



UPS Business MonitorSM *United States*

Small Businesses Poised to Drive Economic Growth Through International Expansion

UPS Survey Shows U.S. Small Businesses Can Seize Opportunities with Lessons Learned from Exporting Peers

Although concerned about the economy, small business exporters appear confident about their companies' futures — especially when it comes to international sales, according to this year's Business Monitor United States (BMUS), a survey of American small business exporters commissioned by UPS.

The survey offers small business exporters' perceptions on the outlook of global trade, the effect of global expansion on small- and medium-sized businesses' (SMBs) bottom lines, and international threats and opportunities. With the president's recent announcement of a National Export Initiative, it's more important than ever to understand the pain points of small business exporters. By addressing those pain points, we can help them be even more efficient and productive — thereby helping them better compete in today's global business environment.

Exporting SMBs are Resilient

BMUS data showed the resiliency of SMBs that are engaging in global trade — which is quite compelling considering the state of the global economy. Specifically, these SMBs:

- Have seen a significant impact on their overall sales (35 percent)
- Aren't worried about achieving their goals (32 percent)
- Feel they're running their business efficiently (46 percent)

SMBs Who Export Have a Plan

The survey found that most small businesses (61 percent) expanded into foreign markets with a sound plan, and only a few (11 percent) reported having frustration with doing business abroad.



Tips for SMBs How to Expand Your Business Internationally Don't Go It Alone.

There are plenty of organizations, such as the U.S. Commercial Service (buyusa.gov) that have programs and services to help small business owners locate potential business partners such as buyers or distributors overseas. It's also a good idea to explore new sources of financing from the Export-Import Bank of the United States (exim.gov) or the Small Business Administration (sba.gov). UPS also offers lines of credit and a service that speeds and guarantees payment from importers.

Do Your Homework.

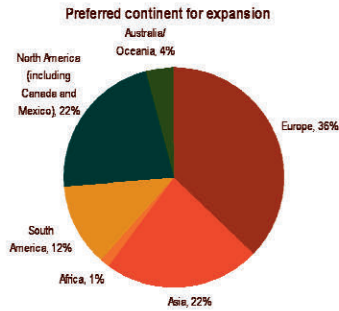
Go online for guidance on topics including training, financial opportunities and possible partnerships. Resources include the U.S. government's export portal (export.gov) and the Small Business Administration's Office of International Trade. The U.S. Commercial Service offers country-by-country commercial guides (buyusa.gov) and Laurel Delaney's Global TradeSource, Ltd., offers important insight and practical advice to help small businesses go global (globetrade.com).

Seek Help Understanding Complex Customs Regulations.

Complex customs can intimidate anyone, but customs technicalities should not prevent small businesses from going global. Work with a partner who understands how to navigate trade logistics around the world. Several organizations, such as the International Trade Administration (trade.gov), can provide small businesses advice, tools and technology that makes it even easier for small businesses to reach new markets.

Looking Beyond BRIC

BMUS data showed more than one-third (36 percent) of respondents preferred Europe as the continent they would most like to expand to in the future.



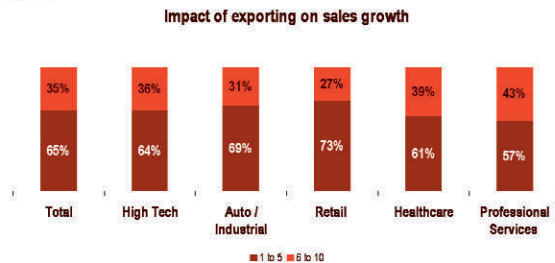
SMBs Still Have Trust Concerns

When it comes to international sales leads, four in five businesses (81 percent) follow up on all leads. Those that didn't follow up say that trust issues (67 percent) were their biggest concern.



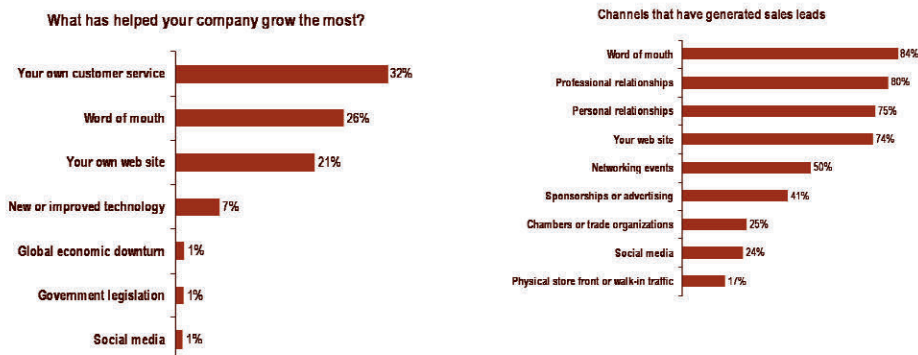
Exporting Helps Drive Sales

More than one-third (35 percent) of small businesses said exporting had a significant impact on their overall sales.



Social Media: An Underleveraged Opportunity?

Despite the entrepreneurial nature of small-business owners, the BMUS revealed they may not be making the most of social media. About one-quarter (24 percent) of respondents say they've received sales leads from social media, far behind word of mouth, networking events, sponsorships and advertising. And, just 1 percent cited it as the factor that, besides marketing communications, helped their business grow the most.



Make an Informed Decision.

Unless you offer a niche product or service that cannot be marketed outside the United States, it is important to know your global options to remain competitive. Read up on international trends, and learn from other small businesses that are going global. Publications such as *The Economist*, *The Financial Times* and *Inc.* are good resources, as are UPS's *Snapshots for Small Businesses*, resource guides designed to provide insights and advice on going global. *Snapshots for Small Businesses* can be found at pressroom.ups.com/snapshotsforsmallbiz.

"Entrepreneurs who export are self-assured, adaptable and resilient — so it doesn't surprise me that the survey shows exporters are confident about meeting their business goals."

Laurel Delaney, owner of small business consulting firm Global TradeSource, Ltd.

"Social media is one of the biggest marketing opportunities for small business today — nothing else offers such targeted exposure for such minimal costs. The BMUS data indicates to me that businesses aren't pursuing social media opportunities as vigorously as they should."

Jim Beach, founder of The Entrepreneur School, an online educational program designed for the specific needs of entrepreneurs

"With 96 percent of the world's consumers living beyond U.S. borders, American small businesses that don't go global today will be playing catch up tomorrow. We need to ensure SMBs have access to the resources, technology and supply chain solutions they need to better compete in today's global marketplace."

Dan Brutto, president, UPS International