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May 2015

World Trade Center Harrisburg is a private, non-profit organization that was founded over 20 years ago with a mission to connect local companies to global opportunities. As one of nearly 330 World Trade Centers located in over 90 countries, World Trade Center Harrisburg offers relevant educational programs, up-to-date trade information, practical trade assistance, and research & referral services. World Trade Center Harrisburg is also the regional liaison for the State of Pennsylvania's comprehensive and free export assistance service.

The state of Pennsylvania (PA) 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, comprising the counties of Adams, Berks, Cumberland, Dauphin, Franklin, Lancaster, Lebanon, and York. These counties encompass five small Metropolitan Statistical Areas (MSA), including Harrisburg-Carlisle, Lancaster, Lebanon, Reading, and York-Hanover.

This report was written for the purpose of increasing the understanding of how goods trade and the role of freight contribute to economic growth in metropolitan areas through domestic and international trade. All information and data were taken from the [Brookings Institute Mapping Freight Report](#). The report entitled "Mapping Freight: The Highly Concentrated Nature of Goods Trade in the United States," was released on November 11, 2014 by the Brookings Institution's Metropolitan Policy Program, part of the Global Cities Initiative, a joint project of Brookings and JPMorgan Chase. Senior Research Associate and Associate Fellow Adie Tomer and Senior Policy and Research Assistant Joseph Kane produced this report based on the analysis of goods trade data from 2010. In this report, the term "trade" is used to represent the exchange of goods between domestic and international geographies.



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We would like to thank our intern, Shung Li Tan, Messiah College,
for her contributions to this report.

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Report Highlights



Did you know that national goods trade is mainly driven by the country's 100 largest metropolitan areas? A total of \$16.2 trillion in goods traded domestically and internationally flow through these metropolitan areas annually. More than 80% of all goods traded either start or end in these areas, which mostly specialize in moving advanced industrial products.

According to the Metro Freight Series research by the Brookings Institute, Pennsylvania traded a total of \$1 trillion in goods in 2010. This total includes both domestic and international trade between major metropolitan areas in Pennsylvania. These metropolitan areas are Harrisburg-Carlisle, Lancaster, Lebanon, Reading and York-Hanover from Southcentral PA; Allentown from Lehigh Valley; Altoona and Johnstown from Southern Alleghenies; Pittsburgh from Southwest PA; Scranton from Northeast PA; State College and Williamsport from Central PA; Erie from Northwest PA, and Philadelphia from Southeast PA (encompassing parts of Maryland, Delaware and New Jersey). The metropolitan areas not listed were grouped and categorized as the remainder of Pennsylvania, written as Pennsylvania (Rem.).

For the purpose of this report, the major metropolitan statistical areas in Pennsylvania are grouped by the state's ten Regional Export Networks. A map of the Regional Export Network of Pennsylvania, as defined by the Pennsylvania Office of International Business Development, is shown in **Appendix 1**. The regions are frequently mentioned for comparison. Unless otherwise noted, the regional reference covers all counties in the region.

The commodity groups included in this report were:

Agricultural Products	Electronics	Wood Products	Waste/Scrap
Stones/Ores	Transportation Equipment	Textiles	Mixed Freight
Energy Products	Precision Instruments	Metals	Pharmaceuticals
Chemicals/Plastics	Furniture	Machinery	Tools/Manufacturing Products

In Figure 1, it can be seen that Southeast PA has the highest amount of trade, which totals to an estimated \$350 billion. This accounts for approximately 34% of goods traded to and from Pennsylvania. In this region, the Philadelphia metropolitan area is the main metro area where most of the trading of goods takes place (Note that the Philadelphia metropolitan area also includes parts of Maryland, Delaware and New Jersey). Following second is Southcentral PA with an estimated total value of trade of \$231 billion. This amount makes up 21% of the state's total trade. The Pittsburgh metropolitan area (part of Southwest PA) is third in amount of goods traded, coming after Southeast and Southcentral PA.

Both Pittsburgh and Philadelphia are usually known to be the main trading hubs for Pennsylvania, yet Southcentral PA as a whole has superseded Southwest PA for total goods traded. This shows efforts from the Southcentral PA to increase trade within their metropolitan areas.

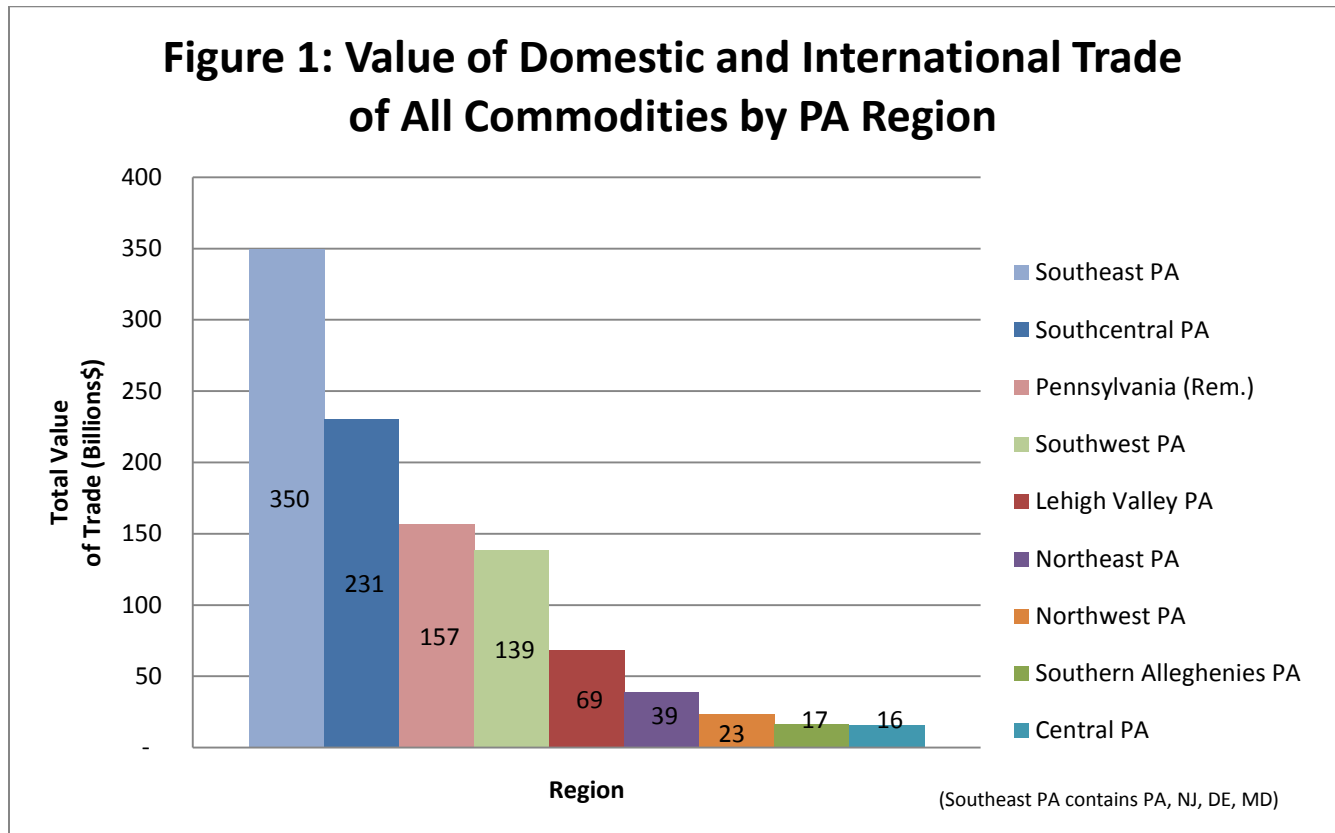


Figure 2 shows that among the five metropolitan areas in Southcentral PA, Lancaster has the highest value of goods traded (around \$78 billion). York and Harrisburg come after that, with a total amount of goods traded at \$52 billion and \$47 billion respectively. The rest of the metro areas with their corresponding values and percentages of total trade can also be seen in Figures 2 and 3.

Figure 2: Value of Domestic and International Trade of All Commodities by PA Metropolitan Areas

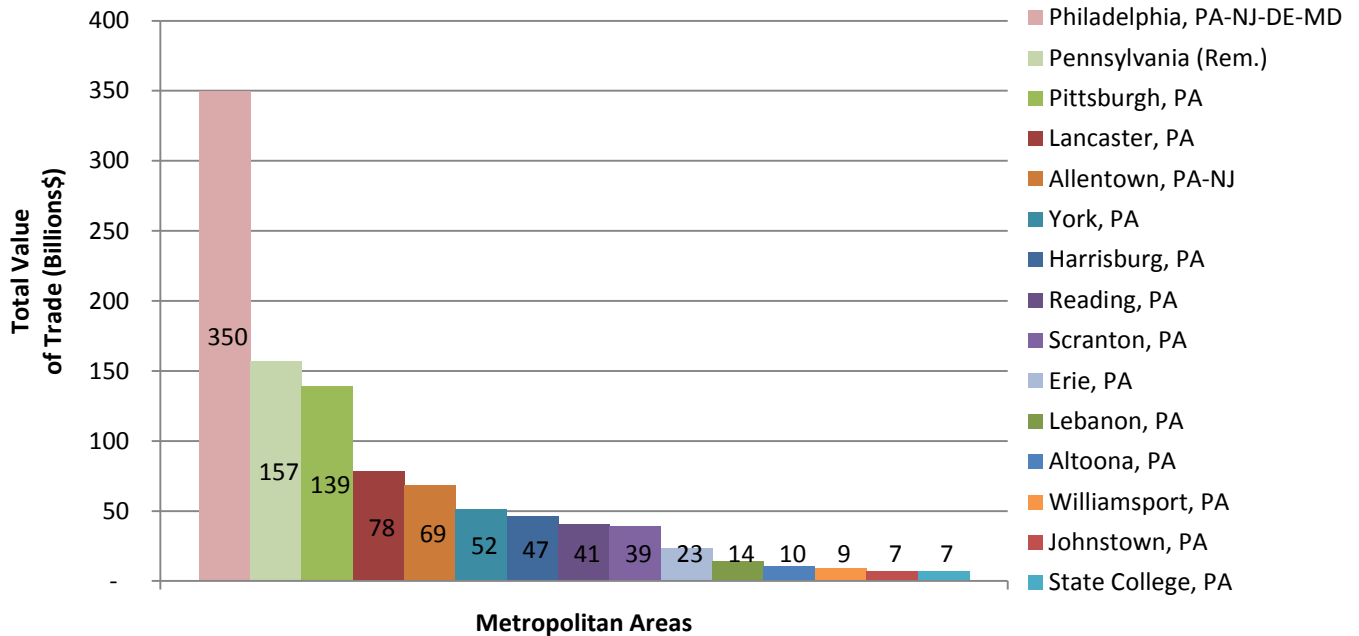
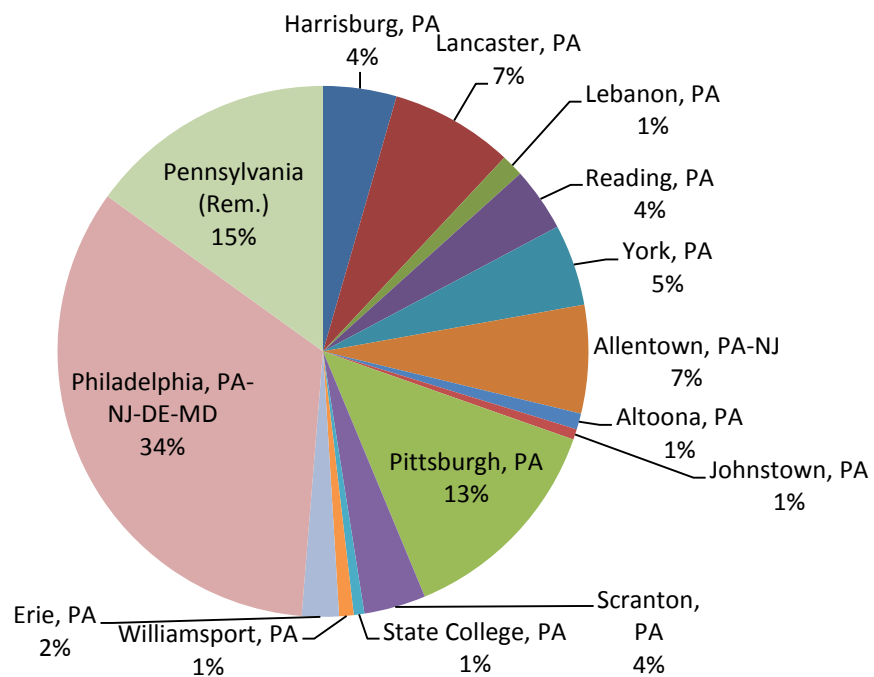


Figure 3: Percentage of Domestic and International Trade of All Commodities by PA Metropolitan Areas



Trade of Commodities

The top commodity traded in metropolitan areas of Southcentral PA is agricultural products, which amounts to a total of \$49 billion (refer to Figure 4). This commodity group is one of the top three most traded among all five metro areas: Harrisburg, Lancaster, Lebanon, Reading and York. Mixed freight is also a commodity group commonly traded in these metro areas, focused mainly in Harrisburg, Lancaster, and Lebanon. The value of trade for mixed freight in these areas is approximately \$16 billion. The rest of the more commonly traded commodities are listed in Figures 4 and 5 below.

Figure 4: Value of Domestic and International Trade of Top Commodities in Southcentral PA

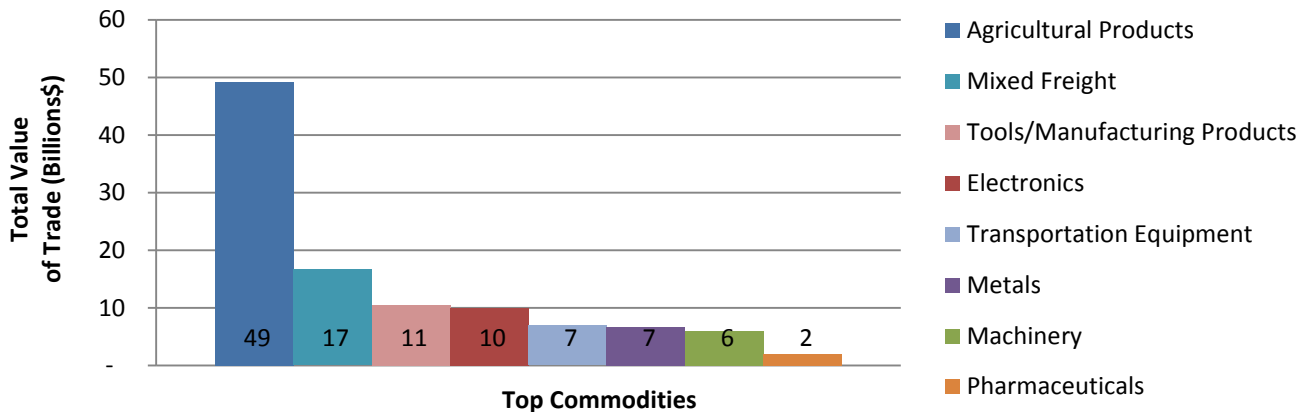
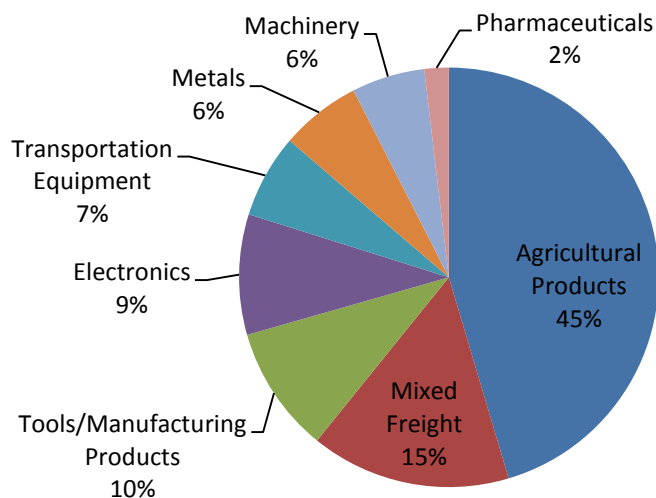


Figure 5: Percentage of Top Commodities Traded in Southcentral PA



Domestic Trading Partners

According to the report, Lancaster and Philadelphia were the top domestic trading partners for metropolitan areas in Southcentral PA, with up to \$29 billion in goods traded. Figures 6 through 10 demonstrate the top five domestic trading partners for each metropolitan area in Southcentral PA (Harrisburg, Lancaster, Lebanon, Reading, and York) respectively. These figures show that most of the domestic trading partners are other metropolitan areas located within Pennsylvania, with the exception of New York and Baltimore.

Figure 6: Value of Trade of Top 5 Domestic Trading Partners for Harrisburg, PA

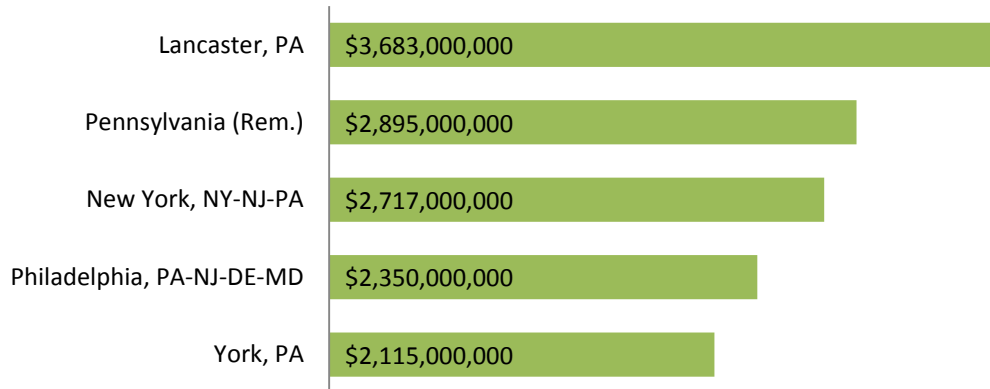


Figure 7: Value of Trade of Top 5 Domestic Trading Partners for Lancaster, PA

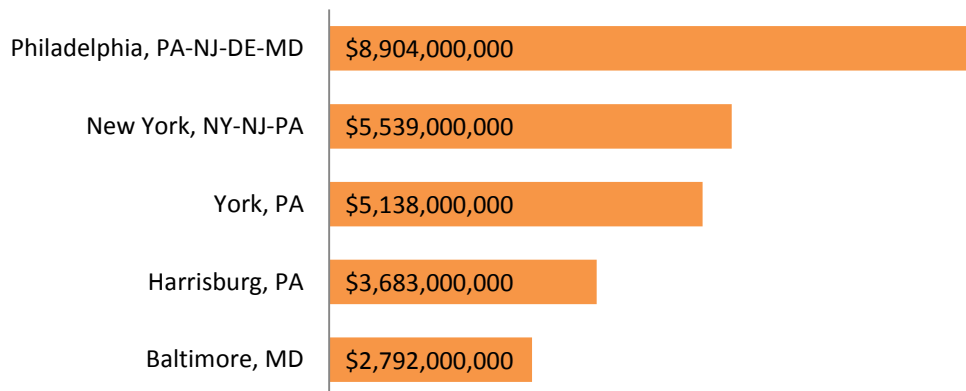


Figure 8: Value of Trade of Top 5 Domestic Trading Partners for Lebanon, PA

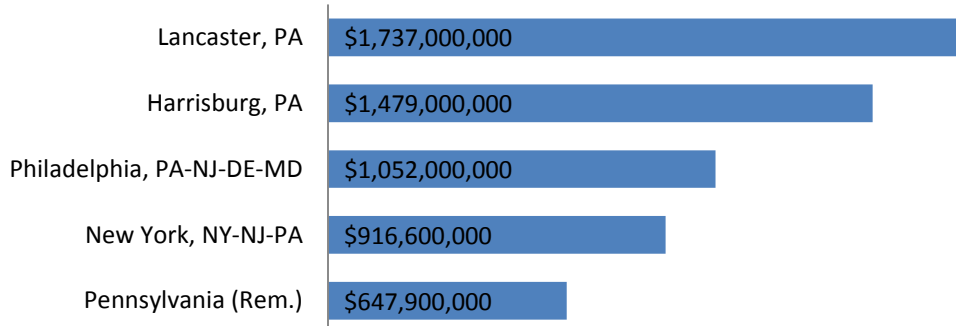


Figure 9: Value of Trade of Top 5 Domestic Trading Partners for Reading, PA

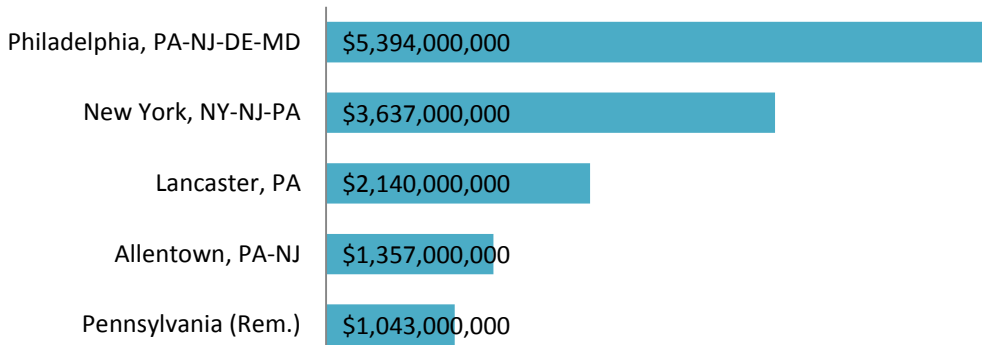
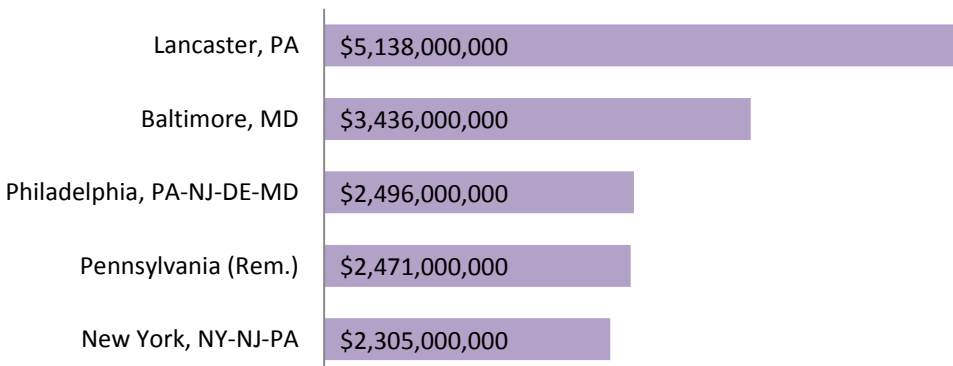


Figure 10: Value of Trade of Top 5 Domestic Trading Partners for York, PA



International Trading Partners

Canada, China, Mexico, Japan, Germany, and Western Asia are the top international trading partners of metropolitan areas in Southcentral PA, with nearly \$12 billion goods traded (refer to Figure 11 and Figure 12). Canada, being the largest international trading partner, accounts for nearly 36% of goods traded in Southcentral PA.

Figure 11: Percentage of Trade between Southcentral PA and Top 6 International Trading Partners

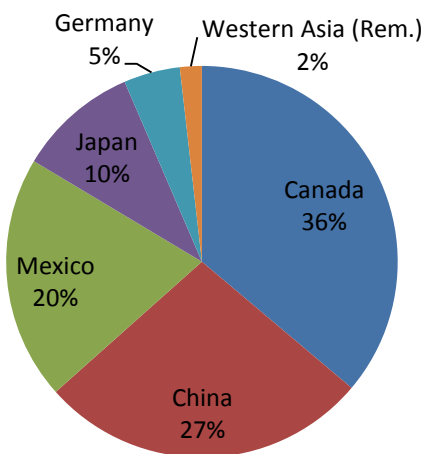
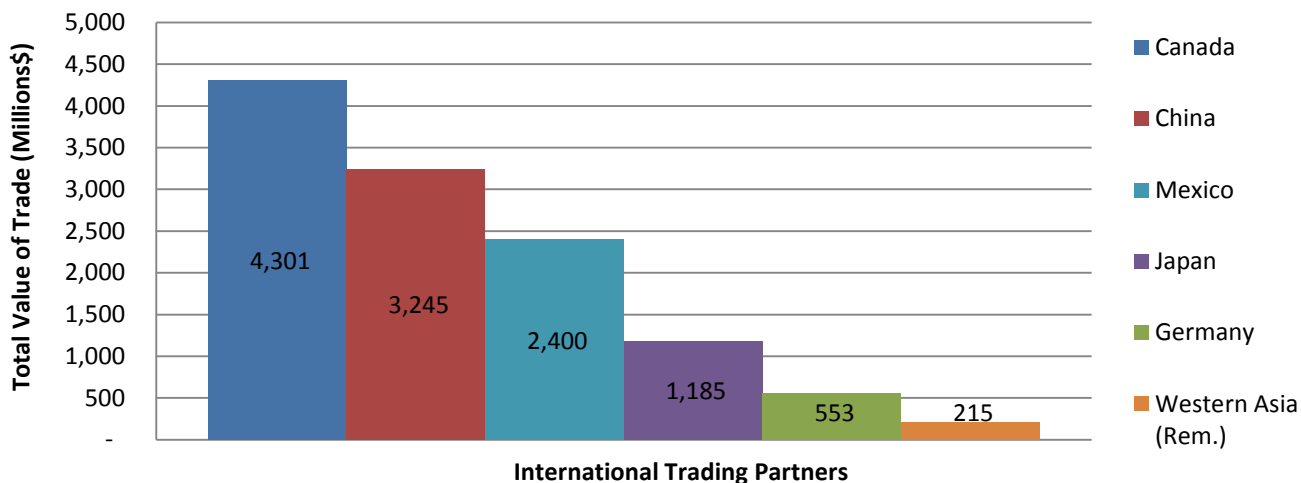


Figure 12: Value of Trade between Southcentral PA and Top 6 International Trading Partners



Limitations of the Data

Nevertheless, there are limitations to this set of data from Brookings because not every metropolitan area was listed in their report. Since these areas did not export enough to appear significant, they were grouped together in the "Pennsylvania (Rem.)" category. We were unable to tell which regions of Pennsylvania these areas belong to because they were not specified, thus making the export numbers less accurate. There were two regions that were not included in the report: Northcentral PA and Northern Tier PA.

Conclusion

Even though this data is five years old, it is still a good indicator as to where each region in Pennsylvania stands in terms of goods traded, both domestic and international. There is obviously still room for improvement, but this research by the Brookings Institute has shown that trade plays a huge part in the economy for metro areas in Pennsylvania. The authors of the Brookings Mapping Freight report, Adie Tomer and Joseph Kane, strongly emphasized that there has been an information gap about the nation's freight network and about trade between regions. Therefore, as more information about trade in the United States is being produced, their hope is that there will be better support through policies and investments within the nation's freight system.

Launched in 2012, the Global Cities Initiative is a five-year joint project of Brookings and JPMorgan Chase aimed at helping city and metropolitan leaders become more globally fluent by providing an in-depth and data-driven look at their regional standing on crucial global economic measures, highlighting best policy and practice innovations from around the world, and creating an international network of leaders who ultimately trade and grow together. For more information please visit <http://www.brookings.edu/projects/global-cities.aspx> or www.jpmorganchase.com/globalcities.

The Metropolitan Policy Program at Brookings provides decision-makers with cutting-edge research and policy ideas for improving the health and prosperity of metropolitan areas, including their component cities, suburbs, and rural areas. To learn more, please visit: www.brookings.edu/metro.

Appendix 1: A map of Pennsylvania's Regional Export Network (REN)

