Washington's International Trade

A presentation to the Senate Committee on Business, Financial Services & Trade

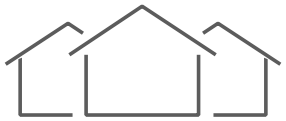
Chris Green

ASSISTANT DIRECTOR, OEDC

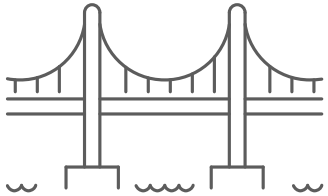
MARCH 25, 2021

Washington State Department of Commerce

We strengthen communities



HOUSING HOMELESSNESS



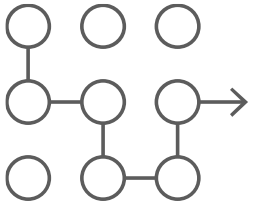
INFRASTRUCTURE



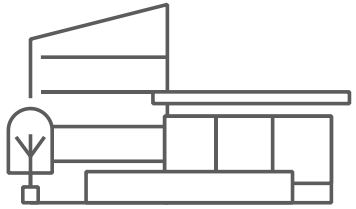
BUSINESS ASSISTANCE



ENERGY



PLANNING



COMMUNITY FACILITIES



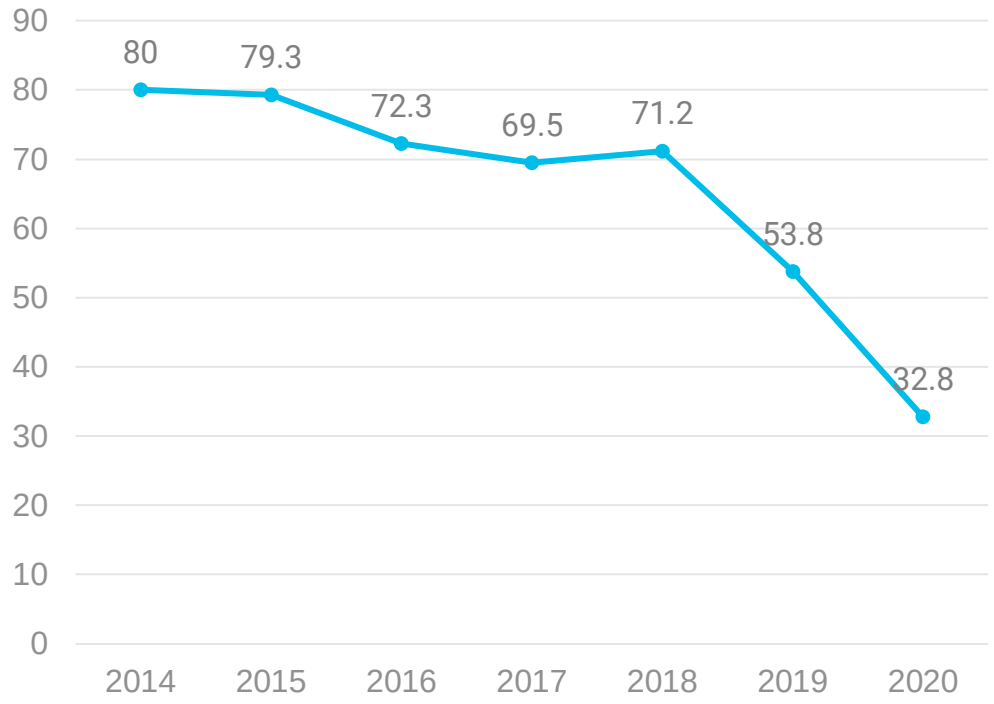
CRIME VICTIMS & PUBLIC SAFETY



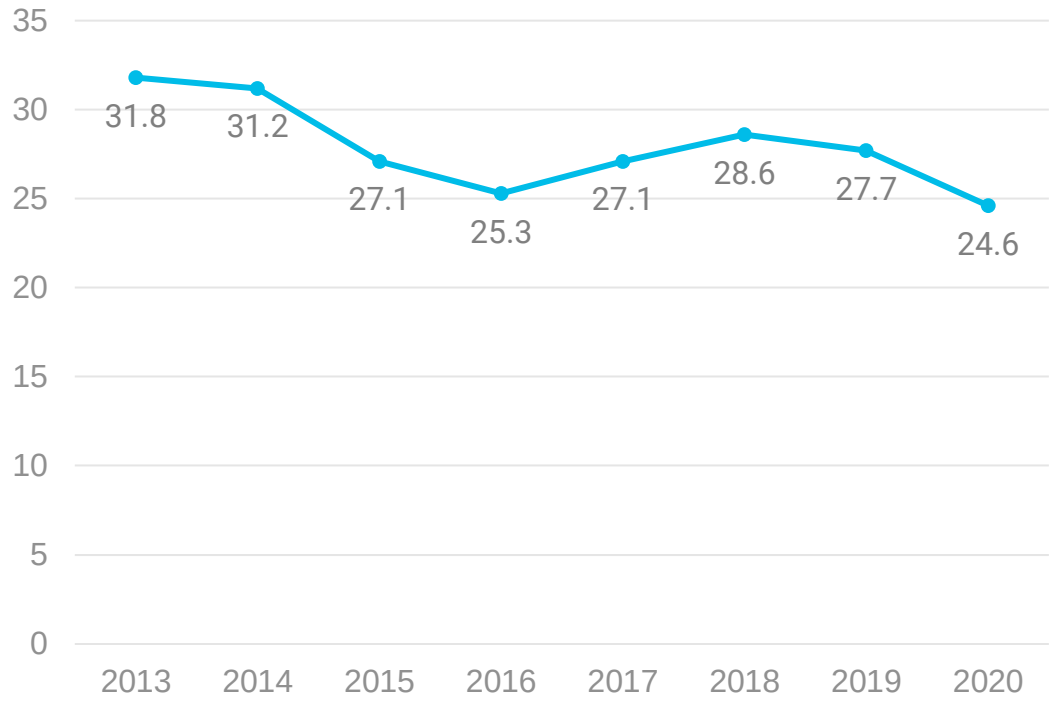
COMMUNITY SERVICES

Washington Exports in Goods (Adjusted)

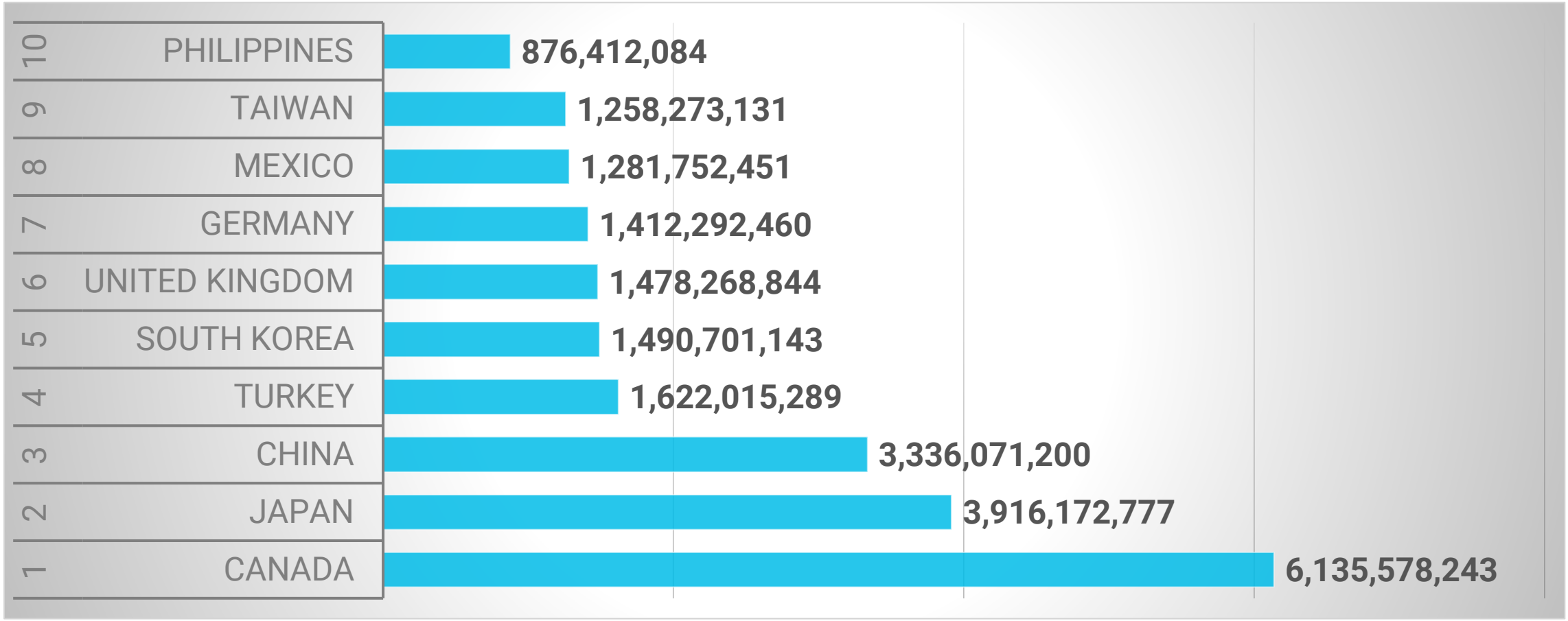
Total



Non-Aerospace



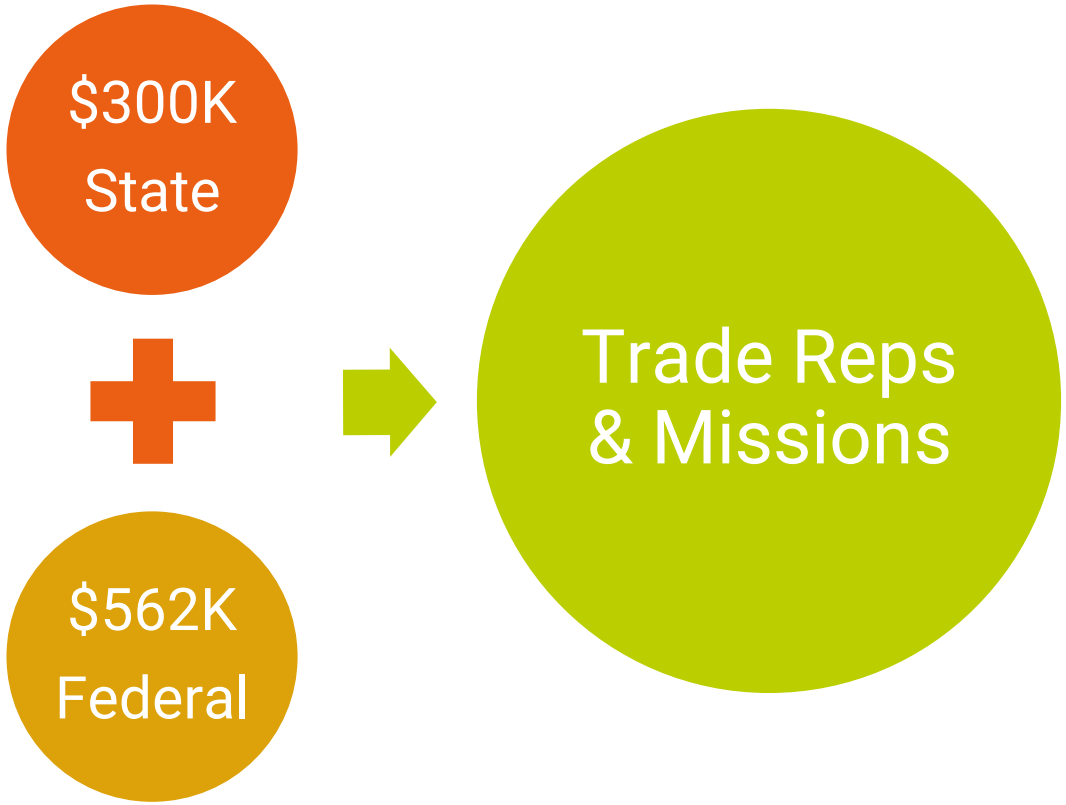
Washington's top export markets (2020)



Washington’s overseas consultant network



The $300K has broadened and deepened our reach in important markets

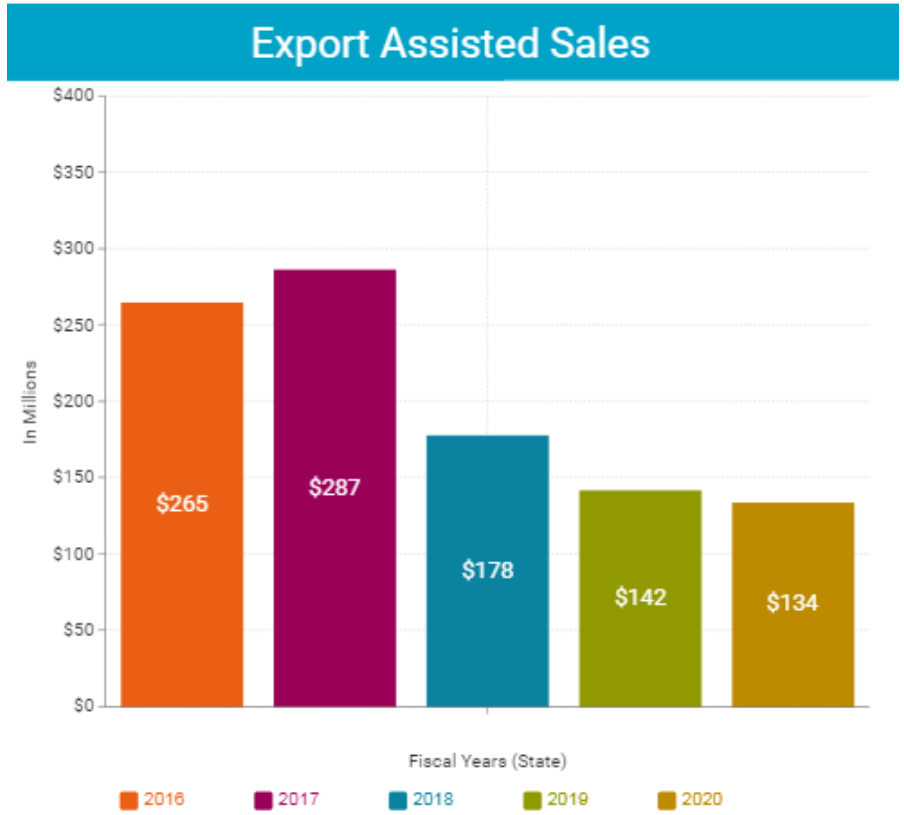


State funds supporting:

- Canada
- Japan
- Korea
- China
- Taiwan

Export Assistance





Fragrance by Molly Ray

- Molly Ray is a local perfume manufacturer
- Her business relied on tourism, has been severely impacted by COVID-19
- Approached Commerce to identify international markets
- She applied for a STEP export voucher and is working with Commerce's trade consultant in Canada
- She now has several promising leads

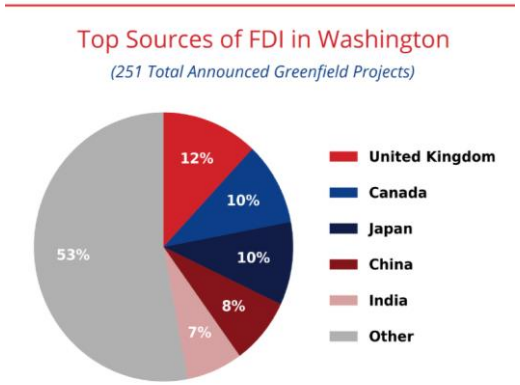
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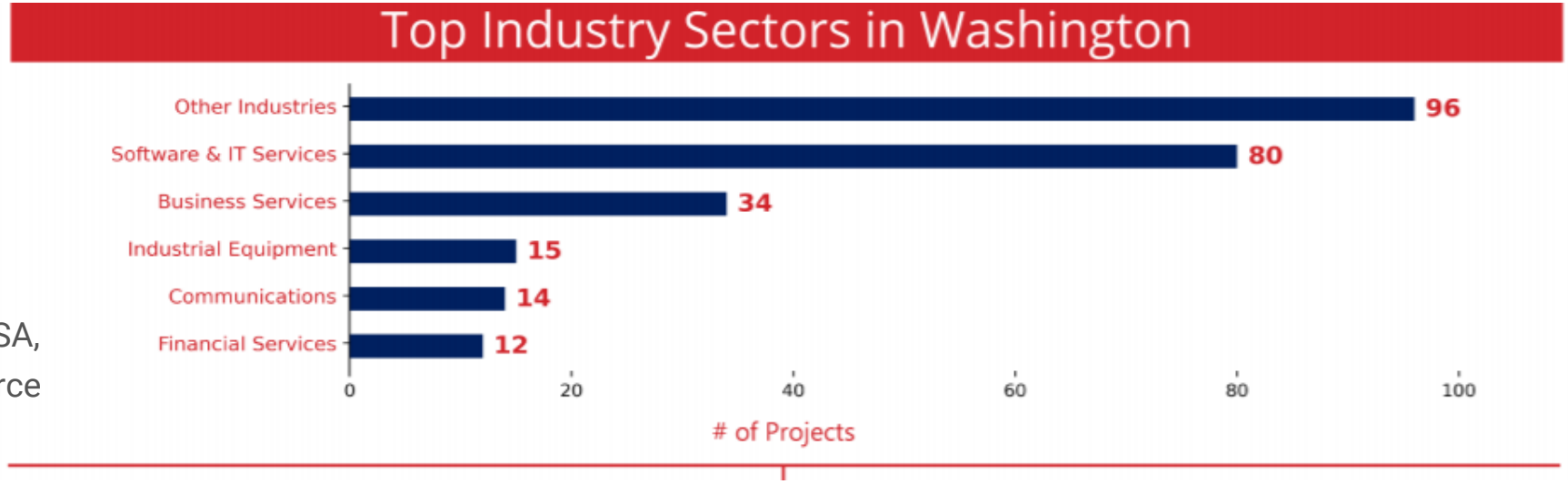


Foreign Direct Investment

FDI represents:

- 30.8% of all Commerce-won projects (5yrs)
- 37.7% of all Commerce-supported projects





Source: SelectUSA, Dept of Commerce

FDI Creates Jobs and Stimulates Innovation

DENSO chooses Washington

- Japanese automotive powerhouse opens an office in Seattle
- This $43B giant spends close to 10% of its sales on R&D
- At its Seattle Mobility Lab, Denso works with local tech companies and universities on developing cloud computing technologies for automated driving



Japanese automotive powerhouse Denso opens Seattle R&D office near Amazon HQ

BY NAT LEVY on August 12, 2019 at 10:08 am

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Why it's important

MARKETS: Over 80% of the world's purchasing power is outside the U.S.

PROFITS: Companies that export are 17% more profitable than those that don't!

RESILIENCY: Exporting helps companies ride out economic downturn.

EFFICIENCY: Fully use existing production capabilities.

EMPLOYMENT: One-third of all Washington jobs are directly or indirectly tied to international trade

Comparing exporting practices

Finland - 19%
Denmark - 17%
UK - 9%
Germany - 9%
Italy - 7%
France - 6%
Australia - 15%
Canada - 6%

Less than ***1 percent*** of U.S companies engage in export

In 2016, ***12,147*** companies exported from Washington (latest year available)

In 2018, ***58.9 percent*** of exporters reported exporting to only one country

2021 National SIDO State Survey Responses: What are business barriers to exporting?

Answers	Percent
Understanding foreign regulations	51%
Identifying foreign buyers	79%
Obtaining export capital	40%
Navigating domestic export license requirements	28%
Other	19 %

Strategies for increasing export activity

Increase FDI & export assistance capacity

Expand overseas representation

Provide additional access to vouchers and export capital

Washington State Department of Commerce

www.commerce.wa.gov

Thank you

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