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## **Despite the Economic Downturn, the Pittsburgh Region Boasted \$4+ Billion in Capital Investments in 2008; Corporate Expansion, Relocation and Development Projects Kept Pace with “Golden Year” 2007**

*Pittsburgh Is Also Honored as One of Nation’s Top Ten Metros by Site Selection*

**(PITTSBURGH – March 18, 2009)** - While the hard-hitting economic crisis began taking a toll on cities and regions across the country, positive momentum continued in the Pittsburgh region. During 2008, capital investments in excess of \$4.2 billion were announced in the region, according to data<sup>+</sup> released today by the Pittsburgh Regional Alliance (PRA) Partnership—a coalition of 50-plus private and public sector leaders and economic development professionals from 10 southwestern Pennsylvania counties. These investments are related to a number of the 290 regional economic development deals or “wins” of 2008, also compiled by the PRA Partnership.

“The total of corporate investment and development projects across the 10-county region announced last year—290—was nearly neck in neck with the total of 308 in 2007, which was a ‘golden year’ for regional business development ... one of the strongest for the region,” said Michael Langley, CEO of the Allegheny Conference on Community Development and of the PRA.

“The 2008 numbers quantify an impressive level of activity in southwestern Pennsylvania, particularly in a year of severe economic challenges nationwide and underscore Pittsburgh’s resilience.”

## **High-level Capital Investments are Transforming the Region for a New Era of Clean and Green Manufacturing Progress**

US Steel and Allegheny Technologies both renewed commitments to the region in 2008 by announcing plans to invest more than \$1 billion each in their local manufacturing operations transforming them – through environmentally sensitive upgrades and other enhancements – for a new era of progress in a region regarded for its traditional manufacturing heritage. Additionally, six other metals companies announced planned upgrades and expansions resulting in additional capital investment of at least \$93 million. These high-level capital investments indicate that the metals industry is alive and well in southwestern Pennsylvania.

## **Progress for (and by) the People: Jobs, Partnerships, Prosperity**

The 2008 economic development wins are expected to create, over time, 13,208 new jobs in the Pittsburgh region and will retain 17,047 jobs for a total employment impact of more than 30,000 jobs. Employment impact increased by 7,000 jobs compared to 2007’s report, with its total of 23,000 jobs.

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## Page 2 – Pittsburgh Region’s 2008 Economic Development Wins

“Our region’s impressive total of wins is the direct result of collaboration among the PRA’s economic development partners in every one of the region’s 10 counties. These organizations – along with developers, government nonprofits and investors – are to be commended for providing the support that can make wins happen,” said PRA President Dewitt Peart. “By working together in support of companies considering location or expansion we send a strong message about the region as a great place to do business. We’ve seen the results in terms of investment and job creation and retention in recent years.

### **Growth in Key Regional Industry Sectors and in Emerging Energy Sector**

According to the PRA, which markets the benefits of conducting business in southwestern Pennsylvania to companies all over the world that are growing, relocating or expanding, the 2008 wins underpin growth in the region’s key sectors—information and communications technology, life sciences, advanced manufacturing .

“Approximately 60 percent of the corporate investment wins were in our region’s key industry sectors. The largest number, 67, was in manufacturing, which reinforces that sector’s vitality,” said Jim Futrell, vice president of market research and analysis at the PRA. Information and communications technology had 49 wins and life sciences had 36—double the number from 2007. “These numbers are powerful indicators of growth. Companies don’t announce intents to expand if they have concerns about their overall ability to grow and prosper in a region.”

Outside of the region’s key industry sectors, business/professional services performed well with 40 wins reported.

Another significant trend during 2008 was the continued emergence of southwestern Pennsylvania as an energy industry hub. Westinghouse Electric, one of Pittsburgh’s historical industrial giants, continues erecting a new 800,000-plus SF headquarters, which will make the Pittsburgh region the epicenter of the global commercial nuclear power industry. Beyond nuclear power, nine companies—primarily natural gas exploration and services—established operations in the region last year. Companies manufacturing for and supplying to the energy industry, including alternative energy, were among the wins in this emerging sector. They include Converteam, Elliott Co., Holtec Manufacturing and Plextronics.

### **Pittsburgh is Awarded Top Metro Designation**

Reinforcing the region’s resilience, as defined by the PRA Partnership’s wins data, is [Site Selection](#) magazine’s awarding of a 2008 **Top Ten Metros** designation to Pittsburgh. 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 2008 list of **Top Ten Metros** on March 9, 2009.

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### Page 3 – Pittsburgh Region’s 2008 Economic Development Wins

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:

1. Involve a capital investment of at least US \$1 million,
2. create at least 50 new jobs or
3. add at least 20,000 SF of new floor area.

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

With 79 new corporate location projects, Pittsburgh ranked as No.7. Pittsburgh’s metro area includes seven southwestern Pennsylvania counties\* anchored by the city of Pittsburgh. Other Top Ten areas include Houston-Baytown-Sugar Land, Texas; Dallas-Fort Worth-Arlington, Texas; Chicago-Naperville-Joliet, Ill; Charlotte-Gastonia-Concord N.C./S.C.; and Washington-Arlington-Alexandria, D.C./Va.

“Metro areas had to double their efforts in 2008 to attract capital investment,” said Mark Arend, editor in chief of *Site Selection* magazine. “Pittsburgh’s placing in the Top 10 U.S. metros in our annual tally of corporate expansion activity means that the strategies of the economic development partners in Pittsburgh are highly effective, even in an increasingly challenging economic landscape.”

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

*Pie charts and bar graphs illustrating the wins data are also available by clicking below:*

[Industry sectors, PDF](#); [Industry sectors, EPS](#); [Investment sectors, PDF](#); [Investment sectors, EPS](#)

*\*As identified by the United States Census Bureau, the Pittsburgh metro area counties include Allegheny, Armstrong, Beaver, Butler, Fayette, Washington and Westmoreland.*

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#### **- Media Interview Availability -**

If you would like to conduct a phone interview with one of the PRA’s business development experts, please contact Phil Cynar at 412-281-4783, ext. 4573, or at [pcynar@alleghenyconference.org](mailto:pcynar@alleghenyconference.org).

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).