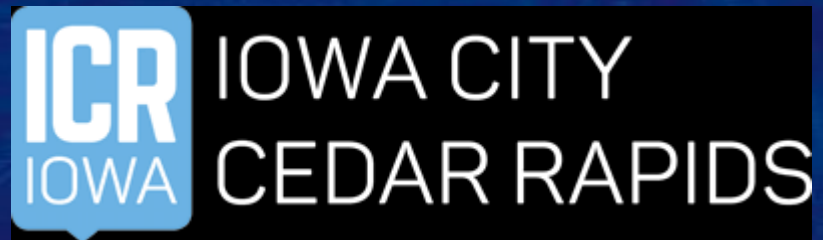


Site Selection After COVID-19: Predictions From The Experts



May 27, 2020

JAY GARNER

Garner Economics LLC
Chair, Site Selectors Guild

Garner | Economics LLC
solutions that work



ROBYN DOMBER

DCI
VP, Research



“

In the past three years alone, Guild members facilitated the announced creation of approximately 165,000 jobs and \$90 billion in announced capital investment.

Summary of Guild Member Survey on COVID-19

“

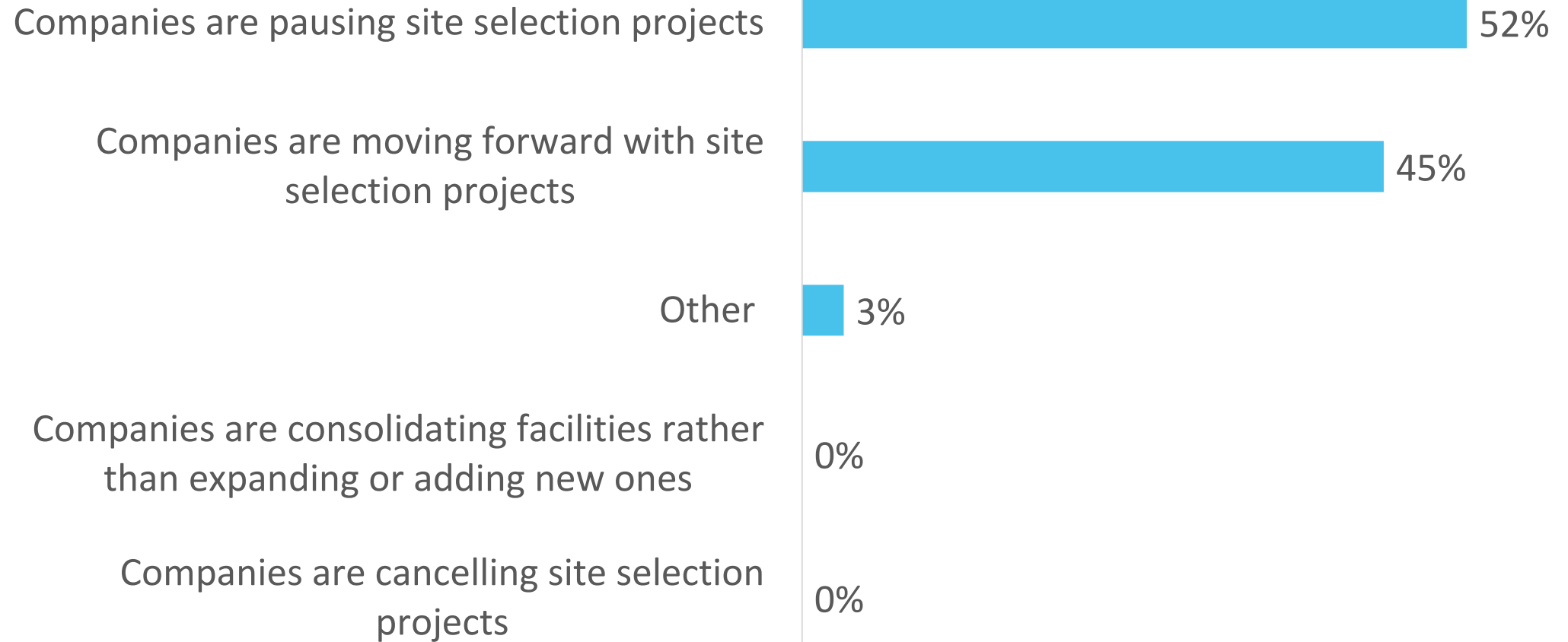
We should absolutely avoid social distancing - at least in the literal sense of the word. Physical distancing is all-required. Maintaining social contacts in these troublesome times is critical to strengthening interpersonal links and trust.”

“

We are busy! And are still counting on our EDO friends to assist us with our project inquiries currently when we reach out. We will all cut each other some slack and give grace...”

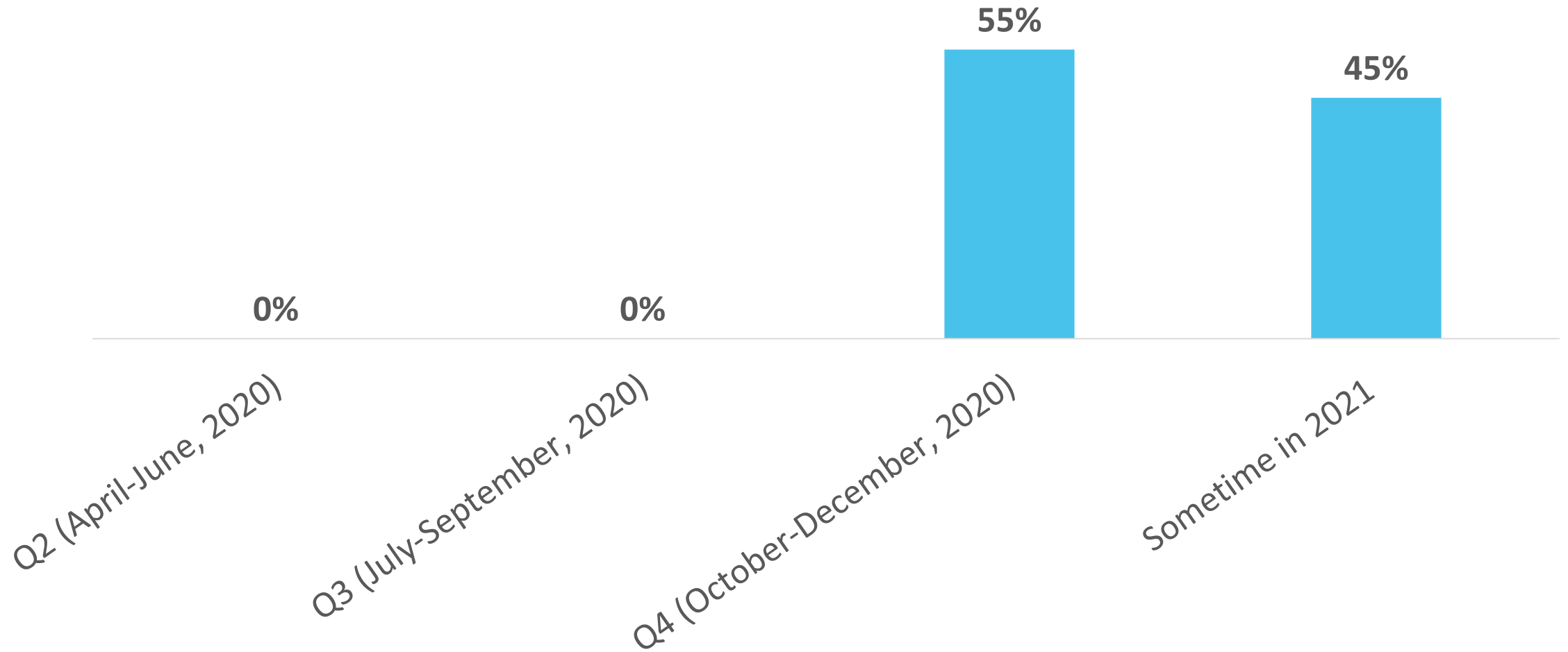


Current Environment





Predicted Return of Activity

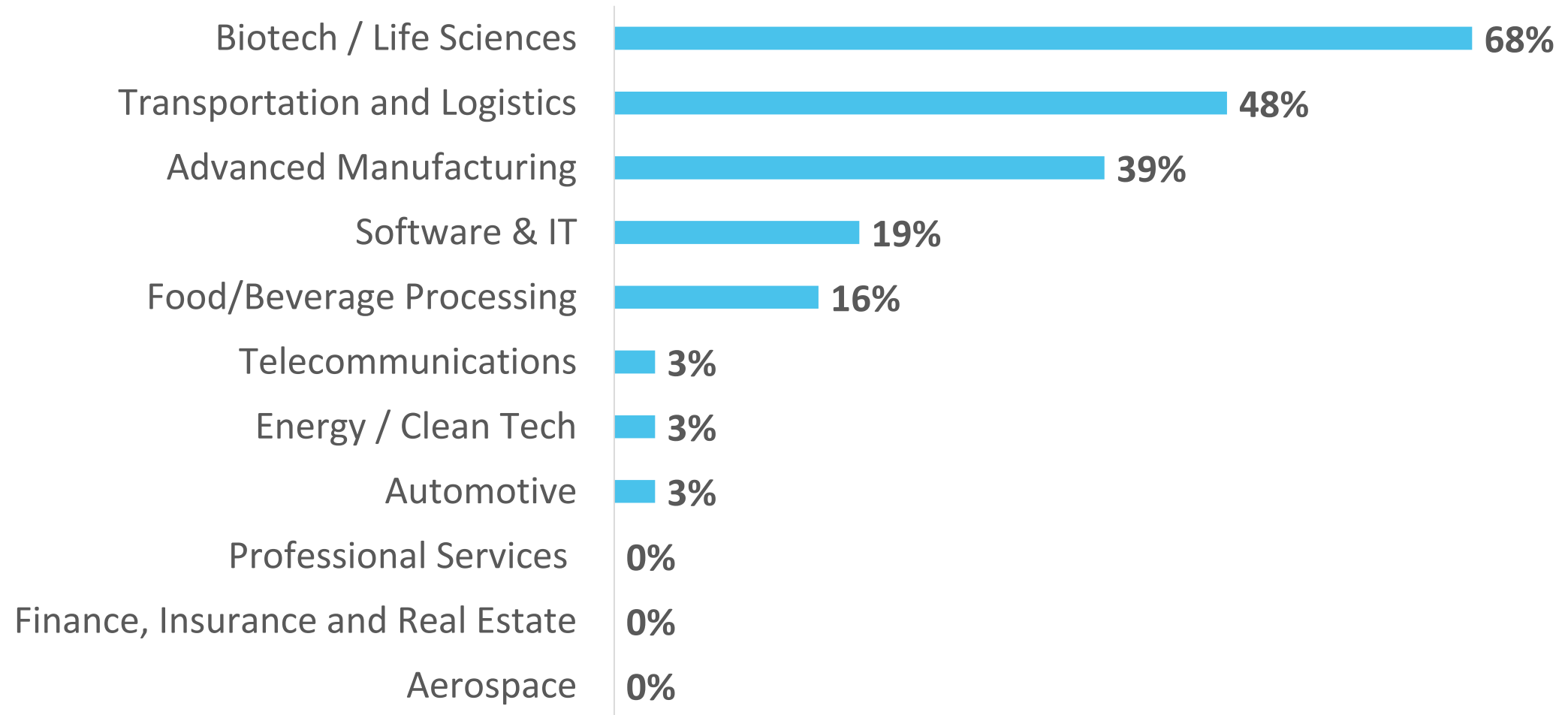


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**Life Sciences, Logistics and Advanced
Manufacturing Emerge As “Hot”
Industries in A Post-COVID World”**

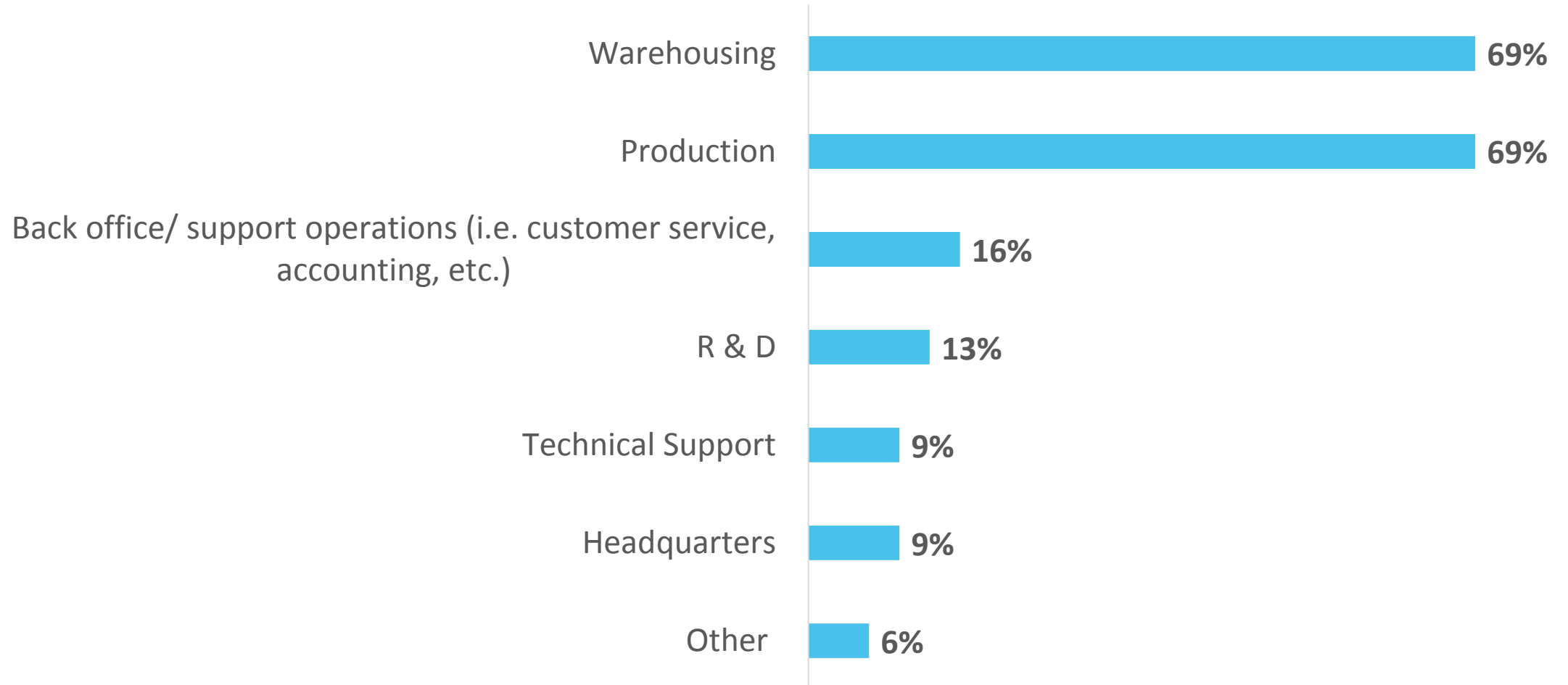


Most Active *Industries* Post COVID-19



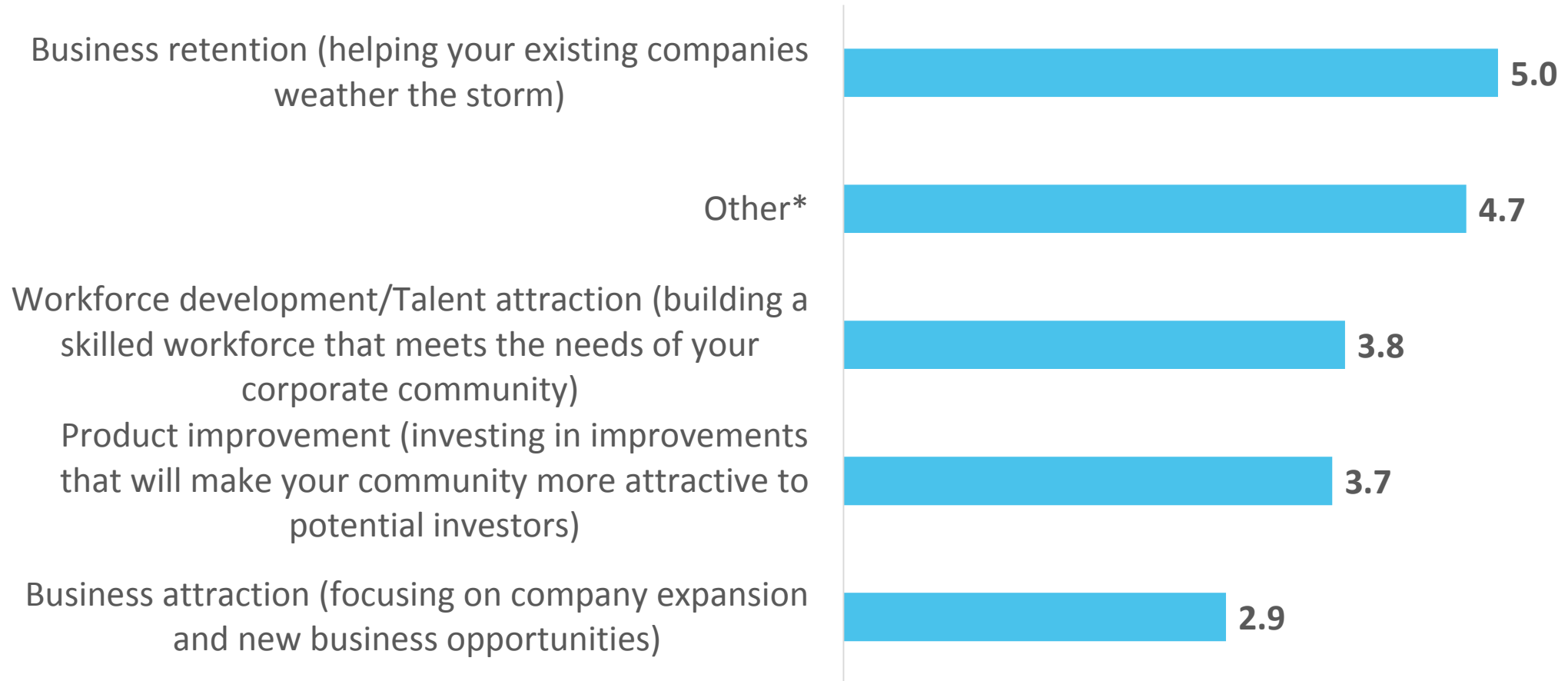


Most Active *Functions* Post COVID-19





Recommended Priorities for EDOs



** "Other" responses include workforce retention/connecting unemployed workers to jobs; revisiting target industries; communication on new initiatives and restoring international suppliers*



What Do Site Selectors Want to Hear?

- **31% - Updates on Market Conditions (i.e., announcements/closures)**
- **27% - New Approaches/Resources to Support Major Employers during COVID-19**
- **19% - Updates on Incentives (i.e. changes in compliance, new etc.)**
- **15% - Information on sites, buildings and infrastructure**
- **15% - Training (re-skilling) and labor force information**

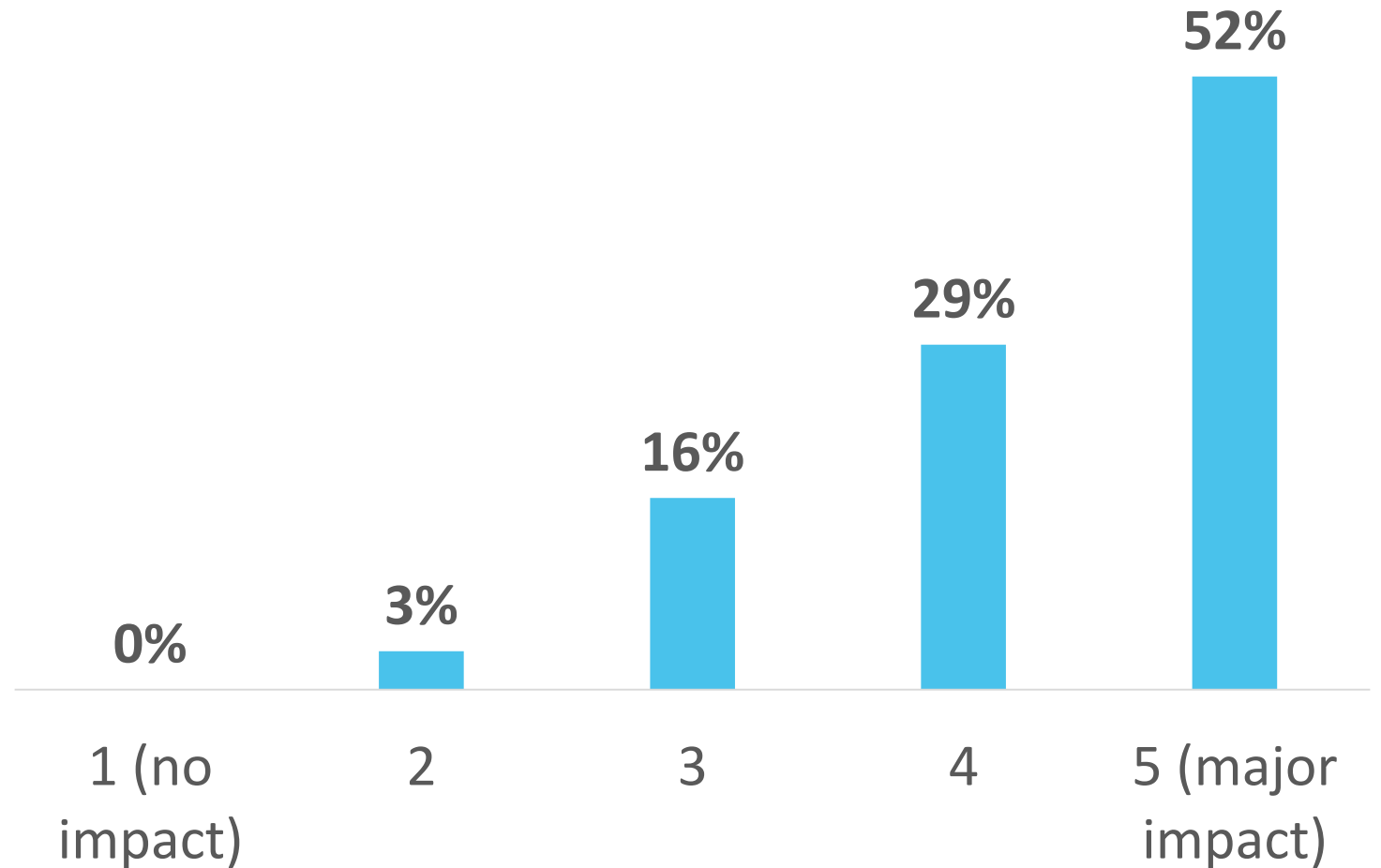
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**De-risking The Supply Chain: How
COVID-19 Will Force A Shift In Global
Distribution...”**



Impact On Global Supply Chain Strategies

**MEAN:
4.3**





Impact On Global Supply Chain Strategies

“Companies have been focused for decades on lowest cost scenarios; growth in China and SE Asia is a great example. Now, the quest for lowest cost will become more balanced with reduction in risk.”

“The trend toward regionalization of supply chains was well underway before COVID-19...it will now accelerate. So will China plus 1 or 2 and reshoring to North America. Companies will carry more safety stock and extend their supplier networks.”

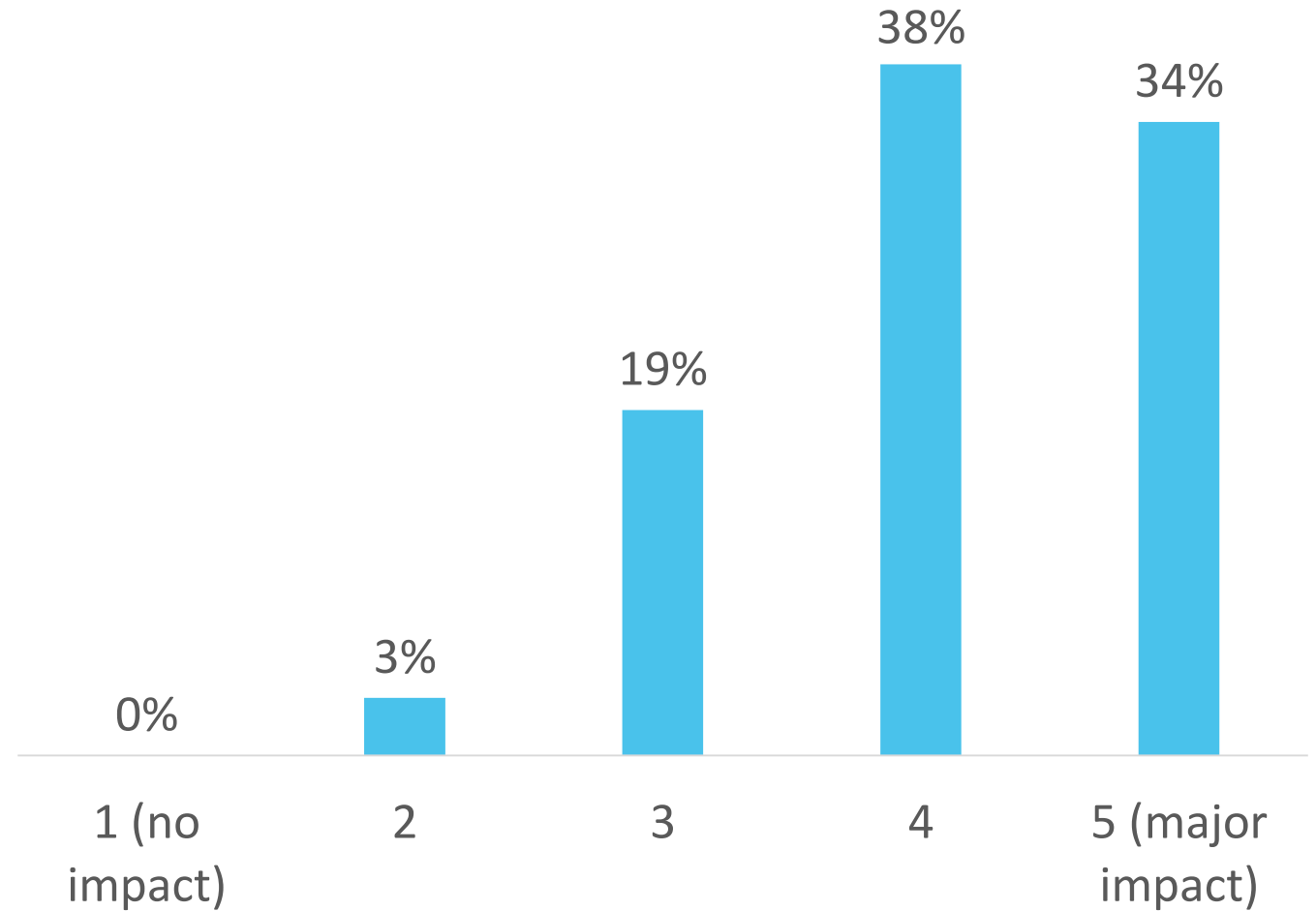
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**After The “Work From Home
Experiment”...”**



Long Term Impact of Current Remote Workers

**MEAN:
4.0**





***From the Great Pause to the Great Pivot:
What's Next?***



With Adversity Comes Opportunity: Changes In Strategy

- ✓ Regionalization of the supply chain (USMCA), but with strings attached (incentives)
 - Opportunities in pharma, medical supplies, medical equipment, large DC's (e-commerce driven)
- ✓ Weak demand for office space
- ✓ Strong demand to modify existing space



With Adversity Comes Opportunity: Changes In Strategy

- ✓ F&B continued focus on food and employee safety
 - 40% of US slaughter capacity went offline over the last 2 weeks
 - Retrofit of existing facilities
- ✓ Still....*No product, No project!*TM
- ✓ No people shortage but still a skills shortage.
- ✓ Dealing with vacant properties



With Adversity Comes Opportunity: Changes In Strategy



Before the Pandemic



During the Pandemic

For More Information, Please Visit:

<https://siteselectorsguild.com/research/>