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 Utah 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 Utah.

Trade Creates & Supports Jobs in Utah

- **International trade, including exports and imports, supports 389,000 Utah jobs – nearly one in five.** These trade-related jobs grew nearly 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 Utah’s globally engaged firms. (See Utah Jobs Depend On Two-Way Trade)

- **Utah exported $11.6 billion in goods and $6.8 billion in services in 2017**, including lime & gypsum products, nonferrous metal products, sheep, goats & fine animal hair and travel services. Of Utah’s 3,503 exporters, 86 percent are small- and medium-sized companies with less than 500 workers. (See Utah Businesses Grow With Exports)

- **Customers in 196 countries and territories buy Utah-made goods and services**, including billions of dollars in annual exports to top markets like the United Kingdom, Hong Kong and Canada. Utah’s exports have grown more than 60 percent faster than state GDP since 2007. (See Utah Companies Export Throughout The World)

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

- **Free trade agreements (FTAs) have helped fuel rapid export growth from Utah to partner countries.** In 2017, $3.1 billion of Utah’s goods exports, or 27 percent, went to FTA partners. This represents an increase of 76 percent since 2007. (See Utah Needs Trade Agreements To Grow)

- **Foreign-owned companies invest and build facilities and employ 47,800 workers in Utah.** (See Foreign Investment In Utah 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 Utah

- Export growth increases jobs by generating new business for Utah’s manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Utah businesses compete and saving Utah families real dollars at the cash register.

- Nearly one in five Utah jobs depends upon international trade.

- Utah’s trade-related employment grew nearly 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

389,000
Number of Jobs in Utah Supported by Trade

Share of Jobs Tied to Trade
Increased 86 percent from 1992 to 2017

<table>
<thead>
<tr>
<th>Year</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>10.5%</td>
</tr>
<tr>
<td>2017</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

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>85,200</td>
</tr>
<tr>
<td>Prof., Scient. &amp; Tech. Services</td>
<td>71,200</td>
</tr>
<tr>
<td>Finance, Insurance</td>
<td>26,300</td>
</tr>
<tr>
<td>Personal &amp; Rec. Services</td>
<td>24,700</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>18,200</td>
</tr>
</tbody>
</table>

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Overview
Utah exported an estimated $11.6 billion in goods and $6.8 billion in services in 2017. Between 2007 and 2017, Utah goods exports have increased by 49 percent and services exports by 88 percent. Large companies now account for 51 percent of the value of Utah’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 Utah Exports
• Utah ranks among the top 15 state exporters in 14 industries, including second in lime & gypsum products ($20 million), third in nonferrous metal products ($3.8 billion), third in sheep, goats & fine animal hair ($2.9 million), and sixth in miscellaneous foods ($436 million).
• Utah is America’s 38th largest exporter of agricultural products. It is the third largest exporter of sheep, goats & fine animal hair, the 12th largest exporter of miscellaneous crops, the 20th largest exporter of aquaculture, and the 25th largest exporter of swine.
• One of Utah’s fastest growing export categories is meat products, which increased by 379 percent since 2007. In 2017, exports of these products reached $262 million.

By the Numbers
3,503
Number of Utah Businesses that Exported in 2016

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

Top Utah Exports, 2017
Goods
Nonferrous Metal Products $3.8 billion
Semiconductors & Components $1.0 billion
Navigational & Meas. Instruments $594 million
Medical Equipment & Supplies $561 million
Aerospace Products & Parts $480 million

Services
Travel $1.3 billion
Computer Software $859 million
Credit-Related Services $795 million

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UTAH COMPANIES EXPORT THROUGHOUT THE WORLD

In 2017, Utah companies sold their products in 196 countries and territories.

Top export markets include:

- **Canadian**
  - Goods Exports: $1.2 billion
  - Services Exports: $510 million
- **United Kingdom**
  - Goods Exports: $2.3 billion
  - Services Exports: $617 million
- **China**
  - Goods Exports: $731 million
  - Services Exports: $404 million
- **Mexico**
  - Goods Exports: $673 million
  - Services Exports: $281 million
- **Hong Kong**
  - Goods Exports: $1.6 billion
  - Services Exports: $129 million
- **Japan**
  - Goods Exports: $613 million
  - Services Exports: $414 million

Fast Facts: How Exports Help the Utah Economy Grow

- Goods and services exports accounted for 11.1 percent of Utah's state GDP in 2017.
- Utah's exports have grown more than 60 percent faster than state GDP since 2007. The average annual export growth during this period was 6.1 percent, while the average annual state GDP growth was 3.7 percent.
- Utah's top export markets for goods are the United Kingdom, Hong Kong, and Canada. Its top market for services is the United Kingdom.
- Utah's goods exports to Hong Kong have grown by 84 percent per year since 2007, while Utah's services exports to China have grown by 16 percent per year.

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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 Utah.

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

Imports Decrease Prices

<table>
<thead>
<tr>
<th>Component</th>
<th>Decrease (%)</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Televisions</td>
<td>-87.9%</td>
<td>Decrease in the Price of Televisions Between 2007 and 2017.</td>
</tr>
<tr>
<td>Toys</td>
<td>-44.7%</td>
<td>Decrease in the Price of Toys Between 2007 and 2017.</td>
</tr>
</tbody>
</table>

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, $3.1 billion of Utah's goods exports, or 27 percent, went to FTA partners.
• Since 2007, Utah's goods exports to countries with FTAs in effect with the United States in 2017 have increased by 76 percent.
• Utah's goods exports to Canada and Mexico have increased by $1.5 billion (378 percent) since NAFTA went into effect in 1994.
• Utah's goods exports to Chile have increased by 384 percent since the FTA took effect in 2004.
• Utah's exports to Australia of soaps, cleaning agents & toiletries have increased from $6.0 million to $32 million since the FTA went into effect in 2005.
• Singapore bought 28 percent of Utah's exports of semiconductors & components in 2017.
• In 2017, $1.6 billion of Utah's services exports, or 24 percent, went to FTA partners.
• Utah's exports to Korea of travel services have increased from $24 million to $59 million, or by 145 percent, since the FTA went into effect in 2012.

By the Numbers

<table>
<thead>
<tr>
<th></th>
<th>FTA Partner Countries*</th>
<th>Non-FTA Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Per Capita Purchases</strong></td>
<td>$6.69</td>
<td>$1.26</td>
</tr>
</tbody>
</table>

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

In 2017, FTA partners purchased 5.3 times more goods per capita from Utah than non-FTA partners.

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Overview

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

- 8,900 workers employed by companies based in the United Kingdom;
- 5,500 workers employed by companies based in France;
- 4,900 workers employed by companies based in Germany;
- 3,700 workers employed by companies based in Switzerland;
- 2,600 workers employed by companies based in Japan.

Selected Foreign-Owned Companies Employing Workers in Utah

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acuren Group</td>
<td>Inspecting &amp; Testing Services</td>
<td>Canada</td>
</tr>
<tr>
<td>Alpha Pro Tech Inc.</td>
<td>Safety Product Manufacturing</td>
<td>Canada</td>
</tr>
<tr>
<td>ASC Profiles</td>
<td>Steel Products Manufacturing</td>
<td>Australia</td>
</tr>
<tr>
<td>Autoliv North America</td>
<td>Motor Vehicle Parts Manufacturing</td>
<td>Sweden</td>
</tr>
<tr>
<td>Barrick Gold Corporation</td>
<td>Mining</td>
<td>Canada</td>
</tr>
<tr>
<td>Denison Mines (USA) Corp.</td>
<td>Mining</td>
<td>Canada</td>
</tr>
<tr>
<td>Holiday Inn</td>
<td>Hotel Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Kennecott Utah Copper Corp.</td>
<td>Mining</td>
<td>Australia</td>
</tr>
<tr>
<td>KPMG LLP</td>
<td>Accounting Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>The Dannon Company</td>
<td>Dairy Product Manufacturing</td>
<td>France</td>
</tr>
<tr>
<td>UBS Financial Services</td>
<td>Banking Services</td>
<td>Switzerland</td>
</tr>
<tr>
<td>Veolia Environmental Services</td>
<td>Waste Management Services</td>
<td>France</td>
</tr>
</tbody>
</table>

Foreign-Owned Companies Employed 47,800 Utah Workers Across Many Industries, 2016

- Manufacturing: 17,500
- Other: 14,000
- Wholesale Trade: 6,600
- Information: 3,700
- Retail Trade: 3,100
- Finance & Insurance: 1,600
- Prof., Sci. & Tech. Services: 1,400

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UTAH JOBS DEPEND ON TWO-WAY TRADE


UTAH BUSINESSES GROW WITH EXPORTS


UTAH COMPANIES EXPORT THROUGHOUT THE WORLD


UTAH 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/)

UTAH NEEDS TRADE AGREEMENTS TO GROW


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

FOREIGN INVESTMENT IN UTAH 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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