



IDA Ireland is the Irish Government's inward investment promotion agency, responsible for the attraction and development of foreign direct investment in Ireland. Today Ireland is the location of choice for some of the most innovative companies in ICT and digital media, life sciences, engineering, business services and financial services. To find out why these companies and others have made Ireland their location of choice log on to www.idaireland.com

Ireland & US Investment

The US is the single largest source of Foreign Direct Investment to Ireland with over 600 companies operating (Bureau of Economic Analysis), employing 100,000 people.

US Investment is crucial to Ireland's economic success. Collectively US companies have a US\$165bn foreign direct investment (FDI) in Ireland. This represents 8% of all US investment in the EU and 4.6% worldwide. This equates to more than the total invested in the BRIC economies (Brazil, Russia, India and China). The US accounted for 74% of Ireland's inward investment in 2010.

Irish companies directly employ 82,000 people within 227 companies in all 50 states across the USA. The cumulative stock of Irish foreign direct investment (FDI) in the US stood at \$35bn in 2009 (American Chamber of Commerce).

The majority of US companies in Ireland are in the technology sectors and have over the last 20 years evolved into sophisticated entities that are increasingly connected into our growing R&D infrastructure. Ireland has invested heavily in developing its R&D infrastructure in recent years as well as providing additional incentives (R&D Credits) to encourage more companies to undertake R&D activities. As a result of this most of the companies have developed sophisticated operations with considerable embedded intellectual property and a high level of local value added.

Some facts on US investment in Ireland:

- **Number of US Companies operating in Ireland: 600+**
- **US Companies employ 100,000 people in their operations in Ireland. Some of the most significant employers include: Intel, Boston Scientific, Dell, Pfizer, IBM, CITI, Medtronic, Hewlett Packard, Abbott, Google, Johnson and Johnson, Facebook, Covidien, BNY Mellon and State Street.**
- **Over half of all IDA-supported companies are from the United States employing 72% of total IDA-supported employment.**

- The return on investment (ROI) for US firms in Ireland has been estimated at 20.5% in 2009.
- The world's leading corporations have chosen Ireland: 9 of the top 10 global pharmaceutical & biotechnology companies; 15 out of the top 20 medical technology companies; 8 of the top 'born on the internet' companies have operations in Ireland (source: Barry O' Leary).

Some key US companies have invested in Ireland:



Are a worldwide developer, manufacturer and marketer of medical services whose products are used in a broad range of interventional medical specialities. It employs 25,000 people in 26 manufacturing, distribution and technology centres worldwide. First established in Ireland in 1994, with the support of IDA, Boston Scientific is the largest medical device company in Ireland and employs 4,900 people in 4 manufacturing sites. The Galway facility employs 3,000 people and operations include R&D for cardiology products. Boston Scientific in Clonmel employs 575 people and manufactures pacemakers and defibrillators. Recent announcements by Boston Scientific include a €50 million Research and Development investment in the Galway facility. The Cork operation employs 1200 people and manufactures neurovascular products. The Letterkenny facility employs 130 and manufactures balloon cutting stents.



Medtronic

Alleviating Pain · Restoring Health · Extending Life

Medtronic's Galway site is a centre of excellence for the development and manufacture of a number of the company's key medical technologies for the treatment and management of cardiovascular and cardiac rhythm diseases. Today over 2000 people are employed in Ireland with most of the company's employees working at the state-of-the-art facility in Galway, including over 100 dedicated to research and development. The company has R&D links with third level institutions throughout Ireland. Medtronic also has a sales and shared services office in Dublin which opened in 2002 and represents key businesses within Ireland.



Is a leading global financial services company with approximately 200 million customer accounts and does business in more than 140 countries. Citi provides customers, operations, governments and institutions with a broad range of financial products and services, including customer banking, securities brokerage, and wealth management. The Irish operation employs 2,000 people. Citi was the first international financial institutions to receive RD&I financial assistance from the Irish government. To date Citi has invested €62 million in RD&I projects in Dublin and created a Centre of Excellence for the development of products and processes for Citi's EMEA business. The projects in the Centre include the development of the next generation of ebanking projects and the next generation of intelligent payment solutions.



Is the world's largest semiconductor chip maker and has a 75% share of the microprocessor market. The company's largest customers are Dell and Hewlett Packard. Worldwide Intel employs 94,000 people and includes wafer fabrication facilities in Ireland. Ireland hosts one of the largest Intel manufacturing sites outside of the United States. It's also a hub for some of the most exciting technology and manufacturing research currently taking place in Europe. Intel directly employs 5,715 people in two locations around Ireland (5,400 at Leixlip and 155 at Shannon). Intel established in Ireland in 1989 and has invested €7 billion expanding their product ranges over a number of generations of technology with 9,050 jobs in the Irish economy depending on Intel. The company has paid €1.4 billion in taxes to the Irish Government over the last 10 years. Intel exports \$2billion from Ireland annually. Intel has announced a €50 million investment in the expansion of its R&D facility at the Shannon free Zone in Co. Clare.



Is the largest pharmaceutical company in the world. It produces human and animal medicines and customer healthcare products. Pharmaceutical sales represent 93% of total sales. Pfizer Inc. had sales of \$48.3 billion (2008) with R&D expenditure of \$7.95 billion. Pfizer has seven operations in Ireland employing over 1,650 people. Pfizer was one of the first pharmaceutical companies to locate in Ireland (1969). Pfizer has a rich heritage of innovation and expansion over a forty year period. Since its acquisition of Wyeth on 15th October 2009, the business now boasts over 5,000 colleagues across 11 locations based in Cork, Dublin, Kildare, Limerick, and Sligo. The Irish operations manufacture some of Pfizer's best selling and newest medicines including Lipitor (cardiovascular), Viagra (urology), Sutent (oncology), Enbrel (rheumatology) and Prevenar (vaccines). Ireland is a leading manufacturing base for Pfizer globally, exporting to global markets. Total capital investment by the company in Ireland exceeds \$7billion.



Is a global leader in the online games industry, developing, producing and distributing games on its website. The company's games are predominately distributed online, where Big Fish offers customers a rapidly expanding selection of content, launching 'A New Game Every Day'. The company currently employs 65 people in Ireland. The new office will focus on multilingual European customer support, games testing and localisation, and is expected to create up to 100 new jobs over the next three years in Ireland. IDA Ireland worked strenuously to attract Big Fish Games to Ireland and is currently working closely with the company to assist in the rapid start-up of the operation. The new Headquarters will extend multilingual support to Big Fish Games' international customers. The company currently distributes more than 1.5 million games per day to customers worldwide through its English, German, French, Spanish and Japanese language portals.

Click on the link below to view video interview with Jeremy Lewis, CEO of Big Fish Games

<http://www.idaireland.com/news-media/videos/index.xml?bclid=66038358001&bctid=66070179001>



Google's mission is to organise the world's information and make it universally accessible and useful. In 2003, Google opened its EMEA Head Quarters in Dublin, initially employing 100 people. In 2005 and 2006, Google's Ireland operation continued to grow and the company announced expansion projects creating over 1,100 new jobs and also expanding their premises in Dublin. The Irish operation is now Google's largest outside of the US currently employing over 1,600 staff from 40 different countries. Its original mandate included a European Data Centre, multilingual editing, customer support activities and financial shared services. The Irish operation has grown to become their European HQ employing 1,500 people (announced additional 200 in September 2010) and incorporates the following business activities:

- Advertising Sales & Customer Support
- Engineering Operations & Data Hosting
- Enterprise
- Finance
- Human Resources
- Legal & Public Policy
- Marketing & Communications
- Software Engineering

Click here for interview with John Herlihy of Google

<http://www.idaireland.com/news-media/videos/index.xml?bclid=610746752001&bctid=611201215001>



Facebook is the world's leading social network headquartered in Palo Alto, California, the company develops technologies that facilitate the sharing of information. Facebook established their EMEA HQ in Dublin in October 2008. Facebook currently employs 250 people in Ireland. Facebook's Dublin employees work in advertising, multilingual sales support, finances, human resources, user operations and development. It is understood that the new positions will be gradually created across these areas over the coming 12 months. In 2008, Facebook followed in the footsteps of other leading internet-based firms including Google, eBay and Yahoo! by establishing a presence in Dublin. Its investment in Ireland was supported by the IDA. Initially Facebook created 70 Irish jobs, but this has since grown to over 250.

Click on the link below to view interview with Sheryl Sandberg of Facebook

<http://www.idaireland.com/news-media/videos/index.xml?bclid=66038358001&bctid=66070392001>

Click on the link below to view interview with Colm Long of Facebook

<http://www.idaireland.com/news-media/videos/index.xml?bclid=66038358001&bctid=66070179001>



is an online auction and shopping website in which people and businesses buy and sell goods and services worldwide. In 2003, eBay Inc. Located PayPal's European Operational Headquarters in Blanchardstown, Dublin. In 2005, eBay located its UK customer support also in Blanchardstown. Today, eBay and PayPal combined employ over 1,600 people in Ireland. The Dublin operation hosts PayPal's European customer service, risk & fraud prevention, merchant services and process excellence team. PayPal have a young educated workforce with an average age of 27 years. 40% of PayPal's business is through eBay. The remainder is from 3rd party merchant customers such as Dell. In March 2009, PayPal announced the establishment of its Global Centre of Excellence for Customer Experience at its Irish operation. This R&D centre, supported by the IDA, focuses on developing product, process, people and technology solutions which will improve the customer experience and ultimately drive increased revenues for PayPal worldwide. As a result of the success of this Centre to date, a number of global roles are now located in Ireland including Global Head of Customer Support, Global Head of Process Excellence and Global Head of Training. In 2009, PayPal expanded into a new facility, further building on the success of the Irish operation. In February 2011, PayPal announced a further 150 new jobs at its Irish operation, with multilingual positions in customer service and merchant services.

For a more comprehensive list of major US investments in Ireland, see Appendix 1

Corporate tax rate

The Irish Corporate Tax regime, not just the tax rate, remains intact.

- Corporation Tax rate will continue to remain at 12.5%.The newly elected government has re-affirmed Ireland's long-term commitment to the 12.5% corporate tax rate.
- Ireland's 12.5% tax rate is legitimate, fully consistent with European policy and accepted by the European Commission as not representing harmful tax competition.
- The Irish Government's commitment to the 12.5% corporation tax rate is protected in an EU context by the principal of unanimity in taxation matters.
- There is full political unanimity in Ireland supporting the existing Corporate Tax regime.
- R&D tax credits, including rules around IP, remain unchanged.

Irish economy: The facts

GDP is stabilising and is set to grow.

GDP in Ireland is forecast to increase by almost 1% in 2011 (Central Bank, Spring Commentary 2011). 2011 data from the NCB Markit PMI show that the manufacturing and services sector have expanded strongly in the first 4 months of the year. Indeed the manufacturing sector grew at its fastest pace in more than 11 years in January 2011.

The positive foundations of the Irish economy remain and provide the conditions for achieving sustainable export-led growth namely:

1. Very good and improving infrastructure.
2. High-quality human capital.
3. Favourable taxation environment.
4. Track record.

Exports

Irish exports are at an all time high. The growth and development of multinationals, with their strong focus on high value goods and services exports is fundamental to the Irish economy and is an essential component of Ireland's economic recovery.

Ireland's current account will be in surplus in 2011, meaning the country as a whole is paying down on external debt.

- Exports continue to perform very strongly (+9.4% in 2010).
- For January to April 2011, the export orders index of the NCB Market PMI showed significant expansion for both manufacturing and services. Export growth of 6.1% is forecast for 2011 (Central Bank Spring Commentary).
- The improvements in competitiveness are having a positive impact on exports.
- The export performance is broad-based; the pharmaceuticals, software, financial services, business services, and food sectors are all performing well.

Competitiveness

Ireland's competitiveness has improved significantly:-

- Ireland has among the cheapest energy prices for medium/large businesses; (gas prices 14% below the Euro average, electricity prices also below the Euro average).
- Consumer Prices fell 1.7% in 2009 and 1.6% in 2010.
- Irish unit wage costs to improve 13% vs EU average (EU forecast 2008-2012). Benchmark salaries for new employees in Irish companies down between 5 % and 22% (*Irishjobs.ie*).
- Public sector pay has fallen by 14% on average over the past two years and a major public sector transformation programme is underway. Salaries for new public sector employees will be reduced by a further 10%.
- Labour rates declined by 2.5% in 2010, with a further 0.3% fall forecast for 2011 (*Central Bank Spring 2011*).
- Reductions in nominal pay rates are in addition to reductions to bonuses, shift and overtime premiums and short time working arrangements.

- Dublin now ranks 42nd most expensive city in the world, down from 16th in 2008 (Mercer).
- Prime office rents falling sharply: Dublin has fallen from 20th to 33rd in terms of office occupancy costs (DTZ). Tender prices down to 1998 levels, -31.8% since peak in H1 2007. House prices down 35% since peak.

Ireland's International Rankings

In 2010, the IMD World Competitiveness Yearbook, for the key measures influencing foreign direct investment, ranked Ireland;

- 1st for corporate taxes.
 - 4th for the availability of skilled labour.
 - 4th for being open to new ideas.
 - 6th for labour productivity.
 - 7th for the availability of financial skills.
 - 7th for the flexibility and adaptability of people.
- Ireland ranked first in Euro-zone of best countries for business. (Source: Forbes 2010).
 - Ireland ranked first in the world for most-highly employable graduates. (Source: European Commission Study of international recruiters, 2010).
 - Ireland ranked first in the world for jobs created by inward investment per capita. (Source: 2010 IBM Global Location Trends Report).
 - Ireland ranked first in Europe for most competitive location for R&D investment. (Source: Mazars Review of Global R&D Incentives 2010).
 - Ireland ranked second most globalised economy in the world (E&Y Globalisation Index in cooperation with Economist Intelligence Unit, Jan 2011).
 - Ireland has the third highest proportion of maths, science and computer graduates in the 20-29 age cohort in the EU according to the Eurostat Yearbook, 2010.
 - Ireland has continued to improve the quality of its broadband services, ranking ahead of the UK, US and Germany, according to a global survey carried out by Said Business School in Oxford University. Ireland ranked 13th out of 72 countries included in the study, tied with Finland and rising from 14th place in 2009.

The following are just some of the reasons companies choose to set up their operations in Ireland:

- **Flexibility** – of our employment legislation versus continental Europe.
- **Skills availability** – with business and technical knowledge.

- **Productivity** – and strong work ethic of Irish staff.
- **Adaptability** – of Irish staff when faced with new challenges.
- **Pro-business environment** – excellent IP protection and low CTR.
- **Ease of global communications** – (language & time difference and telecoms infrastructure).
- **One of the most global and open economies in the world.**
- **Ease of doing business.**
- **Excellent multilingual availability.**
- **National Strategy to meet green and convergence agendas.**
- **Continuous reinvestment by Multinational businesses in Ireland.**

If you would like to access videos featuring foreign direct investors in Ireland please click on <http://www.idaireland.com/news-media/videos/>. If you would like to talk about any of the items included in this material or want to talk in more detail about foreign direct investment in Ireland, please contact any of the following:-

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APPENDIX 1

MAJOR US INVESTMENTS:

▪ Abbott	Medical Technologies	Sligo
▪ AIG	Financial Services	Dublin
▪ Allergan	Pharmaceuticals	Mayo
▪ Amgen	Pharmaceuticals	Dublin
▪ Analog Devices	ICT	Limerick
▪ AOL	Entertainment & Media	Dublin
▪ Apple	ICT	Cork
▪ Bank of America	Financial Services	Leitrim/Dublin
▪ Bausch & Lomb	Contact Lenses	Waterford
▪ Baxter Healthcare	Medical Technologies	Mayo
▪ Bristol-Myers Squibb	Pharmaceuticals	Dublin
▪ Boston Scientific	Medical Supplies	Donegal/Cork/ Galway/Offaly
▪ BNY Mellon	Financial Services	Dublin/Cork
▪ Cisco Systems	Networking & Communications	Galway
▪ Citibank	Financial Services	Dublin/Waterford
▪ Cook	Medical Technologies	Limerick
▪ Covidien	Medical Technologies	Galway/Dublin
▪ Dell	Supply Chain/ Technical Support/ R&D/ Sales	Limerick/Dublin
▪ DePuy	Medical Technologies	Cork
▪ Dun & Bradstreet	Business Information Services	Dublin
▪ eBay/PayPal	Customer Support/Service Centre	Dublin
▪ EA Games	Entertainment & Media	Galway
▪ Eli Lilly	Pharmaceuticals	Cork
▪ Facebook	Entertainment & Media	Dublin
▪ Genzyme	Pharmaceuticals	Waterford
▪ Gilead	Pharmaceuticals	Cork
▪ Google	Entertainment & Media	Dublin
▪ Hertz	European Reservation Centre	Dublin
▪ Hewlett Packard	Manufacturing/ R&D/ Customer Support/ International Bank	Kildare/Galway
▪ IBM	Multi Project manufacturing/ Software & Technical Services	Dublin

▪ Intel	Computer Processors/ Semiconductors	Kildare
▪ JP Morgan	Financial Services	Dublin
▪ Johnson & Johnson	Medical Technologies	Limerick
▪ Medtronic	Medical Technologies	Galway
▪ Merck	API Manufacture, fill finish, biologics Clinical Research, product & process Development	Tipperary Carlow, Cork & Dublin
▪ Microsoft	Software Development/ Distribution and Shared Services/ Data Centre	Dublin
▪ Oracle	Shared Services/ Software Development & Distribution	Dublin/Galway
▪ Pfizer	Bulk Pharmaceuticals	Cork
▪ Procter & Gamble	Consumer – hygiene products	Kildare
▪ Prudential Financial	Software Development	Donegal
▪ Quest Software	Software Development	Cork
▪ United Health Group	Health Insurance	Donegal