
SURVEY OF SCOTTISH
MANUFACTURED EXPORTS
2003/04



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 Yvonne MacArthur on 0141 352 8543.

December 2004

Manufactured Exports Performance



- Overseas sales from manufacturers hit 10-year low
 - Exports fell by £400m to £15.3bn
 - Decreased by a quarter since peaking in 1999 at almost £20bn
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Manufacturing Industry Export Performance

*Scottish Manufactured Exports
(£m Current Prices)
(2001 - 2003)*

INDUSTRY (1992 SIC DIVISION)	2001	2002	2003
(15) Whisky *	2,295.1	2,285.3	2,375.4
Gin/Vodka **	140.0	140.0	154.0
Other Food Products and Beverages	415.1	478.4	455.5
(16) Tobacco Products	-	-	-
(17) Textiles	224.2	206.6	217.3
(18) Wearing Apparel; Dressing and Dyeing of Fur	66.6	71.1	60.6
(19) Tanning and Dressing of Leather; Luggage, Handbags, Saddlery, Harness and Footwear	68.6	65.0	63.5
(20) Wood and Wood Products	30.5	25.6	33.8
(21) Pulp, Paper and Paper Product	366.4	370.1	354.4
(22) Publishing, Printing and Reproduction of Recorded Media	51.8	58.2	57.6
(23) Coke, Refined Petroleum Products and Nuclear Fuel	292.1	399.4	480.1
(24) Chemicals and Chemical Products	1,416.7	1,424.5	1,219.9
(25) Rubber and Plastic Products	323.7	311.2	332.4
(26) Other Non-Metallic Mineral Products	119.3	108.4	101.4
(27) Basic Metals	120.4	134.1	117.9
(28) Fabricated Metal Products, except Machinery and Equipment	315.4	296.1	320.2
(29) Machinery and Equipment nec	884.8	814.5	792.7
(30) Office Machinery	5,803.8	4,939.2	4,737.6
(31) Electrical Machinery and Apparatus nec	380.8	312.9	286.8
(32) Radio, Television, and Communication Equipment and Apparatus	3,179.7	2,179.6	2,138.4
(33) Medical, Precision and Optical Instruments, Watches and Clocks	261.1	289.9	275.9
(34) Motor Vehicles, Trailers and Semi-Trailers	80.6	58.2	49.1
(35) Other Transport Equipment	661.9	666.6	610.9
(36) Furniture; Manufacturing nec	88.4	82.9	61.0
(37) Recycling	18.6	23.0	28.2
ALL MANUFACTURING	17,605.6	15,740.8	15,324.6

* Figures provided by the Scotch Whisky Association

** Provided by the Gin and Vodka Association of Great Britain.

- Sixteen sectors show drop in exports during 2003, with seven recording an increase

- Top four exporting sectors in Scotland - Office Machinery (30), Radio/TV/Communications Equipment (32), Whisky (15) and Chemicals (24) - still account for two thirds of total export value

- Electronics (30/32) exports continue to fall, although by a modest 3% compared to 21% last year

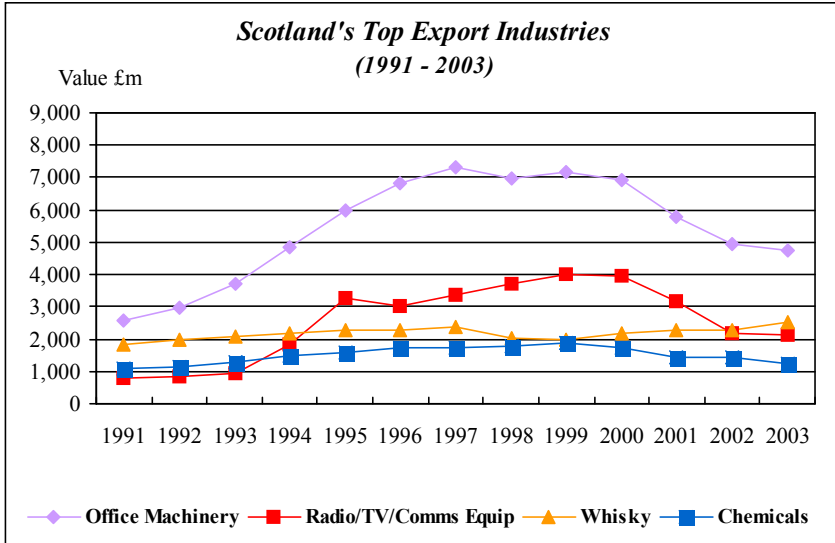
- Office Machinery (30) consists of computers and peripherals. Radio/TV/Communications Equipment (32) is mainly mobile telephones, printed circuit boards, and televisions

- High performing sectors include Whisky (+4%), Coke, Refined Petroleum Products (+20%), and Fabricated Metals (+8%)

- Exports from Chemicals industry at lowest level since 1992 - sector includes industrial gases, pharmaceuticals, paints and coatings. Exports stand at £1.2bn - they peaked at £1.9bn in 1999

- Ever volatile sector, Transport Equipment shows a drop of 8% - this sector includes anything from the building and repairing of ships, boats and aircraft, to the manufacture of motorcycles and bicycles

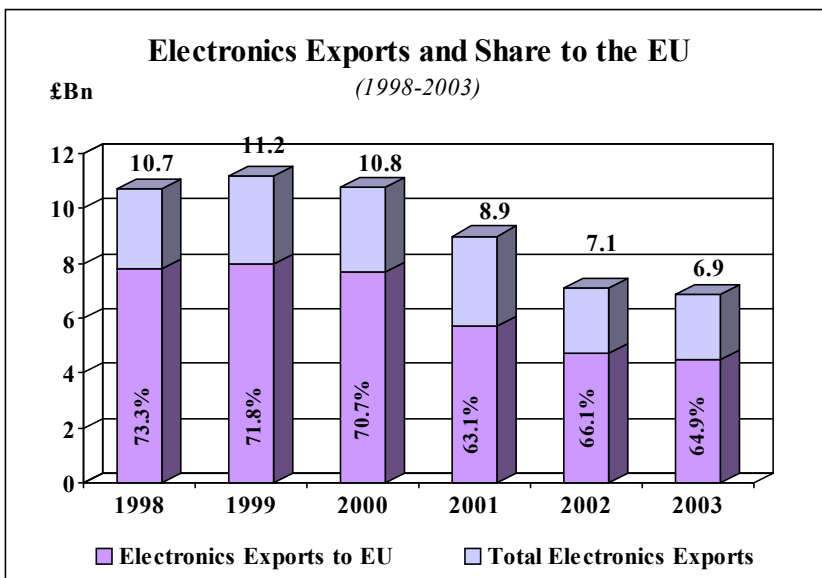
Manufacturing Industry Export Performance



- Overall drop recorded in Scotland's electronics industries - Office Machinery (30) fell by £200m and Radio/TV/Communications Equipment (32) by around £40m
- Whisky (15) sales up by 4%
- Chemicals sector (24) at lowest since 1992

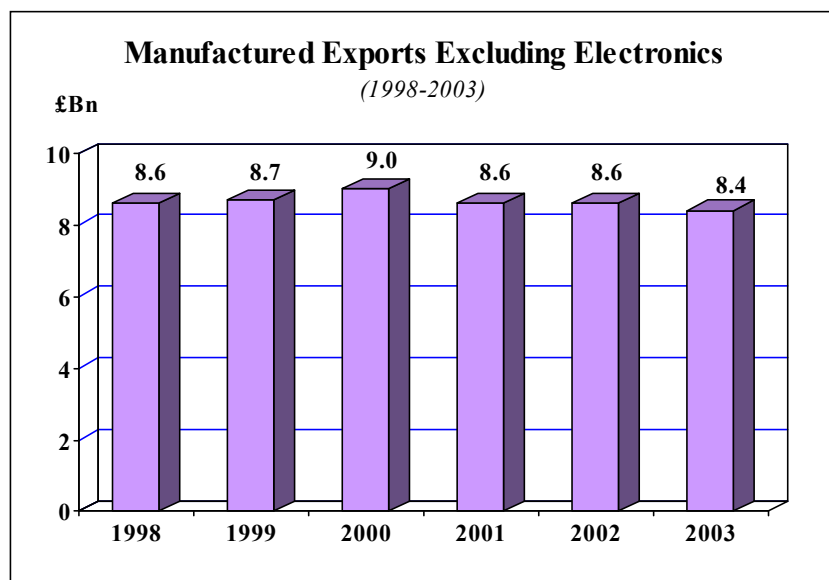


- Continued fall in exports since peak of almost £20bn in 1999
- Manufactured exports down by a fifth over 5 years



- Chart shows combined exports from Office Machinery (30) and Radio/TV/Comms Equipment (32) over 5 years and highlights share going to EU
- Following years of substantial change, Electronics (30/32) exports show a more modest decline in 2003
- 65% of Electronics exports destined for the EU, compared to 73% 5 years ago

Manufacturing Industry Export Performance



- Excluding Electronics, exports fell for the first time over the past 6 years
- Decline in 2003 largely due to substantial drop in exports from Chemicals industry
- Steady performance by many sectors despite difficult economic climate over recent years

Destination of Manufactured Exports

**Destination of Scottish Manufactured Exports
by Geographic Region
(£m Current Prices) (2001 – 2003)**

	2001	2002	2003	% Share of 2003 Total
European Union	9,673	8,633	8,635	56%
North America	2,980	2,389	2,430	16%
Asia Pacific (excl. Japan)	1,358	1,436	1,428	9%
Japan	667	527	664	4%
Eastern Europe	383	529	480	3%
Western Europe (excl. EU)	909	832	477	3%
Middle East	627	482	404	3%
Latin America	499	382	368	2%
Africa	399	383	320	2%
Australasia	110	147	118	1%

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

- Exports to EU static for past two years but remains principal trading area for Scotland's manufactured goods
- Substantial rise in exports to Japan - up by £137m and modest rise to North America
- Other areas showing decline, particularly Western European countries outwith the EU

Destination of Manufactured Exports

*Top 40 Markets for Scottish Manufactured Exports
(£m Current Prices)
(2001 - 2003)*

COUNTRY	2001	2002	2003
USA	2,824	2,191 (2)	2,278 (1)
GERMANY	1,965	1,842 (3)	2,093 (2)
FRANCE	2,407	2,274 (1)	1,898 (3)
NETHERLANDS	1,282	964 (4)	1,122 (4)
ITALY	915	831 (5)	922 (5)
SPAIN	746	667 (6)	724 (6)
JAPAN	667	527 (8)	664 (7)
BELGIUM	506	521 (9)	600 (8)
SWEDEN	636	496 (10)	422 (9)
SWITZERLAND	512	530 (7)	327 (10)
SOUTH KOREA	210	290 (11)	313 (11)
DENMARK	296	271 (13)	261 (12)
SINGAPORE	202	185 (17)	235 (13)
MALAYSIA	150	168 (19)	205 (14)
CHINA	131	156 (21)	200 (15)
TAIWAN	92	171 (18)	165 (16)
IRELAND	373	231 (14)	163 (17)
RUSSIA	75	206 (15)	154 (18)
CANADA	156	198 (16)	152 (19)
GREECE	139	132 (27)	139 (20)
NORWAY	381	283 (12)	133 (21)
SOUTH AFRICA	127	101 (28)	113 (22)
AUSTRALIA	97	134 (26)	105 (23)
POLAND	102	72 (33)	103 (24)
HONG KONG	204	156 (22)	98 (=25)
FINLAND	165	161 (20)	98 (=25)
AUSTRIA	113	98 (29)	95 (27)
PORTUGAL	125	137 (25)	94 (28)
UNITED ARAB EMIRATES	195	154 (23)	90 (29)
CZECH REPUBLIC	75	91 (31)	74 (30)
ISRAEL	135	96 (30)	73 (31)
BRUNEI	209	143 (24)	68 (32)
MEXICO	82	64 (35)	59 (33)
TURKEY	88	60 (36)	58 (=34)
THAILAND	59	53 (38)	58 (=34)
VENEZUELA	118	77 (32)	56 (36)
SAUDI ARABIA	*	*	45 (=37)
NIGERIA	86	72 (34)	45 (=37)
IRAN	*	*	44 (39)
HUNGARY	*	51 (39)	40 (40)

* Not a Top 40 market for the specified year.

- Top 5 markets account for 54% of total manufactured exports
- USA displaces France to once again become top export destination for Scottish manufacturers
- Key sectors exporting to USA are Transport Equipment (35), Office Machinery (30), Radio/TV Equipment (32) and Whisky (15)
- France drops to 3rd place and shows a 16% decline
- Exports to Japan show good signs of recovery, with exports up from £527m to £667m. Sharp rise in Electronics, although Whisky sales are down
- Scandinavian countries all show substantial decline during 2003 due to slump in sales from Office Machinery (30) sector
- Large decline in exports to Switzerland led by Chemicals industry
- Most Far Eastern markets show upturn in exports, although Hong Kong down by 37%, reflecting its transition to a more service based economy
- China breaks £200m barrier for first time