



December 10, 2013

The Honorable Michael Froman  
United States Trade Representative  
Office of the United States Trade Representative  
600 17<sup>th</sup> St, N.W.  
Washington, D.C. 20508

Dear Ambassador Froman,

On behalf of Women Impacting Public Policy (WIPP), thank you for your ambitious efforts to bring American business overseas and expand our economy through multilateral trade. WIPP is a national nonpartisan public policy organization advocating on behalf of its coalition of 4.7 million businesswomen including 75 business organizations. “Export and Trade” is a core principle in our Economic Blueprint.<sup>1</sup> Throughout your continuing trade negotiations across the globe, we urge you to make exporting easier for American women-owned businesses and build protections to market our products and services abroad.

While many assume international business is the arena solely of mega-corporations, the reality is that 99% of all businesses in the United States are small businesses, and a growing number want to compete across the globe.<sup>2</sup> For this very reason, President Obama is encouraging small- and medium-sized enterprises (SMEs) to play a key role in meeting the Administration’s goal to double exports by 2015 through the National Export Initiative (NEI).

The small business community has responded with consecutive year-over-year growth in export financing, share of total receipts of U.S. exports, and job creation due to export opportunities.<sup>3</sup> The growth in exporting among women-owned businesses (WOBs) is no less impressive. The Export-Import Bank reports that loans to WOBs in FY2012 were at a historic high, and paid off significantly: WOBs that exported have, on average, more than 100 times the total annual receipts, five times as many employees, and more than triple the receipts per employee than WOBs that do not export.<sup>4</sup>

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<sup>1</sup> 2013 WIPP Economic Blueprint: [www.wipp.org/resource/resmgr/Docs/EconomicBlueprint2013.pdf](http://www.wipp.org/resource/resmgr/Docs/EconomicBlueprint2013.pdf)

<sup>2</sup> U.S. Small Business Administration, Office of Advocacy: [http://www.sba.gov/sites/default/files/FAQ\\_Sept\\_2012.pdf](http://www.sba.gov/sites/default/files/FAQ_Sept_2012.pdf)

<sup>3</sup> International Trade Administration: National Export Initiative Fact Sheet: <http://trade.gov/nei/nei-fact-sheet.asp>.

<sup>4</sup> Export-Import Bank of the United States: 2012 Annual Report:

<http://www.exim.gov/about/library/reports/annualreports/2012/globalaccess.html>.

Data on receipts from exporting WOBs comes from the 2007 Census Survey of Business Owners:

<http://www.census.gov/econ/sbo/export07/index.html>.

WIPP, the leading advocate for women business owners, holds the firm belief, reinforced by these numbers, that exporting is a critical element of long-term economic success—for companies and for the country. With roughly three-quarters of the world’s purchasing power and almost 95% of the world’s consumers living beyond our borders, it makes sense to pursue export as a growth strategy.<sup>5</sup> This belief led to WIPP launching ExportNOW, a program designed to educate our members and our partners about the vast potential for enterprise in the international marketplace.<sup>6</sup> In our view, the more markets American businesses can connect with, the more women-owned businesses will succeed with customers worldwide. We believe our educational efforts through ExportNOW would be greatly complimented by robust trade agreements. Recent economic data confirms that businesses, particularly SMEs, benefit significantly in countries with which the U.S. has free-trade agreements (FTAs).<sup>7</sup> This increase is best described by the annual NEI fact sheet, which details why SMEs benefit from FTAs:

Since SMEs are typically less able than larger enterprises to deal with burdensome customs procedures, non-transparent regulatory regimes and other barriers to market access, SMEs stand to benefit even more from the lowering of these barriers achieved by the FTAs.

Moreover, SMEs—hopeful to sell their products everywhere—are simply unsure about the risks posed by exporting and feel more comfortable engaging countries that hold a formal agreement with the United States.<sup>8</sup>

For this reason, WIPP supports strong Intellectual Property (IP) provisions in trade agreements; they make our nation’s entrepreneurs feel safer in a global marketplace fraught with theft, piracy, and counterfeits. This safety may come in the form of patent protection, trademark recognition, expanded copyright licenses, or myriad other legal and policy provisions. Instead of focusing on specific aspects of these protections, however, we ask that you keep the essence of strong IP in all new trade agreements, similar to the “gold standard” developed in the United States-Korea Free Trade Agreement (KORUS FTA). WIPP urges you to consider IP as a tangible, positive benefit to the American economy.

With small businesses generating nearly two-thirds of all new jobs in the last twenty years, we understand the importance of job-creating sectors like Intellectual Property and export. The Department of Commerce reports that IP-related industries support 40 million jobs here at home—millions of which belong to hard-working businesswomen, their employees, and entrepreneurs who rely on your hard work to bring their products, goods, and services to the world. Similarly, the latest reports from the NEI demonstrate the continued increase in jobs created by export opportunities—a number that could exceed 10 million in 2013.<sup>9</sup>

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<sup>5</sup> Office of the United States Trade Representative: <http://www.ustr.gov/trade-topics/economy-trade>.

<sup>6</sup> ExportNOW: <http://www.wipp.org/?page=ExportNOW>.

<sup>7</sup> International Trade Administration: National Export Initiative Fact Sheet: <http://trade.gov/nei/nei-fact-sheet.asp>. SME exports with recent FTA partners, South Korea and Colombia, increased faster than the average growth rate of 14%.

<sup>8</sup> Small Business Exporters Association/National Small Business Association: 2013 Small Business Exporting Survey: <http://www.nsba.biz/wp-content/uploads/2013/06/Exporting-Survey-2013.pdf>

<sup>9</sup> U.S. Small Business Administration, Office of Advocacy: [http://www.sba.gov/sites/default/files/FAQ\\_Sept\\_2012.pdf](http://www.sba.gov/sites/default/files/FAQ_Sept_2012.pdf). SBA also notes that small businesses have created 67% of net new jobs since 2009. 40 million jobs statistic from U.S. Dept. of Commerce: [http://www.uspto.gov/news/publications/IP\\_Report\\_March\\_2012.pdf](http://www.uspto.gov/news/publications/IP_Report_March_2012.pdf). NEI Fact Sheet (see fn. 7).

As the Trans-Pacific Partnership (TPP) negotiations continue, and begin to close, we urge you to remember that the provisions in the agreement should support the real backbone of the American economy – the country's 28 million small businesses. In particular, decreasing the regulatory burdens of international trade and making sure our businesses feel safe exporting is of vital importance.

As drafts of the TPP are revised and finalized, and a new trade agreement with the European Union (E.U.) emerges, we ask you to remember that small businesses, in particularly women-owned businesses are at the front line. We want to export, but seek an easier process and want to know we are doing so with countries that respect the rights of business owners, innovators, and entrepreneurs. We wish you the best of luck in completing these agreements, and appreciate your tireless efforts on behalf of the American people.

Sincerely,

A handwritten signature in blue ink that reads "Barbara Kasoff". The signature is written in a cursive, flowing style.

Barbara Kasoff, President  
Women Impacting Public Policy