

## Minnesota Exports Fall to \$14.6 Billion in 2009

Minnesota's manufactured exports fell to \$14.6 billion.

- The state's exports dropped \$2.7 billion (or declined 15.5 percent) between 2008 and 2009, in the midst of the economic downturn.
- The drop in the fourth quarter of 2009 was much smaller than those of previous quarters in 2009, pointing to a brighter outlook for 2010.
- Minnesota ranked 20<sup>th</sup> largest in value among all states, unchanged from 2008.
- U.S. exports decreased 18.3 percent, influenced by large export losses in the three largest exporting states: Texas, California and New York.

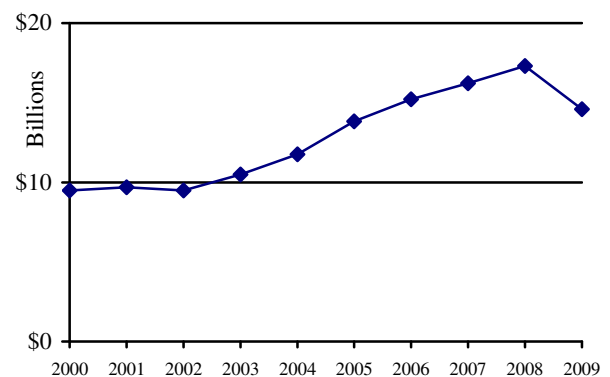
Minnesota's manufacturing industries decreased exports between 2008 and 2009, with the exception of textile products.

- The leading exporting industries were computers and electronics (\$3.4 billion, down 19 percent), machinery (\$2.4 billion, down 16 percent) and transportation equipment (\$1.7 billion, down 19 percent).

Exports decreased to most of the state's 20 largest country markets in 2009.

- Two-thirds experienced large declines, while most of the others experienced mild growth.
- An exception was Malaysia, where exports jumped 72 percent to \$285 million.
- The largest losses were incurred by Canada (down \$992 million), the Philippines (down \$416 million) and the Netherlands (down \$199 million).

**Figure 1. Minnesota Manufactured Exports, 2000-2009**



More than 8,100 businesses throughout Minnesota exported goods and services in 2008, according to the U.S. Department of Commerce. These exporters have an important impact on our economy and their international success can be a source of new jobs in the state.

Manufactured exports are critical to the state economy.

- They are responsible for an estimated 145,800 jobs in Minnesota, ranking 16<sup>th</sup> largest among all states, according to the International Trade Administration of the U.S. Department of Commerce (2008 estimate).
- Exporting of manufactured goods supported 64,800 export-related jobs in manufacturing, up 10 percent since 2005.
- Another 81,000 export-related jobs are found in other industries such as transportation and logistics fields – key sectors in delivering products to export markets.

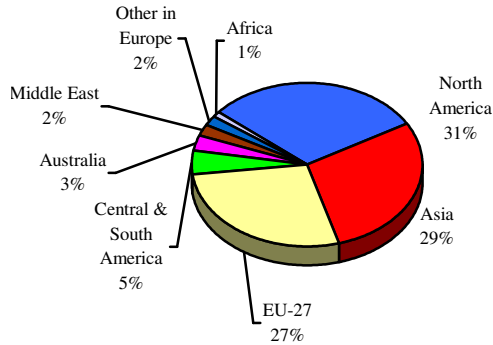
The following sections provide more details on exports by industry, country markets and products.

**Regional Export Markets**

**Overview:**

- Minnesota’s three main regional markets in 2009 were North America, Asia and the European Union.
- Minnesota exporters sell a relatively greater share of goods to the European Union and Asia but a relatively smaller share to Central and South America than do U.S. exporters.

**Figure 2. Minnesota Manufactured Exports, by Regional Market, 2009**



**North America:**

- Minnesota’s largest regional market was valued at \$4.5 billion in exports and accounted for 31 percent of state exports.
- The state’s exports to North America were down 20 percent between 2008 and 2009, falling slightly more than the U.S. decline of 18 percent.
- Largest export declines: Canada (down 21 percent), Mexico (down 16 percent).

**Asia**

- Minnesota exports were valued at \$4.2 billion and accounted for 29 percent of state exports.
- The state’s exports to Asia were down 8 percent between 2008 and 2009, compared to the U.S. decline of 15 percent.
- Major markets: China, Japan, Korea, Singapore.
- Largest export gains: Malaysia (up 72 percent to \$285 million), Thailand (up 5 percent to \$182 million), China (up 1 percent to \$1.3 billion).
- Largest export declines: the Philippines (down 56 percent to \$327 million), Japan (down 8 percent to \$738 million).

**European Union (EU-27)**

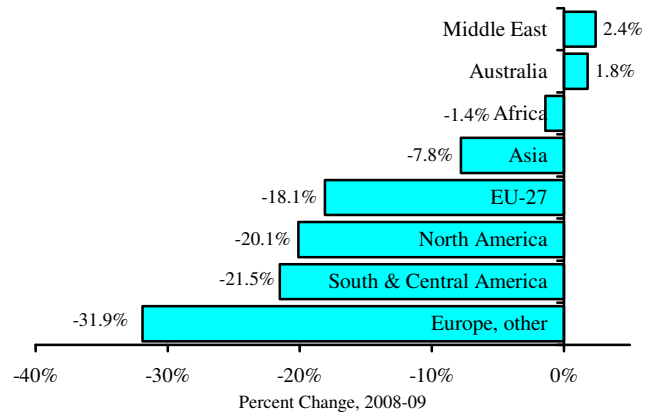
- Minnesota exports were valued at \$4 billion and accounted for 27 percent of state exports.
- The state’s exports to the EU-27 were down 18 percent between 2008 and 2009, equal to the U.S. decline of 18 percent.
- Major markets: Ireland, Germany, United Kingdom, Belgium.
- Largest export gains: Ireland (up 1 percent to \$897 million), Hungary (up 16 percent to \$31 million).
- Largest export declines: the Netherlands (down 34 percent to \$391 million), the United Kingdom (down 21 percent to \$585 million), France (down 33 percent to \$257 million).

**Central and South America**

- Minnesota exports were valued at \$688 million and accounted for 5 percent of state exports.
- The state’s exports to this region were down 22 percent between 2008 and 2009, slightly more than the U.S. drop of 20 percent.
- Major markets: Brazil (\$234 million, down 18 percent), Colombia (\$70 million, up 1 percent), Chile (\$68 million, down 26 percent).

The state’s other regions were **Australia-Pacific** (\$464 million), the **Middle East** (\$342 million), **Non-EU Europe** (i.e. Europe, excluding the EU-27, \$287 million) and **Africa** (\$145 million).

**Figure 3. Minnesota Percent Change in Manufactured Exports, by Region, 2008-09**



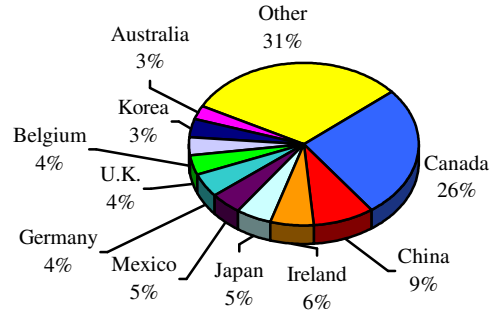
## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### Top Markets by Country

Minnesota increased exports to seven of the state's top 20 markets between 2008 and 2009.

- No changes among top five countries in rank.
- Most notable drop in rank between 2008 and 2009: the Philippines (down from sixth to 13<sup>th</sup>).
- Most notable gain in rank: Malaysia (up from 20<sup>th</sup> to 14<sup>th</sup>).
- Relatively large shares of U.S. exports: Minnesota accounts for 12.4 percent of U.S. exports to Ireland and 6.4 percent of those to Singapore, far exceeding the state's overall share of U.S. exports (1.6 percent).

**Figure 4. Minnesota's Top 10 Markets for Manufactured Exports, 2009**



**Table 1. Minnesota's Top 25 Manufactured Export Markets, 2009**

Rank 2008	Rank 2009	Country	Exports, 2009 (millions)	Distribution 2009	Value Change, 2008-2009	MN Percent Change, 2008-2009	US Percent Change, 2008-2009	MN as a Percent of the U.S.
1	1	Canada	\$ 3,805	26.0%	\$ (992)	-21%	-21%	2.1%
2	2	China	1,262	8.6%	6	1%	-5%	1.9%
3	3	Ireland	897	6.1%	13	1%	-12%	12.4%
4	4	Japan	738	5.1%	(60)	-8%	-22%	1.8%
5	5	Mexico	663	4.5%	(131)	-16%	-13%	0.6%
8	6	Germany	652	4.5%	(77)	-11%	-20%	1.6%
7	7	United Kingdom	585	4.0%	(156)	-21%	-12%	1.5%
9	8	Belgium	537	3.7%	(87)	-14%	-26%	2.7%
11	9	Korea	506	3.5%	(2)	0%	-16%	2.2%
12	10	Australia	423	2.9%	19	5%	-13%	2.3%
10	11	Netherlands	391	2.7%	(199)	-34%	-18%	1.3%
14	12	Singapore	386	2.6%	4	1%	-23%	1.8%
6	13	Philippines	327	2.2%	(416)	-56%	-29%	6.4%
20	14	Malaysia	285	1.9%	120	72%	-19%	3.0%
16	15	Taiwan	279	1.9%	2	1%	-27%	1.9%
13	16	France	259	1.8%	(126)	-33%	-8%	1.1%
15	17	Brazil	234	1.6%	(53)	-18%	-21%	1.0%
17	18	Italy	193	1.3%	(23)	-11%	-22%	1.8%
18	19	Thailand	182	1.2%	8	5%	-22%	3.1%
19	20	India	146	1.0%	(19)	-12%	-14%	1.0%
22	21	Switzerland	119	0.8%	(12)	-9%	-36%	1.0%
23	22	Sweden	99	0.7%	(26)	-21%	-9%	2.4%
34	23	Saudi Arabia	98	0.7%	33	50%	-13%	1.0%
26	24	Israel	94	0.6%	(14)	-13%	-33%	1.0%
25	25	United Arab Emirates	85	0.6%	(24)	-22%	-25%	0.8%
		Other	1,367	9.4%	(463)	-25%	-20%	0.9%
		<b>Total</b>	<b>\$ 14,614</b>	<b>100.0%</b>	<b>\$ (2,677)</b>	<b>-15%</b>	<b>-18%</b>	<b>1.6%</b>

## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

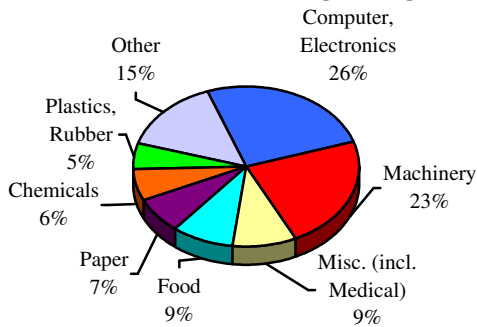
### Canada (Rank: 1)

- Export value, 2009: \$3.8 billion.
- State trend, 2008-2009: down 21 percent.
- U.S. trend, 2008-2009: down 21 percent.
- Top three industries: transportation equipment (\$931 million), machinery (\$569 million), food (\$469 million).
- Largest declines: transportation equipment (down 24 percent), almost all industries dropped.

### China (including Hong Kong) (2)

- Export value, 2009: \$1.3 billion.
- State trend, 2008-2009: up 1 percent.
- U.S. trend, 2008-2009: down 5 percent.
- Top three industries: computers, electronics (\$323 million), machinery (\$285 million), miscellaneous goods (\$117 million).
- Largest gains: food (up 35 percent to \$113 million), miscellaneous goods (up 32 percent).
- Largest declines: computers, electronics (down 13 percent), primary metal (down 75 percent to \$5 million).

**Figure 5. Minnesota's Manufactured Exports to China (incl. Hong Kong), 2009**



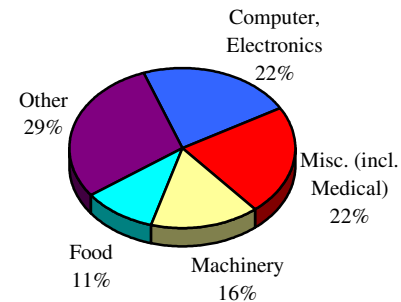
### Ireland (3):

- Export value, 2009: \$897 million.
- State trend, 2008-2009: up 1 percent.
- U.S. trend, 2008-2009: down 12 percent.
- Top three industries: miscellaneous goods (\$599 million), computers, electronics (\$184 million), electrical equipment (\$53 million).
- Largest gains: electrical equipment (up 294 percent), computers, electronics (up 18 percent)
- Largest declines: miscellaneous goods (down 5 percent).
- Minnesota sells 60 percent of U.S. exports of miscellaneous goods and 33 percent of U.S. exports of electrical equipment to Ireland.

### Japan (4):

- Export value, 2009: \$738 million.
- State trend, 2008-2009: down 8 percent.
- U.S. trend, 2008-2009: down 22 percent.
- Top three industries: computers, electronics (\$165 million), miscellaneous goods (\$164 million), machinery (\$114 million).
- Largest gains: miscellaneous goods (up 23 percent), food (up 15 percent to \$78 million).
- Largest declines: computers, electronics (down 18 percent), chemicals (down 15 percent to \$66 million).

**Figure 6. Minnesota's Manufactured Exports to Japan, 2009**



### Mexico (5):

- Export value, 2009: \$663 million.
- State trend, 2008-2009: down 16 percent.
- U.S. trend, 2008-2009: down 13 percent.
- Top three industries: food (\$183 million), computers, electronics (\$93 million), machinery (\$81 million).
- Largest gains: plastics (up 73 percent to \$40 million), paper (up 51 percent to \$36 million).
- Largest declines: food (down 29 percent), machinery (down 34 percent).

### Germany (6):

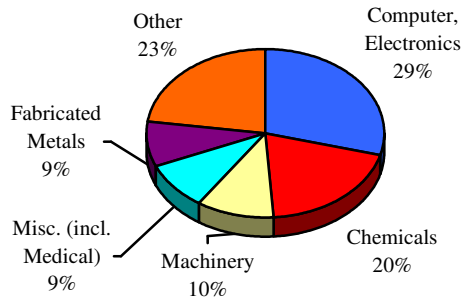
- Export value, 2009: \$652 million.
- State trend, 2008-2009: down 11 percent.
- U.S. trend, 2008-2009: down 20 percent.
- Top three industries: computers, electronics (\$331 million), miscellaneous goods (\$85 million), machinery (\$68 million).
- Largest gains: paper (up 154 percent to \$17 million).
- Largest declines: machinery (down 33 percent), computers, electronics (down 7 percent).

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### The United Kingdom (7):

- Export value, 2009: \$585 million.
- State trend, 2008-2009: down 21 percent.
- U.S. trend, 2008-2009: down 12 percent.
- Top three industries: Computers, electronics (\$170 million), chemicals (\$116 million), machinery (\$61 million).
- Largest export gain: fabricated metals (up 176 percent to \$51 million).
- Largest export declines: machinery (down 45 percent), computers, electronics (down 19 percent), transportation equipment (down 45 percent to \$42 million).

**Figure 7. Minnesota's Manufactured Exports to the United Kingdom, 2009**



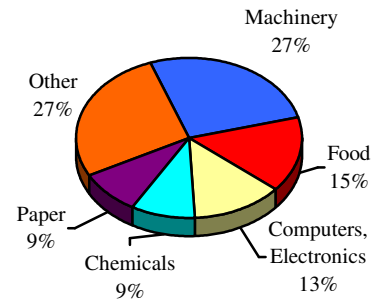
### Belgium (8):

- Export value, 2009: \$537 million.
- State trend, 2008-2009: down 14 percent.
- U.S. trend, 2008-2009: down 26 percent.
- Top three industries: machinery (\$228 million), miscellaneous goods (\$200 million), computers, electronics (\$50 million).
- Largest export gain: miscellaneous goods (up 5 percent).
- Largest export declines: machinery (down 24 percent), fabricated metals (down from \$17 million to \$754,000, or down 96 percent).

### Korea (9):

- Export value, 2009: \$506 million.
- State trend, 2008-2009: 0 percent change.
- U.S. trend, 2008-2009: down 16 percent.
- Top three industries: machinery (\$134 million), food (\$77 million), computers, electronics (\$66 million).
- Largest export gains: machinery (up 57 percent), paper (up 20 percent to \$46 million).
- Largest export declines: computers, electronics (down 40 percent), food (down 12 percent).
- Minnesota accounts for 11 percent of U.S. exports of paper products to Korea.

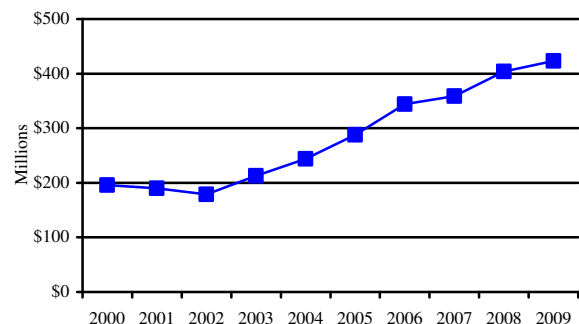
**Figure 8. Minnesota's Manufactured Exports to Korea, 2009**



### Australia (10):

- Export value, 2009: \$523 million.
- State trend, 2008-2009: up 5 percent.
- U.S. trend, 2008-2009: down 13 percent.
- Top three industries: machinery (\$123 million), computers, electronics (\$78 million), miscellaneous goods (\$57 million).
- Largest export gains: machinery (up 23 percent), plastics (up 89 percent to \$12 million).
- Largest export declines: transportation equipment (down 12 percent to \$49 million), food (down 30 percent to \$10 million).

**Figure 9. Minnesota's Manufactured Exports to Australia, 2000-2009**



## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### Fastest-Growing Country Markets

Minnesota had only nine country markets with at least \$50 million in exports and to which exports increased between 2008 and 2009. Among these were Malaysia (14), Thailand (19), Singapore (12), Taiwan (15) and China (2); together these countries generated 57 percent of the state's exports to Asia.

- Thailand: Growth was driven by computers and electronics, which accounted for half of exports.
- Singapore: Export growth was driven by transportation equipment and machinery. Malaysia: Growth was driven by computers and electronics, which accounted for two-thirds of Minnesota's exports to this country. The gain of \$105 million was the largest among all countries and industries.
- Taiwan: Growth was driven by machinery (up 20 percent to \$82 million) and plastics and rubber (up 60 percent to \$35 million). Minnesota accounts for one-fifth of U.S. exports of plastics and rubber products to Taiwan.

Exports to Australia increased by \$19 million, the third-largest gain between 2008 and 2009 among all countries. As a result, Australia jumped into the state's top 10 markets.

Among all regions, the Middle East was one of Minnesota's few sources of regional export growth between 2008 and 2009; exports increased 2.4 percent to the Middle East.

- Saudi Arabia (23) jumped up from 34<sup>th</sup> in 2008 as exports grew by \$33 million. The two dominant Minnesota exports to Saudi Arabia – computers and electronics (up 225 percent to \$39 million) and machinery (up 60 percent to \$29 million) – contributed most of the gains.

**Table 2. Minnesota's Nine Fastest-Growing Country Markets, by Growth Rate: 2008-2009\***

Rank 2008	Rank 2009	Country	Exports, 2009 (millions)	MN Growth, 2008-2009	U.S. Growth, 2008-2009
20	14	Malaysia	\$ 285	72.3%	-19.2%
34	23	Saudi Arabia	98	49.7%	-12.9%
12	10	Australia	423	4.7%	-12.8%
18	19	Thailand	182	4.7%	-22.5%
3	3	Ireland	897	1.5%	-12.4%
14	12	Singapore	386	1.0%	-23.1%
31	28	Colombia	70	0.8%	-13.4%
16	15	Taiwan	279	0.7%	-27.0%
2	2	China	1,262	0.5%	-4.6%

\*Among markets with at least \$50 million in exports (up to rank of 33).

### Top Markets by Industry

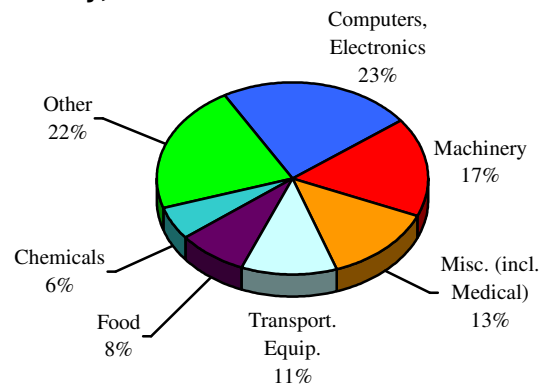
Most Minnesota industries posted declining exports between 2008 and 2009.

- The exception was exports of textile products which increased 17 percent to \$51 million.

Minnesota was among the top 15 states in four of its five major exporting manufacturing industries:

- computers and electronics (ninth),
- machinery (13<sup>th</sup>),
- miscellaneous products (eighth) and
- food (12<sup>th</sup>).

**Figure 10. Minnesota's Manufactured Exports, by Industry, 2009**



Note: Exports from the industries shown in the pie chart were individually valued at more than \$800 million in 2009.

**Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009**

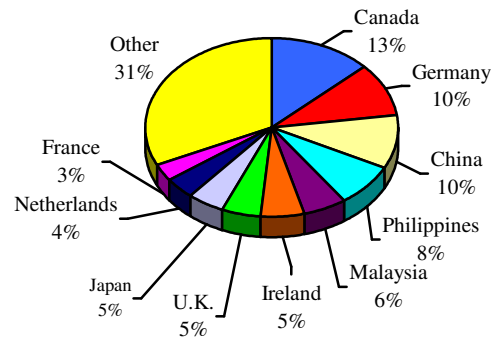
**Table 3. Minnesota's Manufactured Exports, by Industry, 2009**

NAICS Code and Industry Description	Exports, 2009 (millions)	Distribution, 2009	Value Change, 2008-2009 (millions)	MN Percent Change, 2008-2009	U.S. Percent Change, 2008-2009	MN as a Percent of the U.S.
334 Computers, Electronic	\$ 3,378	23.1%	\$ (818)	-19%	-16%	2.1%
333 Machinery	2,445	16.7%	(479)	-16%	-21%	2.2%
339 Misc. (including Medical)	1,935	13.2%	(24)	-1%	-12%	3.7%
336 Transportation Equipment	1,653	11.3%	(376)	-19%	-23%	1.0%
311 Food	1,231	8.4%	(189)	-13%	-10%	2.8%
325 Chemicals	812	5.6%	(188)	-19%	-11%	0.5%
335 Electrical Equipment	635	4.3%	(141)	-18%	-21%	2.0%
322 Paper	579	4.0%	(9)	-2%	-12%	3.0%
332 Fabricated Metals	533	3.6%	(39)	-7%	-14%	1.8%
326 Plastics and Rubber	416	2.8%	(37)	-8%	-13%	1.9%
327 Nonmetallic Minerals	227	1.6%	(67)	-23%	-18%	2.9%
331 Primary Metals	150	1.0%	(88)	-37%	-31%	0.4%
316 Leather	103	0.7%	(19)	-16%	-15%	3.8%
323 Printing, Publishing	102	0.7%	(19)	-16%	-11%	1.7%
312 Beverages and Tobacco	98	0.7%	(41)	-29%	-8%	2.1%
324 Petroleum and Coal	88	0.6%	(94)	-52%	-29%	0.2%
321 Wood Products	61	0.4%	(37)	-38%	-21%	1.5%
337 Furniture and Fixtures	57	0.4%	(12)	-17%	-12%	1.4%
313 Textiles and Fabrics	51	0.4%	7	17%	-21%	0.8%
314 Textile Mill Products	48	0.3%	(9)	-15%	-11%	1.9%
315 Apparel and Accessories	10	0.1%	(1)	-6%	-6%	0.2%
<b>Total</b>	<b>\$ 14,614</b>	<b>100.0%</b>	<b>\$ (2,677)</b>	<b>-15%</b>	<b>-18%</b>	<b>1.6%</b>

**Computers and electronics (Rank: 1)**

- Export value, 2009: \$3.4 billion.
- State trend, 2008-2009: down 19 percent.
- U.S. trend, 2008-2009: down 16 percent.
- Major country markets: Canada (\$441 million), Germany (\$331 million), China (\$323 million).
- Largest export gains: Malaysia (up 119 percent to \$192 million), Thailand (up 44 percent to \$93 million).
- Largest export declines: the Philippines (down 61 percent to \$261 million), France (down 48 percent to \$101 million).

**Figure 11. Minnesota's Major Markets for Computers and Electronics, 2009**



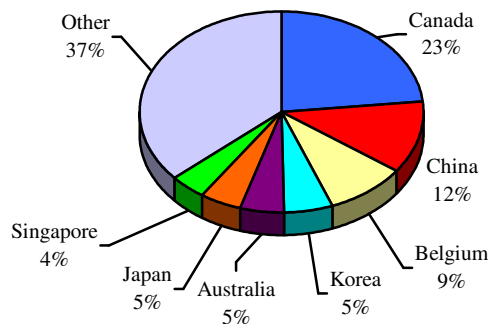
Note: Exports to each country shown in the pie chart were valued \$100 million and more in 2009.

## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### Machinery (2)

- Export value, 2009: \$2.4 billion.
- State trend, 2008-2009: down 16 percent.
- U.S. trend, 2008-2009: down 21 percent.
- Major country markets: Canada (\$569 million), China (\$285 million), Belgium (\$228 million).
- Largest export gains: Korea (up 57 percent to \$134 million), Australia (up 23 percent to \$123 million), Singapore (up 27 percent to \$100 million).
- Largest export declines: Canada (down 19 percent), Belgium (down 24 percent).

**Figure 12. Minnesota's Major Markets for Machinery, 2009**



Note: Exports to countries shown in the pie chart were valued at \$100 million and more in 2009.

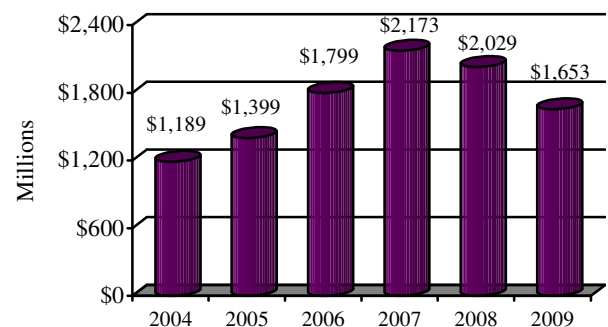
### Miscellaneous (including medical) (3)

- Export value, 2009: \$1.9 billion.
- State trend, 2008-2009: down 1 percent.
- U.S. trend, 2008-2009: down 12 percent.
- Major country markets: Ireland (\$600 million), Belgium (\$200 million), the Netherlands (\$177 million).
- Largest export gains: Japan (up 23 percent to \$164 million), China (up 32 percent to \$117 million).
- Largest export declines: Ireland (down 5 percent), United Kingdom (down 22 percent to \$54 million).

### Transportation Equipment (4)

- Export value, 2009: \$1.7 billion.
- State trend, 2008-2009: down 19 percent.
- U.S. trend, 2008-2009: down 23 percent.
- Major country markets: Canada (\$931 million), France (\$72 million), Brazil (\$60 million).
- Largest export gains: Singapore (up 612 percent to \$45 million), Brazil (up 54 percent).
- Largest export declines: Canada (down 24 percent), Finland (down 59 percent to \$28 million).

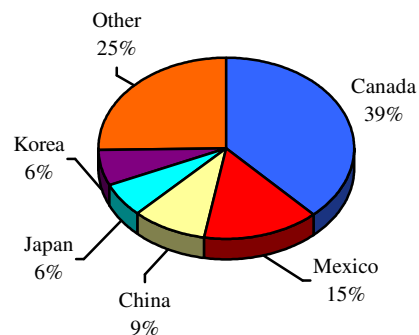
**Figure 13. Minnesota's Exports of Transportation Equipment, 2004-2009**



### Food (5)

- Export value, 2009: \$1.2 billion.
- State trend, 2008-2009: down 13 percent.
- U.S. trend, 2008-2009: down 10 percent.
- Major country markets: Canada (\$469 million), Mexico (\$183 million), China (\$113 million).
- Largest export gains: China (up 35 percent), Japan (up 15 percent to \$78 million).
- Largest export declines: Canada (down 17 percent), Mexico (down 29 percent).

**Figure 14. Minnesota's Major Export Markets for Food Products, 2009**



## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

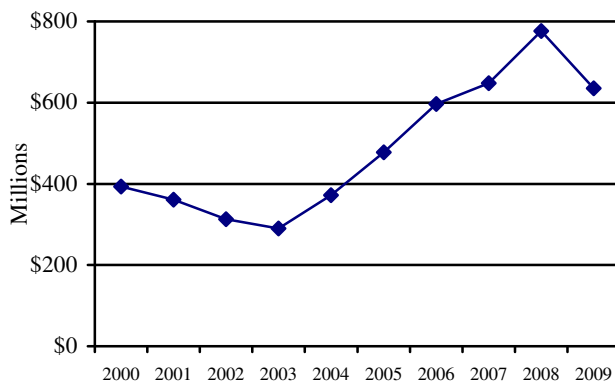
### Chemicals (6)

- Export value, 2009: \$812 million.
- State trend, 2008-2009: down 19 percent.
- U.S. trend, 2008-2009: down 11 percent.
- Major country markets: Canada (\$179 million), United Kingdom (\$116 million), China (\$77 million).
- Largest export gains: Germany (up 20 percent to \$27 million), Chile (up 49 percent to \$9 million).
- Largest export declines: the Netherlands (down 85 percent to \$13 million).

### Electrical Equipment (7)

- Export value, 2009: \$635 million.
- State trend, 2008-2009: down 18 percent.
- U.S. trend, 2008-2009: down 21 percent.
- Major country markets: Canada (\$186 million), Ireland (\$53 million), Mexico (\$47 million).
- Largest export gains: Ireland (up 294 percent).
- Largest export declines: Canada (down 24 percent), United Kingdom (down 47 percent to \$29 million).

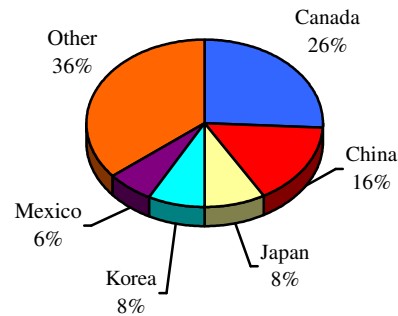
**Figure 15. Minnesota's Exports of Electrical Equipment, 2000-2009**



### Paper (8)

- Export value, 2009: \$579 million.
- State trend, 2008-2009: down 2 percent.
- U.S. trend, 2008-2009: down 12 percent.
- Major country markets: Canada (\$149 million), China (\$92 million), Japan (\$48 million).
- Largest export gains: Mexico (up 51 percent to \$36 million), Germany (up 154 percent to \$17 million).
- Largest export declines: Brazil (down 36 percent to \$11 million), Canada (down 4 percent).

**Figure 16. Minnesota's Major Export Markets for Paper Products, 2009**



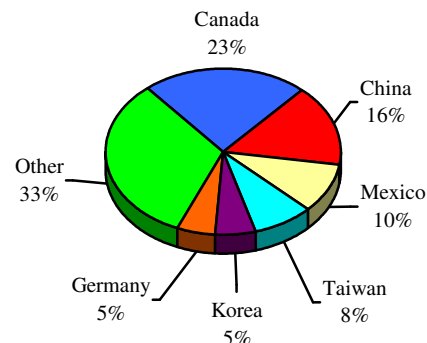
### Fabricated Metals (9)

- Export value, 2009: \$533 million.
- State trend, 2008-2009: down 7 percent.
- U.S. trend, 2008-2009: down 14 percent.
- Major country markets: Canada (\$233 million), China (\$58 million), United Kingdom (\$51 million).
- Largest export gains: United Kingdom (up 176 percent), China (up 57 percent).
- Largest export declines: Canada (down 14 percent), Japan (down 46 percent to \$13 million).

### Plastics and Rubber (10)

- Export value, 2009: \$416 million.
- State trend, 2008-2009: down 8 percent.
- U.S. trend, 2008-2009: down 13 percent.
- Major country markets: Canada (\$95 million), China (\$67 million), Mexico (\$40 million).
- Largest export gains: Mexico (up 73 percent), Taiwan (up 60 percent to \$35 million).
- Largest export declines: Canada (down 15 percent), Japan (down 25 percent to \$18 million).

**Figure 17. Minnesota's Major Export Markets for Plastics and Rubber, 2009**



## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### Major Exported Commodities

In addition to export data based on the North American Industry Classification System (NAICS) discussed elsewhere in this report, export data on products defined by the Harmonized Tariff System - Schedule B (HS) provide additional insight into exports by Minnesota businesses.

**Table 4. Minnesota's Top 10 Exported Manufactured Commodity Groups, 2009**

Harmonized Tariff System Product Group	MN Exports (Millions)	2008-2009 Percent Change
84 Machinery	\$ 3,283	-15.1%
90 Optic Equip, Medical Instr	3,099	-0.6%
85 Electrical Machinery	1,887	-29.1%
87 Vehicles, Not Railway	1,304	-18.2%
39 Plastic	838	-8.9%
23 Food Waste, Animal Feed	377	-19.3%
88 Aircraft and Spacecraft	294	-20.9%
48 Paper and Paperboard	240	-2.4%
73 Iron and Steel Products	211	-17.1%
30 Pharmaceutical Products	210	-28.4%
Other	2,871	-17.9%
<b>Total</b>	<b>\$ 14,614</b>	<b>-15.5%</b>

**HS 84 Machinery** includes computers and related parts found in NAICS 334 Computers and Electronics, as well as machinery equipment found in NAICS 333 Machinery.

- Top three markets: Canada, China, Germany
- Top three products (four-digit HS): computers and components, centrifuges and filters, office machine parts
- Largest export gains: office machine parts (up 25 percent to \$354 million), machinery for working with rubber and plastic (up 168 percent to \$57 million), machines for manufacturing semiconductors (up 114 percent to \$60 million)
- Largest export declines: liquid- or sand-dispersing machinery (down 26 percent to \$330 million), centrifuges and filters (down 17 percent to \$424 million)

**HS 90 Optic, Photo, Medical Products** includes some machinery found in NAICS 333 Machinery (optics) and NAICS 339 Miscellaneous (medical equipment).

- Top three markets: Ireland, Japan, the Netherlands
- Top three products (four-digit HS): orthopedic and artificial body parts, medical and surgical instruments, optic fiber products
- Largest export gains: non-electrical medical and surgical instruments (up 3 percent to \$913 million), optic fiber products (up 65 percent to \$205 million)
- Largest export declines: other machinery (down 25 percent to \$190 million), instruments measuring and checking flow (down 14 percent to \$203 million)

**HS 85 Electrical Machinery** includes products and related parts principally found in NAICS 334 Electrical Equipment.

- Top three markets: Canada, the Philippines, Ireland
- Top three products (four-digit HS): integrated circuits, telecommunications apparatus, electric generators
- Largest export gains: primary cells and batteries (up 94 percent to \$85 million)
- Largest export declines: integrated circuits (down 53 percent to \$391 million – mainly due to drop in demand from the Philippines), electric generators (down 33 percent to \$118 million).

**HS 87 Vehicles, Not Railway** is one of multiple components of the transportation equipment industry; boats and ships, aircraft, and railway vehicles are classified separately.

- Top three markets: Canada, Belgium, Italy
- Top three products (four-digit HS): passenger cars and small trucks, trucks, tractors
- Largest export gains: tractors (up 97 percent to \$110 million)
- Largest export declines: passenger cars and small trucks (down 33 percent to \$449 million), mass transport vehicles (more than 10 persons) (down 32 percent to \$94 million)

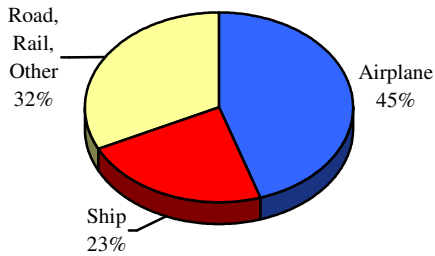
## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### Export Logistics

Exports are shipped via multiple transport modes.

- Most commonly, exports leave the country by airplane (45 percent), followed by road, rail and other modes (32 percent) and by ship (23 percent).

**Figure 18. Exports by Mode of Transport**



Air shipments were valued at \$6.6 billion.

- The main industries shipped by air – together accounting for 80 percent of air shipments – were computers and electronics (\$2.9 billion), miscellaneous goods (\$1.6 billion) and machinery (\$675 million).

Land-based (road, rail, other) shipments were valued at \$4.7 billion.

- Transportation equipment (\$1.1 billion), machinery (\$763 million) and processed food products (\$685 million) accounted for 54 percent of these shipments.

Ships carried \$3.3 billion of goods overseas.

- Machinery (\$1.0 billion), processed food (\$542 million) and paper products (\$288 million) were the three largest industries exporting goods by ship.

**Table 5. Export Value, by Industry and Mode of Transport, 2009\***

Industry	Value (millions)	Plane	Ship	Road & Rail
Computers, Electronics	\$ 3,378	86%	4%	9%
Machinery	2,445	28%	41%	31%
Miscellaneous	1,935	85%	9%	6%
Transp. Equip.	1,653	17%	16%	67%
Food Products	1,231	0%	44%	56%
Chemicals	812	32%	32%	36%
Electrical Equip.	635	39%	23%	38%
Paper	579	16%	50%	34%
Fabricated Metal	533	28%	17%	55%
Other	1,412	21%	29%	49%
<b>Total</b>	<b>\$ 14,614</b>	<b>45%</b>	<b>23%</b>	<b>32%</b>

\*Percentages show the share of each industry's exports that are sent by that mode of transport. Data show the mode of transport from the United States to the foreign destination, which may not be the same as the mode of transport from Minnesota. Numbers may not add to total due to rounding errors.

### Peer Performance

Rankings among the top 10 exporting states were unchanged between 2008 and 2009. Minnesota's ranking among all states remained at 20<sup>th</sup> in 2009.

The national drop in exports of 18 percent during this period was influenced in part by declining exports from the top three states – Texas (down 14 percent), California (down 17 percent) and New York (down 30 percent). During this period, annual exports increased only from Utah (up 4.8 percent to \$9.9 billion) and the District of Columbia (up 3.4 percent to \$1.0 billion).

**Table 6. Manufactured Exports, Top 10 Exporting States, 2009**

Rank, 2009	State	Exports (billions)	Growth, 2008-2009	Share of U.S.
1	TX	\$ 153.5	-14%	16.7%
2	CA	104.8	-17%	11.4%
3	NY	45.2	-30%	4.9%
4	WA	41.5	-21%	4.5%
5	FL	41.0	-17%	4.5%
6	IL	37.8	-22%	4.1%
7	OH	32.3	-26%	3.5%
8	MI	30.0	-25%	3.3%
9	PA	26.1	-18%	2.9%
10	NJ	24.5	-22%	2.7%
<b>20</b>	<b>MN</b>	<b>14.6</b>	<b>-15%</b>	<b>1.6%</b>
	Other	365.6	-16%	39.9%
	<b>Total</b>	<b>\$ 916.7</b>	<b>-18%</b>	<b>100.0%</b>

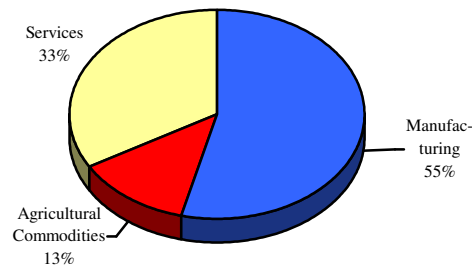
## Annual Export Statistics: Minnesota Exports Fall to \$14.6 Billion in 2009

### The Big Picture in State Exports

Minnesota's exports from manufacturing, services and agricultural industries are estimated at around \$27 billion (preliminary) for 2009.

- Manufactured exports (\$14.6 billion) contribute the largest share (55 percent) of the state's total exports.
- State-level export estimates of agricultural commodities are not yet available for 2009, but preliminary national data show that exports of agricultural commodities were down 14 percent between 2008 and 2009. Exports of agricultural commodities were estimated at \$4.0 billion in 2008. Minnesota was the seventh-largest state exporter of agricultural commodities and related food products in 2008.
- Exports of services cover transportation-related services, royalties and licenses, and other private services. No official comprehensive state-level export data for services are available. Preliminary estimates by DEED show that Minnesota services exports were valued at \$9.1 billion in 2009, down 9 percent from 2008.

Figure 19. Total Exports, 2009 (Preliminary)



**Notes:**

1. Agriculture: Minnesota agricultural and food-related exports were valued at \$5.5 billion in 2008 according to the Economic Research Service, U.S. Department of Agriculture. This figure was then adjusted by subtracting the value of manufactured food exports to estimate exports of bulk/intermediate agricultural commodities, leading to \$4.4 billion in commodities-related exports in 2008. Based on preliminary national data showing a drop of 14 percent in U.S. agricultural exports, a preliminary state estimate for 2009 also assumes a drop of 14 percent in exports.
2. Services: The Analysis and Evaluation Office of DEED calculated the estimate of \$9.1 billion based on pro-rated production shares of 2009 preliminary estimates of U.S. exports of services from the Bureau of Economic Analysis, U.S. Department of Commerce.

Minnesota Annual Export Statistics and Minnesota Quarterly Export Statistics are the most current resources available for tracking the state's manufactured export trends and are prepared by the Department of Employment and Economic Development's Analysis and Evaluation Office (Thu-Mai Ho-Kim, 651-259-7180).

Past issues are available at the Department's web site ([www.PositivelyMinnesota.com](http://www.PositivelyMinnesota.com), see Data and Publications: Data Center - Export and Trade Statistics). Export data are collected by the U.S. Department of Commerce (USDOC) and distributed by the World Institute of Social and Economic Research (WISER) at Holyoke Community College in Massachusetts (based on the North American Industry Classification System) and by Global Trade Information Services (Harmonized Tariff System (Schedule B). The Origin of Movement export series show where goods originate and where the most economic impact occurs.