

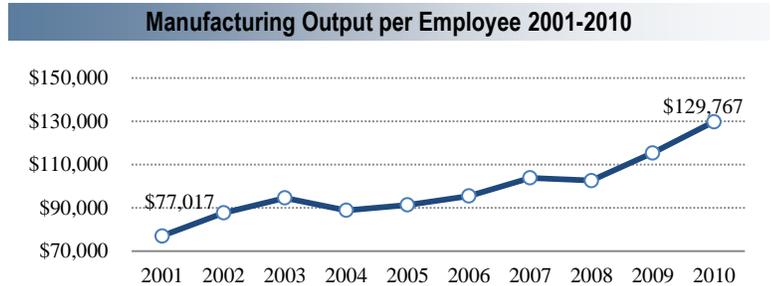
Manufacturing

South Carolina's Manufacturing Sector Continues to Grow and Evolve, Driven by Technological Progress and a Skilled Workforce.

INDUSTRY TRENDS *Advancements in Engineering, Technology and Process*

South Carolina's manufacturing industry experienced 12 percent growth in output from 2001 through 2010, evolving into a growing technology-centric, capital-intensive sector requiring a smaller, yet higher-skilled labor force. This finding is particularly evident in the substantial increase in manufacturing production output per employee.

(Source: US Bureau of Economic Analysis, US Bureau of Labor Statistics)

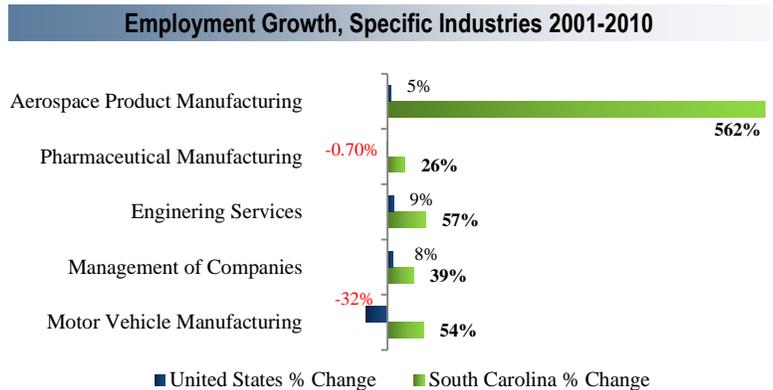


EMPLOYMENT *Gains in Advanced Manufacturing and Engineering*

South Carolina has experienced dramatic growth in a number of subsectors classified as Advanced Manufacturing, including the chemical, electrical, automotive and pharmaceutical industries. When comparing the state to the United States average, South Carolina's growth exceeded the nation for each of the subsectors in shown in the accompanying chart.

Between the end of the recession, July 2009, and December 2011, South Carolina added 11,500 manufacturing jobs. Over the same period, every other state in the southeastern United States experienced falling manufacturing employment.

(Source: US Bureau of Labor Statistics)

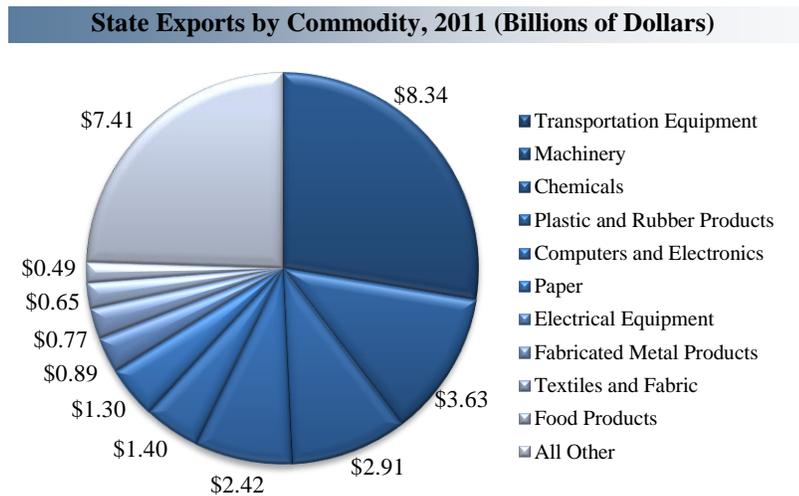


EXPORTS *Adding Real Value to the State Economy*

The value of South Carolina exports has increased at a faster pace than the national average. From 2002 to 2011, total exports from South Carolina grew by 155 percent to more than \$24.6 billion in goods. The rate of increase of South Carolina manufacturing exports exceeded the national export growth rate by 40 percent.

Between 2002 and 2011, exports from South Carolina to Germany increased 137 percent, to Mexico by 125 percent and to the United Kingdom by 154 percent. Export growth to China and India each exceeded 1,000 percent over the period.

(Source: US Department of Commerce, Int'l Trade Administration)



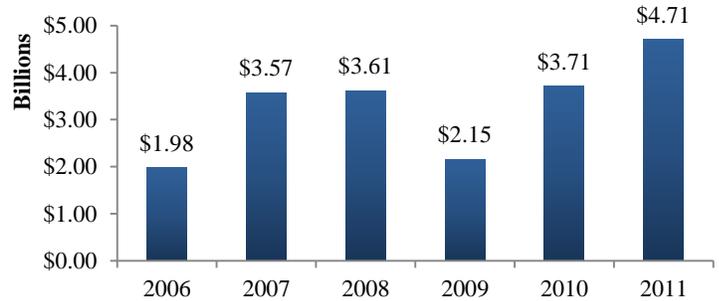
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MANUFACTURING CAPITAL INVESTMENT *Confidence in Our State*

Manufacturing firms are attracted to South Carolina thanks to its favorable business climate, proximity to major markets and a low cost of doing business. Despite the worldwide recession, South Carolina's job recruitment and capital investment from manufacturers saw steady growth from 2006 to 2011. In 2011, the state attracted more than \$4.7 billion in capital investment from manufacturing companies. Between 2006 and 2011, new and expanding manufacturing firms committed to creating 70,000 jobs in the state.

(Source: South Carolina Department of Commerce, Division of Research Capital Investment Reports)

Manufacturing Capital Investment in South Carolina, 2006 - 2011



WORKFORCE *Providing the Labor and Training Manufacturers Need*

Compared to all other states, South Carolina has one of the highest proportions of its workforce employed in many of the engineering, technical and production occupations critical to success in manufacturing.

(Source: U.S. Bureau of Labor Statistics)

CNBC Ranks South Carolina's workforce 6th in the nation, based on the quality and availability of workers as well as union membership and the success of state worker training programs placing participants in jobs.

(Source: CNBC America's Top States for Business, June 2011)

SC Rank of Employment Concentration for Key Occupations, 2011

Occupation	SC Rank	Occupation	SC Rank
Tire Builders	1	Chemical Plant and System Operators	3
Nuclear Technicians	1	Environmental Engineering Technicians	4
Fiberglass Production	1	Industrial Engineering Technicians	4
Extruding and Forming Machine Operators	1	Nuclear Engineers	5
Environmental Science Technicians	1	CNC Machine Operators	5
Industrial Engineers	2	Engine and Machine Assemblers	6
Team Assemblers	2	Chemical Equipment Operators	6
Paper Goods Machine Operators	2	Inspectors, Testers, and Weighers	6
Chemical Engineers	3	Environmental Engineers	9
Mechanical Engineers	3	Health and Safety Engineers	9
Extruding and Drawing Machine Operators	3	Mechanical Engineering Technicians	9
Heat Treating Equipment Operators	3	Chemical Technicians	9

RECENT RANKINGS *South Carolina is Recognized Nationally*

- South Carolina consistently ranks high on *Site Selection* magazine's "Top State Business Climates" and took the 5th spot for 2011. South Carolina also scores high with business executives surveyed by *Site Selection*. The magazine ranked South Carolina among the top 10 for the past eight years.
(Source: *Site Selection*, November Issues)
- Business Facilities magazine has named South Carolina the 2nd strongest state in the United States for automotive manufacturing growth.
(Source: *Business Facilities*, July 2011)
- South Carolina is a right-to-work state and has one of the lowest unionization rates in the United States. Among the 50 states, South Carolina ranks 2nd lowest, with only 3.4 percent of its workforce belonging to a labor union.
(Source: U.S. Bureau of Labor Statistics)
- South Carolina's affordable labor costs have also been recognized. South Carolina ranked the 8th for its low cost of labor and workforce training on the 2011 ranking report from *Business Facilities* magazine. The ranking is based on unionization, unemployment insurance, worker's compensation premiums, hourly pay in manufacturing, average annual pay in the private sector and average employer cost for an "employee plus one" health care premium.
(Source: *Business Facilities*, January 2012)