

HOW FLORIDA'S ECONOMY BENEFITS FROM 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.

Trade Creates & Supports Jobs in Florida

- **International trade, including exports and imports, supports 2,395,700 Florida jobs – more than one in five.** These trade-related jobs grew 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 Florida's globally engaged firms. *(See Florida Jobs Depend On Two-Way Trade)*
- **Florida exported \$52.9 billion in goods and \$43.3 billion in services in 2017**, including greenhouse & nursery products, pesticides & fertilizers, ships & boats and travel services. Of Florida's 58,104 exporters, 95 percent are small- and medium-sized companies with less than 500 workers. *(See Florida Businesses Grow With Exports)*
- **Customers in 222 countries and territories buy Florida-made goods and services**, including billions of dollars in annual exports to top markets like Canada, Brazil and Mexico. Florida's exports have grown more than 40 percent faster than state GDP since 2007. *(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 Use Imports to Make Competitive Products)*
- **Free trade agreements (FTAs) have helped fuel rapid export growth from Florida to partner countries.** In 2017, \$20.3 billion of Florida's goods exports, or 38 percent, went to FTA partners. This represents an increase of 19 percent since 2007. *(See Florida Needs Trade Agreements To Grow)*
- **Foreign-owned companies invest and build facilities and employ 348,800 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 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 depends upon international trade.
- Florida's trade-related employment grew 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.

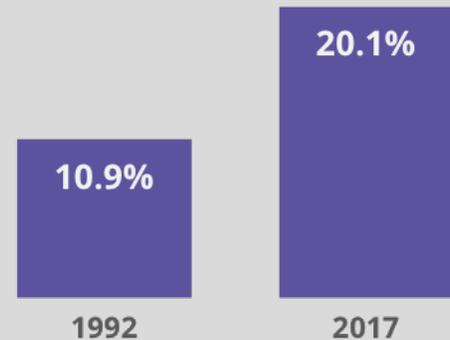
By the Numbers

2,395,700

Number of Jobs in Florida Supported by Trade

Share of Jobs Tied to Trade

Increased 84 percent from 1992 to 2017



Jobs Tied to Trade Top Sectors, 2017

Trade & Distribution	589,700
Prof., Scient. & Tech. Services	468,700
Personal & Rec. Services	208,900
Finance, Insurance	141,100
Transportation & Warehousing	85,900



FLORIDA BUSINESSES GROW WITH EXPORTS



Overview

Florida exported an estimated \$52.9 billion in goods and \$43.3 billion in services in 2017. Between 2007 and 2017, Florida goods exports have increased by 22 percent and services exports by 58 percent. Large companies now account for 41 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

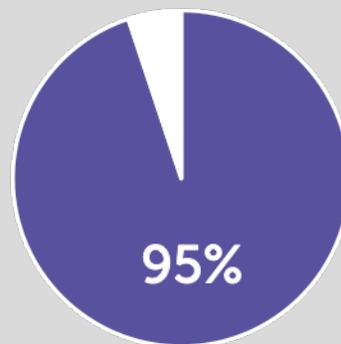
- Florida ranks among the top 5 state exporters in 38 industries, including first in greenhouse & nursery products (\$107 million), first in pesticides & fertilizers (\$1.8 billion), first in ships & boats (\$686 million), and second in cement & concrete products (\$42 million).
- Florida is America's 23rd largest exporter of agricultural products. It is the largest exporter of greenhouse & nursery products, the third largest exporter of vegetables & melons, the fourth largest exporter of aquaculture, and the fifth largest exporter of miscellaneous animal products.
- One of Florida's fastest growing export categories is soaps, cleaning agents & toiletries, which increased by 112 percent since 2007. In 2017, exports of these products reached \$1.4 billion.

By the Numbers

58,104

Number of Florida Businesses that Exported in 2016

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



Top Florida Exports, 2017

Goods

Aerospace Products & Parts	\$7.0 billion
Communications Equipment	\$4.8 billion
Computer Equipment	\$3.3 billion
Nonferrous Metal Products	\$2.5 billion
Navigational & Meas. Instruments	\$2.2 billion

Services

Travel	\$15.1 billion
Ocean Freight & Port Services	\$4.8 billion
Passenger Fares	\$3.9 billion

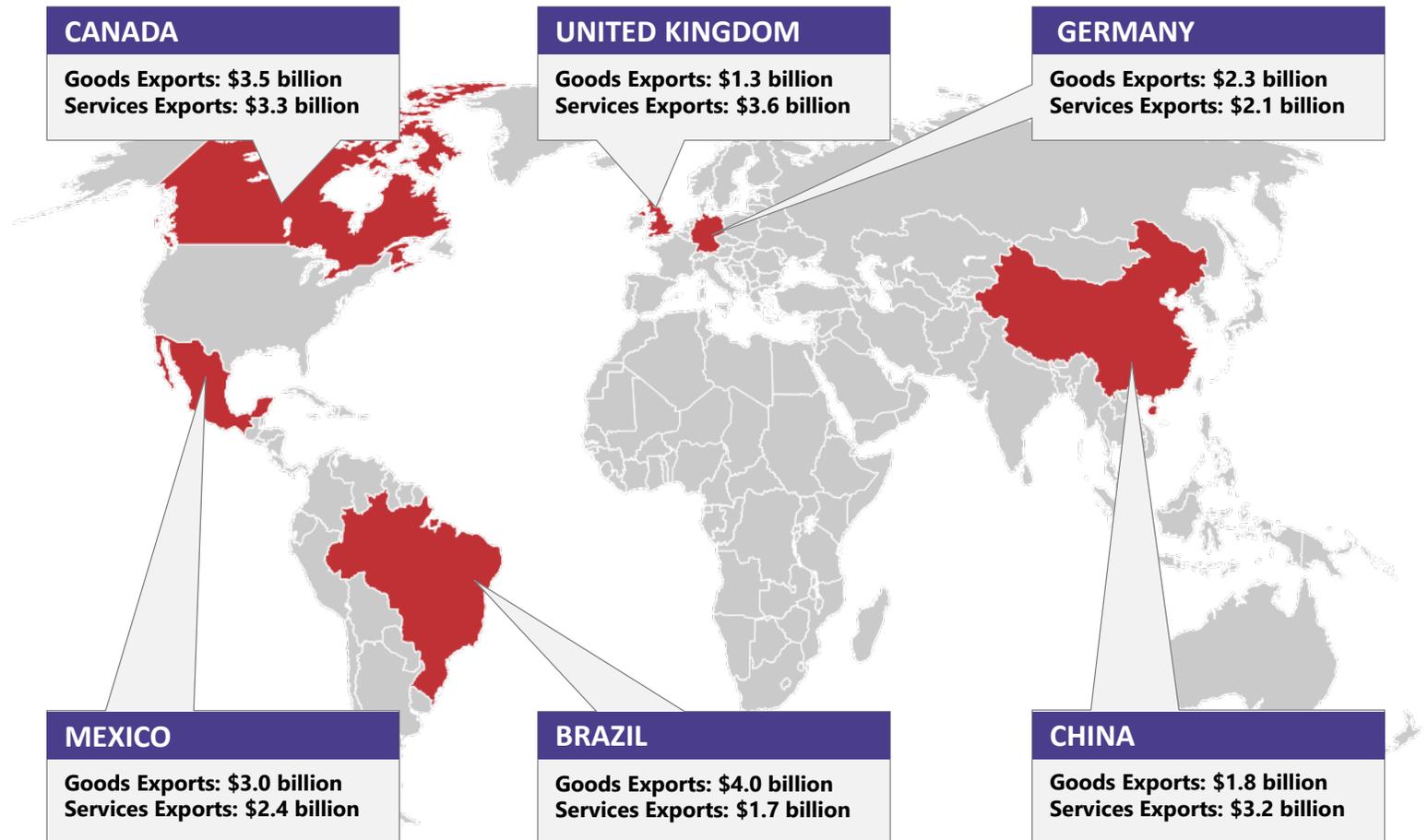


FLORIDA COMPANIES EXPORT THROUGHOUT THE WORLD



In 2017, Florida companies sold their products in 222 countries and territories.

Top export markets include:



Fast Facts: How Exports Help the Florida Economy Grow

- Goods and services exports accounted for 9.8 percent of Florida's state GDP in 2017.
- Florida's exports have grown more than 40 percent faster than state GDP since 2007. The average annual export growth during this period was 3.6 percent, while the average annual state GDP growth was 2.5 percent.
- Florida's top export markets for goods are Brazil, Canada, and Mexico. Its top market for services is the United Kingdom.
- Florida's goods exports to Paraguay have grown by 10 percent per year since 2007, while Florida's services exports to China have grown by 14 percent per year.



FLORIDA 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 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 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 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 2016, about 211,000 U.S. companies (including 27,294 in Florida) imported products...

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

Imports Decrease Prices



-87.9%

Decrease in the Price of Televisions Between 2007 and 2017.



-63.3%

Decrease in the Price of Computers Between 2007 and 2017.



-44.7%

Decrease in the Price of Toys Between 2007 and 2017.

Imports Increase Choices



FLORIDA 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.

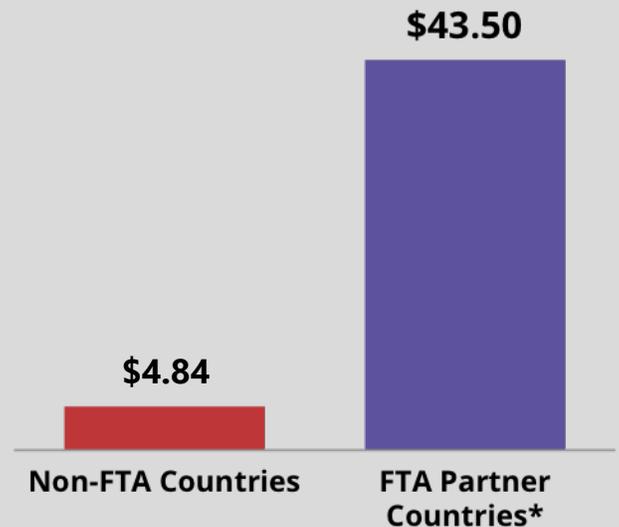
- In 2017, \$20.3 billion of Florida's goods exports, or 38 percent, went to FTA partners.
- Since 2007, Florida's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 19 percent.
- Florida's goods exports to Canada and Mexico have increased by \$4.3 billion (195 percent) since NAFTA went into effect in 1994.
- Florida's goods exports to Chile have increased by 189 percent since the FTA took effect in 2004.
- Florida's exports to Peru of aerospace products & parts have increased from \$24 million to \$156 million since the FTA went into effect in 2009.
- Canada bought 79 percent of Florida's exports of vegetables & melons in 2017.
- In 2017, \$11.3 billion of Florida's services exports, or 26 percent, went to FTA partners.
- Florida's exports to Korea of travel services have increased from \$355 million to \$691 million, or by 95 percent, since the FTA went into effect in 2012.

By the Numbers

19%

Increase in Florida Goods Exports to FTA Partners Between 2007 and 2017

Per Capita Purchases of Florida Goods, 2017



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

In 2017, FTA partners purchased 8.9 times more goods per capita from Florida than non-FTA partners.



FOREIGN INVESTMENT IN FLORIDA CREATES JOBS

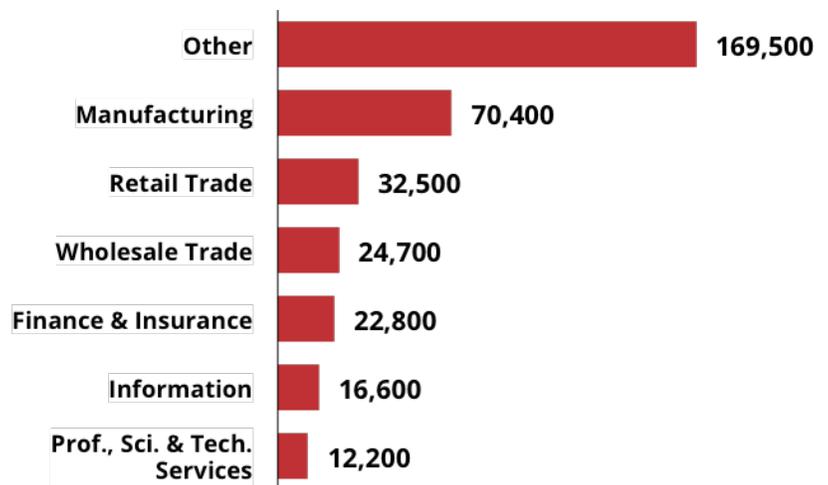


Overview

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

- 70,400 workers employed by companies based in the United Kingdom;
- 43,900 workers employed by companies based in Canada;
- 31,100 workers employed by companies based in France;
- 30,300 workers employed by companies based in Germany;
- 21,200 workers employed by companies based in Japan.

Foreign-Owned Companies Employed 348,800 Florida Workers Across Many Industries, 2016



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" (2019) (https://s3.amazonaws.com/brt.org/Trade_and_American_Jobs_2019.pdf)

Exporting Firm Wages: Riker, "Export-Intensive Industries Pay More on Average: An Update" (2015) (<https://www.usitc.gov/publications/332/ec201604a.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 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>)

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, 2015 – 2016" (<https://www.census.gov/foreign-trade/Press-Release/edb/2016/>)

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 USE IMPORTS TO MAKE COMPETITIVE PRODUCTS

Importing Company Information: Census, "A Profile of U.S. Importing and Exporting Companies, 2015 – 2016" (<https://www.census.gov/foreign-trade/Press-Release/edb/2016/>)

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

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>)

