

United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

February 8, 2011

Mr. Jeffery Immelt
Chairman
President's Council on Jobs and Competitiveness
The White House
1600 Pennsylvania Avenue, NW
Washington, DC

Dear Mr. Immelt:

Congratulations on being appointed Chairman of the President's Council on Jobs and Competitiveness. Like you, we believe strongly in developing economic policies that foster innovation, strengthen competitiveness, and—above all—create jobs. It is our hope that you will incorporate these key goals into the work of the Council in the coming months, particularly in relation to new small business policies. As Chair and Ranking Member of the Committee on Small Business and Entrepreneurship, we stand ready to assist both the Council and President Obama in developing commonsense solutions that will benefit our country's nearly 28 million small businesses.

Increasing small business exports is one area that can foster innovation, strengthen competitiveness and create jobs. However, as you know from your time as Chief Executive Officer of General Electric, expanding to foreign markets can be a challenging and time-consuming endeavor. This is especially true for small businesses. In fact, according to the U.S. Department of Commerce, less than 1 percent of all U.S. small businesses export their goods and services. When asked why they do not export, small businesses have indicated to the Committee through testimony, letters and surveys, that they do not believe they have products that can be exported, do not have the time and expertise needed, or simply do not know where to begin.

But when they do export, small businesses have enormous success. In fact, 86 percent of small exporters reported that their foreign sales were growing faster than their domestic sales, and more than 93 percent said their businesses were more competitive because of their exporting, according to a 2010 survey conducted by CompTIA. Perhaps most important, more than two-thirds of our small exporters reported higher staffing levels due to their export-derived business – jobs which pay on average as much as 18 percent more than jobs created domestically. This data proves that while exporting can be challenging for small businesses, they – and our nation – can prosper from it.

The Administration has recognized the potential of small exporters, and through the National Export Initiative (NEI) has announced steps to increase exports by small firms. While we applaud this acknowledgement that growth in small business exporting presents tremendous opportunities for job creation and economic growth, there is still much work to do to make the promises of international trade a reality for America's small businesses. As we begin the 112th Congress, our Committee will continue to pursue bipartisan policies and legislation aimed at increasing the number of small businesses that export. Specifically, we will seek to expand upon the many accomplishments in the *Small Business Jobs Act of 2010* (P.L. 111-240), which made key improvements to the U.S. Small Business Administration's Office of International Trade and authorized more resources in support of

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successful export assistance programs at both the Department of Commerce and Office of the U.S. Trade Representative. Additionally, we will pursue new policies to implement the many recommendations made by the small business community to the Committee, and we respectfully encourage the Council to do the same. Specifically, these recommendations include:

- Conducting aggressive outreach to the small business community to educate, raise awareness of and market exporting as a business development opportunity;
- Removing or easing regulatory burdens associated with the exporting process;
- Modernizing, streamlining and updating existing federal export promotion programs that help small businesses export, and improving coordination amongst the agencies most involved in promoting exporting by small businesses;
- Better incorporating state and local governments as well as non-profit entities and key private sector partners into new federal export promotion initiatives, and;
- Expanding small business representation on key advisory panels and offices to ensure the needs and concerns of small businesses are incorporated into any new export or trade policies from the Administration.

Incorporating these recommendations into any new policies encouraging small business exporting will be critical to their success. Our small businesses already face too many challenges – challenges that have been compounded by the recent economic recession. It is our hope that by addressing these important issues associated with the export process, we can provide new opportunities for our small businesses to grow, create jobs and become more competitive in the world marketplace.

Thank you for your attention to and consideration of these important issues. We look forward to working with you and other members of the Council on behalf of America's small businesses.

Sincerely,



Mary L. Landrieu
Chair



Olympia J. Snowe
Ranking Member