

I. EXECUTIVE SUMMARY

- 2007 was another record year for South Dakota exports which reached \$1.5 billion in international sales. South Dakota's growth of 27% was more than double the national and regional increases of 12.1% and 12.6% respectively. Average State growth of 11.3% from 1997-2007 was also far ahead of U.S. and West North Central rates of 5.4% and 7.4%.
- Industrial machinery/Computers, with \$481 million in foreign shipments, Meat and Edible Meat Offal (\$259 mil), and Electric Machinery (\$123 mil) were the State's leading export industries in 2007.
- Industrial Machinery/Computers led export gains in 2007 with \$76 million (18.9%) in new sales. However, the industries with the most impressive dollar and percentage gains included Meat/Edible Meat Offal, which advanced \$61.7 million or 31.4%, Food Waste/Animal Feed (+\$57 mil or 116.5%), Cereals¹ (+\$46 mil or 2250%), and Wood and Articles of Wood (+\$20 mil or 690%).
- At a more detailed product level, Computer Parts (\$261 mil), Pork (\$182 mil), and Self-Propelled Bulldozers (\$87 mil) were South Dakota's most prominent export commodities. The top dollar increases occurred in Computer Parts (+\$111 mil), Brewing or Distilling Residues (+\$51 mil), and Wheat and Meslin (+\$45.5 mil).
- Declines in 2007 were led by Computers (not including parts) which dropped \$86 million or -84%, Aircraft (-\$10.6 mil or -18%), and Electric Sound/Visual Signaling Apparatus (-\$9.2 mil or 21%).
- South Dakota's non-manufactured² exports spiked upwards by 110% in 2007, compared to 22% for manufactured exports. The non-manufactured share of total state exports jumped to 9.8% from 5.7% in the previous year. Top non-manufacturing sector gains were in Agricultural Products (+\$49 mil) and Forestry Products (+\$18 mil).
- South Dakota's most significant regional markets in 2007 were Canada with 38% of total State shipments, Asia (29%), Mexico (16%), and Europe (13%). Mexico and Canada reported the strongest percentage gains of 30% and 39% respectively. Trade growth in Asia was slightly slower at 23% and in Europe was a sluggish 3.1%.
- After Canada, Thailand and Hong Kong (the leading destinations for State Computer Part sales) were the third and fourth ranked markets, followed by Germany.

¹ South Dakota Cereals exports, including commodities such as wheat and corn, are under-reported in the data on state exports. These types of commodities are largely credited to the major port states where they are consolidated before shipping, rather than to the true states where the commodities are grown.

² The last section of this report provides data separately for manufactured and non-manufactured exports because manufactured exports more accurately reflect the true state of origin of movement of exports than non-manufactured.