

# National Paint and Coatings Association

## Paint and Coatings Industry National and State International Trade Key Findings

### National Key Findings

#### **U.S. Paint and Coatings Industry International Trade Trends**

- The United States exported \$1.6 billion in paint and coatings products in 2007, up by three percent, or \$43 million, from 2006.
- Paint and coatings trade is comprised of the following product sectors: oil-based paint and varnish; water-based paint and varnish; and paints and varnishes for leather.
- The United States imported \$654 million in paint and coatings products in 2007, up by five percent from 2006.
- The U.S. paint and coatings industry posted a trade surplus of \$933 million in 2007, rising one percent from 2006 and 52 percent from 1997.
- The oil-based paint and varnish product sector was the largest paint and coatings sector by both exports and imports, at \$1 billion and \$491 million, respectively, in 2007. This industry sector had a trade surplus of over one-half billion dollars in 2007.
- The next largest product sector was water-based paint and varnish with U.S. exports of \$523 million and imports of \$157 million in 2007.
- Two-way trade of paint and coatings products (the sum of exports and imports) totaled \$2.2 billion in 2007, a three percent increase from 2006.

#### **U.S. Paint and Coatings Industry Exports by Country**

- In 2007 the U.S. paint and coatings industry exported \$760 million of products to Canada and \$245 million to Mexico. These two NAFTA partners have consistently been the two largest export markets for the industry.
- Over 60 percent of all U.S. paint and coatings industry exports were sold to our NAFTA partners in 2007, totaling more than \$1 billion.
- The third largest export market for U.S. paint and coatings products was China at \$60 million in 2007.
- Germany and Japan rounded out the top five leading export markets of U.S. paint and coatings products in 2007, at \$44 million and \$40 million, respectively.

#### **U.S. Paint and Coatings Industry Imports by Country**

- The United States imported over 45 percent of all paint and coatings products from Canada, \$298 million in 2007.
- Germany was the second largest supplier of paint and coatings products to the United States in 2007 at \$107 million.
- Rounding out the top five leading exporters of paint and coatings products into the United States in 2007 were Mexico (\$70 million), Japan (\$49 million), and the United Kingdom (\$31 million).

#### **U.S. Paint and Coatings Industry Two-Way Trade by Country**

- Of the \$2.2 billion in two-way U.S. paint and coatings products trade with the world, the majority (61 percent) is with the NAFTA countries of Canada and Mexico.

- Canada ranked first in two-way trade of paint and coatings products with the United States, at over \$1 billion in 2007.
- Mexico was the second largest two-way trading partner with the United States in 2007, with \$315 million in paint and coatings products.

## State Key Findings

### **Paint and Coatings Industry Export Trends by State**

- The state with the most paint and coatings exports was Ohio, with \$234 million in 2007, an increase of 17 percent from 2006.
- Following closely behind Ohio was Illinois, which reported \$213 million in paint and coatings exports in 2007.
- Texas followed Illinois, exporting \$134 million in paint and coatings products in 2007.
- California and Michigan completed the top five leading states by paint and coatings exports in 2007, at \$129 million and \$125 million, respectively.
- Ohio posted the largest dollar value increase in paint and coatings exports between 2006 and 2007, growing by \$33 million, followed by New Jersey with exports up by \$22 million.
- Ohio and Illinois were the leading states by oil-based paint and varnish exports in 2007, at \$149 million and \$110 million, respectively.
- Illinois was the leading state by water-based paint and varnish exports in 2007, at \$100 million.
- Pennsylvania, California, and New Jersey were the leading states by paints and varnishes for leather exports in 2007, at \$10.3 million, \$8.1 million, and \$7.2 million, respectively.

### **Notes about Methodology**

Data are based on the following 3 four-digit Harmonized System (HS) codes:

3208 Oil-based Paint and Varnish  
 3209 Water-based Paint and Varnish  
 3210 Paints and Varnishes for Leather

This definition is a conservative representation of the core of the paint and coatings industry. In an effort to produce solid statistics, the National Paint and Coatings Association does not include broad industry categories if the paint and coatings products do not represent a clear majority.

The trade statistics were derived from U.S. Bureau of the Census data and are reported on a Census or Customs basis. The Census basis goods data are compiled from the documents collected by the U.S. Customs Service and reflect the movement of goods between foreign countries and the United States.

2007 data are the most recent available from the U.S. Bureau of the Census.

All state export statistics are drawn from the Origin of Movement (OM) series compiled by the Foreign Trade Division of the U.S. Census Bureau. OM data cover exports of goods only. There are no comparable statistics for state imports of goods. Consequently, it is not possible to calculate trade balances or total two-way trade for individual states.