



Foreign Direct Investment in Los Angeles County

Final Report

July 2008

LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION
THE KYSER CENTER FOR ECONOMIC RESEARCH



WORLD TRADE CENTER ASSOCIATION
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*Special thanks to Jeremy Davies, past Chairman of British American
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The LAEDC, the region's premier business leadership organization, is a private, non-profit 501(c)3 organization established in 1981. Since 1996, the LAEDC has helped retain or attract more than 145,646 jobs, providing \$6.3 billion in direct economic impact from salaries and more than \$105 million in tax revenue benefit to local governments and education in Los Angeles County.

Regional Leadership

The members of the LAEDC are civic leaders and ranking executives of the region's leading public and private organizations. Through financial support and direct participation in the mission, programs, and public policy initiatives of the LAEDC, the members are committed to playing a decisive role in shaping the region's economic future.

Business Services

The LAEDC's Business Development and Assistance Program provides essential services to L.A. County businesses at no cost, including coordinating site searches, securing incentives and permits, and identifying traditional and nontraditional financing including industrial development bonds. The LAEDC also works with workforce training, transportation, and utility providers.

Economic Information

Through our public information and for-fee research, the LAEDC provides critical economic analysis to business decision makers, education, media, and government. We publish a wide variety of industry focused and regional analysis, and our Economic Forecast report, produced by the **Kyser Center for Economic Research**, has been ranked #1 by the Wall Street Journal.

Economic Consulting

The LAEDC consulting practice offers thoughtful, highly regarded economic and policy expertise to private- and public-sector clients. The LAEDC takes a flexible approach to problem solving, supplementing its in-house staff when needed with outside firms and consultants. Depending on our clients' needs, the LAEDC will assemble and lead teams for complex, long-term projects; contribute to other teams as a subcontractor; or act as sole consultant.

Leveraging our Leadership

The LAEDC operates several subsidiary enterprises, including the World Trade Center Association Los Angeles-Long Beach (WTCA LA-LB), which facilitates trade expansion and foreign investment, the California Transportation and Logistics Institute, which enhances the quantity and quality of workforce training for the logistics industry, and L.A. PLAN, which assists major public land owners in developing real estate through the LAEDC network. In addition, the LAEDC's Center for Economic Development partners with the Southern California Leadership Council to help enable public sector officials, policy makers, and other civic leaders to address and solve public policy issues critical to the region's economic vitality and quality of life.

Global Connections

The World Trade Center Association Los Angeles-Long Beach works to support the development of international trade and business opportunities for Southern California companies as the leading international trade association, trade service organization and trade resource in Los Angeles County. It also promotes the Los Angeles region as a destination for foreign investment. The WTCA LA-LB is a subsidiary of the Los Angeles County Economic Development Corporation. For more information, please visit www.wtca-lalb.org

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EXECUTIVE SUMMARY

Throughout its history, Los Angeles has been a key destination for Foreign Direct Investment. [“FDI” is defined as the partial or full ownership or control of U.S. business enterprises by foreign parties.] FDI strengthens the regional economy by bringing new technology, capital, skills, and international connections and by creating new jobs. While much is known about FDI at the national and state levels, there are no official data concerning FDI in Los Angeles County.

This report contains the results of a research study on FDI in Los Angeles County. Conducted by the Los Angeles County Economic Development Corporation (LAEDC)—in cooperation with the World Trade Center Association of Los Angeles-Long Beach (WTCA LA-LB) and with several of the Consulates General and Trade Commissions in California—the report gives answers to the following questions:

- How many companies with foreign parents are doing business in Los Angeles County?
 - There are 4,521 foreign-owned and -affiliated business establishments currently in the LAEDC’s FDI database, approximately 1.8% of all private-sector establishments in L.A. County.
- What are the top foreign sources of ownership of businesses operating in Los Angeles County?
 - Measured by establishments, the top five sources of foreign direct investment are:

▪ Japan	1,413 establishments
▪ United Kingdom	794 establishments
▪ France	360 establishments
▪ Germany	334 establishments
▪ Canada	278 establishments
- Which industries have the most foreign-owned businesses?
 - The top five major industry sectors of foreign-owned and -affiliated businesses are:

▪ Retail trade	981 establishments
▪ Wholesale trade	930 establishments
▪ Manufacturing	608 establishments
▪ Finance & Insurance	481 establishments
▪ Transportation and Warehousing	347 establishments
- Where are the foreign-owned businesses located in Los Angeles County?
 - The top five regions where foreign-owned and -affiliated businesses are located:

▪ Gateway Cities	796 establishments
▪ South Bay/LAX	741 establishments
▪ San Fernando Valley	725 establishments
▪ San Gabriel Valley	698 establishments
▪ Westside	415 establishments

- The top five cities where foreign-owned and -affiliated businesses are located:
 - Los Angeles 1,591 establishments
 - Torrance 310 establishments
 - Long Beach 212 establishments
 - Santa Monica 134 establishments
 - Pasadena 127 establishments
- The top five cities with the highest percentage of foreign-owned and affiliated businesses are:
 - Carson 6.6% of all establishments
 - El Segundo 6.6% of all establishments
 - City of Industry 5.2% of all establishments
 - Compton 4.8% of all establishments
 - Torrance 4.7% of all establishments
- How many employees work for foreign-owned and -affiliated businesses in the County?
 - A total of 136,000 direct employees work in foreign-owned and -affiliated establishments in the County. They earn about \$7.6 billion annually.
 - Measured by employment, the top six FDI source countries are:
 - Japan 49,600 workers
 - United Kingdom 20,300 workers
 - France 16,700 workers
 - Germany 9,700 workers
 - Switzerland 7,000 workers
 - Canada 7,000 workers
 - How many jobs in Los Angeles County depend on the activities of foreign-owned and -affiliated businesses in the County?
 - Direct FDI employees: 136,000 jobs
 - Indirect FDI employees: 223,000 jobs
 - Total FDI employees: 359,000 jobs

Total FDI employees account for 9.9% of all private-sector workers in Los Angeles County, or *one in ten* employees countywide.

- How much tax revenue is associated with the activities of foreign-owned businesses in Los Angeles County?
 - Employees-paid taxes (personal income and sales) \$1.06 billion

This amount is distributed as follows:

- Revenues for California \$965 million
- Revenues for Los Angeles County & MTA \$ 51 million
- Revenues for Cities in Southern California \$ 41 million

I. Introduction

From the original thirteen colonies and the westward expansion to its growth as the leading industrialized nation and global power, the United States has been a key destination for Foreign Direct Investment. [“FDI” is defined as the partial or full ownership or control of U.S. business enterprises by foreign parties.]

Foreign firms invest in the United States because it makes good business sense. What does the United States gain from FDI? Quite simply, FDI allows the U.S. economy to perform at a level beyond its natural capacity.

Following are a few facts about foreign direct investment:

- **Foreign Direct Investment Creates New Jobs:** U.S.-affiliates of foreign companies employed more than 5.5 million workers in 2005, or 4.4% of total U.S. private industry employment. An additional 4.6 million U.S. jobs indirectly depend on foreign investment in the United States.¹
- **Foreign Direct Investment Strengthens U.S. Manufacturing:** 29% of the jobs related to U.S.-affiliates of foreign companies are in manufacturing, a sector that accounts for just 12% of overall private sector employment.
- **Foreign Direct Investment Brings in New Capital, Research, Technology, and Skills:** Affiliates of foreign companies spent more than \$31 billion on research and development in 2005. They also invested \$121 billion in new plant and equipment.
- **Foreign Direct Investment Contributes to Rising U.S. Productivity:** The increased investment and competition from inward investment lead to higher productivity growth, which increases U.S. competitiveness abroad and raises living standards at home.
- **Foreign Direct Investment Helps U.S. Companies Penetrate International Markets and Increases U.S. Exports:** U.S. companies use multinationals’ distribution networks and knowledge of foreign tastes to export into new markets. Approximately 19% of all U.S. exports (\$169.2 billion) are generated by U.S. subsidiaries of foreign companies.
- **Foreign Direct Investment Contributes to U.S. Tax Revenues:** In 2003, foreign affiliates paid an estimated \$19.1 billion in taxes, which represented 11% of U.S. corporate tax revenues.

¹ FDI figures in this section are from the U.S. Department of Commerce’s Invest in America web site, <http://trade.gov/investamerica/>.

FOREIGN DIRECT INVESTMENT IN CALIFORNIA: WHAT DO WE KNOW?

The U.S. Department of Commerce's Bureau of Economic Analysis (BEA) is the official source for U.S. and state-level foreign direct investment information. The BEA's data series cover FDI for all (majority- and partially-) owned non-bank affiliates of foreign multinational companies.

- Between 1999 and 2005, the value of gross property, plant, and equipment of all California non-bank affiliates increased by 10.7% to \$123.5 billion. The state's share of total U.S. gross property, plant, and equipment declined from 10.4% to 9.5% over the same period.²
- An estimated total of 604,200 workers were employed by all California non-bank affiliates of foreign multinationals in 2005. The state's share of total U.S. non-bank FDI employment was 10.9%. For comparison, total California nonfarm employment (including bank and government employees) accounted for 11.6% of total nonfarm U.S. employment in 2005.
- Total employment at non-bank affiliates of foreign companies declined between 1999 and 2005 in both the United States and California. In California, FDI job counts fell by -14.5% over the six-year period. Meanwhile, the state's share of total U.S. FDI employment *increased* from 10.6% in 1999 to 10.9% in 2005.
- The decline in manufacturing-sector employment at all non-bank affiliates of foreign companies was even more pronounced at both the national and state level. Between 1999 and 2005, the number of manufacturing employees at California FDI affiliates decreased by -27.8% to 137,100 workers. The state's share of total U.S. manufacturing FDI employees edged down to 8.4% from 8.8% during this period.
- The United Kingdom was the largest source of FDI in California—measured in terms of employees of majority-owned non-bank affiliates in 2005—with 99,300 workers (18.3% of all employees of foreign-owned companies). Japan ranked second (96,200 workers and a 17.7% share), followed by Switzerland (56,300 workers and a 10.4% share), France (55,000 workers and a 10.1% share), and Germany (52,600 workers and a 9.7% share).
- The most recent data available on the numbers of foreign-owned establishments are from 2002. In that year, California had 13,969 foreign-owned establishments, 11.8% of the U.S. total of 118,588.
- The United Kingdom was the largest source of California foreign-owned establishments in 2002 with 2,665 establishments (19.1% of all foreign-owned establishments). Japan ranked second (2,509 establishments and 18.0% share), followed by France (2,498 establishments and 17.9% share), Germany (849 affiliates and 6.1%), Canada (814

² U.S. and state FDI figures are from the Bureau of Economic Analysis's International Economic Accounts, <http://www.bea.gov/international/index.htm>.

establishments and 5.8% share), and the Netherlands (806 establishments and 5.8% share).

COMPETITION FOR FDI IS GROWING AT HOME AND ABROAD

In the United States, California remains the largest recipient of foreign direct investment (FDI) by all measures. Increasingly, however, faster growth in FDI is occurring elsewhere in the country. During the same period that the level of gross property, plant, and equipment of all non-bank affiliates in California grew by 10.7% to \$124 billion between 1999 and 2005, the nation-wide rate of growth was 20.6%. Established states such as New York and Massachusetts grew by 26.7% and 46.2% respectively while relatively new states in terms of FDI attractiveness such as Colorado and Kentucky experienced strong growth (95.9% and 50.0% each) over the same period. While employment at all non-bank affiliates declined in most states from 1999 to 2005 (by -8.3% nationwide), New York managed to add employees (1.7%) and states such as Maryland and Minnesota experienced strong gains (6.5% and 3.5% respectively).³

The United States as a whole and California have generally been very successful in attracting FDI. Increasingly, however, the global competition for FDI is becoming more intense. In terms of foreign companies' share of their overseas affiliates' net worth plus debt owed to them by their affiliates (commonly referred to as "FDI stock"), the United States led the world in 2006, with \$1.8 trillion (e.g., inward FDI stock in U.S. companies), followed by the United Kingdom (\$1.13 trillion), China (including Hong Kong) (\$1.06 trillion) and France (\$783 million). The European Union as a whole recorded \$5.4 trillion of inward FDI stock in 2006 (an increase of 128.4% from 2001, compared to an increase of 33.3% for the United States over the same period).⁴

Other recent reports identify emerging countries like the BRIC group (Brazil, Russia, India, and China) plus Vietnam as leading (or close behind) North America and Europe for new foreign direct investment.⁵ Many developing countries have recorded impressive growth rates in inward FDI stock in recent years (e.g., a 91.5% increase for the BRIC countries from 2001 to 2005). Still, the advanced industrial nations account for the largest increases in world inward FDI stocks (especially the European Union) as a result of their sizable populations of affluent consumers and first-world legal and investment protections.

Many countries are developing explicit strategies to attract new FDI. The advanced industrial nations (and regions within developed countries) should not become complacent with their currently favorable positions.

⁴ International FDI figures are from the United Nations Conference on Trade and Development (UNCTAD), <http://www.unctad.org>.

⁵ IBM Global Business Services, *Global Locations Trends Annual Report (2006)*, 6

THE FACTS ON LOS ANGELES COUNTY FDI NEED TO BE KNOWN

There are NO official data below the state level concerning foreign direct investment. The facts need to be discovered before an effective strategy to target FDI can be developed.

Los Angeles County is home to many recent and older foreign direct investments throughout its diversified industrial base. The County's sheer size (number one in the country for both population and the number of manufacturing employees) has led policymakers, business officials, and others to attribute to Los Angeles County a significant share of California's FDI in terms of establishments, employees, and wages, but the facts necessary to make precise calculations are not made readily available by state and federal statistical agencies.

This report contains the results of a research study on FDI in Los Angeles County. Conducted by the Los Angeles County Economic Development Corporation (LAEDC -- in cooperation with the World Trade Center Association of Los Angeles-Long Beach (WTCA LA-LB) and with several of the Consulate Generals and Trade Commissions in California -- this original research project was designed to answer questions such as the following:

- How many foreign companies have operations in Los Angeles?
- What are the source nations of companies that have operations in Los Angeles?
- In what industries are the foreign-owned businesses?
- Where are the foreign-owned businesses located?
- How many employees work for foreign-owned businesses in Los Angeles?
- How big are the payrolls of foreign-owned businesses in Los Angeles?
- What is the economic impact of foreign-owned businesses in Los Angeles?
- How much state/local government taxes can be attributed to foreign-owned businesses in Los Angeles?

Methodology: To assess the role of foreign direct investment in Los Angeles, the LAEDC created a database containing information on a large number of businesses with operations in Los Angeles County known to have at least one parent company outside the United States. Information in the database came from two primary sources. The LAEDC purchased from Dun & Bradstreet (D&B) a proprietary listing of all D&B-registered firms in Los Angeles with foreign parent companies. Officials in several local foreign consulates and trade offices also supplied useful information that supplemented the D&B data.

By its very nature, the LAEDC's FDI database is and will continue to be a work in progress, as dynamic as the investments made in Los Angeles County by foreign businesses. For this report, the Los Angeles County database contains a total of 4,521 establishments identified as doing business in the County and with at least one foreign parent company. LAEDC economists believe its FDI database has captured well above 90% of the actual foreign-owned businesses operating in the region. The LAEDC plans to maintain the FDI database as a living entity, "feeding" it with new information to keep it current and issuing periodic updates to this report. To this end, we welcome any and all future contributions of information.

Working with the FDI database, the LAEDC has estimated the number of employees working directly for foreign-owned and -affiliated businesses in Los Angeles County as well as their annual wages and salaries. Also, we have estimated the total number of jobs and wages in Los Angeles County that depend—directly and indirectly—on the economic activity of the foreign-owned and -affiliated businesses located here.

The confidential nature of job and wage data at the establishment level provided a considerable challenge to the LAEDC’s research. While Los Angeles County is home to large regional operations of major foreign-owned and -affiliated businesses, a significant number of investments in the area consist of small operations with a minimal number of staff. Many foreign-owned and affiliated businesses are not registered with D&B. Wherever possible, the LAEDC took great care to attribute job and wage data to specific company locations on the basis of verifiable information. In cases where information was not otherwise available, we assumed the foreign-owned and -affiliated establishments were similar to other Los Angeles establishments in the same industry. The California Employment Development Department’s Quarterly Census of Employment and Wages (QCEW) was the source of the industry-based information.⁶

The figures presented in this report should be seen as conservative, bottom-up estimates. As the amount of verified information in the FDI database increases, better calibrated estimates of foreign direct investment activity in Los Angeles County will emerge.

Nomenclature: Below are definitions of several key concepts used in this report.

- *Business establishment:* an individual business operation. Some firms have several establishments, perhaps a headquarters office plus a factory and a warehouse, or a distribution center plus a number of retail stores. Many small firms have only one establishment.
- *Foreign-owned establishment:* a local (Los Angeles County) establishment that is wholly or partially owned (at least 10%) by a parent company (or companies) located in a country outside the United States.
- *Foreign-affiliated establishment:* a local (Los Angeles County) establishment that is affiliated with a foreign parent company but is locally owned and operated. Typical examples include independently owned (often franchised) retail stores of a foreign-based chain.
- *Primary location:* the only location for firms with a single local (Los Angeles County) place of business (be it an office, factory, warehouse, or store). For multi-establishment firms, this is often the headquarters location. Otherwise, it is the largest local establishment.
- *Secondary locations:* For multi-establishment firms only, these are foreign-owned or -affiliated establishments other than the primary location.

⁶ California LaborMarketInfo, <http://www.labormarketinfo.edd.ca.gov/>

- *Direct employment:* These are the employees who work directly for a local (Los Angeles County) foreign-owned business establishment.
- *Indirect employment:* These employees work for business firms in Los Angeles County that supply goods and services (like materials, parts, legal and security services) to (direct) foreign-owned and affiliated-businesses and their employees.

The rest of this report presents the results of the LAEDC's FDI study. With a focus on Los Angeles County, we first present the countywide results--the numbers of foreign-owned and -affiliated establishments by country of the parent firms, by industry, and by city in the county; also the number of direct workers and their wages. The countywide figures are followed by individual summaries of the largest countries. We conclude with the LAEDC's estimates of the impact of foreign direct investment on the County economy and FDI-related tax revenues paid to California and various local governments in Los Angeles County.

II. Foreign-owned Establishments in Los Angeles County

Los Angeles County receives investment capital from countries all over the world. As shown in **Table 1** below, the LAEDC’s FDI database includes 4,521 foreign-owned and -affiliated business establishments in total, of which 2,130 (or 47.1%) are primary locations and 2,391 (52.9%) are secondary locations. The County’s 4,521 foreign-owned and -affiliated establishments represent slightly less than a third (32.4%) of the state’s 13,969 foreign-owned establishments as least measured in 2002.

Almost half (or 48.5%) of the County’s foreign-owned or -affiliated establishments have a parent company based in Europe. Another 1,948 establishments (43.1%) have an Asian parent company. Meanwhile, 335 establishments (7.4%) have a parent company in Canada or Mexico, 27 (0.6%) have a Middle Eastern or African parent company, and 17 have a parent company in Latin American and the Caribbean.

Table 1: Foreign-owned Establishments by Region, 2007

Region	Primary Locations	Secondary Locations	Total Establishments	% of Total
Europe	955	1,239	2,194	48.5%
Asia - Oceania	947	1,001	1,948	43.1%
North America	192	143	335	7.4%
Middle East - Africa	20	7	27	0.6%
Latin America & Caribbean	16	1	17	0.4%
Total	2,130	2,391	4,521	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

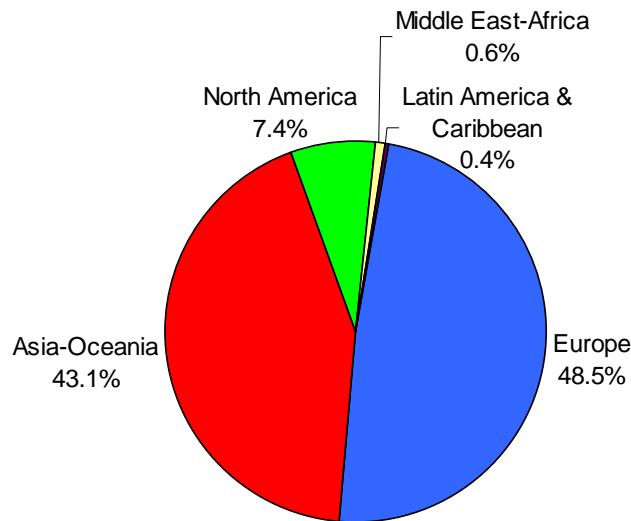


Table 2 shows that a relative handful of countries make up the majority of FDI into Los Angeles County as measured by establishments. Together, the top two countries account for just under half (48.8%) of all foreign-owned and -affiliated businesses in the County. The top five countries combined contribute 70.3% of countywide FDI; and the top ten countries combined account for 86.9% of countywide FDI.

Japan is the overwhelming leading source of FDI in Los Angeles County, as measured by businesses, with 1,413 total establishments or 31.3% of foreign-owned and -affiliated companies. The United Kingdom ranks second, with a total of 794 local establishments. They are followed at some distance by France and Germany, which have 360 and 334 local establishments respectively. Canada rounds out the top five, with 278 establishments in the County. The “second five” group of countries includes three from Europe—Switzerland, Italy, and the Netherlands, with a combined total of 515 establishments—and two from Asia (Taiwan and Australia, with 236 more establishments). Note that China combined with Hong Kong would rank number 10 with 127 total establishments, tied with Taiwan.

Table 2: Foreign-owned Establishments by Country in Los Angeles County, 2007

Rank	Country	Primary Locations	Secondary Locations	Total Establishments	% of Total
1	Japan	544	869	1,413	31.3%
2	United Kingdom	331	463	794	17.6%
3	France	165	195	360	8.0%
4	Germany	145	189	334	7.4%
5	Canada	168	110	278	6.1%
6	Switzerland	79	117	196	4.3%
7	Italy	42	123	165	3.6%
8	Netherlands	83	71	154	3.4%
9	Taiwan	109	18	127	2.8%
	<i>China*</i>	116	11	127	2.8%
10	Australia	41	68	109	2.4%
11	South Korea	73	16	89	2.0%
12	China (mainland only)	59	6	65	1.4%
13	Hong Kong	57	5	62	1.4%
14	Mexico	24	33	57	1.3%
15	Sweden	19	28	47	1.0%
	Rest of the world	75	69	144	3.2%
Total		2,130	2,391	4,521	100.0%

*Includes mainland China and Hong Kong (but excluded from Total to avoid double counting)

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Los Angeles County's foreign-owned and -affiliated businesses are spread across several industry sectors. The largest concentration of FDI establishments is in retail trade (981 total establishments, or 21.7% of the all foreign-owned and affiliated establishments) followed by wholesale trade (930 total establishments or 20.6%). The figures for wholesale trade category include import and export activities and reflect the fact that the County is home to the Ports of Long Beach and Los Angeles. Manufacturing ranks number three, with 608 total establishments or 13.4% of the total. Many foreign-owned banking and insurance companies (481 establishments or 10.6% of the total) also are in Los Angeles County, attracted by its large ethnic population and business bases and the opportunity to finance a huge volume of internationally oriented transactions.

Table 3A: Foreign-owned Establishments by Major Industry Sector* in Los Angeles County, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Retail Trade	122	859	981	21.7%
Wholesale Trade	646	284	930	20.6%
Manufacturing	381	227	608	13.4%
Finance & Insurance	164	317	481	10.6%
Transportation & Warehousing	230	117	347	7.7%
Professional, Scientific, & Technical Services	178	72	250	5.5%
Accommodation & Food Services	42	169	211	4.7%
Administrative, Support, Waste Management & Remediation Services	73	118	191	4.2%
Information	131	56	187	4.1%
Real Estate, Rental & Leasing	51	39	90	2.0%
Other Services (except Public Administration)	16	68	84	1.9%
Health Care & Social Assistance	16	38	54	1.2%
Other Industries	80	27	107	2.4%
Total	2,130	2,391	4,521	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 3B provides more detailed information about the industries of Los Angeles County's foreign-owned and -affiliated businesses. Some 704 establishments (15.6% of the total) are involved in durable goods wholesale trade, the largest individual industry. Food and beverage stores are the second largest industry, with 449 establishments (9.9% of the total). Credit intermediation and related activities (commercial banks, non-bank lenders and related activities) ranks number three with 315 establishments (7.0% of the total). Right behind at number four are professional, scientific and technical services with 250 establishments (5.5% of the total). Nondurable goods wholesale activities round out the top five, with 226 establishments (5.0% of the total).

Table 3B: Foreign-owned Establishments by Detailed Industry* in Los Angeles County, 2007

Industry	Total Establishments	% of Total
Merchant Wholesalers, Durable Goods	704	15.6%
Food & Beverage Stores	449	9.9%
Credit Intermediation & Related Activities	315	7.0%
Professional, Scientific & Technical Services	250	5.5%
Merchant Wholesalers, Nondurable Goods	226	5.0%
Administrative & Support Services	184	4.1%
Computer & Electronic Product Manufacturing	162	3.6%
Support Activities for Transportation	157	3.5%
Food Services & Drinking Places	155	3.4%
Insurance Carriers & Related Activities	109	2.4%
Health & Personal Care Stores	103	2.3%
Electronics & Appliance Stores	92	2.0%
Clothing & Clothing Accessories Stores	86	1.9%
Motion Picture & Sound Recording Industries	84	1.9%
Air Transportation	78	1.7%
Building Material & Garden Equipment and Supplies Dealers	71	1.6%
Food Manufacturing	63	1.4%
Fabricated Metal Product Manufacturing	60	1.3%
Accommodation	56	1.2%
Chemical Manufacturing	55	1.2%
Securities, Commodity Contracts, Other Financial Investments & Related Activities	55	1.2%
Real Estate	54	1.2%
Motor Vehicle & Parts Dealers	53	1.2%
Gasoline Stations	50	1.1%
Personal & Laundry Services	49	1.1%
Publishing Industries (except Internet)	45	1.0%
Other Industries	756	16.7%
Total	4,521	100.0%

* Denotes three-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

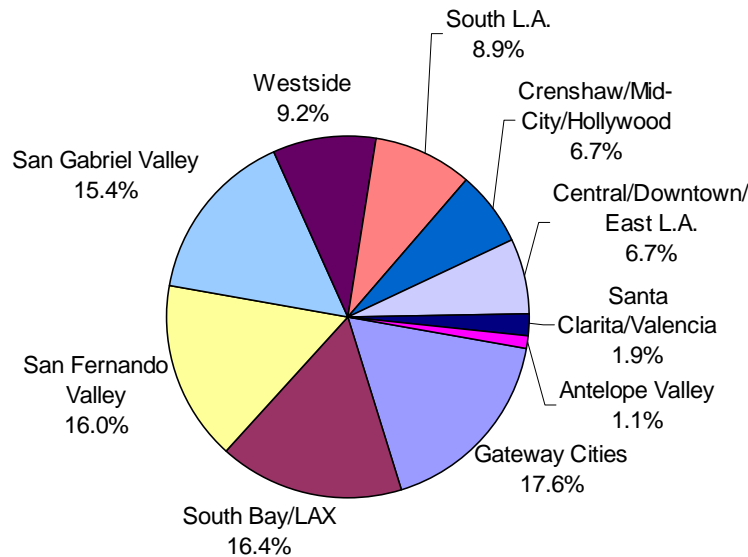
The Gateway Cities area –the southeast region of the County which stretches from the ports north to about the 60 freeway and east to the border with Orange County– has the largest grouping of foreign-owned and -affiliated businesses in Los Angeles County, with 796 establishments, followed by the South Bay/LAX area (741 total establishments), the San Fernando Valley (725 total establishments), and the San Gabriel Valley (698 total establishments).

Table 4: Foreign-owned Establishments by Los Angeles County Region*, 2007

Region	Total Establishments	% of Total
Gateway Cities	796	17.6%
South Bay/LAX	741	16.4%
San Fernando Valley	725	16.0%
San Gabriel Valley	698	15.4%
Westside	415	9.2%
South L.A.	402	8.9%
Crenshaw/Mid-City/Hollywood	304	6.7%
Central/Downtown/East L.A.	303	6.7%
Santa Clarita/Valencia	87	1.9%
Antelope Valley	50	1.1%
Total	4,521	100.0%

* Denotes LAEDC county regions

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.



The City of Los Angeles has the largest number of foreign-owned and -affiliated businesses, with 1,591 total establishments, followed by Torrance (310 total establishments), Long Beach (212 total establishments), Santa Monica (134 total establishments), Pasadena (127 total establishments), and City of Industry (118 total establishments).⁷

In terms of foreign-owned and -affiliated establishments as a percentage of all establishments (domestic and foreign-owned), Carson and El Segundo are tied for the top spot (6.6%) followed by the City of Industry (5.2%), Compton (4.8%), Torrance (4.7%), and Santa Fe Springs (4.5%). The county-wide ratio is 1.8%.

Table 5A: Foreign-owned Establishments by City in Los Angeles County, 2007

Rank	City	Total Establishments	% of Total
1	Los Angeles	1,591	35.2%
2	Torrance	310	6.9%
3	Long Beach	212	4.7%
4	Santa Monica	134	3.0%
5	Pasadena	127	2.8%
6	City of Industry	118	2.6%
7	Santa Fe Springs	110	2.4%
8	Burbank	98	2.2%
9	Carson	98	2.2%
10	Glendale	87	1.9%
11	Beverly Hills	83	1.8%
12	Santa Clarita	83	1.8%
13	El Segundo	82	1.8%
14	Gardena	73	1.6%
15	Compton	68	1.5%
16	Inglewood	66	1.5%
17	Cerritos	60	1.3%
18	Culver City	56	1.2%
19	Pomona	47	1.0%
20	City of Commerce	45	1.0%
21	West Covina	38	0.8%
22	Whittier	38	0.8%
23	Arcadia	34	0.8%
24	Monterey Park	33	0.7%
25	Vernon	33	0.7%
	Other cities	797	17.6%
	Total	4,521	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

⁷ City information was calculated using postal addresses.

**Table 5B: Foreign-owned Establishments by City in Los Angeles County
As Percentage of Total Establishments, 2007**

Rank	City	Total Foreign-owned Establishments	All Establishments	As % of All Establishments
1	Carson	98	1,488	6.6%
2	El Segundo	82	1,248	6.6%
3	City of Industry	118	2,258	5.2%
4	Compton	68	1,421	4.8%
5	Torrance	310	6,585	4.7%
6	Santa Fe Springs	110	2,443	4.5%
7	Santa Clarita	83	2,019	4.1%
8	Cerritos	60	1,676	3.6%
9	City of Commerce	45	1,261	3.6%
10	Inglewood	66	2,029	3.3%
11	La Mirada	31	964	3.2%
12	Lakewood	31	1,055	2.9%
13	Los Angeles	1,591	62,387	2.6%
14	Vernon	33	1,298	2.5%
15	Long Beach	212	8,558	2.5%
16	Gardena	73	2,975	2.5%
17	Culver City	56	2,340	2.4%
18	Burbank	98	4,140	2.4%
19	West Covina	38	1,708	2.2%
20	Pasadena	127	5,829	2.2%
21	Pomona	47	2,175	2.2%
22	Santa Monica	134	6,504	2.1%
23	Monterey Park	33	1,648	2.0%
24	El Monte	32	1,604	2.0%
25	Whittier	38	2,032	1.9%
	Other cities	907	99,791	0.9%
	Total	4,521	244,859	1.8%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Foreign-owned and -affiliated establishments account for 136,000 jobs and \$7.6 billion in wages in Los Angeles County. The average wage for employees of foreign-owned and -affiliated businesses (\$56,000) exceeds the County average wage for employees of all businesses (\$47,700).

In terms of both employment and wages in Los Angeles County, Europe is the largest contributor of foreign direct investment with 63,500 employees and \$3.7 billion in wages. Asia-Oceania is the second largest source with 62,000 employees and \$3.3 billion in wages in the County.

Table 6: Employment and Wages of Foreign-owned Establishments by Regions of the World, 2007

Region	Employment	Wages (1,000's)	% of Total Employment	% of Total Wages
Europe	63,500	\$3,717,000	46.7%	48.7%
Asia - Oceania	62,000	\$3,318,000	45.6%	43.5%
Latin America & Caribbean	8,800	\$472,000	6.5%	6.2%
Middle East - Africa	1,000	\$65,000	0.7%	0.9%
North America	900	\$54,000	0.7%	0.7%
Total	136,000	\$7,626,000	100.0%	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research

Similar to establishments, Japan is the leading national source of FDI employment and wages in Los Angeles County (49,600 employees and \$2.6 billion respectively). United Kingdom holds the second position (with 20,300 employees and \$1.2 billion) followed by France (with 16,700 employees and \$1.0 billion).

Table 7: Employment and Wages of Foreign-owned Establishments by Country in Los Angeles County, 2007

Rank	Region	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
1	Japan	49,600	\$2,614,000	36.5%	34.3%
2	United Kingdom	20,300	\$1,202,000	14.9%	15.8%
3	France	16,700	\$1,029,000	12.3%	13.5%
4	Germany	9,700	\$546,000	7.1%	7.2%
5	Canada	7,000	\$390,000	5.1%	5.1%
6	Switzerland	7,000	\$446,000	5.1%	5.8%
7	Taiwan	3,200	\$209,000	2.4%	2.7%
8	Netherlands	3,100	\$177,000	2.3%	2.3%
	<i>China*</i>	2,700	\$158,000	2.0%	2.1%
9	South Korea	2,200	\$126,000	1.6%	1.7%
10	Italy	2,000	\$72,000	1.5%	0.9%
11	Australia	1,900	\$76,000	1.4%	1.0%
12	Mexico	1,700	\$82,000	1.3%	1.1%
13	Hong Kong	1,400	\$83,000	1.0%	1.1%
14	Sweden	1,300	\$64,000	1.0%	0.8%
15	China	1,300	\$75,000	1.0%	1.0%
	Rest of the World	7,600	\$197,000	5.6%	2.6%
	Total	136,000	\$7,626,000	100.0%	100.0%

*Includes mainland China and Hong Kong (but excluded from Total to avoid double counting)

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Manufacturing is the industry sector with the largest number of both employees and wages from foreign-owned and -affiliated companies in Los Angeles County (32,100 employees and \$2.1 billion respectively). Employment in retail trade is 20,400 employees (second largest) with a total wages of \$594 million (third largest). Wholesale trade is the third largest sector for employment with 17,800 employees with total wages of \$949 million (second largest).

Table 8: Employment and Wages of Foreign-owned Establishments by Major Industry Sector* in Los Angeles County, 2007

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	32,100	\$2,055,000	23.6%	26.9%
Retail Trade	20,400	\$594,000	15.0%	7.8%
Wholesale Trade	17,800	\$972,000	13.1%	12.7%
Transportation & Warehousing	17,500	\$967,000	12.9%	12.7%
Information	12,900	\$1,078,000	9.5%	14.1%
Finance & Insurance	10,200	\$762,000	7.5%	10.0%
Administrative Support, Waste Management & Remediation Services	5,000	\$150,000	3.7%	2.0%
Professional, Scientific & Technical Services	4,800	\$361,000	3.5%	4.7%
Accommodation & Food Services	4,700	\$98,000	3.5%	1.3%
Management of Companies & Enterprises	3,400	\$300,000	2.5%	3.9%
Arts, Entertainment & Recreation	3,400	\$84,000	2.5%	1.1%
Other Industries	3,900	\$204,000	2.9%	2.7%
Total	136,000	\$7,626,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The San Fernando Valley is the region of Los Angeles County home to the largest number of both employees and wages of foreign-owned and -affiliated companies (30,600 employees and \$1.7 billion respectively). The South Bay/LAX area is second with 28,600 employees and \$1.7 billion in wages followed by the Gateway Cities with 21,500 employees and \$1.2 billion in wages.

Table 9: Employment and Wages of Foreign-owned Establishments by Los Angeles County Region*, 2007

Region	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
San Fernando Valley	30,600	\$1,668,000	22.5%	21.9%
South Bay/LAX	28,600	\$1,711,000	21.0%	22.4%
Gateway Cities	21,500	\$1,182,000	15.8%	15.5%
San Gabriel Valley	15,100	\$785,000	11.1%	10.3%
South L.A.	11,200	\$580,000	8.2%	7.6%
Westside	8,800	\$533,000	6.5%	7.0%
Central/Downtown/East L.A.	8,100	\$519,000	6.0%	6.8%
Crenshaw/Mid-City/Hollywood	7,400	\$409,000	5.4%	5.4%
Santa Clarita/Valencia	4,000	\$208,000	2.9%	2.7%
Antelope Valley	700	\$32,000	0.5%	0.4%
Total	136,000	\$7,626,000	100.0%	100.0%

* Denotes LAEDC county regions

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

For cities, Los Angeles is the leader for both employees and wages of foreign-owned and -affiliated companies (51,900 and \$2.8 billion respectively). Torrance is second with 10,900 employees and \$610 million in wages followed by Long Beach with 7,200 employees and \$431 million in wages.

**Table 10: Employment and Wages of Foreign-owned Establishments by City
Los Angeles County, 2007**

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	51,900	\$2,846,000	38.2%	37.3%
Torrance	10,900	\$610,000	8.0%	8.0%
Long Beach	7,200	\$431,000	5.3%	5.7%
Culver City	4,800	\$377,000	3.5%	4.9%
Glendale	4,400	\$285,000	3.2%	3.7%
Santa Clarita	3,900	\$201,000	2.9%	2.6%
Burbank	3,800	\$266,000	2.8%	3.5%
Carson	2,900	\$186,000	2.1%	2.4%
Santa Monica	2,900	\$177,000	2.1%	2.3%
Gardena	2,900	\$144,000	2.1%	1.9%
Pasadena	2,800	\$169,000	2.1%	2.2%
Santa Fe Springs	2,700	\$133,000	2.0%	1.7%
El Segundo	2,500	\$150,000	1.8%	2.0%
City of Industry	2,500	\$134,000	1.8%	1.8%
Inglewood	1,700	\$91,000	1.3%	1.2%
Compton	1,700	\$95,000	1.3%	1.2%
Beverly Hills	1,400	\$67,000	1.0%	0.9%
Cerritos	1,200	\$68,000	0.9%	0.9%
City of Commerce	1,200	\$64,000	0.9%	0.8%
Pomona	1,100	\$55,000	0.8%	0.7%
Other cities	21,700	\$1,079,000	16.0%	14.1%
Total	136,000	\$7,626,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

III. Country Summaries

Japan

Japan is the top foreign investor in Los Angeles County in terms of foreign-owned and -affiliated businesses, with 544 primary locations and 869 secondary locations, for a total of 1,413 establishments. Japanese companies in Los Angeles County are diversified across several industry groups. Retail trade is the largest industry sector with 471 total establishments, followed by wholesale trade (362 total establishments); and finance and insurance (110 total establishments).

In retailing, the major sub-sectors are food and beverage stores, motor vehicles and parts dealers, and clothing and accessories stores. In wholesale trade, the major sub-sector is durable goods, especially autos and consumer electronics.

Several well-known Japanese companies have operations in Los Angeles County. They include the 7-Eleven and Firestone Tire retail chains as well as Union Bank of California. Large international auto manufacturers with sizable wholesale operations in the County include Toyota and Honda.

Table 11A: Foreign-owned Establishments by Major Industry Sector*
Japan, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Retail Trade	24	447	471	33.3%
Wholesale Trade	242	120	362	25.6%
Finance & Insurance	16	94	110	7.8%
Accommodation & Food Services	15	84	99	7.0%
Manufacturing	67	27	94	6.7%
Transportation & Warehousing	57	22	79	5.6%
Professional, Scientific & Technical Services	36	27	63	4.5%
Information	30	13	43	3.0%
Administrative, Support, Waste Management & Remediation Services	20	10	30	2.1%
Real Estate, Rental & Leasing	15	4	19	1.3%
Other Sectors	22	21	43	3.0%
Total	544	869	1,413	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 11B: Foreign-owned Establishments by Detailed Industry*
Japan, 2007

Industry	Total Establishments	% of Total
Food & Beverage Stores	387	27.4%
Merchant Wholesalers, Durable Goods	290	20.5%
Credit Intermediation & Related Activities	94	6.7%
Food Services & Drinking Places	85	6.0%
Merchant Wholesalers, Nondurable Goods	72	5.1%
Professional, Scientific & Technical Services	63	4.5%
Support Activities for Transportation	52	3.7%
Motor Vehicle & Parts Dealers	45	3.2%
Motion Picture & Sound Recording Industries	33	2.3%
Computer & Electronic Product Manufacturing	31	2.2%
Administrative & Support Services	30	2.1%
Food Manufacturing	21	1.5%
Clothing & Clothing Accessories Stores	20	1.4%
Other Industries	190	13.4%
Total	1,413	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has the largest number of Japanese-owned and -affiliated businesses, with 454 total establishments, followed by Torrance (199 total establishments), Long Beach (75 total establishments), Carson (43 total establishments), and Gardena (42 total establishments). The cities of Torrance, Gardena, and Carson are all in the South Bay area of the County where a large array of support activities (schools, retail, etc.) has developed there over several decades dating back to the entry into the U.S. market by several Japanese companies. This provides a high “comfort factor” for Japanese firms and their key employees.

**Table 11C: Foreign-owned Establishments by City
Japan, 2007**

City	Total Establishments	% of Total
Los Angeles	454	32.1%
Torrance	199	14.1%
Long Beach	75	5.3%
Carson	43	3.0%
Gardena	42	3.0%
Pasadena	34	2.4%
Santa Fe Springs	29	2.1%
Compton	28	2.0%
Culver City	28	2.0%
Santa Clarita	26	1.8%
El Segundo	23	1.6%
Santa Monica	23	1.6%
Inglewood	18	1.3%
Glendale	17	1.2%
Burbank	16	1.1%
Pomona	16	1.1%
Cerritos	15	1.1%
City of Industry	13	0.9%
Vernon	13	0.9%
Lakewood	12	0.8%
Monterey Park	12	0.8%
Whittier	12	0.8%
Norwalk	11	0.8%
Alhambra	10	0.7%
Palmdale	10	0.7%
Other cities	234	16.6%
Total	1,413	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Japanese-owned and -affiliated companies in Los Angeles County account for 49,600 employees and \$2.6 billion in wages. Retail trade is the largest major industry sector in terms of employment (12,500 employees). Wholesale trade, manufacturing, and information (9,300 7,100, and 5,600 employees respectively) are the next largest sectors. Wholesale trade is the largest major industry sector in terms of wages for Japanese-owned companies (\$520 million) followed by information (\$466 million), manufacturing (\$430 million), and retail trade (\$348 million).

Table 11D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, Japan (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Retail Trade	12,500	\$348,000	25.2%	13.3%
Wholesale Trade	9,300	\$520,000	18.8%	19.9%
Manufacturing	7,100	\$430,000	14.3%	16.4%
Information	5,600	\$466,000	11.3%	17.8%
Finance & Insurance	4,200	\$287,000	8.5%	11.0%
Transportation & Warehousing	3,800	\$211,000	7.7%	8.1%
Professional, Scientific & Technical Services	2,700	\$198,000	5.4%	7.6%
Accommodation & Food Services	2,000	\$38,000	4.0%	1.5%
Administrative, Support, Waste Management & Remediation Services	1,000	\$30,000	2.0%	1.1%
Management of Companies & Enterprises	600	\$49,000	1.2%	1.9%
Other Industries	800	\$38,000	1.6%	1.5%
Total	49,600	\$2,614,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is number one for both employment and wages of Japanese-owned companies (16,200 employees and \$792 million respectively). Torrance (8,500 employees and \$488 million in wages) and Long Beach (3,400 employees and \$180 million in wages) are also top locations for employment and wages of Japanese-owned companies.

Table 11E: Employment and Wages of Foreign-owned Establishments by City in Los Angeles County, Japan (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	16,200	\$792,000	32.7%	30.3%
Torrance	8,500	\$488,000	17.1%	18.7%
Culver City	4,000	\$326,000	8.1%	12.5%
Long Beach	3,400	\$180,000	6.9%	6.9%
Gardena	2,100	\$100,000	4.2%	3.8%
Santa Clarita	1,100	\$47,000	2.2%	1.8%
Carson	900	\$50,000	1.8%	1.9%
Santa Fe Springs	900	\$42,000	1.8%	1.6%
Pasadena	900	\$54,000	1.8%	2.1%
El Segundo	800	\$49,000	1.6%	1.9%
Compton	700	\$37,000	1.4%	1.4%
Other Cities	10,100	\$449,000	20.4%	17.2%
Total	49,600	\$2,614,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

United Kingdom

The United Kingdom is the second largest source of FDI in Los Angeles County in terms of establishments, with 331 primary locations and 463 secondary locations for a total of 794 establishments. Wholesale trade is the largest industry for local U.K.-owned and -affiliated firms (135 total establishments), followed by manufacturing (117 total establishments), retail trade (111 total establishments), and finance and insurance (97 total establishments). As shown in Table 12B, the manufacturing base is fairly diverse, ranging from computers and electronics products to beverage and tobacco products.

Several well-known British companies operate in Los Angeles County, including HSBC (which also owns Beneficial and Household Finance); oil companies BP and Shell; and Glidden Paint. Aerospace companies include BAE Systems and Senior Aerospace.

Table 12A: Foreign-owned Establishments by Major Industry Sector*
United Kingdom, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Wholesale Trade	55	80	135	17.0%
Manufacturing	70	47	117	14.7%
Retail Trade	19	92	111	14.0%
Finance & Insurance	24	73	97	12.2%
Professional, Scientific & Technical Services	48	21	69	8.7%
Information	31	27	58	7.3%
Administrative Support, Waste Management & Remediation Services	12	38	50	6.3%
Transportation & Warehousing	27	18	45	5.7%
Real Estate, Rental & Leasing	16	23	39	4.9%
Accommodation & Food Services	10	15	25	3.1%
Health Care & Social Assistance	2	22	24	3.0%
Other Sectors	17	7	24	3.0%
Total	331	463	794	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 12B: Foreign-owned Establishments by Detailed Industry*
United Kingdom, 2007

Industry	Total Establishments	% of Total
Merchant Wholesalers, Durable Goods	107	13.5%
Credit Intermediation & Related Activities	78	9.8%
Professional, Scientific, Technical Services	69	8.7%
Gasoline Stations	50	6.3%
Administrative & Support Services	46	5.8%
Building Material, Garden Equipment & Supplies Dealers	36	4.5%
Fabricated Metal Product Manufacturing	30	3.8%
Merchant Wholesalers, Nondurable Goods	28	3.5%
Computer & Electronic Product Manufacturing	25	3.1%
Ambulatory Health Care Services	24	3.0%
Publishing Industries (except Internet)	19	2.4%
Motion Picture & Sound Recording Industries	18	2.3%
Support Activities for Transportation	18	2.3%
Beverage & Tobacco Product Manufacturing	16	2.0%
Insurance Carriers & Related Activities	15	1.9%
Rental & Leasing Services	15	1.9%
Telecommunications	15	1.9%
Real Estate	14	1.8%
Accommodation	13	1.6%
Miscellaneous Manufacturing	13	1.6%
Food Services & Drinking Places	12	1.5%
Lessors of Nonfinancial Intangible Assets (except Copyrighted Works)	10	1.3%
Transit & Ground Passenger Transportation	10	1.3%
Other Industries	113	14.2%
Total	794	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has by far the largest number of U.K.-owned and -affiliated businesses, with 316 total establishments, followed by Santa Monica (44 total establishments), and Long Beach (43 total establishments).

**Table 12C: Foreign-owned Establishments by City
United Kingdom, 2007**

City	Total Establishments	% of Total
Los Angeles	316	39.8%
Santa Monica	44	5.5%
Long Beach	43	5.4%
Burbank	25	3.1%
Pasadena	24	3.0%
Torrance	24	3.0%
Santa Fe Springs	19	2.4%
Santa Clarita	18	2.3%
Carson	15	1.9%
Glendale	15	1.9%
El Segundo	12	1.5%
Beverly Hills	11	1.4%
Pomona	11	1.4%
City of Industry	10	1.3%
Other cities	207	26.1%
Total	794	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

U.K.-owned and -affiliated companies account for 20,300 jobs and \$1.2 billion in wages in Los Angeles County. Manufacturing is the largest major industry sector in terms of both employment and wages (5,900 employees and \$403 million respectively). Transportation and warehousing (3,200 employees and \$164 million in wages) is the second largest followed by wholesale trade (2,600 employees and \$133 million in wages), and finance and insurance (1,500 employees and \$107 million in wages).

Table 12D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, United Kingdom (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	5,900	\$403,000	29.1%	33.5%
Transportation & Warehousing	3,200	\$164,000	15.8%	13.6%
Wholesale Trade	2,600	\$133,000	12.8%	11.1%
Finance & Insurance	1,500	\$107,000	7.4%	8.9%
Retail Trade	1,400	\$46,000	6.9%	3.8%
Information	1,300	\$95,000	6.4%	7.9%
Administrative, Support, Waste Management & Remediation Services	1,200	\$39,000	5.9%	3.2%
Management of Companies & Enterprises	1,000	\$92,000	4.9%	7.7%
Accommodation & Food Services	700	\$16,000	3.4%	1.3%
Professional, Scientific & Technical Services	600	\$44,000	3.0%	3.7%
Other Sectors	900	\$65,000	4.4%	5.4%
Total	20,300	\$1,202,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is number one for both employment and wages of U.K.-owned and -affiliated establishments (7,200 employees and \$422 million respectively). Santa Clarita, Long Beach, and Carson are the next largest locations for employment (1,900, 1,600, and 1,100 employees respectively). Following the City of Los Angeles in terms of wages is Long Beach, Santa Clarita, and Carson (\$116 million, \$108 million, and \$82 million in wages respectively).

Table 12E: Employment and Wages of Foreign-owned Establishments by City in Los Angeles County, United Kingdom (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	7,200	\$422,000	35.5%	35.1%
Santa Clarita	1,900	\$108,000	9.4%	9.0%
Long Beach	1,600	\$116,000	7.9%	9.7%
Carson	1,100	\$82,000	5.4%	6.8%
Santa Monica	900	\$61,000	4.4%	5.1%
Torrance	700	\$36,000	3.4%	3.0%
Pasadena	500	\$27,000	2.5%	2.2%
Other Cities	6,300	\$351,000	31.0%	29.2%
Total	20,300	\$1,202,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

France

The third largest source of FDI in Los Angeles County in terms of establishments is France, with 165 primary locations and 195 secondary locations for a total of 360 establishments. The industry with the most French-owned and -affiliated establishments is manufacturing, with 101 total establishments, followed by finance and insurance (76 total establishments), and retail trade (47 total establishments). The manufacturing base for French-owned and -affiliated companies is rather diversified like the U.K.-owned companies.

Major French-owned companies operating in Los Angeles County include Bank of the West, Louis Vuitton North America, Motel 6, and the entertainment company Canal Plus. The French company Vivendi retains a 20% share in NBC Universal in addition to its ownership of other entertainment entities.

Table 13A: Foreign-owned Establishments by Major Industry Sector*
France, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Manufacturing	53	48	101	32.1%
Finance & Insurance	20	56	76	12.1%
Retail Trade	16	31	47	9.7%
Accommodation & Food Services	3	36	39	1.8%
Professional, Scientific & Technical Services	18	9	27	10.9%
Wholesale Trade	18	6	24	10.9%
Information	12	5	17	7.3%
Transportation & Warehousing	15	2	17	9.1%
Other Sectors	10	2	12	6.1%
Total	165	195	360	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 13B: Foreign-owned Establishments by Detailed Industry*
France, 2007

Industry	Total Establishments	% of Total
Credit Intermediation & Related Activities	54	15.0%
Computer & Electronic Product Manufacturing	38	10.6%
Professional, Scientific & Technical Services	27	7.5%
Accommodation	20	5.6%
Food Services & Drinking Places	19	5.3%
Merchant Wholesalers, Durable Goods	16	4.4%
Nonmetallic Mineral Product Manufacturing	15	4.2%
Clothing & Clothing Accessories Stores	13	3.6%
Miscellaneous Store Retailers	13	3.6%
Insurance Carriers & Related Activities	12	3.3%
Building Material, Garden Equipment & Supplies Dealers	11	3.1%
Miscellaneous Manufacturing	11	3.1%
Other Industries	111	30.8%
Total	360	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

French-owned establishments are very heavily concentrated in the City of Los Angeles, with 143 total establishments (39.7% of all French-owned and -affiliated companies in Los Angeles County). A great distance back and quite closely bunched are Burbank, Beverly Hills, Santa Monica, Torrance, Pasadena, and Long Beach.

**Table 13C: Foreign-owned Establishments by City
France, 2007**

City	Total Establishments	% of Total
Los Angeles	143	39.7%
Burbank	16	4.4%
Beverly Hills	14	3.9%
Santa Monica	12	3.3%
Torrance	12	3.3%
Pasadena	11	3.1%
Long Beach	10	2.8%
Other cities	142	39.4%
Total	360	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

French-owned and -affiliated companies in Los Angeles County are responsible for 16,700 jobs and \$1.0 billion in wages. Manufacturing is the largest major industry sector in terms of employment (4,900 employees). Information; arts, entertainment, and recreation; and finance and insurance are the next largest industries with 4,300 and 3,000 employees respectively. Information is the largest major industry sector in terms of wages (\$380 million) followed by manufacturing (\$347 million), finance and insurance (\$89 million), and arts, entertainment, and recreation (\$70 million).

Table 13D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, France (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	4,900	\$347,000	29.3%	33.7%
Information	4,300	\$380,000	25.7%	36.9%
Arts, Entertainment, & Recreation	3,000	\$70,000	18.0%	6.8%
Finance & Insurance	1,200	\$89,000	7.2%	8.6%
Accommodation & Food Services	1,000	\$24,000	6.0%	2.3%
Transportation & Warehousing	900	\$49,000	5.4%	4.8%
Retail Trade	600	\$17,000	3.6%	1.7%
Other Industries	800	\$52,000	4.8%	5.1%
Total	16,700	\$1,029,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is number one for both employment and wages of French-owned and -affiliated companies (10,000 employees and \$583 million respectively). Burbank, home to a sizable entertainment industry, is the second largest location for employees and wages of French-owned and -affiliated companies (1,800 employees and \$166 million in wages).

Table 13E: Employment and Wages of Foreign-owned Establishments by City in Los Angeles County, France (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	10,000	\$583,000	59.9%	56.7%
Burbank	1,800	\$166,000	10.8%	16.1%
Other Cities	4,900	\$279,000	29.3%	27.1%
Total	16,700	\$1,029,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Germany

Germany is the fourth largest source of foreign direct investment in Los Angeles County in terms of businesses, with 145 primary establishments and 189 secondary establishments for a total of 334 establishments. The largest industry area for German companies is retail trade, with a total of 109 companies, followed by manufacturing (76 total establishments), wholesale trade (45 total establishments), and transportation and warehousing (37 total establishments). In retailing, there is a concentration in electronics and appliances, and food and beverage stores.

The major local businesses owned by German parent companies include T-Mobile and Trader Joe's. Siemens has numerous engineering operations in Los Angeles County and the rest of Southern California.

Table 14A: Foreign-owned Establishments by Major Industry Sector*
Germany, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Retail Trade	12	97	109	8.3%
Manufacturing	34	42	76	23.4%
Wholesale Trade	31	14	45	21.4%
Transportation & Warehousing	18	19	37	12.4%
Finance & Insurance	11	8	19	7.6%
Professional, Scientific & Technical Services	13	1	14	9.0%
Information	8	4	12	5.5%
Other Sectors	18	4	22	12.4%
Total	145	189	334	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 14B: Foreign-owned Establishments by Detailed Industry*
Germany, 2007

Industry	Total Establishments	% of Total
Electronics & Appliance Stores	63	18.9%
Merchant Wholesalers, Durable Goods	41	12.3%
Computer & Electronic Product Manufacturing	32	9.6%
Food & Beverage Stores	29	8.7%
Chemical Manufacturing	21	6.3%
Support Activities for Transportation	18	5.4%
Professional, Scientific & Technical Services	14	4.2%
Insurance Carriers & Related Activities	10	3.0%
Truck Transportation	10	3.0%
Other Industries	96	28.7%
Total	334	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has the largest number of German-owned establishments (109 total establishments) followed at a great distance by Long Beach and Santa Fe Springs (both with 20 total establishments).

Table 14C: Foreign-owned Establishments by City
Germany, 2007

City	Total Establishments	% of Total
Los Angeles	109	32.6%
Long Beach	20	6.0%
Santa Fe Springs	20	6.0%
Pasadena	13	3.9%
Burbank	11	3.3%
Beverly Hills	10	3.0%
Other cities	151	45.2%
Total	334	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

German-owned and -affiliated establishments generate 9,700 jobs and \$546 million in wages in Los Angeles County. Manufacturing is the top industry in terms of both employment and wages with 4,100 workers and \$289 million in wages. Retail trade is next with 2,900 workers and \$92 million in wages.

Table 14D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, Germany (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	4,100	\$289,000	42.3%	52.9%
Retail Trade	2,900	\$92,000	29.9%	16.8%
Transportation & Warehousing	900	\$49,000	9.3%	9.0%
Wholesale Trade	600	\$33,000	6.2%	6.0%
Other Industries	1,200	\$84,000	12.4%	15.4%
Total	9,700	\$546,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is the top spot for both employment and wages of German-owned and -affiliated establishments with 2,800 workers and \$149 million in wages. The next two largest cities are Long Beach (700 workers and \$40 million in wages) and Santa Fe Springs (500 workers and \$30 million in wages).

Table 14E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Germany (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	2,800	\$149,000	28.9%	27.3%
Long Beach	700	\$40,000	7.2%	7.3%
Santa Fe Springs	500	\$30,000	5.2%	5.5%
Other Cities	5,700	\$328,000	58.8%	60.1%
Total	9,700	\$546,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Canada

The fifth largest source of foreign direct investment in terms of businesses in Los Angeles County is Canada, with 168 primary locations and 110 secondary locations for a total of 278 establishments. Manufacturing is the largest industry area for Canadian companies (45 total establishments), followed by retail trade (40 total establishments), finance and insurance (27 total establishments), and wholesale trade (24 total establishments).

Well-known Canadian companies include Circle K stores, John Hancock Life Insurance, and IMAX, Bombardier (railcar manufacturer), Thomson (information services), Magna (operators of Santa Anita Park and the Turf Club), and Lionsgate Entertainment.

**Table 15A: Foreign-owned Establishments by Major Industry Sector*
Canada, 2007**

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Manufacturing	33	12	45	19.6%
Retail Trade	8	32	40	4.8%
Finance & Insurance	15	12	27	8.9%
Wholesale Trade	19	5	24	11.3%
Transportation & Warehousing	15	6	21	8.9%
Information	16	3	19	9.5%
Professional, Scientific & Technical Services	18	0	18	10.7%
Health Care & Social Assistance	12	5	17	7.1%
Other Services (except Public Administration)	3	14	17	1.8%
Administrative, Support, Waste Management & Remediation Services	8	8	16	4.8%
Real Estate, Rental & Leasing	8	7	15	4.8%
Other Sectors	13	6	19	7.7%
Total	168	110	278	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 15B: Foreign-owned Establishments by Detailed Industry*
Canada, 2007

Industry	Total Establishments	% of Total
Food & Beverage Stores	26	9.4%
Professional, Scientific & Technical Services	18	6.5%
Administrative & Support Services	16	5.8%
Insurance Carriers & Related Activities	16	5.8%
Nursing & Residential Care Facilities	16	5.8%
Real Estate	15	5.4%
Motion Picture & Sound Recording Industries	14	5.0%
Personal & Laundry Services	14	5.0%
Merchant Wholesalers, Durable Goods	13	4.7%
Merchant Wholesalers, Nondurable Goods	11	4.0%
Other Industries	119	42.8%
Total	278	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The city with the largest number of Canadian-owned and -affiliated establishments is Los Angeles (93 total establishments) followed at a long distance by Burbank (18 total establishments), Santa Monica (14 total establishments), and Glendale (11 total establishments).

**Table 15C: Foreign-owned Establishments by City
Canada, 2007**

City	Total Establishments	% of Total
Los Angeles	93	33.5%
Burbank	18	6.5%
Santa Monica	14	5.0%
Glendale	11	4.0%
Other cities	142	51.1%
Total	278	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Canadian-owned and -affiliated establishments in Los Angeles County account for 7,000 jobs and \$390 million in wages. Manufacturing is the top industry for Canadian-owned and affiliated companies in terms of employment (with 2,000 jobs); followed by transportation and warehousing (900 jobs); professional, scientific, and technical services (700 jobs), retail jobs (700 jobs), and health care and social assistance (600 jobs). Manufacturing is the top industry as well for wages (\$113 million) followed by professional, scientific, and technical service (\$56 million); transportation and warehousing (\$48 million), retail trade (\$20 million), and health care and social assistance (\$16 million).

**Table 15D: Employment and Wages of Foreign-owned Establishments by
Major Industry Sector*, Canada (2007)**

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	2,000	\$113,000	28.6%	29.0%
Transportation & Warehousing	900	\$48,000	12.9%	12.3%
Professional, Scientific & Technical Services	700	\$56,000	10.0%	14.4%
Retail Trade	700	\$20,000	10.0%	5.1%
Health Care & Social Assistance	600	\$16,000	8.6%	4.1%
Other Industries	2,100	\$138,000	30.0%	35.4%
Total	7,000	\$390,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research

The City of Los Angeles is the largest location for employment and wages of Canadian-owned and -affiliated companies (2,700 employees and \$168 million respectively) followed by Burbank (600 employees and \$21 million).

Table 15E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Canada (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	2,700	\$168,000	38.6%	43.1%
Burbank	600	\$21,000	8.6%	5.4%
Other Cities	3,700	\$201,000	52.9%	51.5%
Total	7,000	\$390,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Switzerland

Switzerland is the sixth largest source of foreign-owned companies in Los Angeles County in terms of businesses, with 79 primary locations and 117 secondary locations for a total of 196 establishments. Finance and insurance is the largest industry area for Swiss-owned local businesses (50 total establishments), followed by administrative and support services (39 total establishments), manufacturing (28 total establishments), and other services (25 total establishments).

Swiss companies with operations in Los Angeles County include financial institutions such as Credit Suisse, Swiss Re, and UBS. Local household consumer brands and services with Swiss-connections include the Nestle family of products and the Jenny Craig Weight Centers.

**Table 16A: Foreign-owned Establishments by Major Industry Sector*
Switzerland, 2007**

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Finance & Insurance	12	38	50	25.5%
Administrative, Support, Waste Management & Remediation Services	6	33	39	19.9%
Manufacturing	15	13	28	14.3%
Other Services (except Public Administration)	2	23	25	12.8%
Wholesale Trade	14	1	15	7.7%
Retail Trade	9	3	12	6.1%
Other Sectors	21	6	27	13.8%
Total	79	117	196	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

**Table 16B: Foreign-owned Establishments by Detailed Industry*
Switzerland, 2007**

Industry	Total Establishments	% of Total
Administrative & Support Services	39	19.9%
Insurance Carriers & Related Activities	29	14.8%
Personal & Laundry Services	24	12.2%
Securities, Commodity Contracts, Other Financial Investments & Related Activities	20	10.2%
Merchant Wholesalers, Durable Goods	10	5.1%
Other Industries	74	37.8%
Total	196	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest number of Swiss-owned and -affiliated establishments (77 total establishments) followed by Pasadena and Torrance (both 11 total establishments) and Glendale (10 total establishments).

**Table 16C: Foreign-owned Establishments by City
Switzerland, 2007**

City	Total Establishments	% of Total
Los Angeles	77	39.3%
Pasadena	11	5.6%
Torrance	11	5.6%
Glendale	10	5.1%
Other cities	87	44.4%
Total	196	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Swiss-owned and -affiliated companies account for 7,000 jobs and \$446 million in wages in Los Angeles County. Manufacturing generates the most employment (1,900 jobs) followed by management of companies and enterprises (1,600 jobs), and finance and insurance (1,100 jobs). Management of companies and enterprises accounts for the largest payroll (\$137 million) followed by manufacturing (\$108 million) and finance and insurance (\$100 million).

Table 16D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, Switzerland (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	1,900	\$108,000	27.1%	24.2%
Management of Companies & Enterprises	1,600	\$137,000	22.9%	30.7%
Finance & Insurance	1,100	\$100,000	15.7%	22.4%
Administrative, Support, Waste Management & Remediation Services	1,000	\$28,000	14.3%	6.3%
Wholesale Trade	700	\$32,000	10.0%	7.2%
Other Industries	900	\$40,000	12.9%	9.0%
Total	7,000	\$446,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Glendale is the home to the largest number of employees and wages of Swiss-owned and -affiliated companies with 2,600 employees and \$193 million in wages. The City of Los Angeles is next with 2,200 employees and \$137 million in wages.

Table 16E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Switzerland (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Glendale	2,600	\$193,000	37.1%	43.3%
Los Angeles	2,200	\$137,000	31.4%	30.7%
Other Cities	2,200	\$115,000	31.4%	25.8%
Total	7,000	\$446,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research

Italy

Italy is the seventh largest source of foreign investment in Los Angeles, with 42 primary locations and 123 secondary locations for a total of 165 total establishments. Retail trade is the largest industry area for local Italian-owned businesses (138 total establishments) reflecting the international scope of Italian fashion designers and manufacturers in addition to the desirability of having a presence in the high-profile Los Angeles fashion and apparel market.

Major chains include Sunglass Hut, Lens Crafters & Cole Vision, all owned by Luxottica, in addition to high-end fashion designers and retailers such as Prada and Giorgio Armani.

Table 17A: Foreign-owned Establishments by Major Industry Sector*
Italy, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Retail Trade	21	117	138	7.6%
Other Sectors	21	6	27	9.7%
Total	168	110	278	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 17B: Foreign-owned Establishments by Detailed Industry*
Italy, 2007

Industry	Total Establishments	% of Total
Health & Personal Care Stores	94	57.0%
Clothing & Clothing Accessories Stores	24	14.5%
Miscellaneous Store Retailers	17	10.3%
Other Industries	30	18.2%
Total	165	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has the largest number of Italian-owned establishments, with 56 total establishments, followed by Beverly Hills (15 total establishments).

**Table 17C: Foreign-owned Establishments by City
Italy, 2007**

City	Total Establishments	% of Total
Los Angeles	56	33.9%
Beverly Hills	15	9.1%
Other Cities	94	57.0%
Total	165	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Italian-owned and affiliated companies account for 2,000 jobs and \$72 million in wages in Los Angeles County. Retail trade is the top industry with 1,400 jobs and \$43 million in wages.

Table 17D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector, Italy (2007)

Sector	Employment	Wages (\$1,000)	% of Total Employment	% of Total Wages
Retail Trade	1,400	\$43,000	70.0%	59.7%
Other Industries	600	\$29,000	30.0%	40.3%
Total	2,000	\$72,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest amount of workers from Italian-owned and -affiliated companies with 800 jobs and \$34 million in wages.

Table 17E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Italy (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	800	\$34,000	40.0%	47.2%
Other Cities	1,200	\$38,000	60.0%	52.8%
Total	2,000	\$72,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Netherlands

The eighth largest source of foreign-owned companies in Los Angeles County is the Netherlands, with 83 primary locations and 71 secondary locations for a total of 154 establishments. The largest industry area for Dutch-owned companies in the local area is finance and insurance (28 total establishments), followed by wholesale trade (26 total establishments), and professional, scientific, and technical services (20 total establishments).

Major Dutch-owned operations include financial companies Transamerica and ING Group and media company AC Nielsen.

**Table 18A: Foreign-owned Establishments by Major Industry Sector*
Netherlands, 2007**

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Finance & Insurance	17	11	28	20.5%
Wholesale Trade	17	9	26	20.5%
Retail Trade	2	21	23	2.4%
Manufacturing	13	7	20	15.7%
Professional, Scientific & Technical Services	13	6	19	15.7%
Administrative, Support, Waste Management & Remediation Services	3	9	12	3.6%
Other Sectors	19	7	26	22.9%
Total	83	71	154	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

**Table 18B: Foreign-owned Establishments by Detailed Industry*
Netherlands, 2007**

Industry	Total Establishments	% of Total
Building Material, Garden Equipment & Supplies Dealers	20	13.0%
Professional, Scientific & Technical Services	19	12.3%
Insurance Carriers & Related Activities	15	9.7%
Merchant Wholesalers, Durable Goods	13	8.4%
Merchant Wholesalers, Nondurable Goods	13	8.4%
Administrative & Support Services	12	7.8%
Other Industries	62	40.3%
Total	154	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Half of the Dutch-owned companies in Los Angeles County are in the City of Los Angeles (72 total establishments).

**Table 18C: Foreign-owned Establishments by City
Netherlands, 2007**

City	Total Establishments	% of Total
Los Angeles	68	44.2%
Other Cities	86	55.8%
Total	154	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Dutch-owned and -affiliated establishments in Los Angeles County account for 3,100 jobs and \$177 million in wages. The sector with the largest number of employees and wages is manufacturing with 1,000 jobs and \$59 million in wages.

Table 18D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector, Netherlands (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	1,000	\$59,000	32.3%	33.3%
Other Industries	2,100	\$118,000	67.7%	66.7%
Total	3,100	\$177,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest number of Dutch-owned and affiliated companies with 1,300 employees and \$82.2 million in wages.

Table 18E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Netherlands (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	1,300	\$82,000	41.9%	46.3%
Other Cities	1,800	\$95,000	58.1%	53.7%
Total	3,100	\$177,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Taiwan

Taiwan is the ninth largest source of foreign investment in Los Angeles County, with 109 primary locations and 18 secondary establishments for a total of 127 establishments. The largest number of Taiwanese-owned companies are in the wholesale trade industry (55 total establishments), followed by finance and insurance, and manufacturing (26 total establishments each).

Major Taiwanese “names” in the Los Angeles area include electronics manufacturer Tatung Company of America, Far East National Bank, and transportation companies China Airlines and Evergreen Shipping.

Table 19A: Foreign-owned Establishments by Major Industry Sector*
Taiwan, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Wholesale Trade	54	1	55	49.5%
Finance & Insurance	13	13	26	11.9%
Manufacturing	24	2	26	22.0%
Transportation & Warehousing	9	2	11	8.3%
Other Sectors	9	0	9	8.3%
Total	109	18	127	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 19B: Foreign-owned Establishments by Detailed Industry*
Taiwan, 2007

Industry	Total Establishments	% of Total
Merchant Wholesalers, Durable Goods	46	36.2%
Credit Intermediation & Related Activities	23	18.1%
Computer & Electronic Product Manufacturing	12	9.4%
Other Industries	46	36.2%
Total	127	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Industry is home to the largest number of Taiwanese-owned and -affiliated companies, with 26 total establishments, followed by the City of Los Angeles (25 total establishments). The former is in the heart of the San Gabriel Valley, which has been ground zero for “Chinese” investment for several years. In fact, 18 other San Gabriel Valley cities are home to Taiwanese investments.

**Table 19C: Foreign-owned Establishments by City
Taiwan, 2007**

City	Total Establishments	% of Total
City of Industry	26	20.5%
Los Angeles	25	19.7%
Other cities	76	59.8%
Total	127	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissi

Taiwanese-owned and -affiliated establishments account for 3,200 jobs and \$209 million in wages. Manufacturing is the largest sector with 1,400 jobs and \$96 million in wages followed by wholesale trade (700 jobs and \$39 million) and transportation and warehousing (600 jobs and \$38 million).

Table 19D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector, Taiwan (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	1,400	\$96,000	43.8%	45.9%
Wholesale Trade	700	\$39,000	21.9%	18.7%
Transportation & Warehousing	600	\$38,000	18.8%	18.2%
Other Industries	500	\$36,000	15.6%	17.2%
Total	3,200	\$209,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Industry is home to the largest number of jobs and payroll from Taiwanese-owned and -affiliated companies (700 workers and \$49 million). The City of Los Angeles is second (600 employees and \$36 million).

Table 19E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Taiwan (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
City of Industry	700	\$49,000	21.9%	23.4%
Los Angeles	600	\$36,000	18.8%	17.2%
Other Cities	1,900	\$124,000	59.4%	59.3%
Total	3,200	\$209,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

China

Mainland China and Hong Kong combined would rank as the ninth largest source of foreign-owned and -affiliated companies in Los Angeles County, with 116 primary locations and 11 secondary locations for a total of 127 establishments. The largest industry area for China and Hong Kong combined is wholesale trade (71 total establishments), followed by transportation and warehousing (28 total establishments).

Well known Chinese and Hong Kong companies with operations in Los Angeles County include Cathay Pacific Airways, COSCO Container Lines and the Bank of China.

Table 20A: Foreign-owned Establishments by Major Industry Sector*
China, 2007**

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Wholesale Trade	69	2	71	59.5%
Transportation & Warehousing	19	9	28	16.4%
Other Sectors	28	0	28	24.1%
Total	116	11	127	100.0%

* Denotes two-digit NAICS sectors

**Includes mainland China and Hong Kong

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 20B: Foreign-owned Establishments by Detailed Industry*
China, 2007**

Industry	Total Establishments	% of Total
Merchant Wholesalers, Durable Goods	56	44.1%
Support Activities for Transportation	16	12.6%
Merchant Wholesalers, Nondurable Goods	15	11.8%
Other Industries	40	31.5%
Total	127	100.0%

* Denotes three-digit NAICS industries

**Includes mainland China and Hong Kong

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is host to the largest number of Chinese and Hong Kong-owned and -affiliated businesses (23 total establishments), followed by the City of Industry (21 total establishments).

**Table 20C: Foreign-owned Establishments by City
China*, 2007**

City	Total Establishments	% of Total
Los Angeles	23	18.1%
City of Industry	21	16.5%
Other cities	83	65.4%
Total	127	100.0%

*Includes mainland China and Hong Kong

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Los Angeles County is home to 2,700 workers and \$158 million in wages from Chinese and Hong Kong-owned and -affiliated establishments. Transportation and warehousing is the largest sector (1,100 workers and \$62 million in wages) followed by wholesale trade (900 workers and \$49 million in wages).

Table 20D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, China (2007)**

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Transportation & Warehousing	1,100	\$62,000	40.7%	39.2%
Wholesale Trade	900	\$49,000	33.3%	31.0%
Other Industries	700	\$47,000	25.9%	29.7%
Total	2,700	\$158,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

**Includes mainland China and Hong Kong

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has the largest number of employees and wages from Chinese and Hong Kong-owned and -affiliated establishments with 600 jobs and \$32 million in wages.

Table 20E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, China* (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	600	\$32,000	22.2%	20.3%
Other Cities	2,100	\$126,000	77.8%	79.7%
Total	2,700	\$158,000	100.0%	100.0%

*Includes mainland China and Hong Kong

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Australia

The tenth largest source of foreign-owned and -affiliated companies in Los Angeles County is Australia, with 41 primary locations and 68 secondary locations for a total of 109 establishments. The largest industry area for Australian-owned and -affiliated companies is wholesale trade (36 total establishments), followed by accommodation and food services (29 total establishments).

Well known firms owned by Australian companies include Sizzler Restaurants, Barbeques Galore, and Qantas Airlines.

Table 21A: Foreign-owned Establishments by Major Industry Sector*
Australia, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Wholesale Trade	13	23	36	31.7%
Accommodation & Food Services	3	26	29	7.3%
Health Care & Social Assistance	2	11	13	4.9%
Retail Trade	3	7	10	7.3%
Other Sectors	20	1	21	48.8%
Total	41	68	109	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 21B: Foreign-owned Establishments by Detailed Industry*
Australia, 2007

Industry	Total Establishments	% of Total
Food Services & Drinking Places	29	26.6%
Merchant Wholesalers, Nondurable Goods	28	25.7%
Social Assistance	13	11.9%
Other Industries	39	35.8%
Total	109	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest number of Australian-owned and -affiliated companies in the County with 38 total establishments.

**Table 21C: Foreign-owned Establishments by City
Australia, 2007**

City	Total Establishments	% of Total
Los Angeles	38	34.9%
Other cities	71	65.1%
Total	109	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Australian-owned and -affiliated companies account for 1,900 jobs and \$76 million in Los Angeles County. The largest sector is accommodations and food services with 500 workers and \$8 million in payroll.

**Table 21D: Employment and Wages of Foreign-owned Establishments by
Major Industry Sector, Australia (2007)**

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Accommodation & Food Services	500	\$8,000	26.3%	10.5%
Other Sectors	1,400	\$67,000	73.7%	88.2%
Total	1,900	\$76,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest number of workers and wages at Australian-owned and -affiliated companies with 700 workers and \$30 million in wages.

Table 21E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Australia (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	700	\$30,000	36.8%	39.5%
Other Cities	1,100	\$46,000	57.9%	60.5%
Total	1,900	\$76,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

South Korea

South Korea is the eleventh largest source of foreign-owned and -affiliated companies in Los Angeles County, with 73 primary locations and 16 secondary locations for a total of 89 establishments. The largest industry area for South Korean-owned companies is wholesale trade (50 total establishments) followed by transportation and warehousing (16 total establishments).

Major South Korean names operating in Los Angeles County include electronics company Samsung and transportation companies Hanjin Shipping and Korean Airlines.

Table 22A: Foreign-owned Establishments by Major Industry Sector*
South Korea, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Wholesale Trade	41	9	50	56.2%
Transportation & Warehousing	12	4	16	16.4%
Other Sectors	20	3	23	27.4%
Total	73	16	89	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 22B: Foreign-owned Establishments by Detailed Industry*
South Korea, 2007

Industry	Total Establishments	% of Total
Merchant Wholesalers, Durable Goods	38	42.7%
Merchant Wholesalers, Nondurable Goods	12	13.5%
Other Industries	39	43.8%
Total	89	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is host to the largest number of South Korean-owned and -affiliated companies (45 total establishments).

**Table 22C: Foreign-owned Establishments by City
South Korea, 2007**

City	Total Establishments	% of Total
Los Angeles	45	50.6%
Other cities	44	49.4%
Total	89	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Korean-owned and -affiliated establishments account for 2,200 jobs and \$126 million in wages in Los Angeles County. The largest sector is transportation and warehousing (900 jobs and \$54 million in wages) followed by wholesale trade (600 jobs and \$34 million in wages).

Table 22D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, South Korea (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Transportation & Warehousing	900	\$54,000	40.9%	42.9%
Wholesale Trade	600	\$34,000	27.3%	27.0%
Other Sectors	700	\$38,000	31.8%	30.2%
Total	2,200	\$126,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is the largest location for employment and wages by Korean-owned and -affiliated companies with 1,500 jobs and \$85 million in wages.

Table 22E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, South Korea (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	1,500	\$85,000	68.2%	67.5%
Other Cities	800	\$40,000	36.4%	31.7%
Total	2,200	\$126,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Mexico

Mexico is the fourteenth largest source of foreign-owned and -affiliated companies in Los Angeles County, with 24 primary locations and 33 secondary locations for a total of 57 establishments. The largest industry area for Mexican-owned companies is manufacturing (28 total establishments). Mexico-owned food manufacturing companies cater to not only the area's large Hispanic population (and increasingly non-Hispanic population), but also supply products to retailers throughout the Western United States.

Mexican firms operating in Los Angeles County include Gigante Cemex (concrete products), and Bimbo Bakeries (manufacturer of Entenmann's, Orowheat, and Thomas English Muffins baked goods).

Table 23A: Foreign-owned Establishments by Major Industry Sector*
Mexico, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Manufacturing	9	19	28	37.5%
Other Sectors	15	14	29	62.5%
Total	24	33	57	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 23B: Foreign-owned Establishments by Detailed Industry*
Mexico, 2007

Industry	Total Establishments	% of Total
Food Manufacturing	18	31.6%
Other Industries	39	68.4%
Total	57	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is host to the largest number of Mexican-owned and -affiliated companies (25 total establishments).

**Table 23C: Foreign-owned Establishments by City
Mexico, 2007**

City	Total Establishments	% of Total
Los Angeles	25	43.9%
Other cities	32	56.1%
Total	57	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Mexican-owned and -affiliated establishments account for 1,700 jobs and \$82 million in wages in Los Angeles County. Manufacturing is the largest sector (900 jobs and \$40 million) followed by transportation and warehousing (500 jobs and \$28 million).

Table 23D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, Mexico (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	900	\$40,000	52.9%	48.8%
Transportation & Warehousing	500	\$28,000	29.4%	34.1%
Other Industries	300	\$14,000	17.6%	17.1%
Total	1,700	\$82,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest amount of employees and wages of Mexican-owned and -affiliated companies with 900 workers and \$46 million in wages.

Table 23E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Mexico (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	900	\$46,000	52.9%	56.1%
Other Cities	800	\$36,000	47.1%	43.9%
Total	1,700	\$82,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Sweden

Sweden is the fifteenth largest source of foreign direct investment (FDI) in terms of businesses with 28 primary locations and 19 secondary locations for a total of 47 establishments. Administrative and support services is the largest sector (20 total establishments) followed by manufacturing (10 total establishments).

Swedish companies operating in Los Angeles County include security company Securitas and appliance manufacturer Electrolux. H&M is a recent arrival to the area's fashion and apparel sector.

Table 24A: Foreign-owned Establishments by Major Industry Sector*
Sweden, 2007

Sector	Primary Locations	Secondary Locations	Total Establishments	% of Total
Administrative, Support, Waste Management & Remediation Services	17	3	20	60.7%
Manufacturing	3	7	10	10.7%
Other Sectors	8	9	17	28.6%
Total	28	19	47	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 24B: Foreign-owned Establishments by Detailed Industry*
Sweden, 2007

Industry	Total Establishments	% of Total
Administrative & Support Services	20	42.6%
Other Industries	27	57.4%
Total	47	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles is home to the largest number of Swedish-owned and -affiliated companies with 18 total establishments.

**Table 24C: Foreign-owned Establishments by City
Sweden, 2007**

City	Total Establishments	% of Total
Los Angeles	18	38.3%
Other cities	29	61.7%
Total	47	100.0%

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The County of Los Angeles is home to 1,300 workers and \$64 million in wages from Swedish-owned and -affiliated establishments. Both manufacturing and administrative and support services account for 500 employees each. Manufacturing wages total \$30 million while administrative and support services total \$15 million in wages.

Table 24D: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, Sweden (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Administrative, Support, Waste Management & Remediation Services	500	\$15,000	38.5%	23.4%
Manufacturing	500	\$30,000	38.5%	46.9%
Other Sectors	300	\$20,000	23.1%	31.3%
Total	1,300	\$64,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The City of Los Angeles has the largest number of employees and wages of Swedish-owned and -affiliated companies with 500 workers and \$24 million in wages.

Table 24E: Employment and Wages of Foreign-owned Establishments by Cities in Los Angeles County, Sweden (2007)

City	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Los Angeles	500	\$24,000	38.5%	37.5%
Other cities	800	\$41,000	61.5%	64.1%
Total	1,300	\$64,000	100.0%	100.0%

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

IV. City of Los Angeles

The national sources of foreign direct investment in the City of Los Angeles (measured in terms of foreign-owned and -affiliated establishments) mirror the top sources for Los Angeles County. Japan is the largest source of foreign-owned and -affiliated businesses in the city (454 total establishments), followed by the United Kingdom (316 total establishments), France (143 total establishments), Germany (109 total establishments), and Canada (93 total establishments).

**Table 26A: Foreign-owned Establishments by Country
City of Los Angeles, 2007**

Country	Total Establishments	% of Total
Japan	454	28.5%
United Kingdom	316	19.9%
France	143	9.0%
Germany	109	6.9%
Canada	93	5.8%
Switzerland	77	4.8%
Netherlands	68	4.3%
Italy	56	3.5%
South Korea	45	2.8%
Australia.	38	2.4%
Mexico	25	1.6%
Taiwan	25	1.6%
<i>China*</i>	23	1.4%
Sweden	18	1.1%
Hong Kong	15	0.9%
Israel	11	0.7%
Rest of the World	98	6.2%
Total	1,591	100.0%

*Includes mainland China and Hong Kong (but excluded from Total to avoid double counting)

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

The industry with the largest number of foreign-owned and -affiliated businesses in the City of Los Angeles is retail trade (369 total establishments), followed by wholesale trade (226 total establishments), finance and insurance (223 total establishments), and manufacturing (178 total establishments). As shown in Table 26B, the make-up of retailing is quite eclectic, ranging from food stores to clothing and gas stations.

Table 26B: Foreign-owned Establishments by Major Industry Sector*
City of Los Angeles, 2007

Sector	Total Establishments	% of Total
Retail Trade	369	23.2%
Wholesale Trade	226	14.2%
Finance & Insurance	223	14.0%
Manufacturing	178	11.2%
Transportation & Warehousing	126	7.9%
Professional, Scientific & Technical Services	113	7.1%
Accommodation & Food Services	85	5.3%
Administrative, Support, Waste Management & Remediation Services	81	5.1%
Information	79	5.0%
Real Estate, Rental & Leasing	37	2.3%
Other Services (except Public Administration)	24	1.5%
Construction	11	0.7%
Health Care & Social Assistance	11	0.7%
Management of Companies & Enterprises	11	0.7%
Other Sectors	17	1.1%
Total	1,591	100.0%

* Denotes two-digit NAICS sectors

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 26C: Foreign-owned Establishments by Detailed Industry*
City of Los Angeles, 2007

Industry	Total Establishments	% of Total
Food & Beverage Stores	166	10.4%
Merchant Wholesalers, Durable Goods	161	10.1%
Credit Intermediation & Related Activities	134	8.4%
Professional, Scientific & Technical Services	113	7.1%
Administrative & Support Services	80	5.0%
Food Services & Drinking Places	65	4.1%
Merchant Wholesalers, Nondurable Goods	65	4.1%
Computer & Electronic Product Manufacturing	55	3.5%
Air Transportation	53	3.3%
Insurance Carriers & Related Activities	52	3.3%
Support Activities for Transportation	48	3.0%
Electronics & Appliance Stores	43	2.7%
Securities, Commodity Contracts, Other Financial Investments & Related Activities	36	2.3%
Motion Picture & Sound Recording Industries	33	2.1%
Building Material, Garden Equipment & Supplies Dealers	32	2.0%
Health & Personal Care Stores	32	2.0%
Clothing & Clothing Accessories Stores	29	1.8%
Real Estate	29	1.8%
Accommodation	20	1.3%
Motor Vehicle & Parts Dealers	20	1.3%
Publishing Industries (except Internet)	20	1.3%
Food Manufacturing	17	1.1%
Gasoline Stations	16	1.0%
Other Industries	272	17.1%
Total	1,591	100.0%

* Denotes three-digit NAICS industries

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Foreign-owned and -affiliated businesses in the City of Los Angeles account for 51,900 jobs and \$2.8 billion in wages. Japan is the largest source for jobs and wages (16,200 jobs and \$792 million respectively) followed by France (10,000 jobs and \$583 million) and the United Kingdom (7,200 jobs and \$422 million).

Table 26D: Employment and Wages of Foreign-owned Establishments by Country, City of Los Angeles (2007)

Region	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Japan	16,200	\$792,000	31.2%	27.8%
France	10,000	\$583,000	19.3%	20.5%
United Kingdom	7,200	\$422,000	13.9%	14.8%
Germany	2,800	\$149,000	5.4%	5.2%
Canada	2,700	\$168,000	5.2%	5.9%
Switzerland	2,200	\$137,000	4.2%	4.8%
South Korea	1,500	\$85,000	2.9%	3.0%
Netherlands	1,300	\$82,000	2.5%	2.9%
Mexico	900	\$46,000	1.7%	1.6%
Italy	800	\$34,000	1.5%	1.2%
Australia	700	\$30,000	1.3%	1.1%
Taiwan	600	\$36,000	1.2%	1.3%
China*	600	\$32,000	1.2%	1.1%
Rest of the World	4,900	\$282,000	9.4%	9.9%
Total	51,900	\$2,847,000	100.0%	100.0%

*Includes mainland China and Hong Kong (but excluded from Total to avoid double counting)

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Manufacturing is the largest sector for employment and wages from foreign-owned and -affiliated businesses in the City of Los Angeles with 9,800 workers and \$636 million in wages. The next largest sectors for employment are retail trade (9,200 jobs), transportation and warehousing (7,100 jobs), information (5,900 jobs), and finance and insurance (3,900 jobs). The second largest payroll amount is generated by information (\$489 million) followed by transportation and warehousing (\$408 million), finance and insurance (\$312 million), and retail trade (\$270,000).

Table 26E: Employment and Wages of Foreign-owned Establishments by Major Industry Sector*, City of Los Angeles (2007)

Sector	Employment	Wages (\$1,000's)	% of Total Employment	% of Total Wages
Manufacturing	9,800	\$636,000	18.9%	22.3%
Retail Trade	9,200	\$270,000	17.7%	9.5%
Transportation & Warehousing	7,100	\$408,000	13.7%	14.3%
Information	5,900	\$489,000	11.4%	17.2%
Finance & Insurance	3,900	\$312,000	7.5%	11.0%
Wholesale Trade	3,600	\$188,000	6.9%	6.6%
Arts, Entertainment & Recreation	3,100	\$74,000	6.0%	2.6%
Professional, Scientific & Technical Services	3,000	\$227,000	5.8%	8.0%
Administrative, Support, Waste Management & Remediation Services	2,300	\$67,000	4.4%	2.4%
Accommodation & Food Services	1,800	\$38,000	3.5%	1.3%
Management of Companies & Enterprises	900	\$82,000	1.7%	2.9%
Other Sectors	1,100	\$54,000	2.1%	1.9%
Total	51,900	\$2,847,000	100.0%	100.0%

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

V. Economic Impact of Foreign-owned Establishments

The LAEDC estimates that the 4,521 foreign-owned and -affiliated business establishments in Los Angeles County employ 136,000 workers, a significant figure. However, the economic impact of FDI in Los Angeles extends well beyond these *direct* workers. Every local FDI business has vendors in the region that supply it with goods (raw materials, parts, paper, and equipment) and services (maintenance, legal advice, accounting and payroll, transportation, architectural design). The jobs of the vendors' employees are at least partly related *indirectly* to the economic activity taking place at the FDI establishments. In addition, direct and indirect employees purchase consumer goods and services (food, clothing, appliances, and haircuts, dry cleaning, medical care, and plumbing repairs). The jobs of the retailers and consumer service providers also are indirectly tied to the activity of local FDI firms.

The LAEDC estimates that there are 223,000 indirect employees in Los Angeles County whose jobs depend in whole or in part on economic activity taking place at the county's FDI business establishments. Thus, each FDI employee supports the average full-time equivalent of 1.6 jobs elsewhere in Los Angeles County. About 34% of the indirect jobs, or 74,900 jobs, are sustained by the activity of FDI manufacturing establishments. Another 43,700 indirect jobs, or 20% of total indirect employment, are supported by FDI businesses in the transportation and warehousing industry sector. These two sectors are "high multiplier" activities; each manufacturing and transportation and warehousing worker sustains the full-time equivalent of 2.4 jobs elsewhere in Los Angeles County.

Combining the direct and indirect workers, the economic impact of the county's FDI business establishments includes a total of 359,000 direct and indirect workers, as shown in Table 27A. According to the California Employment Development Department (EDD), the total number of private-sector jobs in Los Angeles County was 3,611,000 jobs during the twelve months ended September 2007 (using the Quarterly Census of Employment and Wages series).⁸ Thus, FDI related employment—both direct and indirect jobs—accounted for 9.9% of all the county's private-sector jobs that year, or one job of every ten in Los Angeles County!

⁸ California LaborMarketInfo, <http://www.labormarketinfo.edd.ca.gov/>

Table 27A shows that the economic impact of FDI businesses also includes the payment of more than \$16.9 billion in annual total wages during 2007. The direct FDI workers earned an estimated \$7.6 billion, while the indirect workers garnered \$9.3 billion more. Total (direct and indirect) earnings tied to activity of the FDI manufacturing sector were most important, accounting for 29% of total wages paid. The high salaries of entertainment industry workers meant that total wages generated by the FDI portion of the county's information industry sector ranked second (17% of the total), while wages associated with activity in the FDI transportation and warehousing sector ranked #3, with 15% of the total. Total private-sector wages paid to private-sector workers in Los Angeles County averaged \$176.7 billion during the twelve months ended September 2007. Thus, FDI related wage and salary payrolls accounted for 9.6% of total private-sector payrolls in the county.

**Table 27A: Economic Impact of Foreign-owned Establishments by Major Industry Sector*
Los Angeles County, 2007**

Sector	Employment			Wages (\$1,000's)		
	Direct	Indirect	Total	Direct	Indirect	Total
Manufacturing	32,100	74,900	107,000	\$2,055,000	\$2,791,000	\$4,846,000
Retail Trade	20,400	11,700	32,100	\$594,000	\$555,000	\$1,148,000
Wholesale Trade	17,800	24,600	42,400	\$972,000	\$900,000	\$1,872,000
Transportation & Warehousing	17,500	43,700	61,200	\$967,000	\$1,570,000	\$2,538,000
Information	12,900	25,700	38,600	\$1,078,000	\$1,709,000	\$2,788,000
Finance & Insurance	10,200	23,100	33,400	\$762,000	\$878,000	\$1,641,000
Administrative, Support, Waste Management & Remediation Services	5,000	2,400	7,400	\$150,000	\$101,000	\$252,000
Professional, Scientific & Technical Services	4,800	5,200	10,000	\$361,000	\$239,000	\$599,000
Accommodation & Food Services	4,700	1,900	6,500	\$98,000	\$72,000	\$170,000
Management of Companies & Enterprises	3,400	4,200	7,600	\$84,000	\$63,000	\$147,000
Arts, Entertainment & Recreation	3,400	1,400	4,800	\$300,000	\$196,000	\$496,000
Health Care & Social Assistance	1,000	500	1,500	\$30,000	\$20,000	\$50,000
Other sectors	800	1,000	1,800	\$21,000	\$17,000	\$39,000
Real Estate, Rental & Leasing	700	900	1,600	\$38,000	\$48,000	\$86,000
Mining, Quarrying, Oil & Gas Extraction	600	1,500	2,100	\$69,000	\$93,000	\$162,000
Other Services (except Public Administration)	800	400	1,200	\$45,000	\$44,000	\$89,000
Total	136,000	223,000	359,000	\$7,626,000	\$9,296,000	\$16,922,000

* Denotes two-digit NAICS sectors

Totals may not add up due to rounding

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

Table 27B below breaks out the economic impact of FDI business activities on Los Angeles County by country-source of investments in the county. Japan is the most important source for foreign direct investment in Los Angeles County in terms of employment and wages generating a total (direct and indirect) of 118,500 jobs and \$5.6 billion in wages and salaries. The United Kingdom ranks second, with a total of 61,400 jobs paying \$2.8 billion in annual payrolls. France ranks number three—44,800 total employees and \$2.5 billion in annual wages. Germany comes next—with 25,900 total jobs and \$1.2 billion in annual payrolls—followed by Switzerland, with 17,600 total jobs and \$894 million in total wages and salaries.

Governments—state and local—benefit from the presence of FDI business activity in Los Angeles County in addition to companies and their employees. The reason is that FDI businesses and their employees pay taxes to California and various local governments and districts in Southern California. LAEDC does not have sufficient information to give a complete accounting of the tax payments made by FDI businesses. However, we have estimated the income taxes and sales taxes paid by the direct and indirect workers holding jobs associated with FDI business activity, as shown in **Table 27C** on the next page.

**Table 27B: Economic Impact of Foreign-owned Establishments by Country
Los Angeles County, 2007**

Country	Employment			Wages (\$1,000's)		
	Direct	Indirect	Total	Direct	Indirect	Total
Japan	49,600	68,900	118,500	\$2,614,000	\$3,020,000	\$5,634,000
United Kingdom	20,300	41,000	61,400	\$1,202,000	\$1,579,000	\$2,782,000
France	16,700	28,000	44,800	\$1,120,000	\$1,342,000	\$2,462,000
Germany	9,700	16,200	25,900	\$543,000	\$620,000	\$1,162,000
Switzerland	7,000	10,500	17,600	\$446,000	\$448,000	\$894,000
Canada	7,000	9,800	16,800	\$390,000	\$442,000	\$832,000
Taiwan	3,200	6,800	10,000	\$209,000	\$249,000	\$458,000
Netherlands	3,100	5,100	8,200	\$177,000	\$207,000	\$384,000
China*	2,700	5,100	7,800	\$158,000	\$202,000	\$360,000
S. Korea	2,200	4,600	6,800	\$126,000	\$174,000	\$300,000
Italy	2,000	3,800	5,800	\$121,000	\$164,000	\$285,000
Australia	1,900	1,900	3,800	\$76,000	\$80,000	\$156,000
Mexico	1,700	3,200	4,900	\$82,000	\$124,000	\$206,000
China	1,300	2,800	4,100	\$75,000	\$101,000	\$176,000
Hong Kong	1,400	2,300	3,700	\$83,000	\$101,000	\$184,000
Sweden	1,300	2,000	3,300	\$64,000	\$75,000	\$140,000
Rest of the World	7,600	16,200	23,800	\$299,000	\$568,000	\$867,000
Total	136,000	223,000	359,000	\$7,626,000	\$9,296,000	\$16,922,000

Details may not add to totals due to rounding.

*Includes mainland China and Hong Kong (but excluded from Total to avoid double counting)

Sources: Dun & Bradstreet; foreign consulates and trade commissions; LAEDC research.

California and various local jurisdictions in the Los Angeles metro area receive more than one billion dollars annually from personal income and sales taxes paid by workers associated directly and indirectly with FDI business activity in Los Angeles County. California takes in the lion's share of this revenue (over 90%) in personal income taxes and its share of sales taxes (the state's rate is currently 6.25% on taxable sales). Local governments also receive substantial sums of FDI related tax revenue. Los Angeles County takes in more than \$10 million annually in sales taxes (its rate is 0.25%). The Los Angeles County Metropolitan Transportation Authority (MTA) receives more than \$40 million (its rate is 1.0%). And cities in Los Angeles County and the surrounding counties collectively share in more than \$40 million. [Note: the cities' current sales tax rate is 0.75%, which is used in the table. In addition, under a temporary arrangement (called the "triple flip,") cities separately receive the equivalent of 0.25% in property tax revenues.]

Table 27C: Employee-Paid Tax Impact of Foreign-owned Establishments in Los Angeles County, 2007

A. Revenue by Type of Tax	\$ Amount*
Personal Income Tax	\$710,700,000
Sales Tax	335,100,000
Property Tax**	<u>10,200,000</u>
Sum Total	\$1,056,000,000
B. Revenue by Type of Government	
California	\$964,500,000
Los Angeles County	10,200,000
Los Angeles Metro	40,600,000
Cities in the Los Angeles Region***	<u>40,600,000</u>
Sum Total	\$1,056,000,000

Source: LAEDC research

* Details may not add to total due to rounding.

**Equivalent to 0.25% of sales tax (under the "triple-flip").

***Cities in Los Angeles County receive an estimated 90% of this amount.

We know very little about taxes paid by FDI businesses. However, a back-of-the envelope calculation is revealing. In 2005, California affiliates of foreign companies reported \$123.5 billion in property, plant, and equipment. Using Los Angeles County's 4,521 foreign-owned and -affiliated establishments share of the state's 13,969 foreign-owned establishments (32.4%) leads to a rough estimate of \$38.3 billion for property, plant and equipment in the County. Applying a 1% property tax rate suggests that local governments in Los Angeles County could share more than \$350 million of property tax revenues annually.

The LAEDC undertook this research in order to measure the importance of foreign direct investment to the economy of Los Angeles County. The results are compelling. We identified 4,521 “FDI establishments” having at least one foreign parent and doing business in the County. The FDI businesses account for slightly less than 2% of all establishments in the County and they play an important role in the regional economy. FDI businesses in the County have an estimated 136,000 direct employees on their payrolls. Their workers earn an approximately \$7.6 billion annually. Including the activities of vendors and suppliers of the FDI businesses and their employees, a total of 359,200 jobs in Los Angeles County are sustained by FDI businesses located in the County. The workers holding those jobs earn a total of \$16.9 billion annually. The bottom line: FDI business activity sustains about one in ten jobs in Los Angeles County.