

PREPARED BY THE BUREAU OF BUSINESS RESEARCH, COLLEGE OF BUSINESS ADMINISTRATION

NEBRASKA EXPORT OF MANUFACTURED PRODUCTS

At two-year intervals, beginning in 1965, the Bureau of Business Research has made surveys of the dollar volume of export sales of Nebraska manufactured products. Findings of both the 1965 and the 1967 surveys aroused statewide interest because they focused attention on dramatic rates of growth in foreign sales of all major industrial classifications of manufactured goods. The first study was credited also with giving impetus to formation of the Nebraska Foreign Trade Expansion Council which, although short-lived, performed a salutary function. Both previous surveys as well as the current study pointed up the fact that growth in export business has been largely responsible in the past five years for expanded employment in manufacturing, the category of business and industry which is consistently accounting for much of Nebraska's rise in employment.

Response to the survey just completed indicates intensification of a trend that was noted in 1967 toward proliferation of joint-venture or wholly-owned subsidiary plants overseas, amplified use of export agents, both U.S.-and foreign-based, and increased travel by the state's manufacturers and their marketing specialists to all parts of the world in pursuit of business. More than half of the respondents to the 1969 survey employ an export agent based in this country and almost as many employ one or more foreign-based representatives. Agents of Nebraska firms are based in all western European countries, South America, Central

America, Japan, Australia, Mexico, and Canada. One company reported that it has 18 export representatives "around the world."

Manufacturers' Activities Overseas

Twice as many respondents as in 1967 stated that they own manufacturing plants in foreign countries, and even more operate joint-venture plants in such widely dispersed countries as the United Kingdom, Germany, Spain, Nicaragua, Puerto Rico, Mexico, and Canada. Nebraska firms license foreign manufacturers in countries ranging from England to France, Italy, Australia, and Japan. Fewer respondents than before indicated an interest in trade missions, but three times as many have traveled independently in foreign countries to claim a share of the burgeoning world market for which more and more countries are now competing.

As many as 15 Nebraska manufacturers stated that they can no longer concentrate their export efforts on western Europe and Japan as they once did; several said that their travels are "world-wide," and one leading exporter has covered 21 countries (some of them several times) in his successful attempt to take maximum advantage of foreign markets. Representatives of the state's firms are ranging the globe at almost any given time - this fall, for example, Nebraska manufacturers are known to be not only in the United Kingdom, Scandinavia, continental Europe, Central and South America, and Japan, but also in Israel, South Africa, and Australia. One of these Nebraskans has a specific purpose -

TABLE I
VOLUME OF EXPORT SALES, IDENTICAL NEBRASKA MANUFACTURERS
REPRESENTATIVE SAMPLE
SELECTED YEARS
(Rounded to Even Thousand Dollars)*

	1960 **	1963	1964	1965	1966	1967	1968	Total Export Sales 1960-68	Percent Change 1960-68	
Export Sales	1,367	4,134	4,257	<u>22 Firms</u>		6,263	6,186	38,293	367.0	
Mean	62	188	193	5,001	227	285	281	1,741		
Median	35	81	105	107	110	113	103			
		Export Sales	4,599	5,154	<u>27 Firms</u>		7,108	7,671	31,253	66.8
		Mean	170	191	6,721	249	263	1,158		
		Median	47	60	92	92	115			
		Export Sales			<u>32 Firms</u>		7,762	21,710	14.5	
		Mean			6,777	212	224	678		
		Median			85	85	92			
		Export Sales			<u>35 Firms</u>		12,693	21,155	50.0	
		Mean			8,462	242	368	604		
		Median			88	88	150			

*Percentages were computed prior to rounding. **Figures for 1961 and 1962 omitted to conserve space but are included in Total. Source: Mail Survey and Calculations, Bureau of Business Research.

to establish a branch plant abroad in order to organize purchasing, production, and distribution more efficiently. He is aware that this venture will involve basic problems - some of them relating to cultural differences - but he is convinced that any alternative attempt to take maximum advantage of world markets would also involve problems.

Some of the state's manufacturers who claim royalties from licensed plants overseas have found that if a company has limited funds for expansion, this method minimizes the risk factor and also cuts down on the number of personnel from the parent company who must be involved in business overseas. Although some Nebraska manufacturers hope to solve the problems of doing business abroad by establishing joint-venture plants or subsidiaries of some kind, at least one Nebraskan has discovered that it is becoming increasingly difficult to secure, and to keep, competent Europeans as executives of his branch plant overseas. He reports that even some of the largest U.S. companies are experiencing difficulty in retaining European executives, and that a recent article about the defection of managers from American companies to European firms is not exaggerated.¹

Nebraska manufacturers of prepared food products, who admittedly have had some difficulty in claiming a consistent share of the world market, are active these days in western Europe where the supermarket business is rapidly proliferating. As the increasing number of European housewives who have outside employment find home refrigerators and transportation to distant shops more readily available, the demand for prepared foods is steadily expanding.

Trend toward Mergers

The 1969 survey reveals one conspicuous trend that has not been noted previously - the trend toward mergers of the state's manufacturing plants with larger corporations. That there has been a marked nationwide increase in the number of mergers and conglomerates in recent years is generally acknowledged, but this study points up the fact that the trend has had much more state-wide impact than had been fully recognized. Many firms formerly wholly Nebraska-owned have within the past two years merged with out-of-state companies, and the trend continues. The survey was concluded in midsummer but it has been noted that since then an additional number of Nebraska manufacturing plants have been purchased in part or entirety by other corporations.

As a result of the numerous mergers among Nebraska manufacturers a smaller number of respondents to this year's survey supplied figures on foreign sales, although the number of returns received was greater than in preceding years. Some of the respondents indicated that data on export sales from Nebraska-

¹Business Week, June 7, 1969, pp. 62-64, 66.

based plants are not readily separated from total exports of the parent corporation, others that the figures are no longer available locally, and a number said that to reveal such information is contrary to company policy.

Because export figures are not available, therefore, from many firms that had previously supplied them, it is not possible to show comparative survey data for as many identical firms as in the past, nor can the same number of sample firms be selected for detailed analysis in each of the major classifications. It has been possible, however, to select from the overall sample 22 identical firms that reported annual sales over a nine-year-period. In all major industrial classifications this group included manufacturers with considerable differences in volume both of overall and export sales.

Dramatic Increases, 1960-1968

Spectacular growth in foreign sales of the 22 firms was shown, with the \$1,366,732 total in 1960 increasing by 367 percent to \$6,382,006 in 1968. (See Table I.) It must be noted that the sample included a number of manufacturing plants that had been in operation a relatively short time in 1960 and that the sharp gain in export sales reflects also sharp increases in total sales. Figures are unavailable, unfortunately, on the ratio of export sales to overall sales for each firm for each year in the nine-year period, but among the 15 firms supplying such data the growth in proportion of foreign to total sales ranged from 2 to 18 percent.

Because the sample included manufacturing plants with wide variation in sales volume, statistical averages have limited significance except to indicate marked growth rates such as those shown by the 22 firms with a mean of \$62,124 in export sales in 1960 and \$290,091 last year. More statistically meaningful are the median figures, which were \$35,000 in 1960, contrasted to \$103,476 in 1968. During the nine-year period total export sales of the 22 firms in the sample amounted to \$38,293,328, an average of almost one and three-quarter million dollars per manufacturer. The 22 firms had a 50 percent increase in export sales from 1964 to 1968 in contrast to 27 companies reporting increases of 66.8 percent from \$4,598,583 in 1964 to \$7,670,520 last year. Mean sales of the 27 firms were \$170,317 in 1964 and \$284,093 in 1968, while the median, which was \$46,789 in the earlier year, was \$125,194 in 1968.

Thirty-two manufacturers reporting export sales for the years 1966 to 1968 showed an increase of 14.5 percent (from \$6,776,578 to \$7,761,534), but a much greater climb (50 percent) was shown by 35 firms reporting growth in foreign sales from a total of \$8,461,504 in 1967 to \$12,693,027 last year. The group of 22 manufacturing plants showed a drop of 1.2 percent from 1966 to 1967, but a gain of 3.2 percent in the following year, for an overall increase 1966

TABLE II
DOLLAR VOLUME OF EXPORTS, IDENTICAL SAMPLES, NEBRASKA MANUFACTURERS
SELECTED INDUSTRIAL CLASSIFICATIONS, SELECTED YEARS
(Rounded to Even Thousand Dollars)*
27 Firms**, 1964-1968

	Metal Products (9 Firms)	% Change from Pre- vious Year	Machinery (9 Firms)	% Change from Pre- vious Year	Miscel- laneous (9 Firms)	% Change from Pre- vious Year	Total (27 Firms)	% Change from Pre- vious Year
1964	1,387		549		798		2,734	
1965	2,364	70.5	848	54.6	839	5.2	4,051	48.2
1966	2,538	7.3	1,199	41.3	1,412	68.2	5,149	27.0
1967	2,378	- 6.3	1,478	23.3	1,925	36.3	5,781	5.8
1968	2,798	17.8	1,289	- 12.8	2,479	28.8	6,566	8.2
Total 1964-68	11,465		5,363		7,453		24,281	
Percent Change 1964-68		101.8		135.0		210.8		140.3

*Percentages were calculated prior to rounding. **Not the same 27 firms as in Table I.
Source: Mail survey and calculations, Bureau of Business Research.

1.9 percent. The 27 firms gained consistently, 5.9 percent in 1966 to '67 and 7.9 percent the next year, for an overall gain of 14.8 percent from 1966 to '68 of over 14 percent.

Seventy-seven representative manufacturing firms including firms of diverse size, volume of export sales, and geographic location were selected from the total sample for detailed analysis. Included were nine firms each in the categories of metals (primary and fabricated), machinery, and miscellaneous products. Manufactured food products were studied as a separate category but it was not possible to select from the sample as many as nine firms that met the "representative" qualification. The miscellaneous group included electronic equipment, chemical products, plastics, furniture and fixtures, instruments and related products, lumber and wood products. This category, which encompassed a variety of kinds of products, had the highest percentage increase in export sales 1964-1968, almost 211 percent. Export of machinery ranked second with a gain of 135% in the same period, while foreign sales of metal products increased almost 102%. Year-to-year percentage changes fluctuated considerably in each of the various industrial classifications. Metal products showed the highest gains from 1964 to 1965, 70.5%, and successive annual changes thereafter of +7.3%, and -6.3%, a sharp climb to 17.8% from '67 to '68. From a percentage increase of 4.6% from 1964 to 1965, year-to-year percentage changes in the machinery group descended from that high point to rises of 10.5% and 23.3%, in consecutive year-to-year periods, and then a decrease of 12.8% from 1967 to 1968. Manufacturers of the miscellaneous group of products had export gains of but 10% from 1964 to 1965, but sales climbed by 68.2% in the following year. Although the rate of increase dropped in subsequent years, the group showed impressive year-to-year gains, 36.3% from 1966 to 1967 and 28.8% from '67 to '68. As a unit the 27 firms analyzed had in the respective five-year periods percentage changes of 48.2, 27, 5.8, and 8.2%. Ranked by industry groups the average foreign-bound sales of metal products' manufacturers more than doubled from 1963 to 1968, machinery sales were more than two and one-third times as much, while sales of miscellaneous products were more than three times as great, and total dollar value of the exports of metal firms amounted to two and two-fifths as much in '68 as in '63. Although the limitations of averages are recognized, analysis of the mean figures by industry group and of the 27 firms points up the importance of export business in the economic state. The nine metal products' manufacturers had total foreign sales of over one and one-quarter million dollars, machinery manufacturers almost three-fifths of a million, miscellaneous product firms considerably over four-fifths of a million, and the 27 firms together, an average of \$899,296 per year for the period 1964 to 1968.

Fluctuation of Food Product Sales

With a considerable number of firms submitted data on exports of manufactured food products, the tabulated figures are being published because the sample was not representative of the state's diversity in size of plant and variety of products. Careful analysis of the reports, however, most of which were from manufacturers doing a large volume of business, indicate that a number of the food-product firms have in recent years been experiencing rather pronounced fluctuations in dollar volume of exports. A number of relatively new food products, some of which were developed by Nebraska manufacturers explicitly for export, have begun to achieve popularity. New processes of

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packing and shipping frozen foods and increased use of air freight for such items have contributed also to gains in overseas shipments of many specialized products.

The survey shows that Nebraska manufacturers who have established joint-venture plants in other countries within recent years have had varying degrees of success, but that in such operations business in general was better in 1968 than in the preceding year. This increase was observed particularly in the case of food processors who have overseas operations, and apparently are capitalizing on the revolution in food marketing and buying habits in foreign countries.

Comparison of U.S. Data and Survey Findings

Unfortunately the most recent figures on Nebraska exports available from the U.S. Department of Commerce are for the year 1966. Foreign shipments from the state amounted in that year to an estimated \$55 million volume of manufactured goods. Comparative figures show that sales abroad climbed by 81% from 1960 to 1966 but that more than three-fourths of the increase was realized after 1963. Confirming findings of the Bureau of Business Research surveys, the USDC report shows that foreign sales from this state have been concentrated principally in three industries - food and kindred products, nonelectrical machinery, and fabricated metal products - which accounted for \$42 million, or more than three-fourths of Nebraska's exports of manufactured products in 1966. Grain-mill products, especially flour, breakfast cereal, and animal feed, meat products, some canned foods, and increasing amounts of frozen foods constituted the bulk of the exported food and kindred products, which amounted to a volume of \$27 million in 1966, a gain of 51% from 1960. Shipments of nonelectrical machinery amounted to \$10.6 million, with farm equipment and general industrial machinery constituting a high proportion of the total. Plumbing and heating equipment and structural metal products were the principal fabricated metal items shipped abroad from Nebraska, with sales of \$4.3 million, a gain of 87% from 1963 to 1966.

Nebraska ranked eighth among the 50 states in percentage change of exports of manufactured products from 1963 to 1966 and 11th from 1960 to 1966, far exceeding the rate of change for the nation in both periods. The state's gain was 54% and 81%, respectively, compared to national increases of 29% and 46%. Nebraska rose from 39th place in total exports in 1963 to 38th place in 1966, but the state's foreign shipments constituted only 0.3% of the nation's total exports.

Figures showing the 1966 value of Nebraska manufactured exports in seven major industrial classifications, together with the indexes of export change from 1960, were published in the February, 1968, issue of Business in Nebraska. Since then the dollar values of Nebraska foreign sales for the years 1960, 1963, and 1966 have been published by

(Continued on page 6)

Business Summary

Nebraska business activity in July continued to advance in general over that of last year. The Dollar Volume index rose 7 percent above that recorded for July of last year, while the Physical Volume index rose 3 percent over the same month a year ago. This rise was supported by increases in Life Insurance Sales, Electricity Produced, both Manufacturing and Other Employment, Gasoline Sales, Retail Sales, and Newspaper Advertising. Bank Debits, Construction Activity, and Cash Farm Marketings showed a decline for the same period. The United States Dollar Vol-

ume and Physical Volume indexes showed a somewhat larger gain over the previous year than did Nebraska's.

August Retail Sales for the state rose 2 percent over August, 1968. The sale of Soft Goods rose due to a 17 percent gain in the sale of Dairy and Other Foods which offset the 10 percent drop in Eating and Drinking Places. Hard Goods Sales showed a slight decline from that recorded in August, 1968, due to a 16 percent decrease in Farm Equipment sales from that recorded in the same month a year ago.

According to the Business Indicators Sidney and Broken Bow led with more than a 15 percent gain over August, 1968.

All figures on this page are adjusted for seasonal changes, which means that the month-to-month ratios are relative to the normal or expected changes. Figures in Table I (except the first line) are adjusted where appropriate for price changes. Gasoline sales for Nebraska are for road use only; for the United States they are production in the previous month.

R. W. WHITE

I. NEBRASKA and the UNITED STATES

II. PERCENTAGE VOLUME OF BUSINESS Percentage of 1948 Average

JUL Business Indicators	Percent of 1948 Average		Percent of Same Month a Year Ago		Percent of Preceding Month	
	Nebraska	U.S.	Nebraska	U.S.	Nebraska	U.S.
	Dollar Volume of Business	336.4	406.0	107.1	110.4	93.5
Physical Volume of Business	219.1	243.7	103.4	105.6	97.4	100.2
Bank debits (checks, etc.)	262.2	426.4	98.4	114.7	103.5	101.7
Construction activity	226.0	170.1	93.3	101.7	82.8	97.1
Retail sales	152.0	183.4	102.3	95.7	98.7	99.3
Life insurance sales	417.3	489.9	110.2	102.9	98.0	97.2
Cash farm marketings	207.9	169.5	97.9	100.2	67.1	94.8
Electricity produced	471.0	537.9	109.2	113.6	114.0	105.3
Newspaper advertising	170.1	159.1	100.4	109.4	101.1	101.7
Manufacturing employment	176.5	131.8	107.1	101.9	98.2	100.0
Other employment	146.6	172.4	104.0	103.6	98.7	100.0
Gasoline sales	209.7	230.2	104.7	104.0	102.8	98.2

Month	Nebraska	U.S.
	1968-69	1968-69
July	211.8	230.8
August	216.7	280.7
September	213.2	227.9
October	209.8	232.6
November	201.4	231.1
December	203.6	232.9
January	216.1	232.7
February	231.1	239.6
March	223.9	238.1
April	224.8	240.0
May	219.6	240.7
June	225.0	243.3
July	219.1	243.7

III. RETAIL SALES for Selected Cities. Total, Hard Goods, and Soft Goods Stores. Hard Goods include automobile, building material, furniture, hardware, equipment. Soft Goods include food, gasoline, department, clothing, and miscellaneous stores.

AUG City	No. of Reports	Percent of Same Month a Year Ago			Percent of Preceding Month	AUG City	No. of Reports	Percent of Same Month a Year Ago			Percent of Preceding Month
		Total	Hard Goods	Soft Goods				Total	Hard Goods	Soft Goods	
THE STATE	717	102.2	99.4	103.1	103.2	Fremont	24	112.1	119.1	105.8	104.5
Omaha	59	109.2	101.1	115.9	111.0	Fairbury	26	113.1	126.7	98.6	104.3
Lincoln	67	102.9	106.1	100.2	103.5	Norfolk	27	90.5	92.9	88.3	99.6
Grand Island	31	102.4	90.2	113.3	104.4	Scottsbluff	35	109.5	114.7	105.0	120.2
Hastings	30	91.8	79.5	102.2	106.0	Columbus	25	99.4	99.3	99.6	104.6
North Platte	17	130.4	145.5	109.2	124.5	McCook	16	90.8	86.1	97.8	130.1
						York	24	99.9	96.1	102.2	119.4

IV. RETAIL SALES, Other Cities and Rural Counties

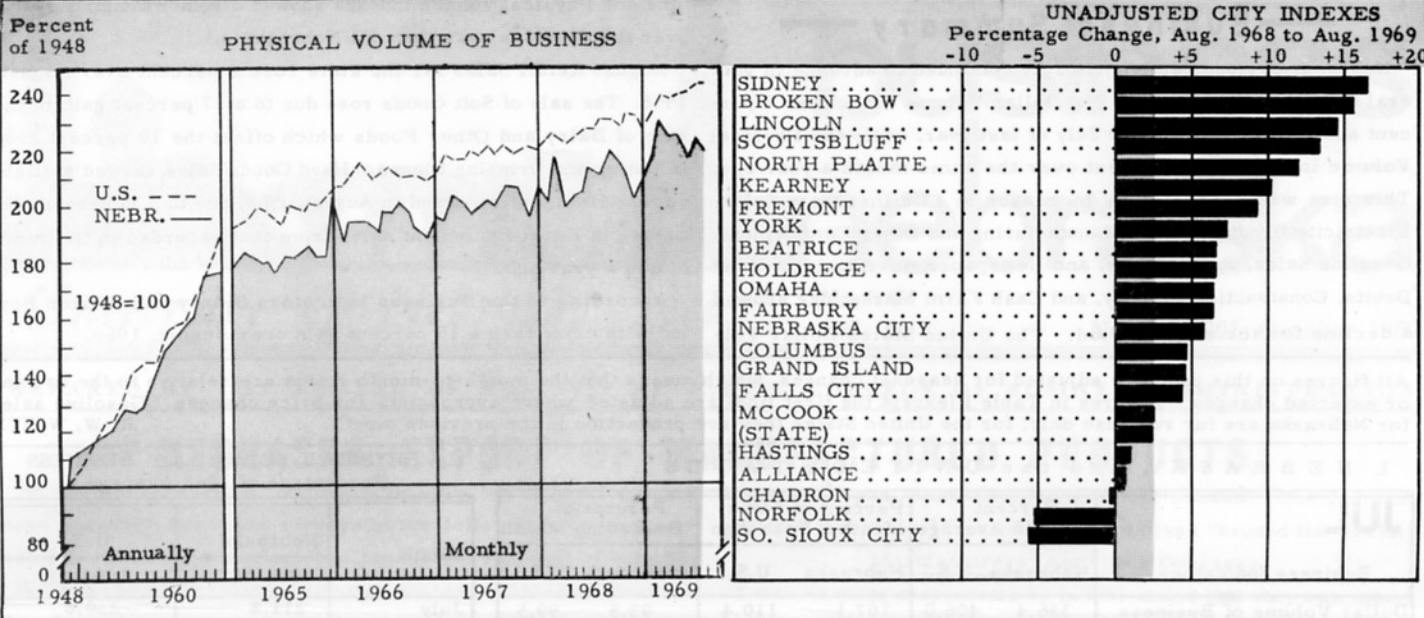
V. RETAIL SALES, by Subgroups, for the State and Major Divisions

AUG Locality	No. of Reports	Percent of Same Month A Year Ago	Percent of Preceding Month
Kearney	14	110.3	115.0
Alliance	26	97.5	89.4
Nebraska City	20	112.1	92.5
Broken Bow	13	116.9	111.5
Falls City	17	97.4	99.1
Holdrege	15	95.4	94.0
Chadron	19	94.3	113.2
Beatrice	15	97.3	99.2
Sidney	24	116.5	103.6
So. Sioux City	11	101.3	93.9
Antelope	6	68.6	76.5
Cass	18	110.2	105.4
Cuming	11	101.7	104.9
Sand Hills**	22	87.3	100.6
Dodge***	10	93.6	90.5
Franklin	9	96.3	109.9
Holt	14	140.3	92.0
Saunders	14	93.7	94.8
Thayer	9	104.7	98.5
Misc. Counties	49	105.6	94.2

AUG Type of Store	Percent of Same Month a Year Ago			
	Nebraska	Omaha and Lincoln	Other Cities	Rural Counties
ALL STORES****	102.2	104.5	105.9	96.4
Selected Services	100.9	105.5	101.4	95.9
Food stores	102.0	103.1	107.6	95.3
Groceries and meats	105.6	102.3	112.6	101.9
Eating and drinking pl.	89.6	101.5	95.7	71.7
Dairies and other foods	117.8	112.8	113.6	126.9
Equipment	97.2	88.2	112.6	90.7
Building material	102.0	103.5	110.9	91.7
Hardware dealers	111.0	113.2	100.1	119.7
Farm equipment	83.9	57.7	108.9	85.2
Home equipment	100.9	104.6	122.2	76.0
Automotive stores	101.5	101.4	103.4	99.6
Automotive dealers	102.1	100.9	104.7	100.6
Service stations	100.0	103.4	98.1	98.5
Miscellaneous stores	104.8	110.0	103.1	101.2
General merchandise	105.2	109.1	105.6	100.9
Variety stores	99.3	101.0	97.8	99.0
Apparel stores	112.0	122.5	100.6	112.8
Luxury goods stores	102.0	102.9	111.9	91.3
Drug stores	101.2	107.0	97.8	98.8
Other stores	100.8	106.8	102.2	93.4

**Hooker, Grant, Dawes, Cherry, and Sheridan Counties
***Outside Principal City

****Not including Selected Services



Figures on this page are not adjusted for seasonal changes nor for price changes. Building activity includes the effects of past as well as present building permits, on the theory that not all building is completed in the month the permit is issued. R. W. W.

VI. CITY BUSINESS INDICATORS

AUG									
Percent of Same Month a Year Ago									
State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	102.6	102.7	101.1	102.2	110.8	98.0	119.7	79.5	104.2
Beatrice	106.7	113.4	80.5	97.3	111.4	101.2	145.4	120.5	100.7
Omaha	106.6	103.1	96.3	109.2	110.1	95.4	113.1	132.3	104.0
Lincoln	114.6	115.4	114.4	102.9	119.1	109.5	136.0	204.0	103.9
Grand Island	104.7	93.7	56.4	102.4	108.3	103.9	125.2	107.9	- - -
Hastings	101.1	93.7	182.8	91.8	97.6	103.6	88.4	109.6	129.3
Fremont	108.4	110.6	48.8	112.1	106.8	NA	107.3	108.8	NA
North Platte	112.1	100.7	146.8	130.4	115.1	103.9	128.8	88.3	91.6
Kearney	110.2	105.6	203.3	110.3	108.9	100.0	111.5	112.7	NA
Scottsbluff	113.4	83.5	65.1	109.5	113.5	112.8	143.6	118.0	120.7
Norfolk	94.8	99.7	64.1	90.5	112.2	93.4	92.5	95.5	97.7
Columbus	104.8	100.7	110.6	99.4	115.6	108.7	133.8	99.3	92.4
McCook	102.7	106.3	35.0	90.8	110.6	102.2	NA	130.4	99.5
Sidney	116.6	116.2	117.1	116.5	101.4	93.8	128.0	134.7	NA
Alliance	100.8	89.1	109.2	97.5	106.6	98.2	207.7	85.4	NA
Nebraska City	105.9	76.7	167.7	112.1	123.3	106.1	99.2	99.5	NA
So. Sioux City	94.4	122.3	100.3	101.3	93.5	82.3	NA	68.2	NA
York	107.3	96.0	48.8	99.9	111.7	107.2	146.1	115.6	110.5
Falls City	104.5	94.5	133.7	97.4	106.4	86.4	119.6	146.1	94.5
Fairbury	106.6	95.8	97.7	113.1	106.6	NA	102.4	115.4	110.9
Holdrege	106.7	122.9	65.7	95.4	114.0	114.3	NA	90.9	110.6
Chadron	99.7	96.6	29.9	94.3	112.3	94.6	147.9	107.9	NA
Broken Bow	115.7	111.8	66.9	116.9	122.3	111.9	137.2	124.2	99.3

AUG									
Percent of Preceding Month (Unadjusted)									
State or City	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	101.4	93.2	101.9	104.8	102.3	96.7	108.6	62.5	105.3
Beatrice	102.9	93.7	114.2	101.7	102.2	104.9	117.5	NA	98.4
Omaha	103.2	87.1	109.5	111.8	96.2	98.9	108.3	94.3	110.8
Lincoln	109.5	97.5	116.9	104.3	125.3	101.9	118.7	115.0	100.8
Grand Island	100.3	94.5	102.2	105.4	100.2	70.5	98.6	106.2	- - -
Hastings	104.1	99.7	183.2	107.0	91.1	91.6	96.3	120.8	113.4
Fremont	106.2	89.4	115.7	105.6	97.8	NA	105.9	120.8	NA
North Platte	102.1	86.8	95.2	127.3	123.7	86.3	123.0	87.5	102.8
Kearney	107.7	100.5	65.2	116.1	123.9	97.0	107.7	114.9	NA
Scottsbluff	108.2	86.4	98.3	121.1	111.1	94.1	108.2	129.9	115.2
Norfolk	100.8	108.8	92.2	100.6	94.9	97.0	103.0	105.4	102.5
Columbus	100.7	95.1	96.4	105.8	101.6	100.3	115.0	104.4	96.4
McCook	110.0	97.1	146.4	131.0	113.6	94.5	NA	119.4	100.1
Sidney	104.4	114.4	98.3	104.7	122.7	87.1	110.1	85.4	NA
Alliance	104.3	111.3	193.1	90.5	111.1	80.0	138.1	73.8	NA
Nebraska City	100.6	71.0	77.8	93.2	143.2	112.2	109.7	99.0	NA
So. Sioux City	84.3	NA	76.4	94.2	84.5	69.9	NA	92.0	NA
York	102.3	84.0	103.0	120.1	96.0	98.9	120.0	106.6	100.6
Falls City	108.8	88.8	135.6	99.9	105.6	120.1	109.7	123.0	98.2
Fairbury	103.8	114.3	82.9	105.4	89.2	NA	101.1	131.1	105.0
Holdrege	97.9	105.5	100.5	94.7	122.4	98.6	NA	89.6	93.5
Chadron	117.1	96.3	115.0	114.3	122.0	80.3	142.4	124.8	NA
Broken Bow	109.7	118.2	106.8	112.5	114.7	104.8	141.9	104.8	96.3

(Continued from page 3) the U.S. Department of Commerce for 20 specified classifications by industry group.² Because no detailed industry group figures for a year more recent than 1966 are available, there is considerable interest in these figures which appeared in the state export origin series published by the USDC in 1968. The data appear in Table III.

Conclusions

If Nebraska manufacturers once tended to have an experimental and tentative approach to overseas business, it is clear from analysis of the 1969 survey that they have now moved generally toward adoption of highly specialized methods and techniques. Employment of both foreign-based and U.S.-based export agents has not only become rather usual, but more significantly it appears that many of the state's manufacturers are finding that reliance on exports alone is not sufficient to enable them to compete effectively for a share of the global market.

Many more manufacturers than in previous surveys report that they have established (or are planning to establish) branch plants, joint-venture plants, or other kinds of subsidiaries in foreign countries. Some are subcontracting with foreign manufacturers or are licensing plants abroad. Increasingly when Nebraska firms send representatives overseas they are not merely seeking new outlets for products but are looking also for propitious extensions of production and distribution.

Higher levels of production and employment may be attained in various ways. Some Nebraska manufacturers concentrate their efforts on an enlarged domestic market; others seek to claim an increased share of the expanding world market. Those looking for business abroad are finding stiffer competition than in the past, however, due not only to rapidly developing technology, availability of raw materials, and relatively low labor costs, but also to the growing trend toward economic integration and a mass market in Europe, Japan, and some other areas.

The study shows also that many Nebraska manufacturers are

²Exports from Nebraska, 1966, Bureau of International Business, U.S. Dept. of Commerce, 1968.

TABLE III
ESTIMATED EXPORTS OF NEBRASKA MANUFACTURED PRODUCTS BY INDUSTRY GROUP

Industry Group	(In millions of dollars)		Percent Change 1963-1966
	1966	1963	
Total	54.9	35.7	+ 54
Food and kindred products . . .	27.0	21.6	+ 25
Nonelectrical machinery	10.6	4.5	+136
Fabricated metal products . . .	4.3	2.3	+ 87
Chemicals and allied products .	2.6	1.6	+ 63
Miscellaneous manufactures and ordnance	2.5	2.6	- 4
Transport equipment	2.2	1.1	+100
Rubber and plastics products . .	1.8	(S)	n.a.
Instruments and related products	1.1	0.7	+ 57
Electrical machinery	0.7	0.1	+600
Primary metal products	0.6	0.3	+100
Lumber and wood products	0.4	0.3	+ 33
Printing and publishing	0.4	0.3	+ 33
Apparel and related products . .	0.2	0.1	+100
Paper and allied products	0.2	(S)	n.a.
Stone, clay, and glass products .	0.2	-	n.a.
Furniture and fixtures	0.1	0.1	- -
Textile-mill products	(S)	(S)	n.a.
Petroleum and coal products . .	(S)	0.1	n.a.
Leather and leather products . .	(S)	(S)	- -
Undistributed by industry group .	- -	- -	...

Note: Export values are f.o.b. producing plant. (S) Less than \$1.0 million. n.a. Comparable data not available.
Sources: Survey of the Origin of Exports of Manufactured Products, 1966, Bureau of the Census; also Exports from Nebraska, 1966, Bureau of International Business, 1968.

finding that merging with a national or international corporation is the best answer to their problems. The trend toward merger is pronounced and continuing.

Spectacular increases in export sales as well as sharp increases in total sales were reported by Nebraska manufacturers, and some firms - both large and small and in diverse industrial classifications - recorded considerable fluctuation in the export business. This gives further indication that the state's manufactured commodities are finding increased competition in world markets. Although manufacturers are adopting more sophisticated marketing techniques, many of them are cognizant that this is not enough; more efficient processes of purchase, production, and distribution appear to be imperative for Nebraska firms are to attain any considerable share of global business. It is significant that many of the state's manufacturers are moving aggressively - and even boldly - in this attempt

DOROTHY SW

NEWS OF THE COLLEGE

The opening of school this fall marks the beginning of the first year for the College of Business Administration. To start this second half century, excitement and interest are running high: first, we welcome several new members to our teaching staff who have a variety of backgrounds and second, we move into our splendidly remodeled building.

New full-time members of our staff and the schools from which they come are: Accounting--Joseph F. Goetz, University of Missouri, Kansas City; R. A. Moellenberndt, University of Nebraska; Kenneth C. Wolfe, Ohio State and Nebraska; Economics--I. C. Gupta, India and the University of Tennessee replacing Jerry Kuhn for one year; Craig R. MacPhee, Michigan State replacing Jerry Petr for one year; Finance--Rolf K. Tedefalk, University of Minnesota, and Joseph Simmons, University of South Dakota; Management--Ronald D. Johnson, Indiana University, and I. L. McManis, University of Iowa and Nebraska; Marketing--J. Brasch, Washington University.

The College of Business Administration expects to occupy its remodeled quarters about November 1. This facility will be remembered as the former Social Science Building and has been the home of this College since its establishment 50 years ago. The remodeled building is now identified as the College of Business Administration.

The exterior of the building, including the three-story colonnade on the south and west sides, remains unchanged. The entire interior is new and vastly improved. New lighting, heating and cooling facilities have been installed along with new floor covering. Classrooms are located primarily on the first and second floors and along the west side of the building. Most of the offices are located on the east and north sides. In the common areas of each floor we have built enclosed carrels for graduate assistants. These assistants will be located on the same floor as the departmental faculty with whom they are working. Features of the building include semi-circular classrooms designed to promote student discussion, a student reading room and additional seminar and conference rooms.

We are planning an open house toward the end of the year and hope that many of our friends from the business community will come to see this fine facility and to meet with members of our staff. We will publish the date later.

Enrollment figures are not complete but the College of Business Administration is estimated at 2100 for undergraduate and 150 graduate students.

C. S. MILLER