



Created by Congress in 1934 to encourage investment and promote U.S.-based manufacturing and distribution, exports and American jobs, Foreign-Trade Zones (FTZs) are designated areas physically in the United States, but considered to be outside U.S. Customs territory, where goods can be stored, assembled, manipulated, modified, relabeled, repackaged and re-exported, free of U. S. Custom duties. FTZs are in every state and Puerto Rico.

**# 2 CREATING AMERICAN JOBS**

EMPLOYING MORE THAN

**550,000**

**U.S. WORKERS**  
IN A FOREIGN-TRADE ZONE



*Example: Airbus Americas, Inc. Mobile AL (FTZ #82) aircraft manufacturing operations have grown since 2015 to support more than 15,000 Alabama jobs.*

**# 5 STRENGTHENING COMPLIANCE**

To operate in an FTZ, companies must adhere to strict security requirements, comply with stringent U.S. Customs and Border Protection (CBP) rules, and strictly observe a variety of U.S. laws and regulations. They typically have closer and transparent working relationships with CBP officials, who consider FTZs a model of good compliance and a “CTPAT security best practice.”



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**# 3 INVESTING IN AMERICAN COMMUNITIES**

**ADDS BILLIONS**

OF INVESTMENT DOLLARS INTO LOCAL ECONOMIES



FTZs benefit U.S. communities by attracting new businesses, increasing local employment, expanding the tax base, and enhancing infrastructure.

*Example: Through its FTZ production facility, BMW Manufacturing Co., Spartanburg SC (FTZ #38) turned a struggling textile town into an automotive manufacturing and exporting powerhouse.*

**# 4 PROMOTING U.S. EXPORTS**

**HELPS U.S. BASED COMPANIES BE MORE COMPETITIVE IN THE GLOBAL MARKETPLACE**

*Example 1: Thanks to the FTZ program's cost savings and competitive benefits, Kubota North American Corporation, Atlanta, GA (FTZ #26) now exports 35% of its American-made sub-compact tractors, utility vehicles, and lawn mowers to Europe and Australia.*

*Example 2: The cost-competitive advantage from the FTZ program allows Kawasaki Motors Mfg. Corp. U.S.A., Lincoln, NE (FTZ #59) to export 20% of its U.S. production of JetSkis and Mule and Teryx lightweight utility and sport vehicle to the EU, Australia, Canada, and Japan.*

**# 1 INCREASING THE COMPETITIVENESS OF U.S. BASED COMPANIES**

By providing mechanisms to optimize supply chains and minimize a product's landed cost, FTZs improve U.S.-based companies' cost competitiveness, allowing them to offer more affordable and innovative products.

*Example: FTZ duty savings on its inputs allows Piramal Critical Care, Inc., Bethlehem PA (FTZ #272) a U.S. based anesthesia products manufacturer, to compete with duty-free foreign products in U.S. and global markets*

SOURCES: 85th ANNUAL FOREIGN-TRADE ZONES BOARD REPORT TO THE U.S. CONGRESS; U.S. BUREAU OF ECONOMIC ANALYSIS 2022 EXPORT DATA; 2020 FTZ ECONOMIC IMPACT STUDY, NAFTAZ; U.S. INTERNATIONAL TRADE COMMISSION DATAWEB