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GREATER MARICOPA FOREIGN TRADE ZONE Expands Employment Opportunities and Drives Economic Development in the West Valley

Peoria, AZ – May 24, 2016 – Elliott D. Pollack & Company recently published a study that highlighted the jobs created and investment established as a result of the Greater Maricopa FTZ, Inc. (GMFTZ) Foreign Trade Zone project.

Since the approval of FTZ No. 277 in December 2010, an estimated \$448 million of capital investment has been made by eight companies, creating over 1,400 West Valley jobs within the WESTMARC cities. This includes Avondale, Goodyear, Peoria, and Surprise as well as in unincorporated areas within Maricopa County. Based on the economic impact study completed in March 2016 it was projected that an additional 1,500 jobs will be added over the next six years as a direct result of FTZ No. 277. These figures are exclusive of the jobs that are created as a result of new construction as well as the jobs that are created from the additional ripple effects throughout the economy.

Zone designation is a powerful economic development tool as this federal program provides importers, third-party logistics providers, manufacturers and exporters with a number of cost-saving benefits such as: reduced duties, consolidated weekly entries and local tax reclassification which brings new investment into the community. Therefore, having this designation within a community provides a value-added benefit that can be utilized when competing against other locations for a corporate relocation, expansion or investment. This designation is given through the U.S. Department of Commerce and each of the approved sites are monitored by U.S. Customs & Border Protection.

“As the first site activated in Zone 277 in 2011, Sub-Zero experienced significant savings from the Real and Personal Property Tax reductions.” said Ron Jones, Plant Manager Sub-Zero, Inc. “Our facility has grown consistently in the past five years and reached capacity which has led to a facility expansion scheduled for completion in October 2016.”

National FTZ consultant and Zone expert Curtis Spencer stated, “Not all companies can benefit from an FTZ; a number of factors must be reviewed and analyzed to make that determination. However, many companies are seeing significant federal and state benefits with FTZ No. 277. And this Zone is being predominantly used by manufacturers, and in the future will likely be utilized by state-of-the-art E-commerce fulfillment centers that employ large numbers of associates.”



The industries that are currently participating as Operators within FTZ No. 277 include: five manufacturers, two consumer goods distributors and a pending retail E-commerce fulfillment center. As of 2015, the average wages ranged within these operations ranged from \$29,642 to \$54,160 depending on the industry sector and company.

The Western Maricopa area has greatly benefited from the approval of FTZ No. 277 and based on key findings within this Economic and Fiscal Impact of The Greater Maricopa FTZ, Inc., it appears as if this project will continue to generate new jobs, revenue, and development opportunities for many years to come.

“The Greater Maricopa Foreign Trade Zone made the local and federal approval process simple for our new headquarters in the West Valley.” said Chet Keizer, President IRIS USA, Inc.

ECONOMIC IMPACT			
Construction - Total Over 10 Years			
	Employed	Wages	Economic Output
Direct	1,936	\$130,618,000	\$288,615,972
Indirect	412	\$24,814,000	\$71,411,000
Induced	1,057	\$47,776,000	\$143,954,000
Total	3,405	\$203,208,000	\$503,980,972

Operations - Annual at Buildout			
	Jobs	Wages	Economic Output
Direct	2,478	\$106,952,970	\$528,096,898
Indirect	1,191	\$63,147,000	\$195,896,000
Induced	1,157	\$52,293,000	\$157,567,000
Total	4,826	\$222,392,970	\$881,559,898

Source: Elliott D. Pollack & Co.; IMS Worldwide, Inc.; IMPLAN

Currently the Zone designation includes 14 sites and the structure of the Zone project provides an opportunity for other sites within the region to apply for “fast-track” designation. These 14 sites are spread over several of WESTMARC’s 15 cities that make up the West Valley.

“We are very happy with the level of development and job growth which has occurred within these first five years of Zone designation. It is GMFTZ’s mission and goal to



continue fostering economic growth and attracting new businesses and employment opportunities to the communities we serve,” said Art Othon, Chairman of Greater

Maricopa FTZ, Inc. “GMFTZ is one of the fastest growing FTZs in the western USA. With FTZ no. 277’s structure as a regional Zone including 13 cities, it is a model of what an FTZ should be.”

Visit www.gmftz.org to learn more.

About GMFTZ:

Greater Maricopa FTZ, Inc. is the Grantee of the Zone, which is a private, non-profit corporation, supported by WESTMARC. WESTMARC is a public advocacy and economic development corporation for the enhancement of the quality of life for citizens in the West Valley of Maricopa County (www.westmarc.org).

About WESTMARC

WESTMARC is a public-private partnership of the 15 communities, the business sector and educational community west of Interstate 17. WESTMARC’s mission is to enhance economic development and promote quality of life in the West Valley. WESTMARC provides marketing and administrative services to GMFTZ.

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