

Arizona Sun Corridor: Open For Business Program FAQs

What are the pilot campaign goals?

- Raise awareness of the greater Phoenix and Tucson markets as a place to do business among targeted California-based companies in comparable high-wage industries.
- Hire an on-the-ground contractor in California who is an expert in the market and who will research and qualify companies in targeted industries that are poised to expand or relocate.
- Generate face-to-face meetings for TREO and GPEC with top-level company decision-makers.

Why are Phoenix and Tucson regional economic development groups targeting California?

- GPEC and TREO have seen a significant increase in business activity from California companies looking at Arizona and other Mountain West states for expansion or relocation projects.
- The greater Phoenix and Tucson metros are appealing to California companies due to similar industry concentrations, long-term cost-savings, a lower operating cost environment and a favorable tax climate, while maintaining access to California markets.
- We want to capture the interest of these companies before they look to other states.

Why partner with a competing market for a pilot campaign?

- GPEC and TREO can maximize impact and work faster by partnering and pooling resources, especially during an economic downturn.
- Regardless of whether a project lands in either the Phoenix or Tucson markets, the entire state will benefit.
- The pilot campaign allows for ample flexibility to evaluate performance and assess the joint approach into California after six months.

What is the value of promoting the two metro areas as one market vs. selling the communities individually?

- The Arizona Sun Corridor, comprised of the metropolitan areas of Phoenix and Tucson, is one of 10 U.S. markets expected to see most of the nation's growth in the next 35 years.
- Both metros are a stronger sell with combined regional assets, improving our value proposition to California companies.
- Upon receipt of leads and qualified prospects, the individual regions can self-promote based on interest of California companies.

Why California?

- California is the world's 8th largest economy and has historically been a repeat source of investment for Arizona. *Source: California Workforce & Labor Development Agency*
- California is also the world's fourth largest solar market*, which has been identified as a target industry for both the Phoenix and Tucson metros. *Source: *JP Morgan*
- Top industries for outbound California investment are software and information communications technology (ICT), financial and business services and real estate. Arizona is 5th in the nation for receiving outbound California investment. *Source: FDI Market Intelligence*
- Arizona and California share a similar makeup of high-wage industries, resulting in similar skill sets among our workforce. Geographic proximity, long-term cost savings and a favorable tax climate are a few of Arizona's advantages over this competitor market.

What markets in California is the contractor targeting?

- San Diego, Los Angeles and the Bay Area that comprises San Francisco and San Jose.

What kind of companies will the contractor target?

- Companies within specific industries: aerospace/defense, homeland security, information communications technology, solar and bioscience.
- In order to qualify as a prospect, companies must also have expansion or investment plans, with specific parameters including number of jobs, and capital investment.

What is the contractor's role in the campaign?

- Using market research, expertise and industry familiarity, the contractor will seek qualified California companies that have expansion plans.
- Once these leads are identified, the contractor will facilitate meetings between company decision makers and GPEC and TREO.

What is the new branding message and how will it be implemented?

- Our branding message is **Arizona Sun Corridor: Open for Business**. GPEC and TREO are developing an integrated marketing campaign that consists of billboard, print advertising, media outreach/feature stories, social media and electronic marketing.
- To complement the direct-selling approach, the contractor will have marketing materials co-developed by GPEC and TREO to assist in selling the Sun Corridor to California companies. A new website has also been launched: www.locateinarizona.com.

How long is the pilot program?

- A 6-month contract was initiated in January, with familiarization of GPEC and TREO's industries, marketing messages and business development approach occurring in the first month. The contractor has already begun the lead and prospect generation process, and several client meetings are underway.

Why isn't the state involved in this partnership?

- Arizona's budget deficit and the current economic climate have impacted the state's business attraction efforts, and GPEC and TREO are maximizing resources to increase development activity on behalf of the communities they serve.