

TALKING POINTS

US Commercial Service Budget

Prepared by: Legislative Committee

- As everyone knows, there is a bitter fight between Republicans and the Administration on the Budget. Unfortunately, trade promotion is part of the discussions.
- President Obama has proposed a substantial increase in funding for the International Trade Administration (ITA) for FY 2012.
- The ITA, part of the U.S. Department of Commerce, includes the U.S. & Foreign Commercial Service – which provides trade promotion domestically and overseas.
- The Commercial Service (USCS) has a major mission is to energize our manufacturing and service exports through effective trade promotion domestically and overseas.
 - The USCS has international operations has offices in 77 countries and 1453 employees; the domestic operations has U.S. Export Assistance Centers (USEACs) in 109 cities and has 340 U.S. based employees.
 - The USCS is a very small agency making a very big, positive impact by helping our small to medium-sized companies (SMEs) grow and expand their exports overseas. In 2010, the USCS facilitated \$34.8 billion in US exports and assisted over 18,000 clients.
- It has been well documented – exports mean jobs for Americans. Exports have been the brightest spot in a difficult economic recovery.
 - Exports directly support nearly 10 million U.S. jobs, including more 700,000 jobs in California alone.
 - California's exports of all goods have posted 20 consecutive months of strong growth, with June 2011 exports totaling \$13.3 billion, up 13 percent from 2010.
 - The 2011 figures represent a new high for California's export trade, even exceeding the levels recorded at the height of the dot-com boom a decade ago, according analysis of trade data by independent firm Beacon Economics.
- The USEACs provide a truly unique and irreplaceable service because they have built close relationships across the country with small and medium-sized companies – helping them expand into new markets worldwide.
- Supporting the USEAC programs are the 60 District Export Councils (or DEC)s and their 1500 DEC volunteer private citizen members, each of whom were appointed by the U.S. Secretary of Commerce.
- By promoting exports, the USEACs play a vital role in energizing our economic recovery and job-creating efforts; the payout is awesome - every \$1 spent on export promotion results in \$135 in U.S. exports!
- With this kind of return on investment, it would be foolhardy indeed to cut the budget of this small but vital organization that contributes so much to our nation's plan to double our exports in five years.