

New Neighbors: 2016 Update

Chinese Investment in the United States by Congressional District

A Report by the National Committee on U.S.-China Relations
and Rhodium Group

April 2016

The map on the cover page depicts the cumulative value of Chinese FDI transactions from 2000 to 2015 in each of the 435 districts of the 114th United States Congress. See Figure 4 for more information.

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www.ncuscr.org/fdi

About this Report

About the National Committee on U.S.-China Relations

The National Committee on United States-China Relations (NCUSCR) is a private, nonpartisan, American non-profit organization that promotes understanding and cooperation between the United States and Greater China in the belief that sound and productive Sino-American relations serve vital American and world interests. Since its founding in 1966, the Committee has created opportunities for informed discussion and reasoned debate about issues of common interest and concern to the United States, Mainland China, Hong Kong and Taiwan. NCUSCR currently organizes programs for private and public sector participants on politics and security, governance and civil society, economics and finance, education, and transnational issues such as energy and environment. It carries out its mission via conferences and forums, public education programs, professional exchanges and collaborative projects.

About Rhodium Group

Rhodium Group (RHG) is an economic research firm that combines policy experience, quantitative economic tools and on-the-ground research to analyze disruptive global trends. It supports the investment management, strategic planning and policy needs of clients in the financial, corporate, non-profit, and government sectors. RHG has offices in New York, California and Washington, and associates in Shanghai and New Delhi. RHG's cross-border investment practice analyzes the rise of China and other emerging markets as trans-national investors. RHG senior staffs publish frequently on the growth and impact of Chinese outbound FDI in the United States, and maintain the China Investment Monitor, a unique database tracking Chinese investment in the US economy.

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Foreword

As the National Committee on U.S.-China Relations celebrates our fiftieth anniversary, we reflect on how much deeper, more important and complex the Sino-American relationship has grown in each successive decade of our existence. Our work with NGOs, policymakers, business leaders, and educators has expanded beyond anything our founders could have imagined.

From the moment the National Committee hosted the Chinese ping-pong team in 1972 – as part of the historic Ping-Pong Diplomacy that led to the restoration of diplomatic relations after nearly 30 years – our organization became a major bridge for people-to-people exchange. With the publication of *New Neighbors: 2016 Update*, we are pleased to highlight a relatively new and increasingly important bridge: the rapid growth of Chinese investment in the United States.

After China's opening up in 1979, the people-to-people contact fostered by US companies making investments in China strengthened our mutual understanding. I had the privilege of helping build those bridges as a young lawyer living in China.

Today's Chinese investment in the United States gives us a fresh opportunity to learn about one another, and it is already having profound effects on the lives of Americans. While much of this year's political campaign rhetoric has focused on jobs leaving the United States, Chinese investment is supporting more and more jobs on this side of the Pacific – over 90,000 and growing.

It is also worth noting what Chinese investment does for asset prices in the United States and who benefits from those increased asset prices and distributions. When a Chinese company pays top dollar to acquire a public US company, the US company's shareholders generally receive cash in excess of the stock price. Given that the largest owners of US stocks are American pension funds and households, it follows that the purchase benefits accrue primarily to American retirees and households.

Conversely, when a Chinese acquisition is rejected and a lower bid is accepted, these same people receive less money for their retirements and lives. In the most famous example, in 2005, the lower offer that Union Oil Company of California (UNOCAL) accepted from Chevron rather than China National Offshore Oil Corporation (CNOOC) meant that American retirees and

households missed out on hundreds of millions of dollars in additional payouts.

The United States remains the world's most innovative economy and attractive investment destination, and Chinese companies are taking notice. Chinese investors are drawn to our shores in greater and greater numbers because of our innovation clusters, IPR protection, and highly educated and motivated talent pools. They also see the value in getting closer to their customers, as evidenced by companies like Fuyao Glass, the largest auto glass manufacturer in the world, building facilities in Moraine, Ohio, and Decatur, Illinois, to serve the domestic market.

With a record-setting 2.56 million outbound trips from China to the United States last year – a number that is poised to double by 2020 – Chinese companies are investing heavily in the U.S. hospitality and travel logistics sector to meet this growth. In addition, major new investments in energy and entertainment in 2015 show Chinese investment facilitating the export of American goods and services to China.

Last year was a record year for Chinese investment in the United States, with more than \$15 billion in transactions. That record is on course to be shattered in 2016, with over \$30 billion in pending deals and projects announced in just the first quarter. As Chinese investment continues to accelerate, the National Committee on U.S.-China Relations is confident that this updated *New Neighbors* report will help American citizens and leaders at the national, regional, and local levels better understand the impact of Chinese investments on their communities.

Stephen A. Orlins

President, National Committee on U.S.-China Relations

1. Chinese Investment Trends

Last year's "New Neighbors" report for the first time provided a detailed tally of the operations of Chinese-affiliated companies in the United States and the local impacts of those investments. This update reviews China's US investments in 2015 and describes how they have affected the footprint of Chinese companies in each region, state, and congressional district.

Chinese investment in acquisitions, new operations, and expansions in the US grew to more than \$15 billion in 2015, setting a new record. The number of Chinese-affiliated companies in the US exceeded 1,900 by year-end, extending across more than 80% of congressional districts (362 of 435). As greenfield foreign direct investment (FDI) picked up and many existing companies expanded local employment, the number of Americans employed by Chinese-affiliated companies rose by another 12% to 90,000.

With over \$30 billion already in pending deals and projects, 2016 is likely to be another record year for Chinese FDI in the US. Regulators and Members of Congress have a responsibility to guarantee that legitimate concerns about Chinese FDI are addressed. At the same time, they also need to ensure that political rhetoric and politicization do not needlessly impede job-creating investment inflows, particularly in an election year.

Chinese FDI in the US set a new record in 2015

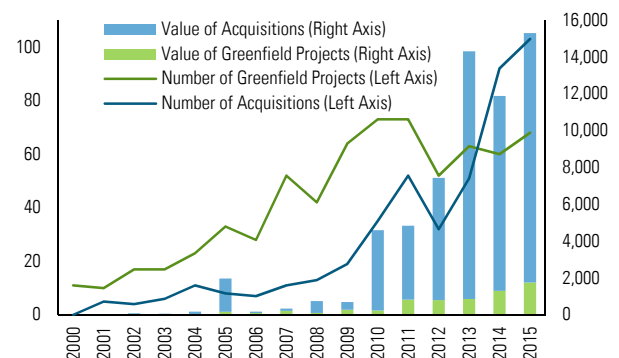
Economic growth in China continued to slow in 2015, reaching a 25-year low of 6.9%. Slowing growth transformed China's trade and investment dynamics: Year-on-year exports decreased 3% and imports 14%. FDI into China increased only 6% in 2015. Outbound FDI by Chinese companies, by contrast, grew by nearly 15% and hit a record high of \$120 billion.

China's FDI in the US continued to grow, reflecting the ongoing shift of Chinese investment activity from developing to high-income economies. In 2015, Chinese direct investors put over \$15 billion into transactions in the US, a near-30% increase compared to the previous year and a new all-time high. The number of transactions also reached a new high of 171, 13% higher than in 2014.

Acquisitions still dominate but greenfield FDI surges

Mergers and acquisitions (M&A) continue to be the preferred entry mode for Chinese investors in the US market as they seek fast growth. For the second year in a row, Chinese companies completed more than 100 M&A deals in the US, totaling \$13.5 billion. The biggest transactions were Fosun's purchase of Ironshore Insurance (\$2.4 billion), Anbang's acquisition of the Waldorf Astoria hotel in New York (\$1.95 billion), Yantai Xinchao's investment in Texas oil fields (\$1.3 billion), and a consortium's purchase of semiconductor firm Integrated Silicon Solutions (\$800 million).

Figure I: Chinese FDI Transactions in the US by Entry Mode
Number of deals, USD million



Source: Rhodium Group. See Data Appendix for more details.

Greenfield projects have historically accounted for a low share of total Chinese FDI in the US. Nonetheless, growth in this category now outpaces M&A growth (even though we only log investment incrementally for large multi-year projects over time). Chinese spending on US greenfield projects totaled \$1.8 billion in 2015. This only accounts for 10% of total investment in 2015, but represents an increase of 34% from 2014 levels, and a doubling of the investment amount in 2013. In 2015, 68 Chinese greenfield projects broke ground, including large projects such as Yuhuang Chemical's \$1.85 billion methanol plant in Louisiana, Tranlin Paper's \$2 billion paper plant in Virginia, and an auto production facility by Geely-owned Volvo in South Carolina. Other big Chinese greenfield developments that were already under construction, such as Fuyao's auto glass plant in Ohio and Yanfeng's auto interiors plant in Tennessee, also made significant progress last year.

Chinese companies add 327 US operations in 2015

Taken together, the 171 transactions in 2015 led to 327 new Chinese-owned operations across 42 states. Many acquisitions resulted in multiple new operations, including the takeover of Ironshore Insurance (which operates 21 subsidiaries across the US), Meadowbrook Insurance (which has 22 subsidiaries across the nation), and Henniges Automotive with its headquarters in Michigan and four manufacturing plants in North Carolina, Iowa, Missouri, and Oklahoma.

At the same time, we recorded only a small number of divestitures or cases in which Chinese-affiliated entities downsized existing US operations. While several pending greenfield projects collapsed (for example, UniTao Pharmaceuticals' planned Virginia plant) and a few companies slimmed down their operations (for example, Lenovo in Illinois and North Carolina), the vast majority of existing Chinese-affiliated companies in the US maintained or increased the size of their operations in 2015. This is in line with the generally positive US economic outlook and the growth in employment across all US businesses.

The coasts are still king but new recipients emerge

New York was the leading recipient of Chinese investment in 2015, with several large transactions in commercial real estate and growing investment in financial and business services. New York's 12th congressional district (NY-12) further expanded its role

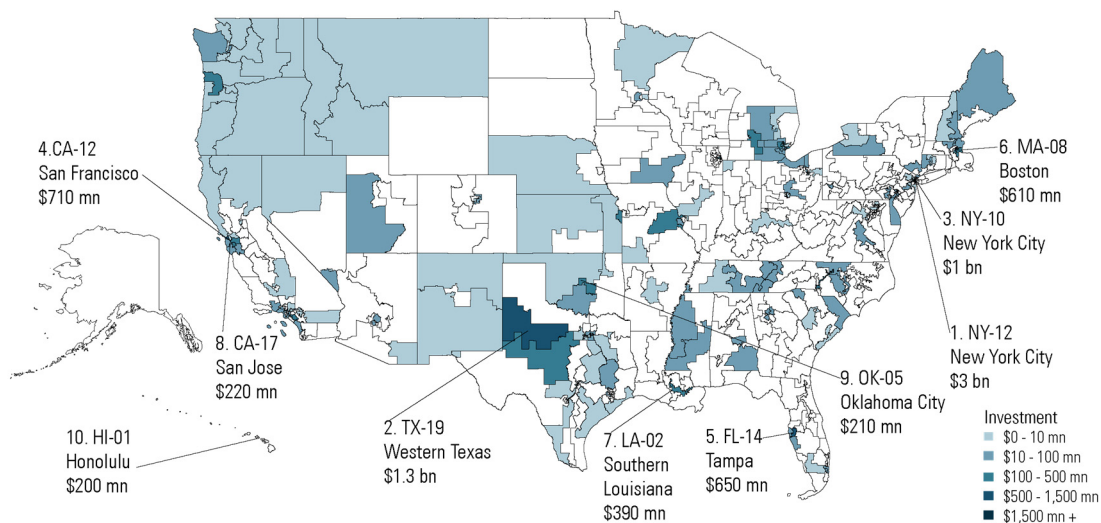
as a host of Chinese capital (Anbang's purchase of the Waldorf Astoria hotel). NY-10 is home to Ironshore Insurance, now part of financial conglomerate Fosun.

California maintained its position as a leading host for Chinese FDI, attracting a diverse mix of mostly mid-sized investments in 2015. High-tech sectors such as semiconductors saw major investments (Integrated Silicon Solutions in CA-17). Real estate continues to receive great attention, with progress on major developments (Greenland's Metropolis site in Los Angeles, CA-34) and new projects (Oceanwide's new project at First and Mission Streets in San Francisco, CA-12). California is also benefiting from a Chinese rush to invest in overseas movie production; CITIC's investment in the new Dick Cook Studios (CA-28) is one such example.

Texas is already hosting plenty of Chinese FDI and attracted additional investments in the energy sector in 2015, despite the down-cycle in the US oil industry. Private investor Yantai Xinchao purchased oil fields in northern Texas, pushing TX-19 up to one of the top districts by investment value. Florida had not been a major recipient of Chinese capital in the past, but last year real estate and entertainment conglomerate Wanda acquired World Triathlon Corporation, the operator of the Iron Man Triathlons, headquartered in FL-14. Massachusetts also attracted fresh capital from China, with a significant real estate development by Ping An, China Life, and Tishman-Speyer in the Boston area (MA-08) and operations by insurance company Ironshore.

Figure 2: Chinese FDI in the US by Congressional District, 2015

Color indicates value of investments in 2015



Source: Rhodium Group. See Data Appendix for more details.

Louisiana became a first-time recipient of Chinese investment, through Yuhuang's chemical plant in St. James Parish outside New Orleans (LA-02), which began construction last year. Oklahoma, which has traditionally been a focus for Chinese energy investors, attracted investment in new sectors last year, for example Hepalink's acquisition of biopharmaceutical manufacturer Cytovance in Oklahoma City (OK-05). Hawaii received a large investment through Oceanwide's acquisition of a major development site for new hotels on Oahu (HI-01). Michigan continued to attract Chinese investment in automotive parts manufacturing, with two significant acquisitions in MI-11 (Henniges Automotive) and MI-03 (Burke E. Porter) and a series of smaller investments.

The 2015 patterns affected the ranking of cumulative Chinese FDI by district. NY-12, CA-12, and NY-10 were already in the top 15 in the previous year and moved further up. TX-19 was another big gainer and a newcomer to the top 15 ranking. TX-27 (Corpus Christi) and IA-04 (NW Iowa) dropped out of the top 15.

Table 1: Top 15 Recipient Districts of Chinese FDI, Cumulative Investment from 2000-2015

District	Investment (\$ million)	Metro Area	Representative
NY-12	5,210	New York City	Carolyn Maloney
NC-04	3,360	Raleigh-Durham Triangle	David Price
IL-07	3,350	Chicago	Danny K. Davis
VA-04	1,980	Eastern Virginia	J. Randy Forbes
NY-10	1,930	New York City	Jerry Nadler
TX-07	1,870	Houston	John Culberson
CA-12	1,720	San Francisco	Nancy Pelosi
TX-23	1,640	SW Texas	Will Hurd
OK-03	1,590	NW Oklahoma	Frank Lucas
KS-03	1,530	Kansas City	Kevin Yoder
TX-19	1,370	North Texas	Randy Neugebauer
MA-06	1,350	NE Massachusetts	Seth Moulton
CA-17	1,260	San Jose	Mike Honda
NC-07	1,250	Southern NC	David Rouzer
TX-09	1,090	Houston	Al Green

Source: Rhodium Group. See Data Appendix for more details.

Chinese companies now employ 90,000 Americans

Chinese companies added about 13,000 employees to their US payrolls in 2015, an increase of 12% over 2014. The total number of Americans employed by Chinese-affiliated US companies is now 90,000, a threefold increase in just three years.

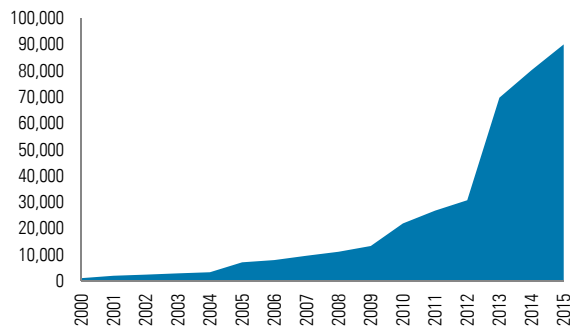
The majority of newly added jobs in 2015 resulted from acquisitions, including numerous purchases of medium-sized US companies in employment-intensive industries such as financial services and automotive parts manufacturing. Patterns in 2015 further support our earlier finding that new Chinese owners tend to expand local employment post-acquisition, contrary to fears that Chinese investors could acquire US assets and then move related activities to China. High-profile examples include Smithfield Foods, which added 1,500 workers after Shuanghui acquired it in 2013, and Nexteer, which grew from 6,000 employees to more than 10,000 since Aviation Industry Corporation of China (AVIC) acquired it in 2010.

The number of new jobs created through greenfield projects and expansions remains small compared to the number of "acquired" employees, but is growing significantly due to the recent pickup in greenfield FDI. We estimate that Chinese greenfield FDI projects created 1,000 new jobs in 2015, the highest annual number so far, taking the cumulative number of jobs created by Chinese greenfield projects and expansions since 2000 to more than 10,000. While this is still a very modest number, several large and labor-intensive manufacturing facilities are currently under construction, including Fuyao's plant in Ohio, Tranlin Paper in Virginia, and Volvo's South Carolina plant. Taken together, Chinese greenfield projects currently under construction will create over 10,000 new jobs in the coming years if they hit their employment targets.

These figures only refer to full-time direct jobs at Chinese-affiliated US entities and do not include indirect employment during construction or at suppliers, which would add tens of thousands of additional jobs. For example, Yuhuang's chemical plant in Louisiana is projected to create more than 2,300 indirect jobs, in addition to the 400 direct jobs. Dalian Wanda's Vista project in Chicago will create around 2,000 construction jobs.

Figure 3: Employment Provided by Chinese-affiliated Companies in the US

Number of full-time direct jobs



Source: Rhodium Group. See Data Appendix for more details.

New employment in 2015 did not greatly change the ranking of congressional districts by total jobs provided by Chinese-affiliated companies. The top five districts stayed the same, reflecting their role as hosts for large operations by Chinese-owned entities in comparably labor-intensive service and manufacturing sectors, such as Lenovo (NC-04), Nexteer (MI-05), and Smithfield (NC-07, VA-04, and SD-01). The districts that moved up the rankings are CA-12, due to growing investment by Chinese tech companies in local start-ups, and NY-12, thanks to new business and financial services investments.

Table 2: Top 15 Districts in Terms of Total Jobs Provided by Chinese Companies in the US, 2015

District	Jobs	Metro Area	Representative
NC-07	7,640	Southern NC	David Rouzer
MI-05	5,330	Central Michigan	Dan Kildee
NC-04	3,890	Raleigh-Durham Triangle	David Price
VA-04	3,800	Eastern Virginia	J. Randy Forbes
SD-01	3,400	South Dakota at-large	Kristi Noem
IA-04	3,320	NW Iowa	Steve King
MO-06	3,190	Northern Missouri	Sam Graves
NE-03	2,280	Western and Central NE	Adrian Smith
IL-07	1,960	Chicago	Danny K. Davis
IL-17	1,710	NW Illinois	Cheri Bustos
CA-17	1,600	San Jose	Mike Honda
CA-12	1,360	San Francisco	Nancy Pelosi
NY-12	1,230	New York City	Carolyn Maloney
KY-05	1,220	Eastern Kentucky	Hal Rogers
CA-33	1,120	Los Angeles	Ted Lieu

Source: Rhodium Group. See Data Appendix for more details.

Other districts, including OR-01 and MI-03, experienced strong labor-intensive Chinese investments in 2015, but not large enough to be included among the top 15 ranking. Leyard Optoelectronic's acquisition of Planar Systems, a developer of digital signage and display technology, put 300 employees in the greater Portland area (OR-01) on Chinese payrolls. AVIC's purchase of automotive parts maker Henniges made the difference in Missouri's third district, which is home to one of its key manufacturing facilities in Franklin County.

Innovation and technology are major draws

The patterns of Chinese investment in 2015 show that the US's innovation clusters, strong protection of intellectual property rights, and talent pool continue to be major draws for Chinese companies, increasing their role as contributors to American innovation and competitiveness.

Access to technology and talent remains an important driver of Chinese acquisitions in the US, as illustrated by a growing number of transactions in information and communications technology (Integrated Silicon Solutions), automotive (Henniges Automotive, Burke Porter Machinery, Stern Rubber), aviation (Align Aerospace, United Turbine Corp.), and health and biotech (Cytovance Biologics, NextCODE Health). Several acquisitions from previous years have resulted in additional hiring, for example at Wanxiang-owned Neapco, which is expected to create more than 160 jobs as part of a \$58 million expansion.

Several Chinese technology companies streamlined operations and reduced US staff last year, most notably Lenovo and Complete Genomics. However, these outcomes largely reflect post-merger rationalization or strategic reorientation in response to changing market conditions. They do not represent cases of Chinese investors moving high value-added activities back to China against market logic.

Greenfield FDI in innovative activities also continues to be strong, for example in the new research and development (R&D) centers of e-commerce giant JD.com (Santa Clara, California) and automaker BAIC (Fremont, California), and data centers built by Alibaba's cloud computing division, also in Santa Clara.

Chinese entities also visibly expanded their role as financiers for early-stage growth companies. In 2015, Chinese investors particularly focused on biotechnology companies such as AltheaDx (Wuxi PharmaTech), Cynvenio Biosystems (Livzon Pharmaceutical), and

CliniCloud (Ping An and Tencent) and software firms such as Glu Mobile (Tencent), Social Finance (Renren), and Quixey (Alibaba).

Finally, the growth of industrial greenfield FDI projects resulted in increased manufacturing job-training programs by Chinese companies in several regions. Fuyao Glass's partnership with local colleges and other institutions in Ohio to train workers for its new auto glass plant in Moraine is one such example.

New projects will boost US exports

Growing Chinese investment creates and strengthens connections between US communities and the Chinese market. New greenfield projects and acquisitions in 2015 illustrate the important role that FDI can play in facilitating the export of "Made in the USA" goods and services to China.

One example from 2015 that illustrates the potential of FDI to spur US exports of goods to China is the ground breaking of a new \$1.85 billion greenfield facility by Yuhuang Chemical in Louisiana, which will produce methanol for the Chinese market. The project demonstrates Chinese companies' increasingly global view of their value chains and greater eagerness to utilize foreign comparative advantages (in this case mostly the abundance of low-priced natural gas in North America) instead of ramping up production capacity at home. Once completed, the Louisiana facility will export the majority of the methanol produced to China. Washington and Oregon are under consideration for three similar billion-dollar facilities by another investor group from China.

With regard to the export of US services, one sector with obvious potential is tourism and hospitality. China's middle class is large and increasingly eager to travel overseas. The number of outbound trips to the US surpassed 2.5 million in 2015 and the US Department of Commerce projects Chinese tourist arrivals to exceed 5 million by 2020 (spending related to these trips counts as US services exports). Chinese investors have begun ramping up their FDI in hospitality and travel logistics, which can help the US secure its share in this growing revenue opportunity. Investments in 2015 include hotels (among them the Red Lion Hotels, Waldorf Astoria New York, Waldorf Astoria Chicago, and the Hyatt Regency Orange County), golf courses (including more than 20 Myrtle Beach golf courses in South Carolina), and travel logistics (such as new operations by Hainan Airlines in San Jose).

The growing Chinese interest in the US entertainment industry is another development that illustrates the role that FDI can play in establishing linkages. Chinese firms are looking for brands, knowledge, and content from overseas to capitalize on the growing demand for a range of entertainment services. Movie production in Hollywood received much attention in 2015, with Chinese companies participating in movie financing and taking equity stakes in production companies (Dick Cook Studios). Chinese interest reached beyond just movie production, with 2015 investments in motorsports (Miller Motorsports Park), comics (Valiant Entertainment), poker (World Poker Tour), and endurance sports (World Triathlon Corporation).

China's US FDI could reach \$30 billion in 2016

While growth in previous years was impressive, China's outward FDI catch-up is not over yet. The ongoing overhaul of China's growth model, lower political barriers for outbound investment, and greater confidence by Chinese businesses to invest overseas will propel an outflow of hundreds of billions of dollars from China in the coming decade.

In 2016, China's outbound FDI will likely grow even faster than in previous years. A more pronounced slowdown in economic growth and concerns about the stability of the renminbi exchange rate have visibly accelerated the pace of Chinese deal-making abroad since mid-2015, with a record \$100 billion of announced M&A transactions worldwide in the first three months of the year.

A significant share of that new wave of Chinese capital will flow to North America. By the end of the first quarter of 2016, Chinese companies had already completed M&A transactions worth more than \$5 billion, including Wanda's \$3.5 billion purchase of Legendary Pictures, and the \$1.9 billion acquisition of semiconductor firm Omnivision by a Chinese consortium led by Hua Capital and CITIC Capital.

Announced US acquisitions are together worth over \$20 billion, including HNA Group's \$6 billion bid for technology distributor Ingram Micro, Haier's \$5.4 billion acquisition of GE's home appliances unit, Zoomlion's \$3.4 billion bid for construction equipment manufacturer Terex, and Wanda's \$1.1 billion investment in movie theater chain Carmike. Insurer Anbang is eyeing two more acquisitions together worth more than \$8 billion: P&C insurer Fidelity & Guaranty for \$1.5 billion and hospitality group Strategic Hotels for \$6.5 billion.

Together with committed expenditures for large greenfield projects (more than \$1 billion for 2016), this pipeline of deals puts Chinese FDI in the US on track for another record year in 2016.

Rising politicization poses risk to incoming investment

The regulatory and political environment in the US is an important consideration when projecting future Chinese investment. As with other countries hosting FDI from China, the US has both security concerns related to incoming investment, and popular political and economic concerns inflaming protectionist sentiment if not addressed. Compared with many other advanced economies, the US conducts a narrower formal screening for objectionable deals. Nonetheless, since public debate is susceptible to alarmist theories of Chinese intentions, it is important to have a transparent national discussion on the risks *and benefits* of investment openness to maintain perspective.

The growth of Chinese investment shows that the US has been successful in this balancing act—*so far*. After initial reluctance, governors, mayors, and other local officials have intensified efforts to promote Chinese FDI, and this is yielding benefits including job creation. At the federal level, the Committee on Foreign Investment in the United States (CFIUS), with a mandate to review foreign acquisitions for national security risks, generally manages to screen for legitimate concerns without closing the door on benign Chinese deal-making. The increase in Chinese investment across a broad range of sectors testifies to this accomplishment, despite recent media coverage that puts the spotlight on a few troubled cases.

The combination of rising Chinese investment, a shift toward higher-tech assets, and slower-than-anticipated economic reform in China is leading to public debate about the right regulatory approach to potential *economic* risks related to Chinese investment not presently covered by CFIUS. Key among these are the long-term competitive distortions which could arise if the current asymmetry in investment market access between China

and the US is not resolved, and if certain privileges for state-owned and state-related enterprises persist.

Concerns that distortions in China's domestic economic system could spill out with its growing outbound investment and harm host economies need to be carefully considered. Structural economic reforms proposed by China's leadership could greatly reduce some of those risks but are proceeding slowly. It is essential that the debate in the US is objective, grounded in fact, and awake to both the potential risks and potential benefits from Chinese investment.

The presidential election cycle elevates the risk that this debate may take the opposite turn in 2016. The first months of the year have produced numerous instances of politicians from both parties chasing votes and media attention by issuing dire but ill-founded warnings about Chinese investments, and introducing bills that propose severely clamping down on traditional US openness to FDI.

Congress has a responsibility to ensure that the debate about appropriate responses to Chinese FDI proceeds rationally and does not damage America's reputation for openness. Supervising CFIUS and grappling with the right strategies for responding to other challenges related to FDI from China are important tasks for Congress. Representatives must also take stock of the expanding opportunities foreign investment brings to their districts, and recognize the fierce competition locals face to land mobile global business investors.

The progress and further potential for growth of two-way US-China direct investment flows is one of the most notable bright spots in the bilateral relationship. Not only can these investment links strengthen a new generation of commercial and people-to-people ties to serve as the ballast in relations between the world's two largest economies, but they can signal to businesses and governments elsewhere that economic welfare retains the power to determine outcomes in the international arena.

2. Mapping the US Operations of Chinese Companies

The following pages summarize the presence of Chinese-affiliated companies across the United States by region, state and congressional district. They describe the level of investment and number of jobs across the country, as well as the most important companies, announced projects, and other important developments related to Chinese investment.

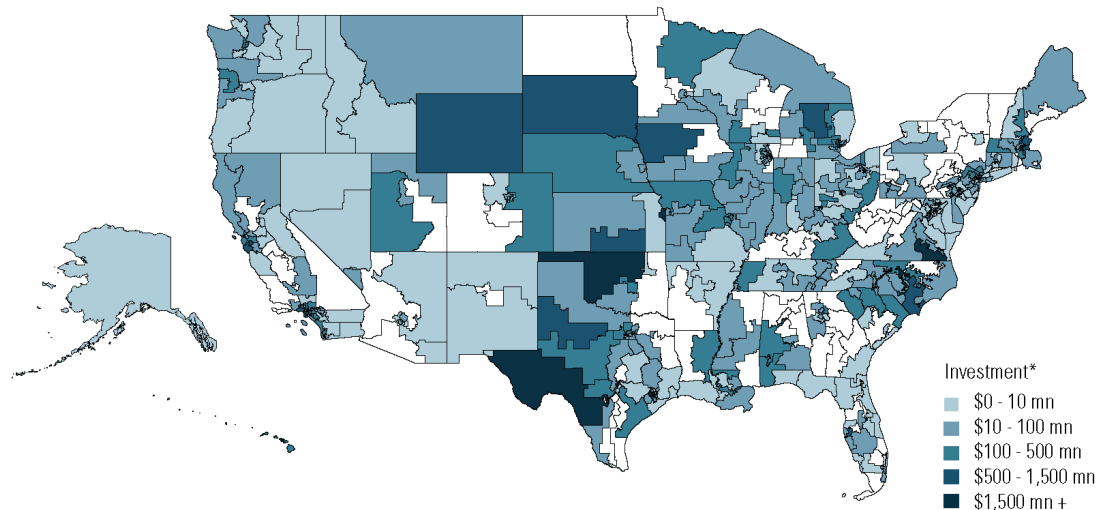
All snapshots are based on a unique operations dataset that was derived from Rhodium Group's China Investment Monitor (CIM), which tracks Chinese FDI transactions in the United States since 2000. The CIM covers greenfield projects (newly built projects such as factories, warehouses or offices), acquisitions of existing US assets and stakes in companies of 10% or higher, and major expansions of existing facilities.

The employment numbers reflect full time jobs associated with Chinese-affiliated companies in the respective locality. The employment figures do not include future jobs from projects currently under construction or from proposed acquisitions. Indirect employment at suppliers, construction and other temporary employment, as well as part-time positions are not included.

For some states with low levels of investment and employment, shorter descriptions are provided at the end of each regional section. More details on data compilation and important disclosures can be found in the Data Appendix at the end of this report.

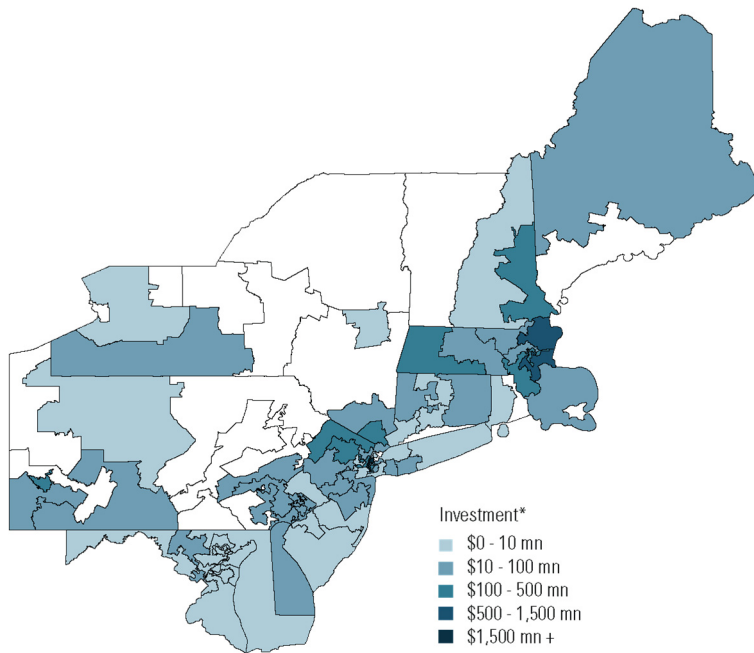
Figure 4: Chinese FDI in the US by Congressional District, 2000-2015

Color indicates cumulative investment 2000-2015



Source: Rhodium Group. *Cumulative value of Chinese FDI Transactions, 2000-2015. Please note that the different geographic size of congressional districts distorts the visual presentation of Chinese investment levels in this map format. Please refer to the tables in the Appendix for a detailed perspective on Chinese investment in each district.

2.1 THE NORTHEAST



Top Northeastern Districts for Jobs

District	Metro Area	Jobs
NY-12	New York City	1,230
NH-01	Eastern NH	410
NJ-11	Northern NJ	390
NY-07	New York City	380
NY-10	New York City	330
CT-05	Western CT	320
MA-01	Western MA	320
NJ-04	Central NJ	320
PA-14	Pittsburgh	280
NY-17	Western New York	230

Source: Rhodium Group. *Cumulative value of Chinese FDI Transactions, 2000-2015.

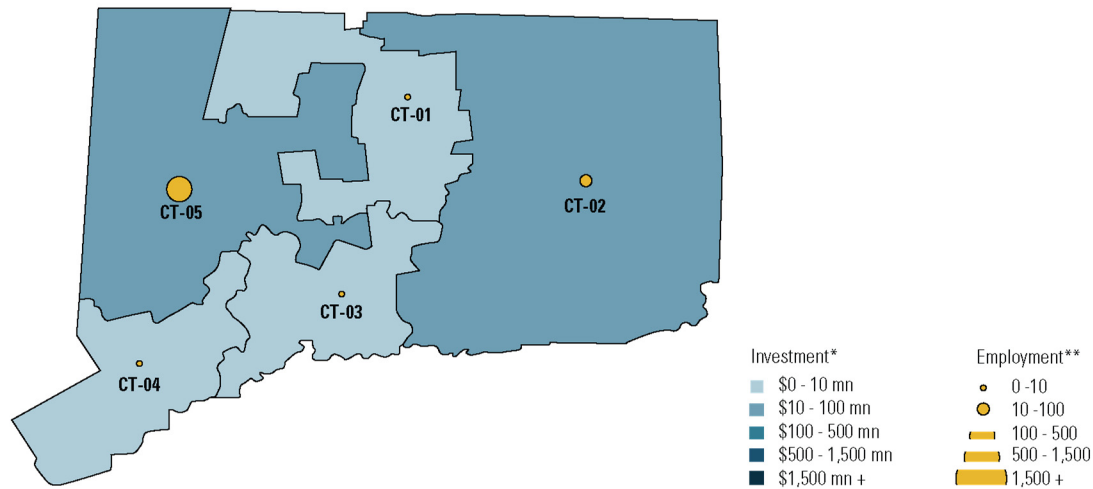
With cumulative investment of \$12.8 billion from 2000 to 2015, the Northeast has received the third-largest investment from China of the four US regions. The key sectors for investment are financial and business services, real estate, high technology, and pharmaceuticals, reflecting the region's economic strengths and clusters. In 2015, the Northeast experienced a record year as Chinese investment surpassed \$5 billion, nearly matching cumulative investment from the prior 14 years, and overtaking the West in third place.

The top districts for investment are in the New York City area (NY-10 and NY-12), the greater Boston Area (MA-06 and MA-08) and parts of Northern New Jersey (NJ-11). As of yet Chinese companies have made no significant investments in large stretches of the Northeast including southern Maine (ME-01), parts of Upstate New York, central Pennsylvania, and Vermont's at-large district.

Chinese-affiliated companies currently employ over 7,800 Northeasterners, or a little less than 9% of the total employment provided by Chinese firms in the US. The majority of these employees came onto the payrolls of Chinese parent firms through acquisitions, but greenfield investment is also a growing source of job creation, mostly in advanced service sectors such as finance or pharmaceuticals.

The most important Chinese affiliates in the Northeast are Smithfield subsidiaries (MA-01 and PA-14), Industrial and Commercial Bank of China (NY-06 and NY-07), Bank of China (NY-06 and NY-12), Plaza Construction (NY-12), Ironshore Insurance (headquartered in NY-10, with offices in six other districts), and various subsidiaries owned by Wuxi Pharmaceuticals (PA-01, PA-07, NJ-06, and NJ-12). New York City also hosts many prominent investors in real estate, such as Anbang (NY-12), Fosun (NY-10), and Oceanwide (NY-10).

2.1.1 CONNECTICUT



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Connecticut attracted nearly \$110 million of Chinese investment from 2000 to 2015, with nine establishments across its congressional districts. These provide more than 400 jobs focused on renewable energy and automotive parts manufacturing.

The single largest operation is Global Steering Systems, a subsidiary of Chinese automotive parts maker Wanxiang. The company develops and manufactures steering technology in Watertown (CT-05). Automotive part maker Wanxiang has increased local staff count at its Connecticut facility from just over 100 to more than 300 since its investment in 2009.

Two Chinese solar energy firms also have a presence in the state. The biggest employer is STR Holdings, a subsidiary of Zhenfa New Energy, with nearly 100 employees based in Enfield (CT-02). Zhenfa is a major Chinese producer of photovoltaic (PV) solar cells. Before its sale to Zhenfa in 2014, STR had considered liquidating its assets. New owner Zhenfa has helped revitalize the company, utilizing its position in and knowledge of the Chinese solar market to sell STR's products to a wider Chinese customer base, while retaining expertise and know-how in Connecticut.¹

Connecticut has received more investment than most other New England states (Vermont, Maine, and Rhode Island). However, in light of its strong track record in

attracting foreign enterprises, there is ample room for further growth in Chinese investment.

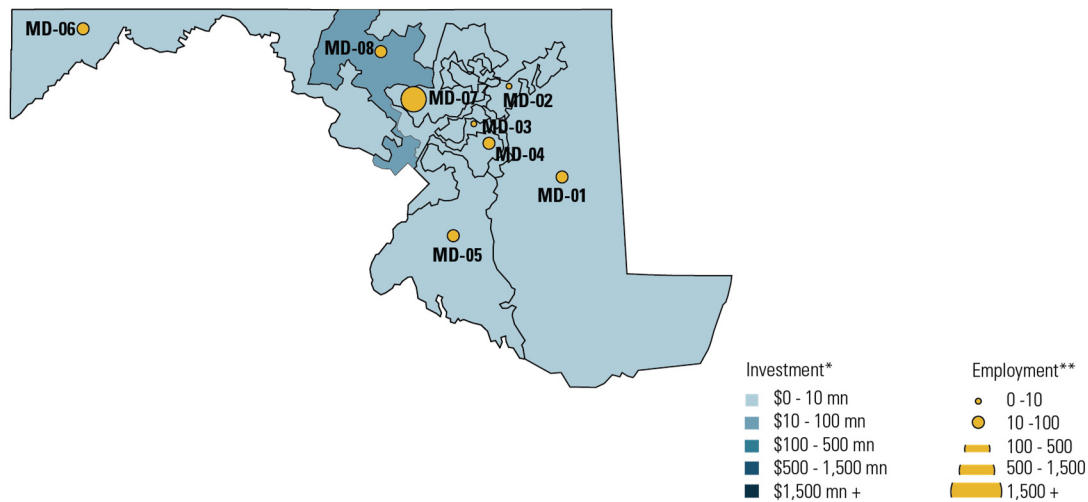
Foreign-owned enterprises currently employ over 100,000 people in the state, more than twice as many as New Hampshire and second only to Massachusetts in New England. Urban areas in Connecticut like the greater Hartford area and the Bridgeport-Stamford-Norwalk area have benefited most from the jobs created and sustained by FDI.

Going forward, Connecticut's cluster of financial services, especially insurance, could make it a destination for Chinese companies expanding in these sectors. The first of this kind of investment occurred in 2015, when Fosun acquired the insurer Ironshore in a deal that included an office in Westogue outside Hartford.

¹ See "STR Holdings To Sell Majority Stake To China Solar Company", *Hartford Courant*, August 13, 2014, <http://bit.ly/1FPCrjw>; "Before deal, STR couldn't find buyer,

considered liquidation", *Hartfordbusiness.com*, September 16, 2014, <http://bit.ly/1PoElUp>.

2.1.2 MARYLAND



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Maryland is home to 29 Chinese-owned enterprises, which now provide nearly 230 jobs. Half of these companies entered the state through greenfield projects. In total, the state has garnered around \$90 million in investment. Activities are concentrated in Maryland's key innovation sectors including biotechnology, pharmaceuticals, and advanced energy technology. These take advantage of the strong research network at the state's universities and the National Institutes of Health.

Among these are Tasly Pharmaceuticals, a producer of traditional Chinese medicine, which established operations in Rockville (MD-08). Proximity to the Food

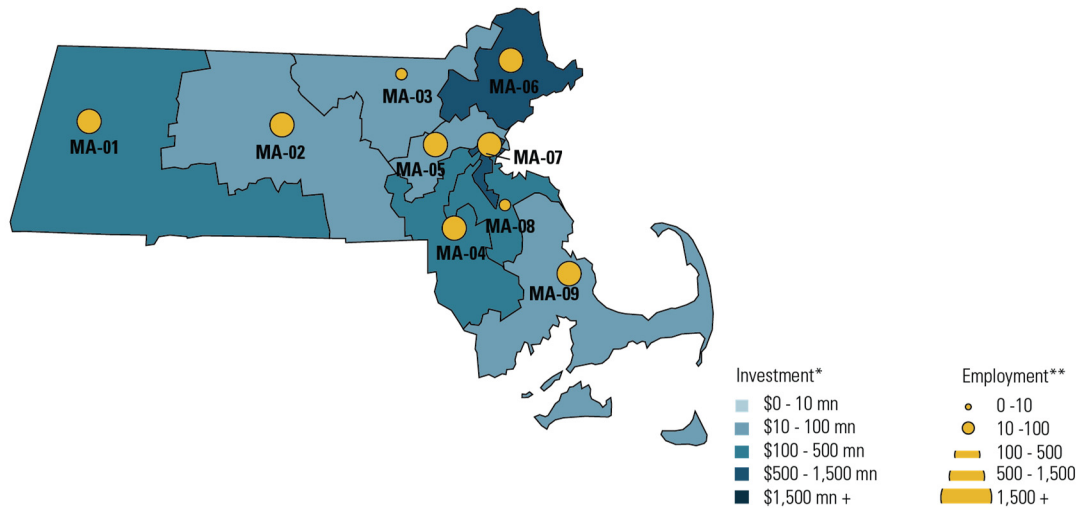
and Drug Administration's (FDA) White Oak campus was key in the decision to move its offices to the area. Tasly's traditional Chinese medicine products will be some of the first herbal drugs to be approved by the FDA.² Joynn is another greenfield pharmaceutical operation in MD-06 that chose to locate close to the FDA campus to further its business in technical consulting for drug registration.

Though the magnitude of investment and job creation has been small thus far, there is strong potential for continued expansion in the coming decade as the Chinese pharmaceuticals industry grows quickly and looks for overseas markets.

² See "Tasly Pharmaceuticals opens corporate office in US", NAMSA Blog, September 3, 2014, <http://bit.ly/1IgxUqP>; "A

remedy for the US healthcare system", *China Daily*, April 6, 2012, <http://bit.ly/1EQIN1b>.

2.1.3 MASSACHUSETTS



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Massachusetts is one of the major locations for Chinese companies in the Northeast. The state has received over \$2.8 billion of investment from China. The majority of this investment is the stake held by Chinese utility company Huaneng in Massachusetts-based Intergen, a power company with most of its assets and employees located outside the US. While this investment has very little local impact, the remainder is spread across the state and a number of industries. The state is home to 48 Chinese-owned enterprises employing nearly 1,300 people. The high-tech sector in the Boston area is a major focus of investment. There is also significant interest in manufacturing.

Massachusetts has numerous Chinese investments in high-technology firms. Battery manufacturer A123 Systems was acquired by Chinese automotive parts maker Wanxiang in 2013. It has retained its operations in Waltham (MA-05) and Hopkinton (MA-04), as well as in Michigan.

Other high-tech investments include Sanan's purchase of struggling LED component manufacturer Luminus, a joint venture by Hangzhou CRON and Electronic Character Recognition Machinery (ECRM) in imaging technology, fuel seal maker Precix, and Lenovo-EMC's joint venture developing computer storage products.

While most high-tech investments are located in the greater Boston area, districts to the west like MA-01 have attracted significant investments in manufacturing. A Smithfield subsidiary in Springfield (MA-01), a Carando Foods pork processing plant, provides more than 300 jobs.

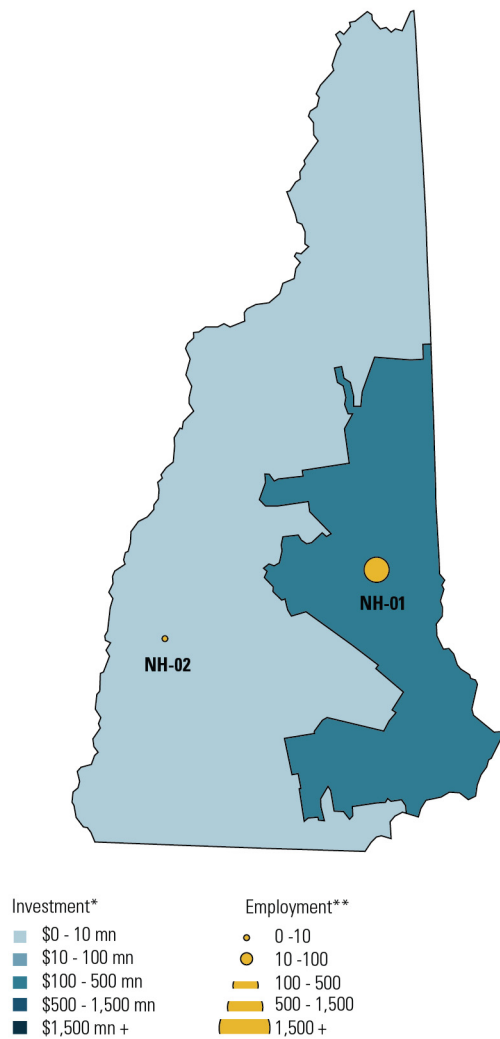
In the fall of 2015, CNR-MA, a subsidiary of China CNR Corporation a major Chinese railway manufacturer, began work on a greenfield plant for producing subway cars in Springfield (MA-01). CNR-MA won a contract to produce hundreds of subway cars for the Massachusetts Bay Transportation Authority after committing to build a local assembly plant. The facility could provide more than 150 manufacturing jobs on completion and was still under construction in 2015.³ Boston itself (MA-08) received a big boost in investment in 2015 from Tishman Speyer's joint venture with Chinese insurers Ping An and China Life to redevelop Pier 4 on the downtown waterfront.

Biotechnology, one of the other strengths of the Massachusetts economy and a strong appeal to foreign investors, has had less exposure to Chinese capital. There have only been a handful of minor transactions to date, although opportunities should open up in the future given strong Chinese interest in US operations demonstrated by investment in other medical research clusters in greater Philadelphia and Maryland.

³ See "Gov. Patrick Announces MBTA's Recommended Company To Build New Subway Cars In Mass", *Massachusetts*

Bay Transportation Authority, October 21, 2014, <http://bit.ly/1PoYQFd>.

2.1.4 NEW HAMPSHIRE



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

New Hampshire's diversified economy is attractive to foreign investors, particularly because of its focus on small-scale specialized manufacturing. More than 38,000 jobs in the Granite state depend on the subsidiaries and affiliates of foreign companies.

Investment from China comprises five operations totaling nearly \$220 million. Two companies in precision manufacturing account for the majority of investment: Cooper Products and Goss International. These two companies are both located in NH-01 and they currently employ more than 300 people. All told, Chinese investment supports more than 400 jobs in New Hampshire.

Goss International, headquartered in Durham, is an important company for the state. It manufactures and develops newspaper printing technology and in 2010 it was acquired by Shanghai Electric, a Chinese multinational with a large portfolio of specialized equipment manufacturers. While the structural challenges facing this industry are considerable, Goss now has a strong advantage because of its access to the resources of Shanghai Electric and greater exposure to Asian markets, which accounts for approximately one third of its customer base.⁴

In 2011, Cooper Products, a precision parts maker, was acquired by Anhui Zhongding, a diversified parts manufacturer. The move led to an expansion of the Cooper Products' Laconia operation, which has doubled in size over the past five years.⁵

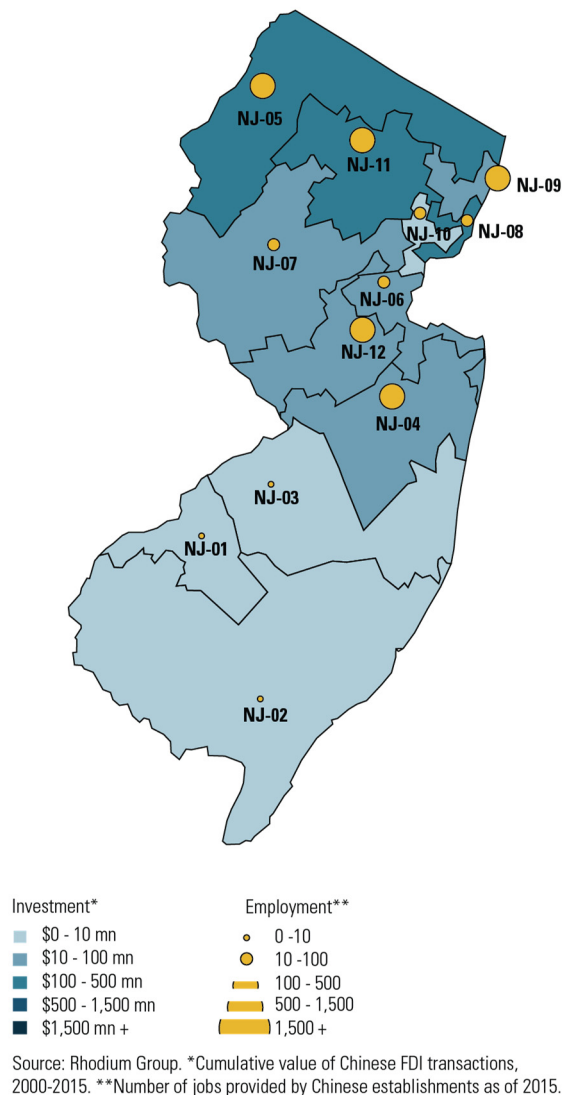
The high number of small- and medium-sized specialized manufacturers in New Hampshire provided an attractive entry point into the state for Chinese firms in 2015. In April, Chinese robotics firm Ninebot acquired Bedford-based (NH-01) Segway, the maker of the two-wheel transportation gadget.⁶

⁴ See "Goss International Company Overview 2014", Goss International, n.d., <http://bit.ly/1IgSIVU>.

⁵ See "Cooper Products: History", Cooper Products, n.d., <http://bit.ly/1dNvpB8>.

⁶ See "Segway Bought by Xiaomi-Backed China Transporter Startup Ninebot", Bloomberg, April 15, 2015, <http://bloom.bg/1b2tXtA>.

2.1.5 NEW JERSEY



With nearly \$820 million, New Jersey has received some of the highest investment from China within the Northeast region between 2000 and 2015. The Garden State is home to 78 Chinese-owned companies employing nearly 1,600 people. They are highly concentrated in the Tri-State Area and focused on

pharmaceuticals and biotech, renewable energy, and shipping.

Pharmaceutical companies include the American subsidiary of Wuxi PharmaTech (XenoBiotic Laboratories). The medical device manufacturer Mindray Medical also has facilities in New Jersey. The shipping industry is represented by subsidiaries of China Ocean Shipping Company (COSCO) in Secaucus and China Shipping Group in Montvale (NJ-09 and NJ-05).

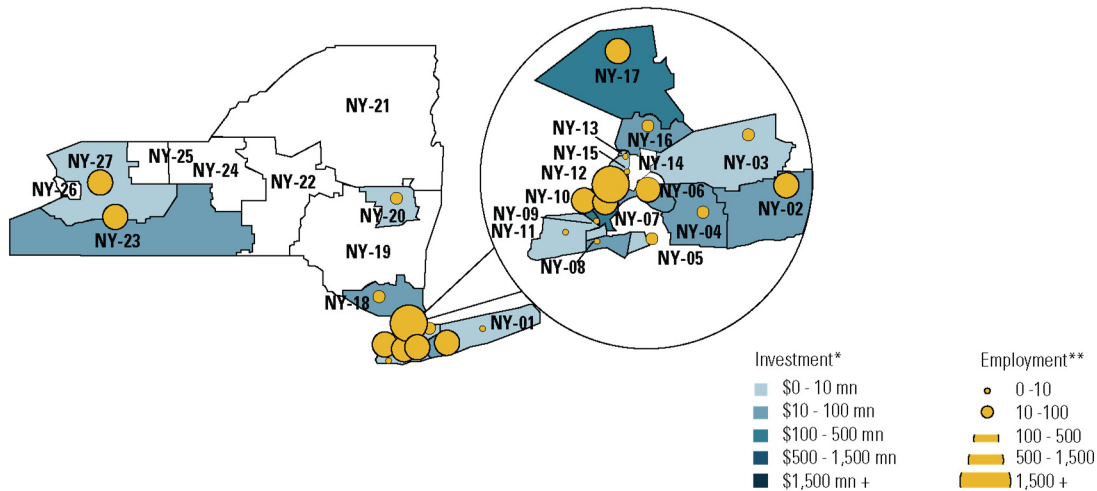
New Jersey is a popular US headquarters location for major Chinese companies including China Overseas Shipping Company (COSCO), China Construction America (CCA) in Jersey City (NJ-08), and Haier in Wayne (NJ-11). The headquarters for Haier, an appliance manufacturer, is a greenfield investment that created more than 200 jobs in the district.

New Jersey is also home to a high number of ongoing greenfield projects creating temporary jobs for construction workers. Large real estate developments include CCA's 99 Hudson Street in Jersey City and Landsea Group's Weehawken residential development. Another industry for significant greenfield investments is renewable energy, fueled by the state's Renewable Energy Incentive Program. Zongyi Solar, the US subsidiary of major Chinese solar energy company Jiangsu Zongyi, developed one of the state's largest solar farms in Tinton Falls.

One of New Jersey's previous Chinese success stories, the International Vitamin Corporation, is still in operation but no longer included since its Chinese parent Aland Nutraceutical was acquired by Dutch multinational DSM in 2015.

Notwithstanding these operations, Chinese FDI is underrepresented in other major aspects of the New Jersey economy that have attracted FDI, such as chemical manufacturing and financial services.

2.1.6 NEW YORK



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

From 2000 to 2015, New York State has received nearly \$8 billion in Chinese investment and now hosts 139 Chinese-owned establishments. These companies provide over 2,700 jobs. Nearly all operations are concentrated in New York City and Long Island, reflecting the focus on corporate headquarters, financial and business services firms, and real estate investments in the area.

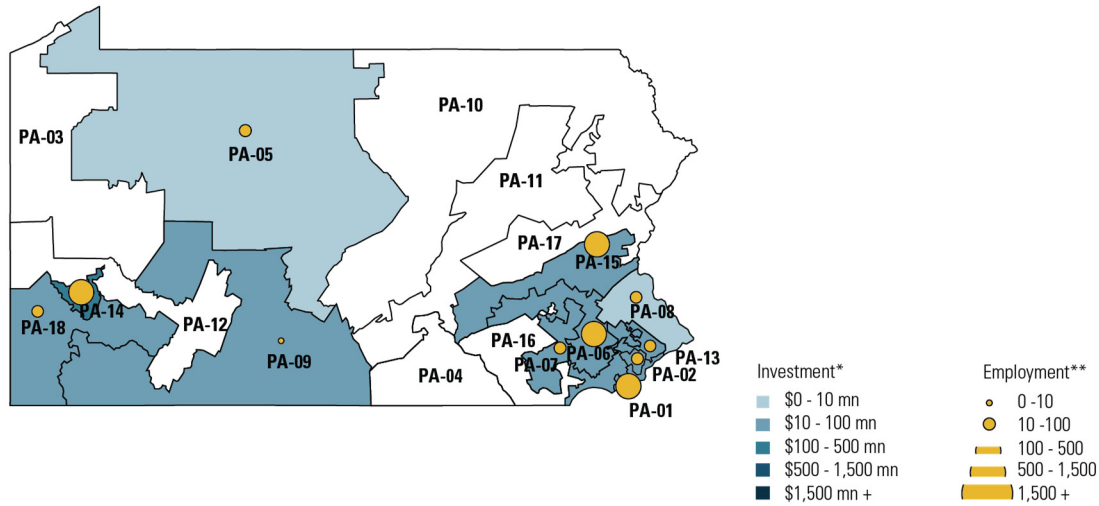
Service sector companies are the biggest employers. The importance of New York for the global financial industry drew institutions such as the Bank of China to Manhattan decades ago. Other Chinese banks have only recently expanded their presence in New York. These include the purchase of the New York-headquartered Bank of East Asia USA by Industrial and Commercial Bank of China, and branch offices of the Agricultural Bank of China and China Merchants Bank. Going forward, the growth of outbound investment by non-bank financial institutions has great potential to further increase Chinese presence in New York and other financial centers.

The bulk of investment value in New York, however, is comprised by capital-intensive real estate investments, which explains the relatively low investment to jobs ratio in New York. Prominent investments in commercial real estate include Greenland Group's involvement in the Pacific Park project, China Vanke's development of 610 Lexington Avenue, Fosun's purchase of the Chase Manhattan building, and HNA Group's investment in 1180 Sixth Avenue. Some of these investments will create a significant number of construction jobs (which are not included in our data).

Outside of the NYC area, New York hosts only a few Chinese operations. Upstate metro areas like Buffalo-Niagara Falls and Rochester have a high rate of foreign-owned enterprise employment, but almost no Chinese presence. There was important progress on this front in 2015, as two Chinese companies expanded in NY-23 and NY-27. Beijing Bohui acquired Ithaca-based Advion, a manufacturer of life sciences equipment. Zhongshan Broad-Ocean Motor's acquisition of Michigan-based automotive parts maker Prestolite Electric also included a plant in nearby Arcade. Together these operations provide nearly 300 jobs in these two districts.

The year 2015 was significant for Chinese investment in New York: \$4 billion in new Chinese capital doubled investment in the Empire State. Financial services and real estate remained the leading sectors, with Fosun's purchase of insurer Ironshore, headquartered in NY-10, for \$2.4 billion, the record Chinese acquisition in the US insurance industry. Chinese investors made real estate deals at a frenzied pace, particularly in Manhattan (NY-12), with the purchase of the Waldorf Astoria hotel and office building 717 Fifth Avenue.

2.1.7 PENNSYLVANIA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Pennsylvania has received nearly \$600 million of Chinese investment and hosts 36 Chinese-owned establishments. These currently provide nearly 1,000 jobs.

The greater Philadelphia area is well represented, with important investments in the state's traditional key sectors of pharmaceuticals and biotechnology. Notable companies in the metro area in these fields are Wuxi AppTec, Frontage Laboratories, and Saladax Biomedical (PA-01, PA-06, and PA-15). These operations continue to grow. In 2014, Wuxi, the Chinese investor in AppTec that provides lab development services to other firms developing pharmaceuticals, tripled the size of its Philadelphia facility and increasing its capabilities.⁷

In 2015, the Lehigh Valley (PA-15) attracted greenfield investment for the first American operation of Fuling Plastic. The new plant currently employs 25 people since opening in June 2015. The disposable cutlery manufacturer expects to provide 75 full-time jobs when fully operational.⁸

While Chinese investment in Pennsylvania is not limited to a single sector, important areas such as agriculture and manufacturing have not attracted Chinese FDI, despite being major foundations of the state economy and overall recipients of FDI. For other foreign countries' activity in the state, manufacturing alone accounts for nearly half of the 275,000 employees of foreign-owned enterprises.

⁷ See "WuXi PharmaTech Breaks Ground on New Cell Therapy Manufacturing Facility", PR Newswire, April 29, 2014, <http://prn.to/1DSnuHz>.

⁸ See "Fuling Global Subsidiary to Supply Cutlery to U.S. Distributor", *The Morning Call*, January 15, 2016,

<http://bit.ly/21v9XCp>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.1.8 OTHERS

Rhode Island

FDI in Rhode Island is small compared to other states and comes primarily from Europe. The Ocean State only received one small-scale investment from China between 2000 and 2015. It is located in the second District and provides fewer than 10 jobs. Going forward, the state's strength in health services and tourism could appeal to Chinese investors. The state's location in the corridor between the New York and Boston areas also has the potential to attract greater investment as Chinese activity in those nearby states grows.

Delaware

While many Chinese companies utilize Delaware for incorporation purposes, currently only six companies have a significant physical presence in the state. One of them is a former General Motors (GM) plant that Wanxiang purchased when it bought the assets of bankrupt electric carmaker Fisker Automotive in 2014. This factory may restart production of Fisker cars, but this is unlikely after Fisker announced a new production facility in California in 2015. Other areas that could attract Chinese investment going forward include chemical manufacturing and financial services. Another attractive value proposition is the state's proximity to major hubs in the greater Philadelphia, New York, and Washington, DC, areas.

Maine

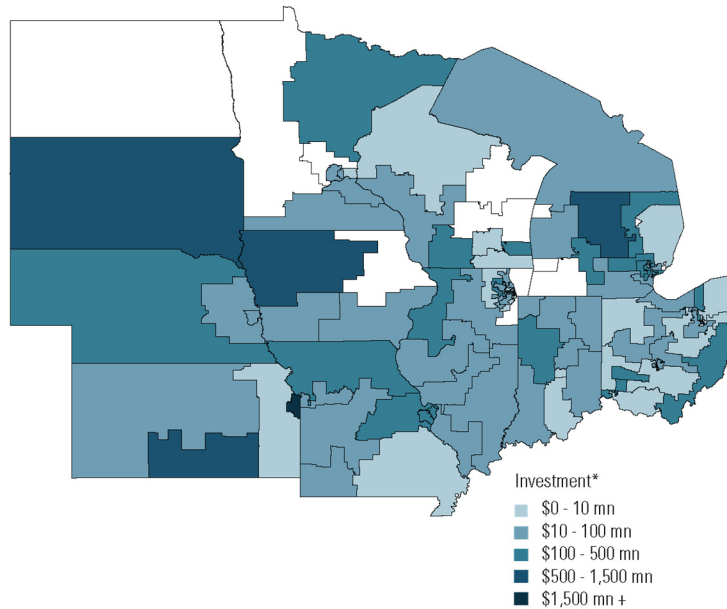
Maine received its first Chinese investment in 2015, when Shengton Group purchased former shoe factories in Auburn (ME-02) with the intention of converting them into a medical tourism complex. The project is under construction and the investors are keen to capitalize on Maine's reputation for natural beauty to attract wealthy seniors to visit the state.⁹ Historically, the Pine Tree State has not been a big recipient of FDI, with nearly all foreign investment coming from its neighbor Canada and Europe. Given Maine's traditional strength in wood products, the state could explore opportunities for investments from China in the furniture business, similar those in North Carolina and Virginia.

Vermont

Similarly, there has been little Chinese investment in Vermont. The state is, however, a major recipient of EB-5 visa investment from China, which could lead to greater recognition and more FDI activity in the future. Vermont's burgeoning aerospace and aviation industries could also attract Chinese interest, given its focus on civil applications and the demonstrated interest in this industry in other states.

⁹ See "Developer plans medical tourism complex in Auburn for patients from China", *Portland Press Herald*, July 31, 2015, <http://bit.ly/1S4zP5D>.

2.2 THE MIDWEST



Top Midwestern Districts for Jobs

District	Metro Area	Jobs
MI-05	Central MI	5,230
SD-01	SD at-large	3,400
IA-04	NW Iowa	3,320
MO-06	Northern MO	3,190
NE-03	Western and Central NE	2,280
IL-07	Chicago	1,960
IL-17	Northwestern IL	1,710
WI-04	Milwaukee	1,010
MI-11	Greater Detroit	930
KS-03	Kansas City	850

Source: Rhodium Group. *Cumulative value of Chinese FDI Transactions, 2000-2015.

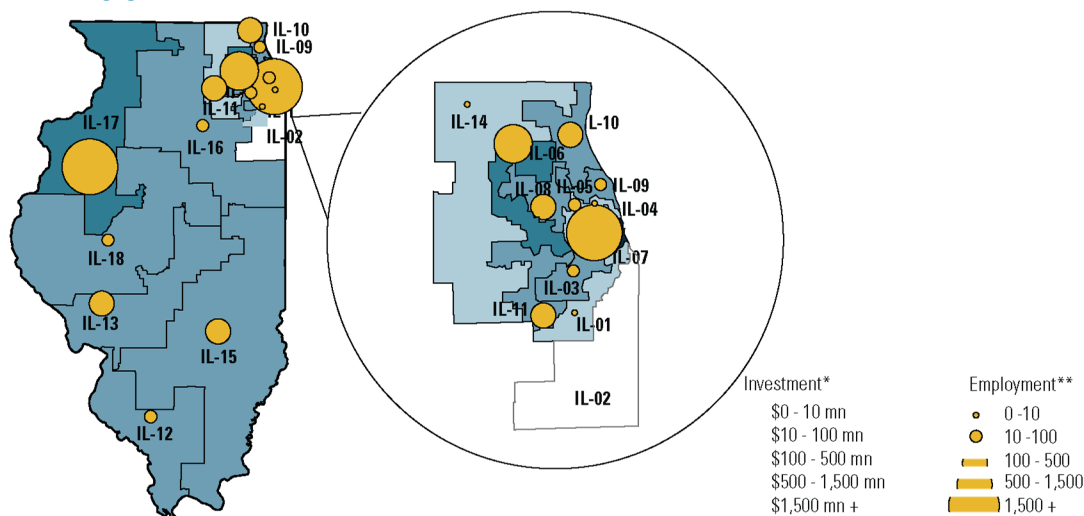
The Midwest received a total of over \$14 billion in investment from China between 2000 and 2015, making it second only to the South in terms of Chinese FDI received during that period. The Great Lakes states are some of the strongest manufacturing areas in the country and have a high percentage of overall foreign-owned enterprise employment. Chinese investment in the region also concentrates on manufacturing, primarily in automotive parts and food processing. Investment held steady in 2015, totaling \$1.4 billion across the region.

The high level of investment in IL-07 reflects Chicago's importance as a key regional hub. The city is host to investments in real estate, major acquisitions in technology, and newly established branch offices of Chinese companies. Other important districts include KS-03 (part of the greater Kansas City area) and IA-04 (Northwestern Iowa). While gaps exist in the Chinese presence, such as in one of Iowa's districts and North Dakota's at-large district, Chinese investment is spread relatively evenly across the region.

Chinese affiliates provide more than 36,000 jobs, which makes the Midwest the top US region by number of jobs provided (more than 40% of the national total). In addition to significant acquisitions that brought workers onto the payrolls of Chinese parent companies, the Midwest is also an important site for manufacturing greenfield investments.

Key Chinese affiliates include Smithfield subsidiaries, spread widely across the region and notably in northeastern Iowa (IA-04), northern Missouri (MO-05, MO-06), eastern Nebraska (NE-01), and South Dakota's at-large district (SD-01). Wanxiang, an automotive parts conglomerate is very active in the region, with subsidiaries in central Michigan (MI-07), northwestern Ohio (OH-05), and Illinois (IL-06). Aviation Industry Corporation of China (AVIC) has many subsidiaries across the region, including Nexteer in Saginaw (MI-05), Cirrus in Duluth (MN-08), and Henniges Automotive in Auburn Hills (MI-11) and other locations. Meadowbrook Insurance is based in Southfield, Michigan (MI-14), and has numerous offices across the region. Leawood, a suburb of Kansas City (KS-03), is home to the headquarters of Dalian Wanda subsidiary AMC.

2.2.1 ILLINOIS



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Illinois is one of the main recipients of Chinese FDI in the United States, hosting capital and employment-intensive investment across a diverse span of industries. The state has received \$4.2 billion in investment from 2000 to 2015 and hosts 115 individual establishments by Chinese companies, together providing over 5,100 jobs. The major sectors are information technology, food processing, automotive components, and real estate.

The greater Chicago area, particularly IL-06, IL-07, and IL-11, are major recipients of Chinese investment. IL-06 and IL-11 host Smithfield subsidiaries in Lisle and Bolingbrook. IL-10 is home to Ruprecht, Chicago's oldest beef processor, which was acquired by Chinese investor New Hope in 2014.

The largest investment in IL-07 was Lenovo's purchase of Motorola Mobility from Google for nearly \$3 billion. Motorola's headquarters in Chicago employs around 1,500 workers. There was a major layoff at Motorola in the second half of 2015, when 500 employees were let go.¹⁰ Chicago has also received large real estate investments such as Cindat Capital Management's purchase of an office building at 311 South Wacker Drive.

Dalian Wanda plans to invest \$900 million in a new tower with a hotel and apartments, Wanda Vista, which would be the third tallest in Chicago. The project received approval from the Chicago Plan Commission in November 2015 and is scheduled to break ground this

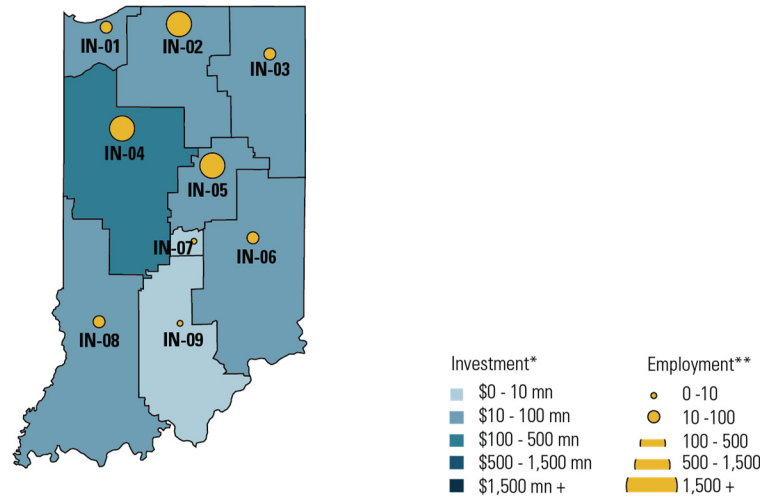
year. The Windy City also houses offices of smaller Chinese companies and branch offices of major ones, such as Bank of China and HNA Group.

Illinois is also home to Wanxiang America, one of the most significant private Chinese companies in the US. Headquartered in Elgin, it has numerous investments across the state in automotive parts and other advanced manufacturing. It has also expanded into other sectors including real estate (the Waldorf Astoria and 150 North Riverside Plaza in Chicago) and renewables (a greenfield solar facility in Rockford, IL-16). In IL-17 to the northeast, Monmouth hosts one of Smithfield's largest US operations, which provides nearly 1,500 jobs. The district is also home to Ingersoll, a Chinese-owned machine tool manufacturer in Rockford.

Compared to greater Chicago, the state's southern districts have received modest investment. In IL-13, Fuyao, the world's largest producer of automotive glass, purchased a glass factory in Mount Zion and has retained the 200 workers at the plant, but few other significant operations exist in the southern part of the state.

¹⁰ See "Motorola Mobility to cut 500 jobs in Chicago; layoffs underway", *Chicago Tribune*, August 13, 2015, <http://trib.in/1MmEFcy>.

2.2.2 INDIANA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

The Hoosier State has received a moderate level of Chinese investment compared to its Midwestern neighbors, with total investment of nearly \$290 million from 2000 to 2015. A total of 36 Chinese establishments provide more than 800 jobs. Investment and employment are spread evenly across the state, reflecting the diversity of the Indiana economy.

In IN-02, a Smithfield subsidiary provides 250 jobs in Peru. Carmel, in IN-05, is home to Stoneware, a software company focused on cloud security that Lenovo acquired in 2012. In IN-04, Nanshan Aluminum has established its own factory for aluminum products in Lafayette. The plant currently provides nearly 100 jobs, and the company hopes to continue expanding in 2016. The US company head, a Chinese national, studied at nearby Purdue University, and encouraged the company to settle in Indiana.¹¹

The town of Monon in IN-04 is also home to Vanguard National Trailer Corporation, a subsidiary of China International Marine Containers Group. During the recession, Vanguard reduced shifts but did not cut jobs. It has returned to working at full capacity since 2013 and now employs over 100 workers.¹²

Haier, the Chinese appliance maker and first major Chinese greenfield investor in the US, built a new R&D Center in Evansville (IN-08). The company has invested \$3 million and hopes to create 50 high-paying jobs focused on appliance development. Haier's investment marks new possibilities for the city, historically important to the appliance industry because of the presence of Whirlpool. The American appliance maker closed its last operation there in 2010.¹³

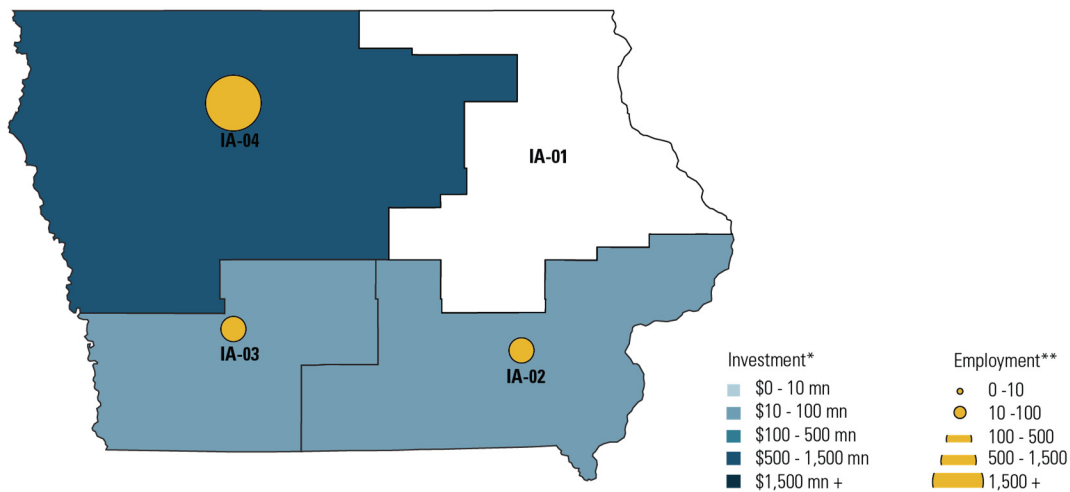
Indiana's strength in precision manufacturing suggests high potential to attract more Chinese investment going forward. The state also has attractive service sector clusters. An important Indiana cluster that has yet to receive Chinese FDI is biopharmaceuticals. Chinese companies have demonstrated their interest in this sector elsewhere in the US, particularly in Pennsylvania and Maryland, which suggests potential for growth.

¹¹ See "China's Capitalist Road Reaches Indiana as Spending Soars", *Bloomberg*, March 19, 2014, <http://bloom.bg/1Jrct4N>.

¹² See "Slowing orders hit another trailer maker", *Indianapolis Business Journal*, February 13, 2008, <http://bit.ly/1EQoyj6>; "Top 25 Trailer Manufacturers Increase Output 20%", *Trailer Body Builders*, March 5, 2015, <http://bit.ly/1zM4zMI>.

¹³ See "Haier America Opens Technology and Design Center of Excellence Set to Deliver Indiana \$10 Million in Annual Economic Impact", *PR Newswire*, July 14, 2015, <http://prn.to/1XxOnMJ>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.2.3 IOWA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Iowa has received substantial Chinese investment of over \$1 billion, primarily associated with the nine subsidiaries of Smithfield Foods, now part of WH Group. These operations, along with three others, provide over 4,000 jobs.

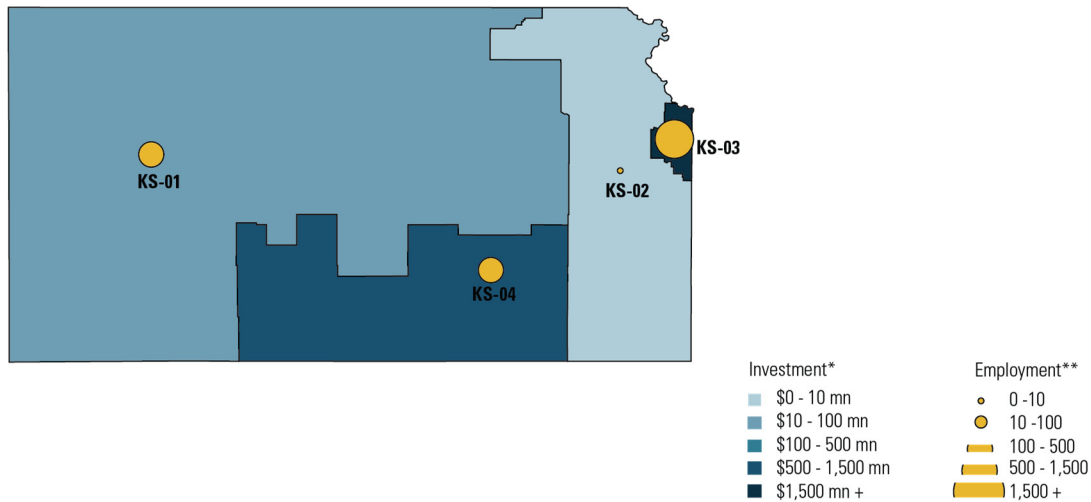
Eight of nine Smithfield operations in the state are in IA-04. Food processing is a major part of the Iowa economy and these Smithfield jobs represent over 2% of the state's manufacturing jobs. Smithfield Farmland has a facility in Denison and a packing plant in Carroll. Murphy-Brown has a manufacturing plant in Algona. John Morrell, the Smithfield subsidiary with the largest presence in the state, has manufacturing operations in Mason City and Sioux Center, and three plants in Sioux City. Two of the

Sioux City locations are part of Premium Pet Health, John Morrell's pet food manufacturing subsidiary.

The year 2015 marked the acquisition of one of Iowa's first Chinese-owned operations apart from Smithfield. AVIC's acquisition of automotive parts maker Henniges included a manufacturing plant in Keokuk (IA-02).

While these operations are very important for Iowa, they do not constitute diversified investment. The Hawkeye State is known for its financial services, insurance, and other advanced services; these are all areas that have received little Chinese investment. Manufacturing sectors such as heavy machinery and agricultural chemicals could also be opportunities for Chinese investment in the future.

2.2.4 KANSAS



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Chinese investment in Kansas from 2000 to 2015 amounted to nearly \$2.2 billion, primarily due to the operations of two acquired US companies, AMC Theatres and Smithfield Foods. Kansas hosts 12 Chinese establishments, which employ nearly 1,800 workers.

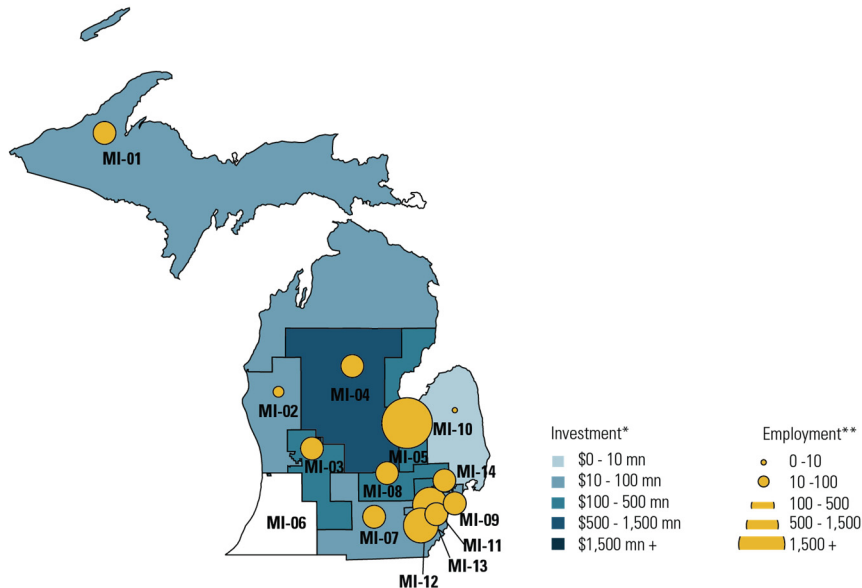
The most visible establishment is the headquarters of AMC in Kansas City. AMC was acquired by Chinese conglomerate Dalian Wanda in 2012. Wanda has since invested millions of dollars in upgrading facilities across the country. In 2013, AMC finished the construction of its Theatre Support Center in Leawood (KS-03).

The other acquisition that has brought hundreds of workers onto Chinese payrolls was Shuanghui's purchase of Smithfield Foods in 2013. Smithfield operates major subsidiaries in Junction City and Wichita (KS-01 and KS-04) that employ more than 900 people in total.

An important new investment in 2015 was New Hope's stake in Lansing Trade Group, a grain trader based in Overland Park (KS-02).

Going forward, several other industry clusters in the Sunflower State could be of interest to Chinese investors, including civil aviation.

2.2.5 MICHIGAN



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Michigan has a long history in advanced manufacturing and a skilled workforce in the sector. These features make it one of the most important destinations for Chinese investment. The state has attracted investment of \$2.3 billion. The state has 88 operations providing over 8,700 jobs, primarily concentrated in automotive parts. 2015 was an important year for Chinese investment in Michigan as the investment stock increased nearly 40%, in existing clusters such as automotive parts as well as in new sectors such as insurance.

In the Upper Peninsula (MI-01), helicopter manufacturer Enstrom was acquired by Chongqing Helicopter in late 2012. The purchase has helped to increase jobs from 60 to over 220. In Saginaw (MI-05), Nexteer Automotive, an automotive parts manufacturer, is a major employer. Originally part of GM, Nexteer was purchased by AVIC in late 2010. Since the change in ownership, AVIC has invested an additional \$150 million in Saginaw and created over 1,000 full-time jobs, bringing total employment to nearly 5,000.¹⁴ AVIC also owns Hilite International, a developer of emissions reduction technology for the automotive industry with an R&D center in Orion (MI-08) and a manufacturing facility in Whitehall (MI-02). It added to these investments with the

acquisition of Henniges Automotive, headquartered in Auburn Hills (MI-11).

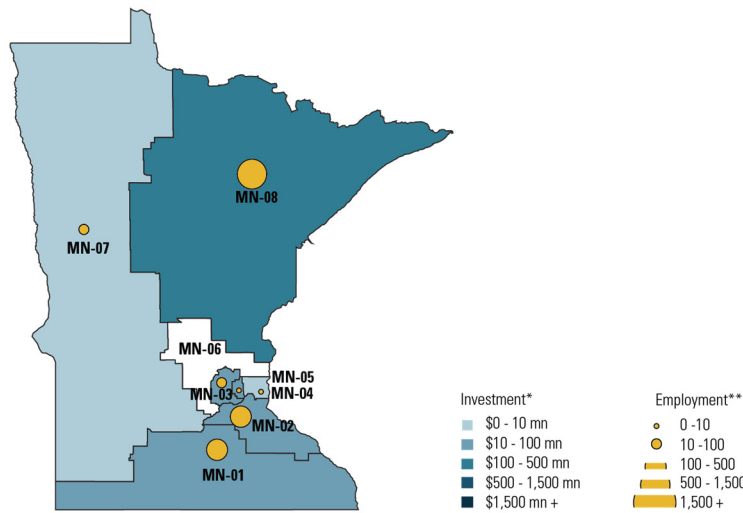
Wanxiang America is another automotive parts supplier that plays an important role in the local economy. It has bought numerous struggling US companies and returned them to profitability. Investments in Michigan include Neapco, a developer and manufacturer of driveline systems in Belleville (MI-12), Powers and Sons in Plymouth (MI-11), and A123 Systems in Livonia (MI-11) and Romulus (MI-13). Together, Wanxiang-affiliated companies employ more than 1,500 workers in Michigan. New industrial investments in 2015 included automotive parts maker Burke E. Porter in Grand Rapids (MI-03) and electrical equipment maker Prestolite Electric in Novi (MI-11).

A new trend for 2015 in Michigan and the US in general, was growing interest in insurance assets. Fosun, a Chinese conglomerate acquired Meadowbrook, a specialty insurer headquartered in Southfield outside Detroit (MI-14). It also has six other subsidiaries across the state. Meadowbrook also acquired another smaller insurer, Mackinaw Administrators, in Brighton (MI-08) late in 2015.

¹⁴ See "Saginaw Auto Supplier Thrives Under Chinese Ownership: Once Nearly Closed, Nexteer Adds Jobs as Global

Demand Grows", *The Detroit News*, September 12, 2012, <http://bit.ly/1FPHws1>.

2.2.6 MINNESOTA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Minnesota's Chinese investment totals nearly \$570 million, and is spread across sectors reflecting the diversity of the Gopher State's economy. In total, 10 establishments employ nearly 1,600 workers.

Perhaps the most notable Chinese investment in the state was the purchase of Cirrus Industries in Duluth (MN-08) by AVIC. Cirrus is a manufacturer of small propeller planes and AVIC is a major company in the Chinese aerospace industry. AVIC saw an opportunity to leverage Cirrus' expertise and brand in small civil aircraft in the fast-growing Chinese market for small planes. Since the 2011 deal, Cirrus has used its access to capital and Chinese business to add 300 jobs, and it now provides nearly 700 jobs in Duluth. It has also built a new assembly facility and secured approval in December 2015 to build a new \$10 million facility for its Vision jet. It hopes to add an additional 150 jobs through this expansion.¹⁵

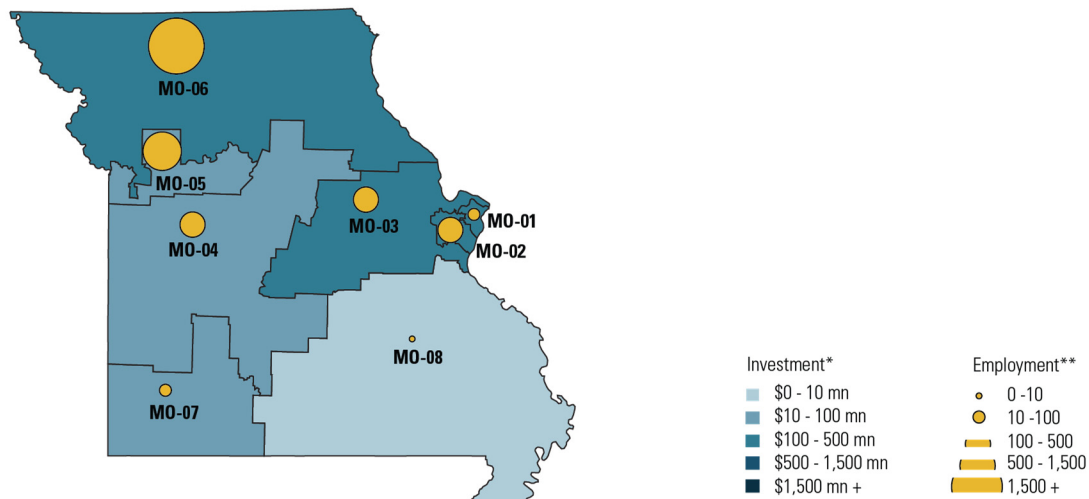
Other major Chinese-owned establishments include a Smithfield subsidiary in St. James (MN-01), which provides nearly 420 jobs, and a subsidiary of AppTec Laboratory Services in the greater Minneapolis-St. Paul area (MN-02), which employs more than 100 people.

Other clusters of the Minnesota economy that have attracted foreign investors, such as information technology, have not received any investments from China.

¹⁵ See "China to Buy U.S. Plane Maker", *The Wall Street Journal*, March 3, 2011, <http://on.wsj.com/1OepX5>; "Cirrus Plans \$10M Vision Jet Completions Facility", *AIN Online*, February 18, 2015, <http://bit.ly/1AFqZAU>; "Progress MN: Cirrus Aircraft", *Finance*

& Commerce, April 10, 2015, <http://bit.ly/1cn1jE9>; "Duluth Signs Off on Cirrus Agreement", *Duluth News Tribune*, December 14, 2015, <http://bit.ly/1mw9yCO>.

2.2.7 MISSOURI



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Missouri is an important recipient of Chinese FDI, with more than \$1.1 billion of investment from 2000 to 2015. The state is home to 38 Chinese establishments, which are mostly located in the north (MO-06 and MO-05) and the St. Louis area. These companies provide nearly 4,500 jobs.

The St. Louis area (MO-01, MO-02) hosts a range of diverse investments. MO-02 is home to a division of Riot Games, a video game developer owned by Chinese technology firm Tencent. Missouri also hosts a number of Smithfield subsidiaries in the greater Kansas City area (MO-05), Maryland Heights (MO-02), and Milan and Princeton (MO-06). The Milan and Princeton operations are some of Smithfield's largest operations in the US. Together these provide more than 3,000 jobs.

A significant cluster of Chinese investment is in the automotive parts industry. Buckhorn Rubber Products in Hannibal (MO-06), is owned by Anhui Zhongding a Chinese conglomerate that primarily manufactures automotive parts and rubber components. The company

provides more than 300 jobs. In Riverside (MO-06), Yanfeng USA is building a new facility to manufacture automotive trim systems for the nearby operations of Ford, GM, and Chrysler. The new facility provides more than 260 jobs and is part of the growing Northern Missouri automotive industry.¹⁶

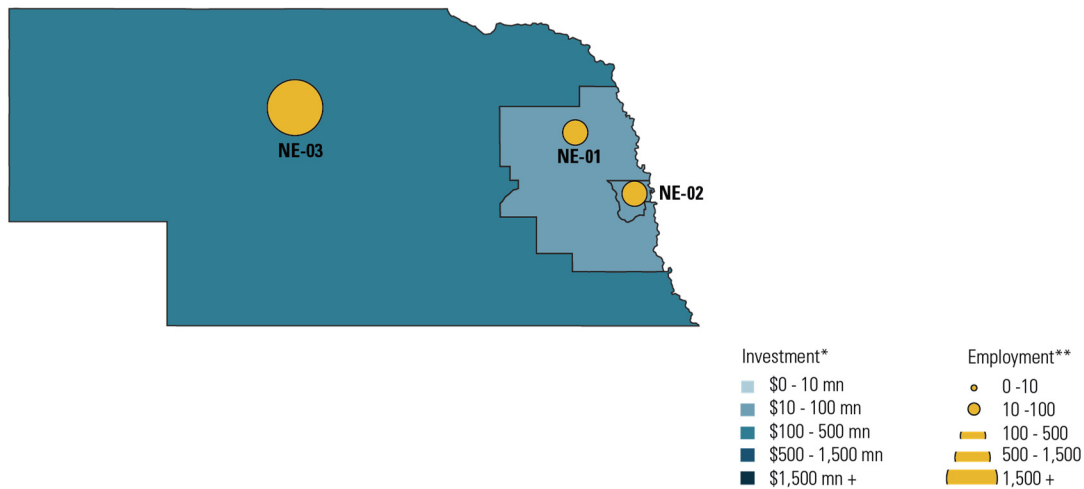
The Chinese car manufacturer Geely Group purchased UK-based electric car manufacturer Emerald Automotive in 2014, which had made plans to build a plant in Hazelwood (MO-01). Geely has committed to staying in the area, constructing a fully operational plant by 2017.¹⁷

2015 brought a major new automotive parts investment to the state: AVIC's purchase of Michigan-headquartered Henniges Automotive included its plant in New Haven (MO-03), which employs around 460 and is the largest automotive operation in the state.

¹⁶ See "Riverside lands 263 new jobs with new auto supplier plant", *Kansas City Business Journal*, April 26, 2013, <http://bit.ly/1JQwYvj>.

¹⁷ See "Emerald Automotive sold to China's Geely Group", *St. Louis Post-Dispatch*, February 28, 2014, <http://bit.ly/1drtbDE>.

2.2.8 NEBRASKA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

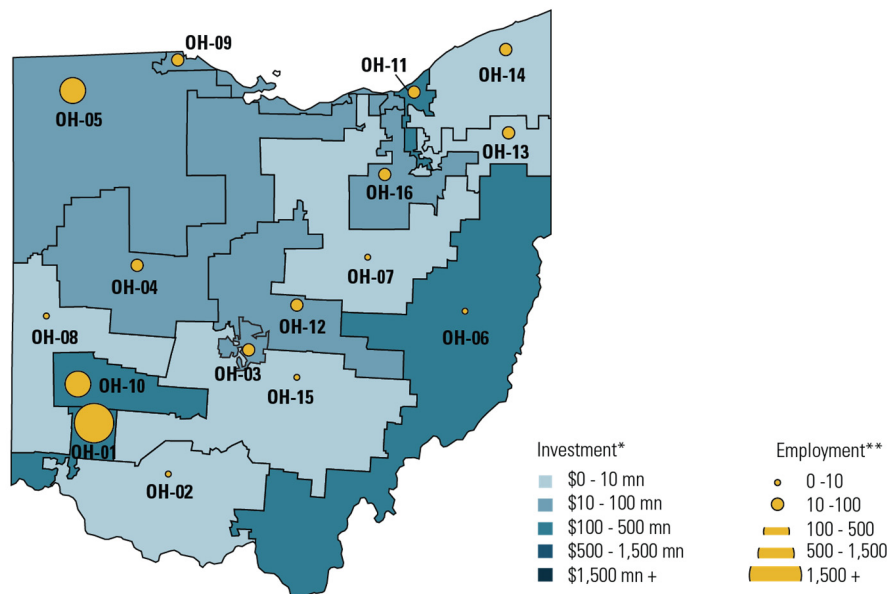
Nebraska is not a major host of FDI in general, but it has received \$460 million of investment from China. The state is home to nine Chinese-affiliated establishments employing nearly 3,000 workers.

Shuanghui's acquisition of Smithfield Foods accounts for the vast majority of this investment. The company operates three subsidiaries in the greater Omaha-Lincoln area. Crete is home to a Smithfield Farmland facility (NE-03) that is one of Smithfield's largest US operations. Lincoln and Omaha are home to manufacturing facilities for Farmland Foods and John Morrell, respectively (NE-01 and NE-02). These 2,700 Smithfield jobs account for almost 4% of total manufacturing employment in Nebraska.

Aside from food processing, the auto industry has attracted Chinese investment as well. The most important establishment is Neapco Components in Beatrice (NE-03). The company is a subsidiary of auto conglomerate Wanxiang and has a plant in Beatrice producing driveline components. It employs more than 250 workers in the area.

The most promising areas for future Chinese investments are agriculture and energy. Given its reputation as a national leader in agricultural biofuels, Nebraska may receive Chinese investment in this area in the future.

2.2.9 OHIO



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

The Buckeye State is an important destination for Chinese investment, attracting more than \$1.1 billion from 2000 to 2015. Ohio is home to 45 Chinese companies that currently employ nearly 1,900 workers. Like other Rust Belt states, Chinese investment has sought to access Ohio's expertise in automotive parts manufacturing.

Wanxiang Automotive, the automotive parts conglomerate, is an important employer across the state through its subsidiaries. Powers and Sons, a developer and manufacturer of steering linkages, has facilities in Montpelier and Pioneer (OH-05). These jointly provide more than 300 jobs.

OH-10 is home to several significant investments in manufacturing and R&D. In 2009, Beijing West Group acquired Delphi's brake systems business, which has research and testing centers in Moraine and Kettering.

Fuyao is becoming a major investor in OH-10 after refurbishing a former GM glass plant in Moraine. The plant already employs over 100 people, and the company plans to invest up to \$360 million and hire up to 1,550 employees. Fuyao's plant in Illinois makes raw glass that is then shipped to Moraine for processing and shaping.¹⁸

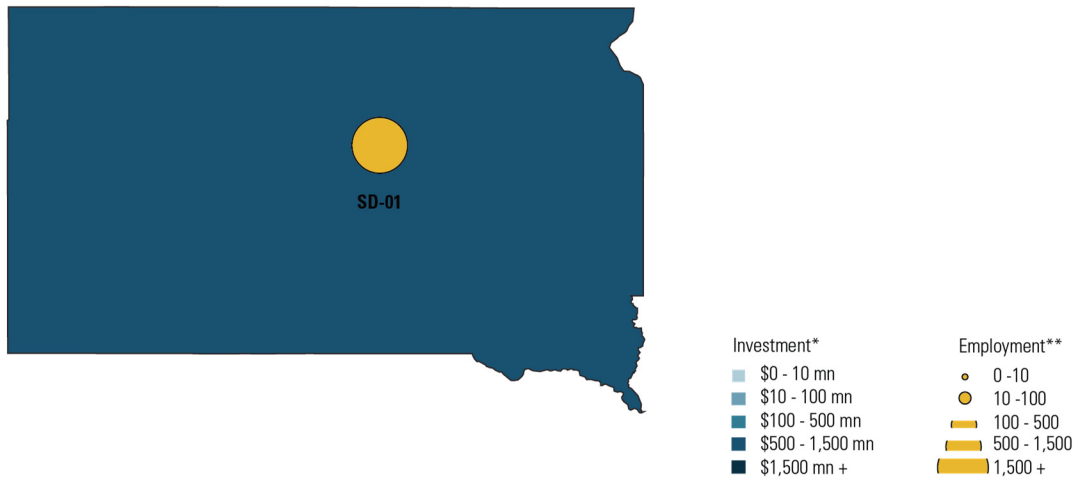
Another significant employer in Ohio is WH Group's Smithfield Foods, which operates food-processing facilities in Cincinnati (OH-01) which employ more than 600 workers.

Going forward, automotive parts will likely remain the most important attraction for Chinese investors in Ohio. The high productivity of workers and available human capital can make Ohio an attractive destination for Chinese manufacturing investments in other industries as well.

¹⁸See "Fuyao set to double hiring at Moraine plant to 1,500 jobs", *Dayton Daily News*, January 13, 2015, <http://bit.ly/1bydTig>.

Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.2.10 SOUTH DAKOTA



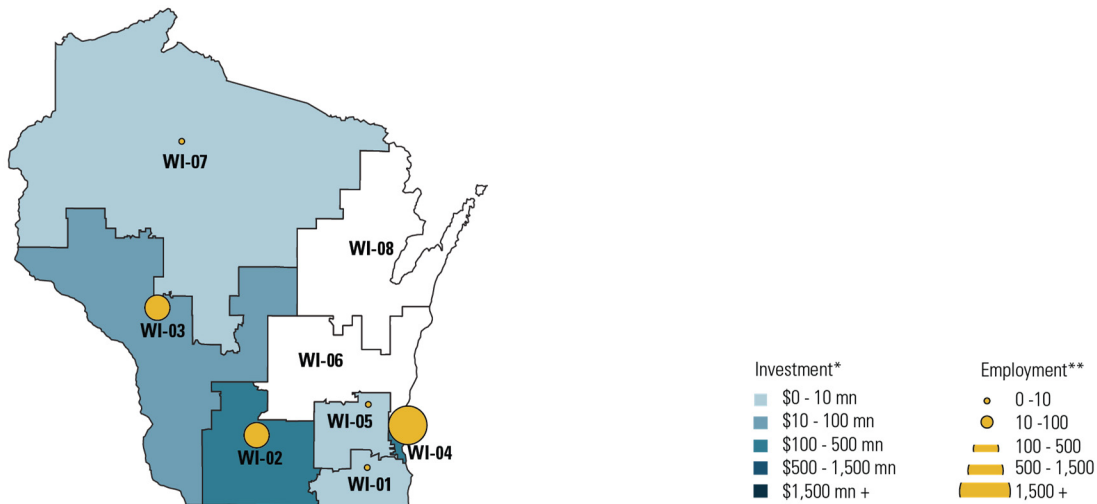
Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

South Dakota has not been a major recipient of Chinese FDI to date but there is a Chinese presence in the state through the operations of two Smithfield subsidiaries, both in Sioux Falls. Together these two facilities provide more than 3,400 jobs.

Some important sectors of the South Dakota economy are less relevant and accessible to Chinese investment,

such as government contracting and corporate back-office services. However, other sectors including agriculture and alternative energy, such as biofuels and wind, could elicit Chinese interest in the future.

2.2.11 WISCONSIN



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Wisconsin received almost \$600 million in Chinese investment from 2000 to 2015. The 14 Chinese-affiliated establishments provide more than 1,300 jobs and are concentrated in the southern districts of the state.

Waunakee (WI-02) is home to Scientific Protein Laboratories (SPL), acquired by Shenzhen Hepalink Pharmaceutical in 2013. SPL produces heparin, an active ingredient for pharmaceuticals. Since purchasing SPL the new Chinese parent company has continued to add capital to the US operations, aimed at leveraging “Made in the US” quality control in China and other global markets.¹⁹

Cudahy in WI-04 is home to a Smithfield subsidiary and historic Wisconsin enterprise, Patrick Cudahy, which employs several hundred people. Northern Engraving, headquartered in Sparta and with manufacturing facilities in Holmen, La Crosse, Spring Grove, and West Salem, is owned by Huaxiang Group (all in WI-03).

Wisconsin is an important state for food processing and equipment manufacturing, and a center for healthcare and agriculture. These areas have become increasingly important for Chinese investors in both the US and similar markets across the world such as Europe and Australia, which could help to attract more Chinese investment to the state.

¹⁹ See “Waunakee’s Scientific Protein Labs to be acquired by Chinese company for \$337 million”, *Wisconsin State Journal*, December 27, 2013, <http://bit.ly/1Ki6dN7>.

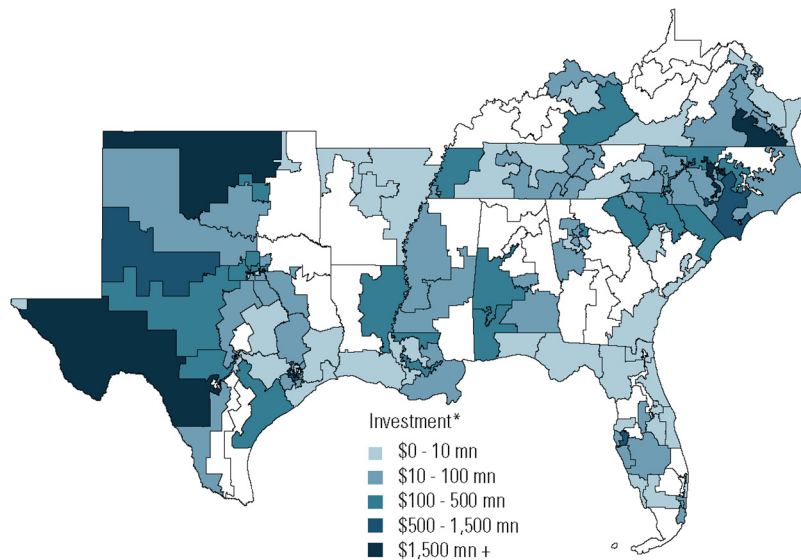
2.2.12 OTHERS

North Dakota

North Dakota has received no significant Chinese investment to date. This is surprising, given demonstrated Chinese interests in many of the state's economic strengths. Chinese companies have invested heavily in both unconventional oil and gas production

(Colorado, Wyoming) as well as wind power and other forms of renewable energy (Montana, New Jersey), which suggests good opportunities to attract investment in these and other areas.

2.3 THE SOUTH



Top Southern Districts for Jobs

District	Metro Area	Jobs
NC-07	Southern North Carolina	7,640
NC-04	Raleigh-Durham Triangle	3,890
VA-04	Eastern Virginia	3,800
KY-05	Eastern Kentucky	1,220
TX-07	Houston	870
NC-01	Raleigh-Durham Triangle	870
NC-06	Northern North Carolina	790
VA-08	Greater Washington, D.C.	660
NC-02	Central North Carolina	510
OK-03	Northwestern Oklahoma	480

Source: Rhodium Group. *Cumulative value of Chinese FDI Transactions, 2000-2015.

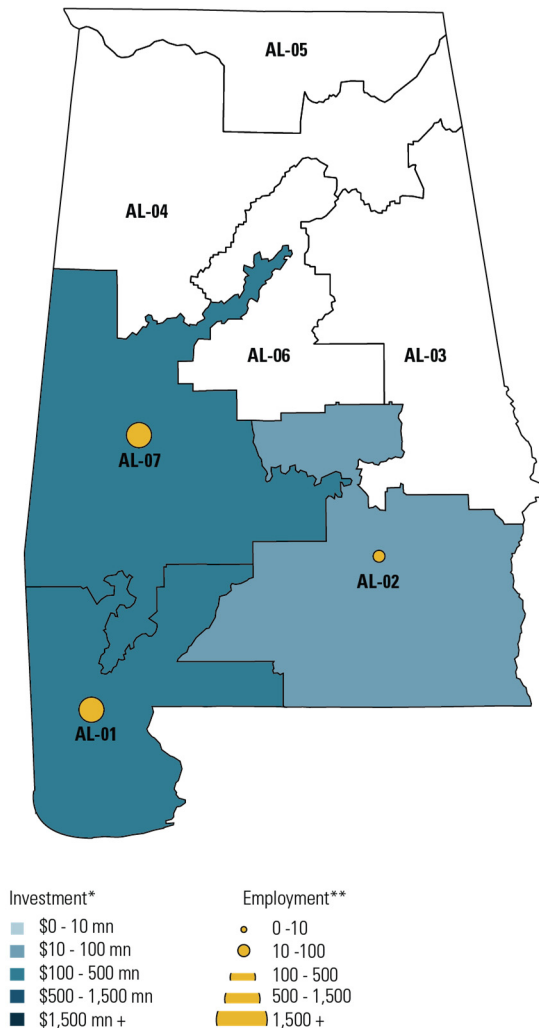
The South ranks first among all regions, hosting more than \$21.5 billion of Chinese investment. It is home to some of the largest Chinese-affiliated companies, as well as capital-intensive investments in the energy sector and smaller greenfield investments in manufacturing. Investment continued to grow in 2015, with more than \$4.1 billion of Chinese investment.

To the east, the districts that comprise the Raleigh-Durham Research Triangle (NC-04 and NC-07) are major recipients of investment in manufacturing, technology, and food processing. VA-04 also hosts major investment. To the west, TX-07 (part of Houston), TX-23 (southwestern Texas), and OK-03 (northwestern Oklahoma) have attracted investments in oil and gas. The Deep South is a major recipient of capital-intensive greenfield manufacturing investments, notably AL-07 (western Alabama) and LA-05 (northeastern Louisiana). Compared to their competitiveness in attracting global FDI, Tennessee, Georgia, and Florida have received low levels of Chinese investment.

Chinese establishments provide more than 32,000 jobs in the South, roughly 35% of the national total. North Carolina is a major beneficiary of Chinese-provided employment in the region with a significant number of jobs in NC-01, NC-02, NC-04, NC-06, and NC-07. Other Southern districts with high employment are in Virginia (VA-04 and VA-08), Kentucky (KY-05), Texas (TX-07), and Oklahoma (OK-03).

Some of the best-known Chinese-owned companies are located in the South. Haier's manufacturing facility in South Carolina (SC-05) was the first major greenfield manufacturing investment by a Chinese company. Lenovo has been an important employer in NC-04 and other districts since it acquired IBM's personal computer unit in 2005. Smithfield Foods is headquartered in VA-04 and has significant presence across the region. Important companies in the Deep South include Continental Motors in AL-01 and Golden Dragon in AL-07. While Florida still lags behind in Chinese FDI, World Triathlon Corporation, the organizer of the Iron Man Triathlons, became a subsidiary of Dalian Wanda in Tampa (FL-14) in 2015.

2.3.1 ALABAMA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Alabama received nearly \$340 million in Chinese investment between 2000 and 2015. Twelve Chinese operations employ more than 670 people.

Alabama is home to several smaller greenfield investments in manufacturing, such as Shandong Swan USA, a manufacturer of cotton gin saws based in Montgomery (AL-02). The most important manufacturing investment is GD Copper USA, a subsidiary of Golden Dragon Precise Cobber Tube. The Chinese manufacturer of precision copper components has chosen Pine Hill, Wilcox County, as the location for its first US manufacturing plant. Wilcox County (AL-07) is one of the poorest areas in both Alabama and the US. The Golden Dragon plant is the first major industrial operation to open in Wilcox in nearly 40 years. The plant has created around 150 jobs and hopes that figure will eventually expand to 500.²⁰

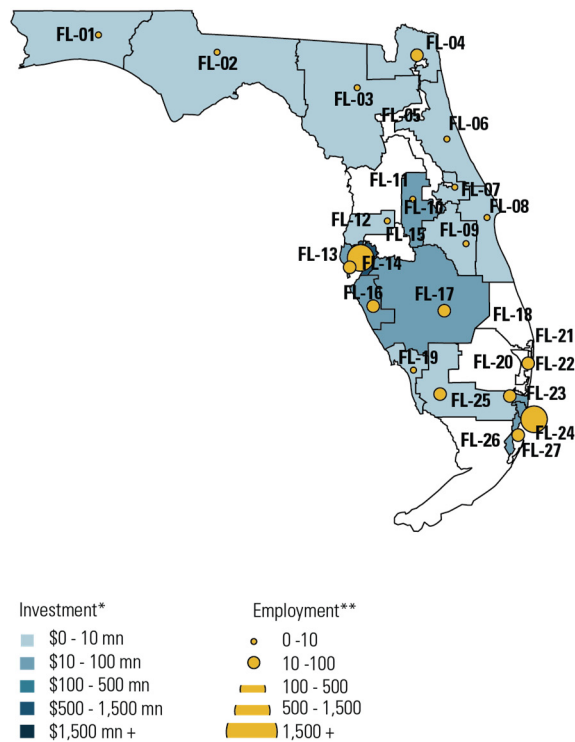
Another significant investment by a Chinese company was the purchase of Continental Motors, an airplane motor manufacturer based in Mobile (AL-01), by AVIC, the Chinese aviation conglomerate. Continental Motors now has five operations in AL-01, and has continued to expand employment as well as make acquisitions since the change in ownership.²¹ In total, Continental Motors now provides more than 430 jobs.

These investments represent progress for the Heart of Dixie, but the state's potential with low-cost skilled labor in manufacturing as well as other sectors such as forestry could to attract further Chinese investment in the future.

²⁰ See "Alabama officials welcome Golden Dragon's first U.S. Factory", *Made in Alabama*, May 28, 2014, <http://bit.ly/1zMUPc1>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

²¹ See "Mobile's Continental Motors to acquire Danbury Aerospace operations in San Antonio", *AL.com*, May 5, 2015, <http://bit.ly/1FQbix0>.

2.3.2 FLORIDA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Florida is a recipient of foreign investment in all major sectors including tourism, real estate, finance, and agriculture. Chinese investors, however, have only invested moderately in the Sunshine State to date. From 2000 to 2015 Chinese companies invested just over \$1.1 billion in 52 establishments employing 630 workers.

These establishments are distributed broadly across the state. The most important companies are DDS Lab, a laboratory that develops custom dental equipment in Tampa (FL-14); and Plaza Construction, a subsidiary of China Construction America, in Miami (FL-24).

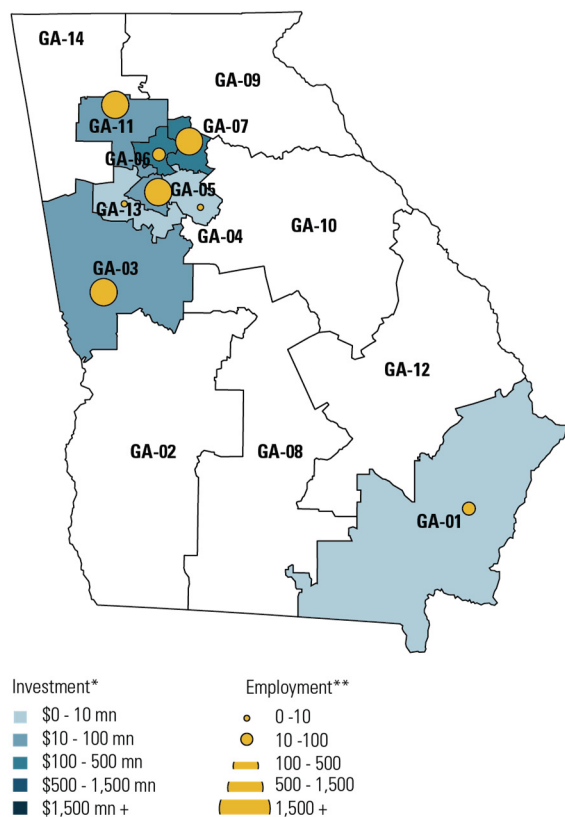
The year 2015 was important for Chinese investment in Florida, as major investment more than tripled the level of FDI. In August, real estate group Dalian Wanda purchased World Triathlon Corporation, the organizer of Ironman Triathlons headquartered in Tampa (FL-14), for \$650 million. The investment is part of Wanda's push into the entertainment sector and seeks to expand the market for Ironman events in China. The company employs around 120 people in the area.

Florida also experienced once of the few closures of 2015. As a result of global restructuring, as Motorola Mobility shut down its R&D center in Plantation (FL-22). The center formerly employed over 200.²²

Overall, Chinese investment in Florida remains low given the dynamism of the state's economy. Tourism, real estate, and agriculture are likely to interest Chinese investors aiming to expand their footprints in Florida.

²² See "Motorola Mobility facility in Plantation to close", *Sun Sentinel*, August 13, 2015, <http://bit.ly/1T5lIEW>.

2.3.3 GEORGIA



Georgia is home to 53 Chinese-owned entities, which employ more than 1,300 workers in the state. Total investment from 2000 to 2015 amounted to \$470 million. Most Chinese establishments are located in the Atlanta metro area.

One of the landmark Chinese investments is a greenfield manufacturing and distribution facility by construction machinery maker Sany in Peachtree (GA-03). After initial difficulties, Sany achieved its first profitable year in 2014.

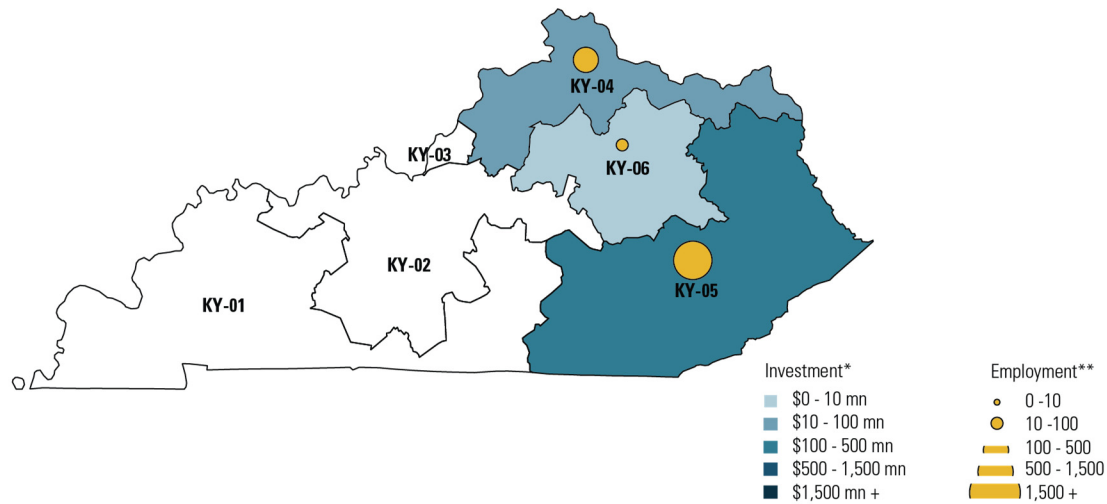
Other important Chinese-owned companies include Hirsch Bedner Associates, an interior design firm focused on hotels, as well as Noble-Interstate Management Group, a hospitality management firm. These provide together over 250 jobs. Other investments in Atlanta include the Hilton Atlanta Northeast hotel and a facility of AppTec Laboratory Services. Outside Atlanta, in Suwanee (GA-07), Chinese appliance company Hisense has established an R&D center.

In 2015, Shunfeng Clean Energy acquired a majority stake in Suniva, a solar cell manufacturer headquartered in Norcross (GA-07). The company employs around 200 people in the area and hopes to add greater manufacturing capacity and up to 300 new jobs in the coming years.²³

Georgia's importance in the US economy and its exposure to global FDI mean that there is room for attracting higher levels of Chinese FDI. The logistics and distribution industry in the Savannah area is an example of a sector yet to attract Chinese investors. Other important US shipping and logistics clusters in New Jersey, Oregon, Washington, and California have all received substantial Chinese investment.

²³ See "Shunfeng takes majority stake in U.S. solar manufacturer Suniva", *Reuters*, August 12, 2015, <http://reut.rs/1UzcZAf>.

2.3.4 KENTUCKY



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Kentucky attracted nearly \$270 million of FDI from Chinese investors from 2000 to 2015. The state has six Chinese operations in total, which are located in the eastern districts of the state. All six establishments are employment-intensive manufacturing operations, which together employ almost 1,600 people.

The most important employer is now Chinese-owned Smithfield Foods. Smithfield operations in Grayson and Middlesboro (KY-05) provide over 1,200 jobs together.

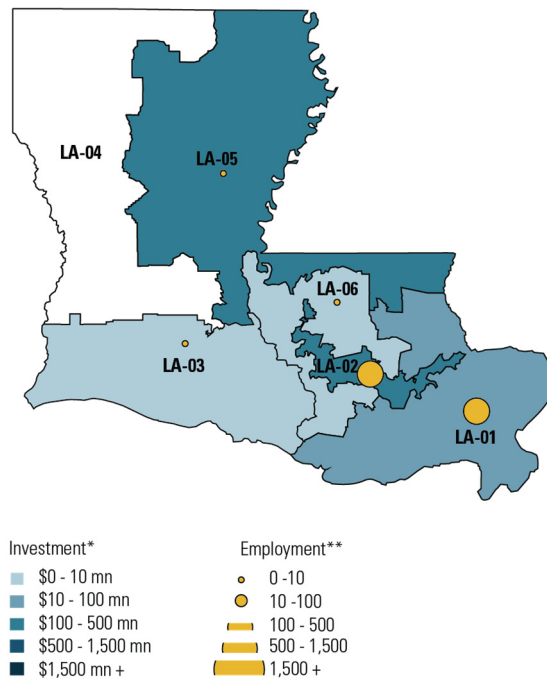
BOGE Rubber & Plastics produces industrial components in Hebron (KY-04) and employs 175 people. In 2013 Birtley, a coal processing equipment manufacturer, was the first major greenfield investment from China in

Kentucky's history. The facility in Lexington (KY-06) created over 30 jobs.

In 2015, the acquisition of electrical equipment maker Prestolite (headquartered in Michigan) included a plant in Florence (KY-04).

Considering Kentucky's overall economic profile, the state's automotive industry could be an important attractor for future Chinese investors, given demonstrated interest in the sector in other parts of the country.

2.3.5 LOUISIANA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Chinese investment in the Pelican State totaled \$910 million from 2000 to 2015. Louisiana has 15 Chinese-affiliated companies, providing 270 jobs.

The low employment to investment ratio is largely due to Sinopec's investment in the Tuscaloosa Marine Shale, which did not generate significant direct employment.

Another important investment is a stake by Chinese exploration company BGP in ION Geophysical, an oil and gas exploration and engineering firm. ION Geophysical's marine imaging services division is based in Harahan (LA-01) and has more than 100 employees. Chinese investors also own the Hilton Garden Inn in Baton Rouge (LA-02).

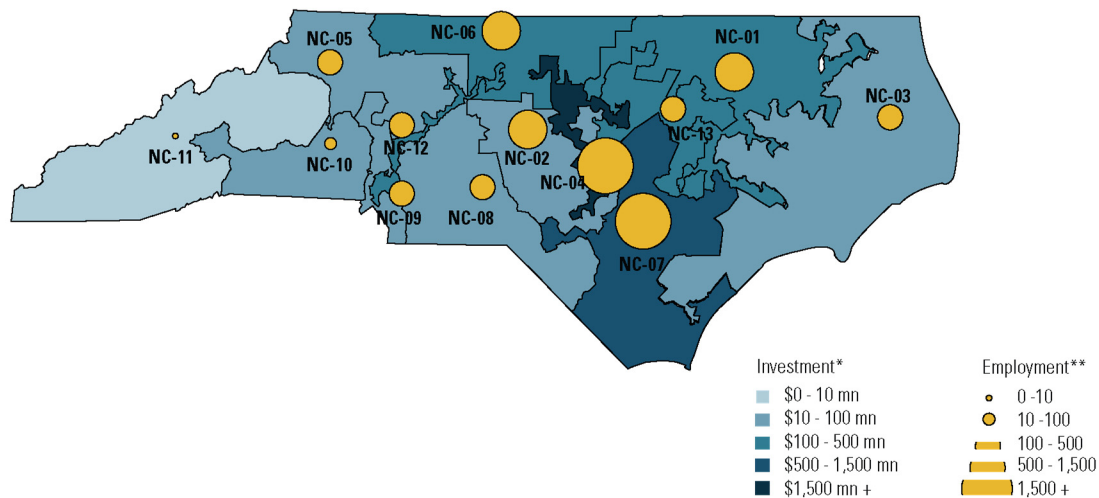
A major project under construction is Shandong Yuhuang's \$2 billion investment in a methanol plant in St. James Parish (LA-02). This will entail a massive capital investment and eventually over 400 permanent jobs.²⁴ The project broke ground in October 2015. While it has not yet created permanent jobs, the construction phase is already indirectly contributing to the local economy.²⁵

Chinese interest in the Louisiana oil, gas, and chemical industries, reflects the importance of those sectors to the state economy. Other potential growth sectors include agribusiness and manufacturing, which have not yet attracted Chinese investment.

²⁴ "Shandong Yuhuang Chemical Co. Breaks Ground on \$1.85B Ethanol Plant in Louisiana", *ENR Texas & Louisiana*, October 14, 2015, <http://bit.ly/1SxVUuI>.

²⁵ Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.3.6 NORTH CAROLINA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

With nearly \$5.7 billion invested, North Carolina is the fourth highest recipient of Chinese investment in the US. The more than 80 Chinese affiliates in the state currently provide over 15,000 jobs. This presence is partly the consequence of major Chinese acquisitions of US firms located in North Carolina (IBM, Smithfield). In recent years there also been strong organic growth of Chinese companies in the state.

Smithfield is a particularly significant employer in North Carolina operating 14 facilities in the state with more than 8,000 employees. These are spread through NC-01, NC-03, NC-08, and NC-09, and most importantly NC-07. The Tar Heel facility (NC-07) is the world's largest pork processing facility.

The second top employer in North Carolina is Lenovo, which has a 10-year track record and nearly 5,000 employees. In 2005, Lenovo acquired IBM's personal computing business including its operations in the Research Triangle (NC-04). Since 2008, Lenovo has also operated a manufacturing facility in Whitsett (NC-06). In 2014, Lenovo completed the acquisition of IBM's x86 server business, which is also located in the Research Triangle.²⁶ In 2015, Lenovo laid off 165 workers in this

division due to restructuring and a different market structure.²⁷

Chinese companies have also invested in North Carolina's furniture industry, including Fine Furniture and Design, a greenfield investment in High Point (NC-06), Schnadig Corporation in Greensboro (NC-12), and Talon Systems in Statesville (NC-05).

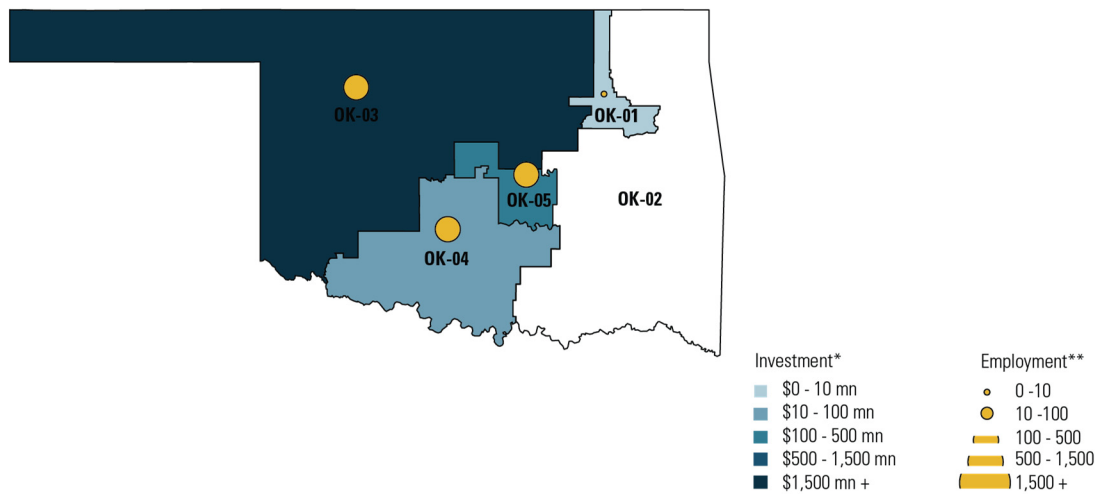
NC-09 is home to a large number of medium-sized companies such as Jetion Solar, a solar panel manufacturer in Charlotte. NC-13 is home to another major Chinese subsidiary, Epic Games. The video game developer is owned by Chinese internet giant Tencent and provides around 350 jobs in Cary.

North Carolina has undergone major structural adjustments from the reorganization of global value chains, for example in its historically important textile and furniture industries. The state has opportunities to expand Chinese capital inflows, especially in its high-technology sectors (including information technology and biotechnology) and other service industries.

²⁶ See "Lenovo in the United States", *Lenovo*, 2012, <http://lnv.gy/1lh2KRr>.

²⁷ See "Lenovo laying off 165 Workers in the Triangle", *The News & Observer*, May 11, 2015, <http://bit.ly/1MphWdn>.

2.3.7 OKLAHOMA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Chinese companies have invested nearly \$1.9 billion in Oklahoma's economy since 2000. The state hosts 21 Chinese establishments in the state, providing over 1,000 jobs. New operations more than doubled employment from Chinese investors in 2015.

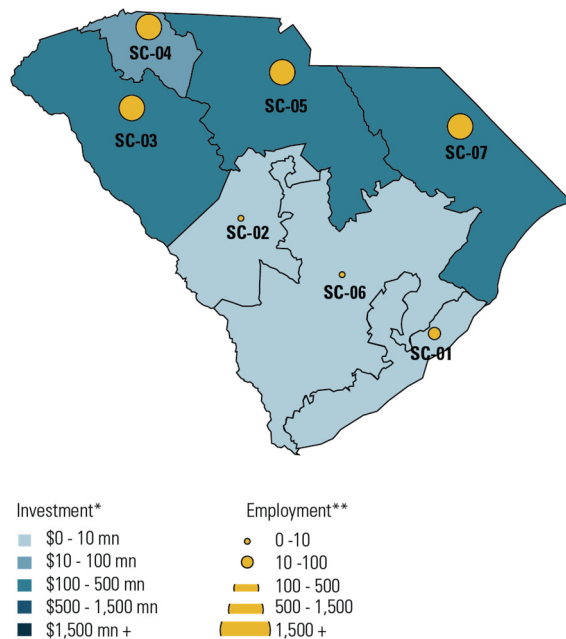
The capital-intensive joint venture between Chesapeake Energy and Sinopec to exploit the Mississippian Lime (OK-03) accounts for the majority of Chinese investment. Sinopec owns the Oklahoman portion of this deposit. However, there is no substantial direct employment associated with this investment.

One important source of employment is the various operations of Smithfield subsidiary Murphy-Brown, which has extensive farming activities in Beaver, Ellis, Harper, and Laverne in OK-03.

Two major acquisitions in 2015 mean that Chinese investors now provide an additional 500 jobs. In Frederick (OK-04), AVIC's newest US subsidiary Henniges operates a manufacturing plant. In Oklahoma City (OK-05) pharmaceutical manufacturer Hepalink acquired Cytovance. The biopharmaceutical firm employs nearly 200 in the greater city. These two investments attest to the increasingly diverse interests of Chinese investors across the state and the region that are looking beyond initial attractions such as energy.

While these investments are few in number, the jobs provided by Smithfield, Henniges, Cytovance, and Sinopec's capital are important for Oklahoma, which is otherwise not a major recipient of foreign investment. Future opportunities could be in a wider range of sectors, including the civil aerospace industry.

2.3.8 SOUTH CAROLINA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

South Carolina is an important destination for Chinese investment, with \$610 million in total since 2000. It is home to some of the earliest Chinese investments in the US, most notably Haier, the first Chinese company to invest in a greenfield manufacturing facility in America. Today the state has 32 Chinese establishments, which provide nearly 1,300 jobs.

Haier opened its first manufacturing facility in Camden (SC-05) in 2000 at a cost of \$40 million. The company began by entering the market for dormitory mini-fridges and has grown steadily since. While Haier has relocated its North American headquarters to New Jersey, its Camden plant has grown to about 250 jobs. It has also started exporting refrigerators back to the Chinese market.²⁸ In 2015, the plant announced its largest

expansion since opening, with plans to add 410 new jobs and invest \$72 million over the next four years.²⁹

Other notable operations include American Yuncheng Gravure Cylinders (SC-04) and Greenfield Industries (SC-03). American Yuncheng Gravure Cylinders is a greenfield manufacturing operation producing plastic film that has benefited enormously from being closer to US clients, such as Coca-Cola. Greenfield Industries was part of Kennametal, the machine toolmaker, until its purchase by Top Eastern Drill in 2009. Due to a slowdown in business, its Seneca facility was in danger of shutting down and its workers furloughed. Top Eastern Drill rehired the entire workforce and the company has since added a further 100 workers.³⁰ Bluestar Silicones has operated an R&D center in York (SC-05) since 2012. In 2015, Shanghai Pret acquired a plastics recycling company in Greer (SC-07), Wellman.

Keer Group, a textile manufacturer, has recently begun construction on a plant that will produce industrial yarn in Indian Land (SC-05). The company has committed to invest \$218 million and completed its first phase in February 2015. The second phase of construction is under construction as of March 2016 and will eventually create over 500 jobs.³¹

South Carolina's Chinese investment has grown strongly over the past year, but there could be more to come. Chinese interest elsewhere in automotive manufacturing and biotechnology has yet to result in major investment in the state.

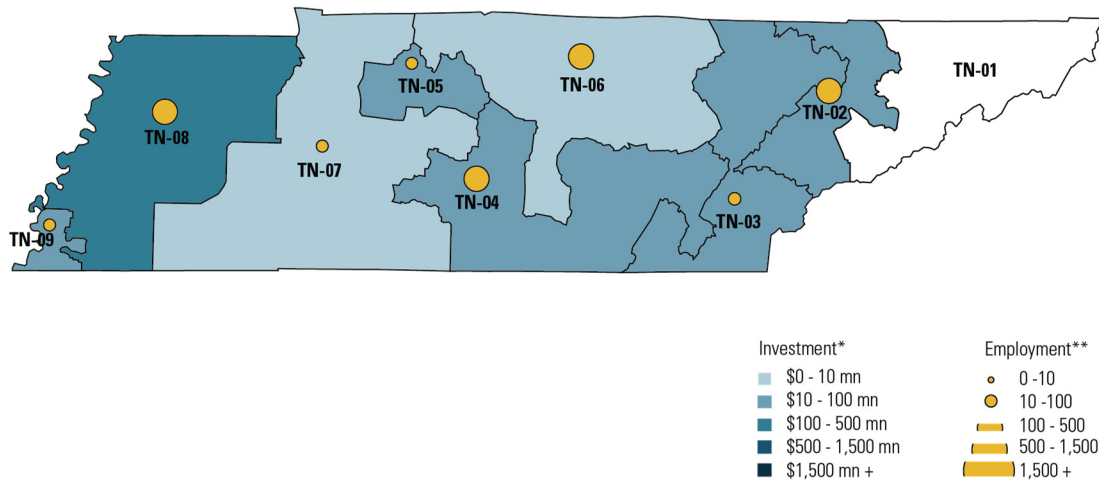
²⁸ See "Home appliance maker Haier taking on America", *China Daily*, August 3, 2014, <http://bit.ly/1GPsNtn>.

²⁹ See "Haier America expands Kershaw County operations", *South Carolina Department of Commerce*, August 20, 2015, <http://bit.ly/1ETEuiK>.

³⁰ See "American Made... Chinese Owned", *Fortune*, May 7, 2010, <http://for.tn/1Jrkmdr>.

³¹ See "This Chinese Company Moved Production to South Carolina to Save Money", *The Wall Street Journal*, February 17, 2016, <http://on.wsj.com/1R9nKM8>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.3.9 TENNESSEE



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Tennessee has attracted more than \$480 million of Chinese FDI in the past 16 years. Today 19 Chinese establishments provide nearly 920 jobs across the state. The majority of jobs are in manufacturing.

In Fayetteville (TN-04), Copperweld Bimetallics was renamed Fushi Copperweld after its acquisition in 2007. The facility has a 40-year history and provides more than 100 jobs. In Gallatin (TN-06), ABC Group Fuel Systems, which manufactures automotive fuel systems, provides 200 jobs. MicroPort acquired Wright Medical Group's OrthoRecon division, headquartered in Arlington (TN-08) and employing 300 workers.

Yanfeng Auto USA, a Chinese subsidiary that produces automotive interior trim components, plans to build a

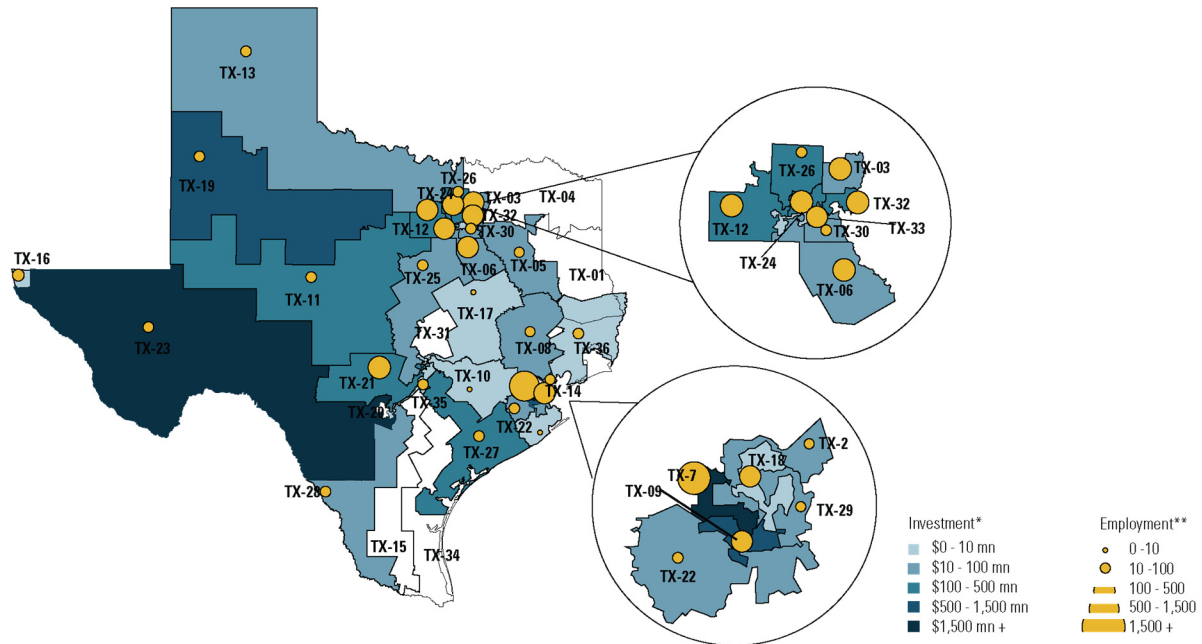
new facility in Chattanooga (TN-03) to supply Volkswagen's new SUV, which is manufactured at the German car maker's nearby plant. Yanfeng's new facility could provide around 330 jobs to the area and is scheduled for completion in late 2016.³²

Chinese presence in Tennessee is consistent with the state's commitment to advanced manufacturing. While Chinese investment already covers a wide range of sectors, the actual volume of investment is still relatively small when compared to Chinese investment in other states and to Tennessee's own success in attracting global FDI. This discrepancy suggests there is room for growth in the coming years.

³² See "Chinese auto parts company eyes Chattanooga for plan to supply VW", *Times Free Press*, March 14, 2015, <http://bit.ly/1lh42Mr>; "Auto supplier Yanfeng to invest \$55 million in Chattanooga", *Times Free Press*, July 7, 2015,

<http://bit.ly/1kJJLKe>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.3.10 TEXAS



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Texas is one of the major sites of Chinese FDI in the US, with more than \$7.4 billion in investment from 2000 to 2015. A total of 159 Chinese establishments in Texas employ more than 3,600 local workers. Chinese investments cover a diverse set of sectors, from real estate and oil to advanced services. Western Texas districts have attracted capital-intensive investments in energy, while the employment-intensive investments are in the Houston and Dallas-Fort Worth areas.

Investments in the Houston area are primarily in energy. Nexen, a wholly owned subsidiary of China National Offshore Oil Corporation (CNOOC), has a large regional office in Houston and offshore oil assets in the Gulf of Mexico (which are attributed to the headquarters). Other energy investments in the Houston area include Friede Goldman, which focus on drilling rig design (TX-09); INOVA, a geophysical engineering joint venture between ION Geophysical and BGP (TX-09); offices and real estate investments by Sinopec (TX-07); Sinochem's investment in the Wolfcamp Shale (TX-11); and CNOOC's joint venture in the Eagle Ford Shale (TX-23). Despite national and global difficulties in the oil industry in 2015, Chinese investors made a major \$1.3 billion investment in oil fields in Howard and Borden counties (TX-19).

The Dallas/Fort Worth metro area is home to small- and medium-sized greenfield operations by Chinese companies in TX-05, TX-06, and TX-24. Plano (TX-03) hosts an office of Chinese telecoms giant Huawei that employs more than 300 people. San Antonio (TX-21) hosts an office of Catapult Systems, an IT consulting firm. Kerrville (TX-21) is home to Mooney Aviation, a private aircraft manufacturer acquired by Meijing Group in 2013. The manufacturer was dormant since 2008, but restarted production since the acquisition. It hopes to move into the rapidly expanding Chinese private aviation market.³³ One of the largest greenfield investments in Texas is TPCO America's plant for aluminum pipes in Gregory (TX-27). Construction is currently underway at the \$1 billion facility. The second phase of the project has already begun and the plant is expected to be operational by mid-2016 with an estimated job count of up to 800.³⁴

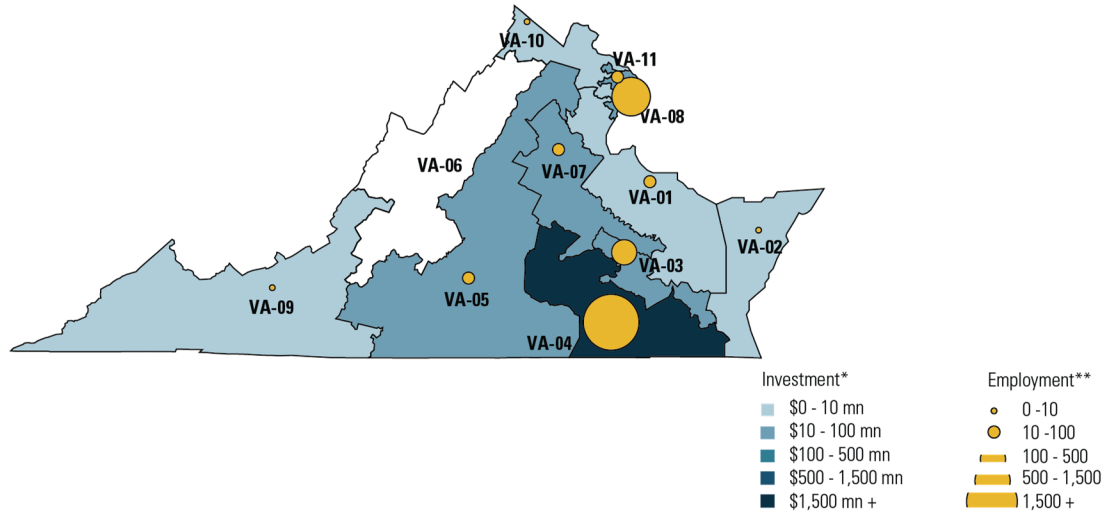
While Chinese FDI is well represented in the state's storied energy sector, major areas of the Texan economy are largely untapped by Chinese investors. With few exceptions, there has been little investment in technology or aerospace, both of which are major attractions for foreign companies.

³³ See "Chinese group buys Mooney to revive production: report", *Flightglobal*, October 9, 2013, <http://bit.ly/iiZZpue>.

³⁴ See "Heavy rains not dampening TPCO America Mill", *AMM*, April 15, 2015, <http://bit.ly/1RdQJna>. Future expenditures and

jobs of pending deals or projects currently under construction are not included in the data.

2.3.11 VIRGINIA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Since 2000, Virginia has received over \$2.2 billion in Chinese investment. More than half of this investment is due to the takeover of Smithfield Foods, which is headquartered in the state.³⁵ In total, 39 Chinese establishments in Virginia employ nearly 5,000 people.

Smithfield Foods was acquired by Shuanghui (now WH Group) in 2013 in the largest-ever Chinese acquisition of a US company in history. Smithfield has its headquarters and six additional significant subsidiaries in VA-01, VA-03, and VA-04. These subsidiaries together employ nearly 4,000 people. Since the change of ownership, Smithfield has maintained its operations in Virginia and expanded business in China. WH Group, which is now listed on the Hong Kong stock exchange, hopes to utilize Smithfield's brand and technology to succeed in China's rapidly growing pork market. WH Group's access to the Chinese market has the potential to revitalize Smithfield's growth.

Another important Chinese investment is an announced paper processing plant in Richmond (VA-04) by Tranlin Paper. Tranlin plans to invest \$2 billion in a complex to house both its manufacturing capabilities and North American headquarters, which would mark the largest Chinese greenfield investment to date. The project broke ground in October 2015. The company hopes to employ 2,000 workers at its facility by 2020.³⁶ It will produce paper using straw purchased from local farmers, spending an estimated \$50 million a year on procurement of Virginia agricultural products.³⁷

While host to the largest-ever Chinese US acquisition, Virginia has received comparatively little investment in other sectors. Chinese investors have been notably absent from Virginia's service and high-technology sectors, which otherwise attract foreign interest.

³⁵ Our data attributes certain assets of acquired companies to the headquarters location. For details, see the Data Appendix.

³⁶ Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

³⁷ See "Chinese companies make major investments in Tri-Cities", *The Progress Index*, March 23, 2015,

<http://bit.ly/1zBRqfS>; "Chinese paper firm seals first land deal", *Richmond BizSense*, April 14, 2015, <http://bit.ly/1PoQTuV>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.3.12 OTHERS

Arkansas

The Natural State has recorded cumulative investment of \$19 million since 2000, with six Chinese establishments today. These provide fewer than 30 jobs. The civil aspects of Arkansas's aerospace industry could attract Chinese investment in the future.

Mississippi

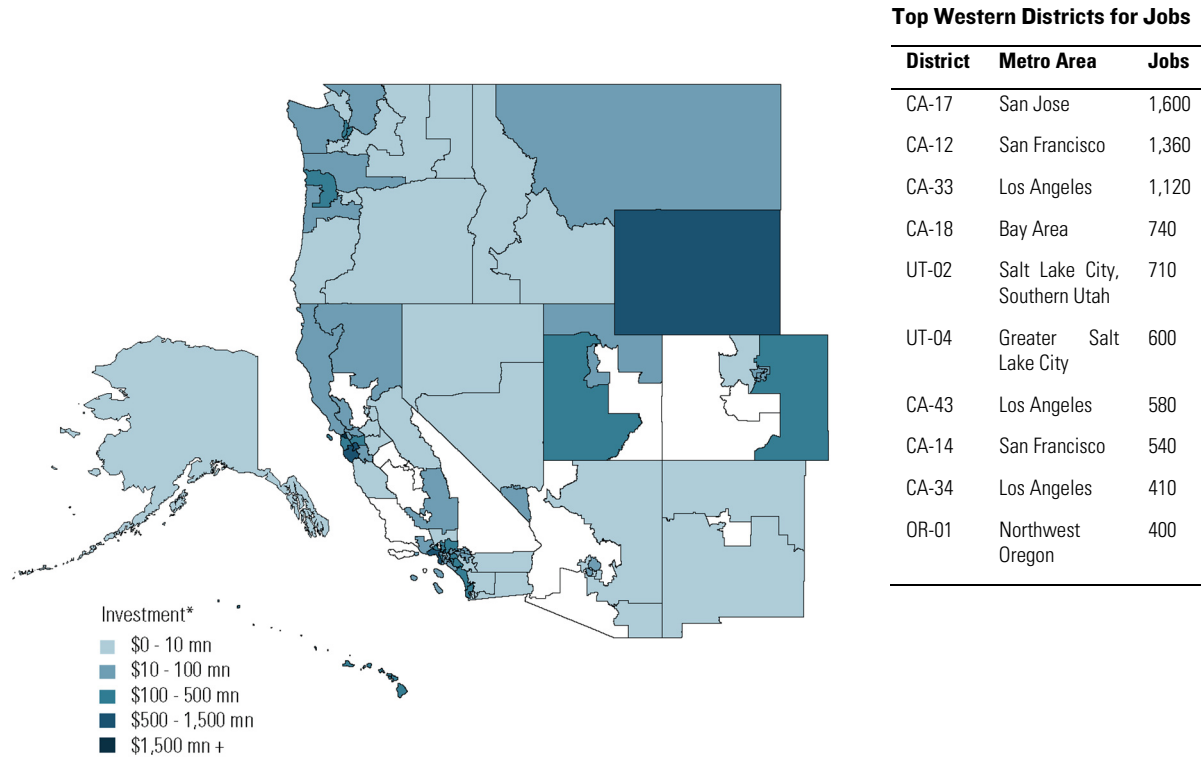
Mississippi currently has few significant Chinese-affiliated operations. The first Chinese investments in the state occurred in 2015. Chinese conglomerate Fosun's acquisition of insurance company Ironshore included an office in Ridgeland, just outside Jackson (MS-03). Within the city, Seraphim Solar, a solar PV manufacturer constructed and commenced trial operations at a new plant.

It has low overall levels of FDI, but the competitive cost of doing business could be an advantage in attracting future investment from China.

West Virginia

West Virginia does not presently have any major Chinese-owned establishments. The Mountain State's outstanding natural beauty could attract Chinese investment in tourism and hospitality as those sectors continue to grow.

2.4 THE WEST



Source: Rhodium Group. *Cumulative value of Chinese FDI Transactions, 2000-2015

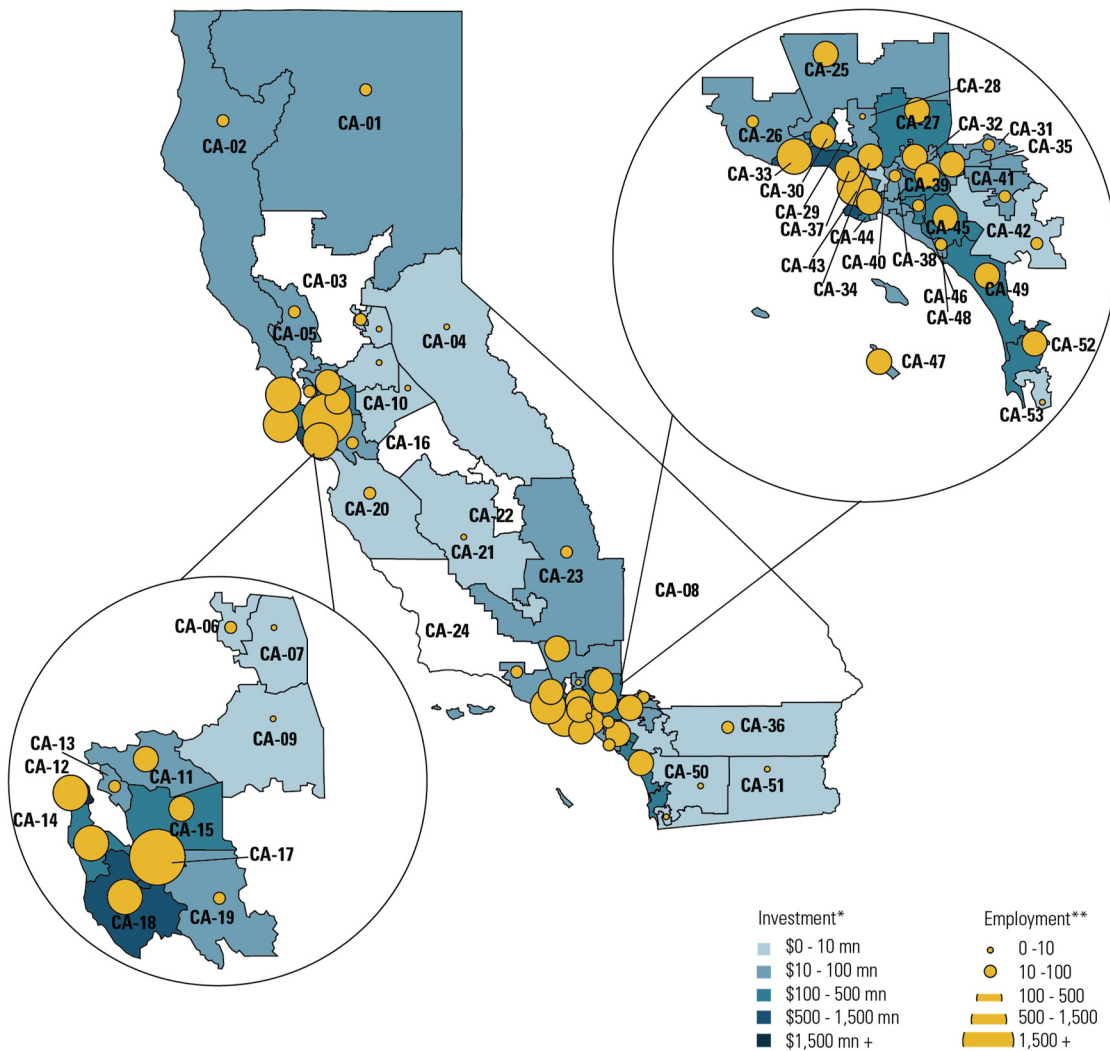
The West attracted over \$10 billion of Chinese investment from 2000 to 2015, covering a wide range of sectors from software development and biotech to real estate, energy, and manufacturing. However, investments are heavily concentrated in one state: California is the top recipient of Chinese investment nationwide while the region as a whole has received the lowest amount overall. Nonetheless, Chinese investment in the region continued to grow, with \$2.4 billion invested last year.

Top districts in the West are primarily located in California, including San Francisco (CA-12), San Jose and the southern Bay Area (CA-17), and parts of Los Angeles (CA-34). Investment is mostly concentrated on technology, renewable energy, biotechnology, and real estate. Eastern Colorado (CO-04) and Wyoming's at-large congressional district (WY-01) have attracted investments in the energy sector.

With regard to employment, California leads the ranking in the West. Nearly 9,500 Californians are on the payroll of Chinese employers, more than in any other state in the Union. The top districts are in the San Francisco Bay Area (CA-12, CA-14, CA-17, and CA-18) and Los Angeles (CA-33, CA-34, and CA-43). Other areas with strong job provision include Salt Lake City and southern Utah (UT-02 and UT-04).

Important companies include Chinese tech firms such as Baidu, Huawei, and Alibaba (CA-17, CA-17, and CA-14), and real estate investors like Shenzhen New World Group (CA-30 and CA-34). HNA Group's new subsidiary Red Lion Hotels is headquartered in Spokane (WA-05), with a presence across nearly all the Western states.

2.4.I CALIFORNIA



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

California is the number one destination for Chinese investment in the US, with aggregate investment of \$8 billion since 2000. The state has 452 Chinese establishments that provide more than 9,500 local jobs. These are concentrated in the San Francisco Bay Area and greater Los Angeles, spread across a wide range of industries but with a particular focus on high-tech and real estate.

The southern Bay Area districts of CA-17 and CA-18 are significant beneficiaries of Chinese investment in terms

of both investment and employment. Chinese investors are attracted to the available talent pool and research clusters. Major establishments include the thin-film PV solar cell manufacturer, MiaSole (CA-17). Chinese solar firm Hanergy acquired the company in 2013 and it employs nearly 200 workers. Other high-tech companies in the area include solar power developer Alta (in CA-17, also acquired by Hanergy), medical software developer Zonare Medical Systems (CA-18), and video game developer Perfect World's subsidiary Cryptic Studios (CA-18).

Chinese telecoms giant Huawei has an R&D center with more than 200 workers in CA-17. Baidu, the Chinese search engine giant, has opened an artificial intelligence laboratory in Sunnyvale. Taken together, Chinese firms provide more than 2,300 jobs in CA-17 and CA-18. A new investment in 2015 was the acquisition of semiconductor firm Integrated Silicon Solutions by a Chinese consortium. The company headquarters are in Milpitas (CA-17), and the acquisition was the first prominent investment in a new wave of Chinese interest in the US semiconductor industry. One Chinese-owned company, Complete Genomics in Mountain View (CA-18), let go most of its 250 staff in fall 2015 as part of an overhaul in its business strategy.³⁸

CA-12 in San Francisco is home to a number of medium-sized operations, primarily in technology. Deem, a business services operation, was acquired by ChinaSoft in 2014. San Francisco also received investments in financial services, mobile technology, and education companies. Real estate is also an attractive target, as evidenced by the 225 Bush Street purchase by a Chinese consortium.

As San Francisco's technology sector continued to boom in 2015, Chinese investment grew quickly in the district. Increasingly, Chinese firms are choosing to take stakes in startups. An example is Didi Kuaidi's investment in taxi app Lyft. Oceanwide also acquired a new major development site at First and Mission streets in downtown San Francisco.

Alibaba is an important investor in the San Francisco Bay Area districts, with investments in video game developer Kabam (CA-12), smaller e-commerce companies like Shoprunner and Vendio (both CA-14), and the messaging application Tango (CA-18).

The other major cluster of Chinese FDI in the Golden State is in the Los Angeles metro area, which has attracted large real estate investments such as Dalian Wanda's purchase of the site of the former Robinsons-May department store in Beverly Hills and Shenzhen New World Group's purchase of the Sheraton Universal Hotel (CA-33 and CA-30). New World also owns the Los Angeles Marriott in CA-34. The district also hosts two major new Chinese real estate developments, Greenland Group's Metropolis project and Oceanwide's Fig Central. Both are mixed retail-residential complexes with total investment of nearly \$2 billion.³⁹

Other operations in the LA area include Tencent-owned Riot Games, the developer of League of Legends (CA-33). Wanxiang also purchased the assets of Fisker Automotive in Anaheim (CA-39). In 2011, Fisker announced its luxury hybrid the Karma to much fanfare, but has struggled in the ensuing years. Wanxiang relaunched a rebranded Fisker as Elux and announced plans to lease a factory for production in the Moreno Valley (CA-45).

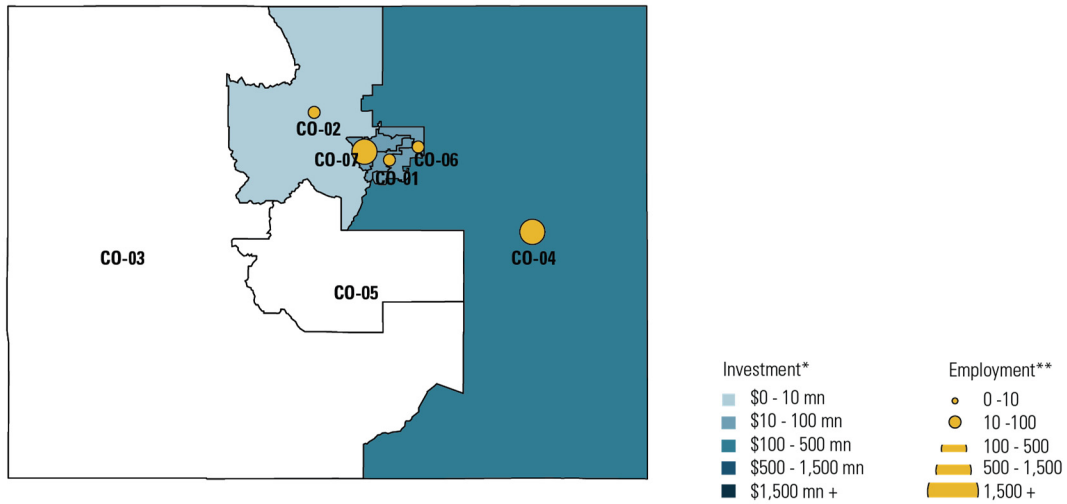
While California is already the top destination of Chinese capital, many opportunities exist for further growth. Notably, there is almost no investment outside the San Francisco Bay Area and greater Los Angeles. Chinese investors are yet to tap into California's huge agricultural sector and other industries in its highly diverse, mature economy. Aerospace and entertainment also promise to attract greater Chinese interest in the future. After some smaller investments, we recorded the first major Chinese acquisition in Hollywood in early 2016, Wanda's acquisition of Legendary Pictures for \$3.5 billion.

³⁸ See "BGI Halts Revolocity Launch, Cuts Complete Genomics Staff as Part of Strategic Shift", *Genomeweb*, November 23, 2015, <http://bit.ly/1PWk5Sd>.

³⁹ See "Work gets underway on stalled Fig central complex L.A. Live", *Los Angeles Times*, December 24, 2014,

<http://lat.ms/1QnizW3>. Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.4.2 COLORADO



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

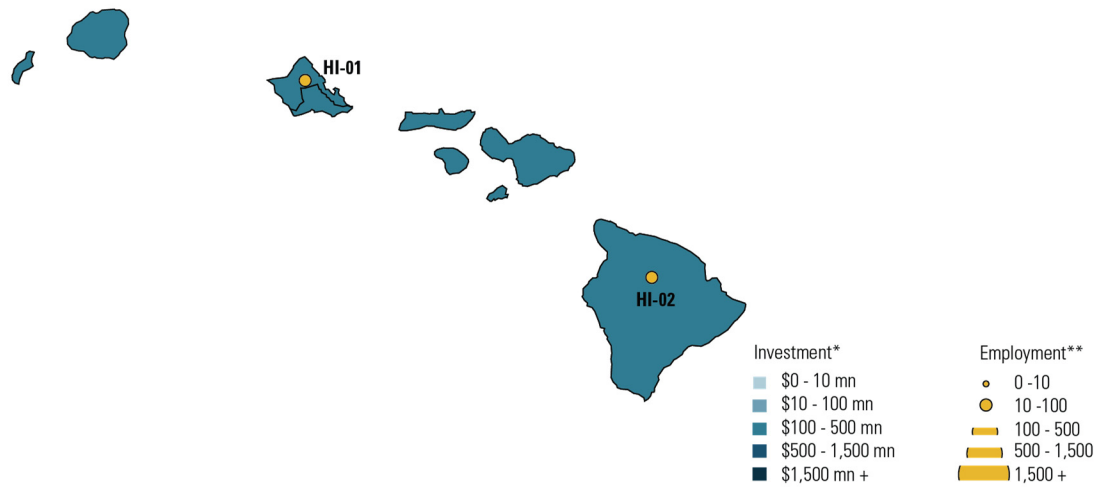
Colorado has received over \$510 million of Chinese investment since 2000. The state hosts 25 Chinese establishments that are responsible for over 600 local jobs.

The majority of investment is related to energy acquisitions, such as CNOOC's stakes in the Niobrara Shale. These investments are not, however, very labor-intensive. Most of the employment associated with Chinese investment stems from two Smithfield subsidiaries in Denver (CO-07) and Yuma (CO-04).

Together these two operations provide over 370 jobs. Other significant companies in Colorado include IT consultancy firm Catapult Systems and oil and gas engineering firm ION Geophysical, both in greater Denver (CO-06 and CO-01, respectively).

Colorado's attractiveness for R&D-intensive activities in sectors like renewable energy and biotechnology suggest Chinese investment can continue to grow and diversify.

2.4.3 HAWAII



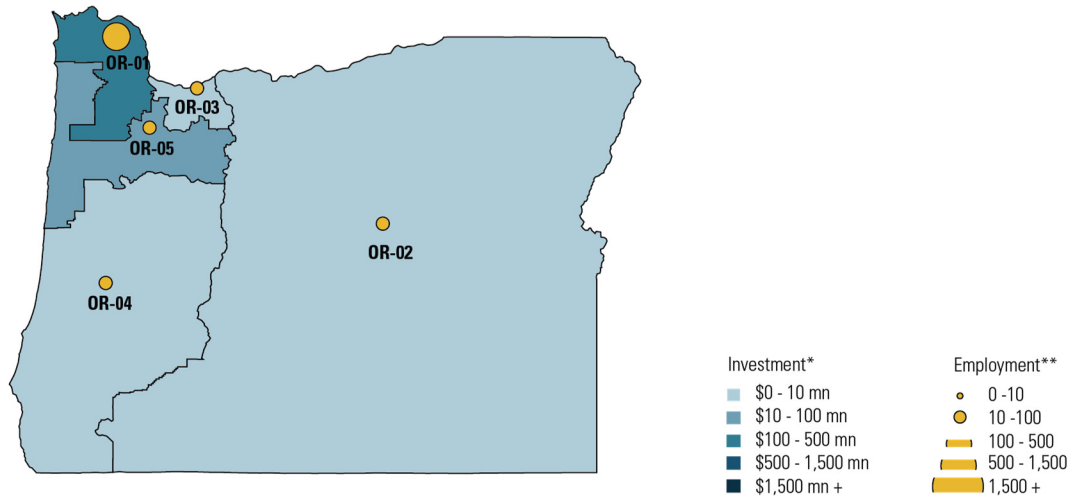
Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Hawaii is home to four Chinese establishments. Total investment from 2000 to 2015 has exceeded \$400 million, with four operations providing 80 jobs. The major investment is a hospitality joint venture (Princeville Resort in HI-02).

In 2015, Chinese investment continued to grow as developer Oceanwide purchased a large parcel of land on Oahu slated for a major resort. Growing Chinese tourism in Hawaii could help to boost hospitality investments and generate investments in other sectors as well.

While investment by Chinese companies in Hawaii has been low to date, it is an important destination for residential real estate and other investment by Chinese household (which is not counted in our analysis).

2.4.4 OREGON



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Oregon is an important destination for overall FDI in the US, but it has only attracted \$180 million of Chinese investment to date. The state has 23 Chinese establishments providing nearly 530 jobs. Prior to 2015, Oregon had not received significant Chinese investment, but a handful of transactions in the most recent year has more than doubled total investment value and added 500 jobs.

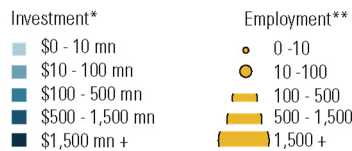
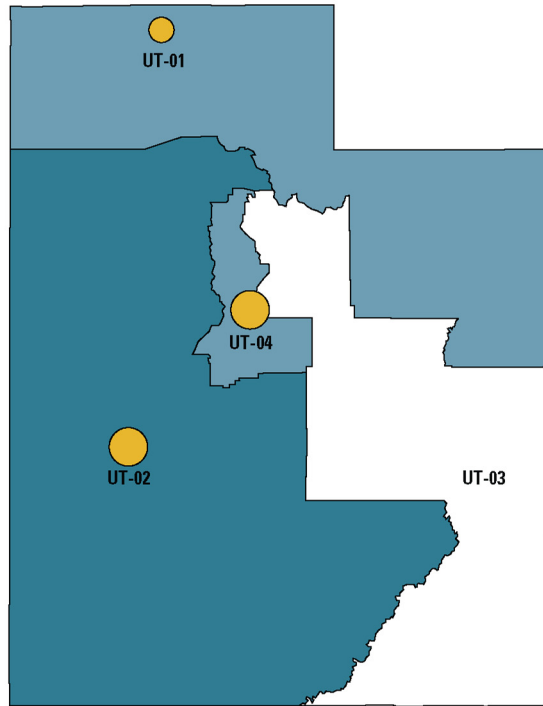
The acquisition of Planar Systems, headquartered in Beaverton with a manufacturing facility in Hillsboro (both OR-01), is the most significant investment to date. The company designs and manufactures LED display products. HNA Group's acquisition of Red Lion Hotels, a Washington-based hotel chain with significant presence in its neighboring state (14 hotels across Oregon's five congressional districts), also added jobs to Chinese payrolls.

One pending project of importance to the Columbia River Valley is a proposed joint venture to build three methanol plants in Washington and Oregon. The Oregon plant would be in St. Helens, built with an investment of \$1 billion.⁴⁰ The project is on track to receive permission late 2016.

Despite significant growth in 2015, Oregon has still not attracted significant Chinese investment. Sectors such as forestry and wood products could attract further investment from China.

⁴⁰ Future expenditures and jobs of pending deals or projects currently under construction are not included in the data.

2.4.5 UTAH



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

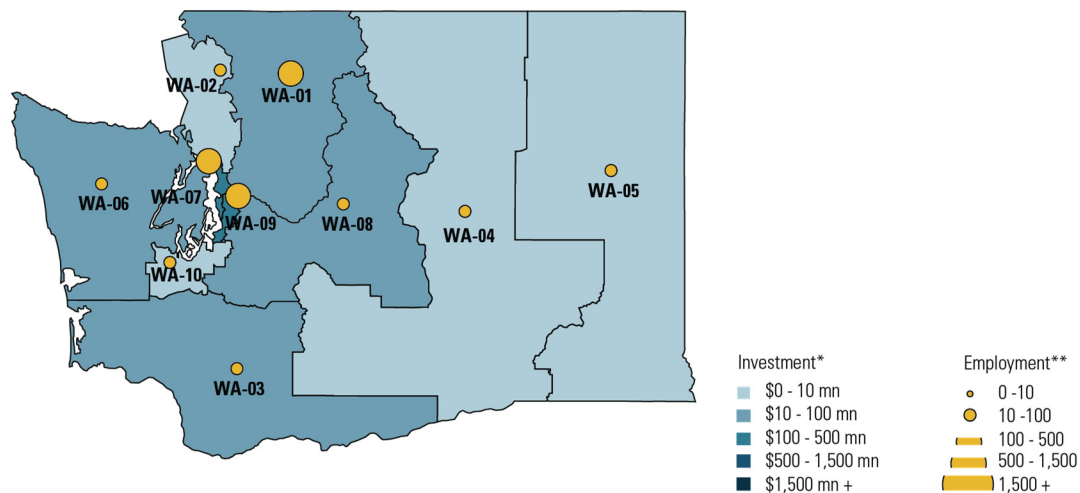
Utah has received over \$220 million of Chinese investment, and now has 17 local establishments. Most of the Chinese activity is in employment-intensive manufacturing, which provides almost 1,500 jobs.

UT-02 is home to two Smithfield subsidiaries, Circle Four Farms in Milford and Farmland Foods in Salt Lake City, which together provide over 600 jobs.

Fosun Pharma is an investor in and partner of Nature's Sunshine Products. The company's operations in Lehi and Spanish Fork employ 600 people. The partnership with Fosun will allow Nature's Sunshine Products to expand into the Chinese market.

While Utah is not a major attractor of Chinese investment, its agricultural assets could become a new area for investment in the future, especially as Chinese interest in primary agricultural production picks up across advanced markets.

2.4.6 WASHINGTON



Source: Rhodium Group. *Cumulative value of Chinese FDI transactions, 2000-2015. **Number of jobs provided by Chinese establishments as of 2015.

Washington has attracted \$358 million of Chinese investment since 2000. It is a particularly attractive location for small- and medium-sized companies. In 2015, the state was home to 81 Chinese establishments providing over 860 jobs.

Most operations in the greater Seattle area are small-scale greenfield offices of Chinese technology firms, including software companies iSoftstone and ChinaSoft in Kirkland and Redmond (both WA-01), and medical device manufacturer Mindray in Redmond. Glasair Aviation, a manufacturer of recreational airplanes, has operations in Arlington (WA-02). Jilin Hanxing, the Chinese buyer, has kept Glasair in Arlington and retained all staff. In April 2015, a new airplane model, the 'Merlin', took flight from their facility at Arlington Municipal Airport.⁴¹

One acquisition in 2015 that had a major impact was HNA Group's investment in Red Lion Hotels, a chain with 31 hotels spread across the state and headquartered in Spokane (WA-05). It employs over 300 people in the state.

Proposed methanol plants in Kalama and Tacoma are two more potentially large investments. The Kalama project is set to break ground in late 2016 and could entail investment of over \$3 billion.⁴²

Washington is home to many Chinese companies, but total investment remains comparably low. Washington's strength in aerospace, telecommunications, and high-technology sectors should make it an attractive destination for Chinese FDI in the future. Moreover, Washington is a popular destination for investment by Chinese individuals and households, which may also help to boost FDI as well.

⁴¹ See "Chinese firms buys Glasair aircraft builder", *Puget Sound Business Journal*, July 23, 2012, <http://bit.ly/1KMjYV4>; "Glasair's Merlin LSA Takes Flight", *Flying*, April 14, 2015, <http://bit.ly/1PoRhd1>.

⁴² See "Backers say twin \$1 billion methanol plants planned by China-backed joint venture would be safe and environmentally sound", *The Oregonian*, January 22, 2014, <http://bit.ly/1efVFDj>.

2.4.6 OTHERS

Alaska

Alaska received less than \$10 million of investment from China including two air cargo offices and a small oil asset. Resources and shipping could provide opportunities for any future expansion of Chinese investment.

Arizona

The Grand Canyon State is an important destination for overall FDI, but has received comparatively modest Chinese interest. The state has received around \$80 million in total Chinese investment since 2000 and is host to 19 operations that provide more than 270 jobs. In 2015, investment and jobs provided doubled from a low base. The most important investment was Tianshui Huatian's acquisition of FlipChip International in Phoenix (AZ-07), a specialized semiconductor manufacturer that employs over 150 people. Promising sectors for future investments are semiconductors, aerospace and renewable energy.

Montana

Montana has attracted more than \$40 million in investment from Xinjiang Goldwind, one of China's largest wind power companies, but this is the state's sole Chinese investment. Montana's energy sector (particularly wind) seems to be of interest for other prospective Chinese investors.

Nevada

Nevada has received just under \$50 million of Chinese investment. The state hosts 15 Chinese subsidiaries that

provide over 100 jobs. Investors had to walk away from several mining investments due to national security concerns related to US military installations in Nevada. Going forward, entertainment and tourism could provide attractive opportunities to Chinese investors.

New Mexico

New Mexico received its first significant Chinese investments in 2015, including three Red Lion Hotels in Farmington, Gallup (both NM-03), and Grants (NM-02) and Shunfeng's acquisition of Georgia-based Suniva. New Mexico's solar industry could attract more Chinese FDI in the future.

Wyoming

Wyoming records significant Chinese investment (\$770 million), but this is mostly limited to low-employment energy assets. CNOOC owns a stake in the Power River Basin oil project and Sinopec purchased a stake in the Niobrara Shale. Chinese investment in conventional energy looks unlikely in the near-term, but renewables and agriculture could attract Chinese investment.

Idaho

Idaho has ten Chinese establishments that provide fewer than 70 jobs. While this reflects Idaho's weak position in attracting overall FDI, the high productivity of the Idahoan workforce and competitive clusters in advanced manufacturing could provide opportunities for Chinese investment in the future.

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Data Appendix

METHODOLOGY

This report is based on a proprietary dataset derived from Rhodium Group's China Investment Monitor (CIM), which provides comprehensive coverage of Chinese direct investment transactions in the United States. The following pages summarize the nature of the CIM dataset, the steps taken to derive the data used for preparing this report, and important caveats for interpreting and utilizing the data.

The China Investment Monitor

The fast growth of China's outward FDI has elicited great public interest, and there is tremendous demand in the United States and elsewhere in the world for a greater understanding of the patterns of these new flows and the implications. Unfortunately, available official datasets do not allow for a detailed and timely analysis due to significant delays in their publication, and the lack of granular breakdowns by sector and location. Moreover, the extensive use of pass-through locations such as Hong Kong can lead to significant distortions in official statistics, which often only track the immediate source of investment.

Since 2011, Rhodium Group's CIM has allowed the public to track Chinese direct investment transactions in the United States in real time, providing data on variables such as industry distribution and location.⁴³ It tracks all investments by ultimately Mainland Chinese-owned firms in the United States since 2000 with the investment value exceeding \$500,000. The dataset covers greenfield projects (new facilities), acquisitions that result in at least a 10% stake (which is the common threshold for *direct* as opposed to portfolio investment), and the expansion of existing establishments.

The CIM data is compiled through a transactional approach, where single transactions are counted and then aggregated to quarterly or annual totals. The data compilation relies on a research strategy that includes a wide range of different channels including company reports, regulatory filings, commercial databases, media reports, industry associations, investment promotion agencies, industry contacts, and other sources. Each

transaction is coded for a number of relevant variables including investment value, geographic location, industry, business activity, and investor characteristics. All information either comes from official company sources or is estimated based on the type of operation, revenue, number of employees, and other criteria.

The data resulting from this transaction-based approach are not directly comparable to FDI statistics compiled according to Balance of Payments (BOP) principles. The transactions data capture the total value of investment projects by Mainland Chinese companies in the US, but do not distinguish between financing from China and domestic sources. They do not take into account any intra-company flows between a Chinese parent and US subsidiary. As such, the transactions data cannot be used to analyze BOP-related problems and other issues that require a national accounting perspective.

Conversely, the transactions approach avoids the problems commonly related to BOP data, such as the distortions caused by the extensive use of pass-through locations. Moreover, it is able to avoid the significant time lags and gaps in official data and can support the public debate with real-time information on aggregate investment patterns, as well as the distribution of those investments by industry, modes of entry, geographical spread, and ownership.

New Neighbors Data

The *New Neighbors* update report describes the local, operations-based perspective on growing Chinese investment in the US, with a particular focus on the 435 congressional districts. The dataset covers establishments in the US with at least 10% Mainland Chinese ownership or control. Investment by households and individuals, such as in residential real estate, is not covered. For each district, the study presents the aggregate investment from 2000 to 2015, the number of Chinese-affiliated companies at the end of 2015, and the number of jobs they directly provided at that point in time.

The first task was to break down all US companies that came under Chinese ownership by way of acquisitions

⁴³ The CIM is available at <http://rhg.com/interactive/china-investment-monitor>.

into individual subsidiaries. The CIM dataset already included detailed information on the geographic distribution of Chinese greenfield projects, but it previously logged each acquisition at the headquarters location of the acquired company. Breaking down each company to include all relevant US subsidiaries greatly expanded the dataset, as many Chinese-affiliated companies now have a truly national presence—such as Smithfield Foods or AMC theatres—and many companies have a significant regional footprint with a high number of local subsidiaries (such as Wanxiang in Illinois and Ohio, Lenovo in North Carolina, and AVIC in Michigan and Alabama).

In order to provide a comprehensive snapshot of Chinese establishments and employment at the end of 2015, the dataset also needed to be expanded to include major investments that took place *before 2000*, which mostly meant subsidiaries of large state-owned companies—such as Bank of China or China State Construction Engineering Corporation—that were early investors in the United States. Conversely, the data was updated to reflect closures and divestitures of assets. Closures mostly affected smaller-sized operations, but a few significant divestitures impacted the total investment amount. An example is China Investment Corporation’s sale of shares in the utility firm AES in 2013, which brought its control below the 10% direct investment threshold.

These two steps enlarged the dataset from less than 1,000 to more than 1,900 entries. The next task was then to geocode each of those 1,900 subsidiaries with an address in order to allocate them to one of the 435 districts. The most challenging cases were subsidiaries without detailed geographic information due to their small size, or non-disclosure of operations information. Other cases that caused problems were operations that extend into multiple districts, such as Smithfield-owned farms. These operations were split between districts. Another case was energy assets located in the ocean, such as Nexen’s oil platforms in the Gulf of Mexico. In this case, the assets were logged at the company’s headquarters location.

The next step was to allocate the aggregate value of investments (\$59 billion for 2000-2015) to individual subsidiaries. The value of each greenfield project and expansion was already available in the CIM dataset, so this mostly concerned total spending on acquisitions (\$35 billion). If applicable, the value of intangible assets, assumed debt, or non-US assets was attributed to the headquarters location. The remaining value of each transaction was then split between each US subsidiary

according to available proxies for size such as employment, revenue, and other criteria. Thus, the total investment value presented in this report is an estimate that reflects the approximate value of each operation derived from the valuation at the time of the acquisition, not necessarily the value of local assets or actual local capital expenditures.

The most important new set of data that this report details is the direct employment that these 1,913 subsidiaries provide: 90,000 full-time jobs by the end of 2015. These are very conservative estimates and the total number only includes direct, full-time jobs. The number does not include announced future employment, only current jobs. It also does *not* take into account part-time staff or any indirect jobs supported by these subsidiaries, for example, during the construction phase or at suppliers. For minority stakes that remain small but exceed the 10% FDI threshold, for example larger venture capital investments, job counts at the target company were split proportionally to the size of the Chinese investor’s stake. The job estimates are based on a thorough review of every subsidiary. Whenever possible, the estimates are based on information disseminated by the companies themselves in regulatory filings and other materials. If not available, employment figures were conservatively estimated based on a wide range of channels including industry contacts, local journalists, labor unions, online profiles, and other proxies. We also reached out to companies directly to verify our estimates, if needed.

The resulting dataset offers the most comprehensive and detailed snapshot of Chinese-affiliated companies in the United States currently available. It provides a starting point for understanding and discussing the local impacts of Chinese FDI, and for tracking progress and new trends in the future. More granular data points, including company names, may be made available upon request to the National Committee on U.S.-China Relations for members of Congress, journalists, and academic researchers. Future data updates will be made available on www.ncuscr.org/fdi.

DETAILED DATA

District	Jobs	Investment (\$ mn)	Number of Operations	Representative (Affiliation)
Alaska				
AK-01	10	<50	<5	Don Young (R)
Alabama				
AL-01	450	210	6	Bradley Byrne (R)
AL-02	70	<50	<5	Martha Roby (R)
AL-03	0	0	0	Michael Rogers (R)
AL-04	0	0	0	Robert Aderholt (R)
AL-05	0	0	0	Morris Brooks, Jr. (R)
AL-06	0	0	0	Gary Palmer (R)
AL-07	150	100	<5	Terrycina Sewell (D)
Arizona				
AZ-01	10	<50	<5	Ann Kirkpatrick (D)
AZ-02	20	<50	<5	Martha McSally (R)
AZ-03	0	0	0	Raul Grijalva (D)
AZ-04	0	0	0	Paul Gosar (R)
AZ-05	<10	<50	<5	Matt Salmon (R)
AZ-06	50	<50	<5	David Schweikert (R)
AZ-07	170	<50	<5	Ruben Gallego (D)
AZ-08	<10	<50	<5	Trent Franks (R)
AZ-09	20	<50	<5	Kyrsten Sinema (D)
Arkansas				
AR-01	<10	<50	<5	Rick Crawford (R)
AR-02	10	<50	<5	French Hill (R)
AR-03	10	<50	<5	Steve Womack (R)
AR-04	0	0	0	Bruce Westerman (R)
California				
CA-01	70	<50	6	Doug LaMalfa (R)
CA-02	20	<50	<5	Jared Huffman (D)
CA-03	0	0	0	John Garamendi (D)
CA-04	<10	<50	<5	Tom McClintock (R)
CA-05	10	<50	<5	Mike Thompson (D)
CA-06	20	<50	<5	Doris Matsui (D)
CA-07	<10	<50	<5	Ami Bera (D)
CA-08	0	0	0	Paul Cook (R)
CA-09	<10	<50	<5	Jerry McNerney (D)
CA-10	<10	<50	<5	Jeff Denham (R)
CA-11	120	<50	5	Mark DeSaulnier (D)
CA-12	1360	1720	52	Nancy Pelosi (D)
CA-13	40	<50	6	Barbara Lee (D)
CA-14	540	240	23	Jackie Speier (D)
CA-15	170	170	9	Eric Swalwell (D)
CA-16	0	0	0	Jim Costa (D)
CA-17	1600	1260	51	Mike Honda (D)
CA-18	740	580	23	Anna Eshoo (D)
CA-19	90	90	11	Zoe Lofgren (D)
CA-20	40	<50	<5	Sam Farr (D)
CA-21	0	0	0	David Valadao (R)
CA-22	0	0	0	Devin Nunes (R)
CA-23	70	<50	<5	Kevin McCarthy (R)
CA-24	0	0	0	Lois Capps (D)
CA-25	<10	<50	<5	Steve Knight (R)
CA-26	50	60	7	Julia Brownley (D)
CA-27	170	140	20	Judy Chu (D)
CA-28	10	110	6	Adam Schiff (D)
CA-29	0	0	0	Tony Cardenas (D)
CA-30	350	110	5	Brad Sherman (D)
CA-31	40	<50	7	Pete Aguilar (D)
CA-32	150	60	23	Grace Napolitano (D)

District	Jobs	Investment (\$ mn)	Number of Operations	Representative (Affiliation)
CA-33	1120	810	21	Ted Lieu (D)
CA-34	410	950	14	Xavier Becerra (D)
CA-35	170	60	14	Norma Torres (D)
CA-36	10	<50	<5	Raul Ruiz (D)
CA-37	120	<50	12	Karen Bass (D)
CA-38	100	<50	11	Linda Sanchez (D)
CA-39	110	170	11	Ed Royce (R)
CA-40	<10	<50	<5	Lucille Roybal (D)
CA-41	80	<50	<5	Mark Takano (D)
CA-42	20	<50	<5	Ken Calvert (R)
CA-43	580	340	8	Maxine Waters (D)
CA-44	130	<50	8	Janice Hahn (D)
CA-45	320	270	24	Mimi Walters (R)
CA-46	110	150	7	Loretta Sanchez (D)
CA-47	150	<50	7	Alan Lowenthal (D)
CA-48	30	50	5	Dana Rohrabacher (R)
CA-49	180	110	10	Darrell Issa (R)
CA-50	<10	<50	<5	Duncan D. Hunter (R)
CA-51	<10	<50	<5	Juan Vargas (D)
CA-52	180	140	14	Scott Peters (D)
CA-53	<10	<50	<5	Susan Davis (D)
Colorado				
CO-01	60	<50	5	Dianna DeGette (D)
CO-02	30	<50	<5	Jared Polis (D)
CO-03	0	0	0	Scott Tipton (R)
CO-04	300	360	6	Ken Buck (R)
CO-05	0	0	0	Doug Lamborn (R)
CO-06	40	90	6	Mike Coffman (R)
CO-07	180	<50	<5	Ed Perlmutter (D)
Connecticut				
CT-01	<10	<50	<5	John B. Larson (D)
CT-02	100	<50	<5	Joe Courtney (D)
CT-03	<10	<50	<5	Rosa DeLauro (D)
CT-04	<10	<50	<5	Jim Himes (D)
CT-05	320	80	<5	Elizabeth Esty (D)
Delaware				
DE-01	30	<50	6	John Carney (D)
Florida				
FL-01	<10	<50	<5	Jeff Miller (R)
FL-02	<10	<50	<5	Gwen Graham (D)
FL-03	<10	<50	<5	Ted Yoho (R)
FL-04	10	<50	<5	Ander Crenshaw (R)
FL-05	0	0	0	Corrine Brown (D)
FL-06	<10	<50	<5	Ron DeSantis (R)
FL-07	10	<50	<5	John Mica (R)
FL-08	<10	<50	<5	Bill Posey (R)
FL-09	<10	<50	<5	Alan Grayson (D)
FL-10	<10	<50	5	Dan Webster (R)
FL-11	0	0	0	Rich Nugent (R)
FL-12	<10	<50	<5	Gus Bilirakis (R)
FL-13	60	90	<5	David Jolly (R)
FL-14	190	690	6	Kathy Castor (D)
FL-15	0	0	0	Dennis A. Ross (R)
FL-16	50	<50	<5	Vern Buchanan (R)
FL-17	20	<50	<5	Tom Rooney (R)
FL-18	0	0	0	Patrick Murphy (D)
FL-19	<10	<50	<5	Curt Clawson (R)
FL-20	0	0	0	Alcee Hastings (D)
FL-21	0	0	0	Ted Deutch (D)
FL-22	20	<50	<5	Lois Frankel (D)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
FL-23	20	<50	<5	D. Wasserman (D)
FL-24	130	90	<5	Frederica Wilson (D)
FL-25	40	<50	<5	Mario Diaz-Balart (R)
FL-26	0	0	0	Carlos Curbelo (R)
FL-27	40	80	5	I. Ros-Lehtinen (R)
Georgia				
GA-01	30	<50	<5	Buddy Carter (R)
GA-02	0	0	0	Sanford Bishop (D)
GA-03	170	60	<5	L. Westmoreland (R)
GA-04	<10	<50	<5	Hank Johnson (D)
GA-05	260	90	10	John Lewis (D)
GA-06	60	100	9	Tom Price (R)
GA-07	480	120	15	Rob Woodall (R)
GA-08	0	0	0	Austin Scott (R)
GA-09	0	0	0	Doug Collins (R)
GA-10	0	0	0	Jody Hice (R)
GA-11	330	70	9	Barry Loudermilk (R)
GA-12	0	0	0	Rick Allen (R)
GA-13	<10	<50	<5	David Scott (D)
GA-14	0	0	0	Tom Graves (R)
Hawaii				
HI-01	20	200	<5	Mark Takai (D)
HI-02	60	200	<5	Tulsi Gabbard (D)
Idaho				
ID-01	20	<50	<5	Raul Labrador (R)
ID-02	40	<50	7	Mike Simpson (R)
Illinois				
IL-01	<10	<50	<5	Bobby Rush (D)
IL-02	0	0	0	Robin Kelly (D)
IL-03	20	<50	6	Dan Lipinski (D)
IL-04	<10	<50	<5	Luis Gutierrez (D)
IL-05	30	<50	6	Mike Quigley (D)
IL-06	570	110	10	Peter Roskam (R)
IL-07	1960	3350	25	Danny K. Davis (D)
IL-08	120	<50	16	Tammy Duckworth (D)
IL-09	60	90	<5	Jan Schakowsky (D)
IL-10	130	70	7	Robert Dold (R)
IL-11	160	<50	7	Bill Foster (D)
IL-12	10	<50	5	Mike Bost (R)
IL-13	210	70	<5	Rodney L. Davis (R)
IL-14	<10	<50	<5	Randy Hultgren (R)
IL-15	120	<50	<5	John Shimkus (R)
IL-16	40	<50	<5	Adam Kinzinger (R)
IL-17	1710	290	7	Cheri Bustos (D)
IL-18	20	<50	5	Darin LaHood (R)
Indiana				
IN-01	10	<50	5	Pete Visclosky (D)
IN-02	250	<50	<5	Jackie Walorski (R)
IN-03	20	<50	<5	Marlin Stutzman (R)
IN-04	310	110	<5	Todd Rokita (R)
IN-05	100	<50	7	Susan Brooks (R)
IN-06	70	<50	6	Luke Messer (R)
IN-07	<10	<50	<5	Andre Carson (D)
IN-08	40	<50	5	Larry Bucshon (R)
IN-09	<10	<50	<5	Todd Young (R)
Iowa				
IA-01	0	0	0	Rod Blum (R)
IA-02	200	60	<5	David Loebsack (D)
IA-03	500	80	<5	David Young (R)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
IA-04	3320	870	10	Steve King (R)
Kansas				
KS-01	450	80	<5	Tim Huelskamp (R)
KS-02	<10	<50	<5	Lynn Jenkins (R)
KS-03	850	1530	6	Kevin Yoder (R)
KS-04	480	570	<5	Mike Pompeo (R)
Kentucky				
KY-01	0	0	0	Ed Whitfield (R)
KY-02	0	0	0	Brett Guthrie (R)
KY-03	0	0	0	John Yarmuth (D)
KY-04	330	60	<5	Thomas Massie (R)
KY-05	1220	200	<5	Hal Rogers (R)
KY-06	30	<50	<5	Andy Barr (R)
Louisiana				
LA-01	130	<50	6	Steve Scalise (R)
LA-02	120	390	<5	Cedric Richmond (D)
LA-03	10	<50	<5	Charles Boustany (R)
LA-04	0	0	0	John C. Fleming (R)
LA-05	<10	490	<5	Ralph Abraham (R)
LA-06	<10	<50	<5	Garret Graves (R)
Maine				
ME-01	0	0	0	Chellie Pingree (D)
ME-02	10	<50	<5	Bruce Poliquin (R)
Maryland				
MD-01	10	<50	<5	Andrew P. Harris (R)
MD-02	<10	<50	<5	D. Ruppertsberger (D)
MD-03	<10	<50	<5	John Sarbanes (D)
MD-04	10	<50	<5	Donna Edwards (D)
MD-05	10	<50	<5	Steny Hoyer (D)
MD-06	30	<50	5	John Delaney (D)
MD-07	110	<50	<5	Elijah Cummings (D)
MD-08	40	<50	<5	Chris Van Hollen (D)
Massachusetts				
MA-01	320	170	<5	Richard Neal (D)
MA-02	120	<50	<5	Jim McGovern (D)
MA-03	60	<50	<5	Niki Tsongas (D)
MA-04	200	230	<5	J. Kennedy III (D)
MA-05	130	50	6	Katherine Clark (D)
MA-06	150	1350	7	Seth Moulton (D)
MA-07	100	270	10	Mike Capuano (D)
MA-08	90	630	9	Stephen Lynch (D)
MA-09	110	80	<5	William Keating (D)
Michigan				
MI-01	250	60	<5	Dan Benishek (R)
MI-02	20	<50	<5	Bill Huizenga (R)
MI-03	170	140	<5	Justin Amash (R)
MI-04	110	560	5	John Moolenaar (R)
MI-05	5330	450	<5	Dan Kildee (D)
MI-06	0	0	0	Fred Upton (R)
MI-07	310	<50	<5	Tim Walberg (R)
MI-08	150	260	5	Mike Bishop (R)
MI-09	100	<50	6	Sander M. Levin (D)
MI-10	<10	<50	<5	Candice Miller (R)
MI-11	930	310	26	David Trott (R)
MI-12	650	100	10	Debbie Dingell (D)
MI-13	320	150	7	John Conyers (D)
MI-14	410	150	11	Brenda Lawrence (D)
Minnesota				
MN-01	450	90	<5	Tim Walz (D)
MN-02	180	60	<5	John Kline (R)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
MN-03	80	<50	7	Erik Paulsen (R)
MN-04	<10	<50	<5	Betty McCollum (D)
MN-05	50	50	<5	Keith Ellison (D)
MN-06	0	0	0	Tom Emmer (R)
MN-07	<10	<50	<5	Collin Peterson (D)
MN-08	830	310	<5	Rick Nolan (D)
Mississippi				
MS-01	0	0	0	Trent Kelly (R)
MS-02	10	50	<5	Bennie Thompson (D)
MS-03	20	80	<5	Gregg Harper (R)
MS-04	0	0	0	Steven Palazzo (R)
Missouri				
MO-01	30	110	<5	William Clay Jr. (D)
MO-02	110	220	9	Ann Wagner (R)
MO-03	460	200	<5	B. Luetkemeyer (R)
MO-04	110	<50	<5	Vicky Hartzler (R)
MO-05	540	90	5	Emanuel Cleaver (D)
MO-06	3190	490	12	Samuel Graves (R)
MO-07	50	<50	<5	William Long (R)
MO-08	<10	<50	<5	Jason Smith (R)
Montana				
MT-01	70	<50	8	Ryan Zinke (R)
Nebraska				
NE-01	500	80	<5	Jeff Fortenberry (R)
NE-02	220	<50	5	Brad Ashford (D)
NE-03	2280	330	<5	Adrian Smith (R)
Nevada				
NV-01	20	<50	5	Dina Titus (D)
NV-02	20	<50	<5	Mark Amodei (R)
NV-03	70	<50	5	Joe Heck (R)
NV-04	<10	<50	<5	Cresent Hardy (R)
New Hampshire				
NH-01	410	220	<5	Frank Guinta (R)
NH-02	<10	<50	<5	A. McLane Kuster (D)
New Jersey				
NJ-01	<10	<50	<5	Donald Norcross (D)
NJ-02	<10	<50	<5	Frank LoBiondo (D)
NJ-03	<10	<50	<5	Tom MacArthur (D)
NJ-04	320	80	10	Chris Smith (D)
NJ-05	230	110	7	Scott Garrett (D)
NJ-06	60	<50	6	Frank Pallone (D)
NJ-07	90	<50	8	Leonard Lance (D)
NJ-08	80	160	10	Albio Sires (D)
NJ-09	180	<50	5	William Pascrell (D)
NJ-10	10	<50	<5	Donald Payne, Jr. (D)
NJ-11	390	310	14	R. Frelinghuysen (D)
NJ-12	230	70	8	B. W. Coleman (D)
New Mexico				
NM-01	0	0	0	Michelle Lujan Grisham (D)
NM-02	10	<50	<5	Steve Pearce (R)
NM-03	20	<50	<5	Ben R. Lujan (D)
New York				
NY-01	<10	<50	<5	Lee Zeldin (R)
NY-02	130	<50	<5	Peter King (R)
NY-03	30	<50	<5	Steve Israel (D)
NY-04	20	<50	6	Kathleen Rice (D)
NY-05	30	<50	5	Gregory Meeks (D)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
NY-06	50	<50	9	Grace Meng (D)
NY-07	380	170	<5	Nydia Velazquez (D)
NY-08	<10	<50	<5	Hakeem Jeffries (D)
NY-09	10	250	<5	Yvette Clarke (D)
NY-10	330	1930	21	Jerrold Nadler (D)
NY-11	<10	<50	<5	Daniel Donovan (R)
NY-12	1230	5210	59	Carolyn Maloney (D)
NY-13	<10	<50	<5	Charles B. Rangel (D)
NY-14	0	0	0	Joseph Crowley (D)
NY-15	<10	<50	<5	Jose Serrano (D)
NY-16	<10	<50	<5	Eliot Engel (D)
NY-17	230	200	8	Nita Lowey (D)
NY-18	40	<50	<5	Sean Maloney (D)
NY-19	0	0	0	Chris Gibson (R)
NY-20	20	<50	<5	Paul Tonko (D)
NY-21	0	0	0	Elise M. Stefanik (R)
NY-22	0	0	0	Richard Hanna (R)
NY-23	110	<50	<5	Tom Reed (R)
NY-24	0	0	0	John Katko (R)
NY-25	0	0	0	Louise Slaughter (D)
NY-26	0	0	0	Brian Higgins (D)
NY-27	150	<50	<5	Chris Collins (R)
North Carolina				
NC-01	870	130	<5	George Butterfield (D)
NC-02	510	70	<5	Renee Ellmers (R)
NC-03	110	<50	<5	Walter Jones Jr. (R)
NC-04	3890	3360	12	David Price (D)
NC-05	100	<50	<5	Virginia Foxx (R)
NC-06	790	300	5	Mark Walker (R)
NC-07	7640	1250	15	David Rouzer (R)
NC-08	480	80	<5	Richard Hudson (R)
NC-09	470	60	11	Robert Pittenger (R)
NC-10	70	<50	6	Patrick McHenry (R)
NC-11	<10	<50	<5	Mark Meadows (R)
NC-12	460	180	17	Alma Adams (D)
NC-13	350	210	<5	George Holding (R)
North Dakota				
ND-01	0	0	0	Kevin Cramer (R)
Ohio				
OH-01	650	100	<5	Steve Chabot (R)
OH-02	10	<50	<5	Brad Wenstrup (R)
OH-03	20	<50	5	Joyce Beatty (D)
OH-04	60	80	<5	Jim Jordan (R)
OH-05	320	<50	<5	Bob Latta (R)
OH-06	<10	490	<5	Bill Johnson (R)
OH-07	10	<50	<5	Bob Gibbs (R)
OH-08	<10	<50	<5	Vacant
OH-09	90	<50	5	Marcy Kaptur (D)
OH-10	430	210	5	Mike Turner (R)
OH-11	90	110	<5	Marcia Fudge (D)
OH-12	50	<50	<5	Pat Tiberi (R)
OH-13	20	<50	<5	Tim Ryan (D)
OH-14	20	<50	<5	David Joyce (R)
OH-15	<10	<50	<5	Steve Stivers (R)
OH-16	100	<50	<5	Jim Renacci (R)
Oklahoma				
OK-01	<10	<50	<5	Jim Bridenstine (R)
OK-02	0	0	0	Markwayne Mullin (R)
OK-03	480	1590	10	Frank Lucas (R)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
OK-04	350	60	<5	Tom Cole (R)
OK-05	190	220	7	Steve Russell (R)
Oregon				
OR-01	400	120	9	Suzanne Bonamici (D)
OR-02	20	<50	<5	Greg Walden (R)
OR-03	40	<50	<5	Earl Blumenauer (D)
OR-04	40	<50	<5	Peter DeFazio (D)
OR-05	30	50	<5	Kurt Schrader (D)
Pennsylvania				
PA-01	130	60	<5	Bob Brady (D)
PA-02	50	90	5	Chaka Fattah (D)
PA-03	0	0	0	Mike Kelly (R)
PA-04	0	0	0	Scott Perry (R)
PA-05	20	<50	<5	Glenn Thompson (R)
PA-06	170	<50	<5	Ryan Costello (R)
PA-07	100	<50	5	Pat Meehan (R)
PA-08	10	<50	<5	Mike Fitzpatrick (R)
PA-09	<10	<50	<5	Bill Shuster (R)
PA-10	0	0	0	Tom Marino (R)
PA-11	0	0	0	Lou Barletta (R)
PA-12	0	0	0	Keith Rothfus (R)
PA-13	30	60	<5	Brendan Boyle (D)
PA-14	280	120	<5	Michael Doyle (D)
PA-15	100	<50	<5	Charlie Dent (R)
PA-16	0	0	0	Joseph Pitts (R)
PA-17	0	0	0	M. Cartwright (D)
PA-18	80	70	<5	Tim Murphy (R)
Rhode Island				
RI-01	0	0	0	David Cicilline (D)
RI-02	<10	<50	<5	James Langevin (D)
South Carolina				
SC-01	40	<50	<5	Mark Sanford (R)
SC-02	<10	<50	<5	Joseph Wilson (R)
SC-03	400	130	<5	Jeff Duncan (R)
SC-04	110	<50	8	Trey Gowdy (R)
SC-05	370	260	<5	Michael Mulvaney (R)
SC-06	<10	<50	<5	Jim Clyburn (D)
SC-07	360	160	12	Tom Rice (R)
South Dakota				
SD-01	3400	550	<5	Kristi Noem (R)
Tennessee				
TN-01	0	0	0	Phil Roe (R)
TN-02	120	<50	<5	John Duncan Jr. (R)
TN-03	20	60	<5	C. Fleischmann (R)
TN-04	140	50	<5	Scott DesJarlais (R)
TN-05	50	<50	<5	Jim Cooper (D)
TN-06	210	<50	<5	Diane Black (R)
TN-07	40	<50	<5	Marsha Blackburn (R)
TN-08	300	290	<5	Stephen Fincher (R)
TN-09	50	<50	5	Steve Cohen (D)
Texas				
TX-01	0	0	0	Louis Gohmert (R)
TX-02	30	<50	6	Ted Poe (R)
TX-03	410	<50	5	Sam Johnson (R)
TX-04	0	0	0	John Ratcliffe (R)
TX-05	30	<50	6	Jeb Hensarling (R)
TX-06	220	<50	6	Joe Barton (R)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
TX-07	870	1870	18	John Culberson (R)
TX-08	90	<50	<5	Kevin Brady (R)
TX-09	410	1090	12	Al Green (D)
TX-10	<10	<50	<5	Michael McCaul (R)
TX-11	60	160	<5	Mike Conaway (R)
TX-12	110	240	6	Kay Granger (R)
TX-13	100	<50	<5	Mac Thornberry (R)
TX-14	<10	<50	<5	Randy Weber (R)
TX-15	0	0	0	Ruben Hinojosa (D)
TX-16	10	<50	<5	Beto O'Rourke (D)
TX-17	<10	<50	<5	Bill Flores (R)
TX-18	110	<50	<5	Sheila Jackson (D)
TX-19	30	1370	5	R. Neugebauer (R)
TX-20	0	0	0	Joaquin Castro (D)
TX-21	320	110	7	Lamar Smith (R)
TX-22	20	<50	6	Pete Olson (R)
TX-23	10	1640	<5	Will Hurd (R)
TX-24	160	110	15	Kenny Marchant (R)
TX-25	80	<50	5	Roger Williams (R)
TX-26	60	120	<5	Michael Burgess (R)
TX-27	20	210	<5	Blake Farenthold (R)
TX-28	20	<50	<5	Henry Cuellar (D)
TX-29	70	50	<5	Gene Green (D)
TX-30	30	80	<5	Eddie Bernice Johnson (D)
TX-31	0	0	0	John Carter (R)
TX-32	220	110	14	Pete Sessions (R)
TX-33	110	<50	<5	Marc Veasey (D)
TX-34	0	0	0	Filemon Vela Jr. (D)
TX-35	30	<50	<5	Lloyd Doggett (D)
TX-36	10	<50	<5	Brian Babin (R)
Utah				
UT-01	160	<50	6	Rob Bishop (R)
UT-02	710	150	9	Chris Stewart (R)
UT-03	0	0	0	Jason Chaffetz (R)
UT-04	600	<50	<5	Mia Love (R)
Vermont				
VT-01	0	0	0	Peter Welch (D)
Virginia				
VA-01	20	<50	<5	Rob Wittman (R)
VA-02	<10	<50	<5	Scott Rigell (R)
VA-03	140	60	8	Robert Scott (D)
VA-04	3800	1980	9	Randy Forbes (R)
VA-05	100	<50	<5	Robert Hurt (R)
VA-06	0	0	0	Bob Goodlatte (R)
VA-07	80	<50	<5	Dave Brat (R)
VA-08	660	80	5	Don Beyer (D)
VA-09	<10	<50	<5	Morgan Griffith (R)
VA-10	<10	<50	<5	Barbara Comstock (R)
VA-11	90	<50	8	Gerry Connolly (D)
Washington				
WA-01	140	<50	12	Suzan DelBene (D)
WA-02	50	<50	<5	Rick Larsen (D)
WA-03	30	<50	<5	James Herrera Beutler (R)
WA-04	90	<50	8	Dan Newhouse (R)
WA-05	80	<50	5	Cathy McMorris Rodgers (R)
WA-06	70	50	10	Derek Kilmer (D)
WA-07	220	130	12	Jim McDermott (D)

District	Jobs	Invest- ment (\$ mn)	Number of Operations	Representative (Affiliation)
WA-08	30	<50	<5	Dave Reichert (R)
WA-09	130	110	20	Adam Smith (D)
WA-10	30	<50	5	Denny Heck (D)
West Virginia				
WV-01	0	0	0	David McKinley (R)
WV-02	0	0	0	Alex Mooney (R)
WV-03	0	0	0	Evan Jenkins (R)
Wisconsin				
WI-01	<10	<50	<5	Paul Ryan (R)
WI-02	170	340	<5	Mark Pocan (D)
WI-03	120	70	<5	Ron Kind (D)
WI-04	1010	170	<5	Gwen Moore (D)
WI-05	<10	<50	<5	J. Sensenbrenner (R)
WI-06	0	0	0	Glenn Grothman (R)
WI-07	<10	<50	<5	Sean Duffy (R)
WI-08	0	0	0	Reid Ribble (R)
Wyoming				
WY-01	10	770	<5	Cynthia Lummis (R)

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