

## **CALIFORNIAN COMPANIES EXPAND INTO LONDON AT GROWING RATE**

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Californian companies looking to expand overseas are increasingly turning to London as a base for their European operations. Analysis carried out by Think London, the foreign direct investment agency for London, shows that the number of California-based companies it assisted increased by 63% over the past year to 13 companies.

The Mayor of London, Ken Livingstone, who today was in Los Angeles speaking at a meeting organized by Think London for businesses with an interest in investing or expanding in London, said, "The links between London and California are very strong. London, like California, is a global hub for companies in the technology, media and financial services sectors. Companies in these knowledge-based industries choose London because they recognize the value of accessing our highly educated, skilled and diverse workforce which gives rise to innovative ideas that are crucial to success."

London is Europe's leading city for attracting software and IT services companies. Of the top 25 global software and IT companies, 19 now have their European headquarters in London and all 25 are represented. Companies in the sector who have invested in London in recent years include Google, Apple and Yahoo!.

Companies in the interactive, new media and entertainment industries are also seeing the benefit of having a presence in London, taking advantage of the city's combination of creative talent, technological expertise and advanced wireless and broadband infrastructure. Companies such as West Hollywood based MySpace are taking advantage of the enormous demand for internet-based business and consumer products. MySpace recently chose London as the location for its European headquarters. MySpace is the world's fourth most popular English-language website.

"London is the best entry point for companies looking to service the European, Middle East and African markets", said Michael Charlton, Chief Executive of Think London. "Tremendous business opportunities are on offer, supported by our strong economic and financial performance, emphasis on creativity and technology as well as our skilled, flexible workforce."

The US accounts for the largest source of FDI into London with California-based companies representing over one third of all US investment. Think London will be opening an office in California within the next year in an effort to assist more companies that are thinking of expanding overseas.

London ranks as Europe's number one destination for FDI according to the Ernst & Young European Investment Monitor. London now attracts over 5.7% of all FDI into Europe, which represents the highest share for any European city.