



Opportunities for Japanese Companies in Pennsylvania

Deputy Secretary
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Japanese Investments in Pennsylvania



Japanese companies have 390 locations in Pennsylvania providing over 15,207 jobs

<u># of PA Companies</u>	<u># of PA Locations</u>	<u># of Jobs</u>	<u>Rank # of Firms</u>	<u>Rank # of Jobs</u>
124	390	15,000+	5 th	7 th

- 116 of these are manufacturers (29%) that employ 9,231 people (60%)
- Japan ranks 5th for Foreign Direct Investment in Pennsylvania in number of locations and ranks 7th in number of employees

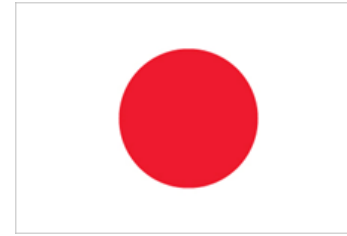
JAPANESE COMPANIES IN PENNSYLVANIA



TOKIO MARINE



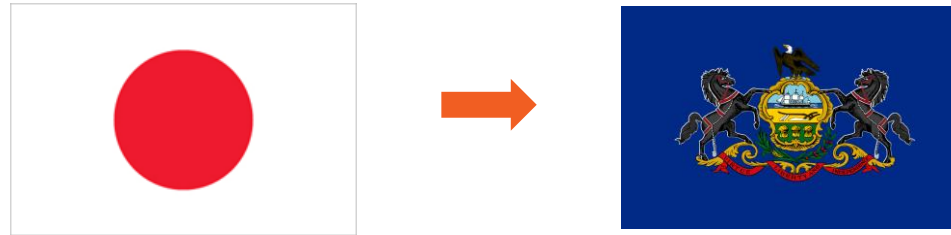
PENNSYLVANIA : TRADE WITH JAPAN



Top 5 PA Exports to Japan in 2021 *(in USD)*

Mineral Fuel	\$460 million
Optic, Photo, Medical or Surgical Instruments	\$204 million
Pharmaceutical Products	\$170 million
Vehicles	\$93 million
Inorganic Chemics; Rare-Earth Metals	\$76 million
Total of <u>all</u> Commodities	\$1.57 billion

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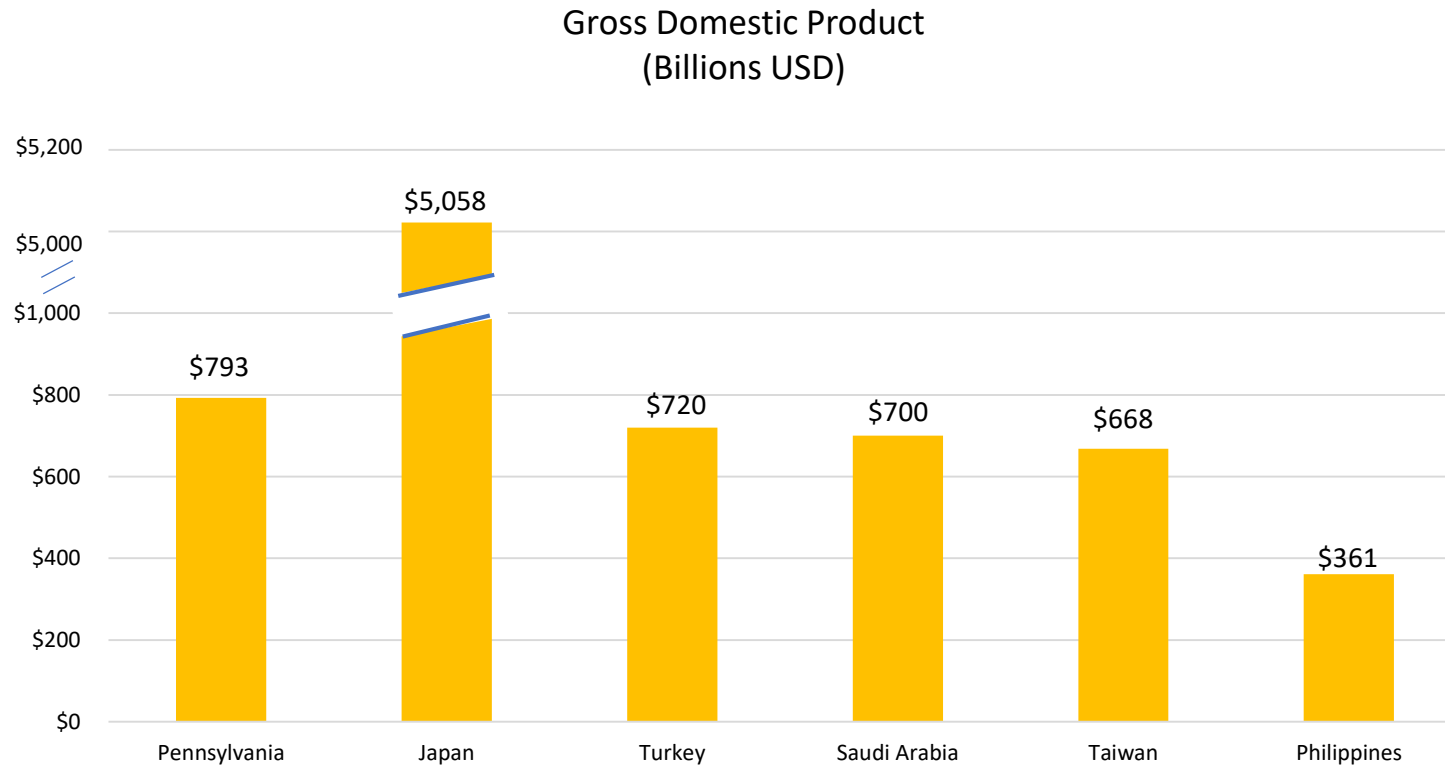


Top 5 PA Imports from Japan in 2021 *(in USD)*

Pharmaceutical Products	\$761 million
Optic, Photo, Medical or Surgical Instruments	\$502 million
Industrial Machinery, Including Computers	\$357 million
Electric Machinery, Sound & TV Equip	\$246 million
Vehicles	\$85 million
Total of <u>all</u> Commodities	\$2.45 billion

We are an Economic Powerhouse

Pennsylvania's robust economy rivals many countries and offers all the amenities of such, but our business climate remains approachable, supportive, and personal.



Sources: World Bank (2020), U.S. Bureau of Economic Analysis, GDP by State (2020)

- 18th largest economy in the world when compared to independent nations
- The size of Pennsylvania's economy (\$793 billion) rivals Switzerland (\$752 billion) and is larger than Turkey (\$720 billion) and Saudi Arabia (\$700 billion)
- U.S. leader in the life sciences, technology & innovation, advanced manufacturing, agribusiness & food processing, plastics, and energy

Our economic size and diversity ensure stability and provide the resources and cost-effective access businesses need to grow.

- Centralized location
 - Within a day's drive of nearly 40% of the U.S. population and 60% of the Canadian population, and 4 of the 10 largest U.S. markets
 - “A” in Logistics Industry Health
- Most diverse business portfolio among U.S. states – Bloomberg, 2019
- Low operating costs.
 - Ranked Lowest Cost of living in the Northeast U.S. – MERIC, 2021





Pennsylvania Ports

Only state with port access to the Atlantic Ocean (Philadelphia), Gulf of Mexico (Pittsburgh), and Great Lakes (Erie)



- More than 67 million tons of goods move through the ports of Erie, Philadelphia and Pittsburgh annually.
- With 17 facilities, the Port of Philadelphia can distribute imports within 2-3 days to almost 70% of the Canadian & U.S. population.
- Barge traffic on Pittsburgh's three navigable rivers make the Port of Pittsburgh the nation's second-busiest inland port.
 - Allows access to the Mississippi River and the Gulf of Mexico.
- The Great Lakes seaway creates \$3.6 billion in annual transportation cost savings compared to land travel. — Erie Port Auth.



Strong Research Universities

Pennsylvania's world-class academic institutions fuel research and innovation in the Life Sciences and Tech



- Nearly 250 postsecondary and higher education institutions
- 6 universities in the U.S. Top 100
- 2 universities in the World Top 100 Biological Sciences Program
- Among Top 5 states producing the most STEM graduates
- Among the highest-ranking states in the U.S. for life science doctoral degrees awarded
- Ranks 6th in the U.S. for foreign student enrollment (50,070 in 2020)

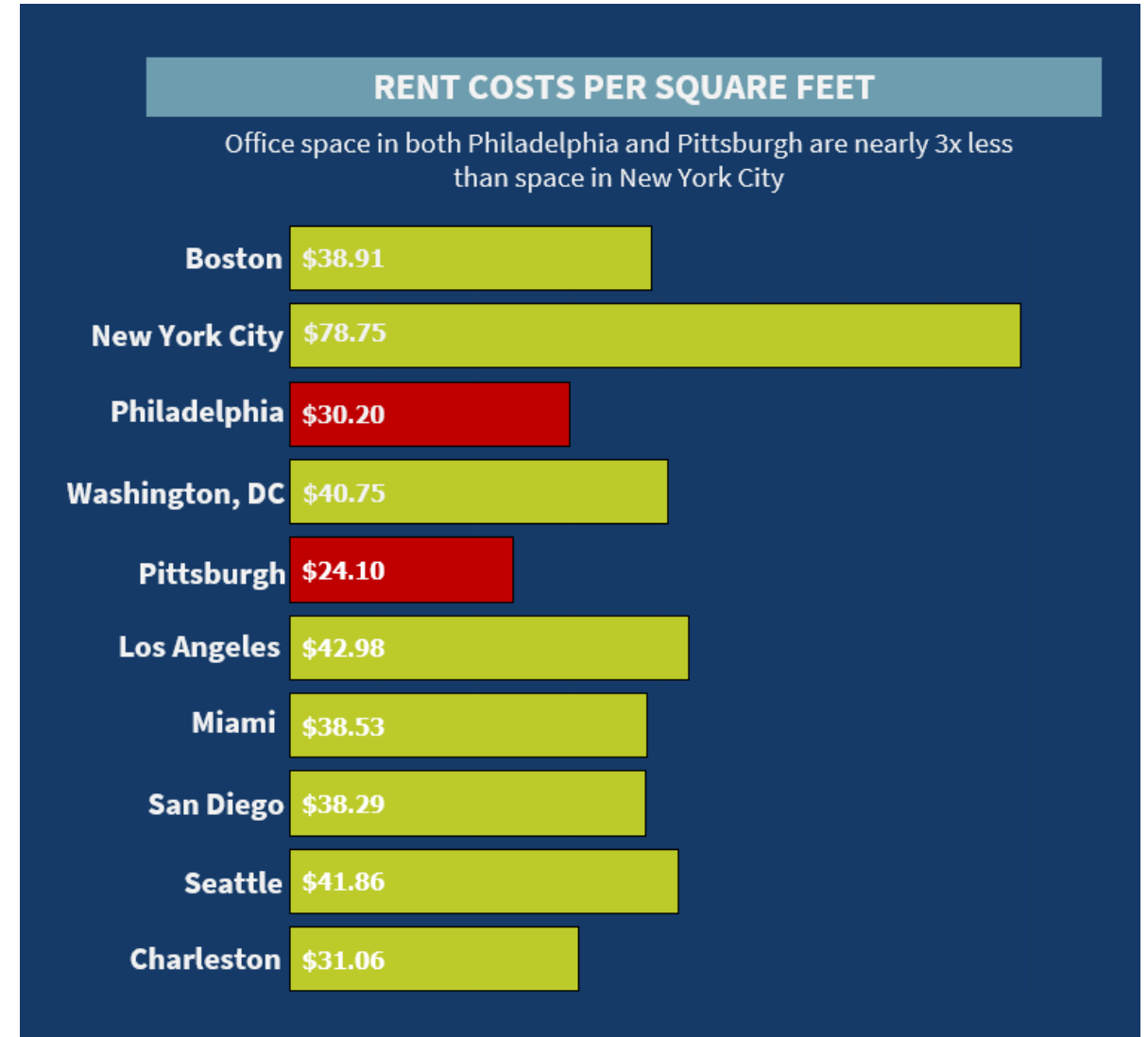
Low-Cost, High Quality of Life

Philadelphia

- Philadelphians pay nearly 2.5 times less per square meter for comparable office space than NY
- MSA: 7th largest number of millennials and #1 in millennial growth rate
- First UNESCO World Heritage City in the US

Pittsburgh

- Average office rent, industrial rent, cost of living index, and median home price lower than US average
- #12 for “Best Cities for Millennials in America”
- Proximity to outdoor activities





Philadelphia boasts a concentrated mass of universities, resources for entrepreneurs and innovators, easy access to other major tech cities and markets, and an incredibly affordable cost of living compared to other tech cities across the United States.



- 80% of U.S. pharmaceutical and biotech companies have a presence
- 100+ colleges and universities, 198 hospitals, 7 medical schools, 4 National Cancer Institute-designated cancer treatment centers, 15 major health systems
- #1 children's hospital in the U.S.
- Leader in Biotech, Pharma, Medical Device, Digital Health, and Gene Therapy
- \$10.5 billion spent annually in R&D



Pittsburgh's unprecedented revitalization makes it one of the country's greatest innovation hubs. While Google, Apple, Microsoft, Facebook, and Uber all have a home in Pittsburgh, the startup community is stronger than ever.



- Proximity to world-renowned research institutions in robotics, cybersecurity, and AI research (Carnegie Mellon University)
- Pittsburgh Supercomputing Center – only advanced computing center in the Northeast and only 1 of 5 in the nation
- Leader in Medical Devices and Regenerative Medicine (University of Pittsburgh Medical Center)



Pennsylvania's reputable agribusiness industry represents more than two centuries of heritage and quality.

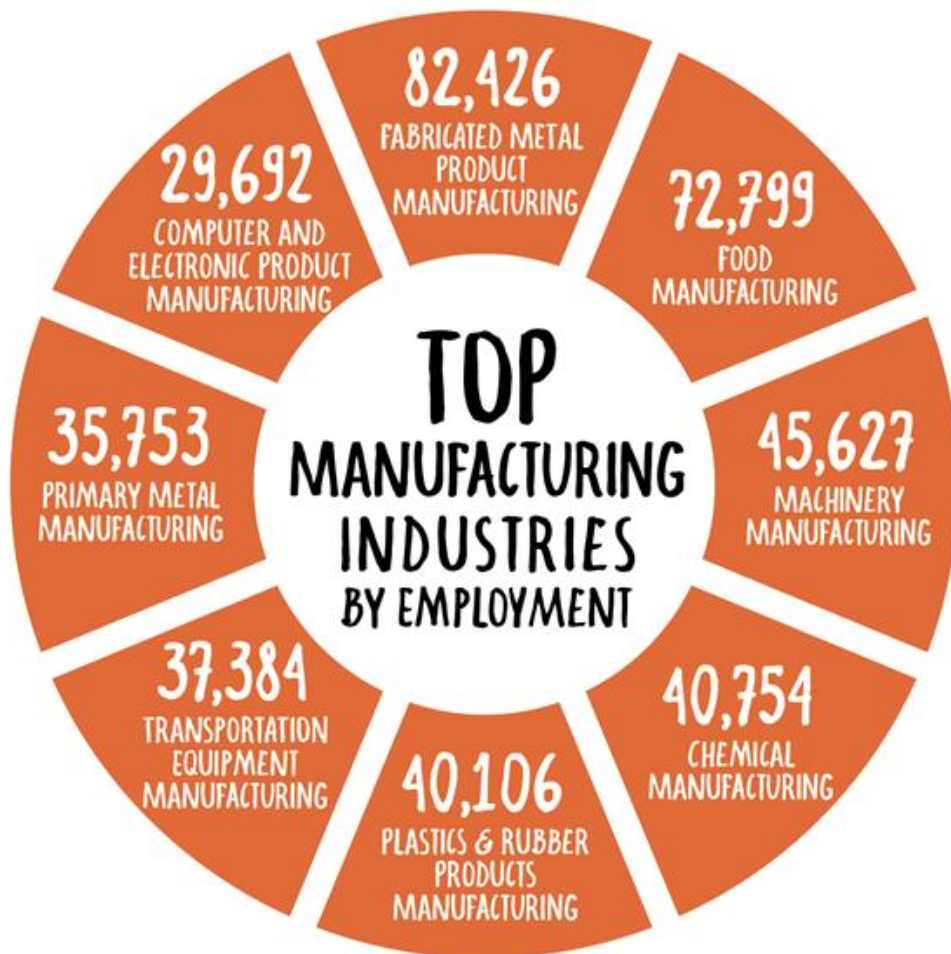


- Leader in U.S. crop production
 - #1 – Mushroom
 - #2 – Butter
 - #4 – Apples
 - #5 – Grapes
 - #6 – Milk
 - #7 – Wine
- Leading producer of hardwoods in the U.S., accounting for 10% of total outputs.
- 4th in organic farming
- Food Manufacturing
 - Leads the nation in food-processing companies, with more than 2,300 operating across the state.
 - Nearly \$2 billion in exports (2020)
- \$38.4 billion in manufactured food products sold every year. Our strongest sectors:
 - Canned fruit and vegetables
 - Specialty products
 - Chocolate and cocoa products
 - Potato chips and pretzels



Manufacturing Industry Snapshot

We are training the next generation of workers for the STEM jobs of the future.



- 8th largest manufacturing industry in the U.S.
- 6th largest manufacturing labor force in the U.S.
- \$93 Billion in economic impact
- 14,400+ manufacturing establishments
- 18,410 employer locations
- 561,700+ employees
- Top Manufacturing Industries
 - Fabricated Metals
 - Food
 - Machinery
 - Chemicals
 - Plastics & Rubber Products



Pennsylvania's abundant natural resources position the state for unparalleled growth in both energy and manufacturing



- Abundant supply of low-cost natural gas for business operations
- 2nd largest producer of natural gas with production increases of more than 2,400% between 2005-2014
- Expected to produce 40% of U.S. natural gas and NGL by 2030
- 3rd largest energy producer in the U.S.
- 2nd in nuclear-generated electricity production



**Pennsylvania is home to a thriving
Life Sciences industry.**



- Total annual economic impact of \$88.5 billion
- National leader in testing and medical labs, medical devices, and pharmaceuticals

Top 5 for:

- NIH funding (\$2.06 billion in 2021)
- R&D expenditures
- Drugs & pharmaceuticals employment
- Research, testing, and medical lab employment
- Bioscience-related patents and venture capital investment



The Philadelphia region is seeing exponential growth in the life sciences and experiencing rapid breakthroughs in cell and gene therapy

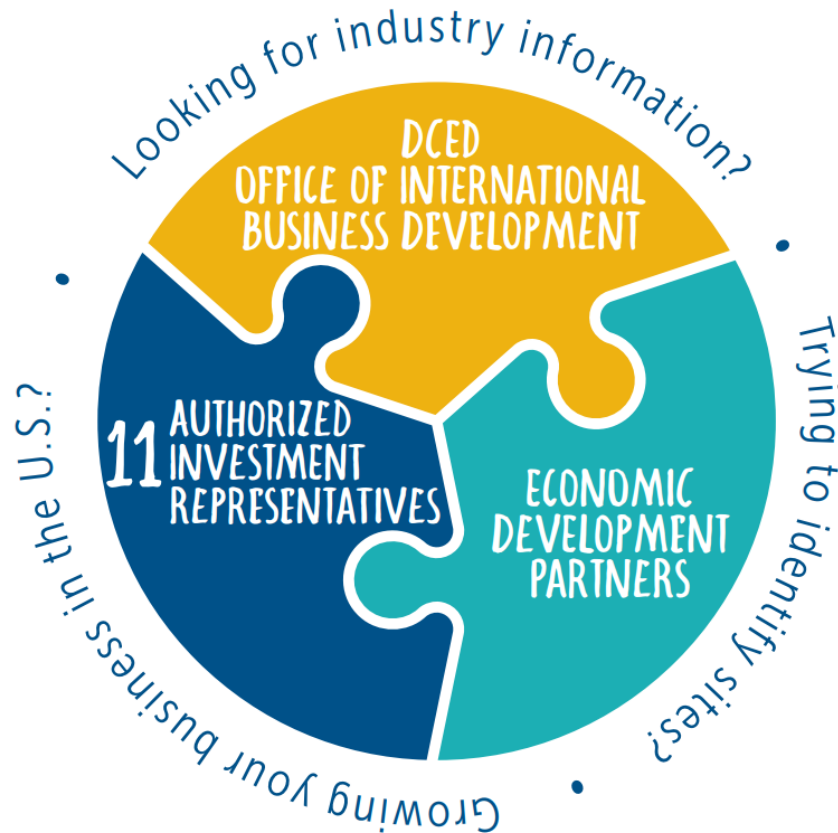


**PENNOVATION
CENTER**



- 4th for medical research and health services.
- 4th in NIH grants
- 38 colleges and universities with life science programs, producing 18,500 STEM graduates annually.
- Home to 30 cell and gene therapy companies.
- FDA-approved cell and gene therapy innovations:
 - Advanced leukemia
 - Congenital blindness
 - Spinal muscle atrophy

We are your business concierge for growing in Pennsylvania



Our suite of complementary and confidential services include:

- Helping you set up a U.S. business entity
- Identifying and visiting business sites
- In-depth research on available workforce, infrastructure, taxes, and more
- Introductions to regional and local economic development partners and elected officials
- Customized financial assistance — including grants, low-interest loans, tax credits, bond financing, and job training



Joint Venture (JV) Partnership Program

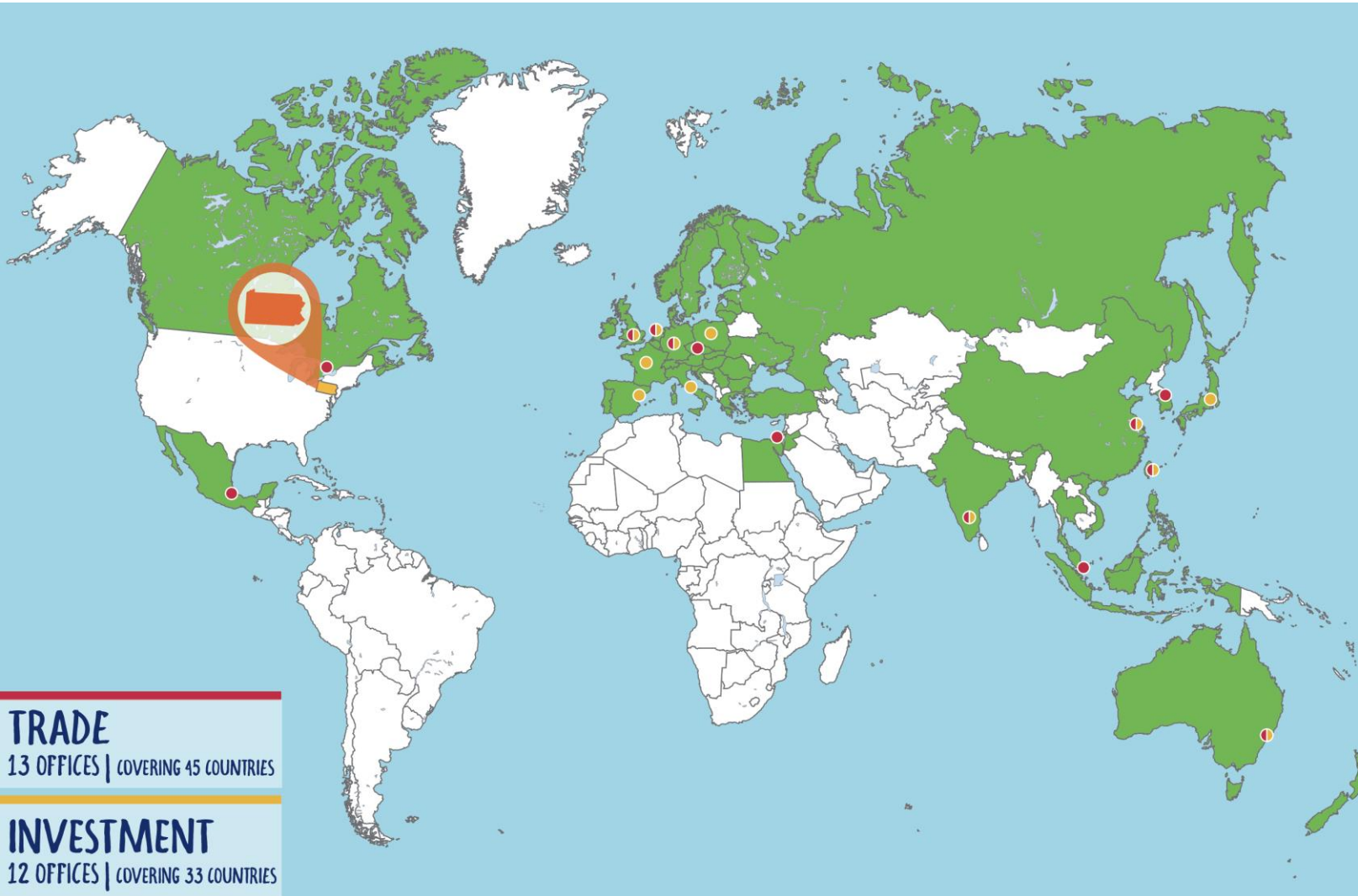
The Pennsylvania Office of International Business Development works to connect international companies that wish to grow in the North American market with Pennsylvania firms that are looking for international partnerships.

JV Partnership Program:

- These joint ventures and related opportunities are available to businesses of any size in Pennsylvania, as well as to international firms looking to begin operations in North America.
- Updated opportunities are shared with our economic development partners across the state via an email distribution every month.

OIBD Services

Pennsylvania's International Network



- The PA Office of International Business Development (OIBD) receives leads from its authorized international representatives concerning international businesses that may be interested in:
 - locating in
 - investing in
 - trading with
 - contracting with or
 - partnering withbusinesses located in Pennsylvania
- More than 4,900 foreign-owned firms, employing over 274,000 workers, have business operations in Pennsylvania.
- Between '19-'20, OIBD assisted PA companies with \$541 million in export sales, supporting 5,180 jobs



Aiding
companies
in setting up
U.S. entities



Providing information
on Pennsylvania's
labor, average wages,
business tax structure,
and more



Coordinating site
and building
searches with
regional partners



Work with the
Governor's Action
Team to vet projects
for business
assistance programs



Networking with potential partners, including:

- Suppliers
- Colleges & universities
- Law firms
- Accounting firms
- Banks
- Real estate professionals
- Construction & engineering firms



Thank You

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Development

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