

## Position Statement – U.S. Infrastructure

### Executive Summary

Our company is a leading science and technology company with more than 13,000 U.S. employees across 70 facilities in 20 states around the country. Nearly half of these facilities contain manufacturing. Our high technology requires that these facilities have access to sound infrastructure to power our machines, deliver our products, transport our workers, and connect with our customers.

However, throughout much of the United States, outdated infrastructure causes both delays and high costs for consumers and businesses alike. Manufacturers need access to sound infrastructure to thrive in today's global economy and maintain future growth. We support efforts by federal, state, and local policymakers to increase infrastructure funding to improve the efficient transportation and interconnectivity of people, goods, and services. We also support policymakers as they seek to consider a variety of approaches toward funding the backbone of America's future.

### Why It Matters

All corners of the United States depend upon infrastructure. Companies and consumers make use of American roads, bridges, rail systems, airports and seaports, waterways, electric grids, and telecommunications networks daily. However, much of the infrastructure currently in use is decades old and not universally accessible, resulting in deferred maintenance, safety concerns, rising repair costs, and connectivity issues. These shortcomings hinder America's economy and prevent companies from achieving their business objectives.

Manufacturers rely on updated and modern infrastructure systems to compete in today's global economy. However, U.S. manufacturers are falling behind. According to the American Society of Civil Engineers, the U.S. faces an infrastructure investment deficit of nearly \$2.6 trillion needed by 2029, resulting in more than 3 million lost jobs.<sup>1</sup> Additional studies have shown that infrastructure investments add as much as \$3 to GDP growth for every dollar spent and that increasing U.S. infrastructure spending by 1 percent of GDP would add 1.5 million jobs to the American economy.<sup>2</sup> Increasing the level of investment in America's infrastructure is vital to boost economic recovery, growth, and competitiveness, spur productivity, create jobs, and increase quality of life.

Given that approximately 25% of U.S. public infrastructure funding comes from the federal government, state and local governments and stakeholders from the private sector must work with Congress and the Administration and act now to tackle this critical issue before it is too late.<sup>3</sup>

### Our Position

**As a company with 34 manufacturing sites across the United States, we support investment to expand and modernize America's infrastructure to better promote the efficient transportation and interconnectivity of people, goods, and services.**

- We support increased public and private infrastructure funding focused on:
  - Supporting efforts to reduce traffic congestion and repair America's clogged and outdated roads, bridges, and public transit systems;
  - Increasing airport capacity and modernizing air traffic control systems;
  - Decreasing congestion and eliminating service disruptions and bottlenecks at ports and inland waterways;
  - Further developing the U.S. commercial rail system;
  - Modernizing and increasing capacity related to drinking water and wastewater systems;
  - Guaranteeing the safety and reliability of America's electric power grid; and
  - Updating, expanding, and securing America's broadband, information, and telecommunications infrastructure, including wireless broadband via 5G, to

<sup>1</sup> 2021 Report Card for America's Future. (2021). American Society of Civil Engineers. Retrieved from <https://infrastructurereportcard.org/resources/investment-gap-2020-2029/>

<sup>2</sup> McBride, J. and Moss, J. (September 1, 2020). The State of U.S. Infrastructure. Council on Foreign Relations. Retrieved from <https://www.cfr.org/backgrounder/state-us-infrastructure>

<sup>3</sup> Ibid.



incentivize domestic high-tech manufacturing, close the digital divide, and ensure that citizens nationwide are able to work and learn remotely and stay connected.

**We support policymakers' commitments to upgrade and modernize America's infrastructure and encourage them to consider a variety of policy measures to bring about concrete and effective changes.**

- We encourage policymakers from across the political spectrum to prioritize public and private infrastructure funding and work together to fix America's long overdue infrastructure deficit. 81% of voters believe it is important that the U.S. modernize its infrastructure system, and 75% of voters support the federal government investing more to accomplish this.<sup>4</sup>
- Rebuilding America's infrastructure requires a multifaceted financial approach that includes government funding as well as leveraging private sector resources.
- There are a number of policy proposals that would generate increased funding for infrastructure, such as increasing the federal motor vehicle user fee and/or implementing a mileage-based user fee, improving existing and creating new federal and state infrastructure loan programs, encouraging and removing barriers to public private partnerships (PPPs), reforming the permitting and approval processes for major infrastructure projects, and supporting alternative funding and financing solutions to address these needs. We support discussions around all these initiatives and encourage policymakers at the federal and state levels to make investment in infrastructure a priority.

**About Merck KGaA, Darmstadt, Germany**

*Merck KGaA, Darmstadt, Germany, a leading science and technology company, operates across healthcare, life science and electronics. Around 58,000 employees work to make a positive difference to millions of people's lives every day by creating more joyful and sustainable ways to live. From advancing gene editing technologies and discovering unique ways to treat the most challenging diseases to enabling the intelligence of devices – the company is everywhere. In 2020, Merck KGaA, Darmstadt, Germany, generated sales of € 17.5 billion in 66 countries.*

*The company holds the global rights to the name and trademark "Merck" internationally. The only exceptions are the United States and Canada, where the business sectors of Merck KGaA, Darmstadt, Germany operate as EMD Serono in healthcare, MilliporeSigma in life science, and EMD Electronics. Since its founding 1668, scientific exploration and responsible entrepreneurship have been key to the company's technological and scientific advances. To this day, the founding family remains the majority owner of the publicly listed company. For more information about Merck, KGaA, Darmstadt, Germany, visit [www.emdgroup.com](http://www.emdgroup.com).*

---

<sup>4</sup> Let's Rebuild America's Infrastructure. (2017). U.S. Chamber of Commerce. Retrieved from <https://www.uschamber.com/taxonomy/term/242/all>

