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 Colorado 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 Colorado.

Trade Creates & Supports Jobs in Colorado

- **International trade, including exports and imports, supports 720,800 Colorado jobs – nearly one in five.** These trade-related jobs grew nearly three times faster than total employment from 1992 to 2017 and are at large and small companies, on farms, in factories, and at the headquarters of Colorado’s globally engaged firms. *(See Colorado Jobs Depend On Two-Way Trade)*

- **Colorado exported $8.3 billion in goods and $15.2 billion in services in 2017**, including meat products, miscellaneous chemical preparations, miscellaneous leather products and travel services. Of Colorado’s 5,582 exporters, 87 percent are small- and medium-sized companies with less than 500 workers. *(See Colorado Businesses Grow With Exports)*

- **Customers in 205 countries and territories buy Colorado-made goods and services**, including billions of dollars in annual exports to top markets like Canada, Mexico and China. Colorado’s exports have grown about the same pace as state GDP since 2007. *(See Colorado Companies Export Throughout The World)*

- **Imports lower prices and increase choices for Colorado companies and families.** Lower raw material and input costs help Colorado 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 Colorado Companies Use Imports to Make Competitive Products)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Colorado to partner countries.** In 2017, $3.6 billion of Colorado’s goods exports, or 44 percent, went to FTA partners. This represents an increase of 9.1 percent since 2007. *(See Colorado Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 107,400 workers in Colorado.** *(See Foreign Investment In Colorado Creates Jobs)*
COLORADO 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 Supports Jobs in Colorado

- Export growth increases jobs by generating new business for Colorado's manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Colorado businesses compete and saving Colorado families real dollars at the cash register.
- Nearly one in five Colorado jobs depends upon international trade.
- Colorado's trade-related employment grew nearly three times faster than total employment from 1992 to 2017.
- Jobs in export-dependent industries pay about 16 percent more than jobs in less export-intensive industries.
- 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

<table>
<thead>
<tr>
<th>720,800</th>
<th>Number of Jobs in Colorado Supported by Trade</th>
</tr>
</thead>
</table>

Share of Jobs Tied to Trade
Increased 73 percent from 1992 to 2017

<table>
<thead>
<tr>
<th>1992</th>
<th>11.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>19.3%</td>
</tr>
</tbody>
</table>

Jobs Tied to Trade Top Sectors, 2017

<table>
<thead>
<tr>
<th>Industry</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade &amp; Distribution</td>
<td>161,900</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>142,400</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>53,400</td>
</tr>
<tr>
<td>Finance, Insurance</td>
<td>43,700</td>
</tr>
<tr>
<td>Construction</td>
<td>29,400</td>
</tr>
</tbody>
</table>

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
COLORADO BUSINESSES GROW WITH EXPORTS

Overview

Colorado exported an estimated $8.3 billion in goods and $15.2 billion in services in 2017. Between 2007 and 2017, Colorado goods exports have increased by 13 percent and services exports by 57 percent. Large companies now account for 72 percent of the value of Colorado'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 Colorado Exports

- Colorado ranks among the top 15 state exporters in 10 industries, including fifth in meat products ($1.5 billion), tenth in miscellaneous chemical preparations ($316 million), tenth in miscellaneous leather products ($39 million), and 12th in beverages ($132 million).

- Colorado is America’s 33rd largest exporter of agricultural products. It is the 17th largest exporter of vegetables & melons, the 18th largest exporter of cattle, the 20th largest exporter of greenhouse & nursery products, and the 20th largest exporter of sheep, goats & fine animal hair.

- One of Colorado's fastest growing export categories is beverages, which increased by 2,729 percent since 2007. In 2017, exports of these products reached $132 million.

By the Numbers

5,582
Number of Colorado Businesses that Exported in 2016

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

87%

Top Colorado Exports, 2017
Goods

- Meat Products: $1.5 billion
- Semiconductors & Components: $806 million
- Navigational & Meas. Instruments: $744 million
- Oilseeds & Grains: $394 million
- Medical Equipment & Supplies: $335 million

Services

- Travel: $3.8 billion
- Passenger Fares: $1.5 billion
- Computer Software: $1.4 billion

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In 2017, Colorado companies sold their products in 205 countries and territories.

Top export markets include:

- **Canada**: Goods Exports: $1.4 billion, Services Exports: $1.2 billion
- **United Kingdom**: Goods Exports: $217 million, Services Exports: $1.3 billion
- **China**: Goods Exports: $636 million, Services Exports: $957 million
- **Mexico**: Goods Exports: $1.3 billion, Services Exports: $730 million
- **Ireland**: Goods Exports: $69 million, Services Exports: $1.0 billion
- **Japan**: Goods Exports: $493 million, Services Exports: $730 million

**Fast Facts: How Exports Help the Colorado Economy Grow**

- Goods and services exports accounted for 6.8 percent of Colorado's state GDP in 2017.
- Colorado's exports have grown at about the same pace as state GDP since 2007. The average annual export growth during this period was 3.5 percent, while the average annual state GDP growth was 3.5 percent.
- Colorado's top export markets for goods are Canada, Mexico, and China. Its top market for services is the United Kingdom.
- Colorado's goods exports to Korea have grown by 10 percent per year since 2007, while Colorado's services exports to China have grown by 15 percent per year.

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COLORADO COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS

Overview
In 2017, 58 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 Colorado.

- Services such as transportation, finance and insurance, marketing and legal services are needed to bring imported goods to American manufacturers and households.
- In 2016, 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 Colorado family of four more than $10,000 per year.
- Imports help keep prices down for Colorado families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

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COLORADO NEEDS TRADE AGREEMENTS TO GROW

Overview
Trade with our free trade agreement (FTA) partner countries supports millions of 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.

- In 2017, $3.6 billion of Colorado's goods exports, or 44 percent, went to FTA partners.
- Since 2007, Colorado's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 9.1 percent.
- Colorado's goods exports to Canada and Mexico have increased by $1.9 billion (248 percent) since NAFTA went into effect in 1994.
- Colorado's goods exports to Honduras have increased by 1,156 percent since DR-CAFTA went into effect for Honduras in 2006.
- Colorado's exports to Korea of meat products have increased from $103 million to $232 million since the FTA went into effect in 2012.
- Mexico bought 84 percent of Colorado's exports of glass & glass products in 2017.
- In 2017, $3.8 billion of Colorado's services exports, or 25 percent, went to FTA partners.
- Colorado's exports to Australia of computer & data services have increased from $7.7 million to $42 million, or by 441 percent, since 2006 (earliest year available).

By the Numbers

9.1%
Increase in Colorado Goods Exports to FTA Partners Between 2007 and 2017

Per Capita Purchases of Colorado Goods, 2017

<table>
<thead>
<tr>
<th></th>
<th>Non-FTA Countries</th>
<th>FTA Partner Countries*</th>
</tr>
</thead>
<tbody>
<tr>
<td>$7.74</td>
<td>$0.70</td>
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</tr>
</tbody>
</table>

* U.S. FTAs in effect with countries in 2017.

In 2017, FTA partners purchased 11.1 times more goods per capita from Colorado than non-FTA partners.

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FOREIGN INVESTMENT IN COLORADO CREATES JOBS

Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in Colorado every year. Foreign-owned companies from around the world employed more than 100,000 workers in Colorado, including:

- 18,000 workers employed by companies based in the United Kingdom;
- 13,900 workers employed by companies based in Canada;
- 7,500 workers employed by companies based in Germany;
- 7,400 workers employed by companies based in Japan;
- 7,300 workers employed by companies based in France.

Selected Foreign-Owned Companies Employing Workers in Colorado

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Adecco Staffing</td>
<td>Employment Services</td>
<td>Switzerland</td>
</tr>
<tr>
<td>BAE Systems</td>
<td>Aerospace Manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Great Western Bank</td>
<td>Banking Services</td>
<td>Australia</td>
</tr>
<tr>
<td>JBS USA</td>
<td>Meat Product Manufacturing</td>
<td>Brazil</td>
</tr>
<tr>
<td>MillerCoors</td>
<td>Beverage Manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Nestle Purina</td>
<td>Food Product Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Nutrien</td>
<td>Chemical Manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>SAP America</td>
<td>Business Software Development</td>
<td>Germany</td>
</tr>
<tr>
<td>Solvay Chemicals</td>
<td>Chemicals Manufacturing</td>
<td>Belgium</td>
</tr>
<tr>
<td>UBS Financial Services</td>
<td>Banking Services</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Vestas Blades America</td>
<td>Turbine Manufacturing</td>
<td>Denmark</td>
</tr>
</tbody>
</table>

Foreign-Owned Companies Employed 107,400 Colorado Workers Across Many Industries, 2016

- Manufacturing: 29,100
- Wholesale Trade: 10,700
- Information: 9,400
- Finance & Insurance: 8,200
- Prof., Sci. & Tech. Services: 8,200
- Retail Trade: 7,000

Other: 34,900

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COLORADO JOBS DEPEND ON TWO-WAY TRADE


COLORADO BUSINESSES GROW WITH EXPORTS

Small and Large Firms Partnering to Export (for 2006, 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)


COLORADO COMPANIES EXPORT THROUGHOUT THE WORLD


COLORADO COMPANIES USE IMPORTS TO MAKE COMPETITIVE PRODUCTS


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


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

COLORADO NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN COLORADO 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)

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