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 Delaware 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 Delaware.

Trade Creates & Supports Jobs in Delaware

- **International trade, including exports and imports, supports 118,100 Delaware jobs – more than one in five.** These trade-related jobs grew four 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 Delaware’s globally engaged firms. *(See Delaware Jobs Depend On Two-Way Trade)*

- **Delaware exported $4.6 billion in goods and $3.4 billion in services in 2017**, including fruits & tree nuts, sheep, goats & fine animal hair, motor vehicles and credit-related services. Of Delaware’s 1,786 exporters, 87 percent are small- and medium-sized companies with less than 500 workers. *(See Delaware Businesses Grow With Exports)*

- **Customers in 166 countries and territories buy Delaware-made goods and services**, including billions of dollars in annual exports to top markets like Canada, the United Kingdom and China. Delaware's exports have grown more than 40 percent faster than state GDP since 2007. *(See Delaware Companies Export Throughout The World)*

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

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Delaware to partner countries.** In 2017, $1.4 billion of Delaware's goods exports, or 31 percent, went to FTA partners. This represents an increase of 10 percent since 2007. *(See Delaware Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 25,000 workers in Delaware.** *(See Foreign Investment In Delaware Creates Jobs)*

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

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

118,100
Number of Jobs in Delaware Supported by Trade

Share of Jobs Tied to Trade
Increased 102 percent from 1992 to 2017

10.0%
1992

20.2%
2017

Jobs Tied to Trade
Top Sectors, 2017

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade &amp; Distribution</td>
<td>25,100</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>19,400</td>
</tr>
<tr>
<td>Finance, Insurance</td>
<td>12,100</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>7,800</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>4,100</td>
</tr>
</tbody>
</table>

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Overview

Delaware exported an estimated $4.6 billion in goods and $3.4 billion in services in 2017. Between 2007 and 2017, Delaware goods exports have increased by 14 percent and services exports by 100 percent. Large companies now account for 80 percent of the value of Delaware'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 Delaware Exports

- Delaware ranks among the top half of state exporters in 14 industries, including eighth in fruits & tree nuts ($176 million), 12th in sheep, goats & fine animal hair ($31,000), 14th in motor vehicles ($808 million), and 14th in pharmaceuticals & medicines ($818 million).
- Delaware is America's 34th largest exporter of agricultural products. It is the eighth largest exporter of fruits & tree nuts, the 12th largest exporter of sheep, goats & fine animal hair, the 16th largest exporter of aquaculture, and the 28th largest exporter of poultry & eggs.
- One of Delaware's fastest growing export categories is computer equipment, which increased by 1,158 percent since 2007. In 2017, exports of these products reached $177 million.

By the Numbers

1,786

Number of Delaware Businesses that Exported in 2016

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

86%

Top Delaware Exports, 2017

Goods
- Pharmaceuticals & Medicines $818 million
- Motor Vehicles $808 million
- Navigational & Meas. Instruments $387 million
- Resins & Synthetic Fibers $208 million
- Petroleum & Coal Products $204 million

Services
- Credit-Related Services $1.4 billion
- Insurance Services $368 million
- Mgmt. & Advisory Services $365 million

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In 2017, Delaware companies sold their products in 166 countries and territories. Top export markets include:

- **Canada**: Goods Exports: $601 million, Services Exports: $242 million
- **United Kingdom**: Goods Exports: $323 million, Services Exports: $440 million
- **China**: Goods Exports: $375 million, Services Exports: $175 million
- **Mexico**: Goods Exports: $331 million, Services Exports: $73 million
- **Saudi Arabia**: Goods Exports: $494 million, Services Exports: $29 million
- **Japan**: Goods Exports: $186 million, Services Exports: $179 million

Fast Facts: How Exports Help the Delaware Economy Grow

- Goods and services exports accounted for 11.0 percent of Delaware's state GDP in 2017.
- Delaware's exports have grown more than 40 percent faster than state GDP since 2007. The average annual export growth during this period was 3.8 percent, while the average annual state GDP growth was 2.6 percent.
- Delaware's top export markets for goods are Canada, Saudi Arabia, and China. Its top market for services is the United Kingdom.
- Delaware's goods exports to Kuwait have grown by 46 percent per year since 2007, while Delaware's services exports to China have grown by 17 percent per year.

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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 Delaware.

- Services, especially transportation from Delaware's ports, 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 Delaware family of four more than $10,000 per year.
- Imports help keep prices down for Delaware families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

Imports Decrease Prices

- **-87.9%** Decrease in the Price of Televisions Between 2007 and 2017.
- **-44.7%** Decrease in the Price of Toys Between 2007 and 2017.

Imports Increase Choices

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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, $1.4 billion of Delaware's goods exports, or 31 percent, went to FTA partners.

- Since 2007, Delaware's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 10 percent.

- Delaware's goods exports to Canada and Mexico have increased by $44 million (4.9 percent) since NAFTA went into effect in 1994.

- Delaware's goods exports to Singapore have increased by 212 percent since the FTA took effect in 2004.

- Delaware's exports to Korea of pharmaceuticals & medicines have increased from $2.8 million to $37 million since the FTA went into effect in 2012.


- In 2017, $637 million of Delaware's services exports, or 19 percent, went to FTA partners.

- Delaware's exports to Australia of credit-related services have increased from $7.5 million to $48 million, or by 537 percent, since 2006 (earliest year available).

By the Numbers

In 2017, FTA partners purchased 6.6 times more goods per capita from Delaware than non-FTA partners.

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Overview

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

- 7,800 workers employed by companies based in the United Kingdom;
- 3,000 workers employed by companies based in Germany;
- 2,300 workers employed by companies based in Canada;
- 1,700 workers employed by companies based in Japan;
- 1,600 workers employed by companies based in France.

Selected Foreign-Owned Companies Employing Workers in Delaware

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arcadis US Inc.</td>
<td>Engineering Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>BASF Catalysts</td>
<td>Chemical Manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Dassault Falcon Jet Corp</td>
<td>Aerospace Manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>Dupont Tate &amp; Lyle Bio Products</td>
<td>Food Products Manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>EMR USA Holdings</td>
<td>Metal Recycling Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Evraz Claymont Steel</td>
<td>Steel Manufacturing</td>
<td>Luxembourg</td>
</tr>
<tr>
<td>Motech Americas</td>
<td>Solar Products Manufacturing</td>
<td>Taiwan</td>
</tr>
<tr>
<td>RBC Capital Markets</td>
<td>Financial Services</td>
<td>Canada</td>
</tr>
<tr>
<td>Solvay Chemicals</td>
<td>Chemicals Manufacturing</td>
<td>Belgium</td>
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<tr>
<td>Syngenta Corporation</td>
<td>Chemicals Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Veolia Environmental Services</td>
<td>Waste Management Services</td>
<td>France</td>
</tr>
<tr>
<td>Wood Group Pressure Control</td>
<td>Energy Services</td>
<td>Scotland</td>
</tr>
</tbody>
</table>

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DELAWARE JOBS DEPEND ON TWO-WAY TRADE


DELAWARE BUSINESSES GROW WITH EXports


DELAWARE COMPANIES EXPORT THROUGHOUT THE WORLD


DELAWARE 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/]

DELAWARE NEEDS TRADE AGREEMENTS TO GROW


FOREIGN INVESTMENT IN DELAWARE CREATES JOBS

Employment Data: BEA “Direct Investment & Multinational Companies” database [http://bea.gov/iTable/index_MNC.cfm]


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