



Trade Facts

Office of the United States Trade Representative
Washington, DC 20508

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American Small Business

The Economic Engine Driving the World Economy

“Small businesses are the heart of the American economy because they drive innovation – new firms are established on the very premise that they can do a better job. For innovative small businesses, adequate performance is never good enough and excellence is an endless pursuit. These dynamic companies also drive the job creation process. In fact, small and young companies create two thirds of the net new jobs in our economy, and they employ half of all private-sector workers. Entrepreneurship has become the path to prosperity for many Americans, including minorities and women.” President Bush’s Small Business Agenda.

US small business looms large in the global marketplace

- In the United States, almost 97% of all direct exporters are small businesses.
- US small business exporters account for roughly 29% of US export value, amounting to 614 billion dollars.
- Roughly 65% of all U.S. exporters are businesses with fewer than 20 employees.
- US small business exporters are not just wholesalers. In all but three states (Wyoming, Maryland, and Alaska) over half of the manufacturing firms that export are small businesses.
- Free Trade benefits US small business. At present, US small businesses trade most actively with our NAFTA trading partners, Canada and Mexico.
- In 2002, the US Trade Representative established the Office of Small Business Affairs to help meet the trade policy needs and address the trade policy issues facing small and medium size US businesses.
- By providing access and input at early stages in the negotiating process, US small businesses now have the opportunity to influence the framework of all US trade negotiations – globally, regionally and bilaterally.
- Small businesses will be more successful as barriers to trade are reduced and eventually eliminated. The goal of US-negotiated free trade agreements is to remove all manner of trade barriers and thereby improving the environment for small business success.