



# 2013 SMALL BUSINESS EXPORTING SURVEY

**NSBA**  
National Small Business Association

**SBEA**<sup>TM</sup>  
SMALL BUSINESS EXPORTERS ASSOCIATION

# FOREWORD

Since 1937, the National Small Business Association (NSBA) has been the nation's leading small-business advocate. NSBA and its council, the Small Business Exporters Association (SBEA), the largest and oldest nonprofit association in the country dedicated exclusively to small- and mid-size exporters, has nearly 100 combined years in advocating for America's small businesses and small exporters. As the country's leading small-business advocate and premier small-business exporting organization, we are pleased to provide the 2013 Small Business Exporting Survey on the state of exporting for America's small-business owners.

As part of NSBA's mission to address the needs and represent the concerns of the U.S. small-business community, we conduct a series of surveys and quick polls throughout the year. In addition to our semi-annual Economic Reports, NSBA routinely surveys our membership on key issues ranging from health care to taxation. Exporting remains an untapped, but growing marketplace for small businesses, making this survey a critical tool to determine the costs and challenges to current and potential exporters.

Even in sound economic times, small businesses are at a distinct disadvantage in the global economy. NSBA and SBEA have been urging for years—decades, even—that more must be done to emphasize the needs of small business within the scope of U.S. trade. In the past few years, there has been a concerted effort by the administration, Congress and regulators to improve and enhance exporting opportunities for small businesses. While important steps forward have been made and this survey shows growth in small-business exporting, more can and should be done.

Among the various findings in this new survey—which builds upon our 2010 survey on exporting—we found a notable increase in the number of small-business owners who report they export their goods and/or services. Furthermore—and perhaps even more promising for U.S. global trade—there was a marked increase among non-exporters who said they would be interested in starting to export their goods and/or services from just 43 percent in 2010 to 63 percent today.

In addition to this positive news, the survey found that there was a significant drop in those non-exporters who said lack of goods or services to export was their main barrier to selling internationally. Today, the main barrier is a lack of information and an unclear understanding of where to start, a problem with a clear and doable solution.

In this survey we found slight growth in smaller and newer exporters than there was just three years ago, underscoring the important role small business plays in U.S. international trade. More companies are exporting to China, Mexico, India and Brazil than were three years ago, while Canada remains the #1 country of export for U.S. small firms.

Unfortunately, the pathway to exporting is very challenging. Nearly half of small-business exporters report spending a minimum of a few months as well as an average of 8.4 percent of their annual operating revenue preparing to export. In today's economic environment, this time and financial expenditure is extremely difficult for small businesses.

As expected, getting paid is a significant worry for exporters and non-exporters alike, and a very valid concern. However, one overarching theme throughout the survey was the broad agreement that the U.S. system and assistance can be overly complex. Two of the top three responses among both exporters and non-exporters when asked what types of federal government support would be most beneficial to their company had to do with better availability of information and consolidating federal agencies to provide a one-stop-shop, two issues NSBA and SBEA have raised for many years.

While U.S. exporting typically conjures images of large, massive firms, there is without a doubt an important and growing role small businesses play. Small exporting firms actually account for 98 percent of all exporting firms and 33 percent of U.S. exporting value, according to the U.S. Census Bureau. Not only is small-business exporting important to the U.S. economy, exporting is important to small business: the International Trade Commission calculated that small exporting firms averaged 37 percent revenue growth between 2005 and 2009 compared to the decline of seven percent for non-exporting firms.

Conducted on-line May 1, 2013 – May 17 among more than 500 small-business owners, we hope you find the 2013 Small Business Exporting Survey informative.

We have made important progress as a nation when it comes to small-business exporting in the last three years, and there is much more we can do.

Please contact NSBA at [press@nsba.biz](mailto:press@nsba.biz) for any questions or follow-up on this survey.

Sincerely,

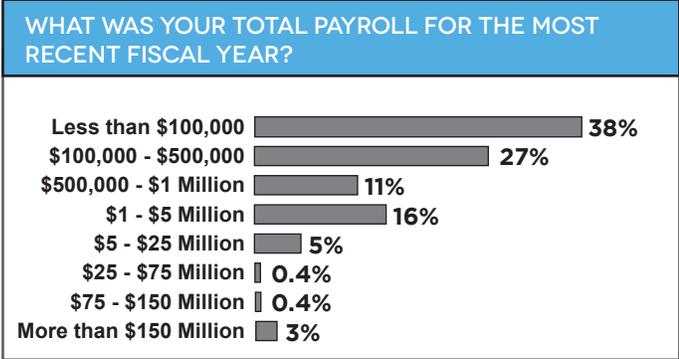
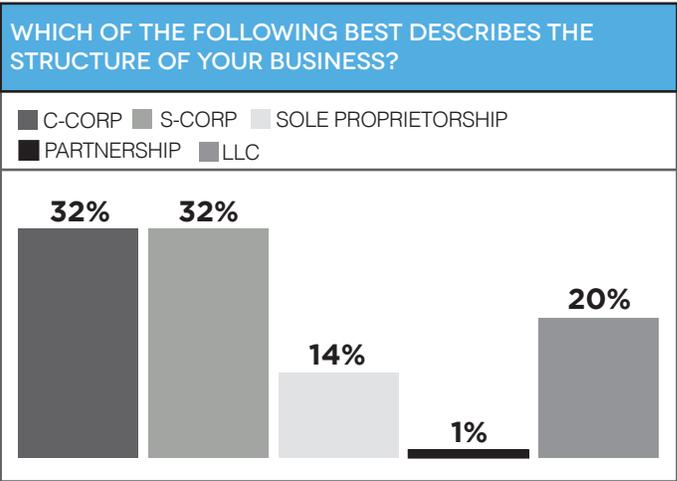


Todd O. McCracken  
NSBA President



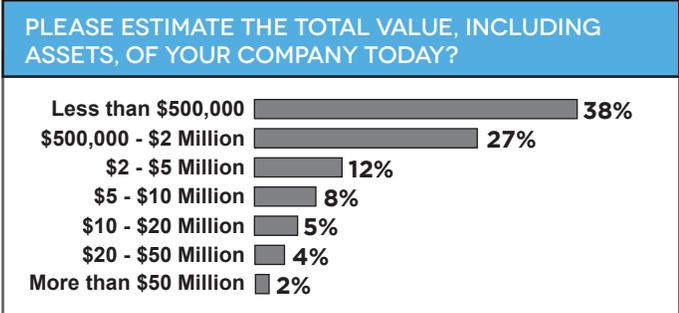
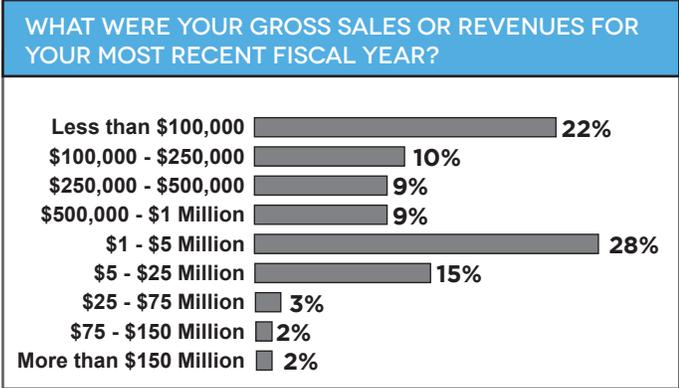
David Ickert  
NSBA Chair  
Air Tractor, Inc.

# ★ DEMOGRAPHICS ★



**WHICH OF THE FOLLOWING BEST DESCRIBES THE INDUSTRY OR SECTOR IN WHICH YOUR BUSINESS OPERATES?**

Manufacturing	26%
Professional services	22%
Distribution	9%
Construction	7%
Retail	6%
Fabricated Products	5%
Transportation	4%
IT/Telecom	4%
Software	3%
Health Care	3%
Printing and Publishing	3%
Insurance	2%
Real estate	2%
Biotech/Biomed	2%
Finance	2%
Food Service	1%
Chemicals	1%



*While the demographic questions asked in 2010 were worded notably different, preventing direct comparisons among demographic information, the overall demographics of the 2013 survey group show a trend of slightly smaller and younger small businesses than those surveyed in 2010. The survey sample was similar enough, however, to make reasonable comparisons between the 2010 and 2013 survey.*

# EXPORTING ACTIVITY

## AMONG ALL RESPONDENTS

In the last three years, we've seen a notable increase in the number of small-business owners who report they export their goods and/or services. And while this survey, by its nature may be slightly self-selecting in that it is likely to draw more exporters than nonexporters, the sample of the 2010 survey is similar enough to the 2013 survey to fairly state this new data does indicate growth in exporting by America's small-business owners.

PLEASE RANK EACH OF THE FOLLOWING BENEFITS OF EXPORTING IN ORDER OF HOW IMPORTANT THEY ARE OR WOULD BE TO YOUR BUSINESS, WITH #1 BEING THE MOST IMPORTANT.



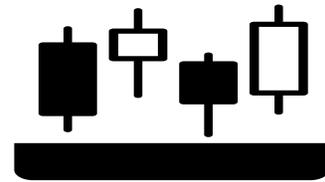
Increased sales and profits

1.44



Diversified and expanded customer base

2.03

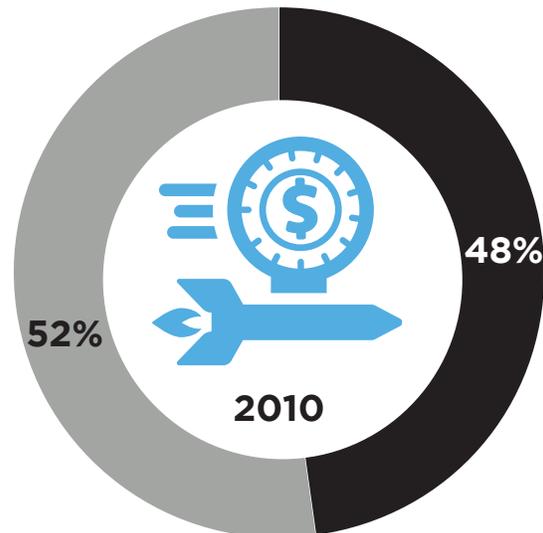
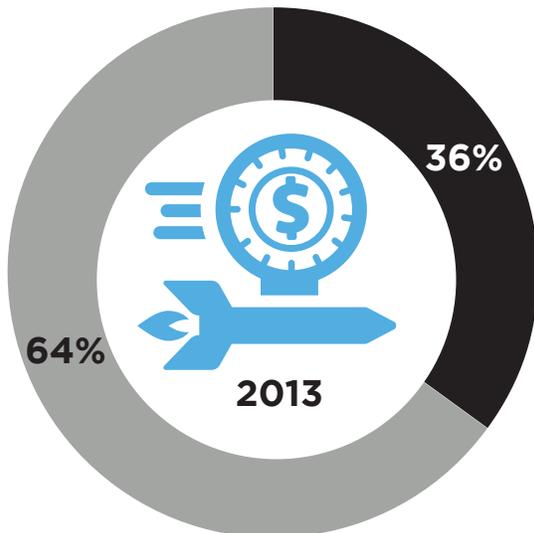


Provide increased stability in light of U.S. economic difficulties

2.52

HAVE YOU EVER SOLD MERCHANDISE OR SERVICES TO A CUSTOMER OUTSIDE OF THE UNITED STATES?

■ Yes ■ No



AMONG THOSE THAT DO EXPORT, WHAT KIND OF MERCHANDISE OR SERVICES HAVE YOU SOLD TO A CUSTOMER OUTSIDE THE UNITED STATES?



Services Only

18%



Goods Only

52%



Services & Goods

30%

# EXPORTING OPINIONS

## AMONG NON-EXPORTERS ONLY

There was a marked increase among non-exporters who said they would be interested in starting to export their goods and/or services from the 2010 survey to today's data. This is a clear indication both of the U.S. growing maturity in the export arena as well as changing attitudes by small businesses that exporting is a viable option to grow their business, particularly given the sluggish U.S. economic recovery we've seen in the past three years.

This growing openness to exporting is underscored by the significant drop in those non-exporters who, in 2010, said lack of goods or services to export was their main barrier to selling internationally, but today reported the main barrier is lack of information and an unclear understanding of where to start.

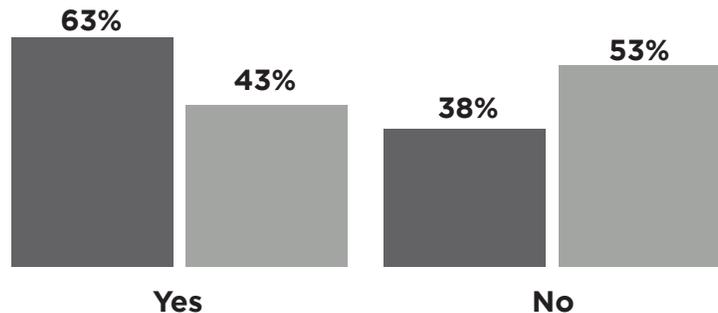
Among non-exporters, Small Business Development Centers are the most recognized resource for information on exporting, despite a host of more export-targeted resources being available. This, along with several data sets in this survey make a clear case for the need to simplify assistance resources and provide a one-stop-shop to ensure small businesses are getting the best, most comprehensive information available.

### WHAT DO YOU CONSIDER THE MAIN BARRIERS TO SELLING YOUR GOODS AND/OR SERVICES TO FOREIGN CUSTOMERS? (CHECK ALL THAT APPLY)

	2013	2010
Don't know much about it and not sure where to start	46%	38%
I don't have goods and/or services that are exportable	30%	49%
I'd worry too much about getting paid	26%	29%
Too costly	20%	27%
Lengthiness & time consumption of obtaining visas and work permits	16%	n/a
Insufficient protection of intellectual property rights	14%	n/a
Can't get financing to offer foreign customers	14%	7%
Restrictions on forming partnerships or joint ventures, or the requirement to have partnerships with local businesses	14%	n/a
It would take too much time away from my regular, domestic sales	12%	17%
Other	16%	n/a

### WOULD YOU BE INTERESTED IN SELLING MERCHANDISE OR SERVICES TO A FOREIGN CUSTOMER IN THE FUTURE, IF SOME OF YOUR CONCERNS COULD BE ADDRESSED?

■ 2013 ■ 2010



### WHICH OF THE FOLLOWING GOVERNMENT EXPORTING PROGRAMS HAVE YOU HEARD OF? (CHECK ALL THAT APPLY)

Small Business Development Centers	58%
SBA export lending programs	43%
U.S. Department of Commerce export assistance	37%
U.S. Export-Import (Ex-Im) Bank financing	34%
Trade Missions	27%
U.S. Trade Representative's Office	25%
Overseas Private Investment Corporation (OPIC) loans and insurance	15%
U.S. Export Assistance Centers (USEAC) in major cities	15%
U.S. Department of Agriculture exporting assistance and/or financing	13%
Export promotion programs offered by my state	12%
U.S. Commercial Service personnel assigned to U.S. embassies abroad	8%
U. S. Department of Commerce Gold Key Program	7%
District Export Council (DEC)	3%
Bidding on foreign projects funded by multilateral organizations/banks	1%
Other	3%

# EXPORTING ACTIVITY

## AMONG EXPORTERS ONLY

Although there was a jump in the number of small-business exporters who report they export to more than 20 countries, there also appears to be slight growth in smaller and newer exporters than there was just three years ago.

As to be expected, some of the more rapidly developing countries with growing middle classes have jumped up on the list of the top countries to which small businesses are exporting: China is now in the #2 slot, up from #8 in 2010; Mexico jumped three spots, from #7 in 2010 to #4 today, and both India and Brazil made the top ten for the first time. Canada maintains its #1 ranking from 2010 to today, likely underscoring the ease and benefits associated with selling to a long-time U.S. trade partner ala NAFTA.

There was a slight increase in the number of small-business owners who report they handle the bulk of their exporting activities themselves, likely due to the slightly smaller company size overall of the survey sample, as well as ongoing economic challenges.

In addition to positive growth in the number of small-business exporters citing total export volume increases in the past year, it is worth noting that nearly one-third—29 percent—reported increases of more than 10 percent. This growth correlates to national exporting data. According to the FY2014 Administration Budget Request, in 2012, exports of goods and services reached record levels of over \$2.2 trillion – 39 percent above 2009 levels. Furthermore, according to the U.S. Census Data, total international trade in goods and services was roughly \$4.9 trillion in 2012, up from \$2.5 trillion in 2000. Of that total, exports accounted for nearly \$2.2 trillion, a new all-time high. According to the International Trade Commission (ITC), those exports helped support nearly 10 million jobs, including about 4 million small-business jobs.

### WHAT PERCENTAGE OF YOUR BUSINESS SALES IS FROM EXPORTING?

	2013	2010
Less than 10 percent	54%	52%
10 to 20 percent	17%	21%
21 to 50 percent	17%	17%
More than 50 percent	12%	10%

### HOW MANY YEARS HAVE YOU BEEN EXPORTING?

	2013	2010
Less than 5 years	25%	22%
6 to 10 years	29%	24%
11 to 20 years	23%	25%
More than 20 years	23%	18%

### HOW MANY COUNTRIES ARE YOU EXPORTING TO?

	2013	2010
Less than 5	55%	54%
5 to 10	18%	25%
11 to 20	12%	11%
More than 20	15%	10%

### IN THE LAST 5 YEARS, HOW MUCH HAS YOUR EXPORT VOLUME CHANGED?

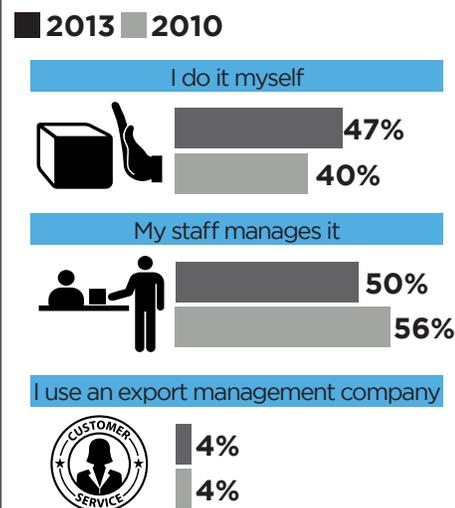
	2013	2010
 Total Increase	52%	46%
 Total Decrease	20%	27%
 Stay About The Same	28%	27%

### WHAT ARE THE TOP THREE COUNTRIES TO WHICH YOU EXPORT? (PLEASE LIST IN ORDER OF EXPORT VOLUME WITH #1 BEING THE HIGHEST VOLUME)



2013		2010	
Canada	27%	Canada	16%
China	9%	UK	10%
U.K	8%	Germany	5%
Mexico	8%	Australia	4%
Australia	5%	France	4%
Germany	3%	Japan	4%
Japan	3%	Mexico	4%
India	3%	China	4%
Brazil	2%	Italy	2%
Israel	2%	Russia	2%

### WHO MANAGES THE BULK OF YOUR EXPORTING ACTIVITIES?



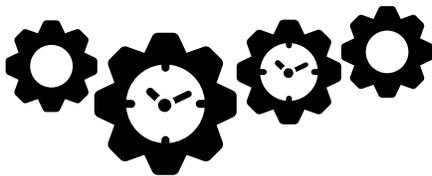
# ★ PREPARING FOR EXPORTING ★

## AMONG EXPORTERS ONLY

The fact that nearly half report spending a few months or more preparing to export is a clear indicator of the complexity faced by new exporters and the need for improved, streamlined assistance.

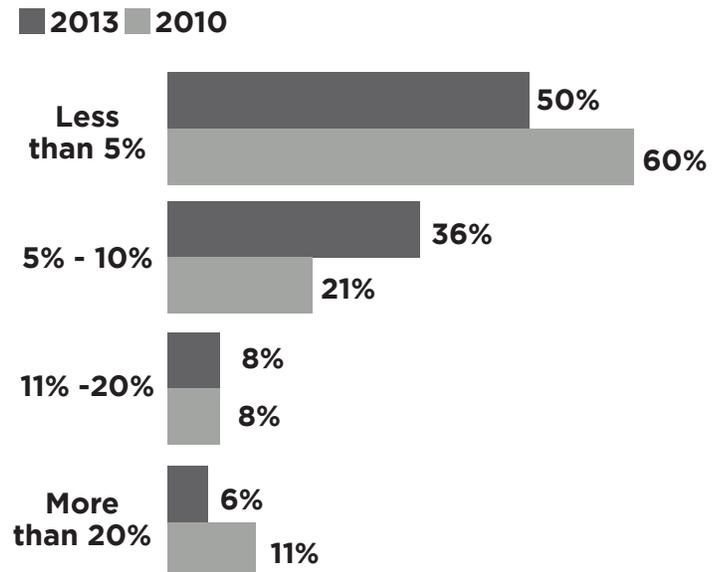
The average small-business exporter reports spending approximately 8.4 percent of their annual operating revenue on preparing to export. To put that in context, the average S-Corp reports spending 11.1 percent of their annual operating revenue on salaries and wages, according to the most recent information available from the IRS.

APPROXIMATELY HOW MUCH TIME DID YOU HAVE TO SPEND UP-FRONT BEFORE ENGAGING IN EXPORTING?



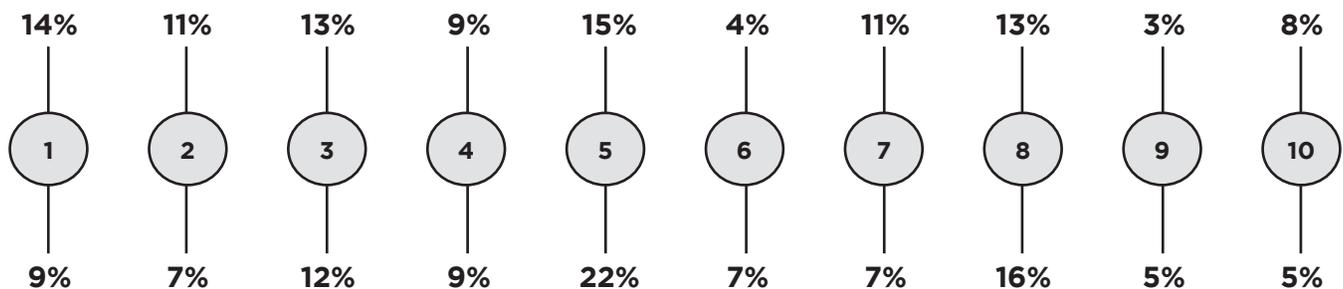
	2013	2010
A little time (a few weeks)	43%	43%
A fair amount of time (a few months)	23%	29%
A lot of time (several months)	13%	18%
A year or more	13%	10%
Other	8%	n/a

ROUGHLY WHAT PERCENT OF YOUR ANNUAL OPERATING REVENUE DID YOU DEVOTE TO GETTING READY TO EXPORT?



ON A SCALE OF 1 TO 10, WITH 10 BEING THE MOST DIFFICULT, HOW DIFFICULT WAS ENTERING THE EXPORTING ARENA FOR YOUR BUSINESS?

2013



2010

**ON AVERAGE, SMALL-BUSINESS EXPORTERS RATED DIFFICULTY OF ENTERING THE EXPORTING ARENA A 5 ON A SCALE OF 1 TO 10, WITH 10 BEING THE MOST DIFFICULT.**

# ★ CHALLENGES OF EXPORTING ★

## AMONG EXPORTERS ONLY

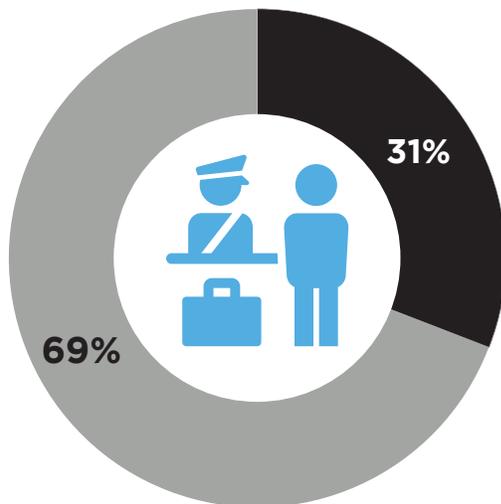
Getting paid is a significant concern for exporters, ranked as the most significant challenge they face, followed by complexity and difficulty. Additionally, 79 percent expressed some level of concern over receiving payment from a foreign customer.

WHAT DO YOU CONSIDER THE LARGEST CHALLENGES TO SELLING YOUR GOODS AND/OR SERVICES TO FOREIGN CUSTOMERS? (CHECK ALL THAT APPLY)

I worry about getting paid	41%
It is confusing and difficult to do	29%
I have limited goods and/or services that are exportable	23%
It takes time away from my regular, domestic sales	21%
It is very costly	19%
I can't get financing to offer foreign customers	14%
I have all the business I want domestically	3%
Other	28%

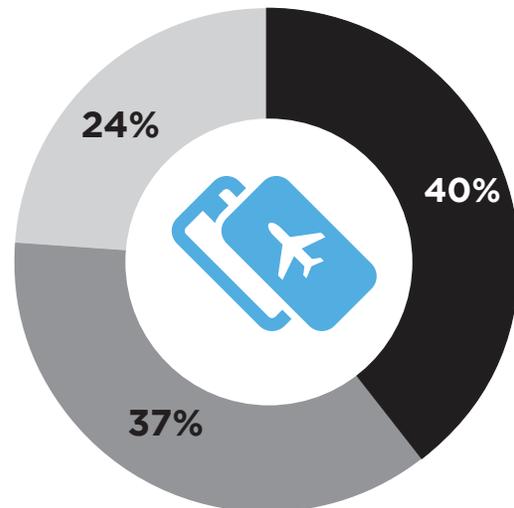
HAVE YOU EVER HAD TROUBLE EXPORTING YOUR PRODUCT TO ANY COUNTRIES DUE TO FOREIGN IMPORT RESTRICTIONS?

■ Yes ■ No



HOW SIGNIFICANT A CONCERN IS RECEIVING PAYMENT FROM A FOREIGN CUSTOMER TO YOU?

■ Very ■ Somewhat ■ Not a concern



# EXPORT PAYMENTS

## AMONG EXPORTERS ONLY

Given the concern small-business exporters express over getting paid, it is no wonder the overwhelming majority, 69 percent say they provide their product/services after they have received the full payment.

WHICH OF THE FOLLOWING METHODS OF PAYMENT DO YOU ACCEPT FROM FOREIGN CUSTOMERS? (CHECK ALL THAT APPLY)

Ship on receipt of full payment in advance	69%
Ship on 30 day open account	43%
Ship under a bank issued letter of credit	32%
I provide extended payment terms to my foreign customers	17%
I provide payment terms to my customer with acceptable (to my bank) payment enhancements in place	12%
I sell my foreign receivables to a factoring entity	4%
My bank will advance funds to me upon shipment	2%
Other	16%

AMONG EXPORTERS WHO DO UTILIZE PAYMENT ENHANCEMENT OPTIONS, WHICH OF THE FOLLOWING DO YOU USE? (CHECK ALL THAT APPLY)

Export-Import Bank products (Ex-Im Bank)	54%
Private credit insurance	24%
Overseas Private Investment Corporation products (OPIC)	13%
Other	9%

**JUST 12 PERCENT OF RESPONDENTS SAY THEY UTILIZE PAYMENT ENHANCEMENTS, AMONG THOSE THAT DO, 54 PERCENT UTILIZE EXPORT-IMPORT BANK PRODUCTS.**

# EXPORT FINANCE

## AMONG EXPORTERS ONLY

The majority of small-business exporters say that access to export financing is important to their business. The fact that a decent number of respondents state that export financing isn't important is likely indicative of the survey sample being slightly smaller and younger in their export operations, and are likely exporting smaller volume to fewer clients. Underscoring the survey sample size being slightly smaller is the fact that "Other" was the highest response when asked about financing sources, and the most common explanation was "self-funded," "earnings of the business" or "none needed." Furthermore, just 11 percent report being turned down for financing specifically because it was for exporting operations, indicating that the exporting volume levels are likely lower, in accordance with smaller exporting operations.

HOW IMPORTANT IS IT FOR YOUR COMPANY TO HAVE ACCESS TO EXPORT FINANCING?



Extremely	15%
Very	10%
Somewhat	29%
Not at all	47%

FROM WHICH OF THE FOLLOWING SOURCES HAVE YOU SECURED FINANCING FOR YOUR EXPORTING OPERATIONS?

Traditional, large bank	33%
Small, community bank	26%
Via Ex-Im Bank products	11%
SBA Lending Program	7%
Credit union	4%
Other	35%

WOULD YOU SAY SECURING FINANCING FOR YOUR FIRM'S EXPORTING OPERATIONS IS MORE OR LESS DIFFICULT THAN SECURING FINANCING FOR TRADITIONAL BUSINESS OPERATIONS?



More difficult  
**35%**



About the same  
**63%**



Less difficult  
**2%**

**MORE THAN ONE-THIRD REPORT SECURING FINANCING FOR EXPORTING OPERATIONS IS MORE DIFFICULT THAN FINANCING FOR GENERAL BUSINESS OPERATIONS.**

# ★ EXPORT-IMPORT BANK UTILIZATION ★

## AMONG EXPORTERS ONLY

Among all small-business exporters, just 12 percent report having ever used an Ex-Im Bank product – not surprising given that 82 percent have never discussed Ex-Im Bank products with their bank or other lenders, and 22 percent report never having heard of Ex-Im Bank.

Among those small-business exporters who do utilize Ex-Im Bank products, the bank receives high ratings for being user-friendly. That, coupled with the reality that there are many countries in which the only way to do business is through Ex-Im payment enhancements, explains why a good number of exporting companies report utilizing Ex-Im Bank for more than 10 years.

### AMONG EXPORTERS WHO DO USE EX-IM BANK PRODUCTS, WHICH OF THE FOLLOWING HAVE YOU USED? (CHECK ALL THAT APPLY)

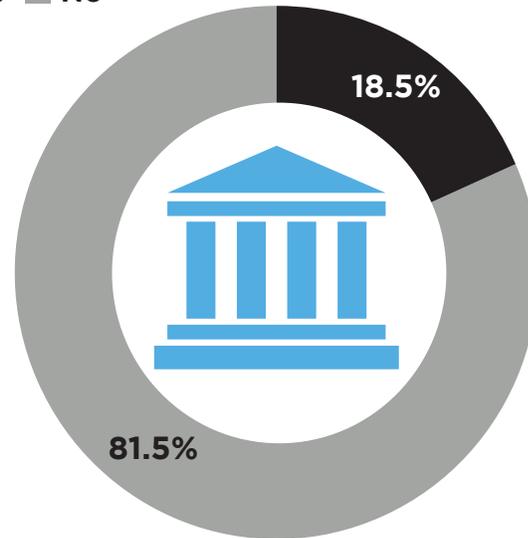
Short Term Credit Insurance	52%
Working Capital Guarantee Program	36%
Medium Term Program	26%
Long Term Program	13%
Other	16%

### AMONG EXPORTERS WHO HAVE UTILIZED EX-IM BANK, PLEASE RATE ITS SERVICES IN THE FOLLOWING CATEGORIES 1-5, WITH 1 BEING THE BEST AND 5 BEING THE WORST.

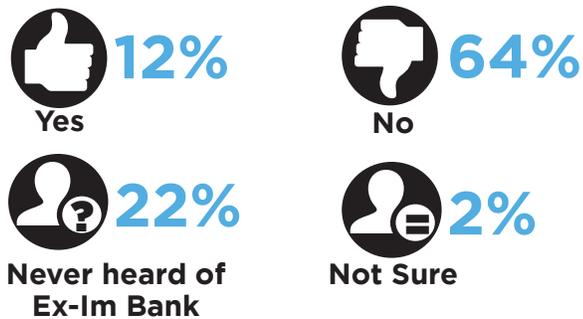
Responsiveness	2.07
Timeliness	2.17
Ease of transaction	2.28
Technical assistance	2.32

### HAS YOUR BANK OR OTHER LENDER EVER DISCUSSED EX-IM BANK PRODUCTS WITH YOU?

■ Yes ■ No

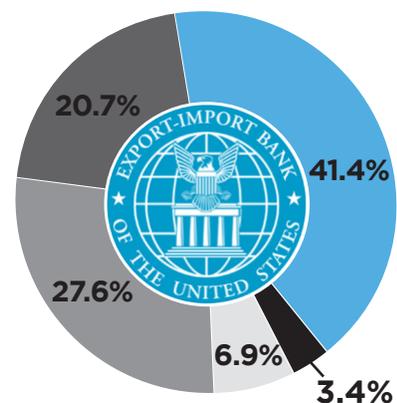


### HAVE YOU EVER USED ANY EX-IM PRODUCTS?



### AMONG EXPORTERS WHO HAVE UTILIZED EX-IM BANK, HOW LONG HAVE YOU BEEN USING EX-IM BANK?

■ Less than 1 year  
 ■ 1 to 2 years  
 ■ 3 to 5 years  
 ■ 5 to 10 years  
 ■ More than 10 years



# ★ FREE TRADE AGREEMENTS ★

## AMONG EXPORTERS ONLY

Among small-business exporters, there are a broad number of benefits reaped by Free Trade Agreements. While 15 percent report actually being hurt by FTAs, that likely is due to competition from foreign competitors selling products and/or services in the U.S.

WHICH OF THE FOLLOWING HAS YOUR COMPANY BENEFITTED FROM AS A RESULT OF FREE TRADE AGREEMENTS? (CHECK ALL THAT APPLY)

Access to new foreign markets	30.9%
Opportunity to expand existing export operations	29.4%
Increased business profitability by removing barriers and investment in market	18.6%
Access to foreign standards and technical regulations	8.2%
Access to new investment opportunities	6.7%
Access to foreign government contacts	5.2%
Enhanced ability to set up foreign operations/bases	2.6%
My company has actually been hurt by free trade agreements	14.9%
Other	27.8%

# EXPORT CONTROLS

## AMONG EXPORTERS ONLY

Currently, there is a national security-based program that requires exporters to obtain government permission before exporting controlled items, such as munitions and commercial items with military applications to countries, end-users or end-uses of concern. The current system is spread across seven departments with varying degrees of jurisdiction on two different control lists: the Commerce Control List, CCL and the U.S. Munitions List, USML. This has caused significant ambiguity, confusion and jurisdictional disputes between the departments, delaying clear license decisions for months, and sometimes for years—a major problem for any exporter with goods on either of these lists.

The NSBA/SBEA Exporting Survey shows that the majority of small-business exporters with items on either the USML or CCL list have encountered complexity, a time-consuming process and dealing with a multitude of agencies.

**DOES YOUR EXPORTABLE PRODUCT CONTAIN ANY EQUIPMENT, SOFTWARE SERVICES OR TECHNOLOGY, OR INFORMATION AND INSTRUCTIONS THEREOF THAT ARE ON EITHER OF THE FOLLOWING LISTS?**

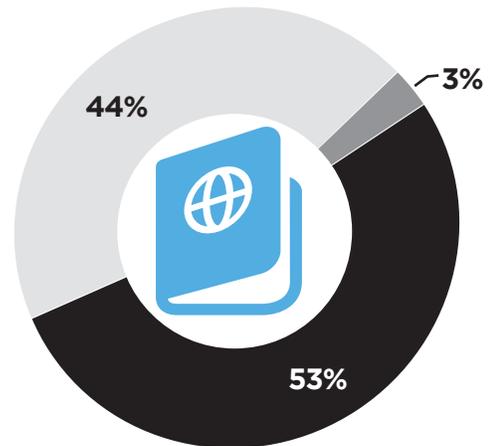
Yes - U.S. Munitions List (USML)	2%
Yes - Commerce Control List (CCL)	7%
Yes - I have products on both lists	6%
I have no exportable products on either list	75%
Not sure	11%

**IF YOU DO HAVE GOODS ON THE EXPORT CONTROLS LIST, WHICH OF THE FOLLOWING ISSUES HAVE YOU ENCOUNTERED UNDER OUR CURRENT EXPORT CONTROLS SYSTEM? (CHECK ALL THAT APPLY)**

Complexity	75%
Time-consuming	75%
Dealing with a multitude of agencies	53%
Outdated items are still needlessly included	50%
Unpredictability	39%
Not sure	3%
Other	14%

**IF YOU DO HAVE GOODS ON THE EXPORT CONTROLS LIST, HAVE YOU ATTEMPTED TO GET A VALIDATED EXPORT LICENSE OR MUNITIONS LICENSE FOR THE PRODUCT?**

■ Yes ■ No ■ Not Sure



**IF THE LICENSE WAS DENIED, WHAT WAS THE REASON? (CHECK ALL THAT APPLY)**

Destination country	67%
Competing product from another vendor subsequently got the sale	33%
The potential customer	17%
Intended end-user	17%

# EXPORT SUPPLIERS

## AMONG EXPORTERS ONLY

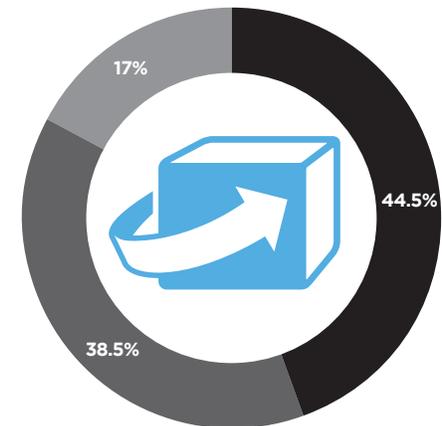
Despite assertions to the contrary, U.S. small-business exporters are a critical component of the U.S. export strategy. Small exporting firms account for 98 percent of all exporting firms and 33 percent of U.S. exporting value, according to the U.S. Census Bureau.

Not only is small-business exporting important to the U.S. economy, exporting is important to small business: the International Trade Commission calculated that small exporting firms averaged 37 percent revenue growth between 2005 and 2009 compared to the decline of seven percent for non-exporting firms.

**WHILE MANY EXPORTING FIRMS (45 PERCENT) ALSO SERVE AS EXPORT SUPPLIERS (THEY SELL THEIR GOODS/SERVICES TO OTHER COMPANIES THAT THEN USE THOSE GOOD/SERVICES TO EXPORT), THE MAJORITY OF SURVEY RESPONDENTS (64 PERCENT)—BOTH EXPORTERS AND NON-EXPORTERS—SAID THEY SELL THEIR GOODS AND PRODUCTS DIRECTLY TO A CUSTOMER OUTSIDE THE U.S.**

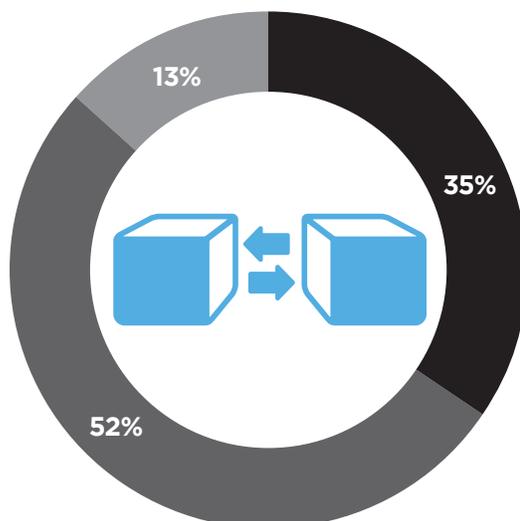
DO YOU SELL GOODS AND/OR SERVICES TO ANOTHER U.S. COMPANY THAT THEN USES THOSE GOODS/SERVICES TO SELL/EXPORT TO FOREIGN CUSTOMERS?

■ Yes ■ No ■ Not Sure



DO YOU CONSIDER THIS TRANSACTION (SELLING YOUR GOODS/PRODUCTS TO ANOTHER U.S. COMPANY THAT USES THOSE ITEMS IN THEIR EXPORTS) PART OF EXPORTING?

■ Yes ■ No ■ Not Sure



**WHEN ASKED ABOUT THE EXPORTING SUPPLIER RELATIONSHIP, JUST ONE-THIRD (35 PERCENT) SAID THEY CONSIDER THE EXPORTING SUPPLIER RELATIONSHIP TO BE PART OF EXPORTING.**

# FEDERAL EXPORT POLICY

## AMONG EXPORTERS & NON-EXPORTERS

Two of the top three responses among both exporters and non-exporters when asked what types of federal government support would be most beneficial to their company had to do with better availability of information and technical assistance. Exporting small businesses also stated that export tax incentives and maintaining a competitive U.S. dollar exchange rate are highly important. Non-exporting small businesses also emphasized a strong U.S. Trade Representative Office as well as increased assistance to help establish foreign relationships as important to their potential exporting operations.

The fact that both exporters and non-exporters ranked consolidate federal exporting assistance and create a one-stop-shop among their top three ought to send a clear message to policymakers.

WHAT TYPES OF FEDERAL GOVERNMENT SUPPORT FOR EXPORTING WOULD BE MOST USEFUL TO YOU AND YOUR COMPANY AS AN EXPORTER OR AS A POTENTIAL EXPORTER? (CHECK ALL THAT APPLY)

	Exporter	Rank	Non-Exporter	Rank
Establish export tax incentives for small exporters	40.8%	1	23.8%	7
Make more export training and technical assistance readily available to small-business exporters	35.5%	2	49.2%	1
Consolidate various exporting assistance offerings from different federal agencies (create a one-stop-shop)	34.9%	3	33.6%	2
Maintain an export competitive U.S. dollar exchange rate	34.9%	4	20.5%	10
Have a strong small business advocate within the U.S. Trade Representative Office, which handles trade negotiations with other countries	33.6%	5	33.6%	3
Increase assistance to small businesses seeking to establish joint ventures in foreign countries	29.6%	7	32.8%	4
Helping states promote exports	29.6%	6	23.8%	8
Make sure foreign countries don't violate their trade agreements with the U.S.	28.3%	8	26.2%	5
Help exporters with the protection of their intellectual property	23.0%	9	18.9%	11
Have loan officers available around the country who can underwrite SBA and Ex-Im Bank export loans	20.4%	10	24.6%	6
Negotiate and pass additional Free Trade Agreements	18.4%	11	15.6%	13
Reduce fees on "Gold Key" services overseas, to help U.S. sellers find foreign buyers and distributors	17.8%	12	9.8%	15
Pass any pending Free Trade Agreements	15.8%	14	15.6%	14
Modify the Export Control laws	15.8%	13	9.8%	16
Expedite the visa process for visiting foreign buyers and distributors of U.S. products	11.8%	16	18.0%	12
Other	13.8%	15	21.3%	9

# FEDERAL EXPORT POLICY

## AMONG EXPORTERS & NON-EXPORTERS

These responses explain why there may be a relatively low rate of utilization of a host of federal exporting programs and point even further to the need to simplify and streamline. A positive when it comes to federal initiatives on exporting is the fact that there is growth in those aware of, and helped by the administration's efforts to enhance exporting, specifically, the National Export Initiative.

DO YOU THINK ANY OF THE ADMINISTRATION'S RECENT PROPOSALS TO ENHANCE EXPORTING OPPORTUNITIES (SUCH AS THE NATIONAL EXPORT INITIATIVE) WILL HELP YOU START OR EXPAND YOUR EXPORTING OPERATIONS?

■ 2013 ■ 2010

Yes - they already have helped me

3% vs. N/A\*

Yes - they will help me

13% vs. 5%

No

36% vs. 38%

Not Sure

48% vs. 57%

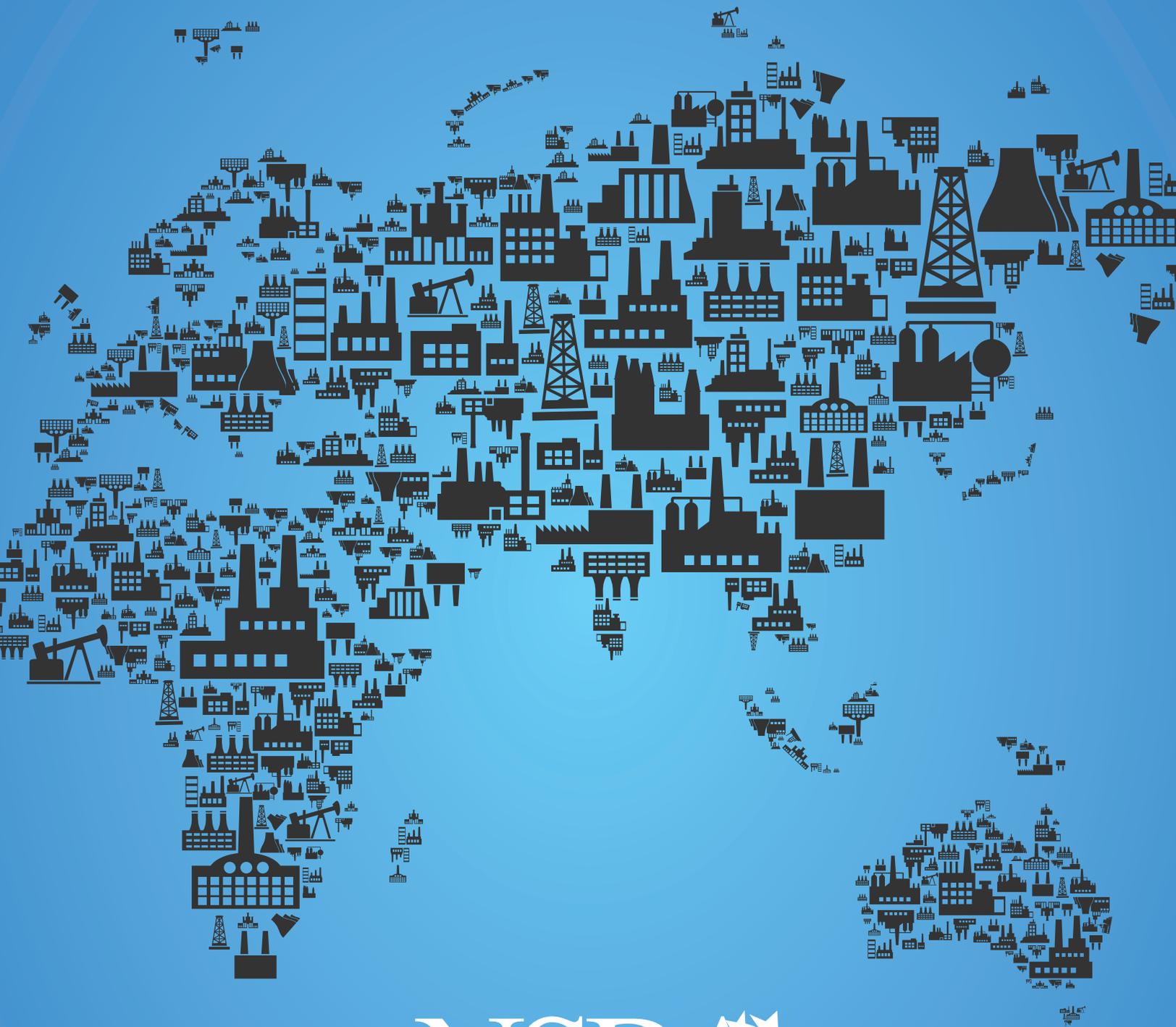
\*This question was not asked in 2010.

WHICH OF THE FOLLOWING GOVERNMENT PROGRAMS HAVE YOU TAKEN ADVANTAGE OF? (CHECK ALL THAT APPLY)

	Exporter	Non-Exporter
U.S. Department of Commerce presentations or websites	29%	7%
Exporting advice from a Small Business Development Center	13%	4%
Exporting assistance offered by my state government	12%	3%
Trade Missions	11%	1%
U.S. Department of Commerce Gold Key Program	13%	1%
U.S. Commercial Service personnel assigned to U.S. embassies abroad	11%	1%
A U.S. Export Assistance Centers (USEAC) in a major U.S. city	10%	1%
Exporting advice from an SBA District Office	8%	5%
Export-Import (Ex-Im) Bank financing, through a commercial bank	5%	0%
I have used these services but still have not exported	2%	9%
SBA export lending programs, through a commercial bank	3%	4%
The District Export Council (DEC) in my area	5%	0%
Overseas Private Investment Corporation (OPIC) financing, directly or through a commercial lender	3%	0%
Bidding on foreign projects funded by multilateral organizations/banks	2%	0%
Ex-Im Bank's Medium Term Delegated Authority loans	1%	0%
U.S. Department of Agriculture exporting assistance and/or financing	2%	1%
N/A - Never used any of these services	52%	73%
Other	5%	9%

# METHODOLOGY

The 2013 Small Business Exporting Survey was conducted on-line May 1, 2013 – May 17 among more than 500 small-business owners, predominantly members of NSBA and SBEA, representing every industry in every state in the nation. While the results in this survey can be extrapolated to the at-large small-business community, it is worth mentioning that NSBA members tend to be older, more well-established small businesses. That said, the cross-section of business demographics is consistent with past NSBA/SBEA Exporting Surveys, resulting in valid trending data.



**NSBA**  
National Small Business Association

**SBEA**<sup>TM</sup>   
SMALL BUSINESS EXPORTERS ASSOCIATION