

## UK Industry in SC

Foreign companies play a vital role in South Carolina's economy. Foreign firms from more than 40 countries employ approximately 100,000 workers in the state. Attracting foreign investment is essential in today's global economy and the state of South Carolina has a long history of welcoming and growing manufacturing and research and development operations of multinational corporations.

The state of South Carolina has recorded capital investment from UK companies totaling over \$400 million since 2004, creating more than 2,700 new jobs in the last ten years. There are over 60 companies from the United Kingdom in the state, employing nearly 7,000 South Carolinians. The United Kingdom is South Carolina's 5<sup>th</sup> largest trade partner, purchasing more than \$1.86 billion in products in 2014.

UK companies in South Carolina represent various industries, from manufacturing to business and customer services. Companies like BAE Systems and GKN Aerospace are on the cutting-edge of aerospace related technology, developing electronics systems and composite fibers, while industry leaders like InterContinental Hotels Group operate multiple customer service call centers throughout South Carolina. With recent announcements in industries ranging from textiles to food processing, businesses from the United Kingdom are helping to power South Carolina's diversified economy.

The following industry giants represent just a few of the many major UK firms with a presence in South Carolina:



## Advantage South Carolina

Strategically located between New York City and Miami, South Carolina's exceptional transportation opportunities make reaching markets an easy task.



Thanks to its world-class business environment, skilled workforce, transportation infrastructure and close proximity to manufacturing firms in diverse industries, South Carolina has succeeded in attracting substantial capital investment from around the world.

**South Carolina ranks first among US states for jobs created by new and expanding international firms.**

**#1**

IBM Global Location Trends Report, 2014

Several key competitive advantages distinguish South Carolina as a business location:

**Low Cost of Doing Business** – South Carolina businesses thrive thanks to lower operating and capital costs, including nearly all aspects of managing a business, from employee wages to utilities, construction and taxes. The cost of living in South Carolina is 12 percent less than the national average and is the 10th lowest in the nation. The average salary in South Carolina ranks the 6th lowest in the nation and 2nd lowest in the Southeast region. Construction costs in South Carolina are the 6th lowest in the United States and the 4th lowest in the Southeast. Business-friendly regulations and smart investments in energy infrastructure give South Carolina the region's most affordable power costs. Industrial power costs in the state average only 6.25 cents per kilowatt hour, the lowest in the Southeast. The average South Carolina industrial electricity rate is among the lowest in the nation and 11 percent less than the national average of 7.01 cents per kilowatt hour. Compared with other southeastern states, South Carolina offers

very low rates for natural gas to industrial users. The average price to industrial users in 2014 was \$6.11 per thousand cubic feet, lower than Florida, Georgia, North Carolina, and Tennessee.

**Workforce and Education** – With a labor force of over 1.5 million people, South Carolina businesses can rely on a stable, highly-skilled, and efficient workforce at competitive wage rates. Among the 50 states, South Carolina boasts one of the top ten fastest growing labor forces nationwide and as a right to work state businesses in South Carolina can operate free from disruptive work stoppages.

**Transportation Infrastructure** – Served by 5 interstate highways, an efficient port with numerous worldwide shipping connections and the capability to support post-Panamax vessels, two Class One rail carriers and three major airports, South Carolina offers manufacturers numerous means of reaching customers and suppliers around the world.



**Favorable Tax Climate and Incentives** – An independent research group, The Tax Foundation, ranked South Carolina the state with the 12th lowest corporate income tax in the United States in 2014. South Carolina offers the following tax advantages:

- No state property tax
- No local income tax
- No inventory tax
- No sales tax on manufacturing machinery, industrial power or materials for finished products

- No wholesale tax
- No unitary tax on worldwide profits
- Favorable corporate income tax structure and one of the lowest rates in the nation

In addition, South Carolina offers a host of tax incentives to businesses choosing to locate or expand their manufacturing operations in the state:

- Job Development Tax Credits
- Economic Development Set-Aside Grants
- Corporate Headquarters Tax Credits
- Research and Development Tax Credits

### Recent Investments from the United Kingdom

Since 2004, companies from the UK have announced over \$400 million in capital investment creating more than 2,700 new jobs. The table below highlights a few of these recent announcements.

New and Expanding UK Companies South Carolina, 2004- 2015		
Company	Jobs	Capital Investment
GKN Aerospace	250	\$38 Million
Britax Child Safety	243	\$26 Million
GKN Aerospace	75	\$20 Million
ESAB Welding & Cutting Products	100	\$19 Million
Nasmyth Precision	100	\$15 Million
Bondex	13	\$6.4 Million
TWL Precision	35	\$5 Million

South Carolina has an office in Europe, with a dedicated staff and a long and successful track record of helping international companies establish, relocate and expand business operations in the United States.



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