

# STEP UP

## FOR AMERICAN **SMALL BUSINESS EXPORTERS**

On behalf of The Council of State Governments and the State International Development Organizations, we encourage you to support the State Trade and Export Promotion—or STEP—Utilization Program for American Small Businesses Act of 2014. This act ensures that states have the resources to help small businesses increase their exports and create new U.S. jobs.

Increasing exports is an important component for the long-term growth and sustainability of many small businesses in our states. According to census data, the U.S. exported nearly \$2.3 trillion in goods and services in 2013. Those exports helped support nearly 10 million good-paying U.S. jobs, including about 4 million with small businesses.

The STEP program has been essential to help spur small businesses to enter the export market. As you know, many small firms do not have the resources to navigate the export process so they simply do not export. Together with federal agencies, state trade agencies have helped small firms take that first step to sell their products and services in the global market. With only 1 percent of small businesses exporting, the opportunity for growth is tremendous.

With our economic recovery still moving at a slow pace, exports can be a catalyst for increased growth and job creation. We urge Congress to support the long-term reauthorization of this commonsense, bipartisan and job-creating grant program.

ACCORDING TO THE U.S. DEPARTMENT OF COMMERCE, EVERY **\$1 BILLION** IN U.S. EXPORTS HELPS SUPPORT MORE THAN **5,000 GOOD-PAYING JOBS**.

**Exporting firms pay an average of 18 percent higher wages than non-exporting businesses.**

**STEP GRANTS** HAVE HAD AN AVERAGE RETURN ON INVESTMENT OF 15 TO 1. THIS MEANS FOR EVERY \$1 SPENT, SMALL COMPANIES EXPERIENCED \$15 IN EXPORT SALES.

**THE STEP PROGRAM HAS HELPED CREATE A SYNERGY BETWEEN STATE AND FEDERAL TRADE AGENCIES** TO INCREASE COORDINATION AND REDUCE DUPLICATION, TWO RECOMMENDATIONS IN A RECENT GAO REPORT (GAO-14-393).

**A recent study by the International Trade Commission found companies that exported grew by 37 percent, while non-exporting firms declined by 7 percent from 2005 to 2009.**

