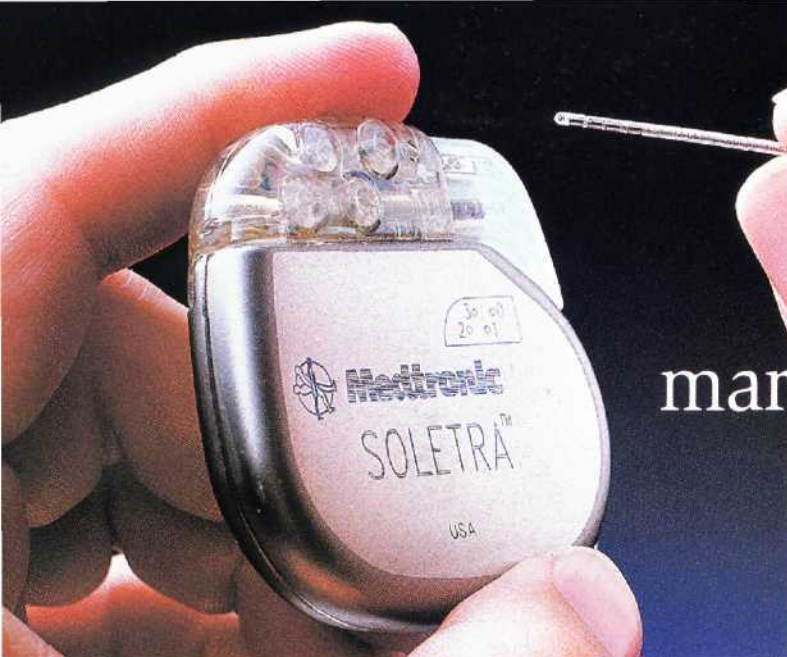


positively *Minnesota*





In this global age, a world of opportunity awaits in the international marketplace, and Minnesotans are reaching out in every direction to seize it.

GLOBAL COMPETITOR

From the boardroom to the classroom to the halls of government, Minnesota's leaders recognize that preserving and building the economic, intellectual, and cultural vitality of the state requires both a global perspective and an international network of partners and friends.

Through educational and cultural exchanges, sister city pacts, technology transfers, joint ventures, cooperative research arrangements, trade missions, and in many other ways, the state's public and private sectors are equally enthusiastic when it comes to bringing Minnesota to the world.

In the international marketplace, Minnesota's world-class products, services, and agricultural commodities have earned a reputation for high quality, innovation, and cutting-edge technology. In 2002, the state's companies responded to worldwide demand by exporting an estimated \$17 billion in manufactured goods, professional services, and agricultural commodities to more than 185 different countries.

Manufactured goods make up the lion's share of foreign sales, accounting for \$9.5 billion in 2002, or 57 percent of total exports. On average, Minnesota manufacturers export about 11 percent of their production.

Between 1997 and 2002, Minnesota's manufactured exports increased 11.7 percent. Leading export industries are computers, electronics, and other high-technology equipment; scientific and medical devices and instruments; processed food; and transportation equipment. Major market countries for Minnesota exports include Canada and nations in the European Union and East Asia. Recently, Minnesota's fastest-growing export markets have included China (and Hong Kong), the Philippines, Ireland, and Mexico.

Minnesota is also an export leader in agricultural commodities and related food products, posting sales of \$2.3 billion in 2002. The state ranks seventh among U.S. states for these exports and accounts for 4 percent of total U.S. agricultural commodities exports. Exported services, including financial, legal, environmental consulting, transportation, and software services, are estimated at \$5.5 billion annually.

Cortec Corporation illustrates the can-do spirit of many of Minnesota's small and medium-sized companies when it comes to competing in the international area. A pioneer in the development of environmentally friendly anti-corrosion products, the company's very first sale was a foreign sale.

Honored as the recipient of the Governor's International Trade Award in 2003, Cortec has 115 employees and



posts annual revenues of \$25 million, with about one-third of those sales coming from international clients in more than 70 countries.

"Doing business around the world is one of the most important things that we do," says Cortec President and CEO Boris Miksic. "When the U.S. economy was in recession, we were still booking good sales internationally." Cortec's international sales were up 55 percent in 2002, outstripping the company's domestic growth by nearly 25 percent.

Processed food is one of the state's strongest and fastest-growing export sectors. These days, Minnesota-made ingredients are used in food production facilities the world over and familiar Minnesota brand names can be found on store shelves from Europe to China.

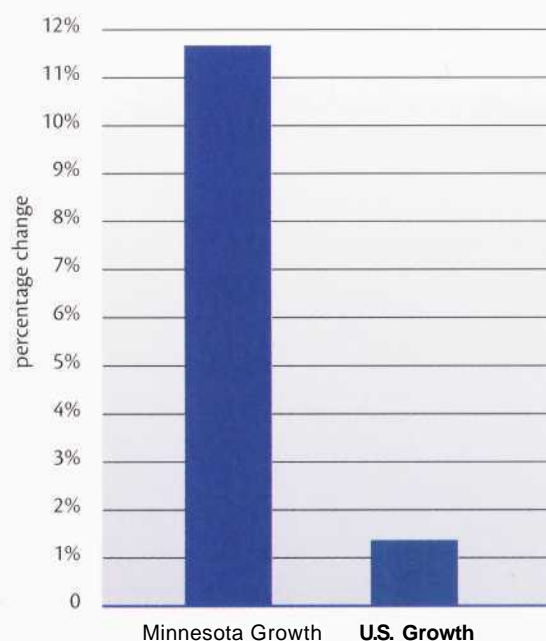
With annual sales upwards of \$100 million, Sunrich is a true global competitor. Headquartered in southern Minnesota with three other facilities statewide, the company produces a line of identity-preserved, non-genetically modified, and organic products that include premium whole soybeans and soy ingredients, flours, meals, and grains, vegetable oils, and sweeteners.

"Exports are extremely important to us, accounting for 20 to 25 percent of total sales in any given year," says Kate Leavitt, Sunrich's international division manager.

As part of its promotional efforts, Sunrich has participated in governor's trade missions to key foreign markets. Among other benefits, these events provide crucial market intelligence and meetings with potential buyers, distributors, and partners. Companies also find that the cachet of a governor's trade mission can sometimes open trade doors that might otherwise have been locked.

Medical technology and devices are among Minnesota's leading manufactured exports. Minnesota-made foods are also in demand around the world. Among them, soy milk from Sunrich, and General Mills' Bugles snack food—a big seller in China.

GROWTH OF MINNESOTA MANUFACTURED EXPORTS, 1997-2002



Source: *Origin of Movement of U.S. Exports*, US Department of Commerce and the University of Massachusetts at Amherst (MISER).