



VIRGINIA TRADE OVERVIEW

OVERVIEW

Virginia's total exports of goods and services increased to \$29 billion in 2010, an 8% increase over 2009. Virginia ranks as the 22nd largest exporting state in the

U.S. The profile of Virginia's exports includes manufactured goods, coal, tobacco, and agricultural products. Service exports encompass education, tourism, engineering, finance, legal, transportation, and marketing. Exports of goods via Virginia in 2010 were valued at \$17.08 billion, while service exports from Virginia were estimated to be worth \$11.92

billion. This Fast Facts focuses primarily on exports of manufactured products. For more information on service exports, see:

VIRGINIA AT A GLANCE

Population: 8 million
Land Area: 39,598 square miles
Nonfarm Business Establishments: 197,716
Nonfarm Employment: 3,184,234
(U.S. Census Bureau)



[VEDP Fast Facts "Exporting Services"](#)

THE IMPACT OF TRADE ON VIRGINIA'S ECONOMY

The impact of international trade activity on Virginia's economy goes beyond the value of the state's total export sales.

- Exports of goods and services directly and indirectly support approximately 300,000 private-sector jobs in the Commonwealth.
- Nearly one-sixth of all manufacturing workers in Virginia depend on exports for their jobs.
- Jobs with companies that export pay an average of 15% more than jobs with companies that only sell domestically. (VEDP)

VIRGINIA EXPORT SECTORS (not including services)

Manufactured goods account for approximately 80% of all Virginia merchandise exports. Mineral fuel (mainly coal) and tobacco exports, valued at \$1.33 billion in 2010, are the next largest contributor to total exports. In third place are agricultural exports, valued at \$1.61 billion in 2010. Manufactured goods grew at the fastest rate in 2010 at 16.52%, followed by agricultural exports at 8.49%. Exports of mineral fuel and tobacco via Virginia contracted 14% in 2010.

MANUFACTURED GOODS

Virginia's manufactured exports were valued at \$13.95 billion in 2010, and are the linchpin of Virginia's export base. The Virginia Economic Development Partnership— Division of International Trade is the state authority charged with promoting Virginia's manufactured goods and services.

- Top exports consist of industrial and electrical machinery, aircraft and spacecraft, vehicles, plastics, and paper products.
- Top export markets for Virginia's manufactured products in 2010 were Canada at \$2.44 billion, China at \$1.14 billion, and Singapore at \$1.03 billion.



VIRGINIA TRADE OVERVIEW

MINERAL FUEL AND TOBACCO

Mineral fuel (coal and petroleum products) and tobacco traditionally dominated Virginia's exports, but have been eclipsed by manufactured products in recent years.

- In 2010, Virginia's mineral fuel and tobacco exports contracted 14% to \$1.33 billion. Of this, tobacco exports decreased 44%, while mineral fuel exports increased 6%.
- Belgium was the largest export market for Virginia tobacco in 2010, with purchases valued at \$112.39 million. Until 2009, Japan had tended to be the top buyer of Virginia tobacco.
- Top markets for mineral fuels from Virginia in 2010 were Brazil at \$238.49 million, India at \$119.16 million, and the Netherlands at \$113.71.

AGRICULTURAL PRODUCTS

Agricultural products have played an important role in the development of Virginia's exports, and are marketed by the Virginia Department of Agriculture and Consumer Services.

- Virginia's agricultural exports (excluding coal and tobacco) increased 8% in 2010, reaching \$1.61 billion. With the exception of 2009, Virginia's agriculture exports experienced strong growth over the last decade.
- Top export commodities include grain/seed/fruit (soybeans, flour meal, cotton seeds, and peanuts), animal feed (mainly soybean residue), meat (pork and poultry), cereals (wheat, corn, and barley), and fats/oils (mainly soybean oil and fat from pig and poultry).
- Current top consumers of Virginia's agricultural products are Canada, Morocco, China, Indonesia, Tunisia, Venezuela, Turkey, Ireland, Japan, and Russia.
- Special provisions by the U.S. Federal Government allow for export of certain agricultural goods to countries that normally face trade sanctions. For this reason, in 2010 Virginia exported a significant volume of agricultural goods to Cuba (\$32.55 million) and Syria (\$24.93 million). The bulk of these exports were soybeans and corn.

TOP EXPORT INDUSTRIES AND COMMODITIES

VIRGINIA'S TOP TEN EXPORT PRODUCT GROUPS 2010		
Product Group	2010 (US\$)	% Change 09/10
Electrical Machinery	\$2,435,859,016	26.32%
Industrial Machinery	\$2,232,324,663	20.24%
Mineral Fuel/Oil (mostly coal)	\$1,184,120,495	21.23%
Plastics	\$1,019,052,318	21.87%
Vehicles	\$974,628,720	3.17%
Paper/Paperboard	\$864,870,162	-2.17%
Aircraft/Spacecraft	\$830,413,432	12.23%
Optic/Medical Instruments	\$574,867,940	-9.33%
Pharmaceuticals	\$542,062,778	27.80%
Misc. Grain/Seed/Fruit	\$454,073,320	2.84%

(Source for Text and Table: World Trade Atlas)



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TOP EXPORT INDUSTRIES AND COMMODITIES (cont.)

VIRGINIA'S TOP EXPORT COMMODITIES 2010			
Commodity	2010 (US\$)	% Change 09/10	Top Destinations
Integrated Circuits	\$1,296,608,270	36.2	Singapore, Taiwan, China
Coal (solid form)	\$989,770,772	6.43	Brazil, India, Netherlands
Parts for Aircraft/Spacecraft	\$580,574,252	9.8	UK, Singapore, Australia
Paper (coated, bleached)	\$542,743,509	6.28	Mexico, Canada, China
Pharmaceuticals	\$442,205,596	-11.83	France, Netherlands, Mexico
Soybeans	\$427,597,503	30.38	China, Tunisia, Indonesia
Printing Machinery	\$412,542,918	49.67	Canada, Mexico, Brazil
Tobacco (unmanufactured)	\$345,174,879	-44.27	Belgium, Netherlands, Germany
Synthetic Filament	\$327,636,826	-7.26	China, Belgium, Indonesia
Pneumatic Hand Tools	\$325,243,518	11.99	Germany, Russia, France

TOP DESTINATIONS FOR VIRGINIA EXPORTS

Virginia exported to 219 countries and territories in 2010. Canada imported \$2.87 billion worth of Virginia goods, making Canada Virginia's number one importer for the 14th consecutive year. In fact, Canada purchased more than the second and third buyers combined: China at \$1.27 billion and Singapore at \$1.03 billion.

VIRGINIA TOP TEN EXPORT DESTINATIONS 2010			
Rank	Country	2010 (US\$)	% Change 09/10
1	Canada	\$2,874,612,789	26.51
2	China	\$1,275,836,670	8.57
3	Singapore	\$1,039,350,409	65.21
4	United Kingdom	\$1,025,755,400	2.01
5	Mexico	\$861,238,716	14.58
6	Germany	\$852,411,051	1.44
7	Brazil	\$643,473,881	33.5
8	Japan	\$504,259,030	14.73
9	Belgium	\$485,979,273	8.84
10	Netherlands	\$454,281,072	-29.3

(Source for Text and Tables: World Trade Atlas)



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TOP REGIONAL BUYERS OF VIRGINIA EXPORTS



Virginia businesses export to every major geographic region of the world.

- Western Europe remains Virginia's top export region. In 2010, Virginia exported \$4.18 billion of goods to this region. Product groups with significant growth came from railway equipment, ships and boats, arms and ammunition, articles of base metal (stoppers/caps/lids/seals), and nonwoven textiles.
- Virginia exports to the Asia Pacific region grew 23% in 2010 to \$4.3 billion. Product groups that performed well included electrical machinery, plastics, industrial machinery, aircraft/spacecraft, and furniture and bedding.
- Virginia's exports to NAFTA countries Canada and Mexico increased 23% in 2010. Sales to Canada were up 26% while sales to Mexico were up 14%. The automotive industry dominates trade between Virginia and Canada, while the top export to Mexico is industrial machinery, much of which goes to *maquila* factories along the U.S.-Mexican border.
- Trade between Virginia and Eastern Europe is led by Russia, Poland, and Ukraine. Top Virginia exports to this region in 2010 were commodities, like coal, tobacco, and animal feed. Strong performers included pneumatic hand tools, military apparel and equipment, and electrical machinery.
- The Middle East is a diverse market for Virginia exports, with strong sales coming from vehicles, industrial machinery, electrical equipment, military gear, and agricultural commodities. This market increased its purchases from Virginia by 5% in 2010, with strong sales growth coming from chemical products, military apparel and equipment, paper/paperboard, industrial pumps/compressors, optic/medical instruments, electrical machinery, and manmade staple fibers.
- Exports to South America via Virginia were up 31% in 2010. Top markets were Brazil, Venezuela, Argentina, and Colombia. With the exception of Chile, whose economy is dominated by mining, this region tends to purchase commodities from Virginia such as coal, soybean oil, and fertilizers. Chile imports significant volumes of mining-related equipment from Virginia manufacturers.
- Exports via Virginia to Central America increased 26% in 2010, and were dominated by inputs and machinery for the region's strong textile industry.
- Virginia exports to the Caribbean increased 17% in 2010 and were valued at \$293.91 million. Exports to this region were overwhelmingly agricultural products and machinery for the agricultural industry.

(Source for Text: World Trade Atlas)



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VEDP SERVICES

The VEDP offers a number of export-related services to Virginia businesses, including group market visits and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters. For more information, please visit our website: www.exportvirginia.org.

ADDITIONAL RESOURCES

United States Department of Commerce. Bureau of Economic Analysis: <http://www.bea.gov>
United States Department of Commerce. International Trade Administration. Manufacturing and Services Unit: <http://www.trade.gov/mas>
United States Department of Commerce. Office of Trade and Industry Information, Manufacturing and Services. TradeStats Express: <http://tse.export.gov>
Virginia Department of Agriculture and Consumer Services: <http://www.vdacs.virginia.gov>

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