

How Wyoming's Economy Benefits from International Trade & Investment



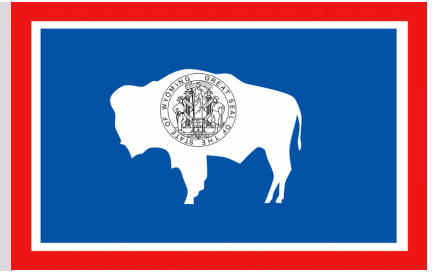
Overview

With more than 95 percent of the world's population and 80 percent of the world's purchasing power outside the United States, future economic growth and jobs for Wyoming and America increasingly depend on expanding U.S. trade and investment opportunities in the global marketplace.

The following pages feature key facts and figures drawn from new Business Roundtable research, U.S. government data, and other data sources that demonstrate the benefits of international trade and investment to economic growth and jobs in Wyoming.

Why is International Trade & Investment Important to Wyoming?

- **International trade, including exports and imports, supports 68,436 Wyoming jobs – nearly 1 in 5.** These trade-related jobs grew 16 percent faster than total employment from 2004 to 2013 and are at large and small companies, on farms, in factories, and at the headquarters of Wyoming's globally engaged firms. *(See Wyoming Jobs Depend On Two-Way Trade)*
- **Wyoming exported \$1.4 billion in goods and \$571 million in services in 2013,** including basic chemicals, misc. general purpose machinery, nonmetallic minerals and travel services. Of Wyoming's 492 exporters, 74 percent are small- and medium-sized companies with less than 500 workers. *(See Wyoming Businesses Grow With Exports)*
- **Customers in 156 countries buy Wyoming-made goods and services,** including millions of dollars in annual exports to top markets like Canada, Brazil and Australia. Wyoming's goods exports have grown 19 percent faster than state GDP since 2003. *(See Wyoming Companies Export Throughout The World)*
- **Imports lower prices and increase choices for Wyoming companies and families.** Lower raw material and input costs help Wyoming companies stay competitive in global markets, while families can stretch paychecks further as trade agreements reduce the cost of products by eliminating costly barriers to trade. *(See Wyoming Companies And Workers Use Imports To Compete)*
- **Free trade agreements (FTAs) have helped fuel rapid export growth from Wyoming to partner countries.** In 2013, \$692 million of Wyoming's goods exports, or 49 percent, went to FTA partners. This represents a 149 percent increase since 2003. *(See Wyoming Needs Trade Agreements To Grow)*
- **Foreign-owned companies invest and build facilities and employ 9,000 workers in Wyoming.** *(See Foreign Investment In Wyoming Creates Jobs)*



Wyoming Jobs Depend on Two-Way Trade

Overview

Creating and preserving quality U.S. jobs is a goal shared by all Americans. With more than 95 percent of the world’s population and 80 percent of the world’s purchasing power outside of the United States, future American economic growth and job creation depend on open markets abroad.

Trade Creates & Supports Jobs in Wyoming

- Export growth increases jobs by generating new business for Wyoming’s manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Wyoming businesses compete and saving Wyoming families real dollars at the cash register.
- More than one in six Wyoming jobs depend upon international trade.
- Wyoming’s trade-related employment grew 16 percent faster than total employment from 2004 to 2013.
- Jobs in U.S. exporting plants pay on average up to 18 percent more than similar jobs in non-exporting plants.
- U.S. exporting plants increase employment 2 to 4 percent faster annually than plants that do not export. Exporting plants also are less likely to go out of business.
- Trade-supported jobs are not just at companies that export and import. Trade supports higher wages for workers and lower costs for companies and consumers, providing them with more money to spend on other things. This spending supports additional jobs throughout the U.S. economy in sectors like entertainment, education and construction.

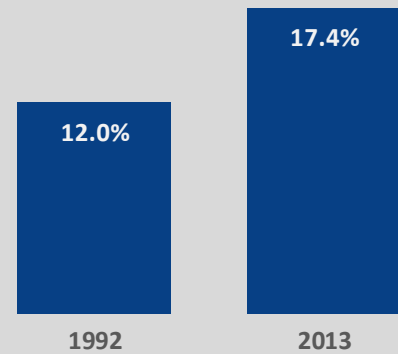
By the Numbers

68,436

Number of Jobs in Wyoming Supported by Trade

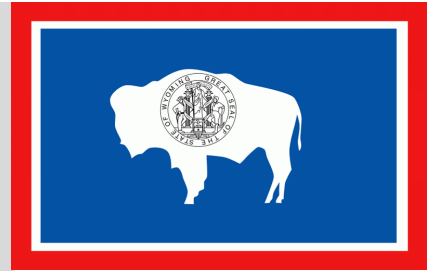
Share of Jobs Tied to Trade

Increased 45% from 1992 to 2013



Jobs Tied to Trade Top Sectors, 2013

Retail	9,000
Real Estate, Rental Services	3,800
Professional, Scientific, Tech Services	3,600
Transportation & Warehousing	3,400
Finance, Insurance	3,200



Wyoming Businesses Grow with Exports

Overview

Wyoming exported an estimated \$1.4 billion in goods and \$571 million in services in 2013. Between 2009 and 2013, Wyoming goods exports have increased by 45 percent and services exports by 24 percent. Large companies now account for 39 percent of the value of Wyoming's goods exports, with the rest provided by small- and medium-sized enterprises (SMEs).

Small & Large Employers Partner to Export

In addition to exporting directly themselves, thousands of American SMEs export indirectly when they sell goods and services to large U.S. exporters. Based on their direct and indirect export activity combined, SMEs represent more than 40 percent of the value of U.S. exports.

Top Wyoming Exports

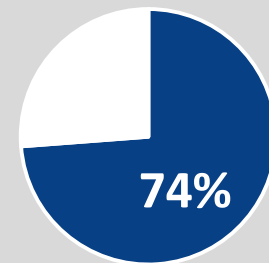
- Wyoming ranks among the top half of state exporters in five industries, including ninth in nonmetallic minerals (\$53 million), 17th in basic chemicals (\$929 million), and 19th in oil & gas (\$56 million).
- Wyoming is America's 38th largest exporter of agricultural products. It ranks among the top 15 exporters of dry peas and beans, hay, misc. grains, and cattle.
- One of Wyoming's fastest growing export categories is ag & construction machinery, which have increased by 26 percent per year since 2003. In 2013, exports of these products reached \$51 million.

By the Numbers

492

Number of Wyoming Businesses that Exported in 2012

Share of Wyoming Exporters that are Small- & Medium-Sized Businesses



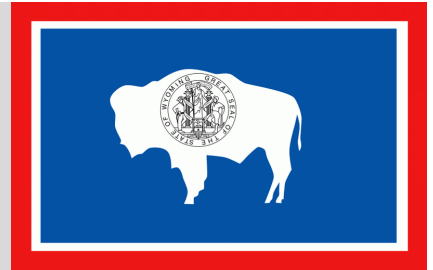
Top Wyoming Exports, 2013

Goods

Basic Chemicals	\$929 million
Misc. General Purpose Machinery	\$60 million
Petroleum & Coal Products	\$57 million
Oil & Gas	\$56 million
Nonmetallic Minerals	\$53 million

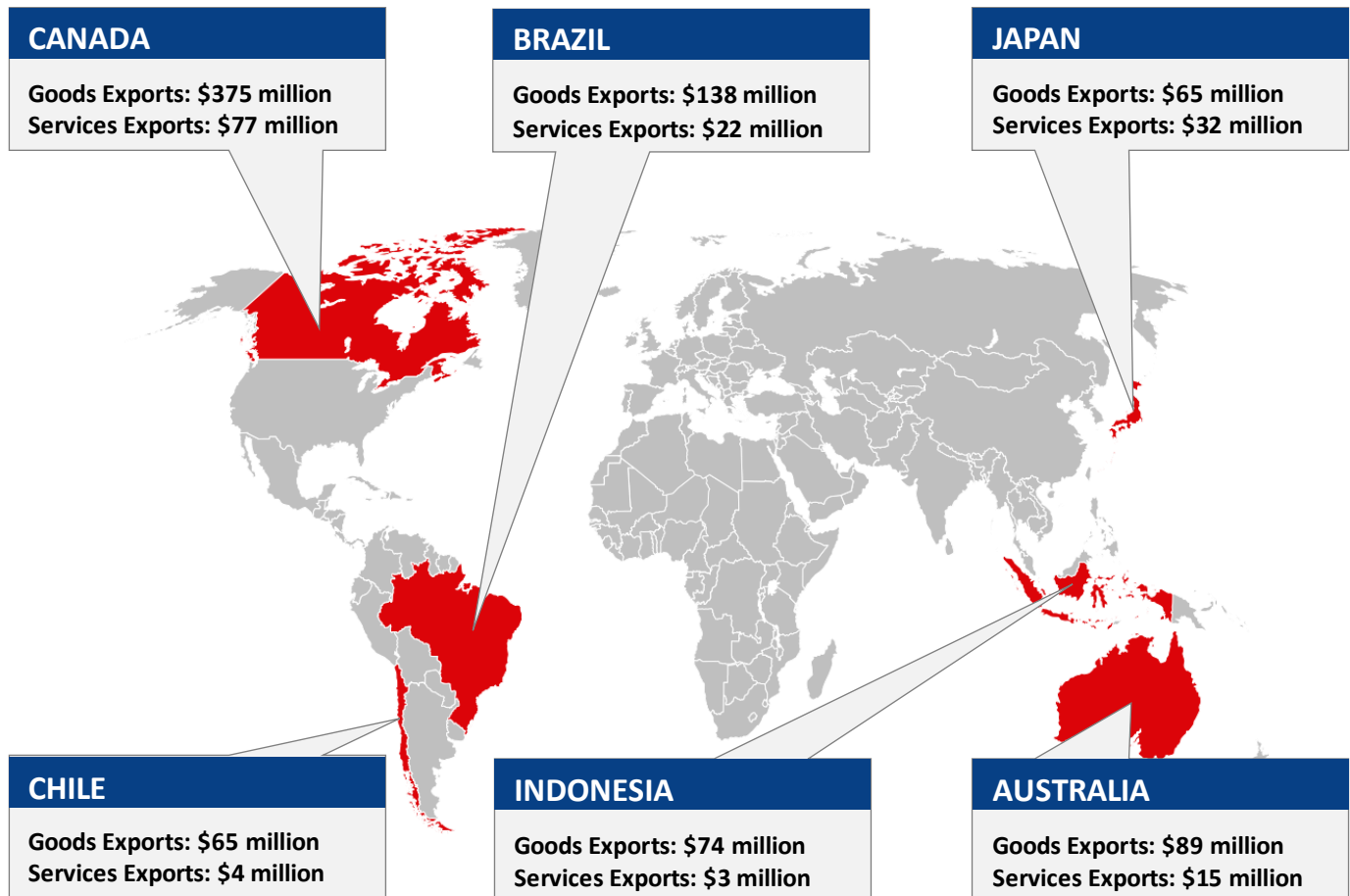
Services

Travel	\$194 million
Equip. Maintenance & Repair	\$123 million
Operational Leasing	\$92 million



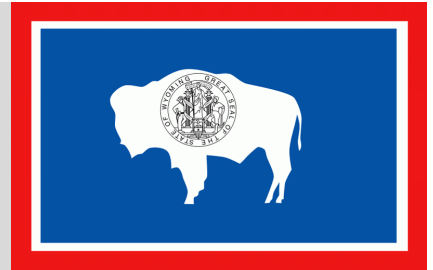
Wyoming Companies Export throughout the World

In 2013, Wyoming companies sold their products in 156 international markets.
Top export markets include:



Fast Facts: How Exports Help the Wyoming Economy Grow

- Goods exports accounted for 3.1 percent of Wyoming's state GDP in 2013.
- Wyoming's goods exports have grown 19 percent faster than state GDP since 2003. The average annual export growth during this period was 10.0 percent, while the average annual state GDP growth was 8.3 percent.
- Wyoming's top export markets for goods are Canada, Brazil, and Australia. Its top market for services is Canada.
- Among major export markets for Wyoming's goods, Brazil has grown the fastest at 28 percent per year since 2003. Exports to the United Kingdom grew by 21 percent per year, while exports to Canada and China each grew by 14 percent per year.



Wyoming Companies & Workers Use Imports to Make Products and Compete in International Markets

Overview

In 2013, 60 percent (\$1.3 trillion) of the products imported into the United States were inputs and components used by American producers. Lower cost inputs keep U.S. manufacturing competitive in international markets. Imports frequently contain components (like cotton or semiconductors) and services inputs (like design) provided by U.S. companies and farmers, including companies and farmers in Wyoming.

- Services, such as transportation, finance and insurance, marketing, and legal services are needed to bring imported goods to Wyoming's manufacturers and households.
- In 2012, about 75 percent of identified U.S. importers were very small businesses with less than 20 employees.
- Trade and investment liberalization policies save the average Wyoming family of four more than \$10,000 per year.
- Imports help keep prices down for Wyoming families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

In 2012, nearly 186,000 U.S. companies (including 582 in Wyoming) imported products...

And roughly three-quarters of U.S. importers were very small businesses with less than 20 employees.

Imports Decrease Prices for Goods & Services



-86.9%

Decrease in the Price of Televisions Between 2003 and 2013.



-71.2%

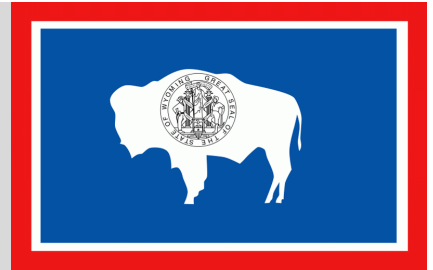
Decrease in the Price of Computers Between 2003 and 2013.



-41.9%

Decrease in the Price of Toys Between 2003 and 2013.

Imports Increase Choices for Goods & Services



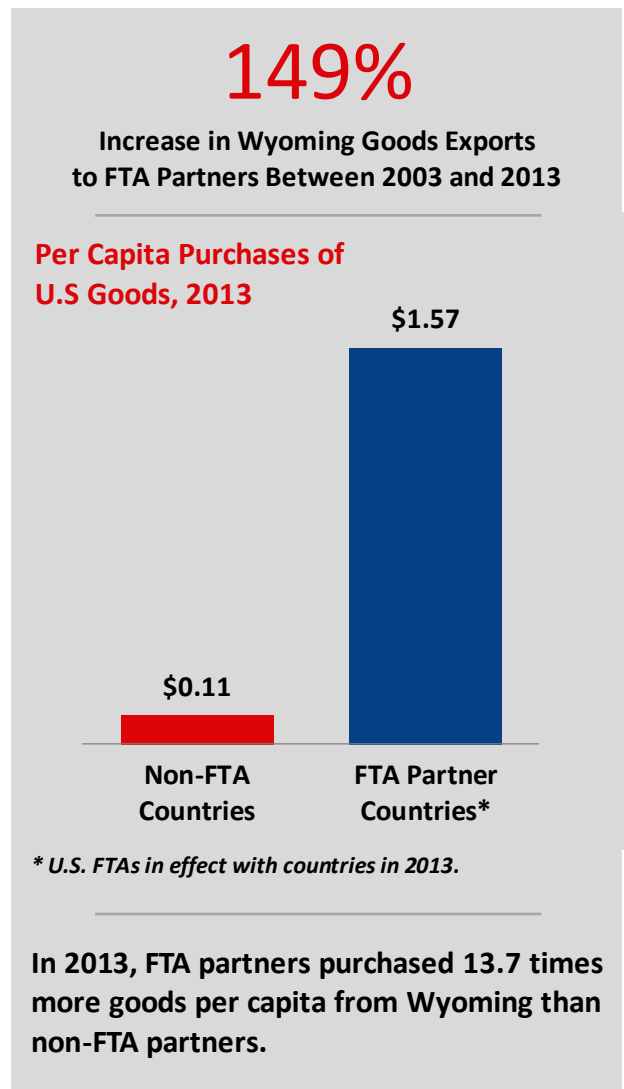
Wyoming Needs Trade Agreements to Grow

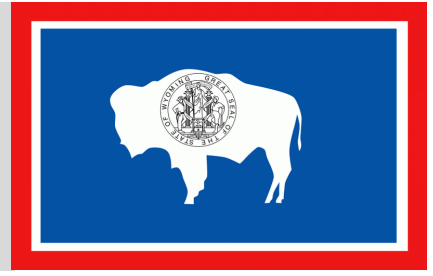
Overview

The United States has some of the lowest trade barriers in the world. Overall U.S. trade with our 20 free trade agreement (FTA) partner countries supports 17.7 million American jobs. Trade agreements level the playing field by lowering other nations' trade barriers, opening up foreign markets to U.S. exports and setting strong, enforceable rules for trade between the United States and those other countries. Wyoming has increased its exports to FTA partners following implementation of the U.S. FTAs with those countries.

- In 2013, \$692 million of Wyoming's goods exports, or 49 percent, went to FTA partners.
- Since 2003 Wyoming's goods exports to countries with FTAs in effect with the United States in 2012 have increased by 149 percent.
- Wyoming's exports to Canada and Mexico have increased by \$394 million (986 percent) since NAFTA went into effect in 1994.
- Wyoming's exports to Chile have increased by 122 percent since the FTA with Chile took effect in 2004.
- Wyoming's exports to Australia of basic chemicals have increased 237 percent, from \$13 million to \$44 million,, since 2005 when the FTA with Australia went into effect.
- Canada bought 100 percent of Wyoming's exports of lime & gypsum in 2013.
- Countries negotiating the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) agreements purchased \$811 million, or 57 percent, of Wyoming's goods exports in 2013.

By the Numbers





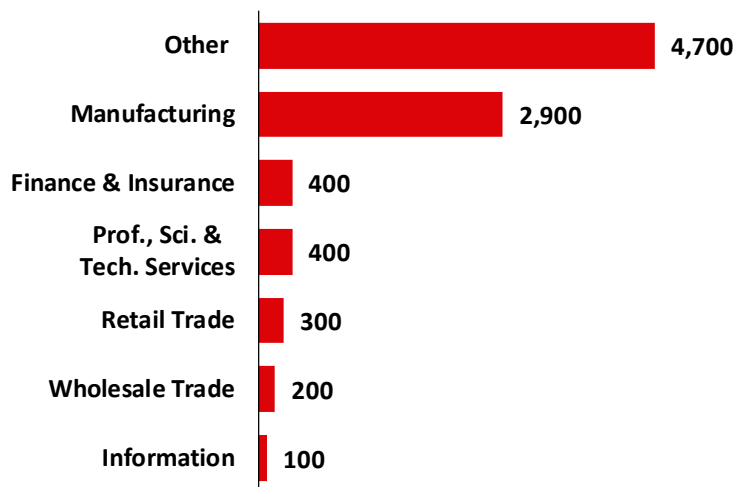
Foreign Investment in Wyoming Creates Jobs

Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in Wyoming every year. Foreign-owned companies from around the world employ thousands of workers in Wyoming, including:

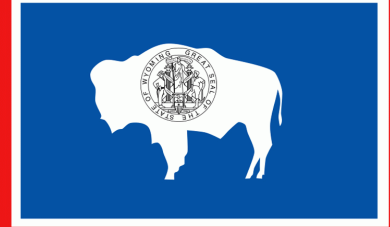
- 2,300 workers employed by companies based in the United Kingdom;
- 800 workers employed by companies based in Canada;
- 800 workers employed by companies based in France;
- 800 workers employed by companies based in Switzerland;
- 300 workers employed by companies based in Germany.

Foreign-Owned Companies Employ 9,000 Wyoming Workers Across Many Industries



Selected Foreign-Owned Companies Employing Workers in Wyoming

Company	Industry	Country
Adecco Staffing	Employment Services	Switzerland
BAE Systems Inc.	Defense/Security/Aerospace Services	United Kingdom
Derek Resources USA, Inc.	Energy Services	Canada
Encana Oil & Gas (USA) Inc.	Energy Production	Canada
Expro Americas Inc.	Energy Services	United Kingdom
Four Seasons Resort	Hotel Services	Canada
OCI Wyoming	Chemicals Manufacturing	Korea
Sandvik Mining and Construction	Mining Services	Sweden
SGL Carbon Fibers LLC	Electrical Component Manufacturing	Germany
Solvay Chemicals, Inc.	Soda Ash Manufacturing	Belgium
V&M Tube Alloy	Metal Products Manufacturing	France
Willis North America, Inc.	Insurance Services	United Kingdom



Data Sources

WYOMING JOBS DEPEND ON TWO-WAY TRADE

Jobs-Tied-to-Trade: Baughman and Francois, "Trade and American Jobs, The Impact of Trade on U.S. and State-Level Employment: 2014 Update" (2014) (<http://businessroundtable.org/resources/trade-and-american-jobs-2014-update>)

Exporting Firm Wages: Riker, "Do Jobs in Export Industries Still Pay More? And Why?" (2010) (http://www.trade.gov/mas/ian/build/groups/public/@tg_ian/documents/webcontent/tg_ian_003208.pdf)

Exporting Firm Growth: Bernard and Jensen, "Exporting and Productivity in the USA" (2004) (<http://faculty.tuck.dartmouth.edu/images/uploads/faculty/andrew-bernard/exprod.pdf>)

WYOMING BUSINESSES GROW WITH EXPORTS

Small and Large Firms Partnering to Export (for 2007, the most recent year for which data were available): U.S. International Trade Commission, *Small and Medium-Sized Enterprises: Characteristics and Performance*, November 2010, (<http://www.usitc.gov/publications/332/pub4189.pdf>)

Exports, Rankings, and Trends: The Trade Partnership, derived from U.S. Census Bureau ("Census") data (<http://tradepartnership.com/data/cdxports-and-cdxjobs>)

Exporting Company Information: Census, "A Profile of U.S. Importing and Exporting Companies, 2011 – 2012" (<http://www.census.gov/foreign-trade/Press-Release/edb/2012>)

WYOMING COMPANIES EXPORT THROUGHOUT THE WORLD

Exports, Rankings, and Trends: The Trade Partnership (<http://tradepartnership.com/data/cdxports-and-cdxjobs>)

Export vs. GDP Growth: Derived from Census export data and U.S. Bureau of Economic Analysis (BEA) "GDP by State" database (<http://bea.gov/regional/index.htm>)

WYOMING COMPANIES & WORKERS USE IMPORTS TO COMPETE IN INTERNATIONAL MARKETS

Importing Company Information: Census, "A Profile of U.S. Importing and Exporting Companies, 2011 – 2012" (<http://www.census.gov/foreign-trade/Press-Release/edb/2012>)

Imports as Components: Derived from Census end-use import data

Savings from Liberalization: Bradford, Grieco, and Hufbauer, "The Payoff to America from Global Integration" (2005) (<http://www.piie.com/publications/papers/2iie3802.pdf>)

Price Changes: Derived from BLS Consumer Price Index database (<http://www.bls.gov/cpi/>)

WYOMING NEEDS TRADE AGREEMENTS TO GROW

Exports and Trends: The Trade Partnership (<http://tradepartnership.com/data/cdxports-and-cdxjobs>)

Per Capita Purchases of Wyoming Goods: Derived from The Trade Partnership (<http://tradepartnership.com/data/cdxports-and-cdxjobs>) and World Bank population estimates

Jobs-Tied-to-FTAs: U.S. Chamber of Commerce, "Opening Markets, Creating Jobs: Estimated U.S. Employment Effects of Trade with FTA Partners" (2010) (http://tradepartnership.com/pdf_files/US%20Chamber%20-%20Opening%20Markets,%20Creating%20Jobs%20study.pdf)

FOREIGN INVESTMENT IN WYOMING CREATES JOBS

Employment Data: BEA "Direct Investment & Multinational Companies" database (http://bea.gov/iTable/index_MNC.cfm)

Foreign Investors: Uniworld BP database of "Foreign Firms Operating in the United States" (<http://www.uniworldbp.com>)