

**Testimony of
Justin Osowski, Director of Commercial Service – New Hampshire, International Trade
Administration, U.S. Department of Commerce
before the Senate Small Business and Entrepreneurship Committee’s Hearing Entitled,
“Small Business Export Opportunities: Accessing Resources to Expand International
Sales”**

May 29, 2024

Chair Shaheen, thank you for inviting me here today to testify on U.S. government efforts to help small businesses expand in international markets.

I am pleased to have the opportunity to discuss how the U.S. Department of Commerce’s International Trade Administration (ITA) and its U.S. and Foreign Commercial Service are supporting efforts to increase U.S. exports and assist in small business growth, which in turn leads to good-paying jobs here at home.

Our country’s exports are crucial for a strong economy. The data shows us that businesses that export overall create more jobs, pay better wages to their workers, and generally earn higher revenues. Programming by federal agencies like those here today to assist small businesses in accessing export opportunities provides a return on investment for the American economy.

As the federal government’s primary export-promotion arm, the International Trade Administration fosters economic prosperity, enhances job creation, and strengthens national security through a global network of trade professionals across the country and around the world – the U.S. and Foreign Commercial Service. Our national and international network of approximately 1,450 trade specialists is uniquely positioned to provide extensive export-focused business counseling and support to small and medium-sized enterprises (SMEs) throughout the United States through a mix of free and fee-based services. We are located in over 100 U.S.-based Export Assistance Centers, or USEACs, and in 127 offices located in U.S. Embassies and Consulates in 80 countries, where we conduct commercial diplomacy and implement programs to help companies identify and access new markets. Last year, we assisted approximately 42,000 companies in exporting for the first time, of which 85 percent were SMEs and 22 percent were from rural and/or underserved communities.

Locally, I am proud to serve as the Director of the New Hampshire U.S. Export Assistance Center. Our USEAC provides local exporters, especially SMEs, with global market intelligence, counseling, and other programs and services to help strengthen their global competitiveness. Our team works in close coordination with state agencies, like New Hampshire’s Department of Business and Economic Affairs (DBEA), as well as local organizations to ensure our services complement each other. We also work closely with our interagency colleagues from the U.S. Trade and Development Agency, the Export-Import Bank of the United States, and the U.S. Small Business Administration (SBA). An example of this collaboration is how States leverage SBA’s State Trade Expansion Program (STEP) to assist SMEs, including to access services of the U.S. and Foreign Commercial Service to compete globally.

To provide an example of the help the federal government is equipped to provide, Geophysical Survey Systems, Inc. (GSSI), located in Nashua, New Hampshire, has successfully utilized funding from a STEP grant and access to our services to export to new markets since 2016. GSSI is a leading manufacturer of ground penetrating radar used to non-invasively survey sub-surfaces and is a testament to the technological innovation of American small businesses. Oftentimes, SMEs, like GSSI, know that they have greater market potential with their products or services, but lack the resources to tap into it. The Gold Key Services at ITA provide companies with matchmaking appointments with up to five interested potential partners in a foreign market. What does this look like in action? GSSI wanted to expand its business in the Republic of Korea (South Korea). Our local office worked with our Foreign Commercial Service colleagues based in Seoul to provide a list of possible partners to help GSSI grow its business. Years later, the partner that GSSI chose from this list helped to grow its sales in South Korea by more than 300 percent, even purchasing \$1.1 million worth of GSSI's products during the COVID-19 pandemic at a time when many small businesses were shuttering their operations. GSSI continues to serve as an exemplary client for our office- a place where innovative technology, coupled with a commitment to exporting and utilization of government services, built a revenue stream which now accounts for nearly 50% of overall sales and has contributed to both job creation and retention.

Finally, I would note that our economy cannot reach its full potential unless the benefits of trade and commerce are widely felt by individuals and businesses from underserved communities, including rural communities. At ITA, our focus on equity has enabled us to assist business owners from underserved communities, ensuring the benefits of export sales reach companies and workers in those communities.

ITA recognizes the unique challenges that rural companies face both in beginning to export and expanding their presence globally. Our National Rural Export Center (REC) delivers tailored training and market research services to rural businesses across the country. One of these services is the Rural America's Intelligence Service for Exporters (RAISE) program, which helps companies target the best markets and helps reduce potential risks in export decision-making. New Hampshire has one of the highest participation rates in RAISE services in the country. Thanks to Chair Shaheen and her colleagues on Commerce's Appropriations Subcommittee, ITA recently opened eight new regional RECs to reach even more rural businesses so that they may benefit from the work of the REC, as well as the full suite of services provided by ITA.

Chair Shaheen, ITA and the U.S. and Foreign Commercial Service have more than 40 years of proven success in trade promotion and commercial diplomacy. Each day, our priority is to connect American businesses with foreign markets, where over 95 percent of the world's consumers live. We are here to work hand in hand with you to help businesses in your state grow, thrive, and compete in the global marketplace.

Thank you again for the opportunity to appear before you today. I look forward to answering your questions.