

STRATEGIC OBJECTIVE 1.2

Increase U.S. exports by broadening and deepening the U.S. exporter base (BIS, EDA, ESA, ITA, MBDA)

Recognizing the important role of exports to the U.S. economy, President Obama announced the National Export Initiative in 2010. U.S. exports have increased steadily since the launch of this Initiative, reaching a record \$2.3 trillion in 2013. However, the Nation still remains below its full export potential. U.S. firms under-export compared to competitor industrialized nations. Of the U.S. companies that do export merchandise, 58 percent export to only one market. The International Monetary Fund forecasts that approximately 80 percent of world economic growth over the next five years (2014 – 2018) will take place outside of the United States. Yet many small and medium-sized companies in the United States, the engines of economic growth and innovation, rarely export.

The Department, through its programs, expertise, and global presence, is uniquely positioned to help U.S. companies understand the importance of exporting. Department research and analyses can identify the best export opportunities for U.S. goods and services. With offices located in more than 70 countries, 48 U.S. states, Puerto Rico and Washington D.C., Department experts, including those in the U.S. and Foreign Commercial Service, help U.S. companies access valuable market information, promote their products and services in target foreign markets, meet qualified international buyers and distributors, and overcome challenges and barriers when they doing business overseas. Moreover, the Secretary of Commerce, as chair of the Trade Promotion Coordinating Committee, will lead the national export strategy, set priorities, and drive federal efforts to increase exports.

KEY STRATEGIES

Educate U.S. companies and communities on the benefits of exporting (ESA, ITA, MBDA).

ITA and MBDA will increase efforts to communicate the benefits and importance of exporting to the U.S. economy, long-term competitiveness of U.S. businesses, and consumers. ITA, working with ESA and MBDA, will develop and implement business engagement strategies, including outreach and educational events

around the country, analyses of the impact of exports, and testimonials from successful exporters.

Provide tailored export assistance to U.S. companies and communities to connect U.S. companies to foreign markets and qualified buyers and partners (BIS, EDA, ITA, MBDA, OS).

ITA will provide foreign market intelligence, identify industry-specific opportunities and best market prospects, and help develop market entry strategies. ITA is positioned to help U.S. companies find the right buyers and business partners through its presence in U.S. embassies and consulates around the world and relationships with trade show organizers and trade multiplier organizations. ITA provides opportunities for business partnerships through trade missions and trade shows, and by researching buyers, agents, and distributors for U.S. companies. Helping small and medium-sized enterprises and businesses in distressed communities will continue to be a key focus. *BusinessUSA* will assist entrepreneurs and businesses to discover and access resources that can help them export. EDA will also help regions and communities by providing grants to develop and implement place-based strategies that leverage regional assets and build capacity to expand exports. BIS will provide exporters and potential exporters with information on how to navigate the U.S. export control system.

Utilize public-private partnerships to increase U.S. exports worldwide (ITA, MBDA).

Partnerships with state and local export resources, economic development offices, trade associations, and corporations enable ITA and MBDA to accelerate international sales of exporters. ITA will continue to partner with multiplier trade organizations and other U.S. private-sector entities to advance the U.S. trade agenda. These partnerships include Market Development Cooperator Program partners that are dedicated to creating opportunities for U.S. companies in foreign markets. ITA will also continue to partner with localities through the Metropolitan Export Initiative, which seeks to increase U.S. exports across metropolitan areas around the United States.

Reduce the transaction costs and complexities of exporting (ESA, ITA). One way to make it easier for U.S. companies to export is to simplify and modernize the way federal agencies collect data from exporters. The Department will support the President’s effort to develop an efficient and cost-effective trade processing infrastructure, including the International Trade Data System which will reduce the administrative burden of export data filings. In addition, reducing inefficiencies in U.S. supply chains will increase exports across industries. The U.S. supply chain (including supply chain management, transportation services, logistics, freight forwarding, and port management) provides the infrastructure to support the U.S. export enterprise. ITA will pursue opportunities to eliminate supply chain inefficiencies internationally through formal and informal bilateral and multilateral engagement with key trading partners. In the United States, ITA will partner with the Department of Transportation to identify ways to make the U.S. supply chain infrastructure more competitive. Efficiencies gained in these areas will have a direct positive impact on U.S. exporters’ ability to compete and export.

Overhaul and simplify the Nation’s export control system (BIS). The President’s Export Control Reform Initiative is fundamentally a national security effort intended to achieve greater regulatory efficiency and rationality, and focus controls on the most significant items and destinations—higher fences around the most sensitive items. A key element of the reform is moving tens of thousands of items—mostly parts and components—from the U.S. Munitions List to the more flexible Commerce Control List. The move will enable more nuanced distinctions among technologies, destinations, and end users than under the State Department’s International Traffic in Arms Regulations. This will strengthen the U.S. defense industrial base by removing incentives for foreign manufacturers to avoid using U.S. parts and components. U.S. exporters of such items, particularly small and medium-sized firms, will be more competitive.

STRATEGIC OBJECTIVE 1.2 PERFORMANCE INDICATORS	
Future Indicators <i>(the outcomes that we will strive to measure in the future)</i>	<ul style="list-style-type: none"> ● Dollar value of U.S. exports generated from Department assistance (ITA, MBDA, BIS)
Key Indicators <i>(the outcomes that we can measure now)</i>	<ul style="list-style-type: none"> ● Percentage of Global Markets clients that achieved their export objectives (APG for FY 2014 – 2015) (ITA) ★ ● Number of clients assisted (ITA) ● Number of export transactions completed under the new authority of Commerce export licenses and license exceptions (BIS)
Supporting Indicators <i>(other measures that have an impact on our target outcomes)</i>	<ul style="list-style-type: none"> ● Number and dollar amount of grants that support place-based export strategies (EDA) ● Number of jobs created or retained, and dollars leveraged (contracts and financings) through minority business export activity (MBDA)

For additional details on these performance indicators, see Appendix A in the full version of Commerce’s FY 2014 - 2018 Strategic Plan.