

How Wyoming's Economy Benefits from International Trade & Investment

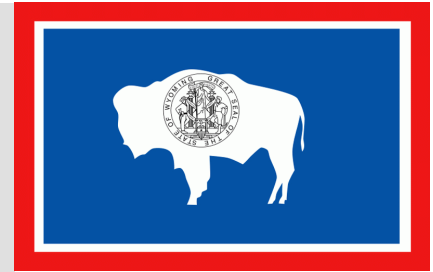
Overview

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 Wyoming 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 Wyoming.

Why is International Trade & Investment Important to Wyoming?

- **International trade, including exports and imports, supports 70,700 Wyoming jobs – more than 1 in 6.** These trade-related jobs grew 1.2 times faster than total employment from 2004 to 2014 and are at large and small companies, on farms, in factories, and at the headquarters of Wyoming's globally engaged firms. *(See Wyoming Jobs Depend On Two-Way Trade)*
- **Wyoming exported \$1.8 billion in goods and \$543 million in services in 2014**, including basic chemicals, oil & gas, oilseeds & grains and equip. maintenance & repair services. Of Wyoming's 452 exporters, 73 percent are small- and medium-sized companies with less than 500 workers. *(See Wyoming Businesses Grow With Exports)*
- **Customers in 150 countries and territories buy Wyoming-made goods and services**, including hundreds of millions of dollars in annual exports to top markets like Canada, Brazil and Indonesia. Wyoming's goods exports have grown more than 60 percent faster than state GDP since 2004. *(See Wyoming Companies Export Throughout The World)*
- **Imports lower prices and increase choices for Wyoming companies and families.** Lower raw material and input costs help Wyoming 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 Wyoming Companies And Workers Use Imports To Compete)*
- **Free trade agreements (FTAs) have helped fuel rapid export growth from Wyoming to partner countries.** In 2014, \$1.0 billion of Wyoming's goods exports, or 55 percent, went to FTA partners. This represents a 181 percent increase since 2004. *(See Wyoming Needs Trade Agreements To Grow)*
- **Foreign-owned companies invest and build facilities and employ 8,800 workers in Wyoming.** *(See Foreign Investment In Wyoming Creates Jobs)*



Wyoming 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 Creates & Supports Jobs in Wyoming

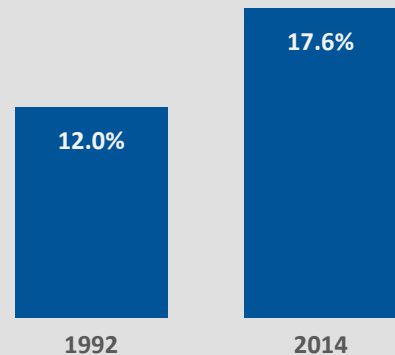
- Export growth increases jobs by generating new business for Wyoming's manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping Wyoming businesses compete and saving Wyoming families real dollars at the cash register.
- More than one in six Wyoming jobs depends upon international trade.
- Wyoming's trade-related employment grew 1.2 times faster than total employment from 2004 to 2014.
- Jobs in more export-intensive 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

70,700

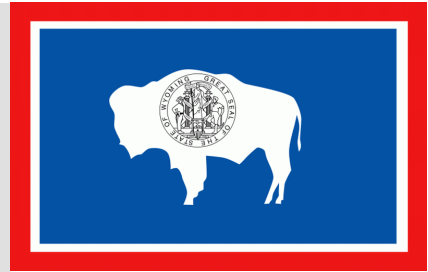
Number of Jobs in Wyoming Supported by Trade

Share of Jobs Tied to Trade Increased 47 percent from 1992 to 2014



Jobs Tied to Trade Top Sectors, 2014

Retail	9,100
Real Estate, Rental Services	3,900
Professional, Scientific, Tech. Services	3,800
Transportation & Warehousing	3,700
Finance, Insurance	3,600



Wyoming Businesses Grow with Exports

Overview

Wyoming exported an estimated \$1.8 billion in goods and \$543 million in services in 2014. Between 2009 and 2014, Wyoming goods exports have increased by 89 percent and services exports by 16 percent. Large companies now account for 36 percent of the value of Wyoming'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 Wyoming Exports

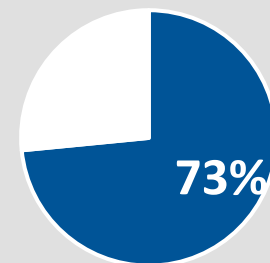
- Wyoming ranks among the top half of state exporters in nine industries, including fifth in lime & gypsum products (\$18 million), eighth in oil & gas (\$444 million), 10th in nonmetallic minerals (\$43 million), and 16th in basic chemicals (\$985 million).
- Wyoming is America's 38th largest exporter of agricultural products. It is the eighth largest exporter of dry peas and beans and miscellaneous live animals and the 12th largest exporter of hay and miscellaneous grains.
- One of Wyoming's fastest growing export categories is ag & construction machinery, which have increased by 16 percent per year since 2004. In 2014, exports of these products reached \$59 million.

By the Numbers

452

Number of Wyoming Businesses that Exported in 2013

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



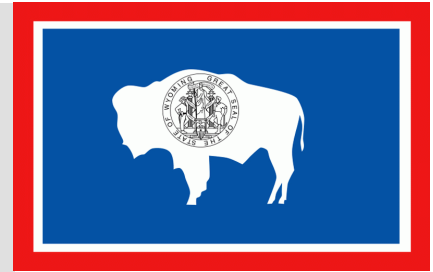
Top Wyoming Exports, 2014

Goods

Basic Chemicals	\$985 million
Oil & Gas	\$444 million
Oilseeds & Grains	\$60 million
Ag & Construction Machinery	\$59 million
Petroleum & Coal Products	\$57 million

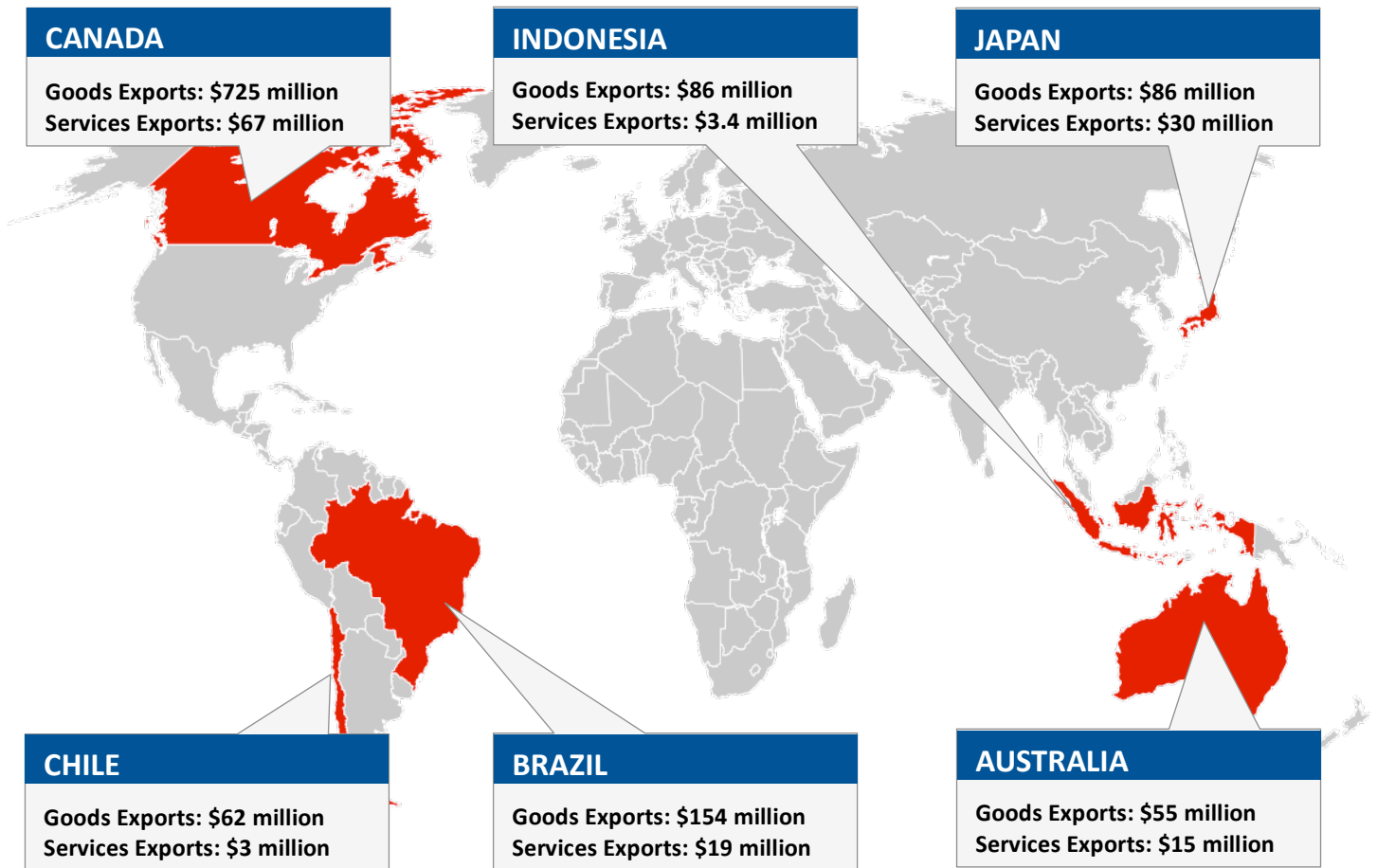
Services

Equip. Maintenance & Repair	\$153 million
Travel	\$149 million
Operational Leasing	\$81 million



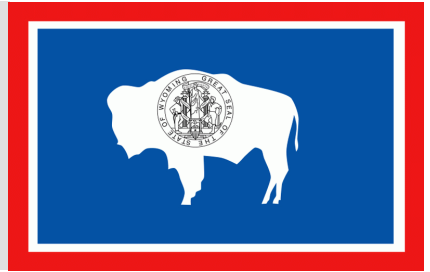
Wyoming Companies Export throughout the World

In 2014, Wyoming companies sold their products in 150 countries and territories.
Top export markets include:



Fast Facts: How Exports Help the Wyoming Economy Grow

- Goods exports accounted for 4.2 percent of Wyoming's state GDP in 2014.
- Wyoming's goods exports have grown more than 60 percent faster than state GDP since 2004. The average annual export growth during this period was 11.2 percent, while the average annual state GDP growth was 6.9 percent.
- Wyoming's top export markets for goods are Canada, Brazil, and Indonesia. Its top market for services is Canada.
- Wyoming's goods exports to Brazil have grown by 27 percent per year since 2004. Exports to China grew by 25 percent per year, while exports to the United Kingdom grew by 24 percent per year.



Wyoming Companies & Workers Use Imports to Make Products and Compete in International Markets

Overview

In 2014, 60 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 Wyoming.

- Services, such as transportation, finance and insurance, marketing, and legal services are needed to bring imported goods to Wyoming's manufacturers and households.
- In 2013, 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 Wyoming family of four more than \$10,000 per year.
- Imports help keep prices down for Wyoming families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

In 2013, about 184,000 U.S. companies (including 548 in Wyoming) imported products...

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

Imports Decrease Prices for Goods & Services



-87.0%

Decrease in the Price of Televisions Between 2004 and 2014.



-69.2%

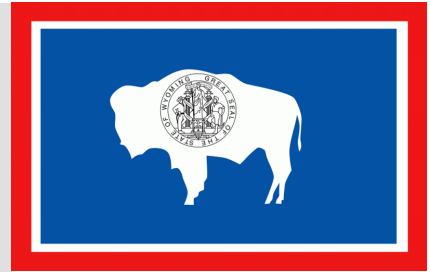
Decrease in the Price of Computers Between 2004 and 2014.



-42.9%

Decrease in the Price of Toys Between 2004 and 2014.

Imports Increase Choices for Goods & Services



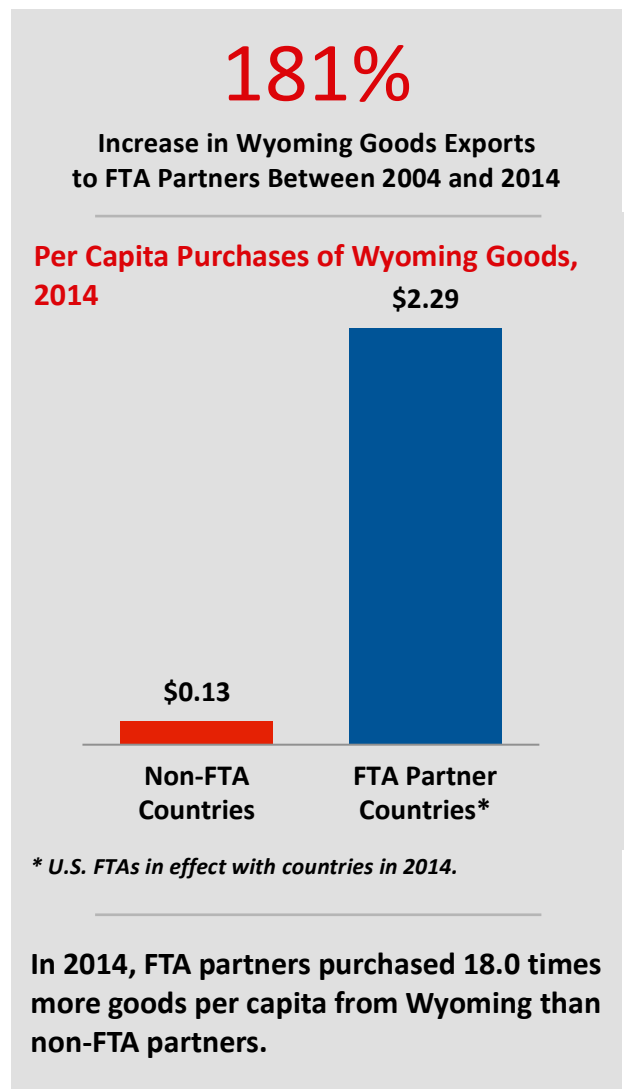
Wyoming Needs Trade Agreements to Grow

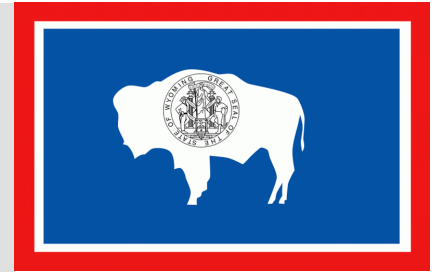
Overview

The United States has some of the lowest trade barriers in the world. Overall U.S. trade with our free trade agreement (FTA) partner countries supports more than 17.7 million 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. Wyoming has increased its exports to FTA partners following implementation of the U.S. FTAs with those countries.

- In 2014, \$1.0 billion of Wyoming's goods exports, or 55 percent, went to FTA partners.
- Since 2004 Wyoming's goods exports to countries with FTAs in effect with the United States in 2014 have increased by 181 percent.
- Wyoming's exports to Canada and Mexico have increased by \$721 million (1,807 percent) since NAFTA went into effect in 1994.
- Wyoming's exports to Colombia have increased by 144 percent since the U.S.-Colombia FTA took effect in 2012.
- Wyoming's exports to Australia of basic chemicals have increased from \$13 million to \$49 million since the FTA with Australia went into effect in 2005.
- Canada bought 90 percent of Wyoming's exports of ag & construction machinery in 2014.
- Countries negotiating the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) agreements purchased \$1.1 billion, or 62 percent, of Wyoming's goods exports in 2014.

By the Numbers





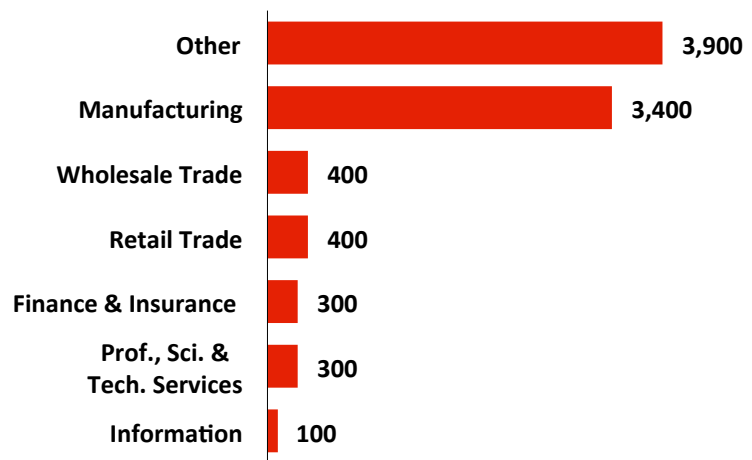
Foreign Investment in Wyoming Creates Jobs

Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in Wyoming every year. Foreign-owned companies from around the world employ nearly 9,000 workers in Wyoming, including:

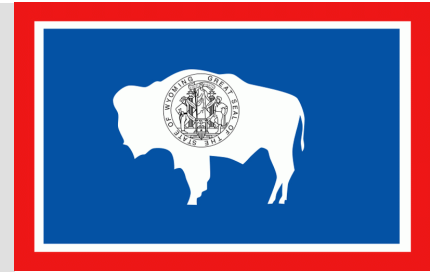
- 1,600 workers employed by companies based in the United Kingdom;
- 900 workers employed by companies based in Canada;
- 800 workers employed by companies based in Switzerland;
- 600 workers employed by companies based in France;
- 600 workers employed by companies based in Japan.

Foreign-Owned Companies Employ 8,800 Wyoming Workers Across Many Industries



Selected Foreign-Owned Companies Employing Workers in Wyoming

Company	Industry	Country
Adecco Staffing	Employment Services	Switzerland
BAE Systems Inc.	Defense/Security/Aerospace Services	United Kingdom
Derek Resources USA, Inc.	Energy Services	Canada
Encana Oil & Gas (USA) Inc.	Energy Production	Canada
Expro Americas Inc.	Energy Services	United Kingdom
Four Seasons Resort	Hotel Services	Canada
OCI Wyoming	Chemicals Manufacturing	Korea
Sandvik Mining and Construction	Mining Services	Sweden
SGL Carbon Fibers LLC	Electrical Component Manufacturing	Germany
Solvay Chemicals, Inc.	Soda Ash Manufacturing	Belgium
V&M Tube Alloy	Metal Products Manufacturing	France
Willis North America, Inc.	Insurance Services	United Kingdom



Data Sources

WYOMING 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: 2014 Update" (2016) (<http://businessroundtable.org/resources/trade-and-american-jobs-2016-update>)

Exporting Firm Wages: Riker, "Export-Intensive Industries Pay More on Average: An Update" (2015) (<https://www.usitc.gov/publications/332/ec201504a.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>)

WYOMING BUSINESSES GROW WITH EXPORTS

Small and Large Firms Partnering to Export (for 2007, 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, 2012 – 2013" (<http://www.census.gov/foreign-trade/Press-Release/edb/2013>)

WYOMING 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>)

WYOMING COMPANIES & WORKERS USE IMPORTS TO COMPETE IN INTERNATIONAL MARKETS

Importing Company Information: Census, "A Profile of U.S. Importing and Exporting Companies, 2012 – 2013" (<http://www.census.gov/foreign-trade/Press-Release/edb/2013>)

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/>)

WYOMING NEEDS TRADE AGREEMENTS TO GROW

Exports and Trends: The Trade Partnership (<http://tradepartnership.com/data/cdxports-and-cdxjobs>)

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

Jobs-Tied-to-FTAs: U.S. Chamber of Commerce, "Opening Markets, Creating Jobs: Estimated U.S. Employment Effects of Trade with FTA Partners" (2010) (http://tradepartnership.com/wp-content/uploads/2014/06/opening_markets_creating_jobs_USChamber.pdf)

FOREIGN INVESTMENT IN WYOMING 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>)