



Patrick MCLAIN

Vice President, Federal Government Affairs, Policy & Issues
Management

The Honorable Lee Terry
US House of Representatives
Chairman, Energy and Commerce Committee,
Subcommittee on Commerce, Manufacturing & Trade
2266 Rayburn House Office Building
Washington, DC 20515

September 9, 2013

Dear Chairman Terry,

Sanofi is a leading global and diversified healthcare company which discovers, develops and distributes therapeutic solutions focused on patients' needs. Sanofi has core strengths in the field of healthcare with seven growth platforms: diabetes solutions, human vaccines, innovative drugs, rare diseases, consumer healthcare, emerging markets and animal health.

On behalf of Sanofi, I would like to thank and commend you and your colleagues and express our strong support for your bill, H.R. 2052, the "Global Investment in American Jobs Act of 2013." As you know, the "Global Investment in American Jobs Act" is bicameral and bipartisan legislation aimed at improving America's ability to attract job-creating foreign direct investment (FDI) from businesses around the world. The bill requires the Secretary of Commerce to implement a comprehensive review of the United States' ability to attract foreign direct investment. The review will look at what we are doing right and what we are doing wrong. It will also look at what other countries are doing that we should follow and what other countries are doing that we should avoid. Following this review, the Secretary will issue recommendations for all agencies of government setting out a comprehensive plan for improving U.S. global competitiveness for attracting foreign investment.

FDI in the United States has been an engine for economic growth, fueling U.S. manufacturing, innovation, trade, and overall job creation. U.S. subsidiaries of foreign-headquartered companies account for 5.8 percent of U.S. private sector GDP and employ 5.6 million American workers, including two million in the manufacturing sector. In addition, these companies produce 18 percent of all U.S. exports, fund 14 percent of annual research and development activities, and



support a diverse supplier network throughout the country, purchasing goods and services worth hundreds of billions of dollars every year from thousands of small and medium-sized American companies.

While the U.S. remains the world's leading recipient of foreign direct investment, our global share of such investment has dropped significantly since the turn of the 21st century, from 41 percent in 1999 to just over 17 percent in 2011. In March, the Department of Commerce released new data showing the U.S. received \$174.7 billion in global investment for 2012, a decrease of 25% compared with \$234 billion the previous year. Foreign-headquartered companies, such as Sanofi, have many options when looking to invest, expand, or establish new operations, including into emerging economies. In this challenging global environment, the U.S. must position itself to compete for job-creating FDI.

Sanofi has made a significant investment in the U.S. Sanofi employs more than 17,000 through our U.S. affiliates in pharmaceuticals, vaccines, animal health, consumer health and rare diseases. Sanofi has R&D facilities in 8 states (AZ, CA, GA, MA, MD, MO, NJ, and PA) and important R&D partnerships with organizations such as Harvard, MIT and Dana-Farber, reflecting the importance of research and development to the company in the U.S. Our U.S. affiliates have manufacturing, packaging or distribution sites in 9 states (MO, PA, TN, MA, NJ, MN, NC, GA, MD and NV). Our U.S. affiliates export products from 7 states (GA, PA, MA, MO, NJ, TN, and MN). And we have more than \$4 billion in contracts with over 15,000 vendors and suppliers throughout the U.S.

H.R. 2052 has the support of a broad range of cosponsors who understand that investment from around the globe is important to every state and region across this country. As a result, H.R. 2052 was unanimously approved by the Energy and Commerce Committee on July 17, 2013. The House of Representatives passed similar legislation during the 112th Congress with strong bipartisan support. Passing this legislation will be an important step in enhancing U.S. competitiveness and reinvigorating job growth in our country.

Thank you once again for your work and commitment to incentivize FDI in the United States to expand the job market and strengthen our economy.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick G. Quinn", written over a white background.

Cc: Congresswoman Jan Schakowsky, Ranking Member
Energy and Commerce Committee, Subcommittee on Commerce,
Manufacturing & Trade