

TAKING  
SAN ANTONIO  
FROM  
LOCAL  
TO  
GLOBAL

2018

ANNUAL REPORT

# OUR MISSION

**LEAD THE DEVELOPMENT  
AND DIVERSIFICATION OF  
THE SAN ANTONIO REGIONAL  
ECONOMY THROUGH THE  
LOCATION AND EXPANSION  
OF QUALITY EMPLOYERS AND  
JOB PRODUCING INVESTMENTS.**

# LETTER FROM OUR CHAIRMAN



## INVESTORS, PARTNERS, AND COMMUNITY LEADERS:

Our Tricentennial year was a significant milestone in what has been a momentous and culturally rich history for our San Antonio community. One of the oldest established U.S. cities, San Antonio takes pride in its history while looking ahead to its innovative future.

In recent years, SAEDF was building, changing and growing as an organization, and San Antonio has evolved right along with it. That momentum only increased last year when SAEDF took San Antonio from local to global. Aligning San Antonio's FDI, trade and export efforts, SAEDF acquired the Free Trade Alliance to strengthen our community's collective global development strategy. This commitment to continuous improvement is what drives SAEDF to develop San Antonio's best in class global economic development organization. It's a long-term strategy and SAEDF is committed to seeing it through for the betterment of our San Antonio community.

Our ultimate goal for this community is to be at the top of the list for CEOs, site selectors and young professionals – the best city to live, to work, and to do business. SAEDF has gone global to achieve this.

We at SAEDF are proud to share these highlights in our 2018 Annual Report. The team is committed to attracting quality employers and jobs to our San Antonio community. Namely, more high wage jobs in our target industries that offer economic mobility and opportunity for San Antonians today and in the future. It's the type of work we are honored to do.

The building momentum of 2018 set San Antonio up for its best year yet in 2019. Under the leadership of Jenna Saucedo-Herrera and supported by her team, SAEDF is reaching higher still and I am proud to see such progress being made. Team San Antonio, made up of collaborators at the City, County, CPS Energy, SAWS and over 170 private sector investors, is SAEDF's direct line of support and strongest ally in elevating San Antonio's competitive position. I am thrilled with the increased support from our private sector. Your time and expertise shared has profoundly affected the positive trajectory of this organization.

We are working more collaboratively and effectively to take San Antonio to the next level. As we keep working together, we will achieve San Antonio's economically healthy and prosperous future.



David P. McGee  
President & CEO  
Amegy Bank Central Texas

# 2018: YEAR IN REVIEW

## ECONOMIC SNAPSHOT

San Antonio's economic profile is as diverse and unique as its history, with a strong mix of industries including technology, cybersecurity, healthcare & life science, manufacturing, tourism & hospitality, military, and financial services. Education and workforce development continue to be top priorities as local leaders work to attract top talent and grow skilled talent locally to support industry growth.

Job growth in 2017 was 2%, and slowed to 1% by the end of 2018. Labor markets tightened at the beginning of 2018 and fell to 3.4% unemployment at the end of the year, similar to other major Texas markets.

A favorable business climate is still Texas' and San Antonio's greatest asset. Continued corporate expansions will inject new jobs, maintaining a growth rate for the state at 1% faster than the nation. For San Antonio, 2019 should see growth in financial and manufacturing sectors as jobs are expected to grow at 2%, and through continued efforts to support training and job attraction in information technology and cybersecurity, 3% growth can be expected in jobs within these sectors.

International trade battles may continue to impact the Texas economy, but Texas remains the largest export state and has the fourth-highest percentage of jobs tied to exports of any state.

The region's population increased by approximately 10.5% in the past 5 years (2013-2018), adding approximately 235,000 residents and helping the San Antonio-New Braunfels MSA maintain its position as one of the fastest growing cities in the U.S.

Texas and San Antonio are positioned to make 2019 a successful year. San Antonio's resilience and mix of industries add economic stability when the outlook is uncertain.

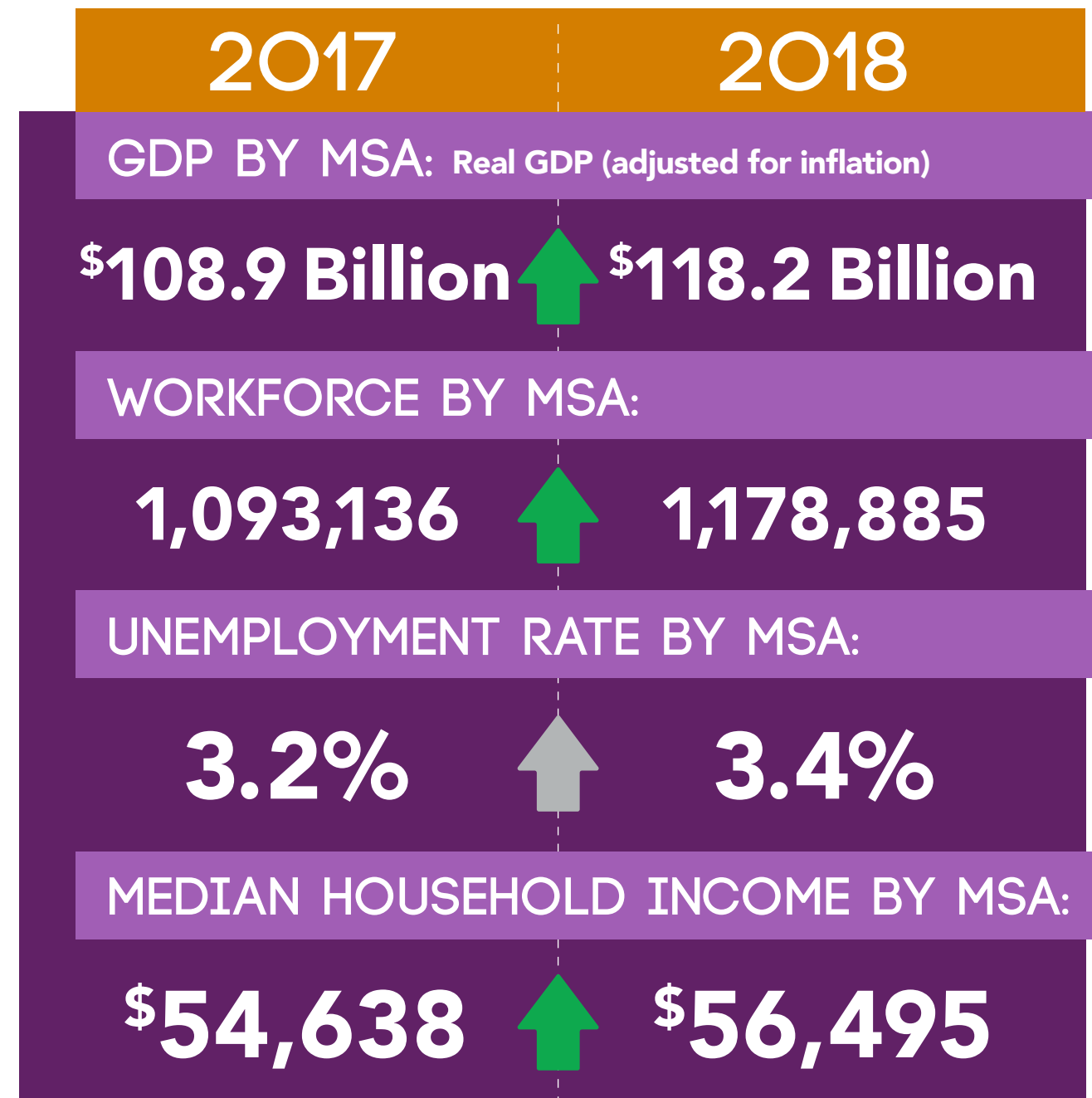
San Antonio  
is projected  
to welcome  
more than

**ONE  
MILLION**



**NEW  
RESIDENTS  
by 2040**

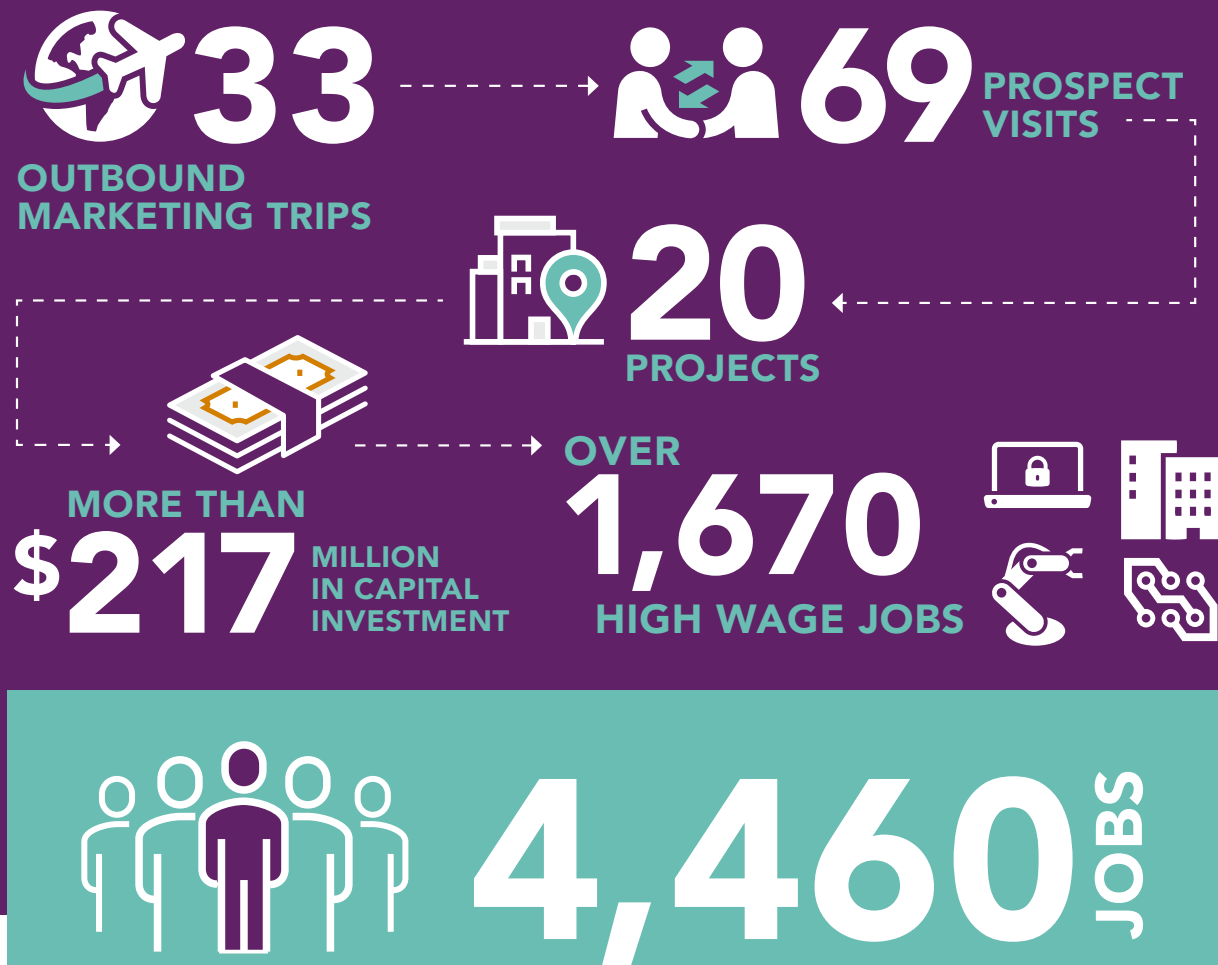
# COMMUNITY INDICATORS



# OPERATIONAL HIGHLIGHTS

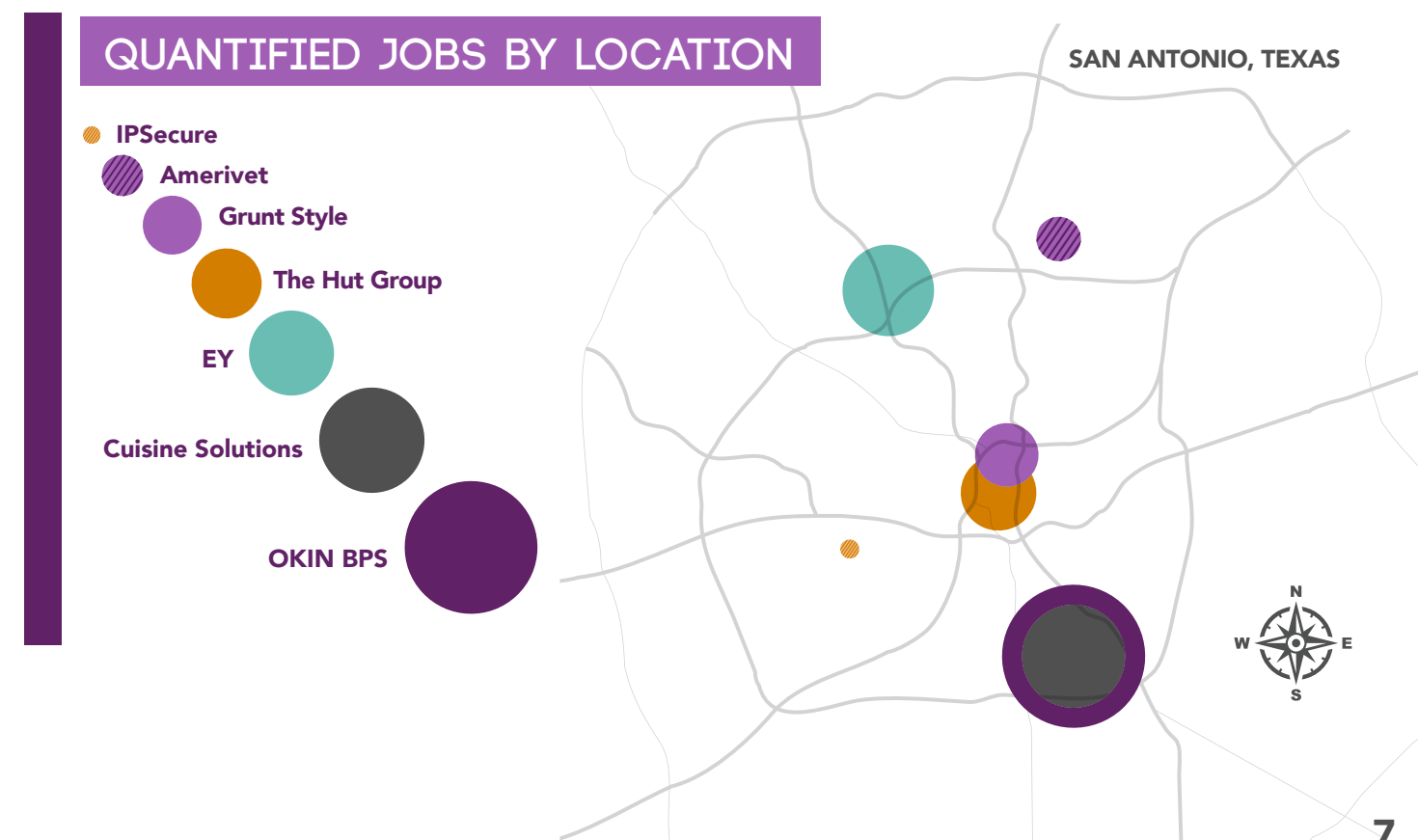
In 2018, SAEDF won 20 projects that will bring 4,460 new jobs to San Antonio and inject over \$217 million in capital investment.

Three international companies selected San Antonio for their U.S. headquarters operations, including The Hut Group, OKIN BPS and Amerivet.



# PROJECT HIGHLIGHTS

<b>OKIN BPS</b>	<b>1,500 jobs</b> , \$26M capital investment, HQ
<b>EY</b>	<b>300 jobs</b> , \$5M capital investment, IT
<b>CUISINE SOLUTIONS</b>	<b>550 jobs</b> , \$108M capital investment, Manufacturing
<b>AMERIVET</b>	<b>100 jobs</b> , \$50K capital investment, HQ
<b>THE HUT GROUP</b>	<b>165 jobs</b> , \$150K capital investment, HQ (IT)
<b>IPSECURE</b>	<b>80 jobs</b> , \$1.3M capital investment, Cybersecurity
<b>GRUNT STYLE</b>	<b>125 jobs</b> , \$20M capital investment, HQ (Manufacturing)



# INTERNATIONAL

In order to develop San Antonio's best in class global development organization, SAEDF integrated the Free Trade Alliance, the organization once charged with facilitating San Antonio's trade and export development activities. This integration maximizes efficiencies by aligning San Antonio's FDI and trade development efforts under one organization, as recommended by the 2015 Brookings Trade and Investment Strategy for San Antonio.

SAEDF also formed its International Advisory Council, made up of private and public sector international business experts, to align and coordinate FDI and trade development strategies for the San Antonio region.

SAEDF hosted the fifth annual International Business Forum, a targeted event that brings together importers, exporters, foreign direct investors and diplomats to explore opportunities for investment in San Antonio. The Forum welcomed approximately 100 participants, including trade commissioners representing 25 foreign countries.



Texas Governor Greg Abbott joined San Antonio Mayor Ron Nirenberg, Bexar County Judge Nelson Wolff, local elected officials and economic development leaders to announce that Czech-based company OKIN BPS selected San Antonio as the location of its new U.S. headquarters, adding over 1,500 new jobs in South San Antonio at Brooks.

**SAEDF LED**  
**4 INVESTMENT PROMOTION MISSIONS**  
**TO CZECH REPUBLIC, JAPAN, SPAIN AND MEXICO.**

## INTERNATIONAL BUSINESS DEVELOPMENT CENTER

With the integration of the Free Trade Alliance, SAEDF also gained a significant asset in the International Business Development Center, a business incubator and accelerator that assists foreign companies to enter the San Antonio market by offering business counseling and short term leased office facilities.

Since its inception in 1999, the IBDC has helped over 250 companies from all over the world including Mexico, Japan, Canada, China, Europe, and South America. The industries supported range from advanced manufacturing, to food and beverage, and business services, among others. In 2018, the program welcomed 12 new companies that are continuing with the program to explore growth opportunities in the San Antonio market.

### IBDC COMPANIES 2018

- ▶ Amerivet
- ▶ Sugarox Candy Studio
- ▶ Doc US
- ▶ Farin' Up
- ▶ Kolorines
- ▶ Setric Best

# BRAND

SAEDF launched San Antonio's Real & Ready brand as a result of the collaborative work of the San Antonio Brand Movement. SAEDF and local partners, like Tech Bloc, are integrating the brand into their marketing, advertising and collateral.



**649** MILLION  
 PEOPLE REACHED IN  
 TARGET GEOGRAPHIES

# BY THE NUMBERS

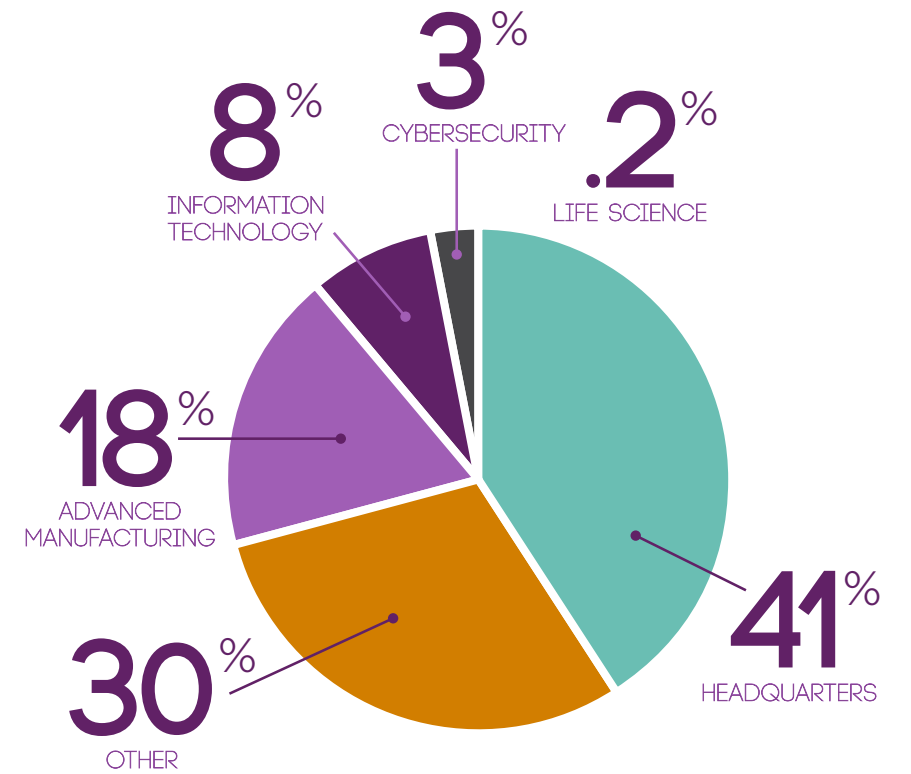
In 2017, SAEDF began honing its strategy and focus on target-industry development, all to reach an ambitious goal of generating \$45 billion in economic impact by 2020. In 2018, SAEDF began to see the results of these efforts with more target-industry, high-wage jobs coming to San Antonio through SAEDF business recruitment and retention. That intensity will only increase in 2019 as SAEDF builds on the momentum of this further refined strategy. In fact, 70% of new jobs added in 2018 were target industry, up from 23% the year prior.

BY 2020  
**\$45 BILLION**  
 IMPACT

## 2018 PERFORMANCE

<p>DIRECT EXPORT SUPPORTED JOBS:</p> <p><b>33,890</b></p>	<p>NUMBER OF NEW JOBS:</p> <p><b>4,460</b> TOTAL</p>	<p><b>70%</b> TARGET INDUSTRY JOBS</p>
<p>CAPITAL INVESTMENT</p> <p><b>\$217M</b></p>	<p>HIGH WAGE JOBS:</p> <p><b>1,676</b></p>	<p>PROJECTS:</p> <p><b>55%</b> LOCATIONS</p>
<p>FOREIGN DIRECT INVESTMENT</p> <p><b>\$26.6M</b></p>	<p><b>38%</b> (OF TOTAL JOBS)</p>	<p><b>45%</b> EXPANSIONS</p>

## JOBS BY KEY INDUSTRY

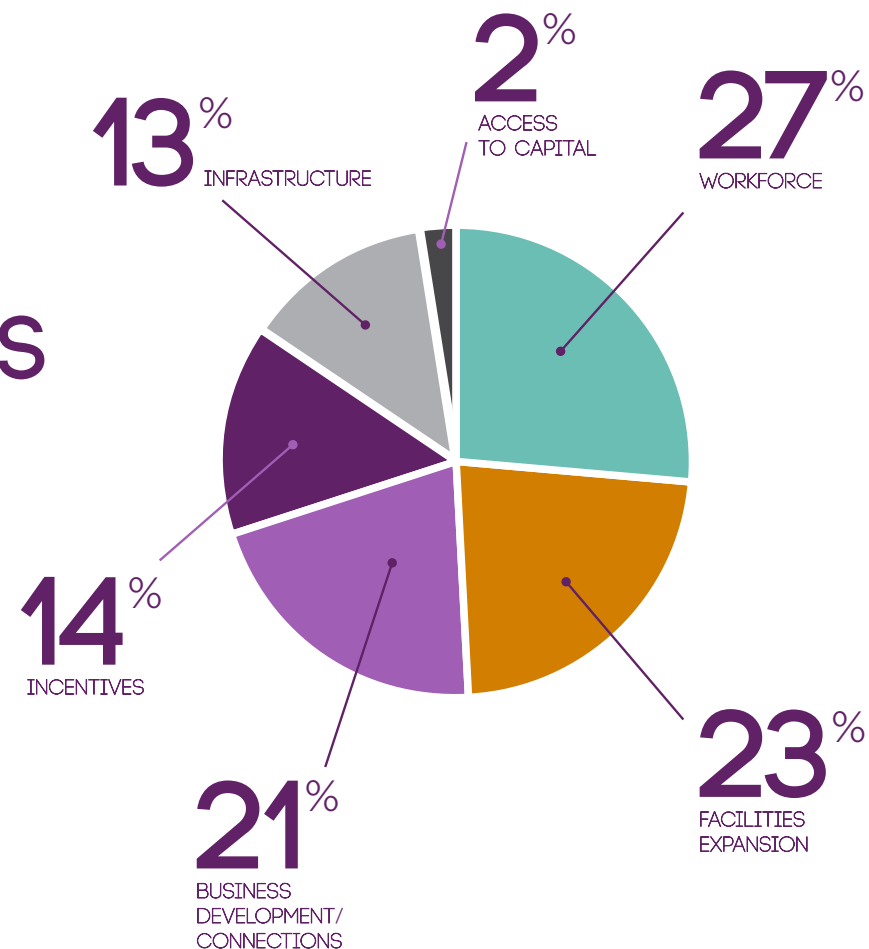


	<b>HEADQUARTERS</b> 4 PROJECTS	1,852 JOBS	\$96K AVG WAGE/YR
	<b>CYBERSECURITY</b> 3 PROJECTS	114 JOBS	\$92K AVG WAGE/YR
	<b>LIFE SCIENCE</b> 1 PROJECTS	10 JOBS	\$90K AVG WAGE/YR
	<b>INFORMATION TECHNOLOGY</b> 2 PROJECTS	380 JOBS	\$72K AVG WAGE/YR
	<b>ADVANCED MANUFACTURING</b> 5 PROJECTS	785 JOBS	\$39K AVG WAGE/YR
	<b>OTHER</b> 5 PROJECTS	1,319 JOBS	\$58K AVG WAGE/YR

# BUSINESS RETENTION & EXPANSION

Team San Antonio supported 74 BRE visits in 2018, a nearly 50% increase over the previous year. And while BRE visits are important, where San Antonio's BRE team turns those opportunities into action is where the largest impact exists. In 2018, SAEDF formalized the tracking of its BRE Assists, or the ways in which the BRE team is able to engage and support local companies, beyond job growth. It can be anything from assistance with infrastructure and making connections, to helping with workforce development or incentives for business growth.

IN 2018  
**124**  
BRE ASSISTS



# WORKFORCE



San Antonio prioritized its workforce development efforts to ensure an economically healthy and prosperous future. SA Works, SAEDF's workforce development team, partners closely with industry and education to align San Antonio's strategic efforts to build a sustainable workforce pipeline in demand industries of technology, cybersecurity, manufacturing and life science.

## 2018 ACCOMPLISHMENTS



### JOBS REPORT:

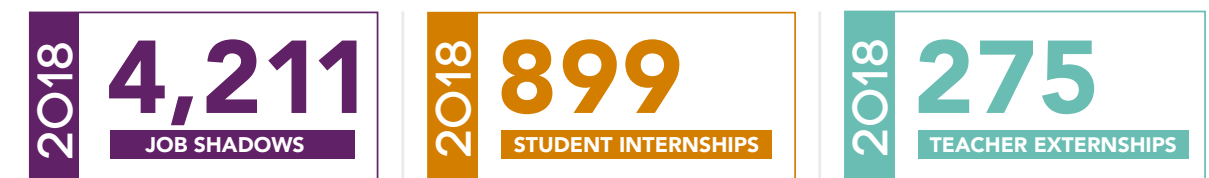
SA Works launched the first [Jobs Report](#) in 2018 to provide an analysis of San Antonio's market demand by job posting and the respective education levels and skills needed as identified by employers in the manufacturing, information technology, and healthcare sectors. The report, which will be published biannually, has inspired dialogue and action to develop programs that align with industry needs.

### SKILLS GAP ANALYSIS:

In partnership with the CyberTexas Foundation, Tech Bloc, UTSA, and Cybersecurity San Antonio, SA Works completed a demand occupation survey assessing employer demand in the information technology and cybersecurity industries. Local organizations participated in the survey and final results were compiled and a [Skills Gap Analysis report](#) was provided to local universities, colleges, and technical training providers for alignment of programs and curriculum with top industry demands.

## SA WORKS PROGRAM IMPACT

### GROWING SAN ANTONIO'S FUTURE WORKFORCE



2018 ESTIMATED ECONOMIC IMPACT ON YOUTH SALARIES THROUGH INTERNSHIPS **\$1,290,500**

# INVESTOR GROWTH

SAEDF continues to prioritize increased collaboration with the private sector to ensure economic development strategy aligns with industry needs. SAEDF's investors directly influence San Antonio's economic development efforts and challenge this organization to continuously improve to best serve the community.

**Thank you to our new investors and to those who increased their investment in SAEDF. SAEDF investors are the driving force behind the organization's productivity and San Antonio's economic prosperity.**

## NEW INVESTMENT:



## INCREASED INVESTMENT:



## GRANTS & GIFTS:



# 2019 & BEYOND

## 2019 PRIORITIES

- ▶ Continuous Improvement
- ▶ Regional Economic Development
- ▶ International Business Development

## PLANNED INITIATIVES (HIGHLIGHTS)

### ▶ Strategic Planning

SAEDF will begin its strategic planning for 2020-2025 to reevaluate current path and affirm target industry strategy for the next five years of growth.

### ▶ Demand Occupation & Education Reports

SA Works will continue to analyze the local target industries' top occupations and education institutions, next focusing on life science and healthcare.

### ▶ College Promise

Work with Alamo Colleges to launch the preliminary College Promise to allow tuition free education for Bexar County students.

### ▶ Brookings International

Finalize and deploy Brookings Global Cities Initiative market prioritization strategy for global business development.

### ▶ Regional Partnerships

SAEDF is committed to elevating the San Antonio region's awareness as the best location for business investment. Through prioritizing regional partnerships, SAEDF is strengthening San Antonio and surrounding cities' ability to work together to recruit and retain top employers and talent for the benefit of the entire region.

### ▶ Website Redesign

Redesign of SAEDF website to reflect the evolution of SAEDF as a global economic and workforce development organization.



# THANK YOU

If the first few weeks of 2019 are any indication of what this year holds (and believe me, they are), San Antonio is going to experience its best year yet. That is due entirely to the efforts of all San Antonians willing to roll up their sleeves, work hard, and align towards a common goal to continue building our prosperous city of the future.

I'd like to thank our SAEDF team for their lively passion for the work we do and for their tireless commitment to making San Antonio a better community for everyone who lives here.

Also, I'd like to thank our 2018 leadership team, including our executive committee and active committee and council chairs.

Finally, it is without a doubt the commitment of our SAEDF investors that keeps our economic engine running. Thank you for empowering, supporting, and challenging our team to continue building towards San Antonio's economically healthy and prosperous future. Your continued commitment to SAEDF's mission is driving our community's future success.



Jenna Saucedo-Herrera  
President & CEO, SAEDF

# 2018 SAEDF EXECUTIVE COMMITTEE

**DAVID MCGEE** Amegy Bank - Chairman

**CRAIG BOYAN** H-E-B - Vice Chairman

**LISA FRIEL** Ernst & Young Secretary/Treasurer

**ALEJANDRO GALINDO** Medtronic Diabetes

**PHYLLIS GALLAY** North Chamber of Commerce

**BERTO GUERRA** Avanzar Interior Technologies

**JENNA SAUCEDO-HERRERA** SAEDF

**JIM LAFFOON** Security Service Federal Credit Union

**DR. ESTEBAN LOPEZ** San Antonio Hispanic Chamber of Commerce

**DAVID MARQUEZ** Bexar County

**WAYNE PEACOCK** USAA - Past Chair

**WILLIAM RABA** Raba Kistner, Inc.

**KATE ROGERS** SA Works Advisory Council

**SHERYL SCULLEY** City of San Antonio

**RAD WEAVER** San Antonio Chamber of Commerce

**PAULA GOLD-WILLIAMS** CPS Energy

## 2018 COMMITTEE/COUNCIL CHAIRS

**SAM DAWSON** Pape-Dawson Engineers, Investment Committee Chair

**LISA FRIEL** Ernst & Young, Finance Committee Chair

**MIKE KARAGEORGE** SWBC, Marketing Committee Chair

**RAUL RODRIGUEZ** Monterrey Tech, Co-Chair, International Advisory Council

**KATE ROGERS** The Holdsworth Center, SA Works Advisory Council Chair

**REBECCA VIAGRAN** City of San Antonio, Co-Chair, International Advisory Council

## 2018 TOP SAEDF INVESTORS

AMEGY BANK

BANK OF AMERICA

BEXAR COUNTY  
ECONOMIC DEVELOPMENT

BLUE CROSS BLUE SHIELD  
TEXAS

BNSF RAILWAY

BROADWAY BANK

BROOKS

CITY OF SAN ANTONIO

CPS ENERGY

FROST BANK

HOLT CAT

JOERIS GENERAL  
CONTRACTORS, LTD.

PAPE-DAWSON CONSULTING  
ENGINEERS

PORT SAN ANTONIO

RABA KISTNER, INC.

SAN ANTONIO WATER SYSTEM

SECURITY SERVICE FEDERAL CREDIT  
UNION

USAA

VALERO ENERGY CORPORATION

VIA METROPOLITAN TRANSIT AUTHORITY

WELLS FARGO BANK



**saedf**  
san antonio economic  
development foundation