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## **Rebounding from Recession, Pittsburgh Region Lands 272 Economic Development Projects with Job Impact of 20,187 and Capital Investment of \$1.5B**

### **Region Named Top Ten *Site Selection* Metro for Third Year in Row**

#### **Pittsburgh Regional Alliance Builds on Success by Targeting “Impact” Businesses**

**(PITTSBURGH – March 15, 2011)** – The Pittsburgh region – which consistently performed better than its benchmark cities and the national average during some of the worst economic conditions since the Great Depression – showed clear signs of an economic rebound during 2010 and received national recognition as a Top Ten region for business investment.

The evidence: the 272 regional economic development deals, or “wins,” of 2010 – spanning both announced investment and development projects totaling at least \$1.5 billion in capital investment. These wins reflect a 46% increase in activity over 2009 and a rebound approaching the 290 wins reported in 2008. This data is compiled annually by the [Pittsburgh Regional Alliance Partnership](#), a coalition of 50-plus private and public sector leaders and economic development professionals from 10 southwestern Pennsylvania counties, to provide a comprehensive snapshot of activity across the region in a year’s timeframe.

“An important indicator of economic rebound in the Pittsburgh region is the fact that companies are beginning to invest again in their local operations. In fact, existing regional business expansions accounted for the majority of 2010’s business investment wins,” said Dennis Yablonsky, CEO of the [Allegheny Conference on Community Development](#) and its affiliates, including the [Pittsburgh Regional Alliance](#). “Our region’s [five key industry sectors](#) are balanced and offer a stability that is gaining investors’ confidence. Companies with existing presences in the region have been reinvesting in their operations, even during tough economic conditions.

“Collaboration is a key to our region’s recession rebound, just as it was critical to our comeback from economic collapse 30 years ago. Public and private partners continue to work together across 10 counties to attract new investment into the region and supporting the growth of existing businesses,” said Yablonsky.

“The numbers compiled by the PRA Partnership speak to the fact that domestic and international companies realize the advantages of investing here. Our competitive wages, real estate and living costs are attracting companies across the region’s portfolio of sectors,” said J. Brett Harvey, PRA Partnership Chair and CEO, CONSOL Energy, Inc.

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## Page 2 – Pittsburgh Region’s 2010 Economic Development Wins

### **Cutting Across Industries, Energy Capitalizes on the Depth of the Region’s Natural Assets, Engineering and Manufacturing Expertise and Capacity to Innovate**

Cutting across a number of industries, [energy](#) – one of the region’s key economic drivers – accounted for a total of 77 wins, well above the 44 announced in 2009. These wins reinforce [the depth of the region’s assets in traditional and renewable energy resources, energy supply chain and energy conservation](#). During 2010, 32 companies in the natural resources industry – companies involved in the extraction of coal and natural gas, which includes the Marcellus Shale gas play – announced investments. This is an increase from 25 investments in 2009 and only 11 in 2008. Of the 32 natural resources-related investments announced in 2010, 88% involved the expansion of existing energy-related businesses in the region. In comparison, in 2009, 64% of the announced investments in natural resources involved attraction or relocation. The expansion of existing businesses in 2010, many of whom began operations in the region with a relatively small presence, underscores the burgeoning opportunities related to the Marcellus Shale and the confidence companies have to reinvest.

The importance of energy as a key industry sector for the region went far beyond natural resources and demonstrates energy’s impact on most of the region’s key economic sectors. There were 45 wins in other sectors related to energy. Twenty were in advanced manufacturing, reinforcing strength in the energy supply chain. Additionally, 13 were in the financial and business services sector, indicating a growing demand for a network of corporate support services (e.g., finance, legal) relative to the energy sector.

### **Manufacturing Has 50% Increase in Activity Compared to 2009; Other Sectors Also Show Sizeable Growth**

“For the fourth consecutive year, [advanced manufacturing](#) was a top-performing sector with 69 announced wins, a 50% increase over the 46 wins for this sector announced in 2009. The 2010 numbers in this sector point to a rebound to activity levels seen in 2008, when there were 67 announced wins,” said Jim Futrell, vice president of market research and analysis at the PRA. “These numbers speak to the reality that we still make things – many globally in-demand products – in the Pittsburgh region.”

Other leading sectors were [financial and business services](#) which had 50 wins – a 51% increase over 2009; [information and communications technology](#), 42 wins – a 68% increase over the amount in 2009; and [health care and life sciences](#), 31 wins – more than double the amount in 2009. “These sizeable increases are powerful indicators of growth. Companies don’t announce plans to expand if they’re concerned about the economy and their overall ability to grow and prosper,” said Futrell.

### **New Jobs in the Region Increase 64% Over 2009**

The announced 272 economic development projects are expected to create 11,442 new jobs in the Pittsburgh region – a 64% increase over the number of new jobs announced in 2009. These projects will also retain 8,745 jobs for a total employment impact of approximately 20,187 jobs.

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### Page 3 – Pittsburgh Region’s 2010 Economic Development Wins

#### **With Expansions of Existing Businesses Characterizing Majority of Investments, “Pittsburgh Impact” – a Business Growth Initiative is Launched**

Today the PRA launched “[Pittsburgh Impact](#),” a distinctive business growth initiative that’s serving as a model for the rest of Pennsylvania. It will target approximately 150 “Pittsburgh Impact Companies” in the 10-county Pittsburgh region. The companies have been selected based on the following criteria:

- Steady employment growth in at least two years between 2007 – 2009 (the worst of the recession),
- 100% net job retention between 2004 – 2009,
- Employs five or more individuals,
- Selected, for-profit company operating in key PRA Industry Codes.

“When existing businesses expand, they are creating 60 – 80% of new jobs, which has powerful economic impact,” said PRA President Dewitt Peart. “Among these expanding businesses is a special subset of companies – less than one-third of 1% – that’s creating 74% of jobs throughout Pennsylvania. Within the Pittsburgh region, the growth of this special subset of existing businesses, particularly during the worst of the ‘Great Recession,’ suggests that these companies have the greatest potential for sustainable employment going forward. Tailored support services from the PRA and increased visibility for these companies, within the region, will foster their continued growth, which is a real advantage for our overall economy.”

#### **Pittsburgh is a *Site Selection* Top 10 Metro Three Years and Running**

Reinforcing the region’s resilience, as defined by the PRA Partnership’s wins data, is [Site Selection](#) magazine’s awarding of a 2010 **Top 10 Metros** designation to Pittsburgh for the third consecutive year. Atlanta-based *Site Selection* is the oldest publication in the corporate real estate and economic development field, and its annual analyses are regarded by corporate real estate analysts as “the industry scoreboard.” The publication released its 2010 list of **Top 10 Metros** on March 1, 2011.

The basis for the Top Metros designation is *Site Selection*’s new plant database, which focuses on new corporate location projects with significant impact. New facilities and expansions included in the analyses must meet at least one of three criteria:

- Involve a capital investment of at least \$1 million,
- Create at least 50 new jobs, or
- Add at least 20,000 SF of new floor area.

Retail and government projects, schools and hospitals are not tracked.

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**Page 4 – Pittsburgh Region’s 2010 Economic Development Wins**

<sup>+</sup>*Spreadsheets listing all reported 2010 [development](#) and [investment](#) wins are available here.*

*High-res graphics illustrating the 2010 wins data are also available by clicking below. If you require an EPS file, please contact Phil Cynar at 412-281-4783, ext. 4573.*

[Expansions/Attractions/Relocations Comparisons, PDF \(color\)](#); [Expansions/Attractions/Relocations Comparisons, PDF \(B/W\)](#)

[Key Industries’ Performance \(Comparison\), PDF \(color\)](#); [Key Industries’ Performance \(Comparison\), PDF \(B/W\)](#)

[Jobs, Created/Retained \(Comparison\), PDF \(color\)](#); [Jobs, Created/Retained \(Comparison\), PDF \(B/W\)](#)

[Investment/Development Wins \(Comparison\), PDF \(color\)](#); [Investment/Development Wins \(Comparison\), PDF \(B/W\)](#)

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The **Pittsburgh Regional Alliance**, an affiliate of the Allegheny Conference on Community Development, markets the benefits of conducting business in southwestern Pennsylvania to companies all over the world that are growing, relocating or expanding. For more information, visit [www.pittsburghregion.org](http://www.pittsburghregion.org).

The **Allegheny Conference on Community Development and Affiliates** – the Greater Pittsburgh Chamber of Commerce, the Pennsylvania Economy League of Southwestern Pennsylvania and the Pittsburgh Regional Alliance – work in collaboration with public and private sector partners to stimulate economic growth and improve the quality of life in southwestern Pennsylvania. For more information, visit [www.alleghenyconference.org](http://www.alleghenyconference.org).