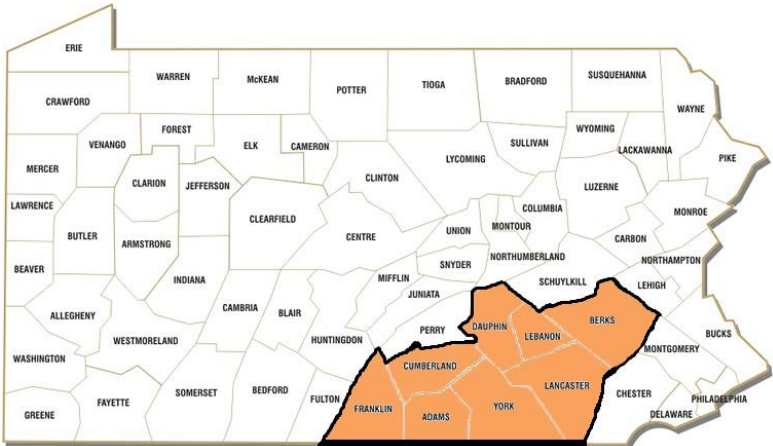




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Annual Analysis of Southcentral PA's Metropolitan Area Exports 2015



December 2016

This report was written to give a snapshot of southcentral Pennsylvania’s export growth in 2015. Every year when the International Trade Administration releases their “Metropolitan Export Series” data, we summarize the information for our region. This provides a comprehensive analysis of where our region lies in relation to the rest of the State’s exports. The southcentral region of Pennsylvania encompasses seven Metropolitan Statistical Areas (MSA), including Chambersburg-Waynesboro, Gettysburg, Harrisburg-Carlisle, Lancaster, Lebanon, Reading, and York-Hanover.

In this report, the term “merchandise export sales” is used to represent the exchange of goods from metropolitan areas, as defined by the Census Bureau. This data is based on an Origin of Movement (ZIP-code-based) series. For information on U.S. exports by State please visit ITA’s [TradeStats Express](#) and ITA’s [State Reports](#).



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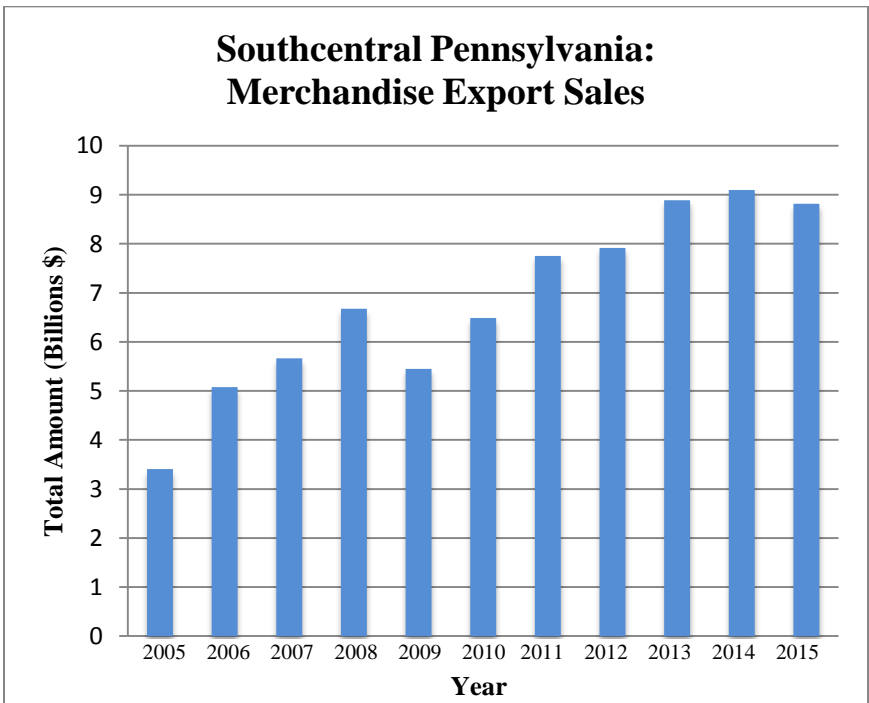
This report was compiled by the team at World Trade Center Harrisburg:

Tina Weyant, *Executive Director*
Jan Kreidler, *Membership and Event Coordinator*

We would like to thank our intern, Brittany Fleisher, Lebanon Valley College, for her contributions to this report.

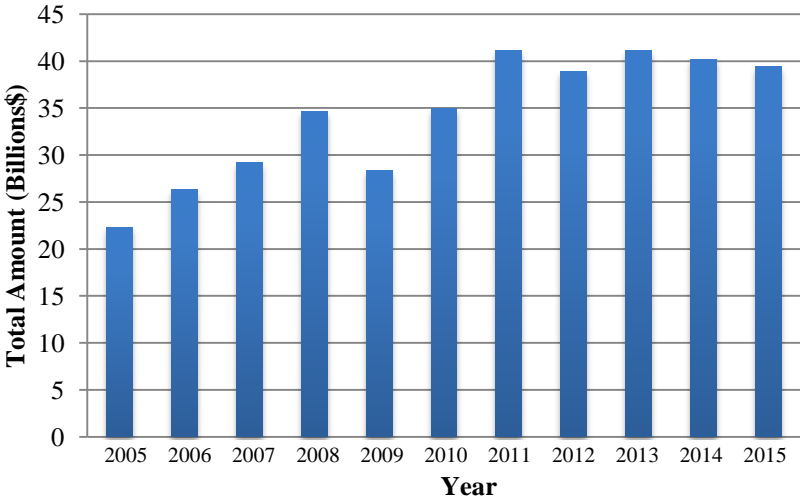
Southcentral Pennsylvania's Metropolitan Statistical Areas Export Sales Continue to Grow

The seven southcentral Pennsylvania metropolitan statistical areas grew their exports by \$2.3 billion since 2010, reaching a total of \$8.8 billion in 2015. Since 2005, the region's export sales have increased by over 159%. During the same time period, Pennsylvania's overall merchandise export sales increased by 77%. Additionally, the southcentral region's share of total PA exports has increased steadily since 2012, ending with a 22.4% share in 2015.



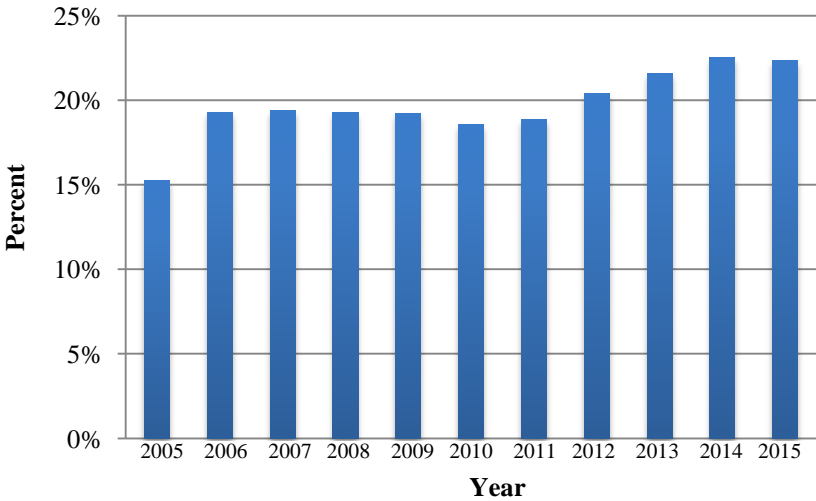
Source: International Trade Administration (www.trade.gov/mas/ian/metroreport/index.asp)

Pennsylvania State Merchandise Export Sales



Source: International Trade Administration (<http://tse.export.gov/TSE/TSEHome.aspx>)

Southcentral's Share of Total PA Merchandise Export Sales



Source: International Trade Administration (www.trade.gov/mas/ian/metroreport/index.asp)

Why have Exports Decreased Slightly?

In 2014, Pennsylvania as a whole exported a total of \$40,394,205,865. The southcentral Pennsylvania region exported \$9,096,520,552, which accounted for 22.61% of Pennsylvania's exports. As denoted in the previous graphs, Pennsylvania exports decreased slightly from 2014. In 2015, Pennsylvania as a whole exported a total of \$39,436,366,483. The southcentral region

Exports from 2014 to 2015:

United States
7.32% decrease

Pennsylvania
2.37% decrease

Southcentral Region
3.05% decrease

exported \$8,818,824,663, which accounted for 22.36% of Pennsylvania's exports. From 2014 to 2015, the state of Pennsylvania's exports decreased by 2.37%, while the southcentral region's exports decreased by 3.05%.

According to Bank of America Merrill Lynch, the U.S. dollar strengthened dramatically against the world's other major currencies. Since the beginning of 2015 the U.S. dollar increased 14% in value. With a stronger dollar, U.S. goods become more expensive to consumers abroad and therefore less competitive in the world market. In 2014, the United States exported a total of \$1,621,171,618,259. In 2015, the United States exported \$1,502,572,229,518. As a result of a stronger dollar, United States exports decreased by 7.32% from 2014 to 2015.

Source: CNN (<http://money.cnn.com/2015/03/16/investing/us-dollar-fastest-rise-40-years/>)

Southcentral Pennsylvania Metropolitan Statistical Area Rankings

Not only has the southcentral Pennsylvania region consistently increased in metropolitan export sales, but it has also stayed competitive in ranking against other US metropolitan areas. In 2005, Harrisburg-Carlisle area ranked 127 out of 371 national metro areas, with \$824,061,571 in export sales. In 2015, Harrisburg-Carlisle increased to rank 78 out of 386 national metro areas, with \$2,926,180,168 in export sales. The other top MSA’s in 2015 include the York-Hanover area, ranked 95 with \$2,075,832,426 in export sales, and the Reading area, ranked 108 with \$1,777,949,004 in export sales, respectively.

The chart below notes each MSA for the southcentral Pennsylvania region with their respective national rankings and total export sales for 2005, 2014 and 2015 to show a comparison.

Metropolitan Statistical Area	2005 Ranking <i>out of 371 U.S. MSA's</i>	2005 Total Export Sales	2014 Ranking <i>out of 386 U.S. MSA's</i>	2014 Total Export Sales	2015 Ranking <i>out of 386 U.S. MSA's</i>	2015 Total Export Sales
Harrisburg-Carlisle	127	\$824.1 M	79	\$3.053 B	78	\$2.926 B
York-Hanover	95	\$1.288 B	102	\$2.024 B	95	\$2.076 B
Reading	151	\$605.5 M	114	\$1.743 B	108	\$1.778 B
Lancaster	150	\$605.6 M	165	\$974.3 M	165	\$901.3 M
Lebanon	316	\$85.05 M	205	\$579.8 M	194	\$606.6 M
Chambersburg Waynesboro*	n/a	n/a	200	\$659.2 M	218	\$475.3 M
Gettysburg*	n/a	n/a	361	\$63.74 M	362	\$55.69 M

*Chambersburg-Waynesboro and Gettysburg were added as MSA’s in 2013.

Other Pennsylvania Metropolitan Statistical Area Rankings

This chart shows the other metropolitan statistical areas of Pennsylvania with their respective national rankings and total export sales for 2005, 2014 and 2015 for further comparison.

Metropolitan Statistical Area	2005 Ranking <i>out of 371 U.S. MSA's</i>	2005 Total Export Sales	2014 Ranking <i>out of U.S. MSA's</i>	2014 Total Export Sales	2015 Ranking <i>out of 386 U.S. MSA's</i>	2015 Total Export Sales
Philadelphia, PA-NJ-DE-MD	16	\$12.720 B	11	\$26.321 B	12	\$24.236 B
Pittsburgh	29	\$6.899 B	32	\$10.016 B	35	\$9.137 B
Allentown, PA-NJ	90	\$1.432 B	75	\$3.152 B	70	\$3.440 B
Erie	118	\$936.1 M	130	\$1.428 B	119	\$1.483 B
Scranton	144	\$641.9 M	136	\$1.339 B	129	\$1.322 B
Altoona	268	\$165.5 M	269	\$306.2 M	270	\$276.7 M
Williamsport	235	\$230.8 M	284	\$274.7 M	282	\$257.3 M
State College	286	\$133.9 M	298	\$232 M	296	\$225.4 M
Bloomsburg-Berwick	n/a	n/a	299	\$228.6 M	299	\$214.4 M
Johnstown	338	\$59.91 M	342	\$113.6 M	333	\$114.1 M
East Stroudsburg	n/a	n/a	351	\$92.23 M	354	\$77.53 M

*Bloomsburg-Berwick and East Stroudsburg area were added as MSA's in 2013.

Pennsylvania's Top 5 Export Destinations

In 2015, the top five countries Pennsylvania companies exported their products to included: Canada, Mexico, United Kingdom, China, and Japan. Mexico, continuing to rank as one of our top trading partners, experienced a 12% increase in PA products from 2014 to 2015. Additionally, exports to Japan increased during the past year. The United Kingdom experienced the largest percentage increase in exports at 25%; surpassing China, Japan, and Germany to enter the top five export countries for Pennsylvania companies in 2015.

Pennsylvania's Top 5 Export Destinations				
Rank	Country	2014 Exports	2015 Exports	% Change
1	Canada	\$12.30 B	\$11.60 B	6% Decrease
2	Mexico	\$3.73 B	\$4.18 B	12% Increase
3	United Kingdom	\$1.85 B	\$2.33 B	25% Increase
4	China	\$2.40 B	\$2.06 B	14% Decrease
5	Japan	\$1.58 B	\$1.67 B	5% Increase

Source: US Commercial Service (www.export.gov/pennsylvania/patradestatistics/index.asp)

Pennsylvania’s Top 10 Export Industries

Additionally, Pennsylvania’s top industries for export included: chemicals, transportation equipment, computers and electronics, machinery, and metals. The chemical industry experienced the largest growth with a 14% increase from 2014 to 2015.

Pennsylvania’s Top 10 Export Industries				
Rank	Industry	2014 Exports	2015 Exports	% Change
1	Chemicals	\$6.91 B	\$7.21 B	14% Increase
2	Transportation Equipment	\$4.00 B	\$4.25 B	6% Increase
3	Computer and Electronic Products	\$3.79 B	\$4.21 B	11% Increase
4	Machinery (Except Electrical)	\$4.50 B	\$4.03 B	10% Decrease
5	Primary Metal Manufacturing	\$3.42 B	\$3.06 B	10% Decrease
6	Electrical Equipment and Appliances	\$2.36 B	\$2.30 B	6% Decrease
7	Food Manufactures	\$2.01 B	\$2.07 B	2% Increase
8	Misc. Manufactured Commodities	\$1.84 B	\$1.76 B	4% Decrease
9	Minerals and Ores	\$1.96 B	\$1.61 B	17% Decrease
10	Plastics and Rubber Products	\$1.59 B	\$1.57 B	1% Decrease

Source: US Commercial Service (www.export.gov/pennsylvania/patradestatistics/index.asp)

Top 15 United States Exporting States

The state of Pennsylvania has stayed competitive in ranking against other top exporting states. In 2015, Pennsylvania was ranked number 10 in the United States for exports, with \$39,436,366,483 in export sales. The number one ranked state of Texas recorded \$252,144,428,381 in export sales. The chart below shows total merchandise exports as well as total merchandise imports of the top 15 exporting states.

Top 15 U.S. Exporting States			
Rank	State	2015 Exports	2015 Imports
1	Texas	\$251.0 B	\$252.1 B
2	California	\$165.4 B	\$408.2 B
3	Washington	\$86.4 B	\$51.1 B
4	New York	\$80.1 B	\$133.1 B
5	Illinois	\$63.4 B	\$121.3 B
6	Florida	\$53.8 B	\$73.4 B
7	Michigan	\$53.1 B	\$124.2 B
8	Ohio	\$50.7 B	\$68.9 B
9	Louisiana	\$49.2 B	\$35.2 B
10	Pennsylvania	\$39.4 B	\$79.7 B
11	Georgia	\$38.5 B	\$88.7 B
12	Indiana	\$33.6 B	\$49.1 B
13	Tennessee	\$32.4 B	\$76.9 B
14	New Jersey	\$32.1 B	\$119.6 B
15	South Carolina	\$30.9 B	\$39.0 B

Source: US Commercial Service (www.export.gov/pennsylvania/patradestatistics/index.asp)

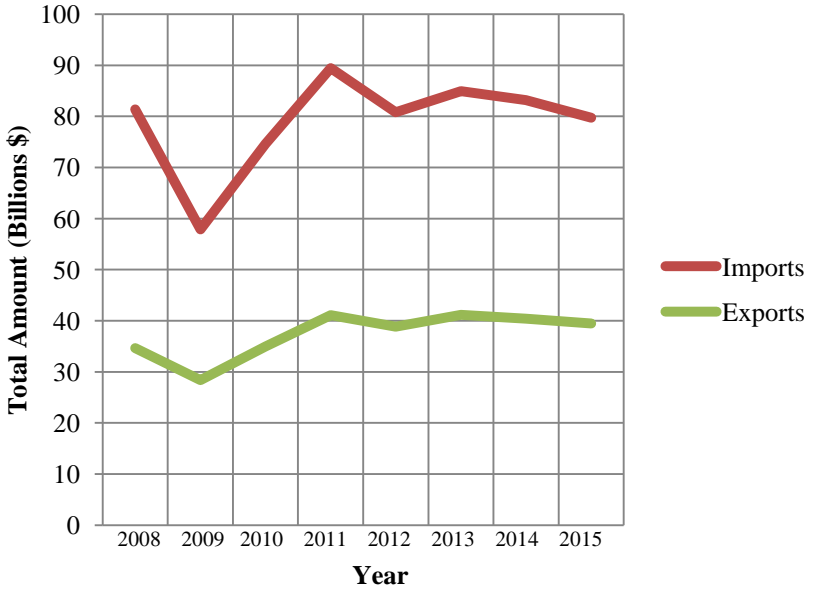
Pennsylvania Exports, Imports, and Balance of Trade

The following charts show a comparison of Pennsylvania’s exports and imports from 2008 to 2015. Included is Pennsylvania’s balance of trade. Pennsylvania companies imported more goods than they exported, recording a trade deficit for the state.

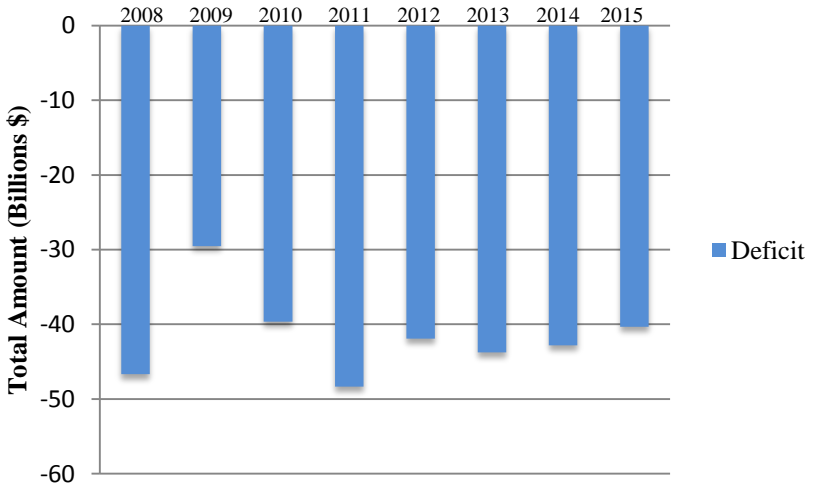
Pennsylvania Exports and Imports			
Year	Exports	Imports	Balance of Trade
2008	\$34,648,502,042	\$81,335,668,905	-\$46,687,166,863
2009	\$28,381,102,168	\$57,899,584,298	-\$29,518,482,130
2010	\$34,942,927,237	\$74,587,931,378	-\$39,645,004,141
2011	\$41,103,128,737	\$89,444,597,515	-\$48,341,468,778
2012	\$38,851,915,248	\$80,771,587,834	-\$41,919,672,586
2013	\$41,180,765,931	\$84,939,713,551	-\$43,758,947,620
2014	\$40,394,205,865	\$83,202,927,874	-\$42,808,722,009
2015	\$39,436,366,483	\$79,744,075,296	-\$40,307,708,813

Source: International Trade Administration (www.tse.export.gov/stateimports/)

Merchandise Exports and Imports: Pennsylvania



Balance of Trade: Pennsylvania



United States Exports, Imports, and Balance of Trade

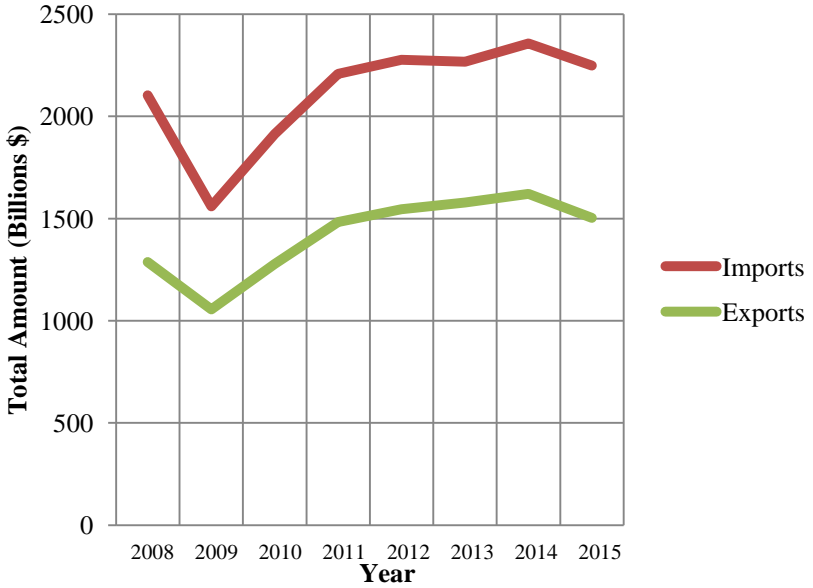
The following charts give a national comparison of the United States exports and imports from 2008 to 2015. Included is the balance of trade. U.S. companies imported more goods than they exported, recording a trade deficit for the nation.

United States Import and Export Data

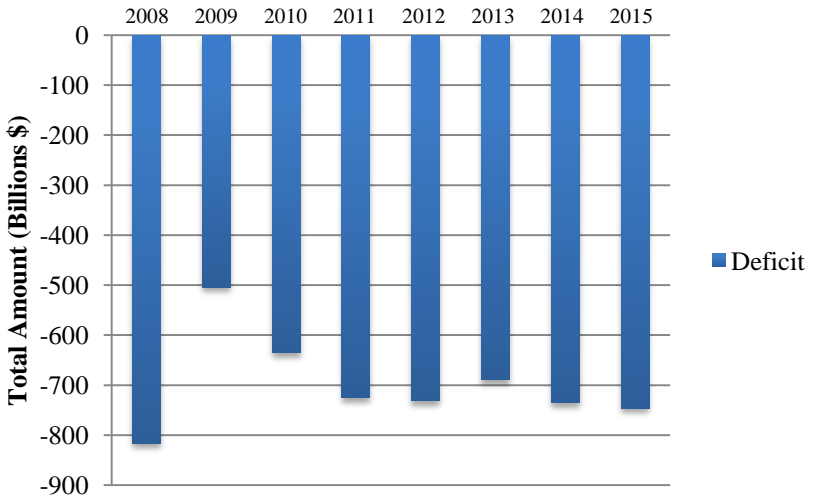
Year	Exports	Imports	Balance of Trade
2008	\$1,287,441,996,730	\$2,103,640,710,944	-\$816,198,714,214
2009	\$1,056,042,963,028	\$1,559,624,813,477	-\$503,581,850,449
2010	\$1,278,494,525,839	\$1,913,856,594,014	-\$635,362,068,175
2011	\$1,482,507,755,226	\$2,207,954,346,316	-\$725,446,591,090
2012	\$1,545,820,839,892	\$2,276,267,147,199	-\$730,446,307,307
2013	\$1,578,516,879,950	\$2,267,986,733,622	-\$689,469,853,672
2014	\$1,621,171,618,259	\$2,356,365,502,725	-\$735,193,884,466
2015	\$1,502,572,229,518	\$2,248,232,395,233	-\$745,660,165,715

Source: International Trade Administration (<http://tse.export.gov/tse/MapDisplay.aspx>)

Merchandise Exports and Imports: United States



Balance of Trade: United States



Why is Exporting Important?

95% of the world's consumers live outside the U.S; therefore, developing an exporting strategy is more important than ever before. In the past decade, exports accounted for nearly 25% of U.S. economic growth and are expected to grow by over 10% each year for the next several years.

Benefits of Exporting for Companies:

- Increased sales, profits, and growth
- Reduced dependence on the domestic market
- Stabilized market fluctuations
- Diversified customer base
- Enhanced competitiveness
- Higher rate of innovation
- Extended product life
- Increased economies of scale

Benefits of Exporting for Communities:

- Higher worker productivity, resulting in higher paying jobs to all levels of workers
- Higher annual growth rates
- Job creation and retention
- 1/3 less frequent rate of failure than non-exporters

The Untapped Export Potential

According to the Small Business Administration, small businesses have generated the majority of net new jobs over the past decade. Helping firms grow, no matter their size, is important for the United States economy and many opportunities exist through export expansion:

- Less than one percent of America's 30 million companies export – a significantly lower percentage than all other developed countries
- Small and medium-sized companies account for 98% of U.S. exporters, but represent less than one-third of the known export value of U.S. goods' exports
- Of the U.S. companies that do export, 58% export to only one country
- 60% of small companies engaging in exporting derive 20% of their annual earnings from exports

Source: (<http://www.trade.gov/cs/factsheet.asp>)



How the World Trade Center Can Help You

World Trade Center Harrisburg is a private, non-profit organization that was founded over 25 years ago by area companies interested in sharing information and promoting international trade. We are one of 330 World Trade Centers located in 100 countries, connecting local companies with global opportunities.

- **Educational Programs** - seminars focus on export procedures, trade compliance, international payments, and programs on country specific topics
- **Roundtable Discussions** - to encourage sharing of experiences, challenges, successes, and lessons learned
- **Technical trade assistance** - one-on-one counseling on the technical aspects of trade transactions
- **Referral Services** - to public and private sector experts on financing, legal, accounting, logistics, insurance, translation and other related international trade issues
- **Reciprocal Access** to other World Trade Centers
- **Point of Contact** for all PA State sponsored export services

How the State of Pennsylvania Can Help You

The state of Pennsylvania delivers its export assistance service through ten independent non-profit organizations. World Trade Center Harrisburg is the trade assistance provider for the southcentral region of Pennsylvania.

The State of Pennsylvania has 15 overseas trade offices that provide very customized assistance to PA companies at no charge; examples of these services include the following:

- Gathering marketing and competitive intelligence
- Providing insight analysis on market entry strategies
- Identifying overseas partners, distributors, agents
- Providing regulatory information
- Identifying relevant trade events
- Conducting foreign company background checks
- Organizing in-country meetings and logistical assistance
- Assisting with trade leads, and more....

PA trade offices are located in the following countries:

Australia, Canada, Central and Eastern Europe, Germany, India, Indonesia, Mexico, Middle East, Netherlands, Saudi Arabia, Singapore, South Korea, Taiwan, UAE and United Kingdom.



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