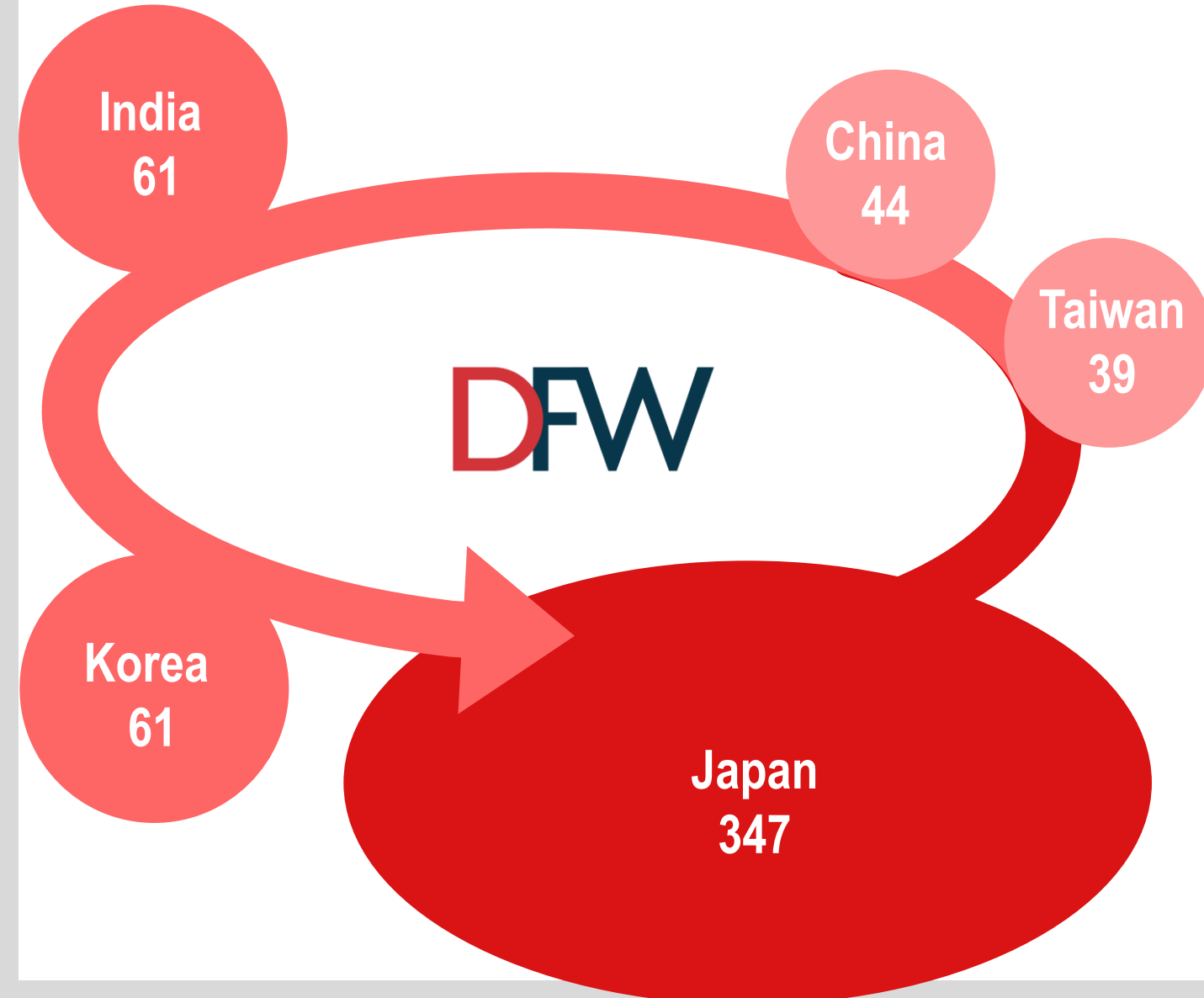


Asian Foreign Direct Investment in DFW: ~596 companies and subsidiaries

**A global corporate
operations hub**

In 2017, Texas
attracted the 2nd
largest total of foreign
direct investment in
the U.S. behind only
North Carolina.

The DRC estimates
there are
approximately 1,200
internationally-owned
firms and subsidiaries
in the DFW Region.



We hear from our Asian clients...

Asian companies are typically looking to high growth markets including the U.S. for:

- ✓ **Customers**
- ✓ **Talent**
- ✓ **Increased Market Share**
- ✓ **Financial Stability, Growth and Predictability**
- ✓ **Low or Reasonable Costs to Match Quality Expectations**
- ✓ **Innovation**
- ✓ **Safe and Secure Community**
- ✓ **Trustworthy partners – M&A activity**
- ✓ **Suppliers – maximizing their global supply chain**
- ✓ **To meet the needs of their customers**

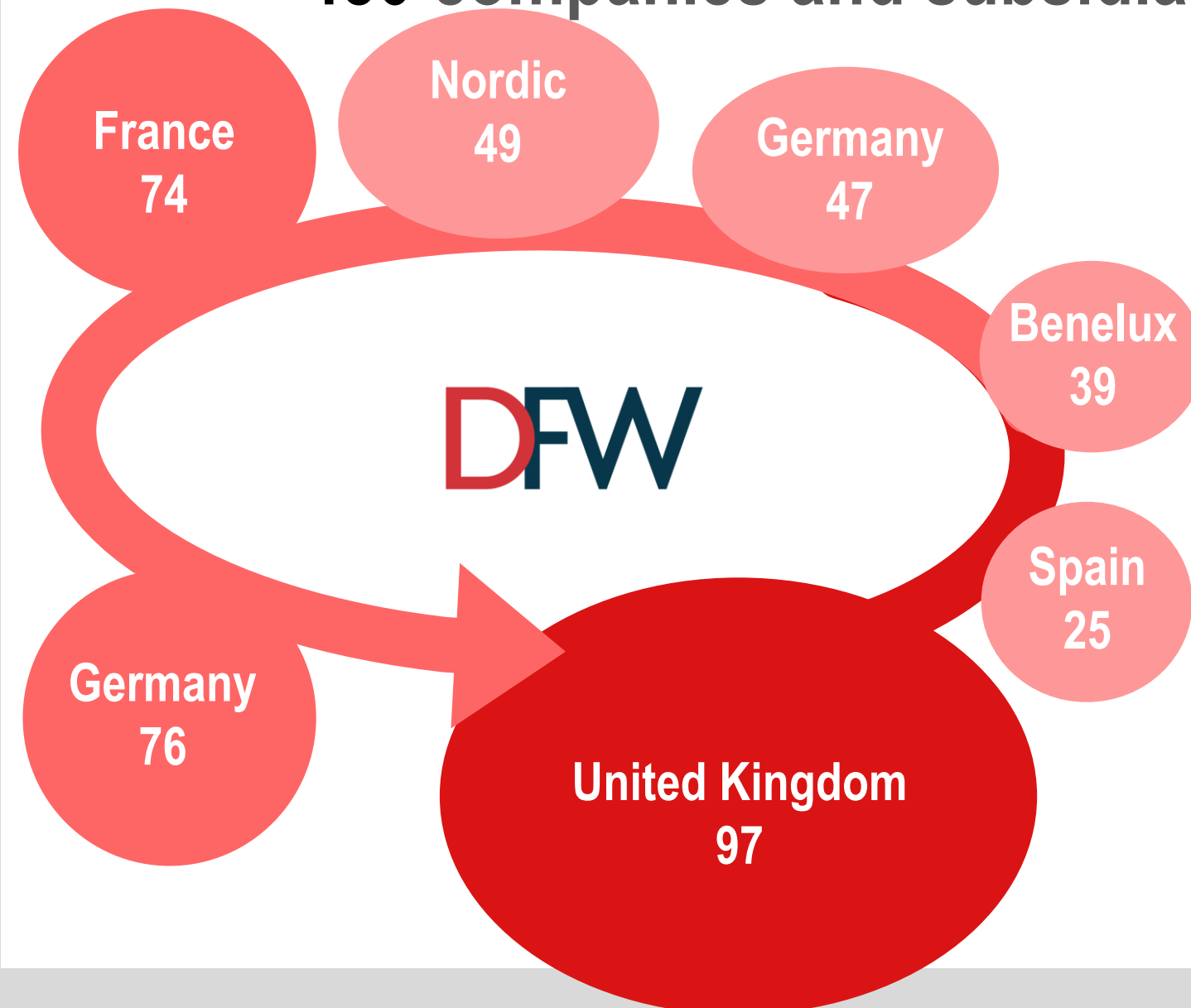
**Asian
companies are
looking abroad
for growth**

European Foreign Direct Investment in DFW: ~450 companies and subsidiaries

**A global corporate
operations hub**

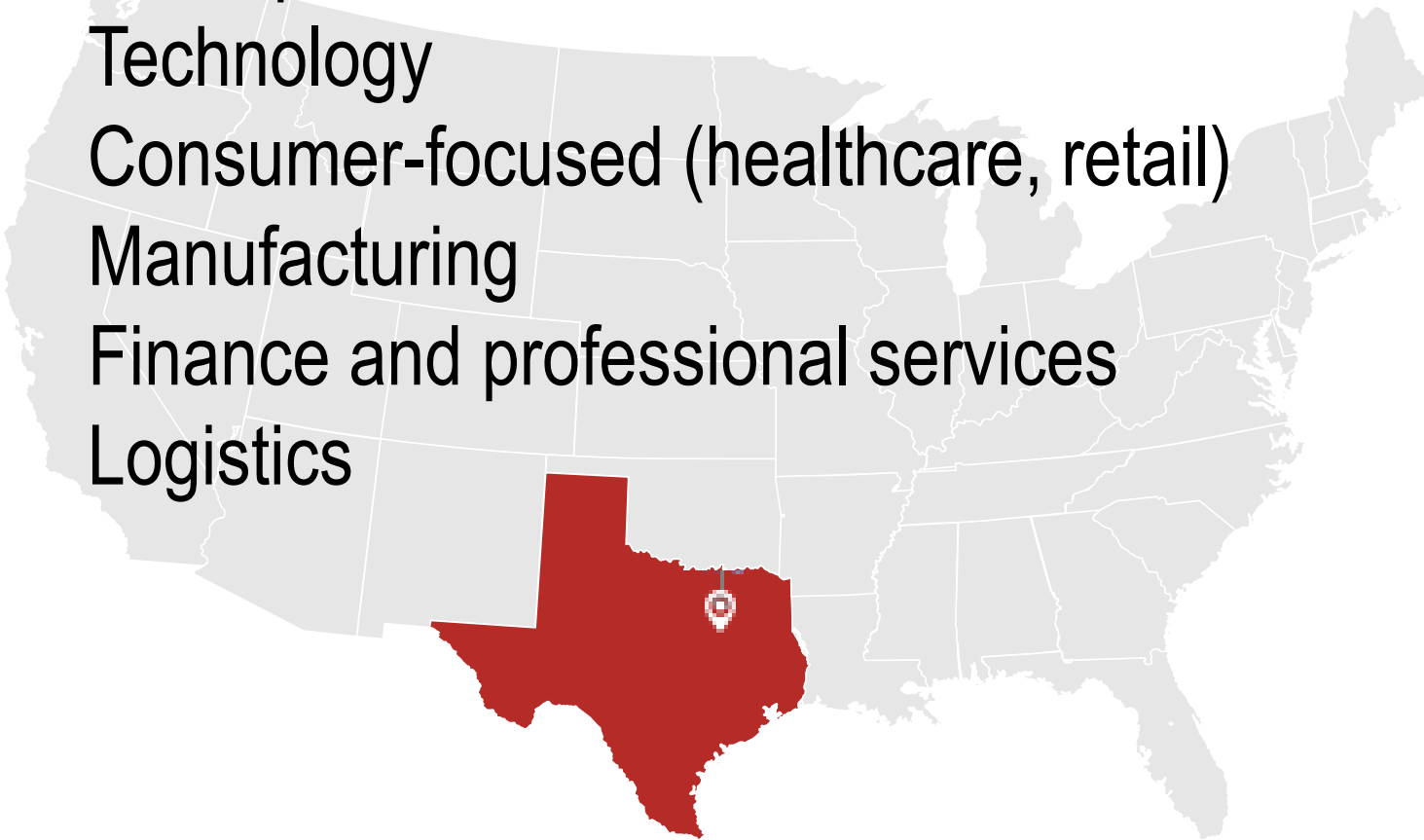
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What types of projects can we expect to see in the future?

- Headquarters/ Advanced Services
- Technology
- Consumer-focused (healthcare, retail)
- Manufacturing
- Finance and professional services
- Logistics



**Texas and DFW
remain
positioned for
growth**

Is your company considering a relocation or expansion?

Here are some ways we can help:

- ✓ Supply regional data
- ✓ Coordinate with area cities and counties
- ✓ Host corporate and consultant visits to the region
- ✓ Assist employees and families moving to the region
- ✓ Identify sites and buildings
- ✓ Compile state and local incentives

**DRC economic
development
services**

Our Eco Dev team can help. Our comprehensive services help companies, site selection consultants, and corporate real estate executives achieve a deeper understanding of the Dallas Region and why it's an ideal place to grow.





THANK YOU



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srush@dallaschamber.org +1-214-746-6600