

GROWING AGRICULTURAL EXPORTS: VIRGINIA'S AGGRESSIVE TRADE AGENDA

SOUTHERN LEGISLATIVE CONFERENCE

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Who, What, When, Where & Why?

- ❑ Why are agricultural exports important?
- ❑ Where does Virginia export agricultural products?
- ❑ Who is exporting from Virginia?
- ❑ How is Virginia increasing agricultural exports?
- ❑ What success have we achieved?
- ❑ Why should I care?
- ❑ Where do we go from here?

IMPACT OF AGRICULTURE & FORESTRY

- ❑ *Commonwealth's Largest Two Industries*
- ❑ *Economic Impact: Almost \$80 Billion Annually*
 - ❑ *\$55B From Agriculture; \$24B From Forestry*
- ❑ *Provides Nearly 500k Jobs Via Production, Value-Added & Ripple Effect Industries*
- ❑ *More Than 10% of all VA Jobs; Every Industry Job Supports 1.5 Jobs Elsewhere*

AG EXPORTS FROM THE SOUTH

- ALABAMA, \$1.1 billion
- ARKANSAS, \$1.2 billion
- FLORIDA, \$4.2 billion
- GEORGIA, \$2.9 billion
- KENTUCKY, \$1 billion
- LOUISIANA, \$21.9 billion
- MISSISSIPPI, \$600 million
- MISSOURI, \$1.9 billion
- NORTH CAROLINA, \$2.8 billion
- OKLAHOMA, \$600 million
- SOUTH CAROLINA, \$650 million
- TENNESSEE, \$1.8 billion
- TEXAS, \$11.6 billion
- WEST VIRGINIA, \$100 million

Source: GTIS, using data
from U.S. Census Bureau

IMPORTANCE OF AG EXPORTS

- ❑ *Exports Mean Jobs & Opportunities*
- ❑ *USDA: Exports Generate Nearly 30% of Annual Farm Cash Receipts*
- ❑ *Every \$1.00 From Exports Creates Another \$1.40 in Support Activities: Processing, Packaging, Financing & Shipping*
- ❑ *Export Related Jobs Pay Average of 15% More Than Other Jobs*

AG & FORESTRY SECRETARY'S FOCUS

- *Act as Ambassador, Chief Marketing Officer*
- *Mindset: “Buy Local – Sell Global”*
- *Utilize Governor, C&T Secretariat, VEDP, VPA*
- *Build Strong Partnerships with Private Sector*
- *Increase Virginia's Global Presence*
- *Capitalize on Diverse Market, Product Portfolios*

VALUE OF AGRICULTURAL EXPORTS

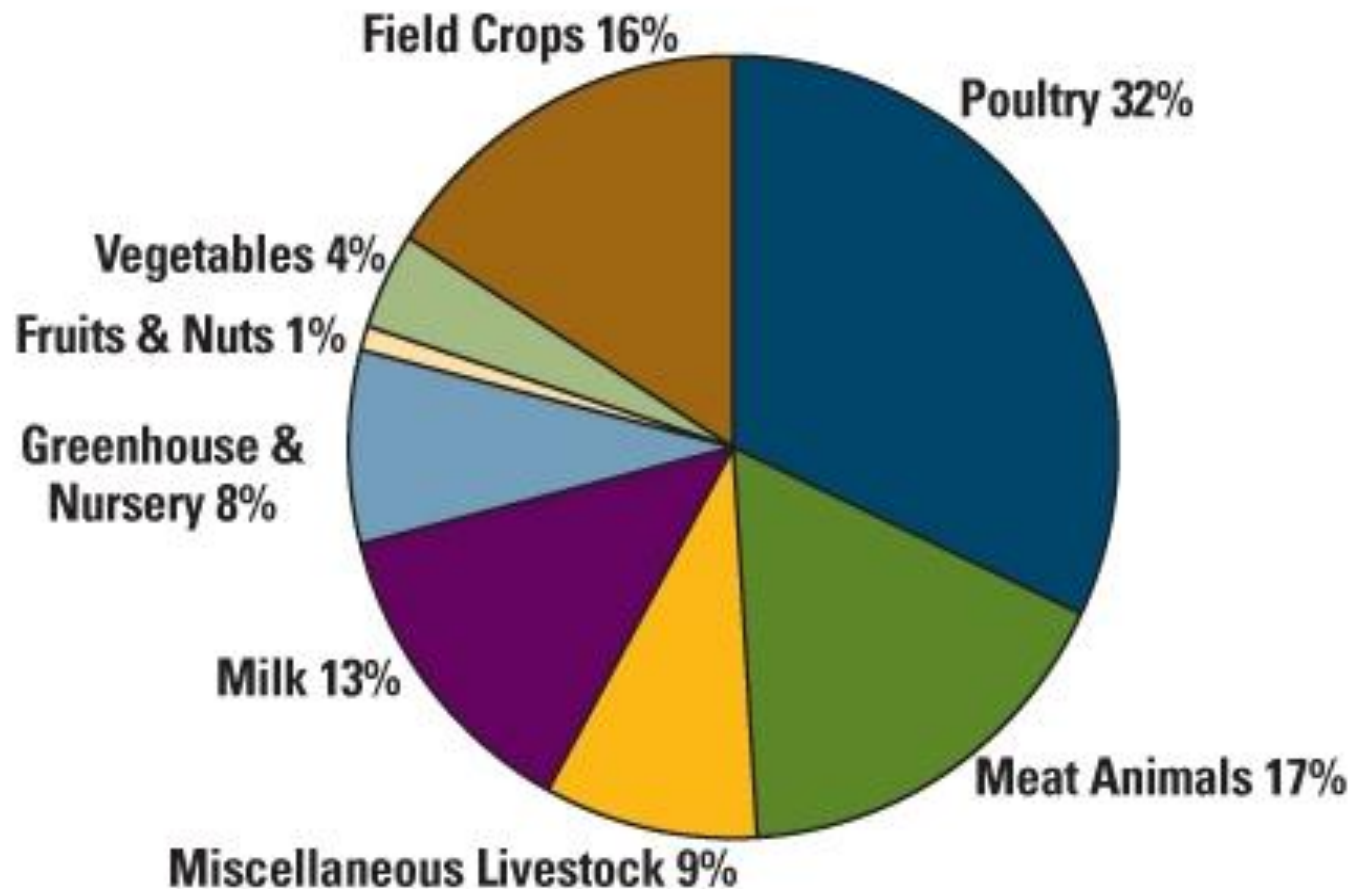


- *Record \$2.35B in Ag/Forestry Exports*
- *2%, 6% Above Previous Highs in '09, '10*
- *Soybeans, Grains, Meat Products Driving Growth*
- *Asia, North Africa Regions Help Spur Increase*
- *Great News; Trade Barriers Continue to Impact*

VIRGINIA'S TOP EXPORT MARKETS

- Morocco, \$360 million
- China, \$304 m
- Canada, \$220 m
- Switzerland, \$149m
- Egypt, \$139m
- Tunisia, \$66m
- Cuba, \$65m
- Venezuela, \$60m
- Indonesia, \$57m
- Taiwan, \$56m
- Vietnam, \$52m
- Saudi Arabia, \$52m
- Hong Kong, \$47m
- Jamaica, \$47m
- Japan, \$41m
- Ireland, \$39m
- Turkey, \$38m
- Brazil, \$37m
- Mexico, \$36m
- United Kingdom, \$31m

Diversity of Virginia's Agriculture



VIRGINIA'S TOP AGRICULTURAL EXPORTS

- Soybeans
- Soybean Meal, Oils
- Grains (Wheat, Corn, Feed)
- Pork
- Poultry
- Leaf Tobacco
- Wood Products
- Fats & Oils
- Cotton
- Seafood & Aquaculture Products
- Fresh Vegetables, Fruits
- Hides & Skins
- Processed Food Products
- Beverages (Alcohol, Non-Alcohol)
- Rendered Products

KEYS TO VIRGINIA'S GLOBAL SUCCESS



- ❑ *Growers/Producers Offering Product Diversity*
- ❑ *Strategic Mid-Atlantic Location*
- ❑ *World-Class Air, Land, Sea Ports; Excellent Rail & Interstate System*
- ❑ *Business Friendly Climate*
- ❑ *Public Sector Recognizing Importance of Exports*

KEYS TO VIRGINIA'S GLOBAL SUCCESS



*Full Integration of Agriculture
and Forestry Industries Into
Virginia's Economic
Development and Jobs Creation
Strategic Plan*



VA'S PRINCIPALS IN GROWING EXPORTS

- *“No Silos” Approach to Leading*
- *Governor McDonnell – “Bob’s For Jobs”*
- *Secretaries of Ag & Forestry / Commerce & Trade*
- *Partners at VPA, VEDP, VTC, VT & VSU*
- *VDACS Division of Marketing & Development*







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STRATEGIES TO GROW AG EXPORTS

- ❑ *Strong Partnerships with Private Sector Companies*
- ❑ *Focus on Retaining Solid Market Presence in Mature & Established Markets*
- ❑ *Pursue Growth Opportunities in Emerging Markets*
- ❑ *Develop Business in “Unconventional” Markets*
- ❑ *Preserve Farmland; Keep Farming Profitable*

EXAMPLE: OPPORTUNITIES IN CHINA

- ❑ Food and agricultural imports from the U.S. are growing at 20-30% each year
- ❑ U.S. products are seen as safe and high quality
- ❑ China's purchases match well with the basket of ag. products grown/produced in Virginia
- ❑ Growing market recognition for Virginia. Last year, Virginia ranked twelfth among U.S. states in terms of the value of agricultural sales to China
- ❑ Membership in WTO provides some leverage for U.S.



VA'S COMMITMENTS TO GROWTH & SUCCESS

- ❑ *New State Funds for Trade Reps in Key Markets*
 - ❑ *Offices in Shanghai & New Delhi to support HK Office*
 - ❑ *Preparing for Offices in Latin America & Europe*
- ❑ *Gubernatorial Missions in US, EU, Asia, India & Israel*
- ❑ *Secretary of Agriculture & Forestry Missions*
 - ❑ *US, EU, Asia, Canada, India, Israel, Cuba*
- ❑ *VDACS Division of Marketing & Development*
 - ❑ *Missions: US, Canada, Russia, Turkey, UK, Japan, Others*
 - ❑ *Reverse Trade Missions: S. Korea, Malaysia, Vietnam, Others*

VA'S COMMITMENTS TO GROWTH & SUCCESS

- *Advocating Open & Fair Trade Policies*
 - *Colombia, Panama, S. Korea FTAs*
- *Battling Artificial International Trade Barriers*
 - *China: Poultry, Hardwood/Softwood Logs*
 - *India: Leaf Tobacco, Poultry, GMO Products*
 - *European Union: Poultry, GMO Products*

NEW EXPORT GROWTHS & SUCCESSES

- *More than \$150 Million in New Ag Exports During McDonnell Administration...*
 - ▣ *Soybeans, Wine, Logs, Seafood and Peanuts to China, Hong Kong*
 - ▣ *Wine, Specialty Foods, Seafood to European Union*
 - ▣ *Soybeans to Japan*
 - ▣ *Livestock to Russia and Canada; First Shipment*
- *More than \$500 Million in Contracts for 2012-13*

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使用说明

通过ISO9001质量管理体系认证
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2012 COMMITMENTS TO GROWTH & SUCCESS

- ❑ *Creation of Governor's Agriculture & Forest Industries Development Fund (AFID)*
- ❑ *Secretary Placed on VEDP Board*
- ❑ *New Specialty Crop Research Funds*
- ❑ *More International Marketing Support*
 - ▣ *VDACS to Receive \$700k to Support New Efforts in EU, Eastern Europe, North Africa, Central America*

2012 COMMITMENTS TO GROWTH & SUCCESS

- *Continuation of Strategic Marketing Agenda*
 - *McDonnell Administration-Private Sector Partnerships*
- *Gubernatorial/Secretariat Missions to Europe, Canada, Asia, Cuba, Others*
- *Continued Promotion of Free, Fair Trade Efforts*
- *VDACS Missions/Reverse Missions; Outreach*
 - *Full Utilization of Current, New Foreign Offices*

CONCLUSION



THANKS FOR YOUR ATTENTION

QUESTIONS?