Expanding U.S. Small Business Participation in the Global Marketplace

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Setting the Stage for Change

- Administration focus on export-promotion strategy
- Goal of doubling exports over the next five years
- Exporting will grow small businesses’ bottom line
- Increasing U.S. job retention and growth
NASBITE Members the Key to Success

• Outreach to an estimated 1-2 million possible exporters
• Education and training of potential and expanding exporters
• Facilitate global business activity
National Export Initiative

• Expand U.S. government’s export promotion efforts
• Provide access to credit
• Eliminate barriers that prevent open and fair access to foreign markets
NEI Executive Order

• Create an Export Promotion Cabinet
  – State
  – Treasury
  – Commerce
  – Agriculture
  – SBA and other federal agencies responsible for exports

• Re-establish the President’s Export Council—private sector advisory committee
Trade Promotion Coordinating Committee

• Interagency task force leading trade promotion efforts
• Chaired by the Secretary of Commerce
• Focuses on training, marketing, program integration and information sharing
• The Export Promotion Cabinet will coordinate with the Trade Promotion Coordinating Committee
Small Business Exporting

• Has grown 80 percent since 2003
• $500 billion in annual sales
• Represents only 30 percent of export revenues
Why Small Businesses Should Export

• 96 percent of consumers live outside the U.S.
• Two-thirds of world’s purchasing power outside the U.S.
• Global demand high-quality U.S. goods and services
2010 Small Business Exporting Survey
National Small Business Association/Small Business Exporters Association

• Nearly half of small business respondents said they would consider exporting if challenges/barriers addressed
• Largest barrier for non-exporters perceived lack of exportable products/services
• 38 percent don’t know enough about exporting/aren’t sure where to start
• 28 percent concerned about getting paid from foreign customers
Steps to Creating Successful Small Business Exporters

- Identify small businesses with export potential
- Prepare them to export
- Connect them with opportunities
- Support them with financing
Identify Small Businesses with Export Potential

• SBA and its resource partners will expand outreach

• Government wide marketing campaign to increase awareness about exporting potential and federal exporting assistance
Prepare Small Businesses for Exporting

• 14,000 counselors at SBA, SBDCs, SCORE and Women’s Business Centers
• United States Export Assistance Centers—SBA, Commerce Department, Ex-Im Bank
• Online training
• New SBA online exporting courses coming soon
Connect Small Business with Trade Opportunities

• Matchmaking
• Matchmaking with export trading companies
• Trade missions
• Lifting unreasonable restrictions and regulations—U.S. Trade Representative
Support Firms with Financing

• Finance that first big order
• Help with travel costs for a trade mission
• Translate a business Web site and marketing materials
• Expand to a larger location, buy new equipment and hire more workers
Government Financing of Exporting

• Increase use of SBA loan products
• Additional resources for the U.S. Export-Import Bank
SBA Financial Support for Small Business Exporters

- 14,000 loans in five years
- More than $4 billion in loans
- $10 billion in export sales
SBA Loan Products

• Export Development and Working Capital Loans
  – Export Working Capital Program
  – Export *Express* Program

• Financial Development Financing
  – International Trade Loan Program
Small Business Exporting Success Stories

• Provide inspiration
• Identify challenges
• Promote government exporting programs and services
2010 Small Business Exporter of the Year

- NANMAC Corporation, Framingham, Mass.
- Manufacturers temperature sensors
- Increased profits and jobs resulting from exporting
- Strategic and proactive approach to global markets
- Utilized federal and state agencies to achieve goals:
  - SBA’s partner, the Massachusetts Small Business Development Center
  - Commercial Service of the Department of Commerce
  - Massachusetts Export Center
  - Mass Workforce Training Center
  - Massachusetts Technology Collaborative
Thank you for your continued support of small business exporting.

For more information on federal government trade financing:

“Financing Your Export Transactions” (6-B)
Rick Schulze, SBA Export Trade and Finance Specialist
April 9, 11:15 a.m. -12:30 p.m.
Capital Ballroom B