

Why Export?
The world is open for your business! Consider exporting as your next business move.

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Small-to-medium sized businesses may be in a good position to sell to overseas markets.

Are you looking to make your first export sale or expand into a new foreign market? Each year, thousands of U.S. companies boost their bottom line and competitiveness by meeting world demand for innovative, quality, made in USA products and services. You can too, with a good export plan. When it comes to making new export sales, businesses often have several questions, among the most common:

- Is my product in demand?
- How do I find foreign buyers?
- How would I get paid?
- What is required to ship goods?
- Where do I start??

## What is Exporting and What is Importing?

In the day-to-day course of doing business, most U.S. companies producing U.S. goods and services may not be familiar with the different ways the terms "export" and "import" are used in international trade. The public more generally refers to "foreign trade" and "overseas trade." U.S. businesses understandably are more focused on sales, including their "cross-border sales" or "foreign sales."

Access to U.S. government export promotion assistance, programs, and financing depends on whether the goods or services being sold are produced in the United States. As such, it is important for U.S. businesses to be familiar with the different, sometimes confusing ways the terms "export" and "import" are used in different contexts.

**U.S. Exports/U.S. Exporting/U.S. Exporter:** Only U.S. exports are eligible for U.S. government assistance, services, and financing. For goods or services to be considered U.S. exports, they must be created, produced or manufactured in the United States. Depending on the geographic point of reference, U.S. exports may be referred as:

- o "U.S. exports TO a foreign market/country" FROM the United States" or
- "Imports FROM the United States TO a foreign market/country."
- o "Selling/shipping/delivering U.S. produced goods or services to a buyer in a foreign market."

**U.S. Imports/U.S. Importing/U.S. Importer:** U.S. Imports are not eligible for U.S. government assistance, services and financing. Depending on the geographic point of reference, U.S. imports may be referred to:

- "Foreign exports TO the United States FROM a foreign market/country."
- "Exports FROM a foreign market/country TO the United States"
- "Buying/receiving foreign-made goods or services from a seller in a foreign market."

## The World Is Open for Your Business

While the U.S. exports some \$3 trillion in goods and services to world markets annually, there is vast opportunity to increase both the number of U.S. exporters and the markets they are selling to—particularly

among small and medium-sized firms.?

Here are just a few reasons to pursue export sales:?

**Demand.** More than 95 percent of the world's consumers are outside of the United States. Your competitors are increasing their global market share, and you can too.

**Access.** Exporting doesn't have to be burdensome. The Internet, improved logistics channels, free trade agreements, eCommerce, and the array of available export assistance through the U.S. government and its partners has made exporting more achievable; that's true for even the smallest businesses.

**Profitability.** Exporting can be profitable for businesses of all sizes. On average, sales grow faster, more jobs are created, and employees earn more than in non-exporting firms.

**Competitive Advantage.** The United States is known worldwide for high quality, innovative goods and services, customer service, and sound business practices.

**Risk Mitigation.** Most companies that export have an easier time riding out fluctuations in the U.S. economy, and are more likely to stay in business.

**Export Resources.** U.S. companies can benefit for U.S. government resources and its state and local partners. For example, the U.S. Department of Commerce has a global network of U.S. Commercial Service offices in 100+ U.S. cities and U.S. embassies and consulates in more than 80 international markets. Trade professionals offer export counseling and a range of customized export solutions. They can also put businesses in touch with key resources such as export financing through the U.S. Export-Import Bank and Small Business Administration.

Watch our <u>video overview</u> of the entire export process. Learn more about the <u>strategic reasons</u> to export.