



USMCA New Mexico State Fact Sheet

New Mexico's Trade with the World¹

- In 2019, New Mexico exported \$4.7 Billion in goods to the world.
- In 2019, New Mexico was the 41st-largest state exporter of goods in the United States.
- In 2016, 14,958 U.S. jobs were supported by goods exported from New Mexico.²
- In 2018, 1,378 companies exported goods from New Mexico- 84 percent were small and medium-sized companies.³

New Mexico's Trade with Canada and Mexico

New Mexico's Rank in Exports to Canada and Mexico

In 2019, New Mexico was the 32nd-largest exporter of goods to Mexico and Canada.

Ranks of Canada and Mexico as Destinations for New Mexico Exports

In 2019, Canada was New Mexico's seventh-largest export destination and Mexico was the largest export destination.

*Statewide Statistics and Top Export Product Categories*⁴

- In 2019, New Mexico exported \$2.5 Billion to Canada and Mexico, accounting for 54 percent of New Mexico's total exports to the world.
 - New Mexico exported \$128 Million to Canada, 3 percent of New Mexico's exports to the world.

¹All 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:

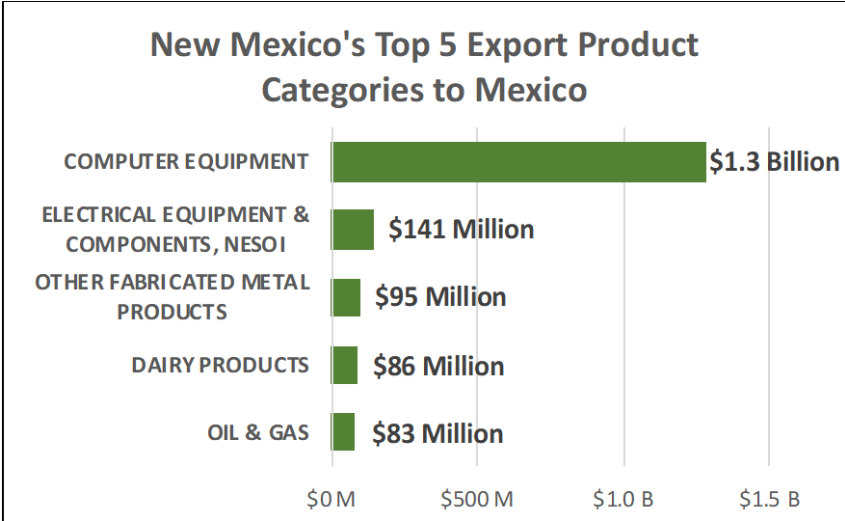
<https://www.trade.gov/mas/ian/employment/>

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.



- New Mexico exported \$2.4 Billion to Mexico, 51 percent of New Mexico’s exports to the world.



Metropolitan Statistics⁵

- New Mexico’s Top Metropolitan Exports to Canada and Mexico 2018
 - Las Cruces **\$1.0 Billion**
 - Top Products: Computer And Electronic Product Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Fabricated Metal

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.



Product Manufacturing; Transportation Equipment Manufacturing; Crop Production

- Albuquerque **\$112 Million**
 - Top Products: Computer And Electronic Product Manufacturing; Primary Metal Manufacturing; Chemical Manufacturing; Machinery Manufacturing; Miscellaneous Manufacturing
- Farmington **\$11 Million**
 - Top Products: Machinery Manufacturing; Transportation Equipment Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Fabricated Metal Product Manufacturing; Food Manufacturing

USMCA Will Benefit New Mexico's Top Export Sectors to Canada and Mexico

New Mexico's top export sectors to Canada and Mexico in 2019 include Computer and Electronic Products; Electrical Equipment, Appliances, and Components; and Fabricated Metal Products.⁶

Computer and Electronic Products

New Mexico is home to many leading technology manufacturing companies. In 2019, there were 160 computer and electronic product establishments in New Mexico employing 5,067 employees.⁷ Bernalillo (Albuquerque), Dona Ana, and Santa Fe counties have the largest number of employees in the computer and electronic product sector. USMCA maintains duty-free access to Mexico and Canada for originating technology equipment for New Mexico's technology manufacturing companies. Industry⁸ 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. Industry⁹ 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. Industry¹⁰ 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. Industry¹¹ 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

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 NAICS3-digit level from the Bureau of Labor Statistics.

⁷ Computer and electronic products sector defined as NAICS 334 for computer and electronic product manufacturing.

⁸ 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>

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.



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.

Electrical Equipment, Appliances, and Components

New Mexico is home to many leading technology manufacturing companies. In 2019, there were 34 electrical equipment and appliance manufacturing¹² establishments in New Mexico employing 625 employees. Bernalillo (Albuquerque) county has the largest number of employees and establishments in the electric equipment, appliance and components sector. USMCA maintains duty-free access to Mexico and Canada for originating electric equipment and appliances for New Mexico's electric equipment and appliance manufacturing companies. 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 machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry¹³ 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.

Fabricated Metal Products

New Mexico has a tradition of fabricated metals manufacturing. In 2019, the fabricated metals manufacturing¹⁴ sector employed 2,523 workers in 247 establishments. Bernalillo (Albuquerque), Dona Ana, and San Juan counties have the largest number of employees in the fabricated metals manufacturing sector. New Mexico's top export products include machinery tools manufacturing, such as metal valves, bearings, and pipes. USMCA contains rigorous rules of origin for steel products by requiring that at least 70 percent by weight of the inputs of selected steel products originate in the USMCA countries or that the USMCA partner country add a certain level of regional value content in the processing of the product. These provisions add an extra incentive for North American iron and steel to be used in manufacturing in the USMCA countries. These new rules apply to welded pipe and tube, butt welding fittings, tool joints, iron and steel structures and parts thereof, stranded wire, barbed wire and wire fencing, steel cloth, nails, tacks, drawing pins, corrugated nails, staples, and similar articles of iron and steel. USMCA maintains duty-free access to Mexico and Canada for originating machinery goods for New Mexico'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 machinery. At the same time USMCA will ensure customs administrations have the necessary tools to enforce the law. Industry¹⁵ reported support for the following provisions included in the Intellectual Property chapter: civil and criminal courses of legal

¹² Electric equipment, appliances and components sector defined as NAICS 335 for electrical equipment and appliance manufacturing.

¹³ Ibid.

¹⁴ Fabricated metals sector defined as NAICS 332 for fabricated metals manufacturing.

¹⁵ 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>



action to protect trade secrets, protection of industrial designs, and equal treatment of digital and physical goods. New Mexico is home to three national research laboratories and specialized R&D facilities that produce new technologies for advanced manufacturing.¹⁶ USMCA’s intellectual property protections would promote the manufacturing innovation in the state. Industry¹⁷ 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 New Mexico’s trade statistics, 84 percent of companies that exported goods from New Mexico in 2018¹⁸ were small and medium-sized companies.

¹⁶ New Mexico Economic Development Department <https://gonm.biz/why-new-mexico/key-industries/>

¹⁷ Ibid.

¹⁸ 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.