

Foreign Direct Investment (FDI) in the United States contributes to productivity growth, generates U.S. exports, and creates high-paying jobs for American workers.

- **Foreign Direct Investment Creates New Jobs:** U.S. affiliates of foreign companies (majority owned) employ over 5 million U.S. workers, or 4.4% of private industry employment.²
- **Foreign Direct Investment Brings in R&D:** Affiliates of foreign companies spent nearly \$32 billion on research and development and \$121 billion on plants and equipment in 2005.⁵
- **Foreign Direct Investment Increases U.S. Exports:** Approximately 19% (\$169.2 billion) of all U.S. exports came from U.S. subsidiaries of foreign companies in 2005.⁶
- **Foreign Direct Investment Boosts Wages:** Foreign companies support an annual U.S. payroll of \$335.9 billion, with average annual compensation per employee of over \$66,000.⁷ On average, U.S. subsidiaries of foreign firms pay 25 percent higher wages and salaries than that of domestically owned companies.⁸

Foreign Direct Investment in Nevada plays a vital role in supporting jobs in the state. U.S. subsidiaries of foreign firms now employ 30,100 workers in Nevada.⁹

- In fact, the relative portion of jobs in the state supplied by U.S. subsidiaries remains significant. They provide the livelihood for nearly 3% of Nevada's private-sector workforce.
- U.S. subsidiaries support 4,500 manufacturing jobs in Nevada. Manufacturing companies tend to have a strong "multiplier" effect on the economy—stimulating a substantial amount of activity and jobs in other sectors through their demand for inputs from other suppliers.
- More than 9% of manufacturing jobs in Nevada are supported by U.S. subsidiaries.

Examples of Recent Foreign Investments in Nevada:¹⁰

- November 2007 - Acciona (Spain) is investing \$266 Mn in Boulder City in the *alternative/renewable energy* sector in an electricity project, creating 70 jobs. Acciona Energy, a division of construction and energy company Acciona of Spain, started up Nevada Solar One, a 64 megawatt, solar thermal plant in Boulder City, Nevada.
- September 2007 - Sixty (Italy) is investing \$9.7 Mn in the city of Las Vegas in the *textiles* sector in a retail project, creating 55 jobs. The company's U.S. arm, Sixty USA, is to open a 2,585-square-foot unit in The Forum Shops at Caesars.
- January 2007 - Bridgestone (Japan) is investing in the city of Reno in the *metals* sector in a manufacturing project. Firestone Metal Products has selected a facility in Reno, Nev. to house its new metal roofing plant and distribution center, which will serve the western U.S., Canada and Mexico. The new state-of-the-art facility will manufacture a wide range of UNA-CLAD® by Firestone products, including architectural metals in coils and flat sheets in addition to factory-fabricated roofing systems.

¹ UNCTAD "Foreign Direct Investment Database"; ² Bureau of Economic Analysis, "Foreign Direct Investment in the U.S.: Financial and Operating Data"; ³ U.S. Department of the Treasury "Fact Sheet: An open Economy is Vital to U.S. Prosperity," May 2007 www.treas.gov/press/releases/hp395.htm; ⁴ Bureau of Economic Analysis "Foreign Direct Investment in the U.S.: Financial and Operating Data"; ⁵ Ibid; ⁶ Ibid; ⁷ Ibid; ⁸ Bureau of Economic Analysis, "Foreign Direct Investment in the U.S.: Financial and Operating Data"; ⁹ Language and data for "Foreign Direct Investment in Nevada" taken from Organization for International Investment "Insourcing Jobs by State" (2007). ¹⁰ Language and data taken from OCO Monitor, April 2008, <http://www.ocomonitor.com/>.