



INSIGHTS INTO WEST/NORTHWEST

MARKET SNAPSHOT

The West/Northwest has a population of 73 million, approximately 23 per cent of the total US population.¹ The region has an economy of US\$3.4 trillion, 24 per cent of the country's total GDP.² California alone is the fifth largest economy in the world.³

California is also home to over 100 technology companies that are collectively worth more than US\$2 trillion, which accounts for approximately six per cent of all corporate US profits.

Technology, agriculture, retail, and renewable energy are key industries driving economic growth in the Western and Northwestern United States. Six of America's 10 fastest-growing states are in this region - California, Oregon, Colorado, Wyoming, Utah, and Washington - and significant trade and investment opportunities exist for Australia.

Eight of the top 50 universities in the world are located within the region. California Institute of Technology ranks first globally according to the Times Higher Education Rankings.⁴ Stanford, UC Berkeley, University of Washington, UCLA, and UC San Diego also rank in the top 50. Stanford and California Institute of Technology are ranked first and second respectively for engineering and technology globally, and UC Berkeley is ranked fifth amongst clinical, pre-clinical and health universities globally.

By Q2 of 2019 there was US\$66 billion in venture capital invested in the US, with 58 per cent of that invested in the West Coast region. The Bay Area accounts for 25 per cent of all global VC investment and hosts nine of the top 10 VC firms in the world.⁵

Austrade's San Francisco office is responsible for overseeing the Western and Northwestern regions of the United States, including the states of California, Oregon, Colorado, Washington, Idaho, Montana, Wyoming, New Mexico, Alaska, Utah, Arizona and Hawaii

NUMBERS AT A GLANCE



\$4.3 TRILLION

The region has an economy of US\$4.3 trillion, 24 per cent of the US total GDP.



5TH LARGEST ECONOMY

California has the fifth largest economy in the world with a total GDP of US\$2.97 trillion as of 2018.³



GLOBAL TECHNOLOGY HUB

Over 9,400 venture capital-funded tech companies are headquartered in California. This includes B2B, B2C, IT and FinTech companies.

Nearly 2/3 of the 148 US-based companies that have reached unicorn status are based in California. That accounts for nearly 36 per cent of all unicorn status companies globally.⁶



8 WORLDCLASS UNIVERSITIES

California Institute of Technology, Stanford, UC Berkeley, University of Washington, UCLA and UC San Diego all rank in the top 50 universities, globally.⁴



MAJOR VENTURE CAPITAL INVESTMENT

Annual VC investment surpassed US\$100 billion across nearly 9,000 deals in 2018, the first time since the dot-com era. The West/Northwest region accounted for 46 per cent of all deals and 64.5 per cent of all investment dollars.⁷

OPPORTUNITIES AND HIGHLIGHTS

Austrade San Francisco focuses on delivering trade and investment outcomes in identified key growth areas with an emphasis on emerging high-growth technologies and R&D. The San Francisco Bay Area is the global centre of innovation and technology with other innovation hotspots in the region including Los Angeles, California; Portland, Oregon; Denver/Boulder, Colorado; Salt Lake City/Provo, Utah; Boise, Idaho; and Seattle, Washington.

The growth in global demand for food is driving advances in agricultural technology. Key opportunities exist for supply chain optimisation and harvest mechanisation that will reduce costs and increase productivity in Australia and enable further expansion of Australian agrifood exports into the Asia-Pacific.

Financial services and technology are sectors in which Australia has considerable knowledge and experience with advances being made across a variety of industries including mobile payments, money transfers, loans and asset management. Fintech is interrelated with cybersecurity as stakeholders want to ensure data is secure and protected.

The landscape of cross-border eCommerce is continuously evolving with people finding new and efficient ways to buy

The landscape of cross-border eCommerce is continuously evolving with people finding new and efficient ways to buy and sell goods. There is a complete ecosystem dedicated to technological advances in global logistics, customer service, merchandising, performance & analytics, multi-channel integration, marketing, and infrastructure.

Governments and companies across all industry sectors are harnessing the power of big data and analytics, combined with visualisation, to improve their

operations. Data sourced from sources such as purchasing and browsing habits, social networks and many more cyber-based activities have the potential to drive efficiency and build market share. Big data and analytics is deeply integrated with cybersecurity as stakeholders strive to protect and secure information.

With the influx of innovation and technology in renewable energy, the market has become increasingly attractive. The sector continues to be among the fastest growing in California, with Tesla leading the way. Australia continues to be seen as an attractive investment opportunity for renewable energy companies looking for a test market.

WESTCOAST-AUSTRALIA RELATIONSHIP

Major American companies with operations in Australia that are headquartered in the region include Apple, Chevron, HP, Alphabet (Google), Intel, Disney, Cisco Systems, Oracle, Costco, Amazon, Microsoft, Nike, Simplot, Boise Cascade and Driscoll's.

There are over 100 Australian companies with operations in California including Telstra, Atlassian, Culture Amp, Safety Culture and Appen.

CONTACT US

For further information locally, please call **13 28 78** or email **info@austrade.gov.au**.

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HOW AUSTRADE CAN HELP

The Australian Trade and Investment Commission (Austrade) is the Australian Government's international trade promotion and investment attraction agency.

We deliver quality trade and investment services to businesses to grow Australia's prosperity.

We help companies around the world to identify and take up investment opportunities in Australia as well as to source Australian goods and services. Our assistance includes:

- ▶ providing insight on Australian capabilities
- ▶ identifying potential investment projects and strategic alliance partners
- ▶ helping you identify and contact Australian suppliers.

Disclaimer

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- 1 <http://worldpopulationreview.com/states/>
- 2 <https://www.census.gov/quickfacts/fact/table/US/PST045218>
- 3 <https://www.bea.gov/system/files/2019-02/qgdpstate0219.pdf>
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- 5 <https://pitchbook.com/news/articles/21-charts-showing-current-trends-in-us-venture-capital>
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- 7 <https://pitchbook.com/news/reports/4Q-2018-pitchbook-nvca-venture-monitor>

For information on the US market and how the Australian Trade and Investment Commission can help your business visit www.bit.ly/AustradeUSA