

10 Reasons to Export to the USA

Introduction

Atlantric has compiled this latest resource '10 Reasons to Export to the United States' as a guide to help entrepreneurs, management teams and board members make informed decisions about building or expanding their business in the United States.

There are many strong arguments for European companies to consider entering and expanding to the United States. Whilst all nations continue to emerge from a challenging period of global recession, the United States is maintaining its historic status as a vibrant and thriving marketplace. The United States possesses stable economic, political and legal structures that offer a host of opportunities for European companies.

Even with these advantages there are still challenges and elements of risk when exporting to any new market. Atlantric is uniquely positioned to provide you with the expertise and guidance required and we understand the challenges that exporting to the United States can bring. Atlantric has an extensive network of local information providers to guarantee you receive data, opinions and relevant detailed information to ensure you make the correct strategic decisions.



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10 Reasons to Export to the USA

- 1. The World's Largest Economy and Most Attractive Consumer Market
- 2. A Stable Democracy
- 3. Robust Supply Chains
- 4. A Range of Locations
- 5. High Household Income
- 6. Competitive Investment and Business Climate
- 7. Educated and Productive workforce
- 8. World's Top Universities and Colleges
- 9. Intellectual Property Protection
- 10. Profitability



1. The World's Largest Economy and Most Attractive Consumer Market

The United States had a gross domestic product (GDP) \$15.6 trillion dollars in 2012, much larger than the GDP of any other country. It has a lucrative and open consumer market of over 310 million Americans, as well as access via free trade agreements to about 425 million more customers for goods and services that are produced in the United States. For the complete list of agreements, see http://www.ustr.gov/trade-agreements/free-trade-agreements. Businesses operating in small markets in other countries can become large, dynamic firms in the United States. Large companies operating abroad can grow even more in the United States.

The United States' trade and investment relationship with the countries of Europe is the largest and most complex in the world. U.S. transatlantic economic ties are dominated by relations with the 27-member European Union (EU). The member states of the EU collectively represent a market of nearly 500 million consumers. Two-way U.S.-EU trade has been roughly balanced over time and the very high levels of foreign investment accounted for by each in the other's markets means that the transatlantic economy is arguably the most integrated on Earth.

Non-EU European countries (including the European Free Trade Area - EFTA - states of Switzerland, Norway, Iceland and Liechtenstein, and the countries of Southeast Europe and Turkey) also represent very significant markets for U.S. exporters and investors.



2. A Stable Democracy

The American political system is a stable democracy and the legal system is transparent and predictable, all of which helps ensure that business investments are safe. Compared to other nations, the United States has a long history of political stability. Many federal and state laws and agencies protect the consumer and the economy from what are determined to be unacceptable business practices.

3. Robust Supply Chains

The American economy has robust supply chains for manufacturing. The infrastructure spanning this large country works well and is also poised for new investment for further expansion and modernization.

4. A Vast Range of Locations

With a land area that is the third largest in the world and encompasses an abundance of resources, a varied geography, and several climate zones, the United States offers investors a broad range of possible locations for investment.

5. High Household Income

The U.S. market is diverse in consumer tastes and has a range of income levels (with a median household income of \$51,017 in 2012)¹, thus permitting success for a wide variety of goods and services. ¹U.S. Census Bureau estimates, September 2013



6. Competitive Investment and Business Climate

The stable U.S. government and business climate inspire investor confidence. (ATKearney's 2012 FDI Confidence Index)
Indeed, the United States is the world's most attractive market for venture capital and private equity funding. (Ernst & Young and IESE Business School's 2011 Global Venture
Capital and Private Equity Country Attractiveness Index.)

7. Educated and Productive workforce

The American work force is highly educated. Forty-one percent of Americans between the ages of 25 to 64 have completed a level of education beyond high school, which is fourth among all developed countries and considerably more than the OECD average of 30 percent. (Organization for Economic Cooperation and Development.) U.S. workers are also among the world's most productive, both in the value of a worker's output per hour or over the course of a year.

8. World's Top Universities and Colleges

One study ranks various American universities among the top four out of five universities in the world and occupying 30 of the top 50 places. (Times Higher Education World University Rankings for 2011-2012.) These universities and colleges undertake extensive research and development that contribute to America's R&D activities. Indeed, new technologies and techniques are often developed in these universities and then expanded upon in nearby private companies, attracting new business investment.



9. **Intellectual Property Protection**

The United States is the world's leader in protecting intellectual property rights (IPR), whether patents, trademarks, copyrights, or other forms of IPR are involved.

10. Profitability

Exporting can be profitable for businesses of all sizes. On average, sales grow faster, more jobs are created, and employees earn more than in non-exporting firms. In fact, 50% of global firms that export say they've increased profits over the last 12 months compared with just 38% of which trade companies only domestically. (http://www.ameinfo.com Jan 2013)



What next?

Contact us now and take advantage of our local market entry experts who will rapidly and effectively help your business enter the US marketplace.

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