

STATE OF THE ECONOMY

December 1, 2015



MOBILE AREA
CHAMBER OF COMMERCE

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It's time to expect more.



PHELPS DUNBAR LLP



From the President



Thank you for participating in our inaugural State of the Economy survey and event. This booklet contains objective data, as well as your projections for 2016 regarding employment, revenues and profits, and other measures of economic health.

Also included here are Partners for Growth investor companies who responded to a survey in July reporting on job growth and capital investment over the 18 months between January 2014 and June 2015.

These companies announced and/or created 2,148 new jobs and invested \$936 million during that period. We know, however, there are other companies who expanded their payrolls and operations but were not a part of that survey.

The jobs and capital growth reported and projected on the following pages signifies confidence in Mobile's economy and its ability to sustain growth. The Mobile Area Chamber of Commerce works daily to promote economic expansion in the Mobile area, creating more opportunity and an enhanced quality of life for its citizens.

Thank you for your participation in building Mobile's economy.

A handwritten signature in blue ink, appearing to read 'Guy', written in a cursive style.

Mobile Area Chamber of Commerce
President & CEO

Mobile County Manufacturing Facts

Austal USA is the second largest manufacturer in the state of Alabama with more than 4,000 employees.

Mobile County's manufacturing jobs increased by 38.1 percent between Q1 2010 and Q1 2015. That is far above the state of Alabama average of 9 percent and the national average of 7.7 percent.
Source: Bureau of Labor Statistics, Quarterly Census for Employment and Wages (QCEW)

Mobile County's manufacturing wages have increased 22.9 percent from Q1 2010 to Q1 2015. That is above the national average of 18.1 percent, and the state of Alabama average of 14.1 percent over the same time frame.

Source: Bureau of Labor Statistics, QCEW

The percentage of manufacturing employment in **Mobile County** has increased from Q1 2010 (8.6 percent) to Q1 2015 (11.6 percent.) This is a greater increase than the state of Alabama (13.2 to 13.7 percent) over the same time period. Nationally, the percentage of manufacturing employment has decreased slightly from 9.0 to 8.9 percent.

Source: Bureau of Labor Statistics, QCEW

Mobile County's median household income increased by 15.5 percent from 2009 to 2014. That is above the state of Alabama average of 7.5 percent for the same time period.

Source: Moody's Economy.com

Mobile County's gross domestic product increased by 11.3 percent from 2009 to 2014. That is above the state of Alabama average of 10.3 percent for the same time period.

Source: Moody's Economy.com

In 2014, the average wage for all occupations in **Mobile County** is \$40,940. Mobile ranks third among the 11 Alabama metro areas for overall wage average. Mobile ranks first among Alabama metros for average wage in production occupations (machinist, welders, assemblers, etc.) at \$42,940.

Source: Bureau of Labor Statistics

New and Expanding Industries



Airbus Defense & Space

New Jobs past 18 mo. - 11 Employs now - 54

Investment - \$1M

Airbus Defense and Space Military Aircraft is a global company which has been selected as Airbus' new worldwide support center for C212 aircraft services. It recently celebrated its 10th anniversary in Mobile. Added 11 jobs and invested \$1 million in capital.



AltaPointe Health Systems

New Jobs past 18 mo. - 158 Employs now - 1,327

Investment - \$6.3M

AltaPointe Health Systems is Alabama's largest and most comprehensive behavioral healthcare and psychiatric hospital system, and second largest in the southeastern United States. Added 158 jobs and invested \$6.3 million in capital.

AM/NS CALVERT

AM/NS Calvert

New Jobs past 18 mo. - 22 Employs now - 1,600

Investment - \$160M

AM/NS Calvert is a 50/50 joint venture between ArcelorMittal and Nippon Steel & Suitomo Metal Corp. The steel processing plant has the capacity to produce 5.3 million tons of flat rolled carbon steel products annually. It has announced separate expansions totaling 22 jobs and \$160 million in capital investment.



APM TERMINALS

APM Terminals

New Jobs past 18 mo. - 81 Employs now - 30

Investment - \$77M

APM Terminals is an international container terminal operation company. It is one of the world's largest port and terminal operators with 62 facilities in 38 countries. Announced expansion of 81 jobs, \$77 million in capital investment.



Arkema

New Jobs past 18 mo. - 25 Employs now - 105

Investment - \$60M

Arkema is a leading specialty chemicals and advanced materials company. It is organized into three business segments: Coating Solutions, Industrial Chemicals and Performance Products. Announced expansion of 25 jobs and \$60 million in capital investment.



Austal

New Jobs past 18 mo. - 531 Employs now - 4,000

Investment - \$200M

Austal is a ship building company and defense prime contractor that specializes in the design, construction and support of defense and commercial vessels. The product range of Austal includes naval vessels, high speed passenger and vehicle ferries. It is the largest manufacturer in Mobile County.

New and Expanding Industries



Bayer Crop Science

New Jobs past 18 mo. - 20 Employs now - 20

Investment - \$200M

Bayer Crop Science is a multinational chemical and pharmaceutical company. It is one of the world's leading innovative crop science companies in the areas of seeds, crop protection and non-agricultural pest control. Announced it will bring 20 jobs and capital investment of \$200 million.

BBVA Compass

BBVA Compass

New Jobs past 18 mo. - N/A Employs now - 132

Investment - \$1M

BBVA Compass is a leading U.S. banking franchise with operations in seven states. It ranks among the top 25 largest commercial banks based on deposit market share. Its major business units are commercial banking, retail banking and wealth management. Currently employs 132 with a \$1 million capital investment.



BERG SPIRAL PIPE
a Company of the Europe Group

Berg Spiral Pipe

New Jobs past 18 mo. - 145

Employs now - 284

Investment - \$5M

Berg Spiral Pipe is a spiral pipe manufacturer. The local plant has a capacity of 180,000 tons per year. Added 145 jobs, invested \$5 million in capital.



BlasTech Mobile LLC

New Jobs past 18 mo. - 76 Employs now - 97

Investment - \$4.5M

BlasTech Mobile LLC Blatech has grown to be one of the largest protective coating application companies in North America. Located at SSAB's steel mill in Axis, steel plates can be purchased directly through SSAB, then blasted and coated by BlasTech Mobile. Announced 76 jobs and \$4.5 million capital investment.



Burton
PROPERTY GROUP

Burton Property Group

New Jobs past 18 mo. - 450* Employs now - 12

Investment - \$51.3M

Burton Property Group is a real estate investment and commercial real estate property group. The company's portfolio exceeds 410,000 square feet and by year end will be over 1,100,000 square feet.

**Includes new retail jobs created at the company's retail centers.*



C Spire

New Jobs past 18 mo. - 39 Employs now - 77

Investment - \$40M

C Spire is a full-service provider of transport, internet and telecom services. It is the sixth largest wireless provider in the United States and the largest privately-held wireless provider in United States. Added 39 employees and invested \$40 million in capital.

New and Expanding Industries



Accounting | Consulting

Crow Shields Bailey PC

New Jobs past 18 mo. - 8 **Employs now - 35**
Investment - \$375,000

Crow Shields Bailey provides accounting and consulting services. Added 8 employees and invested \$375,000 in capital.



DuPont

New Jobs past 18 mo. - 6 **Employs now - 210**
Investment - \$11M

DuPont is a global science company headquartered in the United States. Dupont's agricultural chemical division is a seed and pesticide maker which provides protection against various insects and crop resistance against herbicides. Announced expansion of 6 jobs and \$11 million in capital investment.



Evonik Industries

New Jobs past 18 mo. - 70 **Employs now - 780**
Investment - \$160M

Evonik is a multinational specialty chemical manufacturer serving the automotive, plastics, pharmaceutical and other industries. It is the largest chemical company in Mobile County. Added 70 jobs and \$160 million in capital investment.



Franklin Primary Health Center

New Jobs past 18 mo. - 33 **Employs now - 248**
Investment - \$1.5M

Franklin Primary Health Center is a non-profit health center with 15 locations in three Alabama counties (Mobile, Baldwin and Choctaw). Founded in 1975, it provides many health care services. Added 33 jobs, \$1.5 million in capital investment.



INTEGRATED DISCIPLINES. PROVEN SOLUTIONS.

Goodwyn Mills Cawood

New Jobs past 18 mo. - 6 **Employs now - 19**
Investment - \$1M

Goodwyn Mills Cawood is one of the region's largest privately-held architecture and engineering firms. It has 12 offices in three states (Alabama, Georgia and Tennessee). Added 6 jobs.



Hutchinson

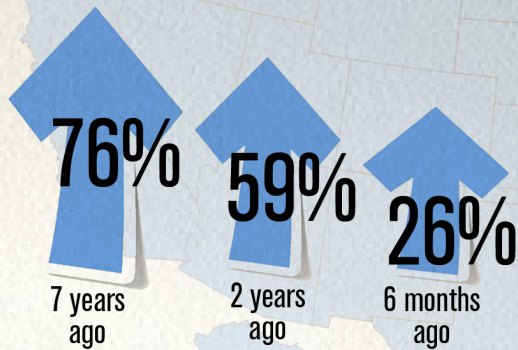
New Jobs past 18 mo. - 100
Investment - \$2M

Hutchinson is an international company in the aerospace industry. In connection with Airbus, it will build a service center with a focus on final delivery of thermal acoustic insulation systems. Announced 100 jobs with \$2 million capital investment.

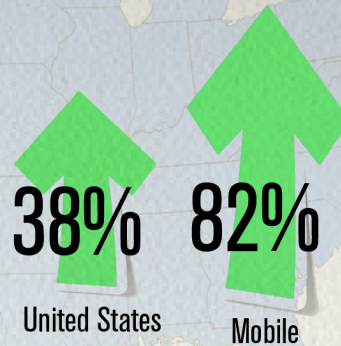
ECONOMIC OUTLOOK SURVEY RESULTS

Economic Performance Expectations

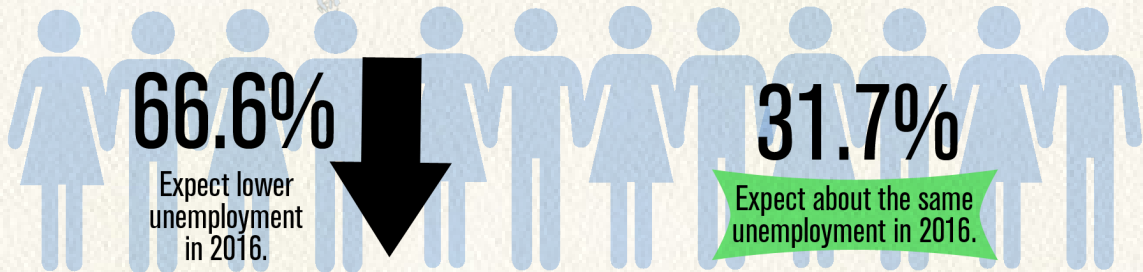
The following percent of respondents say the economy is faring better compared to:



The following percent of respondents expect MORE GROWTH for the U.S. and Mobile in 2016.



The Mobile County unemployment rate is 7.7%¹ - what are your expectations for unemployment in 2016?



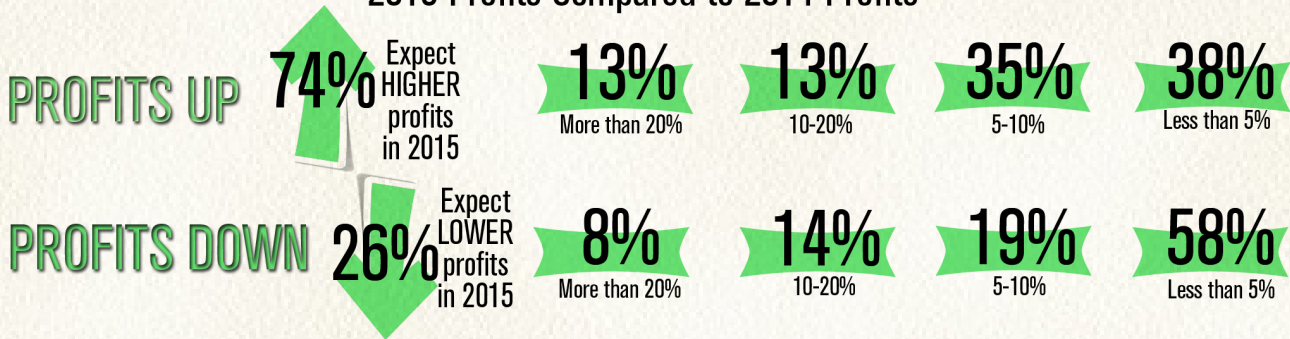
In 2014, 1,679 new jobs were created in Mobile.
Do you think MORE or FEWER than 1,679 new jobs will be created in 2016?



¹ Unemployment rate is from June 2015

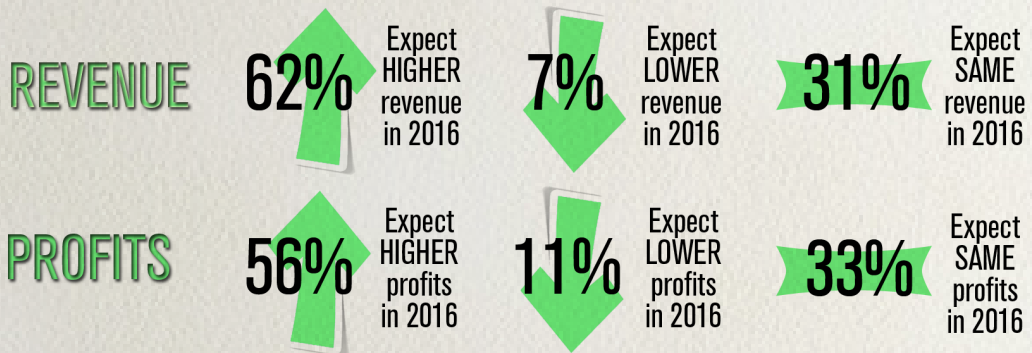
Company Expectations

2015 Profits Compared to 2014 Profits



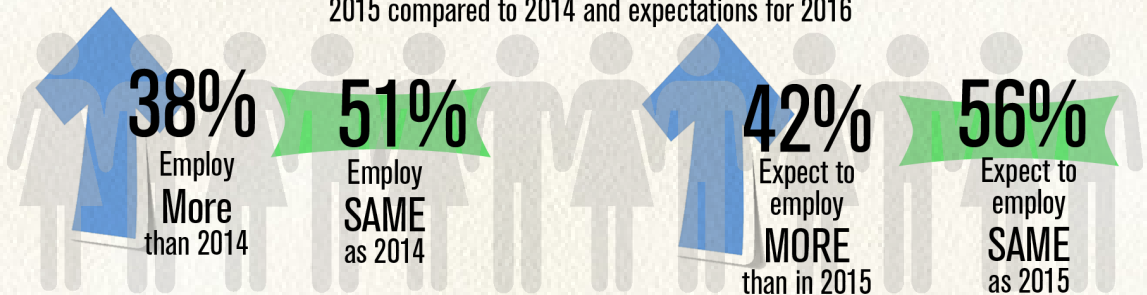
Revenue & Profit Expectations

2016 Compared to 2015



Employee Numbers

2015 compared to 2014 and expectations for 2016



These are the results of a Mobile Area Chamber of Commerce economic outlook survey from Fall 2015.

Expansion Plans

for 2016

Yes 22%

No 67%

Don't Know 12%

Equipment Expenditures

for 2016

More 24%

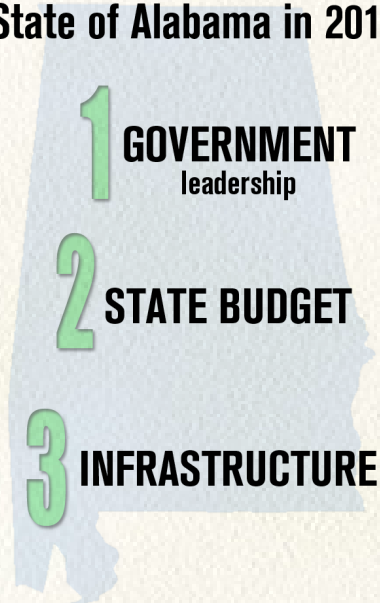
Less 9%

Same as 2015 67%

Top Economic Issues for Mobile in 2016



Top Economic Issues for the State of Alabama in 2016



Top 3 Challenges Affecting Your Business

1 59%
ECONOMIC
uncertainty

2 39%
REGULATORY
burdens

3 32%
CUSTOMER
SPENDING
declining

New and Expanding Industries



MAAS Aviation
New Jobs past 18 mo. - 114
Investment - \$52M

MAAS Aviation, an Ireland-based company providing aircraft painting services, is building a paint shop and twin-bay paint facility for Airbus. Two investments bring 114 jobs and \$52 million in capital.



Commercial Real Estate Services, Worldwide.

NAI Mobile
New Jobs past 18 mo. - 5 Employs now - 11
Investment - \$2.3M

NAI Mobile provides a variety of real estate services from industrial, retail and multi-family sites to commercial sales, leasing and development or management. Added 5 jobs, \$2.3 million in capital investment.



Prism Systems
New Jobs past 18 mo. - 16 Employs now - 40
Investment - \$650,000

Prism Systems is a Mobile-based engineering and software development firm founded in 1989. The company's global customers represent a variety of industries, including manufacturing, chemical, food and beverage, oil and gas, telecommunications and entertainment.

southern
light



Southern Light
New Jobs past 18 mo. - 20
Employs now - 164
Investment - \$15.8M

Southern Light is a fiber optic provider serving Alabama, Florida and Mississippi. Added 20 jobs and invested \$15.8 million in capital.



SSAB
New Jobs past 18 mo. - 35 Employs now - 644
Investment - \$57.7M

SSAB is a highly-specialized, global steel company. It is a leading producer of advanced high strength steels, plus quenched & tempered steels. Added 35 jobs, \$57.7 million in capital investment.

STAR AVIATION



Star Aviation
New Jobs past 18 mo. - 50 Employs now - 130
Investment - \$2.4M

Star Aviation is an aerospace company specializing in aircraft modifications within avionics, engineering, electrical design and data systems. The Mobile-based company announced an expansion of 50 jobs and \$2.4 million capital investment.

New and Expanding Industries



Stirling Properties

New Jobs past 18 mo. - 8

Employs now - 15

Investment - \$2M

Stirling Properties is a full-service commercial real estate company based in Covington, La. It established a presence in Mobile last year and added 8 jobs.



Tate & Lyle

New Jobs past 18 mo. - 10

Employs now - 95

Investment - \$25M

Tate & Lyle is a global provider of distinctive, high quality ingredients and solutions to the food, beverage and other industries. Located in Washington County, it added 10 jobs, \$25 million in capital investment.

Mobile County Ranked 2nd in the State for New Jobs with the following rankings:

	Q1 2014 to Q1 2015 Percentage Employment Change	Q1 2014 to Q1 2015 Number of New Employees
Jefferson County	-0.5%	-1,635
Madison County	2.1%	3,699
Mobile County	1.2%	2,000
Montgomery County	no change	43

Mobile Area Accolades



Alabama was chosen by MSN.com
in the top 10 of the

**25 Best States to Start
Your Post College Life**

2015 – ZipRecruiter ranked Mobile 19th
**Top Southern cities
for jobs**



2015 – nerdwallet ranked Mobile 10th
among **Top 10 US Cities on the
Rise** and 11th among

**Cities with the Fastest
Growing Incomes**



2015 – fDi magazine ranked Mobile 5th
in the Small American Cities of the Future
2015/2016 – **Business Friendly**



2015 – CNN Money ranked
Mobile **5th nationwide** for
a “living wage”



2015 – Forbes.com ranked Mobile 1st
among Mid-sized Cities for

**New
Manufacturing Growth**



2014 – MSN ranked Mobile the 10th
“hottest” city in America – calling Mobile

“the **Southern Trading
Hub of the US**”

December 2014 – Recipient of the
Bloomberg Philanthropies'
Innovation Team^{Grant}

Bloomberg

November 2014 – **Business Insider
Australia** ranked Mobile among the

15 Hottest American Cities for 2015



November 2014 – **Global Trade Magazine**
named Mobile among

America's Best Cities for Global Trade

Global Trade

THE MAGAZINE FOR U.S. COMPANIES DOING BUSINESS GLOBALLY



June 2014 – **Business Facilities** ranked
Mobile third in its **Top 10 US Metro with
Highest Economic Development
Growth Potential**

THE WALL STREET JOURNAL

May 2014 – **The Wall Street Journal** takes a
look at manufacturing jobs and highlights
Mobile's job growth.



March 2014 – **WalletHub** –
**Top 150 Best Cities to
Start a Business**

We're committed to helping our customers take their next step. And thanks to you, we've achieved one of our own.



We work hard to ensure we're giving you a banking experience that's second to none. And according to our customers, we're succeeding. Regions has recently been ranked the "Most Reputable Bank Among Customers" by the Reputation Institute. Knowing this distinction is based on customer feedback means we're succeeding in our most important mission: gaining a 360-degree view of your unique financial situation, and then giving you the right tools, service and insights to help move your life forward. We appreciate this honor and will continue to work hard for you.

To learn how an exceptional banking experience can help move you forward, visit a branch or regions.com/awards.



www.mobilechamber.com

