



Opening Statement of Chairman Scott Tipton
Subcommittee on Agriculture, Energy and Trade
Hearing: "Small Business Trade Agenda: Opportunities in the 113th Congress"
February 28, 2013

Good morning. The hearing will come to order.

I want to welcome our new and returning members to the Subcommittee, especially Ranking Member Murphy. I look forward to working with you, and all of our members during the 113th Congress. I also want to give special thanks to our panel of witnesses for taking time away from your fulltime jobs and making the trip to Washington for this important hearing.

Today we will hear directly from small businesses about the obstacles and barriers that limit their ability to compete in the global market. Given the right circumstances and tools, I know America's small businesses can compete with any other company in the world.

There is strong bipartisan support on the benefits of exporting. Exports are a major contributor to the national GDP, totaling \$2.2 trillion in 2012. They provide new sales opportunities. And, most importantly, exporting creates and supports high paying American jobs. However, of the 28 million small businesses in the United States, only one percent currently export. Increasing the number of small business exporters is a key priority for me, as well as this Committee. Last year alone, I held three Export 101 events in my district so small businesses could learn how to increase their exports and develop new relationships with key trade experts.

Along with limited personnel, small firms face a variety of trade barriers that constrain their participation in the global market. A few of the most obstructive hurdles include tariff and non-tariff barriers, anti-competitive technical standards, and complex foreign and domestic regulations. As a result, small businesses that do export rely heavily on the negotiated free trade agreements (FTA) that remove complex trade barriers, provide protection for their intellectual property, and help streamline the trade process. In 2010, 41 percent of the total U.S. exports went to FTA countries.

FTAs are an important first step, but they are not the sole solution. We must also work to reduce the domestic bureaucracy and make the overall process easier. The export process can be complicated and overwhelming, and many firms do not know where to start or go for the necessary information. Unlike large corporations, most small firms do not have the personnel and resources to navigate technical trade barriers.

As we begin, the 113th Congress, it is our Committee's job to review the federal trade promotion agencies to ensure they are working in a coordinated and efficient manner to best serve small businesses. Moreover, we need to support an aggressive trade strategy that opens up new foreign markets, streamlines the trade process, and strengthens our fight against unfair trade practices. I look forward to working with my colleagues to identify common-sense and practical solutions that will better assist small business exporters.

Again, I want to thank our witnesses for their participation and their insights.

I now recognize the Ranking Member for his opening statement.