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 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 United States.

Why is International Trade & Investment Important to the United States?

- **International trade, including exports and imports, supports 39.8 million U.S. jobs – more than 1 in 5.** These trade-related jobs grew three and a half times faster than total employment from 2004 to 2013 and are at large and small companies, on farms, in factories, and at the headquarters of globally engaged U.S. firms. *(See U.S. Jobs Depend On Two-Way Trade)*

- **The United States exported $1.6 trillion in goods and $687.4 billion in services in 2013, including petroleum and coal products, aerospace products, motor vehicles and parts, computer software, and travel services.** Of the 304,867 U.S. exporters, 98 percent are small- and medium-sized companies with less than 500 workers. *(See U.S. Businesses Grow With Exports)*

- **Customers in 234 countries buy U.S.-made goods and services,** including hundreds of billions of dollars in annual exports to top markets like Canada, Mexico and China. U.S. goods exports have grown more than two times faster than GDP since 2003. *(See U.S. Companies Export Throughout The World)*

- **Imports lower prices and increase choices for U.S. companies and families.** Lower raw material and input costs help American 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 U.S. Companies And Workers Use Imports To Compete)*

- **Free trade agreements (FTAs) have helped fuel rapid U.S. export growth to partner countries.** In 2013, $733 billion of U.S. goods exports, or 46 percent, went to FTA partners. This represents a 107 percent increase since 2003. *(See The United States Needs Trade Agreements To Grow)*

- **Foreign-owned companies invest and build facilities and employ 5.8 million workers in the United States.** *(See Foreign Investment In United States Creates Jobs)*

Contact: David Thomas, Business Roundtable, 202-496-3262, dthomas@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 Creates & Supports Jobs in the United States

- Export growth increases jobs by generating new business for U.S. manufacturers, service providers and farmers. Imports support jobs and keep costs low, helping U.S. businesses compete and saving American families real dollars at the cash register.
- More than one in five U.S. jobs depend upon international trade.
- U.S. trade-related employment three and a half times faster than total employment from 2004 to 2013.
- Jobs in U.S. exporting plants pay on average up to 18 percent more than similar jobs in non-exporting plants.
- 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

39.8 million
Number of U.S. Jobs Supported by Trade

Share of Jobs Tied to Trade
Increased 110% from 1992 to 2013

1992 21.9%
10.4%
2013

Jobs Tied to Trade
Top Sectors, 2013

<table>
<thead>
<tr>
<th>Sector</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>4.3 million</td>
</tr>
<tr>
<td>Management, Admin. Services</td>
<td>3.0 million</td>
</tr>
<tr>
<td>Prof., Scientific, Tech Services</td>
<td>2.7 million</td>
</tr>
<tr>
<td>Finance, Insurance</td>
<td>2.1 million</td>
</tr>
<tr>
<td>Real Estate, Rental</td>
<td>1.7 million</td>
</tr>
</tbody>
</table>

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Overview

The United States exported an estimated $1.6 trillion in goods and $687.4 billion in services in 2013. Between 2009 and 2013, U.S. goods exports have increased by 50 percent and services exports by 34 percent. Large companies now account for 67 percent of the value of U.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 U.S. exports

- One of the fastest growing U.S. export categories is petroleum & coal products, which have increased by 33 percent per year since 2003. In 2013, exports of these products reached nearly $120 billion.
- One of fastest growing U.S. agricultural export categories is fruits & tree nuts, which have increased by 12 percent per year since 2003 – and did not experience a single year-over-year decline. In 2013, exports of these products reached $13.5 billion.
- One of fastest growing U.S. services export categories is business management and consulting services, which have increased by 11 percent per year since 2003 – and also did not experience a single year-over-year decline. In 2013, exports of these products reached $55.8 billion.

By the Numbers

304,867
Number of U.S. businesses that Exported in 2012

98%
Share of U.S. exporters that are Small- & Medium-Sized Businesses

Top U.S. exports, 2013

<table>
<thead>
<tr>
<th>Goods</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Petroleum &amp; Coal Products</td>
<td>$119.6 billion</td>
</tr>
<tr>
<td>Aerospace Products &amp; Parts</td>
<td>$116.1 billion</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>$73.3 billion</td>
</tr>
<tr>
<td>Basic Chemicals</td>
<td>$67.1 billion</td>
</tr>
<tr>
<td>Motor Vehicle Parts</td>
<td>$60.8 billion</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Services</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>$145.9 billion</td>
</tr>
<tr>
<td>Industrial Processes Royalties</td>
<td>$45.0 billion</td>
</tr>
<tr>
<td>Computer Software</td>
<td>$42.9 billion</td>
</tr>
</tbody>
</table>

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In 2013, U.S. companies sold their products in 234 international markets.

Top export markets include:

- **Canada**: Goods Exports: $301.6 billion, Services Exports: $63.3 billion
- **United Kingdom**: Goods Exports: $47.4 billion, Services Exports: $60.3 billion
- **China**: Goods Exports: $121.8 billion, Services Exports: $37.8 billion
- **Mexico**: Goods Exports: $226.1 billion, Services Exports: $29.9 billion
- **Germany**: Goods Exports: $47.4 billion, Services Exports: $27.5 billion
- **Japan**: Goods Exports: $65.2 billion, Services Exports: $46.3 billion

**Fast Facts: How Exports Help the United States Economy Grow**

- U.S. goods exports have grown more than two times faster than GDP since 2003. The average annual export growth during this period was 8.6 percent, while the average annual GDP growth was 3.9 percent.
- The United States' top export markets for goods are Canada, Mexico, and China. Its top market for services is Canada.
- Among major export markets for U.S. goods, Colombia has grown the fastest at 18 percent per year since 2003. Exports to Saudi Arabia, China, and Brazil each grew by 16 percent per year.

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Overview

In 2013, 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.

• Services, especially transportation from U.S. ports, finance and insurance, marketing and legal services are needed to bring imported goods to American manufacturers and households.

• In 2012, 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 United States family of four more than $10,000 per year.

• Imports help keep prices down for United States families while increasing their choices for goods and services. Prices for imported consumer goods tend to drop year after year.

Imports Decrease Prices for Goods & Services

-86.9%  Decrease in the Price of Televisions Between 2003 and 2013.
-41.9%  Decrease in the Price of Toys Between 2003 and 2013.

Imports Increase Choices for Goods & Services

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The United States 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 20 free trade agreement (FTA) partner countries supports 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. The United States has increased its exports to FTA partners following implementation of the FTAs with those countries.

- In 2013, $733 billion of U.S. goods exports, or 46 percent, went to FTA partners.
- Since 2003 U.S. goods exports to countries with FTAs in effect with the United States in 2013 have increased by 107 percent.
- U.S. exports to Canada and Mexico have increased by $385.9 billion (272 percent) since NAFTA went into effect in 1994.
- U.S. exports to Chile have increased by 545 percent since the FTA with Chile FTA took effect in 2004.
- U.S. exports to Australia of motor vehicles have increased by 280 percent, to $1.8 billion, since 2005 when the FTA with Australia went into effect.
- Canada and Mexico combined to buy 78.5 percent of the $60.8 billion in U.S. exports of motor vehicle parts in 2013.
- Countries negotiating the Trans-Pacific Partnership (TPP) and Transatlantic Trade and Investment Partnership (TTIP) agreements purchased $961.3 billion, or 61 percent, of U.S. goods exports in 2013.

By the Numbers

107%
Increase in U.S. goods Exports to FTA Partners Between 2003 and 2013

Per Capita Purchases of U.S Goods, 2013

<table>
<thead>
<tr>
<th></th>
<th>Non-FTA Countries</th>
<th>FTA Partner Countries*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Capita Purchases</td>
<td>$138</td>
<td>$1,666</td>
</tr>
</tbody>
</table>

* U.S. FTAs in effect with countries in 2013.

In 2013, FTA partners purchased 12 times more goods per capita from United States than non-FTA partners.

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Overview

Foreign-owned companies invest significant amounts of capital to open or expand facilities in the United States every year. Foreign-owned companies from around the world employ nearly 5.8 million workers in United States, including:

- 962,900 workers employed by companies based in the United Kingdom;
- 718,900 workers employed by companies based in Japan;
- 620,200 workers employed by companies based in Germany;
- 555,600 workers employed by companies based in Canada;
- 534,400 workers employed by companies based in France.

### Foreign-Owned Companies Employ 5.8 Million U.S. Workers Across Many Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>Workers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>2,173,800</td>
</tr>
<tr>
<td>Other</td>
<td>1,584,900</td>
</tr>
<tr>
<td>Wholesale Trade</td>
<td>570,100</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>518,300</td>
</tr>
<tr>
<td>Finance &amp; Insurance</td>
<td>390,300</td>
</tr>
<tr>
<td>Prof., Sci. &amp; Tech. Services</td>
<td>294,800</td>
</tr>
<tr>
<td>Information</td>
<td>239,000</td>
</tr>
</tbody>
</table>

### Selected Foreign-Owned Companies Employing Workers in United States

<table>
<thead>
<tr>
<th>Company</th>
<th>Industry</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>ABB Inc.</td>
<td>Electrical Equipment Manufacturing</td>
<td>Switzerland</td>
</tr>
<tr>
<td>BAE Systems</td>
<td>Aerospace Manufacturing</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Cemex</td>
<td>Cement Manufacturing</td>
<td>Mexico</td>
</tr>
<tr>
<td>Gerdau Ameristeel</td>
<td>Steel Manufacturing</td>
<td>Brazil</td>
</tr>
<tr>
<td>Holiday Inn</td>
<td>Hotel Services</td>
<td>United Kingdom</td>
</tr>
<tr>
<td>Honda Manufacturing</td>
<td>Automotive Manufacturing</td>
<td>Japan</td>
</tr>
<tr>
<td>Infosys Technology Ltd.</td>
<td>IT/Business Services</td>
<td>India</td>
</tr>
<tr>
<td>KPMG LLP</td>
<td>Consulting Services</td>
<td>Netherlands</td>
</tr>
<tr>
<td>Mercedes-Benz US International</td>
<td>Automotive Manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>SAP America</td>
<td>Business Software Development</td>
<td>Germany</td>
</tr>
<tr>
<td>Siemens</td>
<td>Electrical Equipment Manufacturing</td>
<td>Germany</td>
</tr>
<tr>
<td>Sims Metal Management</td>
<td>Metal Recycling Services</td>
<td>Australia</td>
</tr>
<tr>
<td>Toyota Motor Manufacturing</td>
<td>Motor Vehicle Manufacturing</td>
<td>Japan</td>
</tr>
<tr>
<td>UBS Financial Services</td>
<td>Financial Services</td>
<td>Switzerland</td>
</tr>
</tbody>
</table>

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U.S. JOBS DEPEN ON TWO-WAY TRADE


U.S. BUSINESSES GROW WITH EXPORTS


U.S. COMPANIES EXPORT THROUGHOUT THE WORLD


U.S. COMPANIES & WORKERS USE IMPORTS TO COMPETE IN INTERNATIONAL MARKETS


Imports as Components: Derived from Census end-use import data


Price Changes: Derived from BLS Consumer Price Index database (http://www.bls.gov/cpi/)

THE UNITED STATES NEEDS TRADE AGREEMENTS TO GROW


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


FOREIGN INVESTMENT IN THE UNITED STATES 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)