

Study, Government Initiative Point to Small Businesses Expanding into Overseas Markets

Written by [Audrey Watters](#) / May 3, 2010 4:00 PM / [1 Comments](#)

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In March, President Obama announced the [National Export Initiative](http://www.export.gov/nei/index.asp) (NEI) in order to improve conditions that affect the private sector's ability to export. By working to remove trade barriers and hurdles to entering the export market, the NEI seeks to help meet the Obama administration's goal of doubling exports over the next 5 years.

While exports accounted for almost 13% of GDP in 2008, the global recession that began in 2009 hit exporters and employees particularly hard. The government's efforts to facilitate exports are meant to spur employment opportunities and economic growth.

[Shipwire](http://www.shipwire.com) (<http://www.shipwire.com>), an e-commerce fulfillment service, announced the results today of a study that examined the trends of small businesses' exports and expansion into global markets. The study was based on Shipwire's customers in the U.S. and abroad in 2008 and 2009 and points to an increase in small businesses' growth overseas.

Shipwire's study aggregated its customer shipping data and found that international orders grew by 11% to reach 20% of the company's total orders. These figures echo U.S. Department of Commerce [statistics](http://www.commerce.gov/ssLINK/PROD01_009101) (http://www.commerce.gov/ssLINK/PROD01_009101) that exports for the first two months of 2010 are up about 15% from the same time last year.

The Shipwire data also reveals that its international customers are more likely than their U.S. customers to export. According to the company, 75% of international merchants were in markets outside of their home country whereas only 13% of U.S. merchants were. "It appears that U.S.-based merchants are not tapping into overseas opportunities as readily as are internationally-based customers. However, we expect that this gap will slowly begin to close as U.S. merchants search for growth markets overseas in greater numbers." says Damon Schechter, Shipwire CEO and founder.

Historically, there have been a number of logistical barriers to international growth for small businesses. According to Todd McCracken, president of the [National Small Business Administration](http://www.nsba.biz/content/2916.shtml) (<http://www.nsba.biz/content/2916.shtml>), "Given the specter of a jobless economic recovery and lagging consumer spending, exporting may be one of the few areas remaining where small businesses can grow right now." Shipwire's Schechter echoes this, predicting that U.S. merchants will "search for growth markets overseas in greater numbers."

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Great article..more companies are looking to develop an export market to grow their business.

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