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.  
- **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.  
- **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.  
- **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. On average, U.S. subsidiaries of foreign firms pay 25 percent higher wages and salaries than that of domestically owned companies.

Foreign Direct Investment in California plays a vital role in supporting jobs in the state. U.S. subsidiaries of foreign firms now employ 542,600 workers in California.

- California has proven to be an attractive location for international employers, ranking 1st in the United States in the number of employees supported by U.S. subsidiaries.  
- In fact, the relative portion of jobs in the state supplied by U.S. subsidiaries remains significant. They provide the livelihood for 4.2% of California's private-sector workforce.  
- U.S. subsidiaries support 123,900 manufacturing jobs in California. 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 8% of manufacturing jobs in California are supported by U.S. subsidiaries.  
- U.S. subsidiaries’ employment in California is heavily concentrated in manufacturing. Nearly 25% of these jobs are in manufacturing industries.

**Examples of Recent Foreign Investments in California:**

- March 2008 - Multis (Ireland) is investing $2 Mn in Union City in the business machines & equipment sector in a manufacturing project, creating 20 jobs.  
- January 2008 - BNP Paribas (France) is investing in the city of Carmichael in the financial services sector in a business services project, creating 25 jobs.  
- December 2007 - Q-Layer (Belgium) is investing $5 Mn in Silicon Valley in the software & IT services sector in a headquarters project, creating 38 jobs.  
- November 2007 - Eugene Science (South Korea) is investing $24.5 Mn in the city of Los Angeles in the biotechnology sector in a headquarters project, creating 112 jobs.

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