Overview

With more than 96 percent of the world’s population and 75 percent of its purchasing power outside the United States, economic recovery, jobs, and future growth for Colorado and America will depend on trade and investment. That includes reaching those customers with American goods and services through exports and expanding buying power and options for American companies and families with imports.

New Business Roundtable research, U.S. government data, and other data sources demonstrate the benefits of international trade and investment to jobs and the economy in Colorado. As the United States and the world continue efforts to defeat the COVID-19 pandemic and create jobs and economic opportunity – restoring trade and supporting trade-dependent jobs can help Colorado recover as well.

Trade Creates & Supports Jobs in Colorado

- **International trade, including exports and imports, supported 820,200 Colorado jobs – more than one in five in 2019.** These trade-related jobs grew three times faster than total employment from 1992 to 2019 and are at large and small companies, on farms, in factories, and at the headquarters of Colorado’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in Colorado. *(See Colorado Jobs Depend On Two-Way Trade)*

- **Colorado exported $8.3 billion in goods and $15.9 billion in services in 2019,** including meat products, navigational and measurement instruments, semiconductors and components and personal travel and tourism services. Of Colorado’s 5,921 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 Korea. Colorado’s exports have grown 0.7 percent per year since 2010. Policies that help Colorado businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(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 and Families Benefit from Imports)*

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Colorado to partner countries.** In 2019, $3.6 billion of Colorado’s goods exports, or 43 percent, went to FTA partners. This represents an increase of 22 percent since 2010. *(See Colorado Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 119,100 workers in Colorado.** *(See Foreign Investment In Colorado Creates Jobs)*

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
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 96 percent of the world’s population and 75 percent of the world’s purchasing power outside of the United States, future American economic growth and job creation depend on open markets abroad. At the beginning of 2020, the COVID-19 global pandemic dramatically decreased trade, disrupted communities and economies, and ended millions of jobs across America, including in Colorado. As the U.S. economy recovers and more Americans seek opportunities to work, policies that expand trade can create new jobs in Colorado and help it recover faster.

Trade Creates & Supports Jobs in Colorado

- Export growth increases jobs by generating new business for Colorado’s manufacturers, services providers and farmers. Imports support jobs and keep costs low, helping Colorado businesses compete and saving Colorado families real dollars at the cash register.
- More than one in five Colorado jobs depends upon international trade.
- Colorado’s trade-related employment grew three times faster than total employment from 1992 to 2019.
- 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 supports more than 28 million U.S. jobs that provide middle class incomes.

About Trade & Jobs

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 not typically associated with “exports and imports.”

By the Numbers

820,200
Number of Jobs in Colorado Supported by Trade

Share of Jobs Tied to Trade
Increased 87 percent from 1992 to 2019

Jobs Tied to Trade
Top Sectors, 2019

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business and professional services</td>
<td>192,400</td>
</tr>
<tr>
<td>Personal and recreational services</td>
<td>164,300</td>
</tr>
<tr>
<td>Wholesale and retail trade</td>
<td>95,000</td>
</tr>
<tr>
<td>Education and health services</td>
<td>94,500</td>
</tr>
<tr>
<td>Construction</td>
<td>56,300</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 $15.9 billion in services in 2019. Between 2010 and 2019, Colorado goods exports have increased by 18 percent and services exports by 49 percent. Large companies now account for 73 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 13 industries, including fifth in meat products ($1.4 billion), seventh in crowns, closures and seals ($27 million), and 10th in boilers, tanks and containers ($175 million) and miscellaneous leather products ($44 million).
- Colorado is America’s 32nd largest exporter of agricultural products. It is the 13th largest exporter of cattle, the 17th largest exporter of vegetables and melons, the 19th largest exporter of greenhouse and nursery products, and the 26th largest exporter of oilseeds and grains.
- One of Colorado's fastest growing export categories is commercial and service industry machinery, which increased by 122 percent since 2010. In 2019, exports of these products reached $111 million.

By the Numbers

5,921
Number of Colorado Businesses that Exported in 2018

87%
Share of Colorado Exporters that Are Small- & Medium-Sized Businesses

Top Colorado Exports, 2019

<table>
<thead>
<tr>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat Products</td>
<td>$1.4 billion</td>
</tr>
<tr>
<td>Navigational &amp; Meas. Instruments</td>
<td>$823 million</td>
</tr>
<tr>
<td>Semiconductors &amp; Components</td>
<td>$651 million</td>
</tr>
<tr>
<td>Medical Equipment &amp; Supplies</td>
<td>$390 million</td>
</tr>
<tr>
<td>Oilseeds &amp; Grains</td>
<td>$340 million</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal Travel &amp; Tourism</td>
<td>$2.6 billion</td>
</tr>
<tr>
<td>Software Distribution Royalties</td>
<td>$1.5 billion</td>
</tr>
<tr>
<td>Passenger Fares</td>
<td>$1.5 billion</td>
</tr>
</tbody>
</table>

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www.brt.org/trade
In 2019, Colorado companies sold their products in 205 countries and territories. Top export markets include:

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

- Goods and services exports accounted for 6.1 percent of Colorado's state GDP in 2019.
- Colorado's annual exports grew 0.7 percent per year since 2010.
- Colorado's top export markets for goods are Canada, Mexico, and Korea. Its top market for services is Canada.
- Colorado's goods exports to Malaysia have grown by 12 percent per year since 2010, while Colorado's services exports to India have grown by 10 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help Colorado businesses, workers, and farmers reach the growing number of customers around the world.

**Contact:** Paul DeLaney, Business Roundtable: pdelaney@brt.org
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COLORADO COMPANIES AND FAMILIES BENEFIT FROM IMPORTS

Overview

Imports provide a variety of benefit for Colorado companies and families. Imported consumer goods help keep prices down for Colorado families while increasing choices for foods and other products that are not available locally. Imported inputs help Colorado manufacturers compete in both the United States and international markets, while exported goods (e.g., components) and services (e.g., design) often return to the United States as imports. To best meet the COVID-19 challenges, trade policies should ensure that American families and businesses retain access to both domestic and international inputs, supplies and services they need at prices they can afford.

Colorado Families Benefit from Imports

- In 2019, 30 percent of Colorado's imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving Colorado families more money to spend on locally provided goods and services, such as housing, education, and health care.
- Trade and investment liberalization policies save the average Colorado family of four more than $10,000 per year through lower prices and increased specialization.

2010-2019 Price Decrease

- -85% for Televisions
- -52% for Computers
- -51% for Toys

Most Importers are Small Businesses

- In 2019, 6,263 Colorado companies imported goods from 168 countries around the world.
- Nationally, 77 percent of importers were very small businesses with less than 20 employees, while less than 3 percent had over 500 employees.

Colorado Exports and Imports are Linked Through Global Value Chains

- In 2019, 70 percent of Colorado goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.
- Many of Colorado's top imports are critical components for Colorado exports. Conversely, Colorado exports of raw materials and parts may return to the United States in imported finished goods.

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade

Summary Table

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<tbody>
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</tbody>
</table>
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. Colorado businesses, workers and farmers benefit from market-opening agreements, and would be harmed from new barriers to trade that limit exports, competitiveness, and jobs in Colorado and United States.

- In 2019, $3.6 billion of Colorado's goods exports, or 43 percent, went to FTA partners.
- Since 2010, Colorado's goods exports to countries with FTAs in effect with the United States in 2019 have increased by 22 percent.
- Colorado's exports to Canada and Mexico have increased by $1.7 billion (221 percent) since NAFTA went into effect in 1994.
- Colorado's exports to the El Salvador have increased by 600 percent – from $2.4 million to $17 million – since the FTA with El Salvador took effect in 2006.
- Colorado's exports to Korea of meat products have increased from $103 million to $386 million since the FTA with Korea went into effect in 2012.
- In 2019, $4.0 billion of Colorado's services exports, or 25 percent, went to FTA partners.
- Colorado's exports to Singapore of R&D and testing services have increased from $4.6 million to $147 million, or by over 30 times, since 2006 (earliest year available).

By the Numbers

22%
Increase in Colorado Goods Exports to FTA Partners Between 2010 and 2019

Per Capita Purchases of Colorado Goods, 2019

<table>
<thead>
<tr>
<th></th>
<th>Non-FTA Countries</th>
<th>FTA Partner Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.69</td>
<td>$7.59</td>
<td></td>
</tr>
</tbody>
</table>

* U.S. FTAs in effect with countries in 2019.

In 2019, FTA partners purchased 11.1 times more goods per capita from Colorado than non-FTA partners.

Contact: Paul DeLaney, Business Roundtable: pdelaney@brt.org
www.brt.org/trade
Overview

Foreign-owned companies help grow the U.S. economy and jobs. In 2019, foreign-owned companies added over $1 trillion to U.S. GDP, including goods exports of $380 billion and R&D spending of over $60 billion. They employed 7.4 million workers in the United States, including 2 million workers – or 1 out of every 6 – in the manufacturing sector.

Colorado is no exception. Foreign-owned companies make significant investments in Colorado to open or expand facilities every year and are important customers for local goods and services providers. Subsidiaries of foreign-owned companies alone employed nearly 120,000 workers in Colorado in 2019, including:

- 19,600 workers employed by companies based in the United Kingdom;
- 19,100 workers employed by companies based in Canada;
- 11,000 workers employed by companies based in France;
- 7,900 workers employed by companies based in Germany;
- 7,700 workers employed by companies based in Switzerland.

Foreign-Owned Companies Employed 119,100 Colorado Workers Across Many Industries, 2019

<table>
<thead>
<tr>
<th>Industry</th>
<th>Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>35,300</td>
</tr>
<tr>
<td>Other</td>
<td>35,100</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>12,000</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>9,800</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>9,600</td>
</tr>
<tr>
<td>Information</td>
<td>9,200</td>
</tr>
<tr>
<td>Prof., Sci. &amp; Tech. Services</td>
<td>8,000</td>
</tr>
</tbody>
</table>

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>BASF Construction Chemicals</td>
<td>Chemical manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>EVRAZ Rocky Mountain Steel</td>
<td>Steel products manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Gold Fields Exploration, Inc. (HQ)</td>
<td>Gold mining</td>
<td>South Africa</td>
</tr>
<tr>
<td>JBS Five Rivers Cattle Feeding LLC.</td>
<td>Cattle</td>
<td>Brazil</td>
</tr>
<tr>
<td>Oldcastle Infrastructure</td>
<td>Building materials manufacturing</td>
<td>Ireland</td>
</tr>
<tr>
<td>Rexel</td>
<td>Retail services</td>
<td>France</td>
</tr>
<tr>
<td>Solvay Chemicals, Inc.</td>
<td>Chemical product manufacturing</td>
<td>Belgium</td>
</tr>
<tr>
<td>WEG Electric Corp.</td>
<td>Motor manufacturing</td>
<td>Brazil</td>
</tr>
</tbody>
</table>

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COLORADO JOBS DEPEND ON TWO-WAY TRADE

Population and Purchasing Power: Derived from World Bank population and GDP estimates


COLORADO BUSINESSES GROW WITH EXPORTS


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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