

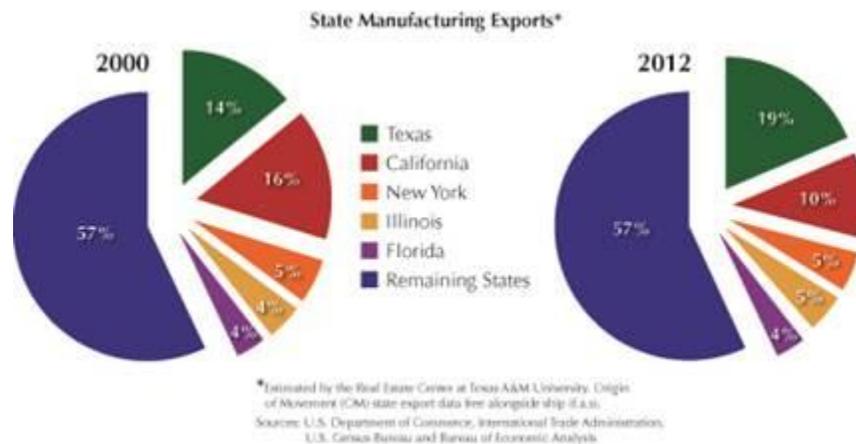


REAL ESTATE CENTER TEXAS A & M UNIVERSITY

Texas a World-Class Exporter

By David S. Jones, Senior Editor, Real Estate Center at Texas A&M University
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COLLEGE STATION, Tex. ([Real Estate Center](#)) – Texas is a major player in the export game, ranking first among the states in exported goods.



“Almost two of every ten manufactured goods are exported from Texas,” said Dr. Luis Torres, associate research economist with the Real Estate Center at Texas A&M University.

“Some of the goods are made in Texas. Other are produced out of state and shipped to Texas for consolidation prior to export,” he said. “Even goods not produced here have a positive spillover effect on the state’s economy in areas such as transportation and warehousing.”

Texas’ border location, sea access, natural oil and gas resources, favorable labor costs and a business-friendly climate make it the top exporting state.

“Small and medium-size firms are the major Texas exporters. In 2010, there were 27,893 Texas exporting firms. Of these, 93.3 percent were small and medium-size firms that exported some \$51.2 billion in merchandise,” said Torres.

In 2011, Texas exports totaled \$265 billion, of which \$251 billion were manufactured goods. That was 19.2 percent of the state’s gross domestic product.

Texas exports to 222 countries. Mexico is the state’s largest trading partner. About one-third of all 2012 manufactured exports originating in Texas went to Mexico.

“In recent years, exports to Mexico and Canada have fallen while those to Brazil and the Netherlands have doubled, and those to China tripled,” said Torres.

Increased global demand has made petroleum and coal products Texas biggest export category. In 2002, they were 4 percent of manufactured exports. By 2012, they were 22.8 percent.

“From 2006 to 2011, the Houston-Sugar Land-Baytown region, a global behemoth in the petroleum industry, recorded an impressive export performance,” said Torres. “There the agglomeration of petroleum companies allowed exports to grow at an annual rate of 13.1 percent, representing 52.3 percent of state exports.

Exports generate jobs in business, transport and trade. More than one-quarter of Texas manufacturing jobs are export related.

Torres cautioned, “Texas’ economy is not immune to international shocks, positive or negative. If prices of international commodities change abruptly, or if another financial crisis erupts, the state’s economy is exposed. This is especially true in the oil market.”

For more information, read Torres’ article, “[All My Exports Come from Texas](#),” in the April issue of [Tierra Grande](#) magazine, the Real Estate Center’s flagship periodical.