



# USMCA Wisconsin State Fact Sheet

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

- In 2019, Wisconsin exported \$21.7 Billion in goods to the world.
- In 2019, Wisconsin was the 22nd-largest state exporter of goods in the United States.
- In 2016, 111,075 U.S. jobs were supported by goods exported from Wisconsin.<sup>2</sup>
- In 2018, 8,830 companies exported goods from Wisconsin- 86 percent were small and medium-sized companies.<sup>3</sup>

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

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

In 2019, Wisconsin was the 15th-largest exporter of goods to Mexico and Canada.

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

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

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

- In 2019, Wisconsin exported \$10.0 Billion to Canada and Mexico, accounting for 46 percent of Wisconsin's total exports to the world.
  - Wisconsin exported \$6.8 Billion to Canada, 31 percent of Wisconsin's exports to the world.

---

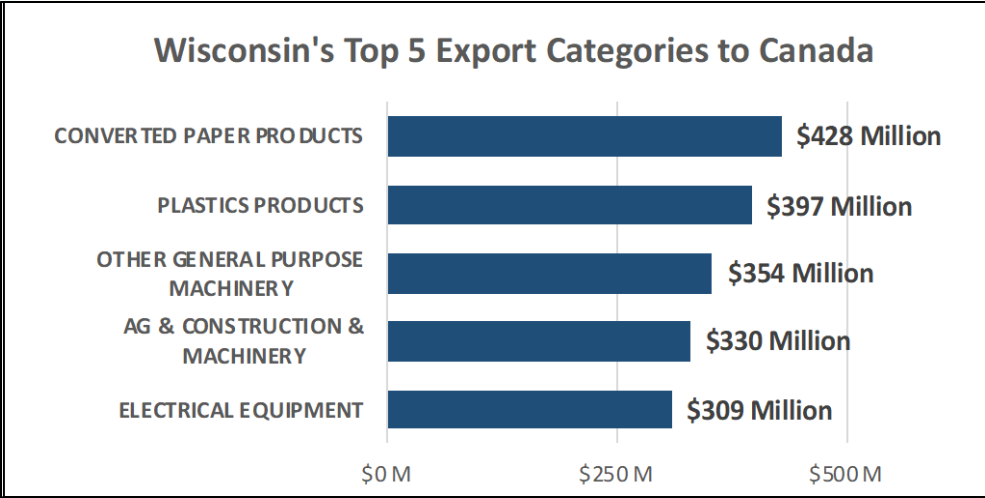
<sup>1</sup>All trade data used in this report reflect the data published by June 15, 2020 from the U.S. Census Bureau, as compiled by the International Trade Administration's Trade Policy Information System (TPIS).

<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:

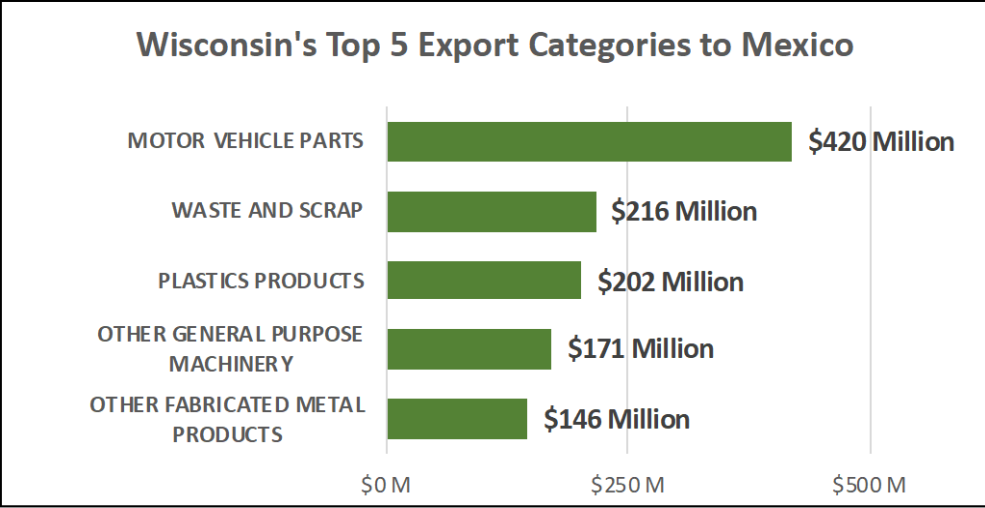
<https://www.trade.gov/mas/ian/employment/>

<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.



- Wisconsin exported \$3.3 Billion to Mexico, 15 percent of Wisconsin’s exports to the world.



Metropolitan Statistics<sup>5</sup>

- Wisconsin’s Top Metropolitan Exports to Canada and Mexico 2018
  - Chicago-Naperville-Elgin **\$24.0 Billion**\*<sup>6</sup>
    - Top Products: Computer And Electronic Product Manufacturing; Chemical Manufacturing; Transportation Equipment Manufacturing; Machinery Manufacturing; Petroleum And Coal Products Manufacturing

<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.

<sup>6</sup> An asterisk (\*) notes if the Metropolitan Area is shared with one or more other states.



- Minneapolis-St. Paul-Bloomington **\$6.0 Billion**\*<sup>7</sup>
  - Top Products: Computer And Electronic Product Manufacturing; Machinery Manufacturing; Miscellaneous Manufacturing; Chemical Manufacturing; Crop Production
- Milwaukee-Waukesha **\$3.4 Billion**
  - Top Products: Machinery Manufacturing; Computer And Electronic Product Manufacturing; Electrical Equipment, Appliance, And Component Manufacturing; Chemical Manufacturing; Transportation Equipment Manufacturing

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

Wisconsin's top export sectors to Canada and Mexico in 2019 include Machinery, Food Manufacturing, and Motor Vehicles and Parts.<sup>8</sup>

#### **Machinery**

Wisconsin is home to many machinery companies. In 2019, there were 1,164 machinery manufacturing<sup>9</sup> establishments with 67,305 employees. Waukesha, Milwaukee, and Fond Du Lac 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 Wisconsin'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. Industry<sup>10</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>11</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 Wisconsin's trade statistics, 86 percent of companies that exported goods from Wisconsin in 2018<sup>12</sup> were small and medium-sized companies.

---

<sup>7</sup> Ibid.

<sup>8</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>9</sup> Machinery defined as NAICS 333 for machinery manufacturing.

<sup>10</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>11</sup> Ibid.

<sup>12</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.



### Food Manufacturing

Wisconsin is home to several large food manufacturing companies. In 2019, there were 1,103 food manufacturing<sup>13</sup> establishments with 74,573 employees. Milwaukee, Brown (Green Bay), and Outagamie 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.

### Transportation Equipment (Motor Vehicles and Parts)

Wisconsin is home to several automaker facilities. In 2019, the transportation sector<sup>14</sup> employed 25,979 workers in 262 establishments. Winnebago, Marinette and Outagamie 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 Wisconsin. They were also developed to ensure auto producers and workers in the state can compete 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.

---

<sup>13</sup> Food manufacturing defined as NAICS 311 food manufacturing.

<sup>14</sup> Transportation sector defined as NAICS 336 for transportation equipment and includes the motor vehicle and aerospace industries.