

2023

FIVE-YEAR PLAN

Scaling Arizona's Global Competitiveness

2027



ARIZONA
COMMERCE AUTHORITY

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A nighttime photograph of a city skyline, likely Phoenix, Arizona. The city is illuminated with warm yellow and orange lights, contrasting with the deep blue twilight sky. In the background, a range of mountains is visible under the darkening sky. The foreground shows a dense residential area with many small lights from houses and streetlights.

Arizona is Winning in the Game of Growth

In today's connected world, economic development is not constrained by geographic boundaries or national borders. Competition for growth is fierce and takes place on the global stage. Arizona's steadfast commitment to creating the best environment to live, work and do business has kept our state at the leading edge.

The Arizona Commerce Authority (ACA) has worked with leaders statewide across industry, academia and government to ensure Arizona's talent, policies and infrastructure readily meet the demands of rapidly growing businesses. Here, decision makers find much more than just a location—they can count on reliable partnerships and mutually beneficial relationships with the communities in which they invest.

This consistent approach has driven Arizona's strong economic momentum and resiliency. Under the exemplary leadership of our board of directors, over the past decade, the ACA has worked with more than 1,060 companies to create over 234,000 projected new jobs and secure a remarkable \$70 billion in capital investment in Arizona.

We've attracted new companies and opportunities to our state while helping Arizona businesses grow with a team specifically dedicated to entrepreneurship and small business. Through the ACA's comprehensive suite of programs to support startup ventures, we've built a portfolio of over 115 early-stage tech companies that have generated more than \$100 million in revenue and attracted more than \$870 million in investment.

A focus on economic diversification and emerging technologies has led to historic results and earned Arizona a reputation as a global hub for innovation. Our state is winning the competition for jobs and investment—a product of our welcoming environment for new people, ideas and business models—and we're setting our sights even higher.

Over the next five years, the ACA will strategically leverage new tactics and initiatives to increase our impact in helping attract, expand and create business opportunities in our state. We've titled our five-year plan "Scaling Arizona's Global Competitiveness" because our state is competing on the global stage for the most advanced, high-tech opportunities—and we intend to take these efforts even further.

Arizona has always been a place of possibility, where opportunity and determination combine to put any dream within reach. Creativity and tenacity are ingrained in our culture. Consistent with these characteristics, the ACA's action plan lays out a new set of ambitious goals and proactive strategies to achieve our mission. The most important work always lies ahead, and over the next five years, we will ensure Arizona continues to grow, compete and win on the biggest stage.



Sincerely,

A handwritten signature in black ink that reads "S. Watson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Sandra Watson
President & CEO
Arizona Commerce Authority

An aerial photograph of a city skyline at sunset. The sky is a warm, orange-pink color. In the foreground, there are several tall skyscrapers of various colors (blue, orange, white). Below the skyscrapers, there are many smaller buildings and houses. In the background, there are several layers of mountains, with the closest ones being reddish-brown and the further ones being hazy. The overall scene is a panoramic view of a city and its surrounding landscape.

Aggressive Goals for the Next Five Years

The ACA remains focused on our streamlined mission to grow Arizona's economy by facilitating the creation of high-quality jobs and supporting entrepreneurship. Recognizing the critical importance of broadband in the digital economy, we've added a new measure for enhancing connectivity.

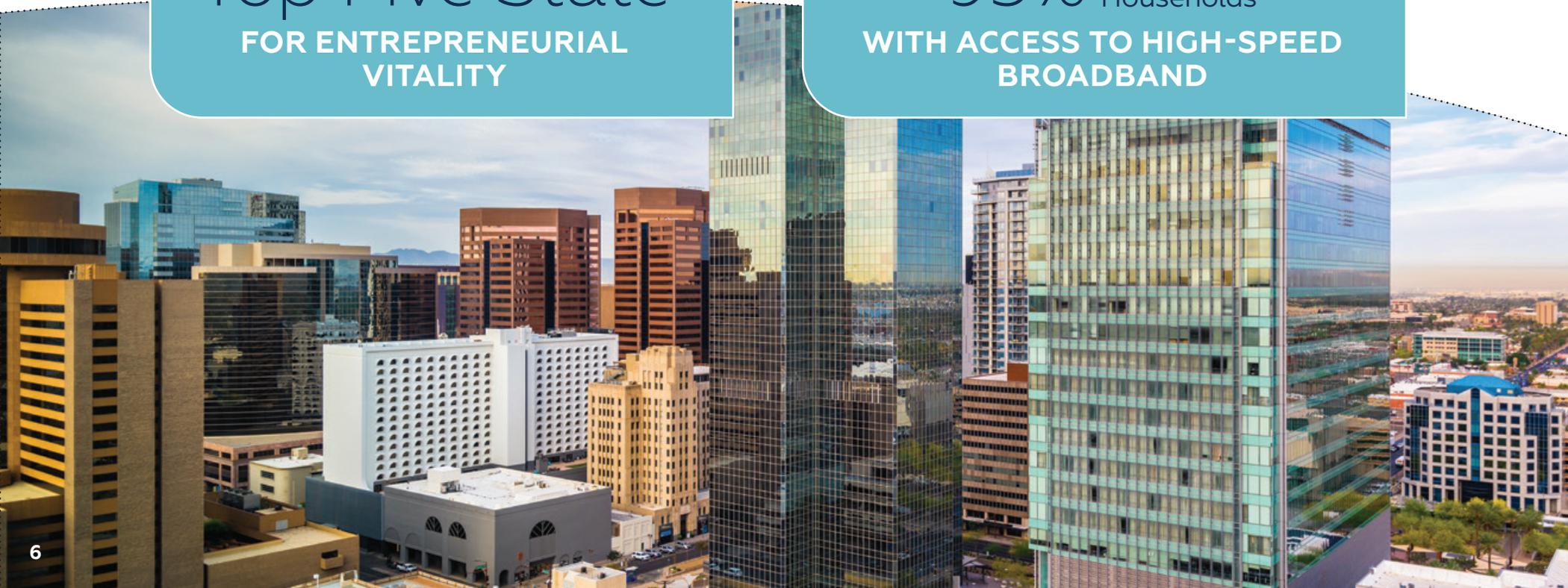
100,000
JOBS

150%
OF 2022 STATE
MEDIAN WAGE

\$20 billion
CAPITAL
INVESTMENT

Top Five State
FOR ENTREPRENEURIAL
VITALITY

95% of Arizona
Households
WITH ACCESS TO HIGH-SPEED
BROADBAND



Advantages That Set Our State Apart



In a world connected by technology, place still matters—perhaps more than ever. Families and workers have more freedom to choose where they live and work. That’s why industry leaders need state partners that provide stable operating environments to support success. Arizona provides that and more, with an unparalleled value proposition for both businesses and their employees. We also have the data to prove it. Readers can find the latest information on Arizona’s advantages at azcommerce.com.

WORLD CLASS TALENT

Talent is the top driver of business success, and companies worldwide are competing for the best and brightest. Arizona is consistently ranked among the top states for job growth, population growth and talent attraction and retention. Our state is also home to premier educational institutions—including K12, career and technical education schools, community colleges and universities—ensuring a steady pipeline of graduates with in-demand skills. Arizona’s three public research universities, Arizona State University, the University of Arizona and Northern Arizona University, are internationally recognized and produce top-tier graduates to meet the needs of employers in high-growth industries.



#1 STATE FOR JOB GROWTH:
ARIZONA
U.S. News & World Report, 2021

#1 COUNTY IN THE U.S. FOR JOB GROWTH:
MARICOPA COUNTY
U.S. Bureau of Labor Statistics, 2020

#1 COUNTY FOR ATTRACTING & RETAINING TALENT:
MARICOPA COUNTY
Emsi Talent Attraction Scorecard, 2021

UNMATCHED QUALITY OF LIFE

Arizona's desirable, well-planned communities, affordability and unbeatable climate make it easy to attract and retain highly skilled talent. The state is home to one of the seven wonders of the world, the Grand Canyon, and its natural beauty is internationally recognized. Arizona also offers the benefits of major metropolitan areas. Whether it's outdoor adventures, sports, arts and culture or a vibrant culinary scene, Arizona has something for everyone.



Top 3

LARGEST POPULATION GAIN

U.S. Census Bureau, 2021

.....

300+

SUNNY DAYS PER YEAR

.....

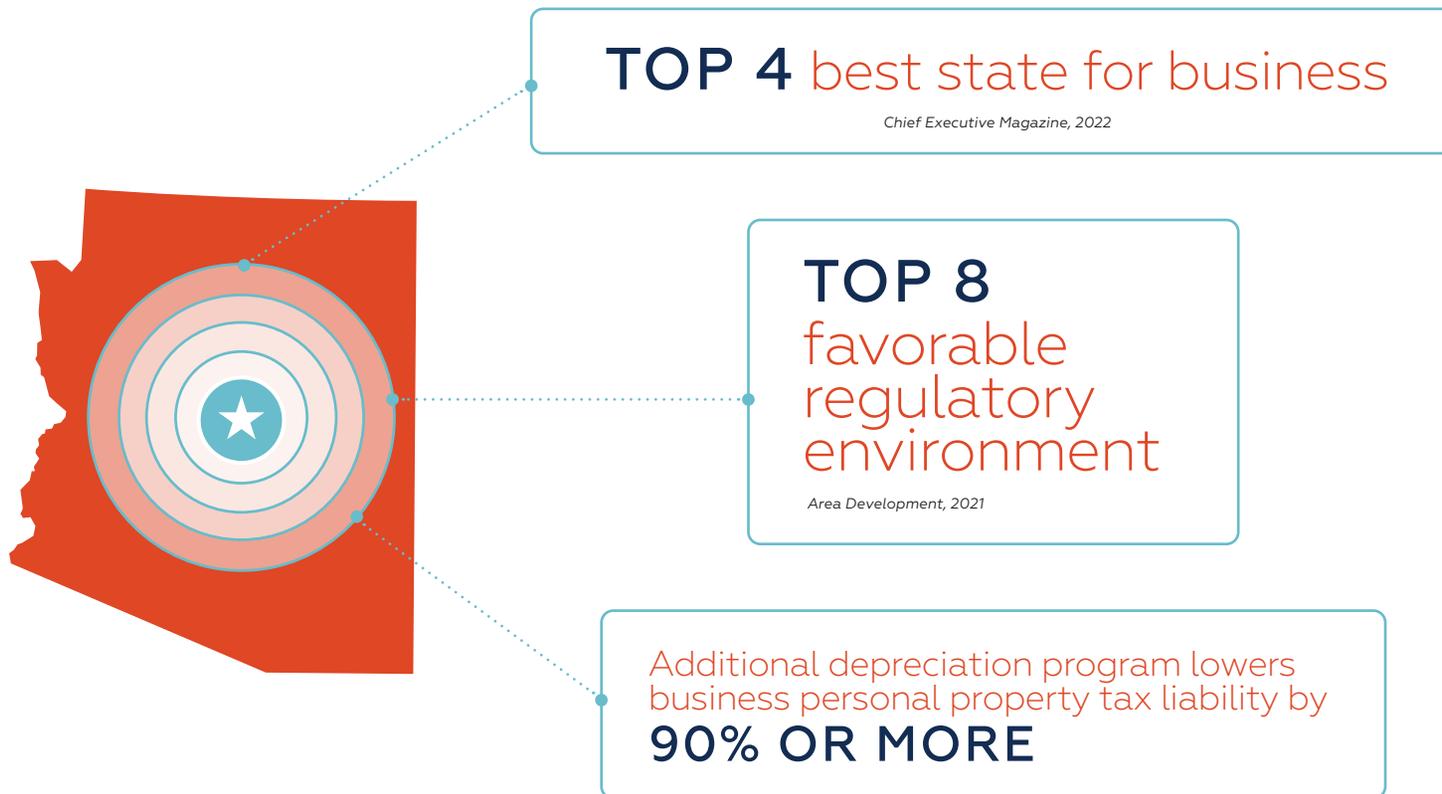
7

PROFESSIONAL SPORTS TEAMS



PRO-BUSINESS ENVIRONMENT

In Arizona, we view government as a strategic partner to industry, supporting and encouraging innovation, not standing in its way. Our state leaders are committed to maintaining streamlined regulations, cutting red tape, repealing overly burdensome regulations and lowering taxes. Arizona has no franchise, estate, gross receipts, business inventory or worldwide unitary tax and is a right-to-work state, contributing to a stable, affordable operating environment. Without needless barriers, companies have license to grow, contributing to a healthy economy, modern services and vibrant, thriving communities.



STRATEGIC GEOGRAPHIC LOCATION

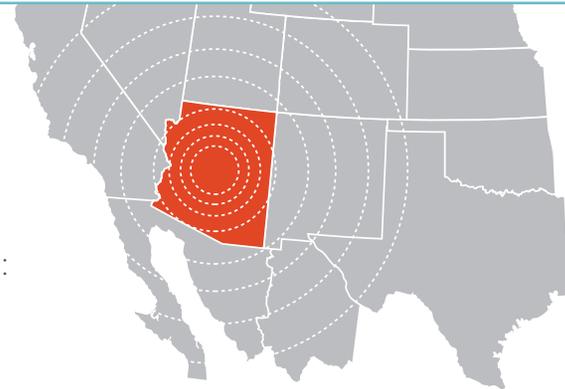
Arizona is strategically located in the southwest region of the United States, proximate to several of the world's largest economies—facilitating easy movement of goods and people for enhanced speed of doing business. The state's position adjacent to California offers the benefit of being able to access the market without having to operate in its high cost, high tax environment. Arizona's lack of natural and weather-related disasters—such as earthquakes, hurricanes, blizzards and tornadoes—makes Arizona an ideal location for companies that require market, power and employee access to be available consistently throughout the year.

ACCESS TO

86+ million consumers
in a **ONE-DAY** trucking radius

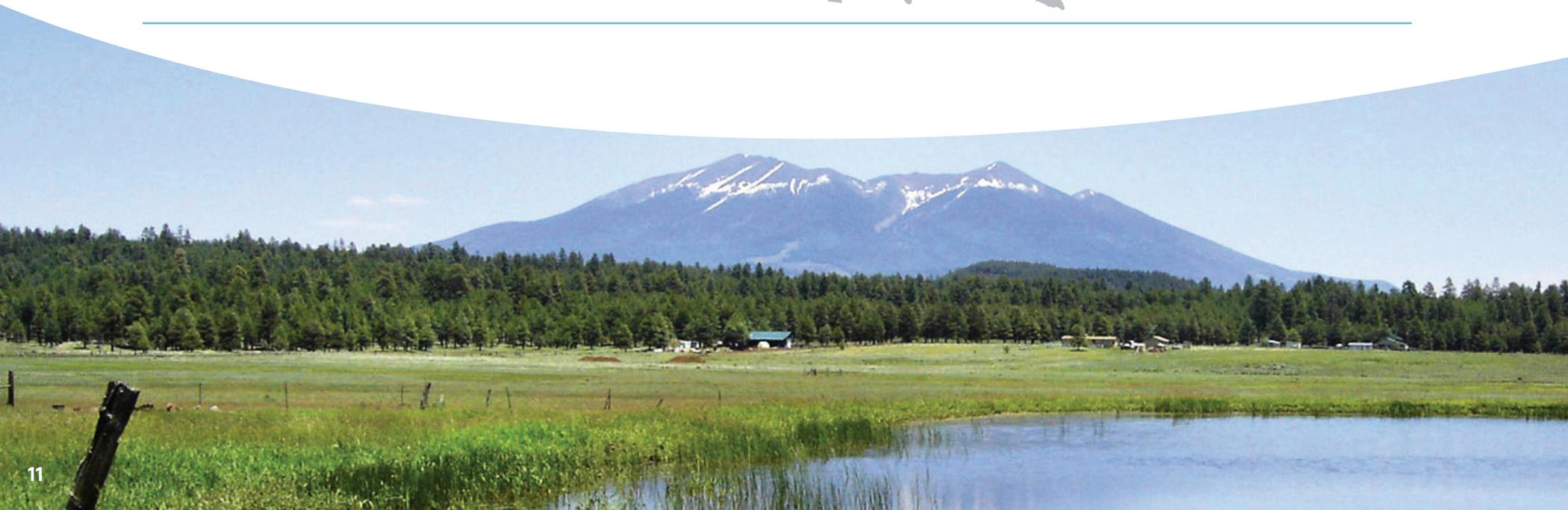
Adjacent to 2 of world's largest economies:

CALIFORNIA (#5) | MEXICO (#15)



6 ports of entry
with Mexico

4 international
airports



MODERN INFRASTRUCTURE

Arizona is a responsible steward of state assets and has made smart investments to enhance both business- and resident-friendly infrastructure. With some of the nation's most efficient airports, modern roadways carefully designed using a grid system, significant broadband investments and decades of smart water policy, businesses can count on maintaining continuity of operations. Arizona is a traditionally regulated utility market, with providers required by the Federal Energy Regulatory Commission and the Arizona Corporation Commission to have plans in place to guard against any interruptions in service to power, water, gas and infrastructure.

#1 STATE FOR POWER
GRID RELIABILITY
*U.S. Energy Information
Administration, 2020*

.....

#1 BEST BIG U.S. AIRPORT:
PHOENIX SKY HARBOR
Wall Street Journal

.....

3 TRILLION GALLONS
OF WATER STORED
FOR FUTURE USE
*Arizona Department of
Water Resources*



THRIVING INNOVATION ECOSYSTEM

Arizona has established a reputation as the premier location to test, launch and scale new ideas and new business models. Under Governor Doug Ducey's leadership, Arizona implemented first-in-the-nation, forward-thinking policies to support emerging technologies, sending a signal to businesses that corporate innovation is welcome in our state. Entrepreneurship and small businesses also play a critical role in the vibrancy and health of any business community—and in Arizona, we recognize that today's startups are tomorrow's global industry leaders. By creating an innovation-driven economy that embraces emerging technology, Arizona will play a leading role in changing the world for the better.

\$1.9 billion

IN ARIZONA VC FUNDING

*Pitchbook-NVCA Venture Monitor Report,
2021*

#1

FASTEST GROWING
U.S. STARTUP CITY

Scottsdale | *York IE, 2022*

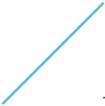
#1

MOST INNOVATIVE UNIVERSITY
IN THE U.S.

ASU | *U.S. News & World Report 2015-2022*



Focusing on High Value Industries



The ACA's consistent focus on developing six target industries in Arizona has resulted in a diverse, resilient economy statewide. These industries and sectors create high-value jobs, invest in capital-intensive projects, generate exports and have strong supply chains that create industry clusters resulting in additional indirect jobs.

ECONOMIC IMPACT OF TARGET INDUSTRIES

A 2022 report by the Seidman Research Institute at Arizona State University's W. P. Carey School of Business shows the significant economic impact of these targeted industries in our state:

- ▶ **Over 67.1%** of Arizona's annual Gross State Product - **\$268.3 billion**
- ▶ **Over 73.7%** of Arizona's total annual employment - **2.39 million**
- ▶ Approximately **70%** of Arizona's total annual labor income - **\$178.1 billion**
- ▶ Employees directly contributed **\$7.3 billion** in state and local government taxes. That's more than **62.3%** of individual income and sales taxes paid by all private sector workers in FY2021.
- ▶ For every **100** direct jobs created, at least **114.6** additional indirect or induced jobs are generated.





AEROSPACE & DEFENSE

AIRCRAFT

SPACECRAFT

MAINTENANCE, REPAIR & OVERHAUL



BIOSCIENCE & HEALTH CARE

MEDICAL DEVICES

THERAPEUTICS

PHARMACEUTICALS



BUSINESS & FINANCIAL SERVICES

BANKING

INSURANCE

CENTERS OF EXCELLENCE



FILM & DIGITAL MEDIA

FILM & VIDEO PRODUCTION

COMMERCIAL PHOTOGRAPHY

CONTENT STUDIOS



MANUFACTURING

AUTOMOTIVE

BATTERY

CONSUMER PRODUCTS



TECHNOLOGY & INNOVATION

SEMICONDUCTOR

SOFTWARE

DATACENTER



Innovation Comes Standard Here



In Arizona, we think about the future 24/7. Rapid advancements in technology are constantly reshaping established industries. The ACA's early and consistent focus on economic diversification placed our state on a firm foundation to look ahead and leverage this transformation as a strategy for growth.

Arizona has a rich, decades-long history as a leader across all aspects of the semiconductor value chain, with a location quotient among the highest in the nation and a top five ranking for highest concentration of semiconductor employment. As the industry continues to evolve toward increasingly advanced processes and devices, we've stepped up on a national scale to coordinate efforts to enhance U.S. competitiveness, creating the National Semiconductor Economic Roadmap (NSER) initiative.

Our state has also made rapid gains in an industry powered by semiconductors: automotive. In 2018, after making Arizona the first state in the nation to support the responsible testing of self-driving cars, Governor Doug Ducey created the Institute of Automated Mobility (IAM), which is housed within the ACA. The IAM has pioneered a national playbook for safety standards to test and deploy these vehicles. The AZSkyTech program was also established in 2018 to support testing of unmanned aircraft systems.

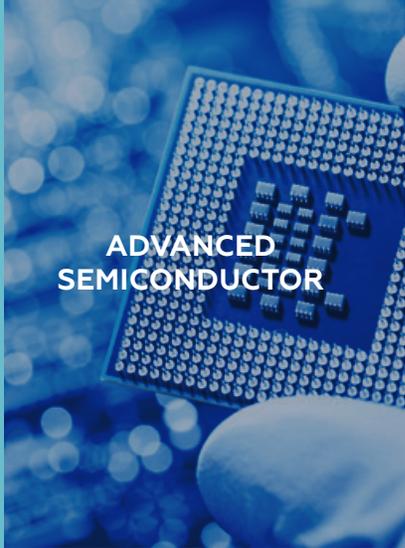
In addition to automated vehicles, our pro-innovation mindset has attracted electric vehicle manufacturers, including Lucid Motors and Nikola. Battery manufacturing and recycling operations have grown quickly in Arizona as a result, building upon our expertise in clean energy production and sustainability. This track record positions our state to continue to lead the nation in the development of next-generation mobility solutions.

Arizona was also the first state in the nation to create sandbox testing programs for new, innovative fintech and proptech solutions and an early adopter of legislation to enable the use of blockchain technology in both the private and public sectors. As distributed ledger technologies, digital assets, cryptocurrencies and decentralized autonomous organizations—collectively known as Web3—shape the future of the internet, Arizona is prepared to identify new opportunities.

As companies, organizations and governments increasingly rely on digital systems, cybersecurity is more important than ever. Cybersecurity operations in Arizona include AZLabs, a one-of-a-kind former military base that maintains U.S. Department of Defense protocols for training, the Arizona Cyberwarfare Range, the Arizona Cyber Threat Response Alliance and more than 50 private sector companies. Further setting our state apart is a new, \$26 million National Science Foundation Engineering Research Center at the University of Arizona, known as the Center for Quantum Networks, laying the foundation for quantum internet. This technology will not only transform the computer processing, but also drive transformation and adaptation in cybersecurity.

More recently, the ACA has formed two alliances to significantly enhance its focus on the industries of the future. Science Foundation Arizona (SFAz) has come under the ACA umbrella to pursue applied research in emerging technology areas in partnership with industry and academia. Likewise, the newly created Arizona Venture Development Corporation, also operating with oversight from the ACA, will fund promising early-stage technology ventures, further increasing access to capital for Arizona startups and drawing new investors to our state. This alignment and collaboration will play a pivotal role in advancing and leveraging cutting-edge technologies.

Over the next five years, the ACA will focus on 15 carefully chosen emerging technology areas in which Arizona has existing strengths, assets and expertise—particularly in our three public universities: Arizona State University, the University of Arizona and Northern Arizona University, as well as Embry Riddle Aeronautical University and Grand Canyon University. This work is a continuation of the ACA’s BIG ideas strategy—designed to scale Arizona’s ability to make positive economic and social impacts worldwide by advancing our reputation as the best place for Business, Innovation and Growth.

A close-up of a blue printed circuit board (PCB) with numerous silver components and connectors, set against a blurred background of light bokeh.

**ADVANCED
SEMICONDUCTOR**

A large metal irrigation structure in a green field under a clear sky.

**WATERTECH
& AGTECH**

A digital financial chart with red and blue bars and a white line graph, overlaid on a dark blue background.

FINTECH

A circular digital lock icon with a blue padlock, surrounded by a grid of light points and data lines.

CYBERSECURITY

A person wearing a VR headset, reaching out to interact with a virtual interface of glowing blue and white data points.

**AI & MACHINE
LEARNING**

A blurred image of a highway with multiple lanes, suggesting high-speed travel.

**NEXT-GEN
MOBILITY**

A view of Earth from space, showing the planet's curvature and the dark void of space.

SPACETECH

A perspective view of a modern building's facade with a grid of windows and architectural lines.

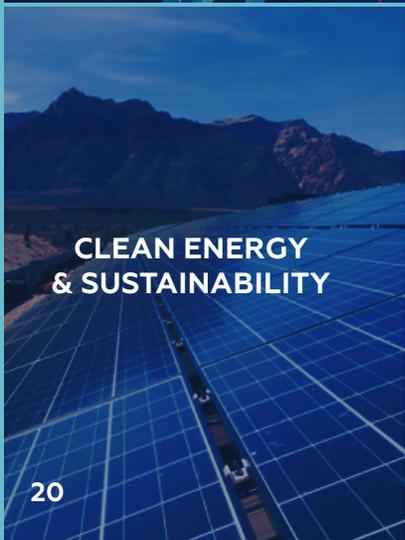
PROPTech

A close-up of a 3D printer nozzle extruding a material, with a red laser line highlighting the point of contact.

**ADDITIVE
MANUFACTURING**

A molecular structure diagram with blue and yellow spheres connected by lines, set against a dark background with light bokeh.

**ADVANCED
MATERIALS**

A wide-angle view of a large solar farm with rows of solar panels stretching towards mountains under a clear sky.

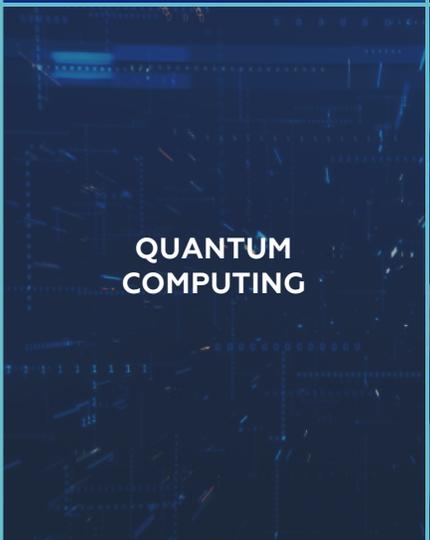
**CLEAN ENERGY
& SUSTAINABILITY**

A close-up of several glass test tubes in a rack, with a blue light reflecting off their surfaces.

BIOTECH

A warehouse aisle with a network of white lines and nodes overlaid on the scene, representing IoT connectivity.

**INTERNET
OF THINGS**

A server room with rows of server racks, overlaid with a complex digital network of lines and nodes.

**QUANTUM
COMPUTING**

A hand holding a tablet displaying a digital interface with charts, graphs, and data points, representing Web3 technology.

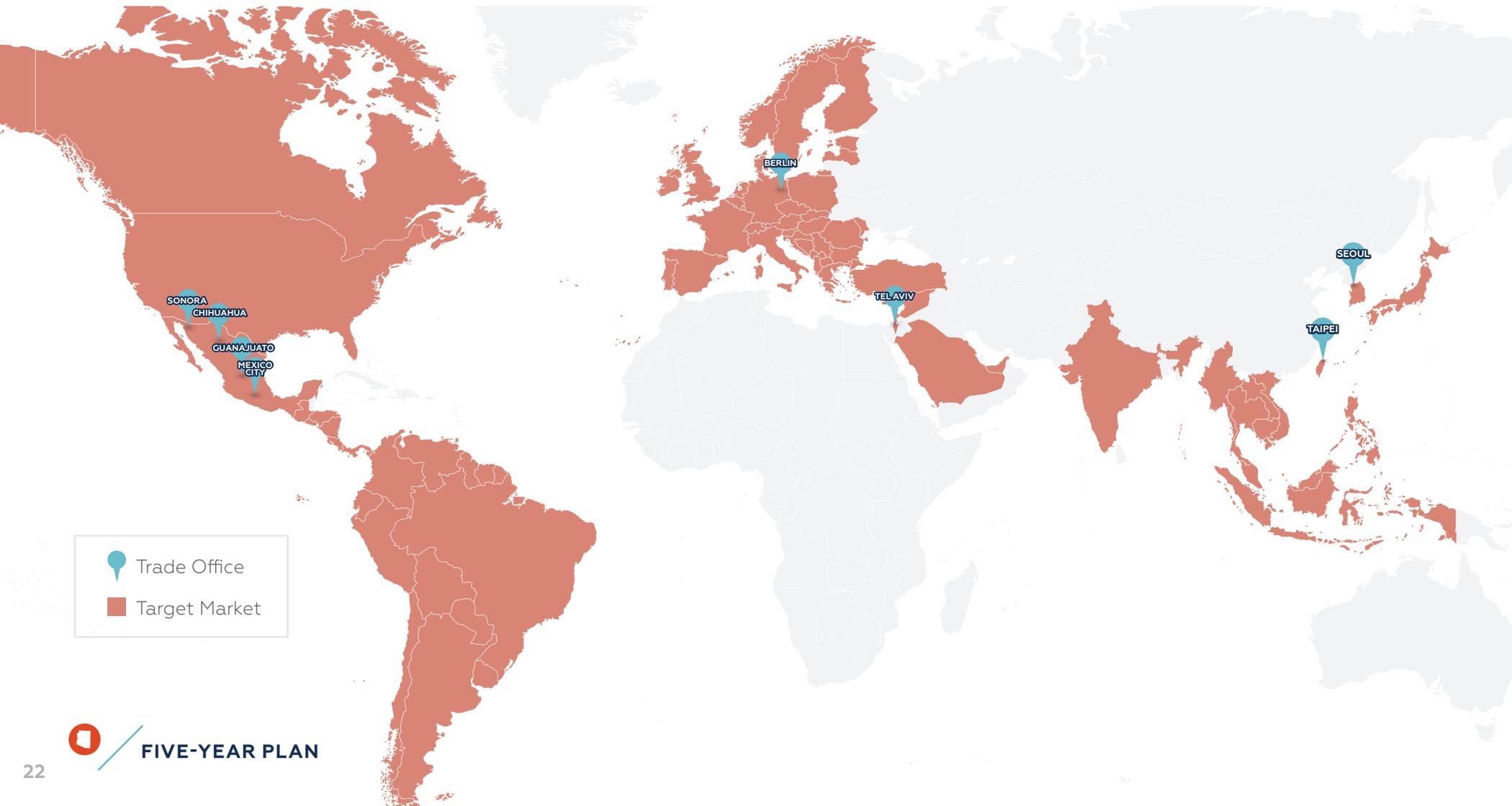
WEB3

A panoramic view of a city, likely Phoenix, Arizona, with mountains in the background and a saguaro cactus in the foreground. The city is filled with various buildings, including several tall skyscrapers. The foreground shows a rocky, desert landscape with sparse vegetation, including a large saguaro cactus on the right side. The sky is clear and blue.

Competing Globally for New Opportunities

Achieving the significant goals outlined in this plan will require the ACA to scale our reach and impact worldwide. While our business development and trade efforts are never limited to specific markets, those highlighted below demonstrate areas of strategic focus, including those where trade and investment offices are maintained.

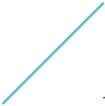
UNITED STATES | CANADA | SOUTH AMERICA | ASIA | MIDDLE EAST | EUROPE



Trade Office
Target Market

An aerial photograph of a city at dusk. The city is densely packed with buildings, many of which are illuminated with warm lights. In the background, a range of mountains is visible under a dark blue sky. The overall scene is a vibrant mix of urban development and natural landscape.

A Unique Economic Development Approach



The ACA is a public-private partnership that serves as the state’s leading economic development organization, working to ensure Arizona is the best place in the world for business and innovation.

The ACA aims to foster a diversified, resilient economy through the advancement of technology- and export-based industries. This mission is statewide and comprehensive, focusing on all aspects of economic development: attracting out-of-state companies to establish new operations in Arizona; working with existing companies to expand their businesses in Arizona; and partnering with entrepreneurs to create new businesses and commercialize new technologies in Arizona.

Ten intentionally designed strategies help the ACA exceed our aggressive goals year after year. These strategies drive the creation and execution of programs and initiatives, which are delivered by our team of professionals. See page 28 for additional information.

Our culture serves as the foundation for everything we do. To continually succeed, the ACA must perform at the speed of the businesses we serve. Eight core values—transparency, accountability, ROI, leadership, engagement, long-term vision, short-term action and collaboration—guide our approach.

This framework enables the ACA to achieve our important mission effectively and efficiently, resulting in a vibrant, healthy and growing Arizona.

VISION

Arizona is the premier global destination for business and innovation, with an economy that delivers opportunity for all Arizonans.

MISSION

To continually grow and strengthen Arizona's economy by helping businesses in targeted, high-growth industries create quality jobs statewide for Arizona citizens.



STRATEGIES

Monitor & Advance Competitiveness
Communicate Arizona's Attractiveness
Grow Arizona's Skilled Workforce
Lead Arizona Economic Development Efforts
Drive Economic Growth Statewide

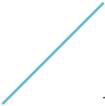
Increase Arizona's Cutting-Edge Tech Leadership
Establish Arizona as U.S. Manufacturing Capital
Scale Arizona's Entrepreneurial Ecosystem
Encourage Strategic Infrastructure in Arizona
Leverage International Business Relationships

CULTURE

Transparency | Accountability | ROI | Leadership | Engagement | Long-Term Vision
Short-Term Action | Collaboration



A New Model for Economic Development



To meet the needs of dynamic businesses in a global economy, the ACA is ever evolving, continually adapting and optimizing the way we work to achieve the best results for Arizona. To scale our reach and impact while remaining nimble and responsive, the ACA has extended our public-private model to strategic partnerships and forward-thinking initiatives that fit within our three-pronged mission.

We continue to leverage the guidance of business leaders in targeted areas such as the Rural Business Development Advisory Council, the Arizona Manufacturing Extension Partnership and the National Semiconductor Economic Roadmap. Working with K-12 students, educators and corporate executives, we are building Arizona's STEM workforce through the SciTech Institute. The Arizona Venture Development Corporation and Arizona Finance Authority are creating access to capital for businesses of all sizes. As R&D and production become ever more seamless, Science Foundation Arizona and the Institute of Automated Mobility bring together industry and academia to conduct cutting-edge research and testing. To ensure the ACA's strategies are data-driven, the Arizona Office of Economic Opportunity provides an ongoing analysis of our state's competitiveness.

While they operate under the umbrella of the ACA, each initiative is governed by its own board of directors or steering committee, providing new connection points to a broad network of subject matter experts and engaging the private sector in a unified, intentional manner. As Arizona competes to maintain its global leadership position, the ACA will seek new, innovative approaches—outside of traditional state government models—to achieve our important mission.





A person in a cleanroom wearing a white protective suit and mask, holding a large, circular, multi-colored wafer. The background shows a computer monitor with data charts.

Comprehensive Strategies for Success



MONITOR AND ADVANCE ARIZONA'S GLOBAL COMPETITIVENESS

Private sector businesses have quite literally a world of options to consider when evaluating location and expansion decisions. The ACA is responsible for monitoring Arizona's business climate and identifying opportunities to enhance strengths.

ANALYZE | The ACA's Office of Economic Opportunity, in partnership with our Economic Development Research and Arizona Competitiveness teams, is continuously gathering and analyzing data on the depth and breadth of Arizona's business community. This includes the state's economic strengths, existing policy, quality of life and our ability to attract and maintain both business investment and a skilled workforce.

ENGAGE | Relationships matter, and every service the ACA provides is highly customized to each individual project. Through this process, our client-facing teams across Attraction, Expansion and Creation are able to gather feedback and develop a thorough understanding of what elements business leaders prioritize most.

TARGET | Based on this continual data analysis and direct feedback, we identify and pursue the most powerful areas of opportunity for improving our business environment, talent pipeline and overall competitiveness.

COLLABORATE | By working with elected officials, government agencies, local economic development partners, industry associations, academia, non-profit organizations and business leaders, the ACA will help to monitor and shape policies that positively transform workforce development, housing availability, operating costs, costs of living and economic competitiveness.



COMMUNICATE ARIZONA'S PREMIER ATTRACTIVENESS WORLDWIDE

Arizona has a very big story to tell, and a very big stage to tell it on. The ACA's best-in-class team utilizes an integrated marketing plan with a strategic mix of tactics to reach audiences with compelling content and customized messaging.

CREATE | Using the elements of Arizona's unique value proposition, abundant success stories and data sourced by the Economic Development Research, Arizona Competitiveness and Office of Economic Opportunity teams, the ACA creates high-quality content that highlights our state's key differentiators and resonates with decision-makers.

EDUCATE | Compelling content is used to reach audiences through paid, earned and owned media channels. This includes highly targeted efforts such as customized proposals and experiential events. The ACA also builds and maintains strong relationships with members of the media to maximize coverage.

GENERATE | Working in close collaboration with the ACA's Business Development team as well as key ACA stakeholders, the Marketing and Communications team helps to generate qualified leads and keep the project pipeline strong.

MEASURE | Progress is measured against key performance metrics to track effectiveness and evaluate adjustments where necessary. Regular reporting helps define the impact of ACA marketing and communications efforts and set targets for growth.



GROW ARIZONA'S SKILLED WORKFORCE STATEWIDE

Talent is the number one factor in the ability of any business to scale quickly and successfully. There is incredible demand for a skilled, available workforce and the ACA is focused on ensuring Arizona continues to meet it.

PARTNER | Close collaboration with academia at all levels including K12, career and technical education providers and Arizona's community colleges and universities is critical for creating the workforce of the future. The Arizona Department of Education is also a key partner in our efforts. Together with these institutions, the ACA is committed to creating and executing against a roadmap to ensure businesses in Arizona have access to a sustainable talent pipeline well into the future. The ACA's SciTech Institute is focused on expanding STEM education opportunities and inspiring Arizona students to pursue high-tech career paths.

CONNECT | The ACA's Office of Economic Opportunity team houses the Workforce Arizona Council and works closely with our partners at the Arizona Department of Economic Security and the statewide ARIZONA@WORK system to assist both employers and job seekers. This comprehensive network of resources and no-cost recruiting services connects talent to new career opportunities with companies throughout Arizona.

LEVERAGE | Arizona has a strong track record of creating innovative partnerships between industry, academia and government to advance workforce development, such as the Arizona Advanced Technologies Network—a partnership between Maricopa County Community College District, Central Arizona College and Pima Community College—and the Drive48 automotive manufacturing workforce accelerator, located at Central Arizona College. As technology drives industry evolution, the ACA will leverage these existing partnerships and create new ones, with an emphasis on work-based learning and apprenticeships, to equip Arizonans with the skills and knowledge to succeed in today's economy and prepare for careers in the industries of the future.

ACCELERATE | Arizona continues to transform into the high-tech manufacturing capital of North America. To support this growth, our state will invest in hands-on workforce accelerators, similar to Drive48, equipped with the latest equipment and curriculum to get workers on production lines quickly. Located on community college campuses throughout the state in rural and urban locations and operated in partnership with private industry, these centers will focus on advanced manufacturing skills for sectors including automotive, semiconductor, energy, medical and more.



LEAD ARIZONA'S ECONOMIC DEVELOPMENT EFFORTS

The ACA is designed to function like the businesses we serve. As Arizona's only economic development agency with a statewide focus, the ACA leads on behalf of the state and coordinates efforts so all regional, county and local partners are working in lockstep.

INCREASE | Working in collaboration with the Marketing and Communications team, key stakeholders and targeted industry associations, the Business Development team pursues qualified leads to continually build the pipeline of economic development opportunities for Arizona. The team supports projects of all sizes within targeted industries, with a focus on growing the number of headquarter operations and mega-project opportunities in the pipeline.

LEAD | Arizona is recognized for our ability to bring external partners together to meet company needs in a way no other state can deliver. Providing comprehensive responses to opportunities that showcase location information and data from all statewide partners makes the evaluation process easier and faster for decision-makers. The ACA leverages its singular ability to convene, taking a respected leadership role in engaging partners including regional economic development organizations, county and local officials, educational institutions, utility providers, industry stakeholders and others based on their expertise. This streamlined, one-stop process ensures the best experience for decision-makers—ensuring they feel supported at all levels and maximizing economic development success in targeted industries throughout Arizona.

CUSTOMIZE | The ACA takes a highly customized approach, creating tailored content and proposals to demonstrate how Arizona's value proposition benefits each company individually based on the specifics of their project. In addition, services and programs are designed to support each company's specific needs over time. This creates long-term, mutually beneficial relationships that result in a high degree of business expansion and retention in Arizona.

FOCUS | Dedicated teams at the ACA are focused on supporting companies in targeted, high-growth industries. This includes a Business Development team organized by industry expertise, the Arizona Manufacturing Extension Partnership (AZMEP), the Arizona Office of Film & Digital Media, an Innovation team helping companies to leverage R&D opportunities and a Strategic Futures team dedicated to nascent industries being shaped by emerging technology.



DRIVE ECONOMIC GROWTH STATEWIDE WITH A FOCUS ON RURAL ARIZONA

The ACA leads economic development efforts for the entire state of Arizona, supporting cities and towns in all 15 counties with a team dedicated to enhancing growth outside of the state's major metropolitan areas. We are committed to ensuring rural communities throughout Arizona remain home to thriving small business ecosystems and clusters of high-growth industries and associated supply chains.

ENGAGE | Regular engagement with community and business leaders is critical for shaping policies that encourage economic growth in rural communities statewide. The ACA oversees and participates on the Arizona Rural Business Development Advisory Council, which focuses on developing strategies for job creation, workforce development, attracting new investment, economic diversification, housing availability and infrastructure.

CONNECT | Each rural Arizona community has unique strengths, assets and challenges, which is why the ACA recognizes that a one-size-fits-all approach will not be effective. The Rural Economic Development and Small Business teams travel throughout the state frequently to stay connected to rural communities and understand specific needs—providing guidance, technical assistance and strategies for economic growth that are tailored to each location.

PARTNER | Local collaboration is a key part of ensuring services are available and easily accessible to business owners, entrepreneurs and job seekers where they live. The ACA has a strong partnership with Arizona's Small Business Development Center Network to provide resources and programs directly within rural communities. The ACA works closely with Arizona's community colleges, which are critical partners in supporting workforce development and delivering job training programs to residents of rural communities seeking to enhance their skills. In addition, the ACA's Arizona Office of Film & Digital Media empowers leaders in local communities to participate directly in growing the creative industries.

DEVELOP | Infrastructure enhancement and broadband connectivity positively impacts economic growth, public health and safety, education, health care and transportation in rural Arizona communities. The ACA supports development of critical physical and communications infrastructure through a suite of grant programs, educational resources and technical assistance to ensure communities are prepared with sites that are ready to support economic development projects. Broadband development activities are led by the ACA in partnership with government stakeholders and the private sector to streamline regulatory hurdles and maximize strategic funding for Arizona.



INCREASE ARIZONA'S LEADERSHIP IN CUTTING-EDGE TECHNOLOGIES

Our state has always been a place that encourages bold thinking and embraces creative ideas. We're staying ahead of the curve as innovation rapidly transforms the way we live, work and do business. As new opportunities to grow our economy arise and new pathways to make the world a better place are forged, Arizona will continue to lead.

ANALYZE | To keep Arizona at the leading edge of innovation, the Strategic Futures team monitors the latest developments and growth in 15 emerging industries and technologies (see page 19) that are transforming established industries and enabling completely new ones— collaborating with other industry-focused teams across the ACA to identify and pursue opportunities. This focus is on areas that will not only provide economic growth, but will help address global challenges including advanced technology manufacturing, security in a digital world, supplying a growing population with clean water, food, shelter, connectivity and health care, increasing sustainability of industry to reduce environmental impacts, improving transportation safety and more.

RESEARCH | The ACA will help drive development of emerging technologies through research and development. A strategic partnership with Science Foundation Arizona will advance applied research in multiple areas together with our state's leading public universities, tied closely to economic development goals and outcomes. Beyond this direct collaboration, ongoing partnerships with Arizona State University, the University of Arizona and Northern Arizona University to understand and leverage their world-class research and development capabilities are critical to the ACA's efforts. The ACA's Institute for Automated Mobility (IAM), will also continue to lead applied research projects in partnership with industry and academia to safely deploy automated vehicles on our roadways.

LEAD | In addition to applied research efforts, the ACA will continue to take a leadership role in convening national stakeholders across the private sector, academia and government to create alignment and advance U.S. competitiveness. The National Semiconductor Economic Roadmap (NSER) initiative, launched in 2021, will serve as a model for similar public-private partnerships led by the ACA to develop roadmaps for emerging industries. In addition, partnerships with venture firms will enable the ACA to scale its efforts with early stage emerging technology companies.

LEVERAGE | The ACA's focus on the future is the foundation for our BIG Ideas strategy—advancing Arizona's reputation as the best place for Business, Innovation and Growth and scaling our state's ability to make a global impact (see page 18). Information, research and relationships will be leveraged to highlight Arizona's expertise and assets in each area, identify ecosystem gaps to focus on for improvement, pursue federal funding opportunities and identify new opportunities for business attraction, expansion and creation statewide.



ESTABLISH ARIZONA AS THE HIGH-TECH MANUFACTURING CAPITAL OF THE U.S.

Arizona has long been a leader in manufacturing, with recent high-volume growth in the automotive, battery, medical device and consumer products sectors. Our state has also become the national leader for semiconductor manufacturing. Ensuring Arizona remains the premier U.S. hub for advanced manufacturing is a top priority for the ACA.

TARGET | Arizona is already home to an impressive list of manufacturing giants, and is drawing international attention for our success in recruiting global industry leaders. Building upon this momentum, the ACA will continue to take a strategic approach to targeting opportunities, communicating Arizona’s advantages, leveraging state university assets and building relationships to attract new manufacturing operations and their suppliers.

BUILD | In addition to our focus on attracting and growing top-tier OEMs, the ACA recognizes the importance of minimizing supply chain risks and establishing regional industry clusters. The ACA partners with large manufacturers in our state to connect them with small and medium-sized Arizona firms, as well as create comprehensive strategies and customized outreach around supplier attraction. The Made in Arizona program facilitates connections between new and existing Arizona manufacturers, creating stronger local networks and enhancing supply chain resiliency.

GROW | The growth of small and medium-sized manufacturers is critically important to the health of the industry in our state, and is an important driver of economic development in rural Arizona communities. The ACA’s Arizona Manufacturing Extension Partnership (AZMEP) provides business and process improvement services designed to help every manufacturer in our state be successful. In addition, the ACA offers entrepreneurship and venture development programming to help early stage, innovative manufacturing companies commercialize new technologies and scale their operations.

COLLABORATE | To ensure Arizona provides the best operating environment for manufacturers, the ACA works closely with federal, state, regional and local partners to address industry needs including workforce, infrastructure, housing availability, environmental factors, policy and more. Our state has also established a reputation for leadership and partnership through initiatives including the National Semiconductor Economic Roadmap (NSER)—designed to enhance U.S. competitiveness in the industry. Through collaborative efforts with industry, academia and government, the ACA is focused on establishing Arizona as a national hub and premier location for semiconductor production, talent and research.



SCALE ARIZONA'S THRIVING ENTREPRENEURIAL ECOSYSTEM

The creation of new businesses and the commercialization of new technologies not only support Arizona's long-term vitality, they play a critical role in maintaining our global competitiveness. The ACA offers a comprehensive suite of programs and services to support early stage ventures in Arizona and ensure our ecosystem continues to thrive.

LAUNCH | The ACA provides resources to help entrepreneurs turn their visions into realities, from business formation to technology commercialization and preparation to raise funding. This includes our flagship Arizona Innovation Challenge business plan competition, Venture Ready Accelerator, the Venture Madness pitch competition presented in partnership with Invest Southwest, the Small Business Academy, the Small Business Boot Camp program, AI-powered Small Business Chat Bot, interactive Small Business Checklist and more.

SCALE | Continually increasing access to capital for startups in our state is key to the growth of our ecosystem. A new public-private partnership, the Arizona Venture Development Corporation, has been formed to help advance this objective by funding Arizona companies alongside other venture capital investors. In addition, the Entrepreneurship & Venture Development team focuses on corporate venture initiatives and partnerships with invisionAZ, the StartupAZ Foundation, Desert Angels, Arizona Tech Investors and others.

EDUCATE | The ACA provides resources and education to entrepreneurs and small business owners in all 15 counties throughout Arizona. This includes one-to-one consulting offered by our Entrepreneurship & Venture Development and Small Business teams, the Small Business Boot Camp program and partnerships with the Arizona Small Business Development Center Network, Phoenix Startup Week, Startup Tucson, Northern Arizona Center for Entrepreneurship and others. In addition, the ACA collaborates with our universities and community colleges statewide to help entrepreneurs leverage the resources and programming they provide.

MEASURE | Ensuring that Arizona remains among the top five states in the nation for entrepreneurial vitality is one of the ACA's five-year topline goals, and progress is tracked through a custom index. Metrics include percentage of new Arizona businesses that survive, percentage changes in Arizona employment and population, and average size of venture capital deals, deal count per 100,000 residents and percentage change in number of deals in Arizona.



ENCOURAGE STRATEGIC INFRASTRUCTURE DEVELOPMENT

As one of the youngest states in the nation, Arizona offers a system of modern infrastructure assets. The ACA recognizes that maintaining infrastructure that enables the effective, efficient movements of goods, people and information is critical for maintaining our state's economic growth and healthy, connected communities.

ENHANCE | To ensure Arizona remains positioned as the best state for business, international trade and innovation, the ACA collaborates with our federal, state and private sector partners to support the development and maintenance of multimodal transportation infrastructure. This includes assets to support electric and automated vehicles, alternative fuel sources, advanced manufacturing and the deployment of smart city technologies.

INNOVATE | Consistent with Arizona's culture of innovation, the ACA is leading forward-thinking initiatives that will serve as the foundation for the deployment of cutting-edge infrastructure and the transition to clean energy. These efforts include the Institute for Automated Mobility (IAM), the AZSkyTech Unmanned Aircraft Systems (UAS) testing program, the Arizona National Semiconductor Technology Center/National Advanced Packaging Manufacturing Program (NSTC/NAPMP) Task Force and partnership in The Connective Smart Region Consortium to position our state as a leader in smart city technologies.

CONNECT | Ensuring the availability of broadband connectivity at the internet speed of 100 Mbps download and 20 Mbps upload (far exceeding the current federal standard definition of 25/3 Mbps for broadband) or faster to 95% of Arizona housing units is one of the ACA's five-year topline goals. Our Arizona Broadband Office leads efforts to develop new infrastructure and partners with government stakeholders and the private sector to streamline regulatory hurdles and maximize strategic funding for Arizona.

CREATE | Beyond traditional methods of infrastructure funding, the ACA will work with our partners to create coalitions and unique models for developing new infrastructure statewide, such as public-private partnerships and attracting investment. Federal funding will also be leveraged to encourage broadband, transportation, energy and water projects to encompass parallel development of other infrastructure categories where possible.



LEVERAGE INTERNATIONAL BUSINESS RELATIONSHIPS

A global economy driven by technology presents opportunities for economic development, trade and cross-border collaboration well beyond any state's geographic borders. The ACA facilitates strong, mutually beneficial relationships between Arizona and nations worldwide that are valuable sources of international trade activity and foreign direct investment projects.

POSITION | Arizona's geographic location is ideal for international commerce. The ACA will communicate our state's unique assets that readily facilitate the flow of goods and people, including modern infrastructure that provides easy access to major proximate markets such as California, Texas and Mexico, and SkyBridge—the first inland air cargo port that houses U.S. and Mexican customs in one facility, providing a gateway to Latin America.

FOCUS | The ACA has established a physical presence in markets where a high volume of cross-border collaboration with Arizona occurs. Trade and investment offices are maintained in Mexico City, Chihuahua and Guanajuato, Mexico; Tel Aviv, Israel; Frankfurt, Germany; Seoul, South Korea; and Taipei, Taiwan. These offices assist companies seeking to invest in our state, and also assist Arizona companies doing business in these export markets.

ADVANCE | While trade offices are maintained in several strategic locations, the ACA is committed to developing strong, long-lasting relationships worldwide. Arizona's diverse economy is home to thriving industries including aerospace and defense, electric and automated vehicles, medical technology, electronic products, agriculture, mining and more, positioning our state as a natural trading partner to many countries. Collaborative partnerships with organizations including the Arizona-Mexico Commission, Canada Arizona Business Council, SelectUSA and others are critical for bilateral trade and foreign direct investment opportunities. In addition, a robust annual schedule of international trade and diplomatic missions, conferences, trade shows and events ensures that the ACA is consistently representing Arizona and establishing partnerships on a global scale.

SUPPORT | The ACA's International Trade team and Arizona Manufacturing Extension Partnership (AZMEP) offer a suite of programs to provide export counseling and support to Arizona small businesses seeking to enter new markets with their products, including the ExporTech Boot Camp and Arizona State Trade Expansion Program. The ACA also recognizes the importance of cross-border collaboration and trade to our rural border communities, and our Rural Economic Development team provides assistance to help those communities capture and leverage associated economic opportunities.

An aerial photograph of a city skyline at sunset. The sky is a mix of orange, yellow, and grey, with the sun low on the horizon. In the background, there are large, rugged mountains. The city itself is a dense collection of buildings, with several prominent skyscrapers in the center. The buildings are illuminated by the warm light of the setting sun, creating a golden glow. The foreground shows a mix of residential and commercial buildings, with some greenery and a road visible.

Tactical Execution to Achieve Results

The ACA is overseen by a board of directors that brings together the state's most prominent private-sector business leaders, elected officials and university and community college presidents. Executive leadership drives the organization's day-to-day operations and oversees teams that execute on the strategies outlined in this plan.

ACA Board of Directors

ACA Executive Leadership

Business Development

- ▶ Business Attraction
- ▶ Business Expansion
- ▶ Rural Economic Development
- ▶ Arizona Manufacturing Extension Partnership
- ▶ Foreign Direct Investment & International Trade
- ▶ Small Business Services
- ▶ Film & Digital Media

Workforce Development

- ▶ Workforce Arizona Council
- ▶ Workforce Navigator
- ▶ Workforce Accelerators
- ▶ Arizona Career Readiness Credential

Innovation & Technology

- ▶ Entrepreneurship & Venture Development
- ▶ Innovation Research & Technology Transfer
- ▶ Strategic Futures
- ▶ Arizona Broadband
- ▶ Science Foundation Arizona
- ▶ Institute of Automated Mobility
- ▶ SciTech Institute
- ▶ National Semiconductor Economic Roadmap

Research

- ▶ Arizona Office of Economic Opportunity
- ▶ Economic Data Analysis
- ▶ Arizona Competitiveness
- ▶ Labor Market Information
- ▶ Labor Systems
- ▶ Demographics

Marketing & Communications

- ▶ Marketing
- ▶ Communications
- ▶ Public Relations
- ▶ Events
- ▶ Legislative Affairs

Operations

- ▶ Finance
- ▶ Legal
- ▶ Accounting & Procurement
- ▶ Human Resources
- ▶ Information Technology
- ▶ Operational Excellence



Confidential Site Selection

Identify existing buildings, build-to-suit opportunities and other real estate solutions



Workforce Coordination and Facilitation

Connect with Arizona's talent pipeline



Critical Infrastructure Connections

Facilitate discussions with Arizona's electric, gas, water and fiber network leaders



Detailed Market Analysis

Provide research and data supporting Arizona's competitive advantages



Manufacturing Assistance

Integrate into Arizona's manufacturing ecosystem



Supply Chain Solutions

Make introductions to Arizona customers and suppliers



Key Stakeholder Engagement

Meet economic development partners and government officials



Financial Programs

Identify and secure financial relief for businesses in Arizona



Public Relations and Media Amplification

Provide public and media relations, social media promotion and event coordination

ARIZONA
COMMERCE AUTHORITY