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For Immediate Release

New Study Shows Top 20 States with Most “Insourced” Jobs

*Number of American Jobs Supported by Companies Based Abroad Still Significant,
but Challenge for U.S. is to Remain Competitive for International Companies*

Washington, DC — September 27, 2006 — With 5.1 million Americans working for U.S. subsidiaries of companies headquartered abroad, insourced jobs represent 4.5 percent of the entire private industry workforce. The Organization for International Investment (OFII) today released a study based on new Commerce Department statistics, which show that insourced jobs continue to be an integral part of the U.S. economy.

While insourcing companies have been strong and steady employers in the United States over the last decade, the international competition for investment is becoming more intense. Over the last one-year period, insourcing employment in this country fell by 128,000 positions, a decrease of 2.4 percent.

“The United States can’t assume global companies will always continue to invest and employ people here,” said Todd Malan, President and CEO of OFII, a Washington, DC-based business group representing U.S. subsidiaries of foreign companies. “The challenge for policymakers is to ensure our nation remains a competitive location for investment.”

California, New York, Texas, Florida and Illinois top the list of states with the greatest number of insourced jobs. For a complete list of the top 20 states: [TOP TWENTY INSOURCING STATES \(http://ofii.org/newsroom/press/2006_top_twenty.html\)](http://ofii.org/newsroom/press/2006_top_twenty.html).

Insourcing investment can play a vital role in states’ efforts to combat regional unemployment. This year, Denso Corporation of Japan broke ground on a new car parts manufacturing facility in Arkansas that will employ 500 people to produce car air conditioners and radiators by 2008. Arkansas Governor Mike Huckabee said that this Denso project was “like water to a thirsty soul” because of the region’s 13.5 percent unemployment rate.

“Insourcing” Job Facts

- U.S. subsidiaries support 5.1 million American jobs, providing the livelihood for 4.5% of America’s private-sector workforce.
- U.S. subsidiaries of companies headquartered abroad support an annual payroll of \$324.5 billion, up from \$254.5 billion five years ago.
- The average compensation per worker is \$63,428; this is 32% higher than the average compensation at all U.S. companies.
- U.S. subsidiaries’ employment is heavily concentrated in the American manufacturing sector, with 31 percent of the jobs at U.S. subsidiaries in manufacturing industries.

Visit www.ofii.org for state specific information on “insourcing” and the overall economic impact of U.S. subsidiaries of companies based abroad.