

Walmart Manufacturing Commitment

Walmart is committed to American renewal and has announced it will buy an additional \$50 billion in U.S. products over the next 10 years in an effort to grow U.S. manufacturing and encourage the creation of U.S. jobs.

WHO does this include?

- The U.S. retail industry and manufacturers. Walmart is calling on the retail industry to use its buying power to create more American jobs by supporting more U.S. manufacturing.

WHAT is Walmart announcing?

- Walmart will buy an additional \$50 billion in U.S. products over the next 10 years. According to data from our suppliers, items that are made here, sourced here, or grown here account for about two-thirds of what we spend to buy products at Walmart U.S.
- Walmart and Sam's Club will grow U.S. manufacturing on two fronts:
 - By increasing what we already buy here – in categories like sporting goods, apparel basics, storage products, games, and paper products.
 - By helping create U.S. production in high key areas like textiles, furniture, pet supplies, some outdoor categories, and higher end appliances. These are just a few examples; we are looking at many more.
- Walmart believes the retail industry can further drive American renewal, and by working together could generate \$500 billion in new purchases over the next 10 years.

WHEN is this effective?

- Walmart plans to reach its \$50 billion commitment by 2023.

HOW does it work?

- Walmart is prepared to collaborate with manufacturers, give long range demand forecasts, make longer term product commitments on basic goods and help connect them with the best resources so they can make the most informed decisions about capital investments.
- Walmart has spoken with its suppliers and is ready to facilitate important government meetings to explore benefits, rebates, training and other programs available to attract U.S. manufacturing state by state.
 - We've spoken with the incoming chair of the National Governors Association (Governor Mary Fallin of Oklahoma) about how state government, retailers and manufacturers can drive this issue together.
 - We're talking with governors including Nikki Haley in South Carolina and Mike Beebe in Arkansas.
 - This summer we will convene a manufacturing summit to bring us all together. Instead of working on these issues separately, we will accelerate these changes by working together.

WHY is this important?

- This could create jobs in areas such as manufacturing and industrial engineering, shipping and transportation, management, accounting, large equipment maintenance, and service providers like medical, retail, restaurants, uniforms and foodservice.
- Products made closer to the point of purchase mean increased flexibility because of shorter transportation time, lead time and less freight costs. This offers the ability to save additional costs in warehousing and multiple touches through the supply chain.