



# Exporting is Good for Your Bottom Line!

## World Trade Week 2008

- The U.S. Commerce Department continues to promote free and fair trade, with a special focus this year on Free Trade Agreements. This year's trade agenda includes the pending Colombia, Korea, and Panama Free Trade Agreements. The Commerce Department's "Colombia Tariff Ticker," on [www.export.gov](http://www.export.gov), highlights estimated dollars lost to U.S. businesses as a result of Congress' delayed action on the Colombia FTA vote.
- The U.S. Commercial Service has established a simplified fee structure with a single worldwide fee for each standardized service, enabling us to better serve U.S. firms, particularly small and medium-sized businesses. The new system provides strong incentives for many new to export companies in your city/state to try Commercial Service assistance for the first time.
- World Trade Week was an idea born in 1926, during a time when isolationism dominated U.S. policy and popular opinion. The manager of the World Trade Department in Los Angeles conceived the idea originally to promote the growth of Southern California ports. President Franklin Roosevelt officially proclaimed World Trade Week as a national observance in 1935 to recognize the importance of international commerce to our economy and way of life.

## Why Consider Exporting?

- More than 70 percent of the world's purchasing power—and 95 percent of its population is beyond U.S. borders. So if a U.S. business is only selling domestically, they are reaching just a small share of potential customers.
- There is no better time to export. Free trade agreements, together with ease of transportation, the Internet, and U.S. Government programs and partnerships continue to simplify the export process.
- Free trade agreements have opened up in markets such as Australia, Chile, Singapore, Jordan, Israel, Canada and Mexico, and South and Central America, creating more opportunities for U.S. businesses.
- Top markets for U.S. exports in 2007 were Canada, Mexico, China, Japan, United Kingdom, Germany, South Korea, Netherlands, France, and Taiwan.
- If your company is not exporting, it's highly likely your competitors are or will be selling internationally. Exporting enables companies to diversify their portfolios and weather changes in the marketplace, and to grow and become more competitive.



## **The Economic Impact of Exporting**

- In 2007, U.S. exports reached a record \$1.63 trillion, an increase of 12.6 percent over the previous year.
- U.S. exports support millions of American jobs. In 2005, 5.7 million jobs were linked to manufactured exports.
- Small businesses create 70 percent of the new jobs in America. It is important to help these firms increase their exports.
- In 2007, U.S. exports to countries where there was an FTA in effect exceeded \$472 billion, accounting for roughly 41 percent of U.S. exports.

## **Smaller Companies Have Vast Untapped Export Potential**

- In 2006, there were 245.9 thousand identified U.S. exporters, an increase of 2.3 percent over the previous year. Yet, only a very small percentage of all U.S. businesses actually export.
- Small and medium-sized companies account for 97 percent of U.S. exporters, but represent less than one-third of the known export value of U.S. goods' exports.
- Nearly 60 percent of all exporters only sell to one foreign market, so many of these firms could boost exports by expanding the number of countries they sell to.
- Nearly three-quarters of exporters have fewer than 20 employees.
- Many smaller businesses are so busy running their day-to-day operations that they don't consider their export potential. Oftentimes, companies think exporting is too burdensome, believe it's just for larger firms, or are not aware of the services offered by U.S. Government agencies such as the Commercial Service.

## U.S. Commercial Service

- The U.S. Commercial Service helps U.S. companies export and protects American business interests abroad, operating a seamless worldwide network of offices in 108 U.S. cities and American embassies and consulates in nearly 80 countries.
- The Commercial Service's end-to-end export solutions help smaller firms increase profits and lower risks. Companies can benefit from export counseling, customized market research, pre-screened business appointments abroad through the Gold Key Service, international contacts and trade leads, advocacy, and participation in trade shows and the International Buyer Program.
- The Commercial Service is partnering with corporate organizations to further streamline the export process and build awareness of exporting opportunities for small businesses through seminars and other outreach efforts. These partnerships include FedEx, UPS, eBay, PNC Bank, Google, and others.
- In 2007, the Commercial Service network generated nearly 12,000 export successes; facilitating billions of dollars in U.S. export sales.
- For more information, locate the nearest Commercial Service U.S. Export Assistance Center at [www.export.gov](http://www.export.gov), or call the Trade Information Center at 1-800-USA- TRADE.

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