



# Office of Advocacy News Release

*Advocacy: the voice of small business in government*

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## **Exports are a Bright Spot in Economic Downturn** ***Report Documents Small Firms' Role in Economy***

WASHINGTON, D.C. – A better market for U.S. exports was the highlight of the fading economy of 2007, according to *The Small Business Economy* report released today by the U.S. Small Business Administration's Office of Advocacy. Small businesses, like other firms, faced growing challenges, as housing starts fell and energy prices increased. A year that showed strong growth in the second and third quarters ended with fourth quarter growth down an annualized 0.2 percent. The economy still generated 1.1 million net new jobs, largely in the service sectors populated in large part by small firms. Small firms continued to lead job growth in the first quarter, creating 74 percent of the net new jobs; by the fourth quarter, firms of all sizes were shedding jobs. Many of these trends continued into 2008.

“The export market was a highlight of the 2007 economy, driven by a drop in the dollar's value against other currencies,” said Advocacy Chief Economist Chad Moutray. “This report reviews changes in the economy of 2007 and also showcases new research by economists on the small business role in the economy, including exporting.”

Moutray released the report at the Small Business Congress of the National Small Business Association in Fort Lauderdale, Florida. The 2008 edition of *The Small Business Economy: A Report to the President*, is the latest in the Office of Advocacy's annual research reports.

The report reviews the economic environment for small businesses in the year 2007, including the financial and federal procurement marketplaces. New research focuses on small businesses in international trade, small business training and development, tax policy, and business creation, including startup activities and the launch of new ventures. Other chapters and appendices provide data on small business and an update on Office of Advocacy initiatives.

The Office of Advocacy, the “small business watchdog” of the federal government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats, and it funds research into small business issues.

For more information and a complete copy of the report, visit the Office of Advocacy website at [www.sba.gov/advo](http://www.sba.gov/advo). Print copies are also available upon request to the Office of Advocacy (202) 205-6533.

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*The Office of Advocacy of the U.S. Small Business Administration (SBA) is an independent voice for small business within the federal government. The presidentially appointed Chief Counsel for Advocacy advances the views, concerns, interests of small business before Congress, the White House, federal agencies, federal courts, and state policy makers. For more information, visit [www.sba.gov/advo](http://www.sba.gov/advo), or call (202) 205-6533.*