



NORTH CAROLINA
AUTOMOTIVE INDUSTRY

NORTH CAROLINA

PICK UP SPEED

Largest manufacturing workforce in the Southeast. Lowest corporate income tax in the nation. Two deepwater seaports. North Carolina is where businesses pick up speed. From the birth of stock car racing to the development of electric vehicle technology, North Carolina has a passion for all things automotive. Dozens of top automotive companies operate in North Carolina, including Linamar, Continental, Bridgestone, and NASCAR.

Automotive companies choose North Carolina for its winning combination of location, world-class workforce, robust supplier network, and business-friendly environment. Top-tier customized training programs support the industry's continued success. Home to more than 10.5 million residents, our state is the ninth largest in population and ranks third for highest net migration rate in the U.S. With a designation by *Forbes* as "Best State for Business" three years in a row, more business and individuals are becoming part of our community every day. Accelerate with us. Consider North Carolina for your next location or expansion decision.

WHAT CAN EDPNC DO FOR YOU?

The Economic Development Partnership of North Carolina (EDPNC) proudly serves as North Carolina's statewide economic development organization. The EDPNC recruits new businesses to the state, supports the needs of existing businesses, and connects exporters with customers around the globe.

We provide FREE assistance with:

- Real estate and site identification
- Incentive and tax benefit inquiries
- Regulatory navigation
- World-class workforce solutions
- Supplier and distribution connections
- Export services and global market expansion

For more information about North Carolina, contact the EDPNC at 919.447.7744 or clientservices@edpnc.com.

NORTH CAROLINA'S AUTOMOTIVE ADVANTAGE

26
TOP SUPPLIERS

26 of the top 100 global OEM automotive parts suppliers in North America have operations in North Carolina. The state's robust supplier network is one reason why leading automobile companies locate here.

40%
GROWTH

Backed by an expanding cluster of automobile companies, growth in the sector has surged since 2010. With the largest manufacturing workforce in the region, it's easy to find the skilled workers your company needs.

260+
AUTOMOTIVE COMPANIES

North Carolina is home to over 260 unique automotive companies, including heavy duty truck, body & trailer, engine & transmission, seating & interior trim, and brake system manufacturing.

29K+
EMPLOYEES

More than 29,500 people work directly in North Carolina's automotive sector. Beyond direct employment, hundreds of thousands of North Carolinians work in occupations that have transferable skill sets for the industry.

NORTH CAROLINA'S AUTOMOTIVE INDUSTRY LEADERS

DENSO



BRIDGESTONE

Continental

DAIMLER



LINAMAR
Power to Perform



PLENTIFUL & SKILLED WORKFORCE

5.1M+
LABOR FORCE

Largely fueled by domestic in-migration, North Carolina has one of the largest labor forces in the U.S. From 2010-2019, North Carolina was among the top three states for net migration.

475K+
EMPLOYEES

North Carolina has the largest manufacturing workforce in the Southeastern U.S. In the last five years, the state's manufacturing workforce has grown by 4%.

#2
STEM

North Carolina is home to more than 25,000 Science, Technology, Engineering, and Math grads annually, ranking second for STEM grads in the Southeastern U.S.

45K+
ENGINEERS

North Carolina's engineering workforce has grown 18% over the past five years, leading the nation for engineering job growth.

LABOR SUPPLY FOR TOP AUTOMOTIVE OCCUPATIONS

North Carolina offers automotive companies an abundant and affordable supply of labor. North Carolina's automotive industry wages are about 8% below the national average.

Occupation	NC 2019 Jobs	NC Job Growth (2015 - 2019)	NC Median Annual Earnings	US Median Annual Earnings
Assemblers and Fabricators	68,274	3%	\$29,336	\$32,839
Supervisors of Production Workers	21,644	6%	\$58,552	\$60,424
Electricians	18,012	15%	\$43,118	\$55,182
Machinists	12,041	5%	\$40,892	\$43,617
Welding, Soldering and Brazing Workers	11,491	6%	\$39,703	\$41,034
Engineers (Industrial and Mechanical)	17,808	23%	\$82,821	\$87,197



Continental, one of the top five global automotive suppliers, produces advanced brake systems in North Carolina. Over the past five years, the company has announced more than \$70 million in investment and 200 new jobs across the state.

THE PERFECT CLIMATE FOR GROWING TALENT

North Carolina offers one of the nation's most renowned education systems, supplying companies a pipeline of skilled workers and unparalleled access to research & development resources.

UNIVERSITIES UNDERGRADUATE & GRADUATE DEGREES

North Carolina has 53 colleges and universities. The publicly-funded University of North Carolina System draws students from all over the world to its 17 campuses. The state's three Tier 1 research universities: North Carolina State University, Duke University, and the University of North Carolina at Chapel Hill, are at the cutting edge of education and R&D. During the 2018-2019 academic year, North Carolina's public universities conferred over 3,835 advanced engineering degrees.

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, including advanced manufacturing and automotive tracks. More than 680,000 students enroll at one of NCCCS's 58 campuses each year. In 2019, North Carolina's community colleges conferred over 2,000 automotive mechanics and engineering technology degrees & certificates, ranking among the top five states in the nation for completions in these programs.

NCWORKS CUSTOMIZED TRAINING PROGRAMS

NCWorks is a free job screening, recruiting and training program for new and expanding businesses. North Carolina's Customized Training program offers comprehensive training via our state's community colleges as well as customized curricula tailored to address the specific needs of the automotive industry. In FY 2018-2019, the Customized Training program trained more than 38,000 employees from over 1,000 companies across the state, including GKN Driveline and GF Linamar.



Thomas Built Buses, America's largest school bus manufacturer, churns out 16,000 buses a year in High Point, North Carolina. Generations of North Carolina workers skilled in manufacturing have contributed to the company's success.

INDUSTRY RESOURCES TARGETED INDUSTRY SUPPORT

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

- **The North Carolina Advanced Manufacturing Alliance (NCAMA)** works with North Carolina community colleges to build innovative programs that provide workers with the skills and credentials they need to excel in North Carolina's advanced manufacturing economy.
- **The North Carolina Center for Automotive Research (NCCAR)** assists the automotive industry with product research, testing, and development. The organization's facilities include: a two-mile bidirectional road course, a two-acre vehicle dynamics area, and a seven-acre dirt facility.
- **The NC Motorsports and Automotive Research Center (NCMARC)** at the University of North Carolina-Charlotte specializes in vehicle dynamics, aerodynamics, instrumentation, safety, and metrology, and has developed more than \$2.25 million in external research related to these technologies.
- **The Advanced Transportation Energy Center (ATEC)** at North Carolina State University partners with electric vehicle (EV) and related component manufacturers to solve technology challenges associated with batteries, charging units, and vehicles.
- **Polymers Center of Excellence** works in the plastics industry to increase knowledge, provide technical support, and assist in the development of emerging technologies.

UNMATCHED BUSINESS ENVIRONMENT

#1
BEST STATE FOR BUSINESS
- Forbes (2019)

#2
TOP STATE BUSINESS CLIMATE
- Site Selection (2019)

#3
BEST STATE FOR BUSINESS
- CNBC (2019)

#3
COMPETITIVE LABOR ENVIRONMENT
- Area Development (2019)

LOW COST OF LIVING

The cost of living in many of North Carolina's metropolitan areas is well below the national average.



Source: C2ER State Cost of Living Index

LOW BUILDING COSTS

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

AAA BOND RATING

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

UNPARALLELED INNOVATION

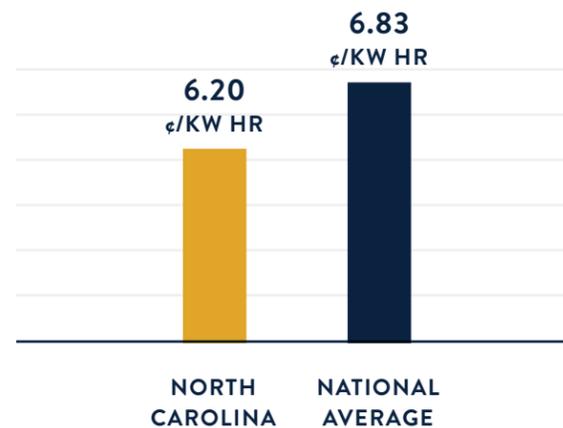
North Carolina businesses lead the nation in innovation with 70% patent growth over the past 10 years.

RIGHT TO WORK STATE

North Carolina is one of 27 right to work states.

LOW ELECTRICITY COSTS

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



Source: Energy Information Administration



WE FOUND NORTH CAROLINA TO HAVE THE PERFECT COMBINATION OF A HIGH-QUALITY WORKFORCE AND CLOSE PROXIMITY TO A MAJOR INTERNATIONAL AIRPORT.

TETSUYA KUZE,
VICE PRESIDENT OF YOKOHAMA CORPORATION OF NORTH AMERICA





Racing roots run deep in North Carolina. Home to the Charlotte Motor Speedway and NASCAR Hall of Fame, our state hosts the prestigious Coca-Cola 600 and NASCAR All-Star Race. UNC Charlotte has one of the best motorsports engineering programs in the nation, supplying a pipeline of skilled workers.

GO BIG. SPEND LESS.

2.5%
CORPORATE INCOME TAX

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

4.75%
STATE SALES & USE TAX

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

5.25%
PERSONAL INCOME TAX

The standard deduction is \$10,750 for single taxpayers and married couples filing separately, \$21,500 for married couples, and \$16,125 for heads of households.

NONE
STATE PROPERTY TAX

There is no state-level property tax. Real and personal property taxes vary by local government. In 2019, N.C. had the 6th lowest commercial and 10th 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 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 new jobs.

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. Awards are based on the number of jobs, level of investment, project location, economic impact, and importance of the project to the 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

NC offers a number of 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, NC Railroad Company's NCRRI 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 Biotech Center Economic Development Award
- Recycling Business Development Award Grants
- Golden LEAF Foundation Grants
- Building Demolition Programs



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**

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 and is significantly less congested than neighboring ports. With 40 crane moves per hour and an average of 32 minutes for a dual truck move, it's no wonder the Port of Wilmington ranks as the most productive port in North America.



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ECONOMIC
DEVELOPMENT
PARTNERSHIP of
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