

Tennessee Manufacturing Facts

nam.org/statedata • mfgdata@nam.org

Manufacturers in Tennessee account for almost 15 percent of the total output in the state, employing 11.4 percent of the workforce. Total output from manufacturing has ranged from \$31 to \$40 billion for the past several years (see figure); it was \$36.3 billion in 2009. In addition, manufacturing compensation is just over 58 percent higher than other nonfarm employers in the state.

Manufacturing Output and Exports

Tennessee Total Manufacturing Output (\$billions, 2009)	\$36.3
Manufacturing's Share of Total Gross State Product (2009)	14.9%
Manufacturing Establishments in Tennessee (2009)	6,214
Manufacturing's Share of Tennessee's Exports (2010)	92%
Total Employment Related to Manufactured Exports (2008)	156,000

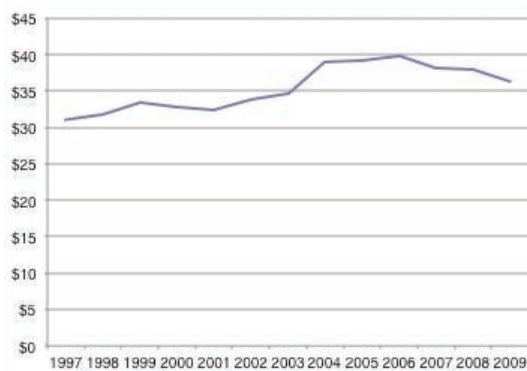
Source: U.S. Bureau of Economic Analysis

Employment and Compensation

Manufacturing Employment (2010)	297,700
Manufacturing Employment (% of Overall Nonfarm) (2010)	11.4%
Average Annual Compensation in Manufacturing (2009)	\$61,381
Average Annual Compensation in Nonfarm Sectors (2009)	\$38,801
Manufacturing Pay Premium (as a % of Nonfarm) (2009)	\$22,580 (58.2%)

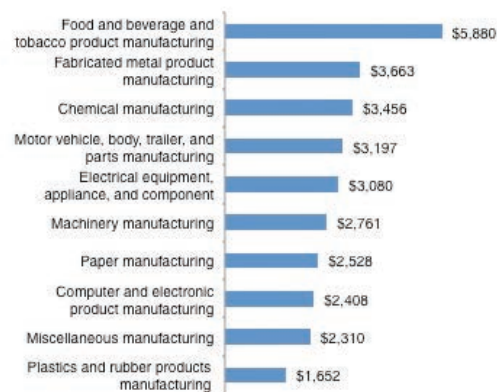
Sources: U.S. Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

Tennessee Manufacturing Output (Billions of Dollars, from 1997-2009)



Source: U.S. Bureau of Economic Analysis

Top 10 Tennessee Manufacturing Sectors (in Millions of Dollars, in 2009)



Source: U.S. Bureau of Economic Analysis

Tennessee Benefits from Exports!

Manufactured goods exports are the strongest part of Tennessee's economy even though Tennessee and other states export only half as much of their production as the world average. America's exports and the related jobs could double if Congress passes strong pro-export legislation.

- **Manufactured exports support 20 percent of Tennessee's manufacturing jobs.**
- **Since 2003, Tennessee manufacturing exports rose more than four times as fast as the state's overall economy.**
- **82 percent of Tennessee exporters are small businesses (2009).**
- **Tennessee exported \$11.7 billion of manufactured goods to Free Trade Agreement (FTA) partner countries in 2010 – 49 percent of Tennessee's total.**

Tennessee Trade Statistics

Manufactured Goods Exports, 2010 (billions)	\$23.9
Total Jobs in all Sectors Supported by Manufactured Goods Exports	156,000
Export Share of Manufacturing Jobs	20%
2003-2010 Growth of Manufactured Goods Exports	117%

Manufactured Exports Drive Tennessee's Economy

- Manufacturing accounts for 92 percent of Tennessee's exports (2010).
- Since 2003, Tennessee manufacturing exports grew 117 percent while the national average was a 70 percent increase.
- Manufactured exports support 20 percent of Tennessee's manufacturing jobs (U.S. average is 22 percent).

Tennessee Manufacturers Are Engaged in Exporting around the World

- Top five U.S. export markets: 54 percent of Tennessee exports (2010).
- Canada (29%), Mexico (11%), Japan (5%), China (5%) and Germany (3%).

Chart 1. Tennessee's Manufactured Goods Exports

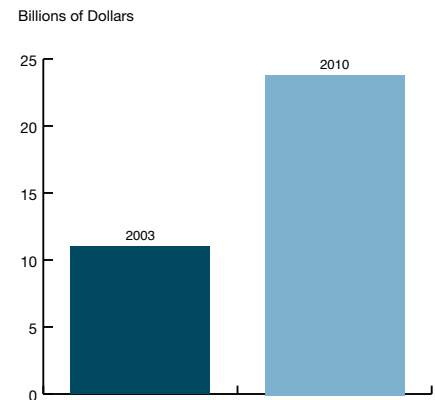
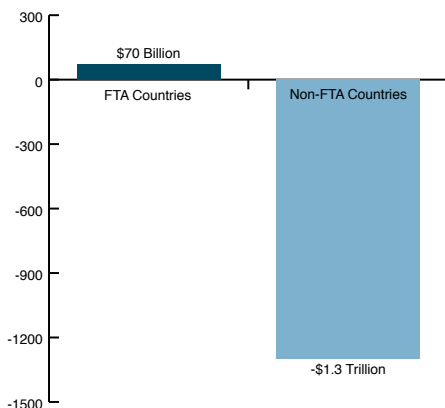


Chart 2. U.S. Manufacturing Trade Balance (2008-2010) FTA Countries Versus Non-FTA Countries



Exporting Is Critical to Tennessee's Small Businesses

- Small businesses comprise 82 percent of Tennessee's 5,020 exporters (2009).
- Small businesses average \$896,000 in exports per firm.
- Small businesses account for 17 percent of total state exports.

Additional Trade Facts

- Over the past three years, manufacturers in the U.S. sold \$70 billion more in manufactured goods to our free trade agreement (FTA) partners than we bought from them. The United States had a manufacturing trade deficit of \$1.3 trillion in countries where no FTAs existed (*see chart 2*).
- FTA countries: Australia, Bahrain, Canada, Chile, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua, Oman, Peru, Singapore.
- Visit www.nam.org/statedata or www.nam.org/trade. E-mail us at trade@nam.org.

Source: U.S. Department of Commerce. Unless otherwise noted, data reflects 2008.