USMCA Florida State Fact Sheet

Florida’s Trade with the World

- In 2019, Florida exported $56.0 Billion in goods to the world.
- In 2019, Florida was the 7th-largest state exporter of goods in the United States.
- In 2016, 232,253 U.S. jobs were supported by goods exported from Florida.
- In 2018, 58,760 companies exported goods from Florida- 95 percent were small and medium-sized companies.

Florida’s Trade with Canada and Mexico

Florida’s Rank in Exports to Canada and Mexico

In 2019, Florida was the 18th-largest exporter of goods to Mexico and Canada.

Ranks of Canada and Mexico as Destinations for Florida Exports

In 2019, Canada was Florida’s second-largest export destination and Mexico was the third-largest export destination.

Statewide Statistics and Top Export Product Categories

- In 2019, Florida exported $7.7 Billion to Canada and Mexico, accounting for 14 percent of Florida’s total exports to the world.
  o Florida exported $4.4 Billion to Canada, 8 percent of Florida’s exports to the world.

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1 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).
2 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/
3 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
4 Top export product categories reflected under the 2017 North American Industry Classification System (NAICS) at the 4-digit level of detail, compiled by TPIS.
Florida exported $3.3 Billion to Mexico, 6 percent of Florida’s exports to the world.

Miami-Fort Lauderdale-Pompano Beach $3.7 Billion

Metropolitan Statistics
- Florida’s Top Metropolitan Exports to Canada and Mexico 2018
  - Miami-Fort Lauderdale-Pompano Beach $3.7 Billion

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5 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.
USMCA Will Benefit Florida’s Top Export Sectors to Canada and Mexico

Florida’s top export sectors to Canada and Mexico in 2019 include Transportation Equipment (Motor Vehicle and Automotive Industries), Chemicals, and Computer and Electronic Products.6

Transportation Equipment (Motor Vehicle and Automotive Industries)
Florida is home to several automaker facilities. In 2019, the transportation sector7 employed 47,466 workers in 1,318 establishments. Orange (Orlando), Brevard (Melbourne), and Palm Beach counties have the largest number of employees in the transportation sector. USMCA’s innovative auto rules of origin, strict labor and environmental standards, and provisions designed to combat non-market practices – such as currency manipulation – are designed to incentivize additional automotive and auto parts investment and production in Florida. They were also developed to ensure auto producers and workers in the state can competes on a more-level playing field with their Mexican and Canadian counterparts. USMCA increases the regional value content for automobiles from 62.5 percent to 75 percent, thus incentivizing more auto production in North America. USMCA includes a first-of-its-kind labor value content rule that requires a certain percentage of each motor vehicle (40 percent for passenger vehicles and 45 percent for light trucks) to be manufactured in a factory in a USMCA country where workers make an average wage of at least $16 per hour. USMCA requires more auto production in North America in order to qualify for duty-free treatment by eliminating NAFTA’s “deemed originating” loophole.

Chemicals
Florida is home to numerous chemical8 companies including. In 2019, there were 1,212 chemical establishments with 23,471 workers. Broward (Fort Lauderdale), Miami-Dade, and Pinellas (Clearwater) counties have the largest number of employees in the chemicals sector. USMCA adopted chemical

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6 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 NAICS 3-digit level from the Bureau of Labor Statistics.
7 Transportation sector defined as NAICS 336 and includes the motor vehicle and aerospace industries.
8 Chemical sector defined as NAICS 325 for chemical manufacturing.
reaction rules to determine origin for most chemical products. USMCA also contains sector annexes on chemical substances, pharmaceuticals, and cosmetics. These annexes promote enhanced regulatory compatibility and trade between the three Parties, while recognizing the regulatory authority of each Party. These annexes commit to build on existing extensive regulatory cooperation on chemicals, pharmaceuticals, and cosmetics between Parties and identify areas of focus for future cooperation. It also encourages the Parties to consider internationally-developed science and technical guidance documents when implementing regulations for cosmetics and encourages cooperation on inspections of pharmaceutical manufacturers.

**Computer and Electronic Products**

Florida is home to many leading technology companies. In 2019, there were 1,449 technology equipment\(^9\) companies with 44,111 workers. Brevard (Melbourne), Pinellas (Clearwater), and Orange (Orlando) 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 Florida’s technology manufacturing companies. Industry\(^{10}\) 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\(^{11}\) 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\(^{12}\) 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\(^{13}\) 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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\(^9\) Computer and electronic products sector defined as NAICS 334 for computer and electronic product manufacturing.


\(^{11}\) Ibid.

\(^{12}\) Ibid.

\(^{13}\) Ibid.