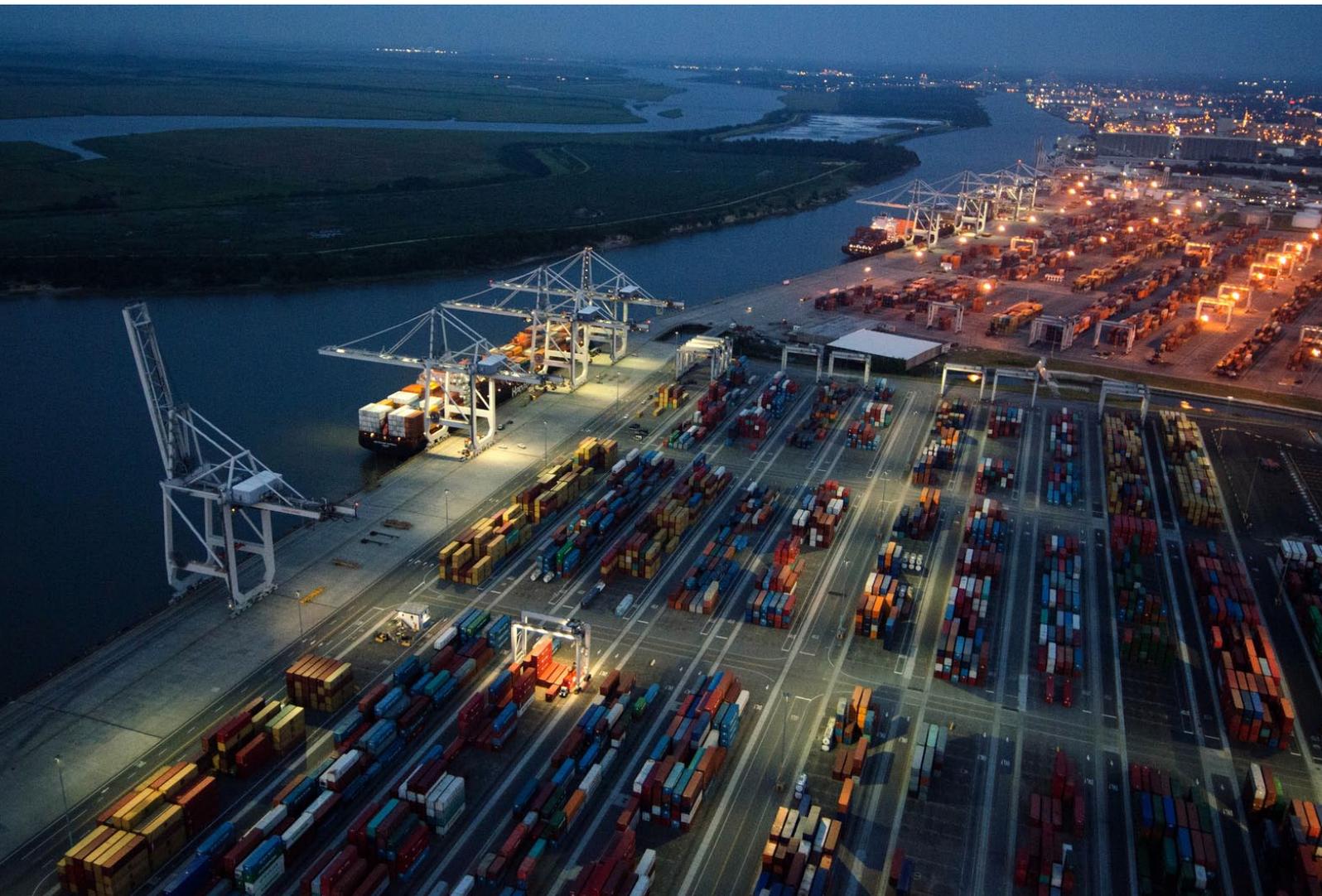

Georgia Department of Economic Development



AS FEATURED IN BUSINESS IN FOCUS CANADA
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GEORGIA ON MY MIND

Georgia Department of
Economic Development

Written by Claire Suttles



Drive across the state of Georgia and you'll pass through bucolic pasturelands, a bustling, international city, and miles of sun drenched beaches. Be sure to stop for boiled peanuts (a regional favorite) at a roadside stand along the way. And you may want to catch a lively football game starring the Georgia Bulldogs, the University of Georgia's much loved team. (Just remember to call them the Dawgs, as the locals do, and you'll fit right in.)



Most importantly, be sure to keep an eye out for the remarkable business opportunities flooding the entire state. You'll be amazed.

'Georgia on my Mind' is the state's official motto. And no wonder; Georgia seems to be on the minds of businesses all over the world today. For starters, the southeastern state boasts the most extensive surface transportation network in the United States, the world's busiest and most efficient passenger airport, and two deep-water ports. Last year, \$35.9 billion in exports and \$72 billion in imports passed through the two ports, making Georgia the ninth-largest import state and the 12th-largest export state in the country. And these numbers are sure to increase. The federal government has just allocated funding to increase the depth of Savannah's deep-water port in order to accommodate even larger tankers.

Perhaps most importantly, Georgia is one of the few states in the U.S. to have maintained a AAA bond rating throughout the

recent economic downturn. A balanced budget – even in the midst of the GFC – helped the state earn the highest credit rating possible. "Many states have had to run deficits," Kathe Falls, Director of International Trade at the Georgia Department of Economic Development (GDEC), points out. "We've been able to balance our budgets. We are very proud of that AAA bond rating and what that demonstrates to the business community about how stable our economy is."

Once known primarily for its manufacturing, Georgia has diversified to embrace the newest, most leading-edge industries while still maintaining its manufacturing and farming capabilities. Indeed, from agriculture and clean energy to automotive and aerospace, business is booming almost everywhere. For instance, Georgia exports more poultry than any other U.S. state, while simultaneously bringing in \$5.75 billion in aerospace exports each year. "More and more we are known as an innovation state," adds Tom Croteau, Deputy Commissioner of Global Commerce at the Georgia Department of Economic Development. "There ►►

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► is a huge aerospace ecosystem here. We are in the top ten as far as IT employment.” The state also hosts a slew of big name companies. “There are 16 Fortune 500 headquarters here in Georgia, and more than 440 Fortune 500 companies operating here,” Mr. Croteau reports.

Fortunately, doing business in Georgia isn’t all work and no play. “We’ve got access to the mountains and the beach,” Mr. Croteau points out, and a mild climate makes outdoor activities enjoyable all year round. There are also world class educational opportunities, including two top ranked universities, Georgia Institute of Technology and Emory University. This combination of attributes helps draw new businesses to the state – and keep employees happy. “Global commerce is a global competition and we always have to put together the right package,” Mr. Croteau explains. “And that is not just tax incentives. It is the logistics that we have, the workforce that we have, and the quality of life.”

Canadians have been particularly attracted to all that Georgia has to offer. There are 260 Canadian facilities throughout the state employing nearly 10,000 people. Canadian companies in Georgia include major names like Augusta Newsprint Company, Bell Northern Research, Bombardier Inc., Decostar Industries, Fletcher Martin LLC, John Hancock Financial, RBC Bank, and Teton Industrial Construction. “Canada is a leading investor nation in Georgia,” Ms. Falls points out. “If you look at all the facilities in our state from all the different countries, Canada ranks fifth in number of facilities and fourth as far as leading investor nations based on dollar value investment.” Canadians seeking sunny skies and

balmy temperatures have created a large tourist market as well.

Furthermore, Canada is Georgia’s number one export market. Specifically, the state is the largest U.S. exporter to Canada in turbojets, goggles, acrylic polymers, carpet, aircraft, spacecraft, and spacecraft launch vehicles. Georgia is also the third-largest U.S. exporter of fib optic cable to Canada. The North American Free Trade Agreement (NAFTA) has proven a huge catalyst for these exports. In fact, exports from Georgia to Canada have increased by an average of 8.49 percent per year since the agreement was signed.

Why are Georgia and Canada such a good fit? “There are a lot of reasons,” says Gail Morris, Managing Director for State of Georgia – Canada. “One of the primary reasons is that Georgia is a nice state to work with. The people are friendly; there is a great business environment.” Furthermore, the dollar is at parity, there is no language barrier, and Georgia’s time zone is ideal for many Canadian businesses. Robert Payne, Director of Account Management insists that no other state can meet Georgia’s logistical capabilities within that Eastern Standard Time zone. “Not when it comes to having the type of international airport that we have and the two deep water ports,” he explains. Mr. Payne recognizes that New York is a possible contender, but also points out that the northeastern state “is more expensive, colder, and crowded. It is easier for companies to get products and people in and out of our state.” In addition, Georgia has the land, workforce, and infrastructure to accommodate Canadian companies looking to outsource their manufacturing.

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Georgia and Canada have made it a priority to maintain strong ties to one another. “Georgia has done very well attracting Canadian business to the state,” Ms. Morris remarks. Indeed, the two parties have actively promoted their business relationship for years. “This is not something that is new for us,” Ms. Falls reports. “We have had representation in the Canadian market since 1981. The Canadian consulate has had representation in Georgia for four decades. It shows a lot of commitment on the part of the Canadian government to have a presence in a particular state for that long a period of time.”

The state’s Department of Economic Development has been a major force behind this ongoing relationship. As Georgia’s sales and marketing arm, the organization’s primary role is to generate new investment and jobs in the state. “That is done through a variety of ways,” Mr. Payne reports. “We have not only global commerce as a part of GDEcD, we have international trade, film and tourism, and the Georgia Council for the Arts. Ultimately our goal is to both attract new companies to the state of Georgia as well as help existing companies here expand. As far as international trade is concerned, we provide resources for companies to develop strategic partnerships in other countries to export goods and products. We have people with feet on the ground in those countries to help facilitate relationships and streamline the process.”

Having these “feet on the ground” has been key. “The fact that Georgia has a presence in Canada means a lot to the Canadian companies when they are looking to do business with Georgia,” Ms. Morris

reports. “They are looking for someone on the ground here that can help them.” In Georgia, the Québec Government Delegation and the Consulate General of Canada help to keep trade and commerce strong between the two parties. This is a particularly exciting year for the Consulate, Ms. Falls points out, because it marks the fortieth anniversary of its activities here – and these activities have been crucial. “They do a good job of outreach to the business community and always keep Canada on the mind of our communities here,” Ms. Falls reports. “They use Georgia as a platform not only for the state of Georgia, but also as an outreach area across many more states.”

Indeed, the efforts of GDEcD and its partners have paid off extremely well – and, of course, the team is committed to maintaining the mutually beneficial relationship between Georgia and Canada for many more years to come. “We are always working to enhance the partnership more,” Ms. Falls shares. Fortunately, the likelihood of ongoing success for a Canadian company doing business in Georgia or with Georgian companies is high. “We’ve had record investment and job growth over the past two years, so all the signs [are demonstrating] we’ve got the right formula,” Mr. Payne remarks. “We are ranked one of the top states for business.” ■

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