

## EXPORT PROMOTION

### Trade Agencies Should Enhance Collaboration with State and Local Partners

#### Why GAO Did This Study

The 2010 National Export Initiative calls for the federal government to coordinate more with state and local governments and other public and private partners on export promotion. Recently, the TPCC identified three key initiatives to enhance collaboration among federal, state, and other partners. Congress requested that GAO review federal and state collaboration in export promotion.

This report examines (1) the main characteristics of federal and state export promotion efforts, including their collaboration, and (2) the extent to which the TPCC has advanced collaboration between state and federal efforts. GAO analyzed federal and state documents and data from 2012 and 2013; interviewed officials from federal, state, and other export promotion organizations; and visited federal and state trade offices and other relevant organizations in five states selected as a nongeneralizable sample based on their participation in the TPCC initiatives and other factors.

#### What GAO Recommends

GAO recommends that the TPCC take steps consistent with key practices for collaboration to (1) improve implementation of the Export Outreach Teams to better achieve their intended objectives; (2) enhance TPCC agencies' collaboration on export promotion with nonfederal entities; and (3) enhance federal information sharing with state trade offices, where possible, on Commerce's export promotion activities, for example, by providing formal guidance to staff on allowable information sharing. Commerce and SBA agreed with GAO's recommendations.

View [GAO-14-393](#). For more information, contact Kimberly Gianopoulos at (202) 512-8612 or [gianopoulosk@gao.gov](mailto:gianopoulosk@gao.gov).

#### What GAO Found

Federal and state governments share a common interest in promoting exports as a tool for economic growth and creating jobs. Both provide similar and overlapping export promotion services to similar clients, but their staffing, budgetary resources, and ways of measuring performance vary. Located across the country, Department of Commerce (Commerce), Small Business Administration (SBA), and state trade offices provide outreach, counseling and training, and trade leads, mostly to small businesses. In some states, state trade offices have more domestic staff than Commerce offices do. However, Commerce provides more overall coverage abroad, with offices in 72 countries, 15 of which have no state trade office representation. In the five states GAO visited, federal and state collaboration on export promotion varied from working closely in the same location to not collaborating at all, depending on unique factors in each state.

The federal interagency Trade Promotion Coordinating Committee (TPCC) has three initiatives designed to advance federal-state collaboration in promoting U.S. exports by strengthening and expanding networks of state and local governments and other partners. Results of these efforts have been limited, however, in part because their implementation has not consistently followed key collaboration practices. In prior work, GAO found that collaboration is generally enhanced by following key practices, such as articulating common outcomes; agreeing on roles and responsibilities; monitoring, evaluating, and reporting on results; and coordinating resource planning. In the states it visited, GAO found weaknesses in the implementation of Export Outreach Teams, a TPCC initiative. For example, in some cases, activities were missing key participants and were inconsistent with the activities' objectives, in part because SBA is not fully monitoring implementation of the teams across its 68 district offices. Similarly, GAO found that TPCC's involvement in a Brookings Institution initiative to engage metropolitan areas in export promotion has unknown implications for federal export promotion efforts and resources because Commerce lacks a means to monitor the initiative's results. Finally, an agreement between Commerce (the TPCC Chair) and a national group representing state trade offices expired without achieving its collaboration objective or enhancing client information sharing so states can share credit with Commerce for helping companies make export sales. According to Commerce, by law, it cannot release its clients' confidential commercial information, and its policy is to make determinations on releasing information case by case, but it does not provide formal guidance to staff on what information sharing is allowable.

#### TPCC Initiatives to Promote Federal-State Collaboration in Export Promotion

Export Outreach Teams	Commerce Support of Global Cities Exchange	Commerce and State International Development Organizations (SIDO) Agreement
Commerce-and-SBA-led initiative to strengthen local networks of export service providers	Brookings Institution effort to expand metro areas' involvement in exports, e.g., mayors' offices, economic development entities	Collaborative effort between Commerce and state trade offices' organization to better coordinate export promotion services

Source: GAO analysis of SBA, Brookings Institution, and SIDO information.