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 New Hampshire 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 New Hampshire. In 2020, the COVID-19 global pandemic has brought dual public health and economic crises. Meeting both challenges requires restoring trade and supporting trade-dependent jobs to help New Hampshire recover.

Trade Creates & Supports Jobs in New Hampshire

• **International trade, including exports and imports, supported 175,300 New Hampshire jobs – one in five in 2018.** These trade-related jobs grew four times faster than total employment from 1992 to 2018 and are at large and small companies, on farms, in factories, and at the headquarters of New Hampshire’s globally engaged firms. A rebound in trade will help restore trade-related jobs lost during the pandemic in New Hampshire. *(See New Hampshire Jobs Depend On Two-Way Trade)*

• **New Hampshire exported $5.2 billion in goods and $3.1 billion in services in 2018,** including aerospace products and parts, communications equipment, pharmaceuticals and medicines and travel services. Of New Hampshire’s 2,622 exporters, 85 percent are small- and medium-sized companies with less than 500 workers. *(See New Hampshire Businesses Grow With Exports)*

• **Customers in 176 countries and territories buy New Hampshire-made goods and services,** including billions of dollars in annual exports to top markets like Canada, Germany and Ireland. New Hampshire’s goods exports have grown more than 80 percent faster than state GDP since 2009. Policies that help New Hampshire businesses, workers, and farmers once again reach the growing number of customers around the world can help lead an economic and jobs recovery. *(See New Hampshire Companies Export Throughout The World)*

• **Imports lower prices and increase choices for New Hampshire companies and families.** Lower raw material and input costs help New Hampshire 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 New Hampshire Companies and Families Benefit from Imports)*

• **Free trade agreements (FTAs) have helped fuel rapid export growth from New Hampshire to partner countries.** In 2018, $1.6 billion of New Hampshire’s goods exports, or 30 percent, went to FTA partners. This represents an increase of 8.0 percent since 2009. *(See New Hampshire Needs Trade Agreements To Grow)*

• **Foreign-owned companies invest and build facilities and employ 44,900 workers in New Hampshire.** *(See Foreign Investment In New Hampshire Creates Jobs)*
NEW HAMPSHIRE 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, stopped economic growth and ended millions of jobs across America, including in New Hampshire. Policies that expand trade can create new job opportunities in New Hampshire and help it recover faster.

Trade Creates & Supports Jobs in New Hampshire

- Export growth increases jobs by generating new business for New Hampshire’s manufacturers, services providers and farmers. Imports support jobs and keep costs low, helping New Hampshire businesses compete and saving New Hampshire families real dollars at the cash register.
- One in five New Hampshire jobs depends upon international trade.
- New Hampshire’s trade-related employment grew four times faster than total employment from 1992 to 2018.
- 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>Number of Jobs in New Hampshire Supported by Trade</th>
</tr>
</thead>
<tbody>
<tr>
<td>175,300</td>
</tr>
</tbody>
</table>

Share of Jobs Tied to Trade
Increased 99 percent from 1992 to 2018

<table>
<thead>
<tr>
<th>Jobs Tied to Trade</th>
<th>1992</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade &amp; Distribution</td>
<td>9.9%</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

Top Sectors, 2018

- Trade & Distribution: 47,800
- Prof., Scient. & Tech. Services: 28,700
- Personal & Rec. Services: 12,000
- Construction: 9,300
- Finance: 4,800

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

Overview

New Hampshire exported an estimated $5.2 billion in goods and $3.1 billion in services in 2018. Between 2009 and 2018, New Hampshire goods exports have increased by 73 percent and services exports by 54 percent. Large companies now account for 70 percent of the value of New Hampshire’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 New Hampshire Exports

- New Hampshire ranks among the top 15 state exporters in six industries, including fifth in lime and gypsum products ($18 million), seventh in metalworking machinery ($317 million), 10th in marine products ($52 million), and 11th in prepared seafood products ($1.8 million).

- New Hampshire is America’s 48th largest exporter of agricultural products. It is the 25th largest exporter of poultry and eggs, the 32nd largest exporter of miscellaneous crops, the 33rd largest exporter of aquaculture, and the 36th largest exporter of swine.

- One of New Hampshire’s fastest growing export categories is aerospace products and parts, which increased by 45 percent since 2009. In 2018, exports of these products reached $915 million.

By the Numbers

2,622
Number of New Hampshire Businesses that Exported in 2018

Top New Hampshire Exports, 2018

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>$915 million</td>
</tr>
<tr>
<td>Communications Equipment</td>
<td>$445 million</td>
</tr>
<tr>
<td>Pharmaceuticals &amp; Medicines</td>
<td>$443 million</td>
</tr>
<tr>
<td>Computer Equipment</td>
<td>$380 million</td>
</tr>
<tr>
<td>Metalworking Machinery</td>
<td>$317 million</td>
</tr>
<tr>
<td>Travel</td>
<td>$695 million</td>
</tr>
<tr>
<td>Mgmt. &amp; Consulting Services</td>
<td>$334 million</td>
</tr>
<tr>
<td>Computer Software</td>
<td>$310 million</td>
</tr>
</tbody>
</table>

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In 2018, New Hampshire companies sold their products in 176 countries and territories.

Top export markets include:

- **CANADA**
  - Goods Exports: $639 million
  - Services Exports: $240 million

- **UNITED KINGDOM**
  - Goods Exports: $178 million
  - Services Exports: $269 million

- **CHINA**
  - Goods Exports: $367 million
  - Services Exports: $199 million

- **MEXICO**
  - Goods Exports: $420 million
  - Services Exports: $124 million

- **IRELAND**
  - Goods Exports: $433 million
  - Services Exports: $245 million

- **GERMANY**
  - Goods Exports: $691 million
  - Services Exports: $142 million

**Fast Facts: How Exports Help the New Hampshire Economy Grow**

- Goods and services exports accounted for 9.9 percent of New Hampshire's state GDP in 2018.
- New Hampshire’s exports have grown more than 80 percent faster than state GDP since 2009. The average annual export growth during this period was 6.4 percent, while the average annual state GDP growth was 3.5 percent.
- New Hampshire’s top export markets for goods are Germany, Canada, and Ireland. Its top market for services is the United Kingdom.
- New Hampshire’s goods exports to Ireland have grown by 66 percent per year since 2009, while New Hampshire’s services exports to Switzerland have grown by 8 percent per year.
- Restoring trade can help lead a jobs recovery when supported by policies that help New Hampshire businesses, workers, and farmers reach the growing number of customers around the world.

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NEW HAMPSHIRE COMPANIES AND FAMILIES BENEFIT FROM IMPORTS

Overview

Imports provide a variety of benefits for New Hampshire companies and families. Imported consumer goods help keep prices down for New Hampshire families while increasing choices for foods and other products that are not available locally. Imported inputs help New Hampshire 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.

New Hampshire Families Benefit from Imports

- In 2018, 14 percent of New Hampshire's imports were consumer goods. Prices for imported consumer goods tend to drop year after year, leaving New Hampshire 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 New Hampshire family of four more than $10,000 per year through lower prices and increased specialization.

Most Importers are Small Businesses

- In 2018, 1,988 New Hampshire companies imported goods from 138 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.

New Hampshire Exports and Imports are Linked Through Global Value Chains

- In 2018, 86 percent of New Hampshire goods imports were raw materials, components and parts that are used by U.S. manufacturers to stay competitive.
- Many of New Hampshire’s top imports are critical components for New Hampshire exports. Conversely, New Hampshire exports of raw materials and parts may return to the United States in imported finished goods.

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NEW HAMPSHIRE 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. New Hampshire 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 New Hampshire and the United States.

- In 2018, $1.6 billion of New Hampshire’s goods exports, or 30 percent, went to FTA partners.
- Since 2009, New Hampshire’s goods exports to countries with FTAs in effect with the United States in 2018 have increased by 8.0 percent.
- New Hampshire’s exports to Canada and Mexico have increased by $651 million (159 percent) since NAFTA went into effect in 1994.
- New Hampshire’s exports to Australia tripled – from $41 million to $129 million – since the FTA with Australia took effect in 2004.
- New Hampshire’s exports to Singapore of communications equipment have increased from $1.3 million to $20 million since the FTA with Singapore went into effect in 2004.
- In 2018, $744 million of New Hampshire’s services exports, or one quarter, went to FTA partners.
- New Hampshire’s exports to Singapore of management and consulting services have increased from $1.2 million to $16 million, or by nearly 1,300 percent, since 2006 (earliest year available).

By the Numbers

8.0%
Increase in New Hampshire Goods Exports to FTA Partners Between 2009 and 2018

Per Capita Purchases of New Hampshire Goods, 2018

$3.39
$0.54

Non-FTA Countries
FTA Partner Countries

* U.S. FTAs in effect with countries in 2018.

In 2018, FTA partners purchased 6.3 times more goods per capita from New Hampshire than non-FTA partners.

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www.brt.org/trade
Overview

Foreign-owned companies help grow the U.S. economy and jobs. In 2017, 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.

New Hampshire is no exception. Foreign-owned companies make significant investments in New Hampshire to open or expand facilities every year and are important customers for local goods and services providers. Subsidiaries of foreign-owned companies alone employed tens of thousands of workers in New Hampshire in 2017, including:

- 11,000 workers employed by companies based in the United Kingdom;
- 7,100 workers employed by companies based in Canada;
- 4,600 workers employed by companies based in Switzerland;
- 4,300 workers employed by companies based in Japan;
- 3,400 workers employed by companies based in France.

Selected Foreign-Owned Companies Employing Workers in New Hampshire

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>BAE Systems Inc.</td>
<td>Defense/Security/Aerospace Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Harris Rebar, Inc.</td>
<td>Steel Product Manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>New Hampshire Ball Bearings Inc.</td>
<td>Steel Product Manufacturing</td>
<td>Japan</td>
</tr>
<tr>
<td>Osram Sylvania Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Portland Natural Gas Transmission</td>
<td>Energy Services</td>
<td>Canada</td>
</tr>
<tr>
<td>Semikron</td>
<td>Semiconductor Manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Stonyfield Farm</td>
<td>Food Products</td>
<td>France</td>
</tr>
<tr>
<td>TD Bank</td>
<td>Financial Services</td>
<td>Canada</td>
</tr>
</tbody>
</table>

Foreign-Owned Companies Employed 44,900 New Hampshire Workers Across Many Industries, 2017

- **Manufacturing**: 19,900
- **Retail Trade**: 9,300
- **Wholesale Trade**: 3,400
- **Finance & Insurance**: 2,200
- **Prof., Sci. & Tech. Services**: 1,400
- **Information**: 600

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NEW HAMPSHIRE JOBS DEPEND ON TWO-WAY TRADE

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


NEW HAMPSHIRE BUSINESSES GROW WITH EXPORTS


NEW HAMPSHIRE COMPANIES EXPORT THROUGHOUT THE WORLD


NEW HAMPSHIRE 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/)

NEW HAMPSHIRE NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN NEW HAMPSHIRE 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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