

Exporting American Made Products Globally

Opportunities for Small and Medium-sized Manufacturers



Did you know... **95.8%** of manufacturing exporters are small or medium-sized?¹

56.5% of manufacturing exporters have fewer than 20 employees?¹

What do manufacturers gain from exporting?



New Market Opportunities

96% of the world's consumers and 2/3 of the world's purchasing power are outside the U.S.²

Mitigate Risk by Diversifying Customer Base

Fluctuations and seasonal changes in one market can be offset by gains in another. Companies that export are more likely to stay in business.³

Profitability

Exporters generate faster sales, higher productivity, more job creation, and higher employee compensation than non-exporting companies.^{3, 4}

Innovation

Engagement in global markets can spur innovation leading to new or improved products and processes, as well as new use cases or market segments.⁴

Made in America Brand

The United States is known for innovative, high-quality products and services and sound business practices, which provide a competitive advantage in the world market.⁵

What do small and medium-sized manufacturing (SMM) companies export?¹

Top 10 Industries by Export Value (2022, Millions of Dollars)

Chemical	\$33,866
Computer and Electronic	\$18,422
Primary Metal (e.g. steel, aluminum, and metal foundries)	\$18,284
Petroleum and Coal	\$17,727
Machinery	\$17,032
Transportation Equipment	\$15,227
Fabricated Metal	\$11,340
Food	\$10,198
Plastics and Rubber	\$6,693
Electrical Equipment, Appliances, and Components	\$4,032

Where do the exports go?

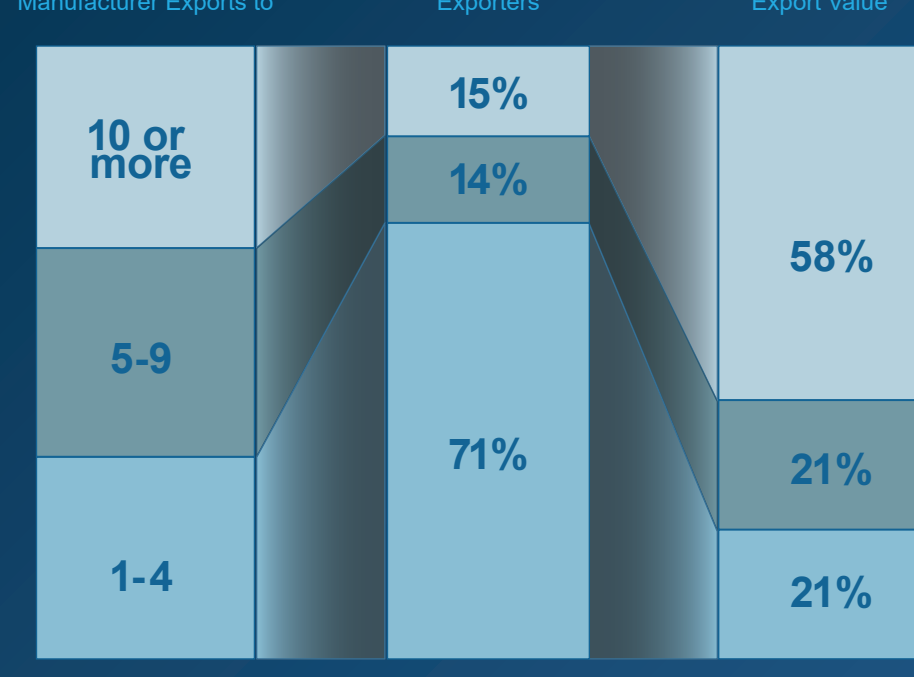
Top 10 Destination Countries for Small and Medium-sized Exporters (2022)^{1*}

Country	Value of Exports (Millions of Dollars)
Mexico	\$ 110,044
Canada	\$ 83,827
China	\$ 49,683
United Kingdom	\$ 28,234
Japan	\$ 24,198
Korea	\$ 22,036
India	\$ 20,600
Switzerland	\$ 20,143
Netherlands	\$ 18,798
Germany	\$ 17,108

*Includes manufacturers and non-manufacturers. Most of this export value is driven by manufacturers and wholesalers of manufactured products.

Number of Destination Countries Each Manufacturer Exports to (2022)

Percent of Small and Medium-sized Manufacturers and Their Export Value by How Many Countries They Export to¹



71% of SMMs export to only **1-4 countries**, representing **only 21%** of SMM export value.

However, the **15%** who export to **10 or more countries** represent **58%** of SMM export dollar value.

Helping firms with global potential expand into more countries makes a major contribution to SMM growth and export performance.

How does exporting by manufacturers support jobs and the economy?

► **Direct**
20% of manufacturing employment is supported by exports.⁵

► **Indirect**
5,065,874 jobs are required throughout the economy to produce U.S. exports.⁵
(including employment in contributing sectors such as raw materials, components and shipping)

► Free Trade Agreements

The 20 U.S. **Free Trade Agreement (FTA)** partner countries purchased **50%** of U.S. manufactured goods exported in 2023 – even though these countries represent only six percent of the world's population.⁷

(Free Trade Agreement countries: Australia, Bahrain, Canada, Chile, Colombia, Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Israel, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Singapore and South Korea.⁷)

Manufacturers exported **\$1.6 trillion** in manufactured goods in 2023⁶

How the MEP National Network™ provides export assistance



MANUFACTURING SOLUTIONS

Power Technology, Inc.,

a client of Arkansas Manufacturing Solutions (AMS, Arkansas MEP), is a leading laser manufacturer in Little Rock, Arkansas, that serves analytical, industrial, defense, and biomedical markets. Previously they had exported to only a few countries. Wanting to expand their market, they turned to AMS, part of the MEP National Network™, and participated in the ExportTech™ export accelerator program, leading to an export plan in just 10 weeks. Since working with AMS, Power Technology has achieved \$275,000 in new sales, created 18 jobs, and twice won the Innovation & Impact Manufacturing Exporter Award at the Arkansas Governor's Award for Excellence in Global Trade.⁸

Deltech Furnaces,

a client of Colorado's Design (Colorado MEP),

is a family-owned company based in Denver, Colorado, that designs and manufactures resistance heated laboratory and production scale furnace systems. They serve a niche market of material science researchers, ceramic engineers, and industrial ceramics and glass manufacturers. Deltech wanted to increase their export business, and turned to Manufacturer's Edge, part of the MEP National Network™, and their partner the World Trade Center (WTC) Denver. Deltech enrolled in the WTC's export accelerator class. The experts in that class, who specialize in market selection, logistics, and marketing in foreign countries, helped Deltech formulate a custom export plan that addressed company-specific factors including manufacturing capacity, current success in foreign markets, and financial considerations. The plan allows for continual measurement and adjustment and has already resulted in \$5,000 of new investment and \$40,000 in cost savings.⁹



Hydronalix,

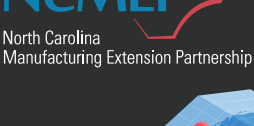
a client of the Arizona Manufacturing Extension Partnership (AZMEP),

is located in Green Valley, Arizona, and manufactures robotic water rescue systems and unmanned research craft used by first responders and the military for water rescue as well as bridge inspection, research, and law enforcement. The company worked with Arizona MEP to develop precision molds, and then, wanting to define an export strategy, enrolled in the ExportTech program. After implementing the system developed through the program, the company doubled and expanded its export sales from 12 to 50 countries, with distributors in 33 countries.¹⁰

CMP Corporation,

a client of the Oklahoma Manufacturing Alliance (Oklahoma MEP),

with 75 employees at its Oklahoma City, Oklahoma, headquarters, is a world leader in the manufacturing of HVAC and refrigeration compressor parts. The company realized it needed help in increasing efficiency and developing new markets, and turned to the Oklahoma Manufacturing Alliance, part of the MEP National Network. The advisor recommended new advanced manufacturing equipment and strategic diversification. The MEP Center helped secure a state grant to offset the equipment costs and suggested that CMP leaders participate in the ExportTech program to pursue international markets. As a direct result of the ExportTech assistance, the company acquired a major new account, added \$4 million in new sales and created 12 new high-wage jobs.¹¹



MSI Defense Solutions, LLC,

a client of the North Carolina Manufacturing Extension Partnership (NCMEP)

is a defense equipment manufacturer based in Mooresville, North Carolina. The 100-person company has shifted its focus from contemporary motorsports to military vehicles and systems. They contacted the NCMEP, part of the MEP National Network™, who referred them to Strategic International in Cary, North Carolina. Strategic International created an export "playbook" to help the company with foreign military sales by evaluating the organization's systems through an export compliance audit and training. As a result of these solutions, MSI Defense's foreign military sales business increased by 25% in one year, with \$4 million in new or retained sales, 16 created or retained jobs, and \$535,000 in new investment.¹²

Ready to explore new markets and grow your business? **Contact an MEP Center** to learn more about export assistance resources and services.

EXPORTECH™

ExportTech™ is deployed using MEP Centers and the U.S. Commercial Service, an agency of the International Trade Administration under the U.S. Department of Commerce, as well as other partners, including District Export Councils, state trade offices, and other federal, state, and local partners. It is an export accelerator that combines group workshops with individual coaching, leading to an export growth plan in just 10 weeks. The innovative, customized workshops help companies extract the specific information they need. The program also builds connections to a team of export organizations that help participating companies go to market and implement their export growth plans.

Visit: <https://www.nist.gov/mep/mep-national-network>

Call: 1-800-MEP-4MFG



(1) A Profile of US Importing and Exporting Companies, 2021-2022. The US Census Bureau, https://www.census.gov/foreign-trade/Press-Release/Profile_index.html
(2) <https://www.sba.gov/business-guide/grow-your-business/export-product>
(3) <https://www.trade.gov/why-export>
(4) Stone & Associates Report Prepared for NIST MEP. On the Threshold: Refocusing U.S. Export Assistance Strategy for Manufacturers, June 2013
(5) <https://www.trade.gov/data-visualization/tradestats-express-us-trade-partner-countries-and-regions>
(6) <https://databank.worldbank.org/source/population-estimates-and-projections>
(7) <https://www.nist.gov/mep/successstories/2023/hydronalix-grows-export-markets-fivefold-five-years>
(8) <https://www.nist.gov/mep/successstories/2023/deltech-furnaces-benefits-customized-export-plan>
(9) <https://www.nist.gov/mep/successstories/2023/hydronalix-grows-export-markets-fivefold-five-years>
(10) <https://www.nist.gov/mep/successstories/2023/hydronalix-grows-export-markets-fivefold-five-years>
(11) <https://www.nist.gov/mep/successstories/2023/cmp-defence-strategic-growth>
(12) <https://www.nist.gov/mep/successstories/2023/goring-offense-defense-nc-defense-manufacturer-lakes-steps-ensure-prosperity>