

EXPORTS = AMERICAN JOBS

February 14, 2011

Small Businesses Coupled with Exports = U.S. Jobs

America's smaller companies are finding prosperity in markets abroad

Think trade is just for big business? Think again. More than a quarter million U.S. companies have gone into exporting, and an amazing 97% of these are small and medium-sized enterprises. These so-called SMEs exported more than \$350 billion worth of merchandise in 2008—nearly a third of all U.S. merchandise exports! The number of SMEs that export has more than doubled over the past 16 years, and their export revenue has more than tripled.

No. of U.S. Exporters	No of U.S. SME Exporters	SME Exporters as % of Total	SME Exports	SME Exports as % of Total
288,747	281,668	97.5%	\$359 billion	31.3%

Source: Bureau of Census, U.S. Department of Commerce 2008 data (most recent available)

Top Markets: Canada is by far the most popular export destination for SMEs. In 2008, some 92,573 SMEs registered sales to Canada. Mexico ranked second, receiving merchandise exports from 46,748 U.S. SMEs. Canada and Mexico together purchased a quarter of U.S. merchandise exports by SMEs in 2008. Other top markets for SMEs in 2008 were third-ranked China (\$23.5 billion), Japan (\$19.6 billion), the United Kingdom (\$17.1 billion), Germany (\$12.9 billion), and the Netherlands (\$11.4 billion).

Trade Agreements Matter: “Compared with large firms, SMEs are especially dependent on U.S. government initiatives to open foreign markets,” observes the U.S. Department of Commerce. “This is because, unlike big companies, most SMEs do not possess offshore business affiliates that can be used to circumvent trade barriers and gain market access.” Trade agreements like the Colombia, Panama and Korea agreements level the playing field for SME’s by eliminating costly trade barriers.

Opportunities in China: China is by far the fastest growing major market for SME exports. The number of SMEs that exported to China in 2008 totaled 27,742—up from 3,143 in 1992. In this 16-year period, the number of SMEs exporting to China surged by an amazing 783%. Total merchandise exports to China by SMEs surpassed \$23.5 billion in 2008, representing 34.6% of all U.S. merchandise exports to China.

For 281,668 Small Businesses, EXPORTS = AMERICAN JOBS.

The Trade and American Competitiveness Coalition is made up of U.S. business enterprises that support policies and legislation that will enhance U.S. competitiveness in the international economy to promote growth and prosperity for America's businesses, workers and consumers.