



**Opening Statement of Chairman Sam Graves
Committee on Small Business
“Large and Small Businesses: How Partnerships Can Promote Job Growth”
Can Lead Our Economic Recovery”
March 28, 2012**

Good afternoon. This hearing will come to order. Thank you all for joining us today as we examine the practice of large and small businesses partnering to create added value, jobs, and economic growth.

For many years, businesses have entered into agreements with other companies to supply a part for a larger product, or to provide a good or service. Increasingly, large companies create alliances with small firms to access their innovative ideas. These partnerships allow the larger companies to expand their current market or product offerings, enter into new markets, or simply gain a competitive advantage in a challenging economy. Small companies also benefit from these alliances by tapping into the larger distribution networks, financing opportunities, and mentoring programs that large businesses can supply.

It should be noted that both large and small businesses can be very dependent on each other. A study produced for the Business Roundtable by Dr. Matthew Slaughter, one of our panelists today, notes that each type of company is deeply embedded in the overall U.S. economy, with extensive connections to each other.

Last week, the Committee held a hearing on the state of entrepreneurship. Heath Hall, co-founder of Pork Barrel BBQ here in Washington, DC, testified that large businesses such as Harris Teeter, Costco and Safeway took chances on stocking their unknown barbecue sauce and rubs, helping it to be stocked today in 3,000 stores in 40 states. This is an excellent example of the interdependence of small and large firms.

Again, I want to thank the witnesses for being with us today. Before I yield to the Ranking Member for her opening remarks, I want to ask you to join me in wishing her a happy birthday. We hope you have a wonderful birthday today.