
SURVEY OF SCOTTISH MANUFACTURED EXPORTS 2002/03



Scottish Council for
Development and Industry

Introduction

The Scottish Council for Development and Industry has been estimating the value of Scottish exports since the 1960s in its Survey of Scottish Sales and Exports. As an independent organisation, the findings of its annual research in this field have been available to Government, academia and industry to assist policy-makers in understanding long-term trends in Scotland's international trading performance. It is the only independent organisation producing such comprehensive statistics on this aspect of Scottish economic activity.

The study provides a definitive guide to Scotland's export performance, which we hope will assist policy-makers within government and the public sector, academia, media, and exporters themselves.

If you have any questions please call 0141 332 9119 and ask for Yvonne MacArthur or Julie McCullagh.

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Manufactured Exports Performance



- SCDI's statistics on Scotland's exports date back to the early 1960s
- First drop in exports recorded in 2001
- Exports drop back to levels seen in the mid 1990s

Manufacturing Industry Export Performance

Scottish Manufactured Exports
(£m Current Prices)
(2000 - 2002)

INDUSTRY (1992 SIC DIVISION)	2000	2001	2002
(15) Whisky *	2,156.3	2,295.1	2,285.3
Gin/Vodka **	140.0	140.0	140.0
Other Food Products and Beverages	404.4	415.1	478.4
(16) Tobacco Products	-	-	-
(17) Textiles	241.2	224.2	206.6
(18) Wearing Apparel; Dressing and Dyeing of Fur	87.4	66.6	71.1
(19) Tanning and Dressing of Leather; Luggage, Handbags, Saddlery, Harness and Footwear	82.0	68.6	48.9
(20) Wood and Wood Products	31.9	30.5	25.6
(21) Pulp, Paper and Paper Product	447.1	366.4	370.1
(22) Publishing, Printing and Reproduction of Recorded Media	77.3	51.8	58.2
(23) Coke, Refined Petroleum Products and Nuclear Fuel	358.2	292.1	399.4
(24) Chemicals and Chemical Products	1,721.8	1,416.7	1,424.5
(25) Rubber and Plastic Products	313.7	323.7	311.2
(26) Other Non-Metallic Mineral Products	130.2	119.3	108.4
(27) Basic Metals	137.6	120.4	134.1
(28) Fabricated Metal Products, except Machinery and Equipment	311.9	315.4	296.1
(29) Machinery and Equipment nec	860.1	884.8	814.5
(30) Office Machinery	6,899.5	5,803.8	4,939.2
(31) Electrical Machinery and Apparatus nec	404.2	380.8	312.9
(32) Radio, Television, and Communication Equipment and Apparatus	3,951.8	3,179.7	2,179.6
(33) Medical, Precision and Optical Instruments, Watches and Clocks	135.9	261.1	289.9
(34) Motor Vehicles, Trailers and Semi-Trailers	69.5	80.6	58.2
(35) Other Transport Equipment	803.5	661.9	666.6
(36) Furniture; Manufacturing nec	78.3	88.4	82.9
(37) Recycling	18.8	18.6	23.0
ALLMANUFACTURING	19,862.6	17,605.6	15,724.7

* Figures provided by the Scotch Whisky Association

** Provided by the Gin and Vodka Association of Great Britain. Export volumes have risen in recent years but downward pressure on prices has kept export values the same.

- Fourteen sectors record decline in 2002 and nine an increase

- Top four exporting sectors in Scotland - Office Machinery (30), Radio/TV/Communications Equipment (32), Whisky (15) and Chemicals (24) - account for 69% of total export value. This compares to 72% the previous year

- Electronics (30/32) exports fell again, this time by 21%, representing £1.9bn lost in Scottish export sales

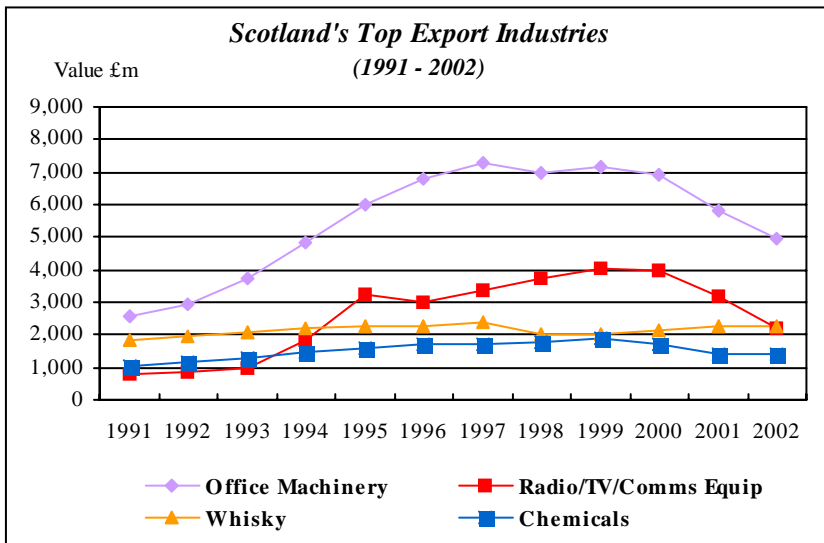
- Office Machinery (30) consists of computers and peripherals and Radio/TV/Communications Equipment (32) is mainly mobile telephones, printed circuit boards, and televisions

- From Fish and Meat Processing to Shortbread and other Bakery products - Food sector (15) shows healthy recovery over past two years - although exports of Scotch Whisky dips slightly

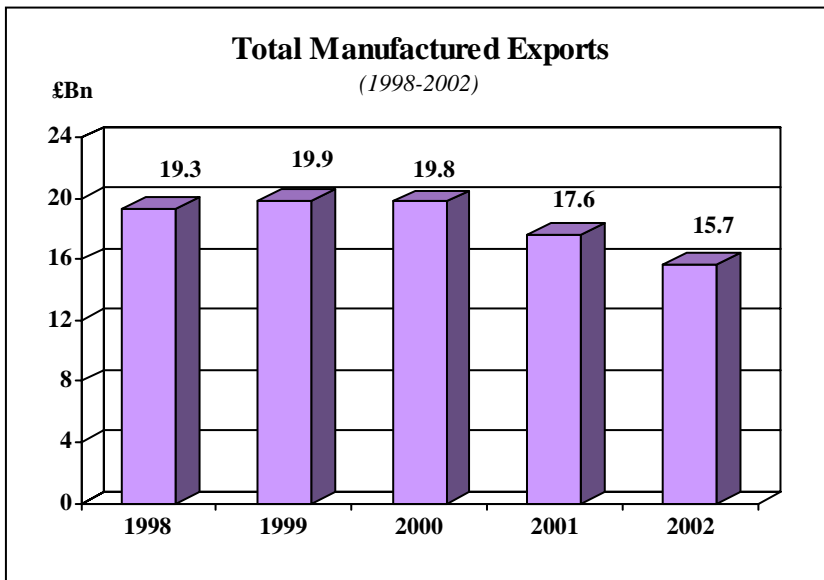
- Fall in exports recorded in the Leather industry (19), which consists of anything from handbags and luggage to vehicle upholstery

- Further drop in exports from the Electrical Machinery (31) sector recorded, which involves the manufacture of generators, transformers, and electrical lighting equipment, to name a few

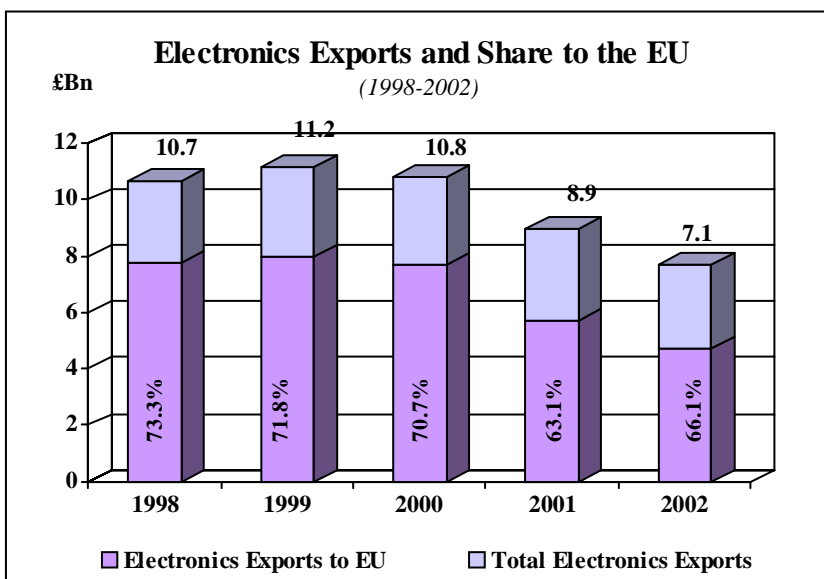
Manufacturing Industry Export Performance



- Further decline recorded in Scotland's electronics industries - Office Machinery (30) fell by 15% and Radio/TV/Communications Equipment (32) by over 30%
- Chemicals sector (24) shows signs of recovery following sharp decline in 2001
- Whisky (15) sales fairly steady

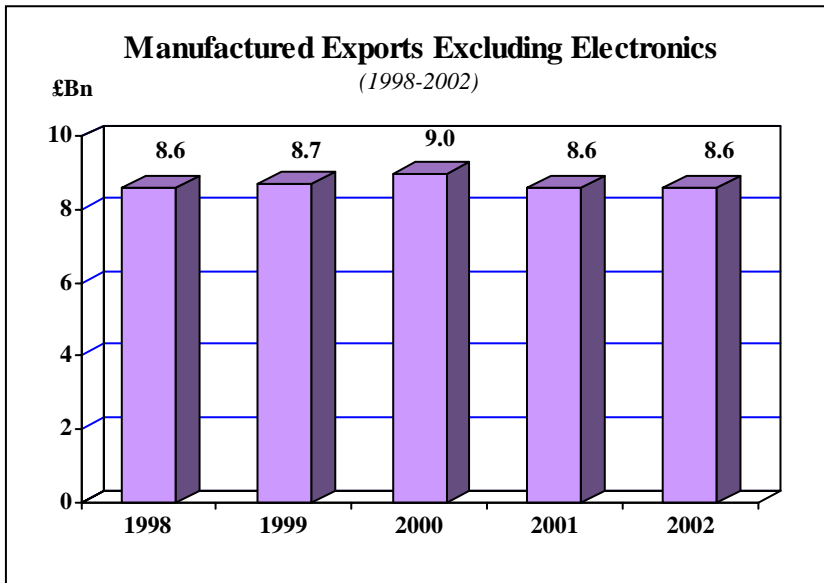


- Exports peak in 1999 then drop for three consecutive years
- Manufactured exports fall by almost 20% over past 5 years



- Chart shows combined exports from Office Machinery (30) and Radio/TV/Comms Equipment (32) over 5 years and highlights share going to EU
- Overall exports showing substantial decline
- Two thirds of Electronics (30/32) exports destined for the EU, compared to three quarters 5 years ago

Manufacturing Industry Export Performance



- Excluding Electronics, exports over the past 5 years remained steady
- Good performance by many sectors given difficult economic climate over recent years
- Decline clearly led by Electronics sectors, although some sectors have had mixed results

Destination of Manufactured Exports

**Destination of Scottish Manufactured Exports
by Geographic Region**
(£m Current Prices) (2000 – 2002)

	2000	2001	2002	% Share of 2002 Total
European Union	12,045	9,673	8,626	55%
North America	2,697	2,980	2,389	15%
Asia Pacific (excl. Japan)	1,541	1,358	1,436	9%
Western Europe (excl. EU)	1,009	909	832	5%
Japan	688	667	527	3%
Eastern Europe	392	383	520	3%
Middle East	601	627	482	3%
Africa	325	399	383	2%
Latin America	443	499	382	2%
Australasia	123	110	147	1%

NB Western Europe (excl. EU) consists of Iceland, Liechtenstein, Malta, Norway and Switzerland.

- Despite sharp decline, EU remains principal trading area for Scotland's manufactured goods
- Sales to North America also show decline, falling by 20%
- Marked rise in sales of Scottish goods to Eastern Europe

Destination of Manufactured Exports

*Top 40 Markets for Scottish Manufactured Exports
(£m Current Prices)
(2000 - 2002)*

COUNTRY	2000	2001	2002	
FRANCE	3,056	2,407 (2)	2,274 (1)	
USA	2,490	2,824 (1)	2,191 (2)	
GERMANY	2,431	1,965 (3)	1,842 (3)	
NETHERLANDS	1,333	1,282 (4)	964 (4)	
ITALY	1,475	915 (5)	831 (5)	
SPAIN	952	746 (6)	667 (6)	
SWITZERLAND	599	512 (9)	530 (7)	
JAPAN	688	667 (7)	527 (8)	
BELGIUM	679	506 (10)	521 (9)	
SWEDEN	897	636 (8)	496 (10)	
SOUTH KOREA	199	210 (14)	290 (11)	
NORWAY	386	381 (11)	283 (12)	
DENMARK	335	296 (13)	271 (13)	
IRELAND	328	373 (12)	231 (14)	
RUSSIA	64	75 (=35)	206 (15)	
CANADA	207	156 (20)	198 (16)	
SINGAPORE	249	202 (17)	185 (17)	
TAIWAN	110	92 (31)	171 (18)	
MALAYSIA	112	150 (21)	168 (19)	
FINLAND	190	165 (19)	161 (20)	
CHINA	125	131 (24)	156 (21)	
HONGKONG	216	204 (16)	156 (22)	
UNITED ARAB EMIRATES	83	195 (18)	154 (23)	
BRUNEI	231	209 (15)	143 (24)	
PORTUGAL	139	125 (26)	137 (25)	
AUSTRALIA	107	97 (30)	134 (26)	
GREECE	114	139 (22)	132 (27)	
SOUTH AFRICA	129	127 (25)	101 (28)	
AUSTRIA	114	113 (28)	98 (29)	
ISRAEL	171	135 (23)	96 (30)	
CZECH REPUBLIC	91	75 (=35)	91 (31)	
VENEZUELA	87	118 (27)	77 (32)	
POLAND	108	102 (29)	72 (33)	
NIGERIA	*	86 (33)	72 (34)	
MEXICO	60	82 (34)	64 (35)	
TURKEY	155	88 (32)	60 (36)	
EGYPT	51	47 (40)	55 (37)	
THAILAND	72	59 (37)	53 (38)	
HUNGARY	*	*	51 (39)	
BRAZIL	58	57 (38)	48 (40)	

* Not a Top 40 market for the specified year.

- Sharp decline in exports to USA moves it back to second place behind France
- Substantial drop in exports from Radio/TV/Communications Equipment (32) to the USA
- Key sectors exporting to France include Office Machinery (30) and Whisky (15)
- Most EU markets show decline during 2002
- Substantial rise in exports to Russia, mainly due to increased sales from Office Machinery (30) sector - although sales of Remotely Operated Vehicles (35) rose as well as an increase from Fish processors (15)
- Increased sales from Electrical (31) and Transport Equipment (34) sectors boost exports to Canada in 2002
- Top 5 markets account for 52% of the total
- Most Far Eastern markets showing upturn in exports, although Japan - the largest Far Eastern market - shows further decline
- Scottish exports to Malaysia boosted by Transport Equipment (35) sector
- Substantial rise in exports to Australia mainly due to Paper industry (21)