



**Opening Statement of Chairman Scott Tipton  
Subcommittee on Agriculture, Energy and Trade  
“Impact of United States Trade Policies on Small Businesses and Manufacturing”  
Pittsburgh, Pennsylvania  
April 2, 2012**

Good morning. The hearing will come to order.

First, I want to thank the Ranking Member for hosting today’s hearing. It’s great to be here in Steeler Nation. While Mark doesn’t like when I remind him of last year’s playoff game, I must commend your Mayor for following through on a friendly bet he made with Denver’s Mayor. I hope this friendly rivalry will continue and wish both teams much success next season. I also want to thank our witnesses on both panels for taking time away from your full time jobs for this important hearing. We look forward to your testimony.

Although Mark and I come from different parts of the country, I know he shares my passion for increasing U.S. exports and ensuring fair trade practices for small business manufacturers. Today’s hearing will provide an opportunity to examine the impact of trade policies on small businesses and identifying best practices to increase U.S. exports.

There is strong bipartisan agreement in Washington on the benefits of exporting. Exports are a major component to the U.S. economy and they help support millions of good-paying local jobs. In 2011, U.S. exports totaled \$2.1 trillion, or nearly 14 percent of the nation’s gross domestic product.

Although the benefits of exporting are clear; only one percent of small businesses in the United States currently export. Along with limited personnel, small firms face a number of tariff and non-tariff barriers that limit their ability to reach new markets. As a result, small businesses rely heavily on negotiated trade agreements to remove trade barriers, provide strong intellectual property protection, and streamline the trade process. In 2010, 41 percent of the total U.S. exports went to FTA countries.

While many firms benefit from increased international trade, some businesses may suffer as a result. Moreover, many small businesses have become victims of unfair trade practices, such as price dumping and intellectual property theft. These predatory practices can be catastrophic for domestic small businesses. The federal government needs to use every tool available to combat these unfair trade practices to ensure a level playing field.

Last month, Mark and I came together in support of legislation (H.R. 4105) to amend the Tariff Act of 1930 to apply countervailing duties to nonmarket economies, such as China. This

legislation is now public law and it sends a powerful message to our competitors who are not complying with international trade rules.

I have no doubt that U.S. small businesses can compete with any company in the world if provided a fair and equal playing field. The multilateral and bilateral trade agreements provide a strong framework to reduce trade barriers, increase transparency, and strengthen trade enforcement. However, we must hold countries accountable for unfair trade practices.

Again, I want to thank our witnesses for participating in today's hearing. We look forward to hearing your testimony.

I now recognize the Ranking Member for his opening statement.