How is Your Community Benefitting from a Global Economy?

Joe Kiely
What is an FTZ?
Benefits and Opportunities

Global Trade
Implications for the Ports-to-Plains Region

Ports-to-Plains and FTZs
Combining Global Trade with an Energy Economy

Creating a Stronger Alliance
Is there an MOU in the Future?
What is an FTZ?
Benefits and Opportunities

The Foreign-Trade Zone Program was created by the U.S. government to facilitate international trade and increase the global competitiveness of U.S.-based companies. The program, which has existed since the 1930s, continues to thrive and change to better meet the needs of American companies in the global economy.
What is an FTZ?
Benefits and Opportunities

An FTZ is an area within the United States, in or near a U.S. Customs port of entry, where foreign and domestic merchandise is considered to be outside the country, or at least, outside of U.S. Customs territory.
What is an FTZ?
Benefits and Opportunities

Customs duties and excise taxes are due only at the time of transfer from the FTZ for U.S. consumption. If the merchandise never enters the U.S. commerce, then no duties or taxes are paid on those items.
What is an FTZ?
Benefits and Opportunities

FTZs are designated sites licensed by the FTZ Board (Commerce Secretary is Chairperson) at which special CBP procedures may be used.

A site which has been granted zone status may not be used for zone activity until the site or a section thereof has been separately approved for FTZ activation by local CBP officials.
What is an FTZ?
Across the United States
What is an FTZ?
Benefits to the Importing Company

• Duty Deferral
• Inverted Duty for Manufactured Products
• Avoid Personal Property Tax
• Federal income taxes are unchanged.
• All other federal regulations apply.
• Marketing
What is an FTZ?
Benefits to the Local Economy

- Increased Real Property Taxes
- Increased Primary Jobs
- Marketing
What is an FTZ?
Across the United States

*Today, the bulk of U.S. FTZ activity occurs in subzones. Subzones, which carry all zone benefits, consist of a site or sites that are designed for a specific company or use for either warehousing or manufacturing. They account for 85% of all merchandise received in zones and 74% of all zone exports.*
What is an FTZ?
Across the United States

The FTZ program continued to support more than 300,000 generally well-paying jobs in the U.S. economy in 2010. Collectively, GPZs and subzones reported employing 320,000 workers in direct zone activities.

GPZs and subzones received in zones and 74% of all zone exports.

... U.S. Foreign Trade Zones: Background and Issues for Congress
What is an FTZ?
Across the United States

*The nation’s FTZs reported a total of 2,400 firms actively operating through the program.*
# Global Trade

## Ports-to-Plains Commodity Imports -- 2002-2040

<table>
<thead>
<tr>
<th>Foreign Origin</th>
<th>Total M$ in 2002</th>
<th>Total M$ in 2011</th>
<th>Change 2002 - 2011</th>
<th>Total M$ in 2040</th>
<th>Change 2011-2040</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>$21,666</td>
<td>$73,880</td>
<td>241%</td>
<td>$197,511</td>
<td>167%</td>
</tr>
<tr>
<td>Mexico</td>
<td>$42,178</td>
<td>$73,152</td>
<td>73%</td>
<td>$198,453</td>
<td>171%</td>
</tr>
<tr>
<td>Rest of Americas</td>
<td>$16,940</td>
<td>$50,208</td>
<td>196%</td>
<td>$115,018</td>
<td>129%</td>
</tr>
<tr>
<td>Europe</td>
<td>$23,015</td>
<td>$38,891</td>
<td>69%</td>
<td>$114,968</td>
<td>196%</td>
</tr>
<tr>
<td>Africa</td>
<td>$3,922</td>
<td>$14,404</td>
<td>267%</td>
<td>$23,406</td>
<td>62%</td>
</tr>
<tr>
<td>SW &amp; Central Asia</td>
<td>$11,121</td>
<td>$26,303</td>
<td>137%</td>
<td>$44,977</td>
<td>71%</td>
</tr>
<tr>
<td>Eastern Asia</td>
<td>$33,028</td>
<td>$77,231</td>
<td>134%</td>
<td>$260,673</td>
<td>238%</td>
</tr>
<tr>
<td>SE Asia &amp; Oceania</td>
<td>$8,501</td>
<td>$8,136</td>
<td>-4%</td>
<td>$26,189</td>
<td>222%</td>
</tr>
<tr>
<td>Grand</td>
<td>$160,372</td>
<td>$362,206</td>
<td>126%</td>
<td>$981,195</td>
<td>171%</td>
</tr>
</tbody>
</table>

Freight Analysis Framework Version 3
Ports-to-Plains and FTZs?
Combining Global Trade with an Energy Economy
Ports-to-Plains and FTZs
Combining Global Trade with an Energy Economy

Member Communities with FTZ
- No. 96 Maverick County (Eagle Pass)
- No. 165 Midland
- No. 252 Amarillo
- No. 260 Lubbock
Ports-to-Plains and FTZs
Combining Global Trade with an Energy Economy

Others Along the Corridor
- No. 94 Webb County (Laredo)
- No. 157 Casper, Wyoming
- No. 88 Great Falls, Montana
- No. 187 Toole County (Sweetgrass), Montana
- No. 112 El Paso County (Colorado Springs), Colorado
- No. 123 Denver, Colorado
Ports-to-Plains and FTZs
Combining Global Trade with an Energy Economy

Exploring FTZ
• Limon/Lincoln County, CO
• Rapid City, SD
Creating a Stronger Alliance
Is there an MOU in the Future?

Energy Economy – Oil and Gas

<table>
<thead>
<tr>
<th>State</th>
<th>2012 Production</th>
<th>% Change 2005-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas</td>
<td>734,770</td>
<td>190%</td>
</tr>
<tr>
<td>North Dakota</td>
<td>242,486</td>
<td>680%</td>
</tr>
<tr>
<td>California</td>
<td>195,680</td>
<td>85%</td>
</tr>
<tr>
<td>Alaska</td>
<td>192,368</td>
<td>61%</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>192,368</td>
<td>310%</td>
</tr>
<tr>
<td>New Mexico</td>
<td>84,179</td>
<td>139%</td>
</tr>
<tr>
<td>Louisiana</td>
<td>70,768</td>
<td>94%</td>
</tr>
<tr>
<td>Wyoming</td>
<td>58,192</td>
<td>113%</td>
</tr>
<tr>
<td>Colorado</td>
<td>49,007</td>
<td>215%</td>
</tr>
<tr>
<td>Kansas</td>
<td>43,563</td>
<td>129%</td>
</tr>
<tr>
<td>Utah</td>
<td>30,254</td>
<td>182%</td>
</tr>
<tr>
<td>Montana</td>
<td>26,424</td>
<td>80%</td>
</tr>
</tbody>
</table>
Creating a Stronger Alliance
Is there an MOU in the Future?
Energy Economy – Wind Resources

<table>
<thead>
<tr>
<th>State</th>
<th>Installed Capacity (MW)</th>
<th>Annual Generation (GWh)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas</td>
<td>1,901,529.7</td>
<td>6,527,850</td>
</tr>
<tr>
<td>Kansas</td>
<td>952,370.9</td>
<td>3,646,590</td>
</tr>
<tr>
<td>Montana</td>
<td>944,004.4</td>
<td>3,228,620</td>
</tr>
<tr>
<td>Nebraska</td>
<td>917,998.7</td>
<td>3,540,370</td>
</tr>
<tr>
<td>South Dakota</td>
<td>882,412.4</td>
<td>3,411,690</td>
</tr>
<tr>
<td>North Dakota</td>
<td>770,195.8</td>
<td>2,983,750</td>
</tr>
<tr>
<td>Iowa</td>
<td>570,714.2</td>
<td>2,026,340</td>
</tr>
<tr>
<td>Wyoming</td>
<td>552,072.6</td>
<td>1,944,340</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>516,822.1</td>
<td>1,788,910</td>
</tr>
<tr>
<td>Alaska</td>
<td>494,702.9</td>
<td>1,620,792</td>
</tr>
<tr>
<td>New Mexico</td>
<td>492,083.3</td>
<td>1,644,970</td>
</tr>
<tr>
<td>Minnesota</td>
<td>489,270.6</td>
<td>1,679,480</td>
</tr>
<tr>
<td>Colorado</td>
<td>387,219.5</td>
<td>1,288,490</td>
</tr>
</tbody>
</table>
Creating a Stronger Alliance
Is there an MOU in the Future?

What can Ports-to-Plains do?

- Zone to Zone Transfers
- Marketing
- Website Presence
- Memorandum of Agreements
Main Content Page Layout

Add a subtitle here

This text is a placeholder.

• Here is the second level.
• You may change this text
  • Here is the third level
  • Formatting is controlled by the slide master and the layout pages.
    • There is a third level
      • And even a fourth level
Comparison Page Layout
A second line of text could go here

COMPARISON OF ITEM ONE
This is a place holder for item one. Item one can be text, a picture, graph, table, etc.
• Here is level two
  • Here is level three
    • Level 4
    • Level 4, you may add more text or delete this text.

COMPARISON OF ITEM TWO
This is a place holder for item one. Item one can be text, a picture, graph, table, etc.
• Here is level two
  • Here is level three
A Two Column Page Layout
A Second line of text can go here.

A content placeholder. Use for text, graphics, tables and graphs. You can change this text or delete it.

- Here is a placeholder for more text. You may delete this text
- Here is a placeholder for more text. You may delete this text
Two Picture Page Layout
A second line of text here

A placeholder for text for the first picture
- More information can be added here by changing this text.

A placeholder for the second picture
- More information can be added here by changing this text.
- Make changes to this text.
Three Picture Page Layout

A second line of text may go here.

A description of the first picture. You may change this text.

A description of the second picture. You may change this text.

A description of the third picture. You may change this text.
# Table Page Layout

A second line of text can go here.

Here is the description of the table. You may change or delete this text as you wish.

This chart is compatible with PowerPoint 97 to 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.

<table>
<thead>
<tr>
<th>Geographic Region</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>1254</td>
<td>1254</td>
<td>1254</td>
<td>1254</td>
</tr>
<tr>
<td>Europe and Asia</td>
<td>324</td>
<td>324</td>
<td>324</td>
<td>324</td>
</tr>
<tr>
<td>Australia</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>32</td>
</tr>
<tr>
<td>South America</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Canada</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Mexico</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td>1614</td>
<td>1614</td>
<td>1614</td>
<td>1614</td>
</tr>
</tbody>
</table>
### Comparison Table Layout

A second line of text can go here.

<table>
<thead>
<tr>
<th>Quarter</th>
<th>North America</th>
<th>Asia</th>
<th>Europe</th>
<th>Australia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2009</td>
<td>123</td>
<td>34</td>
<td>45</td>
<td>10</td>
</tr>
<tr>
<td>Q2 2009</td>
<td>134</td>
<td>35</td>
<td>44</td>
<td>12</td>
</tr>
<tr>
<td>Q3 2009</td>
<td>150</td>
<td>45</td>
<td>50</td>
<td>14</td>
</tr>
<tr>
<td>Q4 2009</td>
<td>201</td>
<td>55</td>
<td>60</td>
<td>18</td>
</tr>
<tr>
<td>Q1 2010</td>
<td>175</td>
<td>44</td>
<td>47</td>
<td>13</td>
</tr>
<tr>
<td>Q2 2010</td>
<td>180</td>
<td>48</td>
<td>52</td>
<td>14</td>
</tr>
<tr>
<td>Q3 2010</td>
<td>204</td>
<td>55</td>
<td>60</td>
<td>16</td>
</tr>
<tr>
<td>Q4 2010</td>
<td>250</td>
<td>62</td>
<td>70</td>
<td>20</td>
</tr>
</tbody>
</table>

Here is the description of the table. You may change or delete this text as you wish. This table is compatible with PowerPoint 97 to 2007.
Bar Graph Page Layout
A Second Line of text may go here

Here is the description of the chart. You may change or delete this text as you wish.

This chart is compatible with PowerPoint 97 to 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.
Here is the description of the chart. You may change or delete this text as you wish.

This chart is compatible with PowerPoint 97 to 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.

1st Qtr 58%
2nd Qtr 23%
3rd Qtr 10%
4th Qtr 9%

Chart Title

You can delete these coins.
Pie Graph Page Layout
PowerPoint 97 through 2007 Compatible

Here is the description of the chart. You may change or delete this text as you wish.

This chart is compatible with PowerPoint 97 to 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.
Bar Graph Page Layout
PowerPoint 2007 Enhanced Version

Here is the description of the chart. You may change or delete this text as you wish.

This chart utilizes features only available with 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.

Chart Title

Series 1  Series 2  Series 3

Category 1  Category 2  Category 3  Category 4

A callout, this can be edited or deleted
Pie Graph Page Layout
PowerPoint 2007 Enhanced Version

Here is the description of the chart. You may change or delete this text as you wish.

This chart utilizes features only available with 2007.

Here is a placeholder for more text and description of the chart. Changing this text will not interfere with the formatting of this template.
This chart utilizes **Smart Art** which is a feature in PowerPoint 2007. If you wish to make charts like this and don’t have PPT 2007, we have provided the graphical elements to help you build this yourself.

Here is the description of the chart. You may change or delete this text as you wish.

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Ports-to-Plains Alliance

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