

## JOBS IMPACT

### Employment Contribution Assumptions

- AT&T purchase of 8,000 Ford Econoline Vans
- Shipment of Vans to Dallas and to Atlanta for upfit work
- AT&T purchase of 7,100 hybrid-electric cars
- \$40 million investment for new CNG fueling stations

AT&T will purchase 8,000 new vans for their fleet. These vans will be converted by a third-party company to compressed natural gas (CNG). The vans will be further upfitted to meet the service requirements of the fleet. AT&T will also purchase 7,100 hybrid-electric and other alternate, green-fuel vehicles. This memo estimates the jobs that will be supported in the U.S. economy because of these fleet purchases. While it is possible that other alternate powertrain vehicles may be purchased by AT&T in the future, only CNG vans and hybrid-electric cars were modeled. Direct jobs that are saved or created by this program are in van production, car production, corporate administrative and logistical support for van and car purchases, upfitting the vans, and construction of CNG stations.

### Results

- Creates or saves on average approximately 1,000 jobs for each of five years
- Average compensation each year: \$55 million
- Average taxes paid by all workers each year: \$8.9 million

*These employment and economic contribution estimates were derived using the latest version of a state-of-the-art economic model with direct employment inputs estimated by CAR. The basic approach in these analyses is to use a regional economic impact model, input AT&T-specific data, and generate estimates of the economic contribution associated with the vehicle purchases and upfitting. After inputting the direct jobs data related to van and car production, administrative and logistical support, upfitting and fuel station installation, the model estimates indirect jobs (suppliers to the direct jobs) and spin-off jobs (consumption-related). Altogether these represent the total job impact annually. Compensation and tax revenues are calculated in the model using the aggregate job total.*

The Center for Automotive Research, a nonprofit organization, is focused on a wide variety of important trends and changes related to the automobile industry and society at the international, federal, state and local levels. CAR conducts industry research, develops new methodologies, forecasts industry trends, advises on public policy, and sponsors multi-stakeholder communication forums. The Center for Automotive Research has carried out the majority of national level automotive economic contribution studies completed in the United States since 1992. CAR's industry research is performed by distinct groups, including the Sustainable Transportation and Communities (STC) group, led by Kim Hill, associate director of research. STC concentrates on the long-term viability and sustainability of the auto industry, the surface transportation system, and the communities that lie at the heart of both the industry and the system.

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