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 Washington 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 Washington.

Trade Creates & Supports Jobs in Washington

- **International trade, including exports and imports, supports 921,400 Washington jobs – 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 Washington's globally engaged firms. (See Washington Jobs Depend On Two-Way Trade)

- **Washington exported $68.7 billion in goods and $27.5 billion in services in 2017**, including aerospace products & parts, cement & concrete products, prepared seafood products and computer software. Of Washington's 12,147 exporters, 90 percent are small- and medium-sized companies with less than 500 workers. (See Washington Businesses Grow With Exports)

- **Customers in 215 countries and territories buy Washington-made goods and services**, including billions of dollars in annual exports to top markets like China, Canada and Japan. Washington's exports have grown at an average annual rate of 3.6 percent since 2007. (See Washington Companies Export Throughout The World)

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

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Washington to partner countries.** In 2017, $17.2 billion of Washington's goods exports, or 25 percent, went to FTA partners. This represents an increase of 21 percent since 2007. (See Washington Needs Trade Agreements To Grow)

- **Foreign-owned companies invest and build facilities and employ 115,500 workers in Washington.** (See Foreign Investment In Washington Creates Jobs)

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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 Washington

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

921,400
Number of Jobs in Washington Supported by Trade

Share of Jobs Tied to Trade
Increased 107 percent from 1992 to 2017

10.1% 20.9%
1992 2017

Jobs Tied to Trade
Top Sectors, 2017

- Trade & Distribution 194,100
- Prof., Scient. & Tech. Services 138,100
- Manufacturing 59,700
- Personal & Rec. Services 54,900
- Agriculture 54,200

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Overview

Washington exported an estimated $68.7 billion in goods and $27.5 billion in services in 2017. Between 2007 and 2017, Washington goods exports have increased by 36 percent and services exports by 49 percent. Large companies now account for 83 percent of the value of Washington'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 Washington Exports

- Washington ranks among the top five state exporters in 18 industries, including first in aerospace products & parts ($42.1 billion), first in cement & concrete products ($69 million), first in prepared seafood products ($163 million), and first in timber & logs ($764 million).
- Washington is America's sixth largest exporter of agricultural products. It is the second largest exporter of fruits & tree nuts, the second largest exporter of miscellaneous animal products, the fourth largest exporter of vegetables & melons, and the fourth largest exporter of greenhouse & nursery products.
- One of Washington's fastest growing export categories is communications equipment, which increased by 308 percent since 2007. In 2017, exports of these products reached $733 million.

By the Numbers

<table>
<thead>
<tr>
<th>Number of Washington Businesses that Exported in 2016</th>
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<tbody>
<tr>
<td>12,147</td>
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<table>
<thead>
<tr>
<th>Share of Washington Exporters that are Small- &amp; Medium-Sized Businesses</th>
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<tbody>
<tr>
<td>90%</td>
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<table>
<thead>
<tr>
<th>Top Washington Exports, 2017</th>
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<tbody>
<tr>
<td>Goods</td>
</tr>
<tr>
<td>Aerospace Products &amp; Parts</td>
</tr>
<tr>
<td>Petroleum &amp; Coal Products</td>
</tr>
<tr>
<td>Navigational &amp; Meas. Instruments</td>
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<tr>
<td>Fruits &amp; Tree Nuts</td>
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<tr>
<td>Marine Products</td>
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<th>Services</th>
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<tbody>
<tr>
<td>Computer Software</td>
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<tr>
<td>Travel</td>
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<tr>
<td>R&amp;D &amp; Testing Services</td>
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In 2017, Washington companies sold their products in 215 countries and territories.

Top export markets include:

- **Canada**: Goods Exports: $7.7 billion, Services Exports: $1.7 billion
- **China**: Goods Exports: $13.8 billion, Services Exports: $1.7 billion
- **Korea**: Goods Exports: $2.5 billion, Services Exports: $1.0 billion
- **Ireland**: Goods Exports: $4.1 billion, Services Exports: n.a.
- **United Arab Emirates**: Goods Exports: $4.1 billion, Services Exports: n.a.
- **Japan**: Goods Exports: $4.1 billion, Services Exports: $1.9 billion

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

- Goods and services exports accounted for 18.3 percent of Washington's state GDP in 2017.
- Washington's exports have grown at an average annual rate of 3.6 percent since 2007.
- Washington's top export markets for goods are China, Canada, and Japan. Its top market for services is Ireland.
- Washington's goods exports to Saudi Arabia have grown by 65 percent per year since 2007, while Washington's services exports to Hong Kong have grown by 32 percent per year.

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WASHINGTON 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 Washington.

- Services, especially transportation from Washington'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 Washington family of four more than $10,000 per year.
- Imports help keep prices down for Washington 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 10,666 in Washington) imported products...

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

Imports Decrease Prices

- **-87.9%**

- **-63.3%**

- **-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, $17.2 billion of Washington's goods exports, or 25 percent, went to FTA partners.

• Since 2007, Washington's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 21 percent.

• Washington's goods exports to Canada and Mexico have increased by $7.6 billion (359 percent) since NAFTA went into effect in 1994.

• Washington's goods exports to the Dominican Republic increased by 475 percent since DR-CAFTA went into effect for the Dominican Republic in 2007.

• Washington's exports to Colombia of aerospace products & parts have increased from $135,000 to $253 million since the FTA went into effect in 2012.

• Australia bought 29 percent of Washington's exports of veneer, plywood & engineered wood in 2017.

• In 2017, $6.1 billion of Washington's services exports, or 22 percent, went to FTA partners.

• Washington's exports to Singapore of R&D & testing services have increased from $10 million to $492 million, or by 4,671 percent, since 2006 (earliest year available).

By the Numbers

21%

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

Per Capita Purchases of Washington Goods, 2017

$37.02

$7.64

Non-FTA Countries

FTA Partner Countries*

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

In 2017, FTA partners purchased 4.8 times more goods per capita from Washington than non-FTA partners.

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Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in Washington every year. Foreign-owned companies from around the world employed more than 110,000 workers in Washington, including:

- 19,700 workers employed by companies based in the United Kingdom;
- 17,200 workers employed by companies based in Canada;
- 15,900 workers employed by companies based in Japan;
- 15,600 workers employed by companies based in Germany;
- 9,800 workers employed by companies based in France.

Selected Foreign-Owned Companies Employing Workers in Washington

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>AIM Aerospace</td>
<td>Aircraft Parts Manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Bradken Engineered Products</td>
<td>Steel Product Manufacturing</td>
<td>Australia</td>
</tr>
<tr>
<td>Harris Rebar</td>
<td>Steel Product Manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>Interfor Pacific Inc.</td>
<td>Wood Product Manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>KPMG LLP</td>
<td>Accounting Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Nintendo of America, Inc.</td>
<td>Video Equipment Development</td>
<td>Japan</td>
</tr>
<tr>
<td>Nippon Paper Group</td>
<td>Paper Manufacturing</td>
<td>Japan</td>
</tr>
<tr>
<td>North Pacific Seafoods</td>
<td>Seafood Processing</td>
<td>Japan</td>
</tr>
<tr>
<td>Siemens Energy &amp; Automation</td>
<td>Electronics and Engineering Services</td>
<td>Germany</td>
</tr>
<tr>
<td>Tetra Pak Inc.</td>
<td>Food Processing/Packaging Products</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Transalta Centralia</td>
<td>Energy Services</td>
<td>Canada</td>
</tr>
<tr>
<td>Vikima USA</td>
<td>Seeds</td>
<td>Denmark</td>
</tr>
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WASHINGTON JOBS DEPEND ON TWO-WAY TRADE


WASHINGTON 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)


WASHINGTON COMPANIES EXPORT THROUGHOUT THE WORLD


**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)

WASHINGTON 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/)

WASHINGTON NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN WASHINGTON 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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