

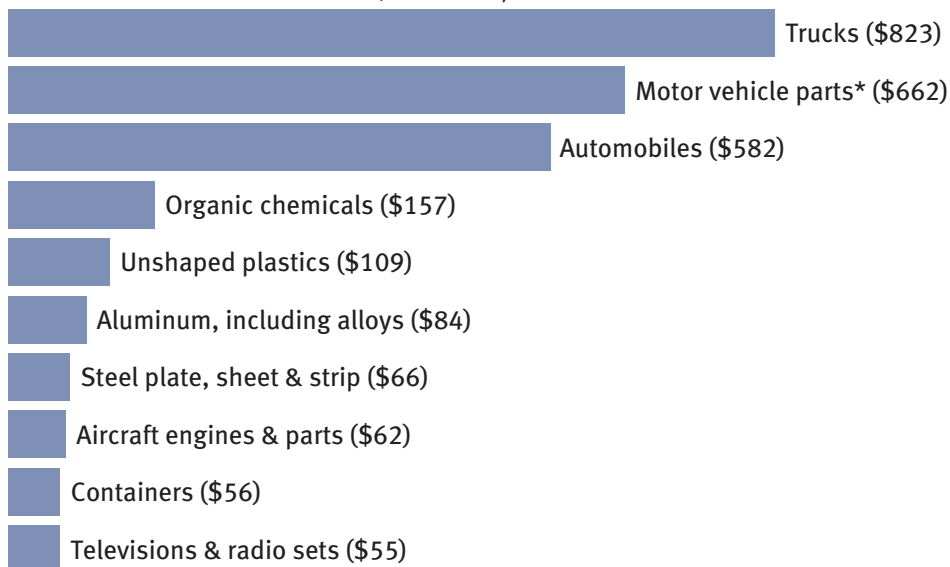
# KENTUCKY

➤➤ 69,000 Kentucky jobs are supported by Canada–U.S. trade

- Total Canada–U.S. merchandise trade: \$411 billion
- Canada–U.S. trade supported 5.2 million U.S. jobs
- Kentucky sold more to Canada than it did to the six other G-8 members combined
- Canada and Kentucky’s exchange of various printed matter reached \$154 million last year, stimulating intellect as well as trade

## Kentucky’s Leading Exports to Canada

2004, in millions of U.S. dollars

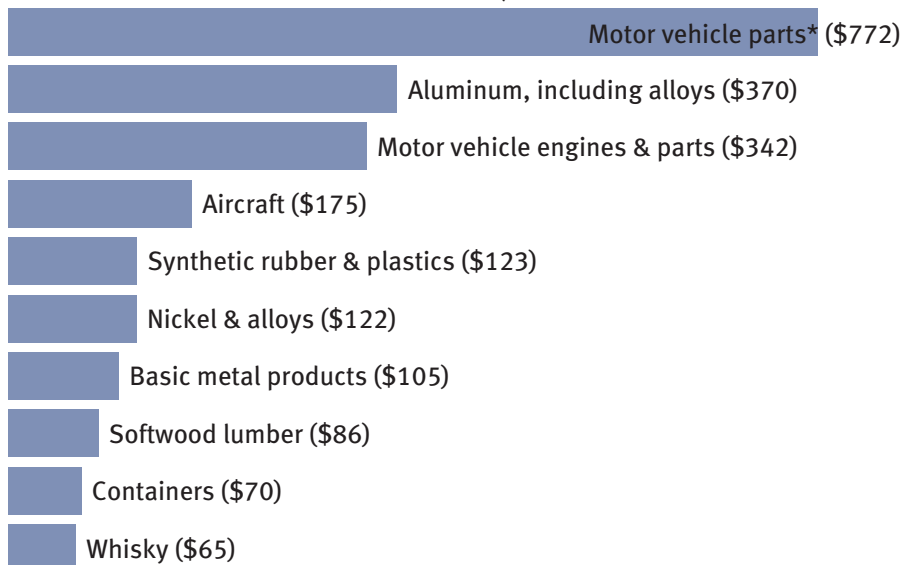


\*not including engines

**Total Kentucky exports to Canada: \$4.3 billion**

## Kentucky’s Leading Imports from Canada

2004, in millions of U.S. dollars



\*not including engines

**Total Kentucky imports from Canada: \$3.9 billion**



### A coveted position...

Canada maintained its status as Kentucky’s foremost trading partner, purchasing 36% of the state’s foreign-bound exports last year. With sales totaling \$4.3 billion, Kentucky sold more to its northern neighbor than to its next six largest trading partners combined. The trade relationship was a mutually beneficial one as the state also relied on Canada for \$3.9 billion worth of imports. Overall, bilateral trade totaled \$8.2 billion, an increase of \$436 million from 2003.

### Trade in motion...

The transportation sector was the backbone of the Canada-Kentucky trade relationship, generating \$3.7 billion in revenue last year. This accounted for 45% of the total goods traded between the Bluegrass State and its northern ally. The state supplied Canada with \$2.2 billion in transportation goods, making it the state’s largest Canada-bound export sector in 2004. Within the sector, Kentucky shipped \$823 million in trucks, \$662 million in motor vehicle parts (excluding engines), and \$582 million in automobiles north of the border.

Canadian transportation goods were also in high demand—Canada supplied the state with \$1.4 billion worth. Kentucky’s purchases included \$772 million in motor vehicle parts (excluding engines) and \$342 million in motor vehicle engines and parts.

### Chemical reaction...

Chemicals generated \$900 million in cross-border exchange, making them the second largest trade sector in 2004. The Bluegrass State sent \$485 million worth of chemicals to Canada and purchased \$415 million worth in

return. Bluegrass sales of organic chemicals represented the most profitable chemical commodity, generating \$157 million for the state last year. In return, Canada supplied Kentucky with chemicals totaling \$415 million, including \$123 million in synthetic rubber and plastics.

#### Moving the market with metals...

Kentucky exchanged a total of \$1.1 billion in metals products with its northern neighbor last year. The state sold Canada \$353 million in these various metals products, including \$84 million in aluminum (including alloys) and \$66 million in steel (plate, sheet and strip). Canada reciprocated, supplying Kentucky with \$763 million in metals.

#### Thoroughbreds and southern charm...

Canadians made 275,200 visits to Kentucky last year, enticed by the state's famed Kentucky bluegrass and renowned thoroughbred horses. While visitors to the Bluegrass State pumped \$29 million into the Kentucky economy, Kentuckians made 89,500 visits to Canada and spent \$36 million over the course of their northern trips.

July 2005



### Top Three Canadian Employers

- ✦ Extindicare Inc.
  - ★ *Extindicare Facilities Inc.*
- ✦ Alcan Inc.
  - ★ *Alcan Corporation*
- ✦ Onex Corporation
  - ★ *J L French Corporation*

State jobs supported by Canada-U.S. trade: 69,000

### Kentucky Trade

Exports to Canada: \$4.3 billion  
 Imports from Canada: \$3.9 billion  
 Bilateral trade: \$8.2 billion  
 Largest export market: Canada

### Kentucky Tourism

Visits by Canadians: 275,200  
 \$ spent: \$29 million  
 Visits to Canada: 89,500  
 \$ spent: \$36 million

Kentucky's Merchandise Exports to Canada		Kentucky's Merchandise Imports from Canada	
2004, in millions of U.S. dollars		2004, in millions of U.S. dollars	
Transportation	\$2,230	Transportation	\$1,448
Chemicals	\$485	Metals	\$763
Metals	\$353	Chemicals	\$415
Household Goods	\$302	Forest Products	\$256
Machinery	\$238	Equipment	\$225
Equipment	\$203	Agriculture	\$195
Telecommunications	\$96	Machinery	\$178
Agriculture	\$68	Household Goods	\$120
Textiles	\$45	Telecommunications	\$31
Other	\$281	Other	\$223

### Canada-Kentucky Success Stories

Alltech is a Lexington-based multinational biotechnology company that incorporated Alltech Canada in 1988. The company provides natural solutions to the feed and food industries, and employs 70 people in Canadian plants, including ones in Guelph and Alexandria, Ontario.

Kentucky's Morehead State University received a federal grant to fund research with the University of Kentucky to allow faculty from both universities to study public policy. The grant will encompass two specific areas of research: federalism, individual rights, and governmental immunities in Canada and the US; and international human rights law in Canadian provinces and American states.

Montreal-headquartered Alcan is the world's second largest producer of primary aluminum, as well as a global producer of value-added engineered products and composites. The company's operations include key facilities at three Kentucky locations: Sebree, Glasgow and Berea. The Sebree smelter was recognized by the US EPA in 2002 for its voluntarily reductions of greenhouse gas emissions, and the Berea location houses the world's largest aluminum can recycling facility.

For more information on Canada's trade with Kentucky, please contact:

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Sources: Merchandise trade and tourism figures are from *Statistics Canada*, converted at the rate of US\$1.00=C\$1.3015. Job numbers are based on 2001 data from a 2003 study by *Trade Partnership Worldwide* commissioned by the Canadian Embassy. Canada's export ranking is from the *World Institute for Strategic Economic Research (WISER)*. All figures are in U.S. dollars. Figures may not add up due to rounding.