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Japan-America Society of Tennessee Public Awareness Initiative

Impact: Japanese Business Investment in Tennessee

In association with the Tennessee World Affairs Council

Verbatim Transcript

A Conversation with Randy Boyd

President of the University of Tennessee

Former Commissioner of Tennessee's Economic and Community
Development Department

Video Recording on the JAST YouTube Channel

Patrick Ryan [00:00:23] I'm Patrick Ryan for the Japan-America Society of Tennessee. Today we're talking with Randy Boyd. He's President of the University of Tennessee. Mr. Boyd was born and raised in Knoxville, educated at the University of Tennessee. He's the founder of Radio Systems Corporation, a Knoxville based business. He went on to serve as chairman of the Tennessee Higher Education Commission, as commissioner of the Tennessee Department of Economic and Community Development. He served in that position from 2014 to 2016 under the administration of Governor Bill Haslam. The Tennessee ECD has the mission to develop strategies that help make Tennessee the number one location in the southeast for high quality jobs. During his two-year tenure as commissioner, the state was recognized as first in the nation for advanced industry job growth first and foreign direct investment, and second in the growth of household median incomes. ECD also set several records and generated nearly 50000 new job commitments and nearly \$11 billion in capital investment in the state. As the University of Tennessee's 26th president, Boyd serves as the chief executive officer of a statewide university system. Welcome President Randy Boyd.

Randy Boyd [00:01:37] Thanks for having me.

Patrick Ryan [00:01:39] Let's start with your thoughts on who were the fathers in Tennessee of Japanese investment in the state?

Randy Boyd [00:01:48] Well, in my mind, it's clearly Lamar Alexander. As governor, he helped recruit Nissan to our state, Denso to our state, and put Tennessee on the map literally for the Japanese industry.

Patrick Ryan [00:02:04] And that group includes some others, any others that might be involved in launching businesses after the initial wave, people who are involved?

Randy Boyd [00:02:19] Since then, I think successively our governors, Governor Sundquist, Bredesen and Haslam - it's been more about governor Haslam because I worked with him - but there's a concerted effort to bring more and more Japanese companies to our state. You know, when I was the commissioner, we had - depending on how you how you scored it we were the number one or number two state in the country for Japanese investment outside of California. The other competitor was Indiana. And I've had many discussions with them about who was actually number two. But by the way we scored it we were.

Patrick Ryan [00:02:57] Let's talk specifically about the investment that has come to Tennessee. Can you talk about the relationship with Japanese businesses that had invested in Tennessee when you were ECD commissioner and those you were working with to start or expand their businesses here?

Randy Boyd [00:03:12] I think the great thing about the partnership with our Japanese businesses, they don't just come and open a business, they come and grow a business. You know, in so many businesses that we worked with, you know, Nissan had a big expansion. Denso had a couple of major expansions when I was here. There's so many more that either relocate or located here and expanded here during my my two years as commissioner, but I think they find that not only is it a place to set up their business, but also to grow the business.

Patrick Ryan [00:03:43] There's a series of conferences called the Southeast U.S. Japan series SUSE Japan. And as commissioner, you attended one in Tokyo in 2016. Can you tell us the atmosphere there with Japanese businesses interested in coming to Tennessee and what the conversation is like to have them come and invest here?

Randy Boyd [00:04:03] I attended three. There was one that was hosted in Alabama and attended one in Japan and another one - I think the first one in Japan as well. But it was a great partnership. Trusted relationships, I think that the companies and all the people involved are very comfortable with each other. I think we speak the same language and business and they were very happy with their partnership with the state of Tennessee.

Patrick Ryan [00:04:33] And can you tell us what the impact of those Japanese businesses have made in Tennessee? Do you have any examples of where the investments have benefited communities? And I know you had interest in developing rural workforce. Any cases where Japanese businesses have made a difference?

Randy Boyd [00:04:51] This last week, I was down in McMinn County and seeing it around Athens, seeing where how the Denso factory there, which I think is up to over two thousand employees, has totally transformed that rural community from one that would have probably been on the bubble. It's not a distressed county. One that's actually prospering, and it's directly attributable to the huge investment that Denso has made in that area. But there are other examples all across the state.

Patrick Ryan [00:05:18] And what would you tell Tennesseans in general has been the impact of Japanese U.S. relations and FDI, the foreign direct investment on their prosperity?

Randy Boyd [00:05:28] Patrick, these are big questions that I could have given you exact numbers about four years ago, and now I'm afraid I'm at a loss. But it was - I think we've

got over - at least when I was commissioner, there was over 180 Japanese companies employing over a hundred thousand people, directly and indirectly. It would be even two or three times that amount with billions and billions of investment. It is our best trading partner, our closest trading partner, and one that we hope to continue to expand in the future.

Patrick Ryan [00:05:56] And lastly, we're doing this project with the Japan-America Society of Tennessee. I know you've had some experience with them. Any words or comments about their contribution to the development of the US Japanese business?

Randy Boyd [00:06:14] So JAST is always a really great partner for us because a lot of them wanted to get culturally and socially acclimated to our state and JAST was always a great partner to help us welcome them in. Like the welcome wagon might be when you move into a neighborhood. JAST was our welcome wagon for businesses in the state of Tennessee.

Patrick Ryan [00:06:36] Terrific. Well, we've been talking with Randy Boyd. He's the president of the University of Tennessee. He is the former Tennessee commissioner of Economic and Community Development and has firsthand experience with the impact of Japanese investment in the state of Tennessee. President Boyd, thank you very much for your time today and we wish you well.

Randy Boyd [00:06:54] Patrick, thank you so much for inviting me.