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Embassy of Italy
Washington

THE ITALIAN ECONOMIC FOOTPRINT IN THE UNITED STATES

Research Report

Edited by Prof. Marco Mutinelli



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EXECUTIVE SUMMARY

According to the latest data released by the Bureau of Economic Analysis (BEA), US subsidiaries of foreign multinational enterprises (MNEs) employed at the end of 2020 nearly 7.86 million workers in the US; the employees of US subsidiaries of Italian MNEs were 98,700, representing only 1.26% of the total. These findings appear particularly ungenerous toward Italy. According to the data published in November 2022 by Istat (the Italian National Institute of Statistics), at the end of 2020 the United States represented the main location country for Italian investments abroad, with about 220,000 employees, 158,000 of which in industrial activities.

There are three main causes to this gap. First, some large Italian companies have moved their headquarters across the border (mainly in the Netherlands or in Luxembourg), for reasons related not only to choices of “tax optimization”, but also to improve the governance of international activities of the group. Second, in some cases it is objectively difficult to attribute a nationality to the ultimate owner, particularly in the case of mergers between MNEs with different national origin. Finally, a number of important Italian firms with foreign subsidiaries have been acquired by foreign MNEs, but maintained their strategic autonomy and continue to manage their foreign branches independently, and their foreign subsidiaries continue to be perceived locally as branches of an Italian company, albeit under Chinese control.

Faced with this complex and articulated situation, the Embassy of Italy in Washington has deemed it useful to promote a research on the footprint of Italian companies in the US. The research was commissioned to the University of Brescia under the responsibility of Prof. Marco A. Mutinelli, who has been carrying out research on Italian MNEs for many years.

This report summarizes the main results of this research, from which it emerges that the impact of Italian investments in the USA is much greater than generally perceived and revealed by the official statistics (Tab. 1.1.). In the ranking of the Bureau of Economic Analysis, these data would make Italy gain a position compared to Sweden, but above all they would significantly reduce the gap with other major European countries.

Table 1.1 – Employees of US companies with Italian participation according to the different surveys

| | BEA (2020) | Istat (2020) | Reprint (2021) |
|--|---------------|-----------------|-------------------|
| Employees of US companies with Italian controlling interests | 98,700 | 158,000 | 251,711 |
| Employees of US companies with Italian 50-50 or minority interests | <i>n.a.</i> | <i>n.a.</i> | 7,834 |
| Total | <i>n.a.</i> | <i>n.a.</i> | 259,545 |

Source: elaborations from the University of Brescia.

The report is organized as follows.

The first chapter analyzes in greater detail the results of the official research conducted by BEA and Istat and the causes of the underestimation of the actual Italian presence in the US by such research.

The second chapter illustrates the research methodology and the criteria used to identify Italian companies active in the USA.



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The third chapter offers an overall measure of the Italian presence in the USA at the end of 2021 and proposes a series of statistical data concerning the activity carried out by the investee companies, their location in the vast US territory, and the regional origin of the Italian investing companies.



1. SCOPE OF THE RESEARCH

According to the latest data released by the Bureau of Economic Analysis (BEA), US subsidiaries of foreign multinational enterprises (MNEs) employed 7.86 million workers in the US at the end of 2020, accounting for 6.4% of total employment in the US private industry. US subsidiaries of Italian MNEs employed around 98,700 workers, representing only 1.26% of the total employment of the US subsidiaries of foreign MNEs. Among European countries, Italy ranked eight, far behind not only the United Kingdom (over 1.2 million workers in US subsidiaries), Germany (over 885 thousand), and France (over 740 thousand), but also the Netherlands (almost 570,000 workers), Switzerland (487,000), Ireland (336,500), and Sweden (over 217,000).

The BEA's findings appear particularly ungenerous toward Italy. According to the data published in November 2022 by Istat (the Italian National Institute of Statistics), at the end of 2020 the United States represented the main location country for Italian investments abroad, with almost 158,000 employees employed in industrial activities alone, to which must be added over 60,000 employees employed in tertiary, for a total of about 220 thousand units.

The gap between the two surveys is truly remarkable and must be discussed.

A first important cause of this gap is that a number of large Italy-based MNEs have moved their headquarters across the border, for reasons related not only to choices of "tax optimization", but also to improve the governance of international activities of the group. For this purpose, the Netherlands is particularly popular with Italian companies, where among others, companies such as CHN, controlled by the Agnelli-Elkann family, the two large Italian-French joint-ventures Stellantis and STMicroelectronics, and front-names of "Made in Italy" such as Prada, Campari, and Ferrari and are located. These are companies probably attributed to the Netherlands in the BEA statistics, but at least partially "Italian" by ownership and often also by the location of the main operating activities of the group.

The decision to elect the Netherlands as the headquarters of the group's holding company is also shared with many MNEs from other countries: in Prins Bernhardplein in Amsterdam, there is a building, a unique case in the world, in which more than 2,500 MNEs companies are headquartered. The reason for this choice by MNEs mainly relies on the efficiency of the legislation of the Netherlands regarding the regulations of the markets and financial transactions. The Dutch system provides strong bureaucratic simplifications, fast times for obtaining permits and important protections for businesses. Furthermore, Dutch law grants control of companies to their first shareholder, who has the power to override the rest of the board even if he is beaten in the vote. It should be mentioned that the Dutch system, since the time of the Dutch East India Company, was the first economic system in the world to introduce mechanisms similar to those of contemporary finance, which have evolved over time adapting to an extremely dynamic economic system, as it has always been since the Dutch Renaissance.

Other Italian MNEs have made different choices: Ferrero, for instance (a company whose Italian origin cannot be discussed), since 1973 has located its headquarters in Luxembourg; the Carlo Gavazzi group has chosen Zurich instead.

There are also more complex cases, in which it is objectively difficult to attribute a nationality to the investor today: this is the case of groups such as Stmicroelectronics, EssilorLuxottica (EssiLux) and Stellantis, born from the merger between an Italian and a French group. Probably, the BEA statistics do not attribute the shareholdings of these groups to Italy, but this choice appears somewhat questionable, in particular for the Essilux case, for reasons that will be clarified later in this research.

Finally, a further reason for underestimating the Italian presence is because important Italian MNEs born in Italy with subsidiaries in the USA have been acquired in the last ten years by foreign MNEs, even from the USA. The acquisition of a multinational company by another MNE is often followed by a process of rationalization of foreign activities and the branches of the acquired company are taken over by the investing company and possibly incorporated into other branches of the group already active in the country by country. But this does not always happen; sometimes the acquired company maintains its own



managerial and strategic autonomy (sometimes also financial) and continues to manage its branches independently. There are many examples of this type in the case of Italian MNEs acquired by multinationals of other countries. Among all, we cite the case of Pirelli, acquired in 2015 by ChemChina and which has become the leader of the Chinese group's activities in the vehicle tire sector light. The foreign subsidiaries of Pirelli continue to be perceived in all respects as branches of an Italian company, albeit under Chinese control.

Faced with this complex and articulated situation, the Embassy of Italy in Washington has deemed it useful to promote research on US companies with Italian capital, with the aim of showing how the effective direct presence of Italian companies in the US is much wider than the official statistics. The research was commissioned to the University of Brescia under the responsibility of Prof. Marco A. Mutinelli, who has been carrying out research on multinational companies for many years and is co-author of the many "Italia Multinazionale" reports promoted by ITA, the Italian Trade Agency.

This report summarizes the main results of this research, from which it emerges that the impact of Italian investments in the USA is much more relevant than generally believed (Tab. 1.1.). In the ranking of the Bureau of Economic Analysis, these data would make Italy gain a position compared to Sweden, but above all they would significantly reduce the gap with other major European countries.

Table 1.1 – Employees of US companies with Italian participation according to the different surveys

| | BEA (2020) | Istat (2020) | Reprint (2021) |
|--|---------------|-----------------|-------------------|
| Employees of US companies with Italian controlling interests | 98,700 | 158,000 | 252,174 |
| Employees of US companies with Italian 50-50 or minority interests | <i>n.a.</i> | <i>n.a.</i> | 7,371 |
| Total | <i>n.a.</i> | <i>n.a.</i> | 259,545 |

Source: elaborations from the University of Brescia.

The rest of the report is structured as follows.

The second chapter is dedicated to illustrating the research methodology and the criteria used to identify Italian companies active in the USA.

The third chapter presents the main results of the analysis, proposing a series of statistical data in relation to the presence of Italian companies in the USA at the end of 2021 also in relation to the activity carried out by investee companies, their location in the US territory and the regional origin of Italian investor companies.



2. METHODOLOGY

The construction of the database about the shareholdings through foreign direct investments of Italian companies in the USA has required a long and meticulous research work, which involved numerous junior researchers under the guidance of the research manager, Prof. Marco A. Mutinelli, and senior researcher Marco Traversi.

The preparation of the database has involved systematic work of collecting and cross-checking news and data from a plurality of sources, often of a partial nature and with incomplete information. In particular, the main sources of information are:

- a) the financial statements of listed companies (Italian and foreign) and those made available by unlisted companies on their websites;
- b) the consolidated and non-consolidated financial statements of approximately 2,000 Italian companies, extracted from the Telemaco database, developed by InfoCamere, which makes available all the official documents of the Company Register and of other registers of the Italian Chambers of Commerce;
- c) the databases: “Aida”, “Amadeus” and “Zephyr” of the Bureau Van Dijk, which have been used systematically, and more occasionally of the databases Kompass, Dun & Bradstreet and fDiMarkets of the fDi Intelligence of the Financial Times;
- d) the Mediobanca-R&S yearbooks, and Mediobanca’s publication “The main Italian companies”;
- e) the online databases www.opencorporates.com and www.buzzfile.com;
- f) the Internet sites of investor and investee companies;
- g) various specialized newsletters relevant to the investigation (sectoral, legal, M&As, etc.);
- h) information from a foreign review of the Italian and international daily and periodical press;
- i) direct surveys, research and ad hoc studies of various origins.

The information sources described above were used to identify the Italian investor companies and the US companies in which they invest.

It should be noted that none of the sources described above can be considered sufficient alone. For example, data from the Aida database, which digitizes balance sheet data of Italian companies, while very valuable, are not precise enough in terms of the chronology of shareholdings (not all are correctly reported and often shareholdings appear that have been discontinued). Investors and foreign subsidiaries are not always correctly identified and sector descriptions are often very approximate. Only cross-referencing with other sources, with the historical information contained in Reprint and the in-depth analyzes carried out company-by-company on the Internet makes it possible to build a complete and reliable database.

The database was simultaneously enriched with a series of economic and ancillary information, including:

- a) company name and addresses of the head office of the investing and investee companies;
- b) description of the activity carried out by the investing and investee companies and related sector classification;
- c) basic economic data (turnover and number of employees) of the investing and investee companies;
- d) for each US company, information on the year of the initial investment and its methods (acquisition or greenfield investment), as well as the type of investment (controlling, equal or minority);
- e) any changes that have occurred over time, with regard to the company name of the investee companies and the type of investment;
- f) any divestments (due to the sale of shares or cessation of the activity of the investee company)
- g) any mergers by incorporation into other companies of the group of investee companies;



- h) accessory information on the investment collected from the internet, the press and/or company financial statements, to enrich the analytical picture of each investment.

All the analyses contained in this research refer to the database updated at 31 December 2021, i.e. to the set of Italian companies that appeared to have direct investments in the USA and of the US companies in which they invest as of that date. In this regard, it should be noted that at the conclusion date of the research - January 2023 - the 2021 financial statements were the last available. Nonetheless, the investments acquired and disposed of at a later date were also monitored and the report gives ample space to the analysis of the main Italian investment initiatives of the most recent period.

Finally, attention should be paid to the methodology followed to identify the “Italian” MNEs and the companies they invest in. The definition of “Italianness” of the investor and the distinction between direct investments and portfolio investments are based on criteria that reflect principles of economic significance, rather than of a formal and/or legal-administrative nature. They are explained in the points below.

1. The distinction between “direct investment”, which presupposes the direct participation of the investor in the management of the investee company, and “portfolio investment”, i.e. exclusively financial participation, is sometimes subtle. In general, equity investments in companies in which the investor’s share is less than 10% were not considered. However, even some shareholdings with capital shares exceeding this threshold were not considered, when the shareholding is considered to be of an exclusively financial nature by both parties involved. In the case of investments in financial-industrial groups with complex structures, both the architecture of the investment and the meaning attributed to it by the parties involved were taken into account.
2. To discriminate between controlling and non-controlling shareholdings, reference was made to the notion of majority control (shareholding greater than 50%), or to the official recognition by the interested parties regarding the conferral of responsibility to the relative majority shareholder enterprise management. In doubtful cases, we referred to the objectivity of the participation fee.
3. In identifying the Italian investing company, the possible chain of subsequent controls that configure forms of indirect control was investigated, to trace the final link, i.e. the subject who controls/participates in the company through the aforementioned equity mechanisms. In the case of minority shareholdings, the chain is generally interrupted at the first link, i.e. the first and main company to which the shareholding refers. Therefore, any subsidiaries in a cascade from the aforementioned main company are excluded from the analysis, since the minority foreign shareholding in the parent company does not appear immediately and mechanistically transferable to them. Therefore, for Italian investments in the USA, US companies controlled by foreign companies in turn subject to non-controlling Italian participation were not considered to have Italian participation. Some exceptions can be found in the case of minority (or equal) shareholdings acquired in financial holdings at the head of groups of industrial and/or service companies. These exceptions were managed by trying to respect the economic significance of the equity investments, even to the detriment of formal legal-administrative consistency. In particular, indirect investments have always been included when the investor has implicitly recognized their economic significance by including this investment in the scope of consolidation.
4. The name and nationality of the IMN associated with the Italian investee company are those of the ultimate parent company and not of any intermediate companies, which may have different nationalities. If the investor corresponds to a group organized into a holding and sub-holding, its



structure has been taken over, starting from the operating company involved in the management of the investment, going back to the controlling holding and finally reaching the company that represents the interests of the controlling shareholders.

5. In line with point 4, multinational groups such as CNH, Stmicroelectronics, Ferrero, Tenaris, Carlo Gavazzi and others, controlled or participated by foreign financial holding companies whose exclusive or joint control is attributable to Italian entrepreneurs who maintain important production and/or decision-making centers in Italy. To identify the territorial origin of these investments, the main Italian company of the group was considered as investor. In addition to any shareholdings held by it, the shareholdings held by the parent foreign holding company, even if not formally attributable to the Italian company, have been attributed to this company. This is the case of the Ferrero group, whose foreign subsidiaries are controlled by the Luxembourg holding company Ferrero International S.A., which also controls the Italian company.
6. Two particular cases are those of the FCA and Luxottica groups, merged respectively into the Stellantis and Essilux groups after the mergers with the French groups PSA and Essilor. The Italian “historical” matrix of the investments made in the United States by FCA and Luxottica remains clear, even if it does not seem correct to consider the groups born from these two important business combinations as “Italian”. For the purposes of this research, it was therefore deemed appropriate to consider the investments historically made in the USA by FCA and Luxottica as “Italian”, while the investments made by Essilor were not considered as such (in fact, the PSA group was not present in the USA before the merger with FCA).
7. Investments directly attributable to Italian companies that are in turn subject to foreign investment have also been considered as “Italian” investments, when the Italian company maintains substantial strategic and operational autonomy within its own group and continues to manage, financially and operationally, its subsidiaries and affiliates. This is, for example, the case of Pirelli, acquired in 2015 by the ChemChina group, within which it serves as the lead for the light vehicle tire business.



3. THE PRESENCE OF ITALIAN COMPANIES IN THE US

3.1. The overall picture

The research conducted by the University of Brescia on Italian companies with shareholdings in US companies led to the identification of 1,826 Italian investors and 3,519 US investee companies, with 259,545 employees and a turnover of \$143.7 billion (Table 3.1).

In most cases, Italian investors hold control of US investee companies. In fact, the controlling interests concern 3,187 US companies, with over 251,700 employees and a turnover of 139.4 billion dollars. Additionally, there are 332 between equal joint ventures and minority shareholdings; these companies employ nearly 7,800 people and their turnover is close to 4.3 billion dollars.

Among the 1,826 Italian investors, 1,451 have a single investee company in the US, while the remaining 375 have multiple shareholdings in the United States. In many cases, these investments concern an operating company, accompanied by a holding company and/or a real estate company, which owns the property in which the operating company carries out its business, but there are also groups present with many dozens of their own affiliates. Standing out among them are the Enel groups (present in the USA with 446 investee companies) and Autogrill (165 investee companies). There are a total of 28 Italian groups that have at least ten investee companies in the United States.

Table 3.1 – US companies with Italian participation at December 31st, 2021

| | Companies No. | Employees No. | Turnover \$ million |
|-----------------------------------|------------------|------------------|------------------------|
| Controlling interests | 3,187 | 251,711 | 139,439 |
| 50-50 and minority joint ventures | 332 | 7,834 | 4,270 |
| Total | 3,519 | 259,545 | 143,709 |

Source: elaborations from the University of Brescia.

3.2. The sectoral breakdown

Table 3.2 shows the breakdown of US companies owned by Italian investors by sector of activity of the investee company, while Tab. 3.3 refers only to controlling shareholdings (which concern, as previously underlined, 3,227 companies out of a total of 3,519).

The manufacturing industry predominates, where 522 Italian-owned companies operate, with over 145,400 employees and a turnover of 107.2 billion dollars; these values respectively well represent over half and almost three quarters of the total employment and turnover of all Italian companies with foreign participation.

The automotive industry stands out within the manufacturing sector, with over 67,000 employees, largely determined by the activities of the FCA/Stellantis group, flanked by some component manufacturers such as Brembo, Gnutti Carlo, FIAMM and Sogefi.



Table 3.2 – US affiliates of Italian MNEs, by sector of activity, 2021

| | Companies No. | Employees No. | Turnover \$ million. |
|---|------------------|------------------|-------------------------|
| Agriculture, forestry and fishing | 12 | 75 | 31 |
| Mining and quarrying | 16 | 948 | 2,121 |
| Manufacturing industry | 522 | 145,411 | 107,177 |
| - <i>Food products, beverages and tobacco products</i> | 42 | 11,154 | 4,365 |
| - <i>Textile products</i> | 8 | 736 | 197 |
| - <i>Apparel, leather and related products</i> | 3 | 2,264 | 367 |
| - <i>Wood and related products</i> | 2 | 60 | 23 |
| - <i>Paper and related products; printing</i> | 13 | 2,175 | 877 |
| - <i>Coke and refined petroleum products</i> | 1 | 31 | 50 |
| - <i>Chemicals and chemical products</i> | 25 | 3,746 | 1,929 |
| - <i>Pharmaceuticals and botanic products</i> | 13 | 1,602 | 862 |
| - <i>Rubber and plastic products</i> | 30 | 4,010 | 1,164 |
| - <i>Other non-metallic mineral products</i> | 36 | 4,188 | 2,180 |
| - <i>Basic metals and fabricated metal products</i> | 71 | 7,066 | 3,911 |
| - <i>Computer, electronic and optical products</i> | 57 | 11,003 | 4,973 |
| - <i>Electrical and household equipment</i> | 25 | 8,458 | 3,927 |
| - <i>Machinery and mechanical equipment</i> | 119 | 13,906 | 7,403 |
| - <i>Automobiles and automotive components</i> | 21 | 67,074 | 70,737 |
| - <i>Other transport equipment</i> | 16 | 1,292 | 754 |
| - <i>Furnishings</i> | 5 | 68 | 32 |
| - <i>Other manufacturing industries</i> | 35 | 6,578 | 3,426 |
| Electricity, gas, steam, water supply, waste management | 398 | 1,315 | 717 |
| Construction | 109 | 6,923 | 2,490 |
| Wholesale and retail trade | 1,311 | 65,059 | 19,995 |
| Transportation and storage | 85 | 2,489 | 1,321 |
| Accommodation and food service activities | 193 | 14,895 | 1,417 |
| IT & telecom services, publishing and audiovisul attivies | 142 | 2,222 | 473 |
| Other professional, scientific and technical activities | 529 | 13,092 | 4,672 |
| Education, health, arts, entertainment, other services | 21 | 4,633 | 1,988 |
| Financial, insurance and real estate activities | 181 | 2,483 | 1,307 |
| Total | 3,519 | 259,545 | 143,709 |

Source: elaborations from the University of Brescia.



Table 3.3 – US subsidiaries of Italian MNEs, by sector of activity, 2021

| | Companies No. | Employees No. | Turnover \$ million. |
|--|------------------|------------------|-------------------------|
| Agriculture, forestry and fishing | 9 | 53 | 22 |
| Mining and quarrying | 14 | 848 | 2,120 |
| Manufacturing industry | 479 | 142,212 | 105,780 |
| - <i>Food products, beverages and tobacco products</i> | 41 | 10,992 | 4,348 |
| - <i>Textile products</i> | 7 | 731 | 195 |
| - <i>Apparel, leather and related products</i> | 3 | 2,263 | 367 |
| - <i>Wood and related products</i> | 1 | 25 | 5 |
| - <i>Paper and related products; printing</i> | 10 | 2,164 | 876 |
| - <i>Coke and refined petroleum products</i> | 1 | 31 | 50 |
| - <i>Chemicals and chemical products</i> | 22 | 3,145 | 1,627 |
| - <i>Pharmaceuticals and botanic products</i> | 10 | 1,565 | 862 |
| - <i>Rubber and plastic products</i> | 28 | 4,002 | 1,158 |
| - <i>Other non-metallic mineral products</i> | 31 | 4,144 | 2,175 |
| - <i>Basic metals and fabricated metal products</i> | 65 | 6,993 | 3,886 |
| - <i>Computer, electronic and optical products</i> | 51 | 9,467 | 4,031 |
| - <i>Electrical and household equipment</i> | 24 | 8,391 | 3,916 |
| - <i>Machinery and mechanical equipment</i> | 116 | 13,842 | 7,386 |
| - <i>Automobiles and automotive components</i> | 18 | 66,734 | 70,699 |
| - <i>Other transport equipment</i> | 16 | 1,292 | 754 |
| - <i>Furnishings</i> | 5 | 68 | 32 |
| - <i>Other manufacturing industries</i> | 30 | 6,362 | 3,413 |
| Electricity, gas, steam, water supply, waste management | 374 | 1,205 | 661 |
| Construction | 80 | 5,724 | 1,613 |
| Wholesale and retail trade | 1,201 | 62,942 | 19,123 |
| Transportation and storage | 78 | 2,479 | 1,311 |
| Accommodation and food service activities | 187 | 14,853 | 1,413 |
| IT & telecom services, publishing and audiovisual activities | 118 | 2,065 | 458 |
| Other professional, scientific and technical activities | 466 | 12,328 | 4,493 |
| Education, health, arts, entertainment, other services | 20 | 4,578 | 1,151 |
| Financial, insurance and real estate activities | 161 | 2,424 | 1,294 |
| Total | 3,187 | 251,711 | 139,439 |

Source: elaborations from the University of Brescia.



Machinery and mechanical equipment - a great strength of the Italian manufacturing industry - follows among the manufacturing sectors, with 119 investee companies (among the manufacturing sectors it is the one with the highest number of presences) with almost 14 thousand employees and a turnover of 7,4 USD billion; among the Italian presences in this sector, those of CNH Industrial (agricultural and earthmoving machinery), Ali Group (commercial catering machinery), EPTA (commercial refrigeration systems) and Interpump (high and very high pressure pumps, components and oleodynamics systems) stand out.

The threshold of 10,000 employees in Italian-owned companies is exceeded by two other sectors: the food and beverage industry, with the presence of Ferrero (sweets and snacks), Barilla (pasta), Bolton (canned fish), Parmalat (milk and derivatives) and Salumificio Fratelli Beretta (cured meats) and the sector that brings together computers, electronic products and instrumentation, thanks especially to the activities of Leonardo (electronics for defense), Stmicroelectronics (microelectronics) and Datalogic (scanners for reading bars).

The activities in the wholesale and retail trade sector are obviously significant as well, with 1,311 investee companies, over 65,000 employees and a turnover of USD 20 billion. Worth mentioning in this sector are the activities of the Luxottica group (EssiLux), which occupies approximately 35,000 employees in its retail sales network, which are accompanied by the shops of the big names in fashion and numerous commercial and pre- and post-sales assistance branches of Italian manufacturing companies in various sectors, dedicated to overseeing a fundamental outlet market for the products of the respective parent companies.

Among the tertiary sectors, the catering services sector stands out, with almost 15,000 employees, thanks almost exclusively to the activities of the Autogrill group, a major player in the airport catering sector. On the other hand, highly heterogeneous activities are found in the sector of "Other business services" (529 investee companies with over 13,000 employees), which includes the activities of the operating holding companies of some Italian groups present with other operating activities, engineering services and a large of administrative, technical, consultancy and business support services.

3.3. Localization of US affiliates of Italian companies

An in-depth and meticulous research work has made it possible to identify the headquarters of as many as 3,038 US companies with Italian participation, which represent over 86% of the surveyed universe. In particular, it was possible to identify the headquarters of all 1,002 companies with at least 10 employees. Companies with Italian participation are present in 48 out of 50 states of the Union, as well as in the District of Columbia. The only two states where no head office of Italian capital companies was found are North Dakota and Mississippi. Nevertheless, also in these two states there are companies with Italian capital: for example, Fargo in North Dakota hosts an important plant for the production of tractors and agricultural machinery of CNH Industrial America LLC, a company with headquarters in Wisconsin, while in Mississippi there are located in Olive Branch a plant of Nortek Security & Controls, a company with headquarters in California acquired by Nice from Veneto in 2021, in Walnut a production plant of Draka Elevator Products, a company of the Prysmian group with headquarters in North Carolina, and a casino in Robinsonville managed by IGT, a De Agostini group company with headquarters in Nevada.



Table 3.4 – Location of the headquarters of US subsidiaries of Italian companies by State, 2021

| State | Total | | 100+ employees | | 50+ employees | | 10+ employees | |
|------------------------|-------|-------|----------------|-------|---------------|-------|---------------|-------|
| | No. | % | No. | % | No. | % | No. | % |
| Alabama | 4 | 0.2 | 0 | 0.0 | 1 | 0.3 | 3 | 0.3 |
| Alaska | 1 | 0.0 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Arizona | 17 | 0.6 | 2 | 0.8 | 2 | 0.5 | 4 | 0.4 |
| Arkansas | 5 | 0.2 | 0 | 0.0 | 0 | 0.0 | 1 | 0.1 |
| California | 239 | 7.9 | 17 | 7.2 | 33 | 8.3 | 84 | 8.4 |
| Colorado | 27 | 0.9 | 0 | 0.0 | 3 | 0.8 | 12 | 1.2 |
| Connecticut | 43 | 1.4 | 4 | 1.7 | 5 | 1.3 | 14 | 1.4 |
| Delaware | 207 | 6.8 | 5 | 2.1 | 6 | 1.5 | 8 | 0.8 |
| District of Columbia | 8 | 0.3 | 1 | 0.4 | 1 | 0.3 | 3 | 0.3 |
| Florida | 308 | 10.1 | 12 | 5.1 | 19 | 4.8 | 67 | 6.7 |
| Georgia | 81 | 2.7 | 9 | 3.8 | 12 | 3.0 | 34 | 3.4 |
| Hawaii | 3 | 0.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Idaho | 7 | 0.2 | 1 | 0.4 | 2 | 0.5 | 3 | 0.3 |
| Illinois | 135 | 4.4 | 19 | 8.1 | 27 | 6.8 | 52 | 5.2 |
| Indiana | 43 | 1.4 | 10 | 4.2 | 13 | 3.3 | 24 | 2.4 |
| Iowa | 14 | 0.5 | 1 | 0.4 | 4 | 1.0 | 8 | 0.8 |
| Kansas | 12 | 0.4 | 2 | 0.8 | 2 | 0.5 | 5 | 0.5 |
| Kentucky | 30 | 1.0 | 11 | 4.7 | 15 | 3.8 | 22 | 2.2 |
| Louisiana | 8 | 0.3 | 1 | 0.4 | 3 | 0.8 | 4 | 0.4 |
| Maine | 6 | 0.2 | 0 | 0.0 | 2 | 0.5 | 4 | 0.4 |
| Maryland | 58 | 1.9 | 5 | 2.1 | 7 | 1.8 | 23 | 2.3 |
| Massachusetts | 200 | 6.6 | 8 | 3.4 | 15 | 3.8 | 34 | 3.4 |
| Michigan | 97 | 3.2 | 10 | 4.2 | 19 | 4.8 | 47 | 4.7 |
| Minnesota | 68 | 2.2 | 2 | 0.8 | 7 | 1.8 | 16 | 1.6 |
| Missouri | 32 | 1.1 | 3 | 1.3 | 5 | 1.3 | 14 | 1.4 |
| Montana | 2 | 0.1 | 1 | 0.4 | 1 | 0.3 | 1 | 0.1 |
| Nebraska | 1 | 0.0 | 0 | 0.0 | 0 | 0.0 | 1 | 0.1 |
| Nevada | 17 | 0.6 | 1 | 0.4 | 2 | 0.5 | 5 | 0.5 |
| New Hampshire | 12 | 0.4 | 0 | 0.0 | 1 | 0.3 | 1 | 0.1 |
| New Jersey | 168 | 5.5 | 16 | 6.8 | 25 | 6.3 | 72 | 7.2 |
| New Mexico | 4 | 0.1 | 0 | 0.0 | 1 | 0.3 | 1 | 0.1 |
| New York | 511 | 16.8 | 21 | 8.9 | 43 | 10.8 | 150 | 15.0 |
| North Carolina | 114 | 3.8 | 13 | 5.5 | 20 | 5.0 | 46 | 4.6 |
| Ohio | 66 | 2.2 | 7 | 3.0 | 19 | 4.8 | 28 | 2.8 |
| Oklahoma | 7 | 0.2 | 0 | 0.0 | 1 | 0.3 | 3 | 0.3 |
| Oregon | 14 | 0.5 | 1 | 0.4 | 1 | 0.3 | 9 | 0.9 |
| Pennsylvania | 82 | 2.7 | 11 | 4.7 | 19 | 4.8 | 43 | 4.3 |
| Rhode Island | 9 | 0.3 | 1 | 0.4 | 2 | 0.5 | 2 | 0.2 |
| South Carolina | 30 | 1.0 | 4 | 1.7 | 6 | 1.5 | 19 | 1.9 |
| South Dakota | 9 | 0.3 | 3 | 1.3 | 3 | 0.8 | 3 | 0.3 |
| Tennessee | 26 | 0.9 | 4 | 1.7 | 5 | 1.3 | 16 | 1.6 |
| Texas | 183 | 6.0 | 12 | 5.1 | 21 | 5.3 | 62 | 6.2 |
| Utah | 10 | 0.3 | 0 | 0.0 | 0 | 0.0 | 1 | 0.1 |
| Vermont | 6 | 0.2 | 1 | 0.4 | 1 | 0.3 | 2 | 0.2 |
| Virginia | 41 | 1.3 | 5 | 2.1 | 9 | 2.3 | 16 | 1.6 |
| Washington | 24 | 0.8 | 4 | 1.7 | 6 | 1.5 | 11 | 1.1 |
| West Virginia | 5 | 0.2 | 2 | 0.8 | 2 | 0.5 | 3 | 0.3 |
| Wisconsin | 40 | 1.3 | 6 | 2.5 | 9 | 2.3 | 21 | 2.1 |
| Wyoming | 2 | 0.1 | 0 | 0.0 | 0 | 0.0 | 0 | 0.0 |
| Total (known location) | 3,038 | 100.0 | 236 | 100.0 | 400 | 100.0 | 1,002 | 100.0 |

Source: elaborations from the University of Brescia.

Table 3.5 – Location of the headquarters of US subsidiaries of Italian companies, by region and division, 2021

| Region and Division | Total | | Companies with 100+ employees | | Companies with 50+ employees | | Companies with 10+ employees | |
|-------------------------|-------|-------|-------------------------------|-------|------------------------------|-------|------------------------------|-------|
| | No. | % | No. | % | No. | % | No. | % |
| Northeast | 1,038 | 34.2 | 62 | 26.3 | 113 | 28.3 | 322 | 32.1 |
| - New England | 276 | 9.1 | 14 | 5.9 | 26 | 6.5 | 57 | 5.7 |
| - Middle Atlantic | 762 | 25.1 | 48 | 20.3 | 87 | 21.8 | 265 | 26.4 |
| Midwest | 516 | 17.0 | 63 | 26.7 | 108 | 27.0 | 219 | 21.9 |
| - East North Central | 381 | 12.5 | 52 | 22.0 | 87 | 21.8 | 172 | 17.2 |
| - West North Central | 135 | 4.4 | 11 | 4.7 | 21 | 5.3 | 47 | 4.7 |
| South | 1,117 | 36.8 | 84 | 35.6 | 128 | 32.0 | 330 | 32.9 |
| - South Atlantic | 852 | 28.0 | 56 | 23.7 | 82 | 20.5 | 219 | 21.9 |
| - East South Central | 62 | 2.0 | 15 | 6.4 | 21 | 5.3 | 41 | 4.1 |
| - West South Central | 203 | 6.7 | 13 | 5.5 | 25 | 6.3 | 70 | 7.0 |
| West | 367 | 12.1 | 27 | 11.4 | 51 | 12.8 | 131 | 13.1 |
| - Mountain | 86 | 2.8 | 5 | 2.1 | 11 | 2.8 | 27 | 2.7 |
| - Pacific | 281 | 9.2 | 22 | 9.3 | 40 | 10.0 | 104 | 10.4 |
| Totale (known location) | 3,038 | 100.0 | 236 | 100.0 | 400 | 100.0 | 1,002 | 100.0 |
| Unknown location | 481 | | | | | | | |
| Totale | 3,519 | | 236 | | 400 | | 1,002 | |

Source: elaborations from the University of Brescia.

Focusing on the most significant companies, it can be seen that two-thirds of Italian-owned companies with 100 or more employees are concentrated in just three Divisions, i.e. South Atlantic (56 companies), East North Central (52 companies) and Middle Atlantic (48 enterprises). Among individual states, New York State has the highest number of investee firms with 100 or more employees (21), followed by Illinois (19), California (17), New Jersey (16), North Carolina (13); then Florida and Texas with 12, Kentucky and Pennsylvania with 11, Indiana and Michigan with 10.

Table 3.6 shows the top Italian presences, by region, division and state.

3.4 The geographical origin of Italian investors

Finally, to complete the territorial analysis, Tab. 3.7 shows the breakdown of Italian investors and their US affiliates, as well as of the number of employees and turnover of the latter, by region of origin of the Italian investing company.

642 investors with at least one investee company in the USA come from Lombardy alone, corresponding to over a third of the total, followed by Veneto with 316 investors, Emilia-Romagna with 297 and Piedmont with 151. The total weight of these four regions is equal to over three quarters of the investors, over two thirds of the investee companies and around 90 % of employees and turnover of investee companies (for these last two variables, Piedmont gives the most significant contribution, from the activities of the FCA-Stellantis group).

Table 3.6 – Main subsidiaries of Italian companies by region, division and State, 2021

NORTHEAST - New England

| | |
|----------------------|--|
| Connecticut | Webuild (construction) Permasteelisa (construction) SAES Getters (electronics) |
| Massachusetts | Enel (energy) Ariston Group (boilers) Trevi (construction) |

NORTHEAST - Middle Atlantic

| | |
|---------------------|---|
| New Jersey | Leonardo (electronics) Ferrero (food products) Savino Del Bene (logistics) Kedrion (pharmaceuticals) Safilo (eyeglasses) Marcolin (eyeglasses) Bracco Diagnostics (diagnostics) |
| New York | Giorgio Armani (fashion) OTB (fashion) Eataly (food retail, restaurants) Parmalat (food products) Genextra (biotechnology) Ermenegildo Zegna (fashion) |
| Pennsylvania | Sofidel (tissue) Buzzi Unicem (cement) Hitachi Rail (rail equipment) Goglio (flexible packaging) ASTM (construction) Leonardo (helicopters) Citterio (cured meat) |

MIDWEST - East North Central

| | |
|------------------|--|
| Illinois | Ali Group (macchine per ristorazione) Ferrero (food products) Pastificio Rana (fresh pasta, restaurants) A. Agrati (fastenings) Barilla (pasta, sauces, bakery products) Polynt (chemicals) IRIS Ceramiche (ceramic tiles) |
| Indiana | CNH Industrial (construction equipment) Ferrero (food products) Buzzi Unicem (cement) Interpump (hydraulic components) |
| Michigan | FCA (cars) Gnutti Carlo (car components) |
| Ohio | Luxottica (eyewear) |
| Wisconsin | Fincantieri (shipyards) CNH Industrial (agricultural machinery) |

MIDWEST - West North Central

| | |
|---------------------|---|
| Minnesota | Amplifon (hearing aids) Bracco Diagnostics (diagnostics) |
| South Dakota | CNH Industrial (agricultural equipm.) |

SOUTH - South Atlantic

| | |
|-----------------------|--|
| Delaware | Luxottica (eyeglasses) CNH Industrial (financial services) |
| Florida | Mapei (chemicals) Luxottica (eyeglasses) Beretta (pistols and guns) |
| Georgia | CNH (construction equipment) Pirelli (tyres) Ferrero (food products) EPTA (refrigeration systems) Aquafil (textile fibres) |
| Maryland | Autogrill (airport catering) Beretta (armi leggere) |
| North Carolina | Goldenpoint (hosiery) L'Isolante K-Flex (rubber products) |

SOUTH - East South Central

| | |
|------------------|--|
| Kentucky | Prysmian (cables) Ferrero (food products) Panariagroup (ceramic tiles) |
| Tennessee | Florim Ceramiche (ceramic tiles) |

SOUTH - West South Central

| | |
|------------------|--|
| Louisiana | Alfasigma (pharmaceuticals) |
| Texas | ENI (petroleum) Saipem (perforations) Tenova (metal pipes, engineering) Luxottica (eyewear) Diasorin (diagnostics) |

WEST - Mountain

| | |
|----------------|----------------------------------|
| Arizona | Stmicroelectronics (electronics) |
| Nevada | IGT-De Agostini (lotteries) |

WEST - Pacific

| | |
|-------------------|--|
| California | Luxottica (eyeglasses) Brembo (automotive) Pirelli (tyres) Fratelli Beretta (food products) Interpump (hydraulic components) |
| Oregon | Datalogic (electronics) |
| Washington | Bolton (food products) |

Source: elaborations from the University of Brescia.



Table 3.7 – Italian parent companies and their US affiliates, by region of origin of the Italian company, 2021

| Area e regione | Parent Companies | | US affiliates | | Employees of US affiliates | | Turnover of US affiliates | |
|---------------------------|------------------|-------|---------------|-------|----------------------------|-------|---------------------------|-------|
| | No. | % | No. | % | No. | % | \$ million | % |
| North-West | 834 | 45.7 | 1,483 | 42.1 | 155,963 | 60.1 | 103,871 | 72.3 |
| - Aosta Valley | 1 | 0.1 | 1 | 0.0 | 4 | 0.0 | 6 | 0.0 |
| - Piedmont | 151 | 8.3 | 304 | 8.6 | 86,608 | 33.4 | 79,244 | 55.1 |
| - Lombardy | 642 | 35.2 | 1,123 | 31.9 | 67,994 | 26.2 | 23,900 | 16.6 |
| - Liguria | 40 | 2.2 | 55 | 1.6 | 1,357 | 0.5 | 721 | 0.5 |
| Nord-East | 690 | 37.8 | 1,116 | 31.7 | 81,845 | 31.5 | 27,579 | 19.2 |
| - Veneto | 316 | 17.3 | 491 | 14.0 | 55,131 | 21.2 | 14,527 | 10.1 |
| - Trentino - Alto Adige | 33 | 1.8 | 48 | 1.4 | 1,221 | 0.5 | 426 | 0.3 |
| - Friuli - Venezia Giulia | 44 | 2.4 | 82 | 2.3 | 2,934 | 1.1 | 1,635 | 1.1 |
| - Emilia-Romagna | 297 | 16.3 | 495 | 14.1 | 22,559 | 8.7 | 10,991 | 7.6 |
| Center | 232 | 12.7 | 833 | 23.7 | 20,304 | 7.8 | 11,597 | 8.1 |
| - Tuscany | 107 | 5.9 | 149 | 4.2 | 5,637 | 2.2 | 2,455 | 1.7 |
| - Umbria | 16 | 0.9 | 22 | 0.6 | 571 | 0.2 | 119 | 0.1 |
| - Marche | 38 | 2.1 | 60 | 1.7 | 1,049 | 0.4 | 403 | 0.3 |
| - Lazio | 71 | 3.9 | 602 | 17.1 | 13,047 | 5.0 | 8,622 | 6.0 |
| South and Islands | 70 | 3.8 | 87 | 2.5 | 1,433 | 0.6 | 661 | 0.5 |
| - Abruzzo | 12 | 0.7 | 15 | 0.4 | 295 | 0.1 | 254 | 0.2 |
| - Campania | 35 | 1.9 | 48 | 1.4 | 831 | 0.3 | 261 | 0.2 |
| - Puglia | 10 | 0.5 | 11 | 0.3 | 159 | 0.1 | 61 | 0.0 |
| - Basilicata | 2 | 0.1 | 2 | 0.1 | 6 | 0.0 | 5 | 0.0 |
| - Calabria | 2 | 0.1 | 2 | 0.1 | 10 | 0.0 | 11 | 0.0 |
| - Sicily | 6 | 0.3 | 6 | 0.2 | 119 | 0.0 | 51 | 0.0 |
| - Sardinia | 3 | 0.2 | 3 | 0.1 | 13 | 0.0 | 17 | 0.0 |
| Total | 1,826 | 100.0 | 3,519 | 100.0 | 259,545 | 100.0 | 143,709 | 100.0 |

Source: elaborations from the University of Brescia.