



LOS ANGELES COUNTY ECONOMIC DEVELOPMENT CORPORATION



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News Release

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LAEDC Sees Clear Uptick in Int'l Trade Activity

*LAEDC report forecasts two-way trade to grow by 9.0 percent in 2010
with separate report showing striking economic and personal ties with China*

Los Angeles — Southern California's key international trade industry will see improving activity during 2010 and 2011 after two dismal years in 2008 and 2009, according to the *International Trade Trends & Impacts* report released today by the Los Angeles County Economic Development Corporation (LAEDC).

The total value of two-way trade through the Los Angeles Customs District should increase by 9.0 percent to \$308.5 billion, while the number of containers moved at the ports of Los Angeles and Long Beach will grow by 10.2 percent in 2010.

"The global economic downturn was a huge problem in 2009, as the economies of four of the Los Angeles Customs District's top five trading partners dropped into recession," said LAEDC Chief Economist Nancy Sidhu, Ph.D. "However, all five economies have now returned to growth mode, which bodes well for international trade activity in 2010."

Trade growth at the ports was helped by a number of new projects to meet environmental mandates and expand capacity. At the port of Los Angeles, work is moving on both the Transpacific Terminal and the China Shipping Terminal. At Long Beach, construction at Pier G continues, and the completion of the environmental impact report (EIR) for the Middle Harbor project cleared the way for construction to begin there as well, which has the potential to create additional jobs. The steady increase of export volumes helped by the early recovery in the Asian economies will also contribute to the growth in international trade activity.

"All of these projects have a two-part impact," said Sidhu. "Jobs are being created today—when they are desperately needed—and capacity will be increased for the future when trade activity revives."

"Capacity at the local ports has been a concern in the past, but expansion plans are moving again," said LAEDC Founding Economist Jack Kyser.

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LAEDC Report Shows Uptick in Int'l Trade Activity (continued)

In addition to the terminal expansion projects, both railroads serving Southern California have increased their track capacity to important destinations in the Midwest and Southeast. The Federal government's economic stimulus package should also help fund key highway and bridge projects in the Los Angeles region.

For the *Int'l Trade Trends & Impacts* report, visit: <http://www.laedc.org/reports>

***Growing Together* report highlights L.A. County's personal and economic ties with China**

The LAEDC and its subsidiary, the World Trade Center Association Los Angeles-Long Beach, also released a separate, **new report, *China and Los Angeles County: Growing Together***. The report describes many of the close ties that have developed between Los Angeles County and China, the Los Angeles Customs District's number one trading partner.

U.S. – China trade has increased dramatically over the past thirty years jumping from \$4.8 billion to \$366 billion. The ports of Los Angeles and Long Beach together handle nearly 36 percent of total trade between China and the U.S. The report also documents the growing importance of foreign direct investment in this relationship, reviewing both investments made by Los Angeles area business firms in China and Chinese investments in Los Angeles County.

One such investment is the recent announcement of BYD, the Chinese electric vehicle and solar panel manufacturer, to establish its headquarters in the City of Los Angeles. BYD expects to create 50-100 jobs initially with the potential to create 2,000 jobs over the next three years.

Los Angeles County was seen as a strategic location for BYD because of its well-developed infrastructure network, including Los Angeles International Airport, the ports of Los Angeles and Long Beach and several railways, and is home to major operations of other car companies such as Honda and Toyota.

“BYD's decision to establish its headquarters in Los Angeles County will undoubtedly spur other Chinese vehicle companies to cluster in the region,” said Sidhu. “One in 10 private sector jobs in Los Angeles County depends on the activities of foreign-owned and affiliated businesses. The growth of Chinese investment in L.A. County is a welcome development.”

For the *China and Los Angeles County: Growing Together* report, visit: <http://www.laedc.org/reports>

About LAEDC (www.LAEDC.org)

The Los Angeles County Economic Development Corporation (LAEDC), the region's premier business leadership organization, is a private, non-profit organization established in 1981. Its mission is to attract, retain, and grow businesses and jobs for the regions of Los Angeles County. Since 1996, the LAEDC has helped retain or create more than 162,000 jobs, providing \$7.5 billion dollars in annual economic impact and more than \$136 million dollars in annual tax revenue to support local government and schools.

[Editor's Note: For advanced interviews and images, please contact Aida Mayo or George McQuade at 818-340-5300 or 818-618-9229. Email Publicity@mayocommunications.com.]

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