

How Florida's Economy Benefits from International Trade & Investment

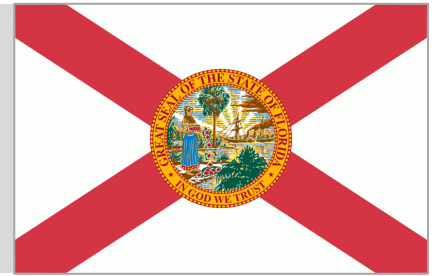
Overview

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 Florida 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 Florida.

Why is International Trade & Investment Important to Florida?

- **International trade, including exports and imports, supports 2.4 million Florida jobs – more than 1 in 5.** These trade-related jobs grew 3.8 times faster than total employment from 2004 to 2013 and are at large and small companies, on farms, in factories, and at the headquarters of Florida's globally engaged firms. *(See Florida Jobs Depend On Two-Way Trade)*
- **Florida exported \$59.3 billion in goods and \$37.1 billion in services in 2013**, including aerospace products & parts, nonferrous metals, communications equipment and travel services. Of Florida's 61,848 exporters, 95 percent are small- and medium-sized companies with less than 500 workers. *(See Florida Businesses Grow With Exports)*
- **Customers in 225 countries buy Florida-made goods and services**, including billions of dollars in annual exports to top markets like Brazil, Canada and Switzerland. Florida's goods exports have grown three times faster than state GDP since 2003. *(See Florida Companies Export Throughout The World)*
- **Imports lower prices and increase choices for Florida companies and families.** Lower raw material and input costs help Florida 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 Florida Companies And Workers Use Imports To Compete)*
- **Free trade agreements (FTAs) have helped fuel rapid export growth from Florida to partner countries.** In 2013, \$21.5 billion of Florida's goods exports, or 36 percent, went to FTA partners. This represents a 101 percent increase since 2003. *(See Florida Needs Trade Agreements To Grow)*
- **Foreign-owned companies invest and build facilities and employ 245,800 workers in Florida.** *(See Foreign Investment In Florida Creates Jobs)*



Florida 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 Florida

- Export growth increases jobs by generating new business for Florida's manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Florida businesses compete and saving Florida families real dollars at the cash register.
- More than one in five Florida jobs depend upon international trade.
- Florida's trade-related employment grew 3.8 times 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.

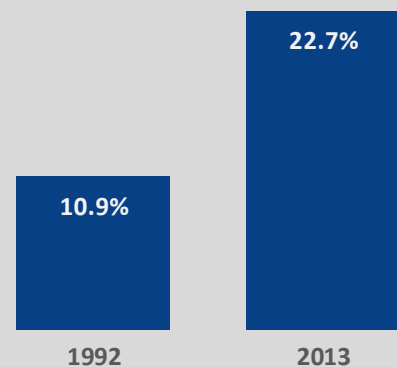
By the Numbers

2.4 million

Number of Jobs in Florida Supported by Trade

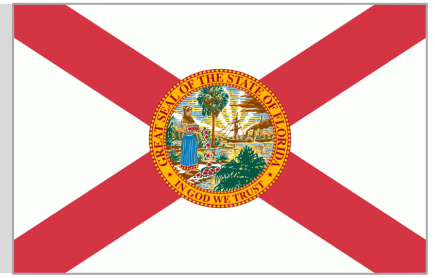
Share of Jobs Tied to Trade

Increased 108% from 1992 to 2013



Jobs Tied to Trade Top Sectors, 2013

Retail	275,000
Management, Administrative Services	203,400
Professional, Scientific, Tech Services	155,500
Real Estate, Rental Services	145,100
Finance, Insurance	138,900



Florida Businesses Grow with Exports

Overview

Florida exported an estimated \$59.3 billion in goods and \$37.1 billion in services in 2013. Between 2009 and 2013, Florida goods exports have increased by 29 percent and services exports by 34 percent. Large companies now account for 31 percent of the value of Florida'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 Florida Exports

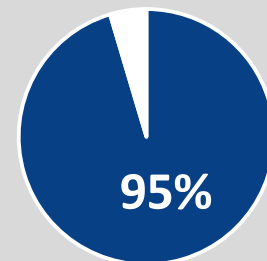
- Florida ranks among the top 5 state exporters in 36 industries, including first in pesticides & fertilizers (\$2.3 billion), ships & boats (\$613 million), misc. wood products (\$174 million), and cement & concrete (\$87 million).
- Florida is America's 22nd largest exporter of agricultural products. It is the top exporter of oranges and the second largest exporter of vegetables and melons, citrus fruits (excluding oranges), greenhouse products and strawberries.
- One of Florida's fastest growing export categories is soaps & cleaning products, which have increased by 15 percent per year since 2003. In 2013, exports of these products reached \$1.2 billion.

By the Numbers

61,848

Number of Florida Businesses that Exported in 2012

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



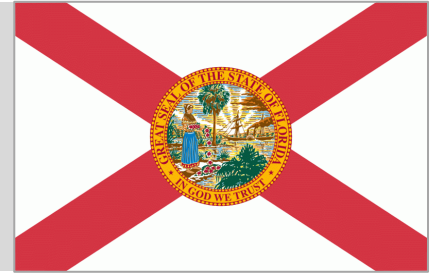
Top Florida Exports, 2013

Goods

Aerospace Products & Parts	\$5.3 billion
Nonferrous Metals	\$5.1 billion
Communications Equipment	\$5.0 billion
Computer Equipment	\$4.4 billion
Semiconductors & Components	\$2.4 billion

Services

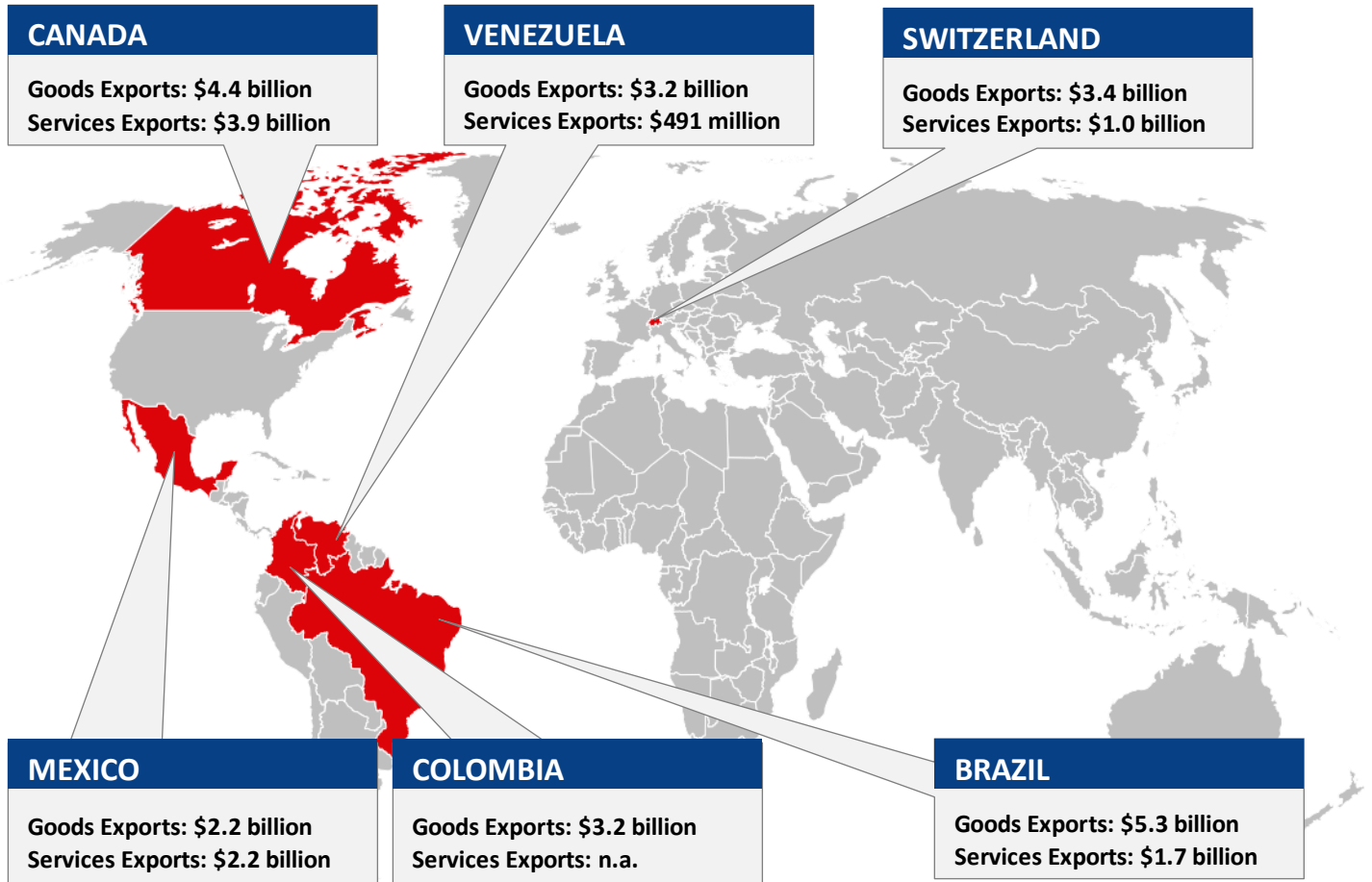
Travel	\$13.8 billion
Passenger Fares	\$3.6 billion
Ocean Freight & Port Services	\$3.4 billion



Florida Companies Export throughout the World

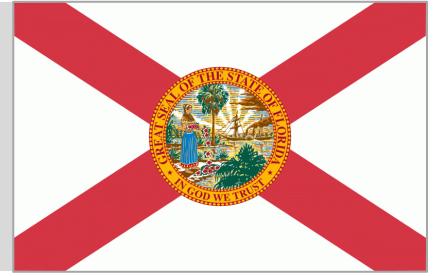
In 2013, Florida companies sold their products in 225 international markets.

Top export markets include:



Fast Facts: How Exports Help the Florida Economy Grow

- Goods exports accounted for 7.4 percent of Florida's state GDP in 2013.
- Florida's goods exports have grown three times 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 3.3 percent.
- Florida's top export markets for goods are Brazil, Canada, and Switzerland. Its top market for services is Canada.
- Among major export markets for Florida's goods, the United Arab Emirates has grown the fastest at 40 percent per year since 2003. Exports to Hong Kong grew by 19 percent per year, while exports to Colombia grew by 13 percent per year.



Florida 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 Florida.

- Services, especially transportation from Florida's ports, finance and insurance, marketing and legal services are needed to bring imported goods to American 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 Florida family of four more than \$10,000 per year.
- Imports help keep prices down for Florida 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 21,703 in Florida) 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%

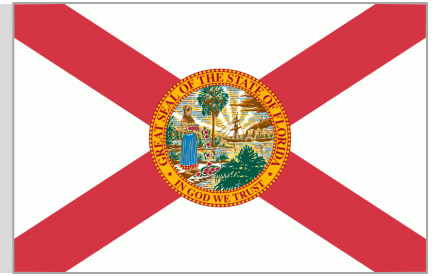
Decrease in the Price of Computers Between 2003 and 2013.



-41.9%

Decrease in the Price of Toys Between 2003 and 2013.

Imports Increase Choices for Goods & Services



Florida 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. Florida has increased its exports to FTA partners following implementation of the U.S. FTAs with those countries.

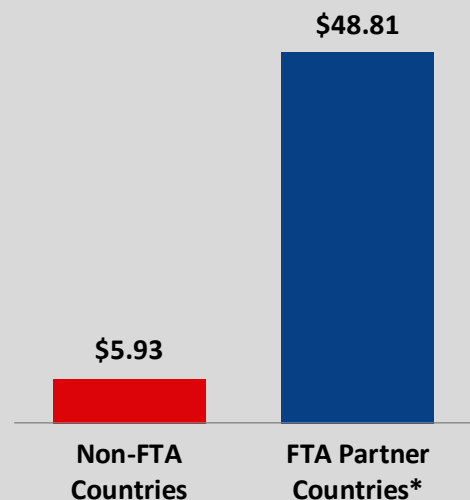
- In 2013, \$21.5 billion of Florida's goods exports, or 36 percent, went to FTA partners.
- Since 2003 Florida's goods exports to countries with FTAs in effect with the United States in 2012 have increased by 101 percent.
- Florida's exports to Canada and Mexico have increased by \$4.4 billion (198 percent) since NAFTA went into effect in 1994.
- Florida's exports to Chile have nearly tripled since the FTA with Chile took effect in 2004.
- Florida's exports to Colombia of communications equipment have tripled to \$726 million in the two years since the FTA with Colombia went into effect.
- Canada and Mexico combined to buy 54 percent of Florida's exports of iron, steel & ferroalloys in 2013.
- Countries negotiating the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) agreements purchased \$18.3 billion, or 31 percent, of Florida's goods exports in 2013.

By the Numbers

101%

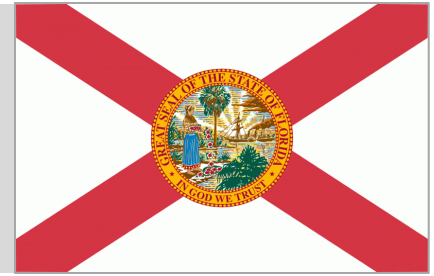
Increase in Florida Goods Exports to FTA Partners Between 2003 and 2013

Per Capita Purchases of U.S. Goods, 2013



** U.S. FTAs in effect with countries in 2013.*

In 2013, FTA partners purchased 8.2 times more goods per capita from Florida than non-FTA partners.



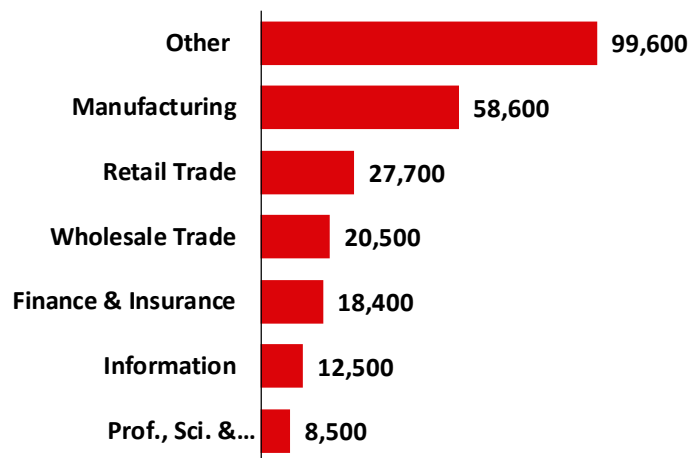
Foreign Investment in Florida Creates Jobs

Overview

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

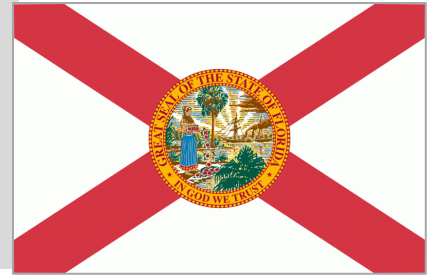
- 43,600 workers employed by companies based in the United Kingdom;
- 30,400 workers employed by companies based in Canada;
- 24,200 workers employed by companies based in Germany;
- 22,600 workers employed by companies based in France;
- 21,800 workers employed by companies based in Japan.

Foreign-Owned Companies Employ 245,800 Florida Workers Across Many Industries



Selected Foreign-Owned Companies Employing Workers in Florida

Company	Industry	Country
Amadeus Americas Inc.	Travel Services	Spain
Bombardier Aerospace	Aerospace Manufacturing	Canada
Cemex	Construction Materials Manufacturing	Mexico
HSA Engineers and Scientists	Engineering Services	Canada
KPMG LLP	Consulting Services	Netherlands
Mitsubishi Electric	Electrical Equipment Manufacturing	Japan
Saint-Gobain	Plastics Manufacturing	France
Siemens	Electrical Equipment Manufacturing	Germany
Skanska USA	Architecture & Design Services	Sweden
Swissport USA	Cargo Services	Switzerland
Veolia Environmental Services	Waste Management Services	France
Wipro Gallagher Solutions	IT Services	India



Data Sources

FLORIDA 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>)

FLORIDA 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>)

FLORIDA 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>)

FLORIDA 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/>)

FLORIDA NEEDS TRADE AGREEMENTS TO GROW

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

Per Capita Purchases of Florida 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 FLORIDA 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>)