



# USMCA Colorado State Fact Sheet

## **Colorado's Trade with the World**<sup>1</sup>

- In 2019, Colorado exported \$8.1 Billion in goods to the world.
- In 2019, Colorado was the 33rd-largest state exporter of goods in the United States.
- In 2016, 40,421 U.S. jobs were supported by goods exported from Colorado.<sup>2</sup>
- In 2018, 5,862 companies exported goods from Colorado- 87 percent were small and medium-sized companies.<sup>3</sup>

## **Colorado's Trade with Canada and Mexico**

### Colorado's Rank in Exports to Canada and Mexico

In 2019, Colorado was the 33rd-largest exporter of goods to Mexico and Canada.

### Ranks of Canada and Mexico as Destinations for Colorado Exports

In 2019, Canada was Colorado's largest export destination and Mexico was the second-largest export destination.

### Statewide Statistics and Top Export Product Categories<sup>4</sup>

- In 2019, Colorado exported \$2.5 Billion to Canada and Mexico, accounting for 31 percent of Colorado's total exports to the world.
  - Colorado exported \$1.4 Billion to Canada, 18 percent of Colorado's exports to the world.

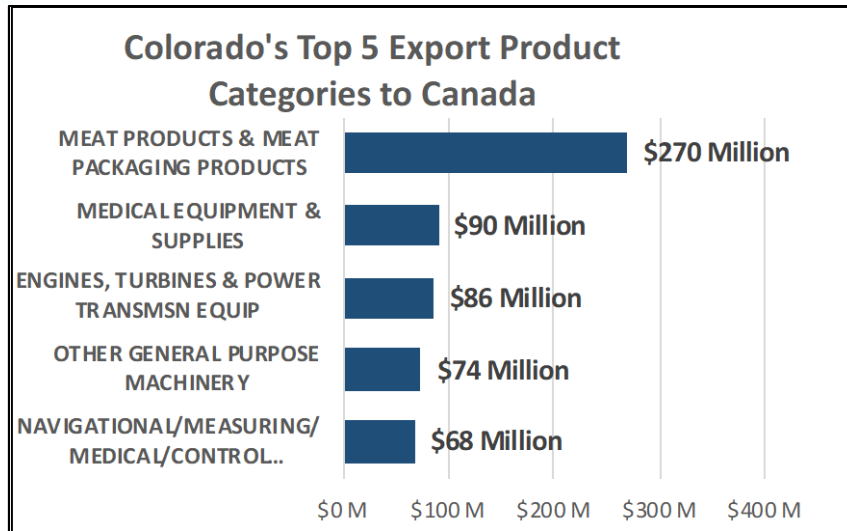
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<sup>1</sup>All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

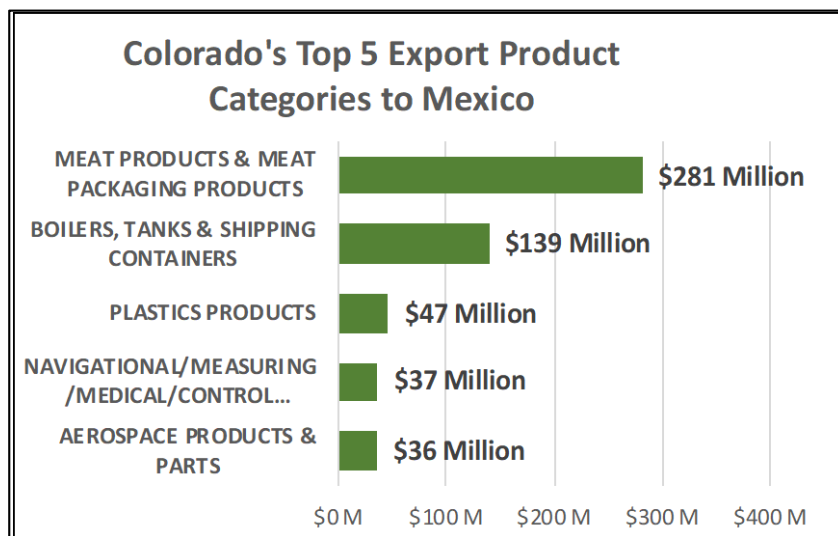
<sup>2</sup> Jobs supported by state exports estimates by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce:  
<https://www.trade.gov/mas/ian/employment/>

<sup>3</sup> U.S. Census Bureau's A Profile of U.S. Importing and Exporting Companies, Table 6a 2018 Exports by State of Origin of Movement, Number of Exporting Companies, Value for Small and Medium Companies

<sup>4</sup> Top export product categories reflected under the 2017 North American Industry Classification System (NAICS) at the 4-digit level of detail, compiled by TPIS.



- Colorado exported \$1.1 Billion to Mexico, 13 percent of Colorado's exports to the world.



Metropolitan Statistics<sup>5</sup>

- Colorado's Top Metropolitan Exports to Canada and Mexico 2018
  - Denver-Aurora-Lakewood **\$2.4 Billion**

<sup>5</sup> 2018 Metropolitan (statistical) area (MSA) exports to Canada and Mexico data from the U.S. Census Bureau compiled by the Office of Trade and Economic Analysis (OTEA), Industry and Analysis, International Trade Administration, U.S. Department of Commerce. Top products by MSA reflected under the 2017 North American Industry Classification System (NAICS) at the 3-digit level of detail.



- Top Products: Oil And Gas Extraction; Computer And Electronic Product Manufacturing; Machinery Manufacturing; Food Manufacturing; Fabricated Metal Product Manufacturing
- Greeley **\$656 Million**
  - Top Products: Food Manufacturing; Chemical Manufacturing; Machinery Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Primary Metal Manufacturing
- Boulder **\$238 Million**
  - Top Products: Computer And Electronic Product Manufacturing; Chemical Manufacturing; Machinery Manufacturing; Miscellaneous Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing

### **USMCA Will Benefit Colorado's Top Export Sectors to Canada and Mexico**

Colorado's top export sectors to Canada and Mexico in 2019 include Food Manufacturing, Machinery, and Computer and Electronic Products.<sup>6</sup>

#### **Food Manufacturing**

Colorado is home to several large food manufacturing companies. In 2019, there were 682 food manufacturing<sup>7</sup> establishments with 23,853 workers. Weld, Denver, and Adams counties have the largest number of employees. USMCA contains an annex on proprietary food formulas which requires each Party to protect the confidentiality of such information in the same manner for both domestic and imported products. For the first time in a trade agreement, USMCA contains a chapter on good regulatory practices that promotes transparency and accountability in development and implementation of regulations. USMCA also has a chapter on sanitary and phytosanitary (SPS) provisions, which requires the Parties to agree to increase transparency in SPS measures, advance science-based decision making, and work together to enhance compatibility of SPS measures between them.

#### **Machinery**

Colorado is home to many machinery companies. In 2019, there were 333 machinery manufacturing<sup>8</sup> establishments with 13,262 workers. Weld, Larimer, and Boulder counties have the largest number of employees in the machinery sector. USMCA maintains duty-free access to Mexico and Canada for originating machinery and remanufactured goods for Colorado's machinery manufacturing companies and contains strong rules of origin protections to ensure that tariff preferences go to companies in the USMCA countries. USMCA also goes beyond any past trade agreement by including important new provisions that will help reduce costs and bring greater predictability to the border for shipments of

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<sup>6</sup> Unless otherwise footnoted in the below sectors, sector employment data is average annual number of employees and establishments by county or local economic region by 2017 NAICS3-digit level from the Bureau of Labor Statistics.

<sup>7</sup> Food manufacturing as defined by NAICS 311 for food manufacturing.

<sup>8</sup> Machinery is defined as NAICS 333.



machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry<sup>9</sup> reported support for the following provisions included in the Intellectual Property chapter: civil and criminal courses of legal action to protect trade secrets, protection of industrial designs, and equal treatment of digital and physical goods. Industry<sup>10</sup> also supports the Small and Medium-Sized Enterprises (SMEs) provisions to enhance SMEs ability to participate in the benefits and opportunities created by USMCA. As stated in Colorado's trade statistics, 87 percent of companies that exported goods from Colorado in 2018<sup>11</sup> were small and medium-sized companies.

### Computer and Electronic Products

Colorado is home to many leading technology manufacturing companies. In 2019, there were 391 technology equipment establishments with 22,766 workers.<sup>12</sup> Boulder, Larimer, and El Paso counties have the largest number of employees in the technology equipment sector. USMCA maintains duty-free access to Mexico and Canada for originating technology equipment for Colorado's technology manufacturing companies. Industry<sup>13</sup> appreciates the Market Access provision to be able to export and import for repair since many products are designed to be modular and swappable in case of malfunction in the technology sector. Industry<sup>14</sup> supports the provision to prohibit unnecessary restrictions on remanufactured imports because the technology sector seeks to prolong the useful life of goods through repair, refurbishment, and reuse. Industry<sup>15</sup> acknowledges USMCA's new mechanism in the Information and Communication Technology (ICT) Equipment Annex to protect intellectual property in cryptographic products as a significant achievement. Industry<sup>16</sup> approves the new Digital Trade chapter, which contains the strongest disciplines on digital trade of any international agreement, providing a firm foundation for the expansion of trade and investment in innovative electronic products and services. For the first time in a trade agreement, the Intellectual Property chapter includes protections against the misappropriation of trade secrets and requires a minimum term of protection for industrial designs of at least 15 years.

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<sup>9</sup> Industry Trade Advisory Committee 2 – Automotive Equipment and Capital Goods Report Regarding USMCA: <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%20%20REPORT%20-%20Automotive%20Equipment%20and%20Capital%20Goods.pdf>

<sup>10</sup> Ibid.

<sup>11</sup> Census' Exports by State of the Origin of Movement, Number of Exporting Companies, and Value for Small and Medium Sized Companies in 2018 was the latest data published by June 25, 2020.

<sup>12</sup> Computer and electronic products sector defined as NAICS 334 for computer and electronic product manufacturing.

<sup>13</sup> Industry Trade Advisory Committee 8 – Digital Economy Report Regarding USMCA: <https://ustr.gov/sites/default/files/files/agreements/FTA/AdvisoryCommitteeReports/ITAC%208%20REPORT%20-%20Digital%20Economy.pdf>

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.