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**NEW REPORT SHOWS FOREIGN-TRADE ZONES IN THE U.S.
BOLSTER MANUFACTURING BASE AND GENERATE NEARLY
\$500 BILLION IN ECONOMIC ACTIVITY**

***Texas, Louisiana, Ohio, California and New Jersey
lead in generating FTZ economic activity***

Washington, DC – U.S.-based companies operating in foreign-trade zones (FTZs) across the United States received \$491 billion in domestic and foreign merchandise in FY 2006 while employing more than 360,000 American workers, according to an annual report published by the National Association of Foreign-Trade Zones (NAFTZ). The report showed that there are 2,650 companies operating in FTZs in more than 200 communities across all 50 states and Puerto Rico.

“For more than five decades, the Foreign-Trade Zone program has promoted American competitiveness by encouraging companies to keep – and expand – their businesses here in the United States,” said Willard M. Berry, President of the National Association of Foreign-Trade Zones (NAFTZ). “Foreign-Trade Zones are one of the best pro-manufacturing job programs available in the U.S. today.”

The annual NAFTZ report, *The Impact of Foreign-Trade Zones on the 50 States & Puerto Rico*, tracks the economic impact of U.S. foreign-trade zones in each of the 50 states. The report showed that economic activity by companies located in FTZs increased by 20% in 2006, and found that exports from U.S. FTZs totaled \$30 billion in 2006, a 30% increase from the previous year, compared to only a 16% increase for exports of manufactured commodities from the U.S. in general.

The top 15 states in terms of merchandise receipts by FTZs are: Texas, Louisiana, Ohio, California, New Jersey, Tennessee, Kentucky, Pennsylvania, Illinois, South Carolina, Mississippi, Indiana, Alabama, Michigan, and Washington. The sectors benefiting most from FTZs were companies in the pharmaceutical, electronics, automotive, and petroleum industries.

“The report underscores the fact that, by eliminating disincentives to manufacture in the U.S., FTZs help level the playing field and encourage companies to establish or keep their operations in the U.S.,” said Berry.

Companies operating within an FTZ can import components and products into the zone for manufacturing without immediately paying prevailing U.S. Customs duties. Under the program, the manufacturers may never pay a duty – if the finished product is exported to another country – or pay a lower duty if the product leaves the FTZ and enters U.S. territory as a product subject to lower duty rates.

To view an interactive map of Foreign-Trade Zones in the U.S., please visit www.naftz.org/index_categories.php/ftzs/6.

The National Association of Foreign-Trade Zones works to inform on and expand the opportunities that the Foreign-Trade Zones program offers to companies doing business in or with the United States. NAFTZ supports over 800 members in every state who support the American economy and maintain operations in foreign-trade zones across the United States. For more information on NAFTZ, contact Willard Berry at (202) 331-1950 or media@naftz.org or visit www.naftz.org.