



It's not what's next in
**advanced
manufacturing,**
it's **where.**

➔ **Puerto Rico**

Invest Puerto Rico is a non-profit organization whose goal is to attract new businesses and facilitate high-value investments in Puerto Rico to promote economic development & market growth.

info@investpr.org | +1(787)966-7642 | investpr.org



Puerto Rico, A Manufacturing Powerhouse

Manufacturing has been a pillar of Puerto Rico's economy for over 75 years. The Island has achieved excellence in the sector, with global leadership in biosciences, engineering, aerospace, and other sectors. Multinational companies continue to come to the Island in recognition of its favorable business environment and other value assets. These include modern infrastructure, a highly skilled workforce, such as engineers and other technical workers, ease of doing business, professional clusters and networks, and incentive programs.

Puerto Rico features robust manufacturing process capabilities and provides unprecedented access to innovation. With a long history of manufacturing experience and thousands of engineering talent graduating yearly, the Island has attracted multi-million dollar investments from these and other major companies in recent years.

As a public-private partnership, LIFT brings together government, industry, and academia to accelerate the connection between materials, processes, systems, and talent across the U.S. manufacturing base. That national ecosystem includes large OEMs, the top academic and research institutions nationwide, and small and medium-sized manufacturers and start-up organizations, each working in concert to position the United States as the global leader in advanced manufacturing.

Competitive Across Key Jurisdictions

	Local Corporate Income Tax Rate	Federal Corporate Income Tax Rate	Total Manufacturing Employment	Avg. Manufacturing Annual Wage	Total Export Production
Puerto Rico	4%	0%	81.8k	\$42k	\$62.3B
Arizona	4.9%	21%	188.2k	\$90.5k	\$24.1B
Florida	5.5%	21%	403.1k	\$74.5k	\$55.5B
Georgia	5.75%	21%	408.9k	\$67.7k	\$42.4B
Michigan	6%	21%	600.5k	\$76.5k	\$55.5B
California	8.84%	21%	1.32M	\$115k	\$175B
Pennsylvania	9.99%	21%	560.3k	\$73.6k	\$44.7B

Note: 4% tax rate assumes qualified business income with incentive under Act 60 in PR. Federal rate in Puerto Rico is on locally-sourced income. Export production numbers refer exclusively to products leaving U.S. jurisdiction. Total employment includes direct and indirect employees and comes from the Bureau of Labor Statistics (2022), along with the annual average wage data.

Reshoring & Nearshoring

- Favorable tax rates, incentive programs, infrastructure, and a highly skilled workforce, facilitate the establishment of advanced manufacturing companies in any sector.
- Expansive Foreign Trade Zones (FTZs) support cost-effective global business practices. Combined with the three international transshipment hubs, global companies benefit from proximity to lower cost supply chains.
- Ongoing improvements to Puerto Rico's existing infrastructure will accommodate greater manufacturing output, including the roll-outs of 5G and 0G networks, increased connectivity rooted in Blockchain & the Internet of Things (IoT) technology, artificial intelligence, automation, and more.

Energy

- The federal government has allocated over \$80B for infrastructure repairs, especially projects related to energy, telecoms, and transportation.
- Conventional generators, along with microgrids powered by co-generation and renewable energy sources, are effective methods for dealing with hurricane season. These on-site CHP systems use established technologies to provide uninterrupted power during utility disruptions and can be supplemented with renewables and batteries to create self-contained micro-grids.

Operational Advantages

U.S. Jurisdiction

- Federal insurance and banking regulations, U.S. dollar, and stable business environment
- Legal & intellectual property protections of the U.S.

Workforce & Talent Development

- Wages in Puerto Rico's manufacturing industries are 30%-40% lower than the U.S. national average
- Bilingual (English & Spanish)

Organizational Support

- Puerto Rico Manufacturers Association (PRMA)
- Puerto Rico Manufacturing Extension (PRiMEX) #1 rated MEP in the U.S.
- Mechanical Contractors Association of Puerto Rico (MCAPR)
- Puerto Rico Aerospace Technology Consortium (PRATC)
- Aeronautical & Aerospace Institute of Puerto Rico (AAIPR)

Real Estate

- Island-wide ICT infrastructure, including multiple 5G providers
- Strong Foreign Trade Zones across the Island, with 500+ available properties
- Geographic proximity to low-cost supply chains in the Caribbean Basin

Puerto Rico

AMGEN

P&G

LOCKHEED MARTIN

 CooperVision

Medtronic

 **Lufthansa**

Coca-Cola

abbvie

**Boston
Scientific**

Infosys

GOYA

Honeywell

EAT•N

NEOLPHARMA
GRUPO FARMACÉUTICO

akm

Industry Highlights

- As a U.S. jurisdiction, Puerto Rico offers the same level of operational security, stability, and protections you'd expect from the United States
- Manufactured goods are labeled as "Made in USA" and made by US Citizens
- Almost 50% of Puerto Rico's GDP comes from our manufacturing efforts, mostly focused on Pharmaceuticals & Medical Devices
- Sophisticated supply chain capacity for temperature-controlled sensitive materials and goods and counts with major couriers including UPS, FedEx, Crowley, Sea Star Liner, DHL, Martinair and Maersk.
- Puerto Rico's strategic geographic location between the Americas makes it an ideal entry point to North American and Latin American markets



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