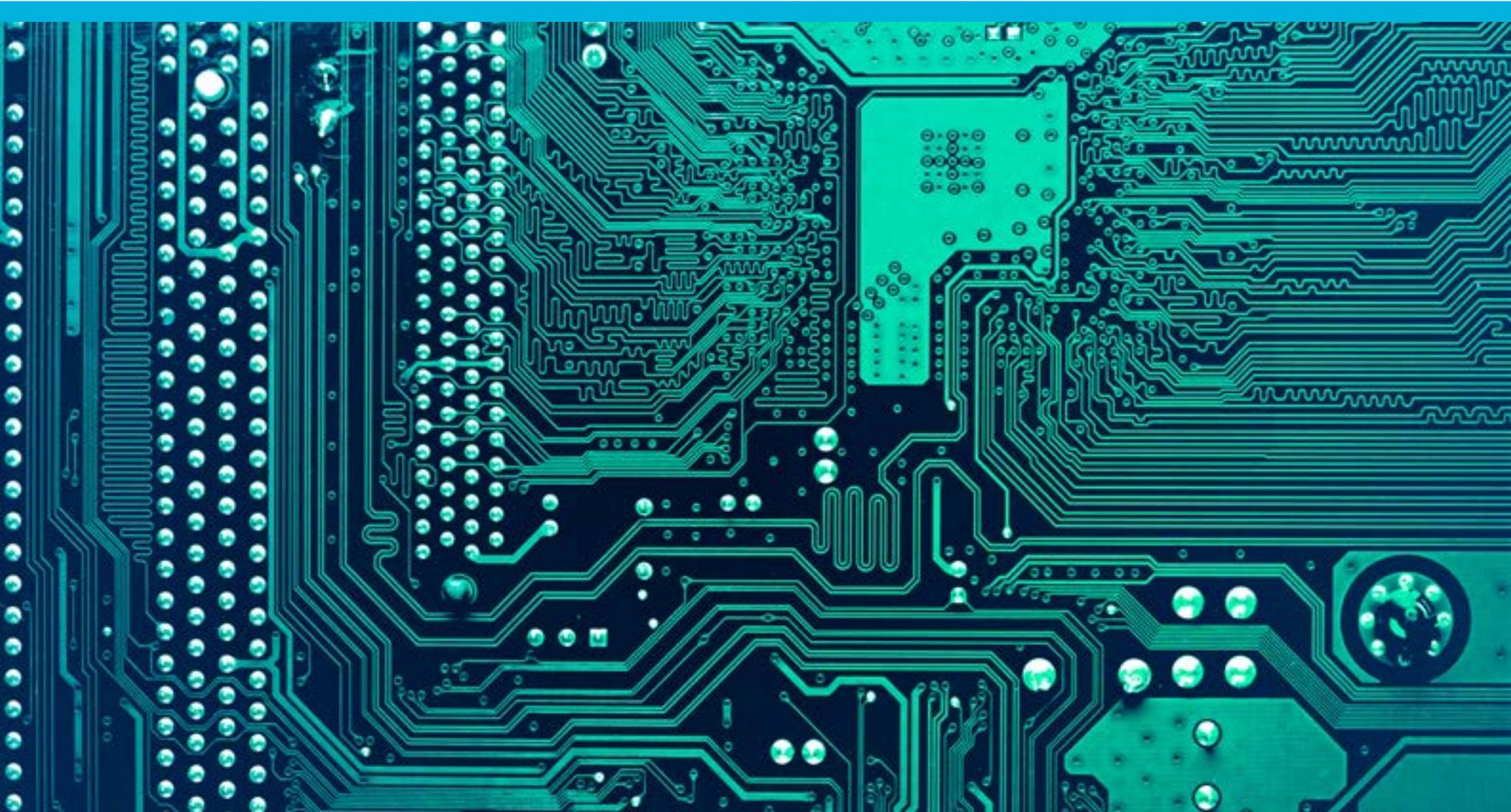


# INNOVATE WITH US.

## NORTH CAROLINA'S INFORMATION TECHNOLOGY INDUSTRY



[www.edpnc.com](http://www.edpnc.com)



# INNOVATE WITH US.

#1 state for women in tech. 22,000+ STEM graduates per year. Largest research park in North America. It's no wonder the information technology (IT) industry in North Carolina is growing twice as fast as the national average. From hardware and software development to cloud computing and data analytics, North Carolina companies flourish in the state's unique ecosystem of collaborative research and product development. Dozens of top IT companies operate in the state, including Red Hat, IBM, SAS, Lenovo, and Infosys.

IT companies choose North Carolina for its winning combination of location, talent, existing industry strength, low cost of living and high quality of life. The state, with more than 10 million residents, is the 9th largest state in the nation, growing 25% from 2001 to 2017. Our state consistently ranks among the top five in internationally-recognized business environment rankings. Top-tier university partnerships support the industry's continued success. Join the momentum. Consider North Carolina for your next location decision.

## INDUSTRY LEADERS



## NORTH CAROLINA'S INFORMATION TECHNOLOGY ADVANTAGE

North Carolina is an IT industry leader. Both established companies and startups take advantage of the region's large IT cluster to innovate. IBM and Red Hat, for example, enjoy a strategic alliance to develop new information technology solutions.

### 13%

#### INDUSTRY GROWTH

With 13% growth from 2013-2017, North Carolina's technology industry is growing at twice the rate of the national average.

### #2

#### TECH HUB

In 2017, CBRE ranked Raleigh-Durham and Charlotte among the top tech talent markets in the U.S. Forbes ranked Raleigh the #2 tech hub that millennials prefer to Silicon Valley.

### #1

#### INDUSTRY-FUNDED RESEARCH

North Carolina's universities boast the highest share of industry-funded research in the nation.

### \$784M

#### EQUITY FUNDING

North Carolina nurtures a dynamic entrepreneurial environment. 110 tech startups in the state received more than \$784 million in equity funding in 2017.



redhat

"North Carolina has been a strategic partner to Red Hat for more than a decade. The talent base we've been able to attract headquartered in this state has been phenomenal."

- Jim Whitehurst,  
President and CEO, Red Hat



MetLife, a leading global insurance company, has a major retail hub in Charlotte and a technology hub in Cary, North Carolina. The company employs over 2,500 people across the state and works with local community colleges to source talent.

# PLENTIFUL AND SKILLED WORKFORCE

## 4,900,000

### LABOR FORCE

Largely fueled by domestic in-migration, North Carolina has one of the largest labor forces in the U.S. Since 2010, over 370,000 people have moved to North Carolina.

## #2

### COMPUTER OCCUPATION GROWTH

More than 123,000 people hold computer science, software development, and database and information specialist jobs in North Carolina. Our state ranks #2 in the nation for growth in computer occupations over the past five years.

## #2

### STEM

North Carolina is home to more than 22,500 Science, Technology, Engineering, and Math grads annually, ranking second for STEM grads in the Southeastern U.S.

## #1

### WOMEN IN TECH

North Carolina ranks as the #1 state in percentage of its tech workforce made up of women.

## LABOR SUPPLY FOR TOP IT OCCUPATIONS

North Carolina offers IT companies plentiful and affordable talent. North Carolina's IT industry wages are **about 12% below the national average.**

OCCUPATION	NC 2017 JOBS	NC JOB GROWTH (2013 - 2017)	NC AVG. ANNUAL EARNINGS	US AVG. ANNUAL EARNINGS
SOFTWARE DEVELOPERS & PROGRAMMERS	44,165	18%	\$96,345	\$100,110
COMPUTER SUPPORT SPECIALISTS	28,565	14%	\$54,745	\$56,659
TEAM ASSEMBLERS	45,896	11%	\$29,619	\$32,552
ENGINEERS (COMPUTER HARDWARE & ELECTRONICS)	4,714	5%	\$97,718	\$108,680
DATABASE ADMINISTRATORS AND NETWORK ARCHITECTS	19,396	12%	\$88,857	\$89,752
COMPUTER & INFORMATION ANALYSTS	27,000	20%	\$92,768	\$92,248

# THE PERFECT CLIMATE FOR GROWING TALENT

Home to three Tier 1 universities and the #1 city for Millennials, North Carolina is where bright, young people are helping business boom. North Carolina offers one of the nation's most renowned education systems, supplying companies a pipeline of skilled workers and unparalleled access to R&D resources.

## UNIVERSITIES UNDERGRADUATE AND GRADUATE DEGREES

North Carolina has 53 colleges and universities. Nearly every college and university offer degrees in computer and information sciences. The state's three Tier 1 research universities: North Carolina State University (NCSU), Duke University, and UNC Chapel Hill, are at the cutting edge of education and R&D. UNC Chapel Hill and Duke University rank among the top 27 universities in the world for the most U.S. utility patents in 2017. NCSU houses the nation's first Master of Science in Analytics program and ranks among the top 10 universities in the nation for key technology transfer metrics. N.C. ranks among the top 10 states in the U.S. for number of start-ups to spin off from its universities and for technology licenses & options executed from universities.

## COMMUNITY COLLEGES VOCATIONAL DEGREES

The North Carolina Community College System (NCCCS) is the nation's third-largest community college system, pioneering the nation's most advanced vocational and technical programs. For example, Wake Technical Community College partnered with IBM and SAS to launch the first and only Associate Degree in Business Analytics. More than 800,000 students enroll at one of NCCCS's 58 campuses each year.



## LARGEST RESEARCH PARK IN NORTH AMERICA

Research Triangle Park (RTP) in North Carolina is the largest research park in North America. RTP is home to more than 200 of the world's most innovative companies, employing over 50,000 people. Other parks that serve the IT industry include the Wake Forest Innovation Quarter in Winston-Salem, Gateway University Research Park in Greensboro, and the Charlotte Research Institute.

## INDUSTRY RESOURCES TARGETED INDUSTRY SUPPORT

North Carolina has numerous programs and research centers that support IT entrepreneurs and businesses. Examples include:

- **The American Underground (AU)** is a technology hub supporting 275+ startups across four locations in Raleigh and Durham, NC. It has been dubbed the "Startup Capital of the South" by CNBC. AU offers office space, incubator programs, a technology training academy, and the Iron Yard coding academy. It is home to one of nine domestic Google Technology Hubs.
- **Queen City FinTech at Packard Place** in Charlotte, NC is an accelerator program designed to mature financial technology startups through intense mentorship from leading banking executives, business development professionals, venture capitalists, and attorneys in Charlotte's robust business community.
- **The Technology Incubator at Centennial Campus**, housed at NC State University in Raleigh, NC offers programs and facilities specifically designed for tech startups. The Technology Incubator's location provides unparalleled access to researchers and students, giving clients a R&D competitive advantage.
- **The Ventureprise Incubator and Accelerator** at UNC-Charlotte provides office space, business model development, mentoring, and support resources to early stage innovation companies.
- **Other IT resources include** the Council for Entrepreneurial Development (CED), NC IDEA, NCRIoT, InnovateNC, Innovation Fund North Carolina, & North Carolina Technology Association (NCTECH)

NC State's Centennial Campus, a 1,000-acre research park, has over 70 corporate, government and non-profit research partners, including the only NSF-funded smart grid research center in the U.S.

# UNMATCHED BUSINESS ENVIRONMENT

#1

## BEST STATE FOR BUSINESS

- Forbes (2018)

#1

## TOP COMPETITIVE STATE

- Site Selection (Prosperity Cup, 2018)

#3

## BEST STATE FOR BUSINESS

- Chief Executive (2018)

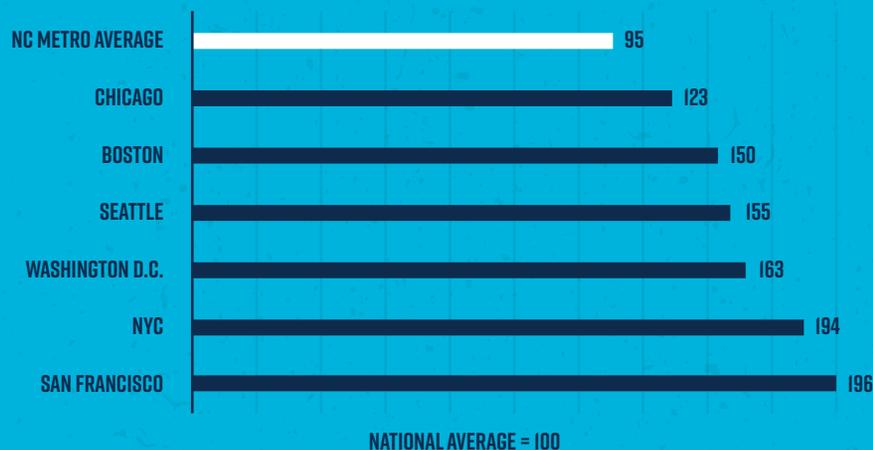
#2

## COMPETITIVE LABOR ENVIRONMENT

- Area Development (2018)

## LOW COST OF LIVING

The cost of living in many of North Carolina's metropolitan areas is well below other IT industry hubs.



## LOW BUILDING COSTS

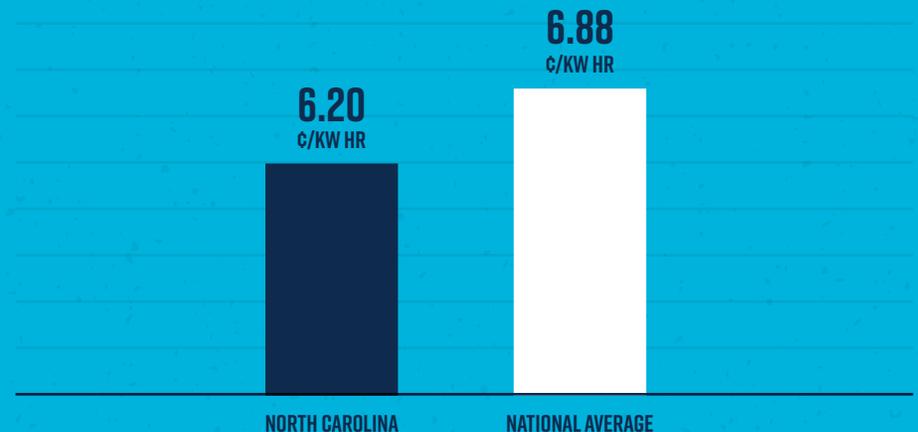
Average construction costs in North Carolina's metropolitan areas are up to 16% below the national average.

## UNPARALLELED INNOVATION

North Carolina businesses lead the nation in innovation with 70% patent growth over the past 10 years.

## LOW ELECTRICITY COSTS

NC's industrial electricity costs are **about 10% below the national average.**



## RIGHT TO WORK STATE

North Carolina is one of 28 right to work states.

## AAA BOND RATING

North Carolina is one of only four states to earn Standard & Poor's highest rating for over 55 consecutive years.



**OUR GROWTH TRAJECTORY FURTHER EMPHASIZES  
OUR EVER-EXPANDING NEED FOR TOP  
TECHNOLOGY, DESIGN, AND ANALYTICS TALENT...  
THE STATE OF NORTH CAROLINA REMAINS  
THE INDISPUTABLE LOCATION TO EXPAND OUR  
FOOTPRINT AND ADVANCE OUR LEADERSHIP  
POSITION WITHIN THE FINTECH INDUSTRY.**

**DOUG LEBDA,  
FOUNDER AND CEO, LENDINGTREE**



North Carolina metros are hotspots for technology innovation and offer a high quality of life at low costs.

# GO BIG. SPEND LESS.

## 2.5%

### CORPORATE INCOME TAX

North Carolina has the lowest rate among the 44 states which levy this tax. NC has a single sales factor apportionment.

## 4.75%

### STATE SALES & USE TAX

Counties levy an additional 2-2.75%. Sales tax exemptions are available for manufacturers and data centers.

## 5.25%

### PERSONAL INCOME TAX

Standard deduction is \$10,000 for single tax payers, \$20,000 for married couples, and \$15,000 for head of households.

## NONE

### STATE PROPERTY TAX

There is no state-level property tax. Real and personal property taxes vary by local government. In 2018, N.C. had the 7th lowest commercial and 9th lowest industrial effective property tax rates in the U.S.

## INCENTIVES

Targeted, performance-based incentive programs complement North Carolina's competitive cost structure. The Economic Development Partnership of North Carolina (EDPNC) helps companies navigate the incentive process.

### JOB DEVELOPMENT INVESTMENT GRANT (JDIG)

JDIG is a performance-based, discretionary incentive program that provides cash grants to new and expanding businesses to help offset the cost of locating or expanding a business facility in North Carolina. Companies can qualify for a JDIG based on the project location, number of jobs, and average wage. The grant amount is based on a percentage of the personal income tax withholdings associated with the new jobs. A company can use JDIG funds for any purpose.

### ONE NORTH CAROLINA FUND (ONE NC)

One NC is a discretionary cash-grant program that allows the Governor to respond quickly to competitive job-creation projects. The local government must provide an incentive to match the One NC funding. Awards are based on the number of jobs created, level of investment, location of the project, economic impact of the project, and the importance of the project to the state and region. Awards may be used in new or existing buildings for installation or purchase of equipment, structural repairs and/or renovations, construction and/or improvements to utility lines.

### PUBLIC INFRASTRUCTURE & TRANSPORTATION PROGRAMS

North Carolina offers a number of different programs to fund public infrastructure development, including the Community Development Block Grant Economic Development Program, Utility Account, Rural Division's Economic Infrastructure Program, NCDOT's Rail Industrial Access Program, North Carolina Railroad Company's NCRR Invests program, and the NC Department of Commerce's Joint Economic Development Program with the NCDOT.

### BUILDING REUSE PROGRAMS

North Carolina offers two different programs that provide grants to renovate and upfit vacant industrial and commercial buildings including:

- Community Development Block Grant Building Reuse Program
- Rural Division's Building Reuse Program

### OTHER INCENTIVE PROGRAMS

- NCWorks Customized Training Program
- Foreign Trade Zones
- NC Biotechnology Center Economic Development Award
- Recycling Business Development Award Grants
- Golden LEAF Foundation Grants
- Building Demolition Programs

# MARKET ACCESS & TRANSPORTATION INFRASTRUCTURE

North Carolina's robust transportation infrastructure connects companies to domestic and international markets. Ten airports offer commercial services, including four international airports that connect North Carolina to major cities in the U.S. and abroad. North Carolina also has the second-largest state-owned highway system and major controlled-access arteries such as I-95 (running the length of the East Coast), I-85, and I-40 (running from NC to California). Two deepwater seaports and an integrated rail system ensure that North Carolina companies can easily reach suppliers and customers.

## ROADS

### Second-largest state-owned highway system

North Carolina's roads stretch for more than 90,000 miles (145,000 km). The state's central East Coast location offers easy access to the country's most important transportation corridors.

Major controlled-access arteries include:

- I-95, running the length of the East Coast
- I-40, linking North Carolina to California
- I-85, stretching through the manufacturing heart of the Southeast

## PORTS

### Two deepwater seaports in-state with on-dock rail

North Carolina's ports offer fast turn times and capacity for ships carrying up to 10,000 TEUs. Inland terminals in Charlotte and Greensboro provide easy market access. North Carolina companies also enjoy easy access to the Port of Norfolk and the Port of Charleston.

Port of Wilmington

- Container and general cargo operations
- Channel depth of 42 feet M.L.L.W.
- On-terminal cold storage facility and 1M sf of covered storage

Port of Morehead City

- General cargo and bulk handling facility
- Channel depth of 45 feet M.L.L.W.
- 1M sf of covered storage

## AIR

### The world's 7<sup>th</sup> busiest airport is located in Charlotte

Ten airports offer commercial services, including four international airports that provide easy access to global markets. International airports include:

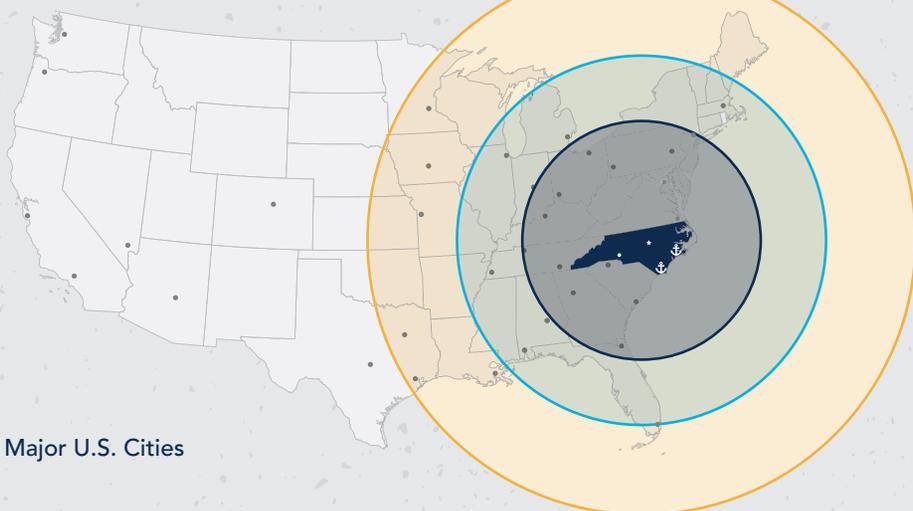
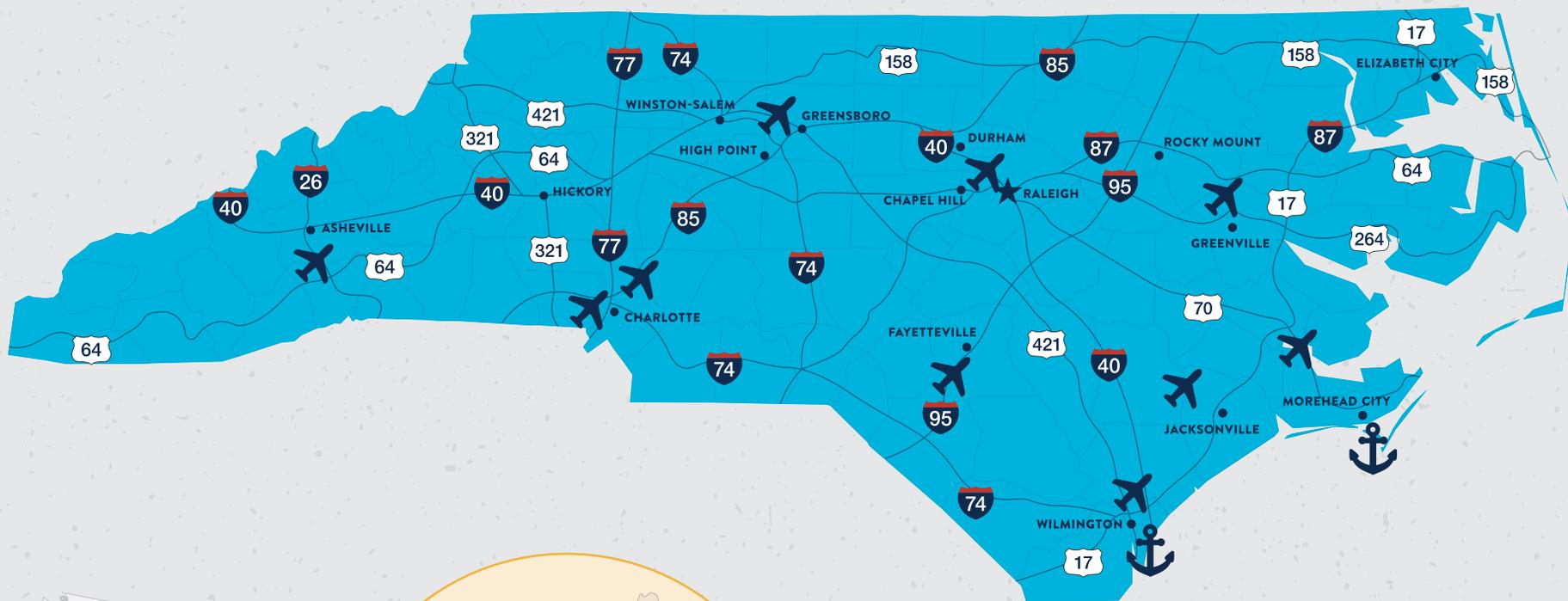
- Charlotte-Douglas International Airport (CLT)
- Raleigh-Durham International Airport (RDU)
- Wilmington International Airport (ILM)
- Piedmont Triad International Airport (GSO)

## RAIL

### Two Class 1 Carriers

North Carolina has more than 3,200 miles (5,100km) of track. Two class 1 carriers, CSX Transportation (CSX) and Norfolk Southern (NS), offer direct service to North American markets and offers direct service to North American markets and to all major ports along the U.S. East Coast.

- Intermodal service hubs in Charlotte (NS, CSX) and Greensboro (NS)
- Direct intermodal service from Port of Wilmington to CSX terminal in Charlotte
- Major rail yards in Lexington (NS) and Hamlet (CSX)
- 19 regional railroads, including six that connect to both NS and CSX railroads

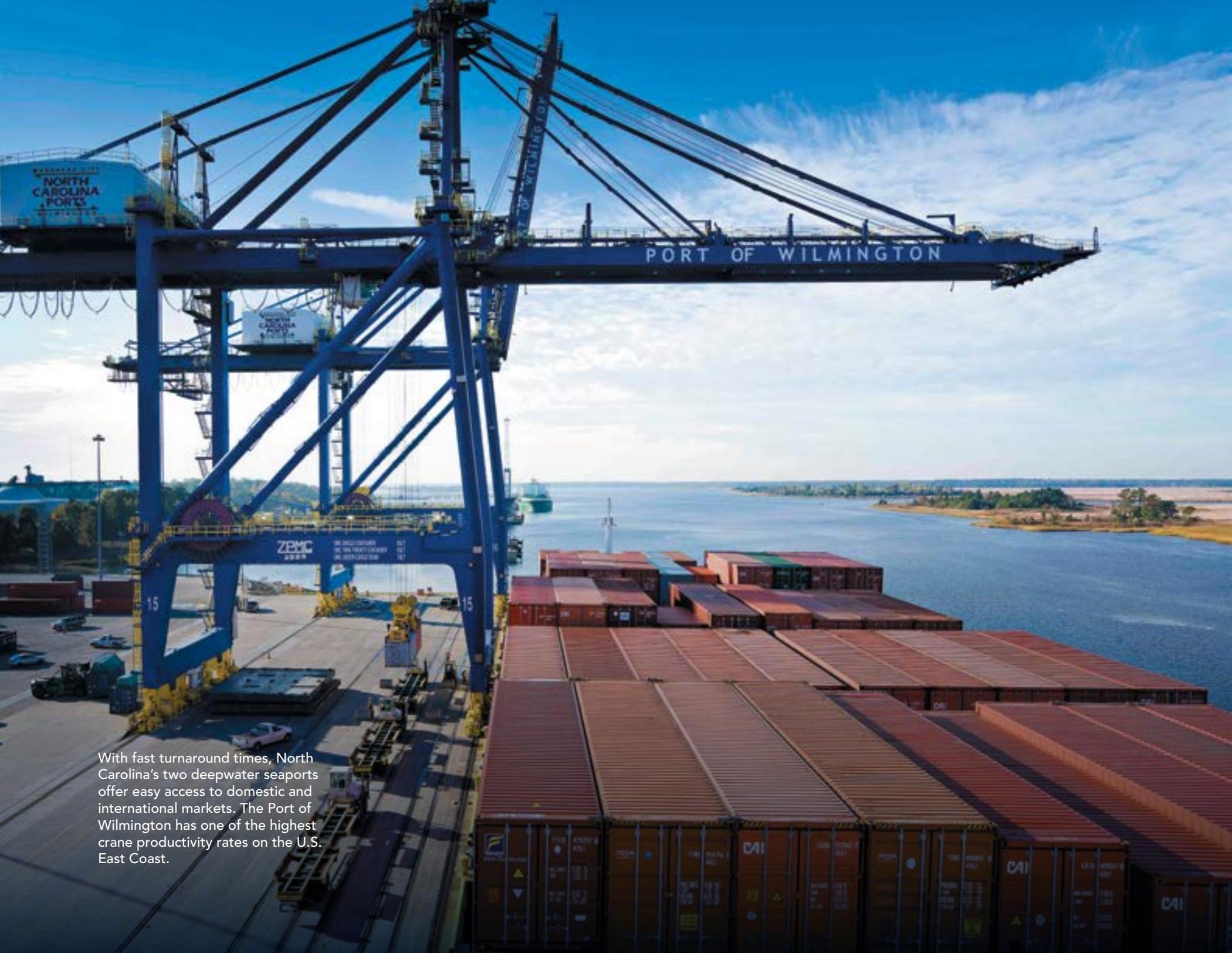


**178 MILLION CUSTOMERS WITHIN A DAYS DRIVE**

Easily access other major U.S. markets



● Major U.S. Cities



With fast turnaround times, North Carolina's two deepwater seaports offer easy access to domestic and international markets. The Port of Wilmington has one of the highest crane productivity rates on the U.S. East Coast.



**NORTH CAROLINA WAS CHOSEN FOR THE LOCATION, FOR THE UTILITY AND TRANSPORTATION ADVANTAGES, AND THE STATE CONTAINS AN EXCEPTIONAL WORKFORCE. IN ADDITION, WE CAN SERVICE OUR CUSTOMER BASE QUICKER AND PROVIDE MORE COST-EFFECTIVE TRANSPORTATION.**

**GERARDO MURAIRA,  
OPERATIONS DIRECTOR, NUTEC GROUP**



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