

**ONE-PAGER** Published October 25, 2023 • 2 minute read

# Which Businesses Are Exporting to Global Markets?

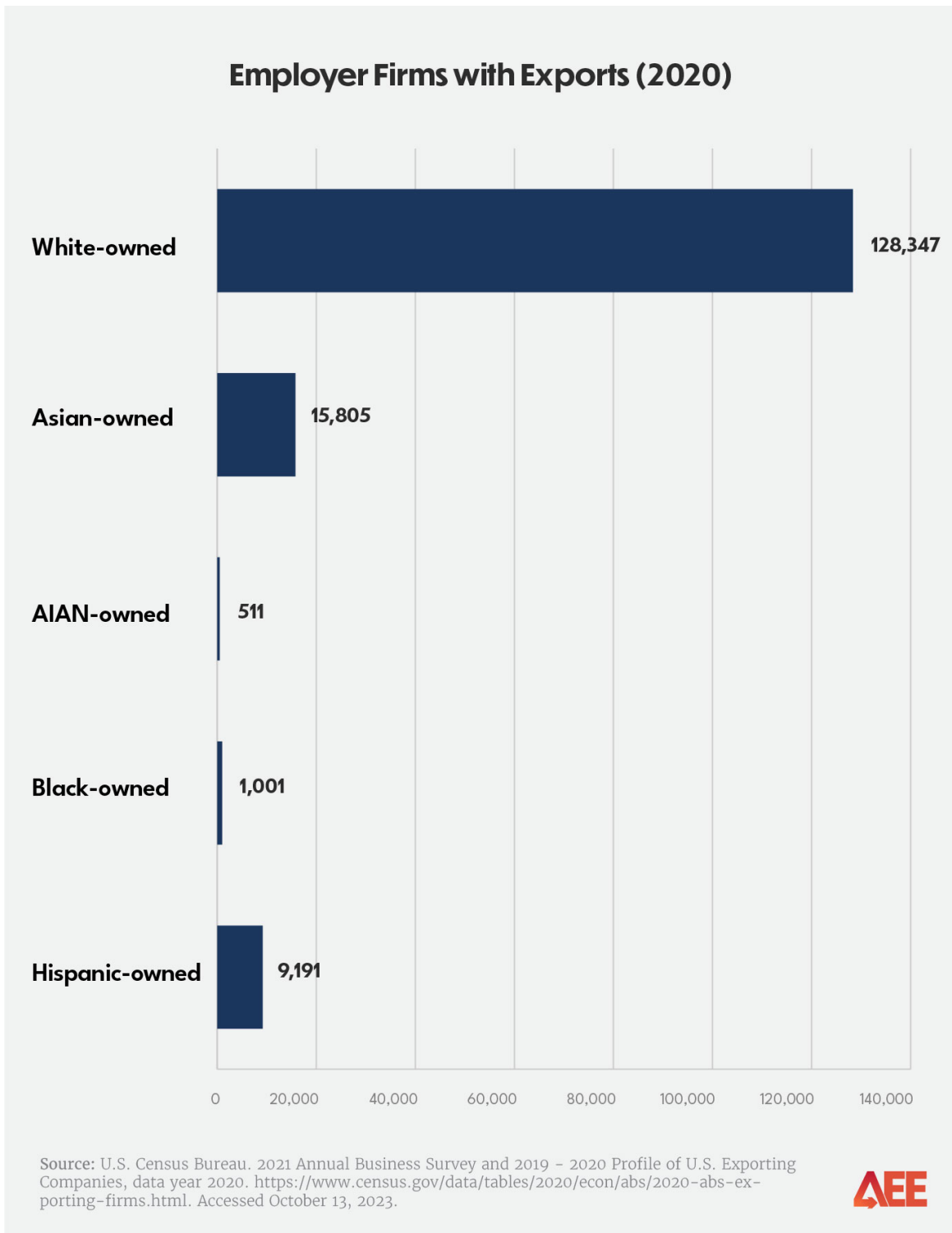
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Three-quarters of the world's purchasing power and 95% of consumers on the globe live outside of the United States.<sup>1</sup> This vast market is vital for American businesses, but too many small businesses and entrepreneurs face obstacles to tapping global opportunities. To better

quantify the scale of this issue, the Census Bureau's Annual Business Survey recently examined exporting businesses in the year 2020, focusing specifically on employer businesses—those with at least two employees. Their demographic data shows a stark trend: women- and minority-owned businesses are far less likely to be involved in international trade. Below, we explore the numbers further:<sup>2</sup>

## **Only 17% of US exporting firms are owned by people of color.**

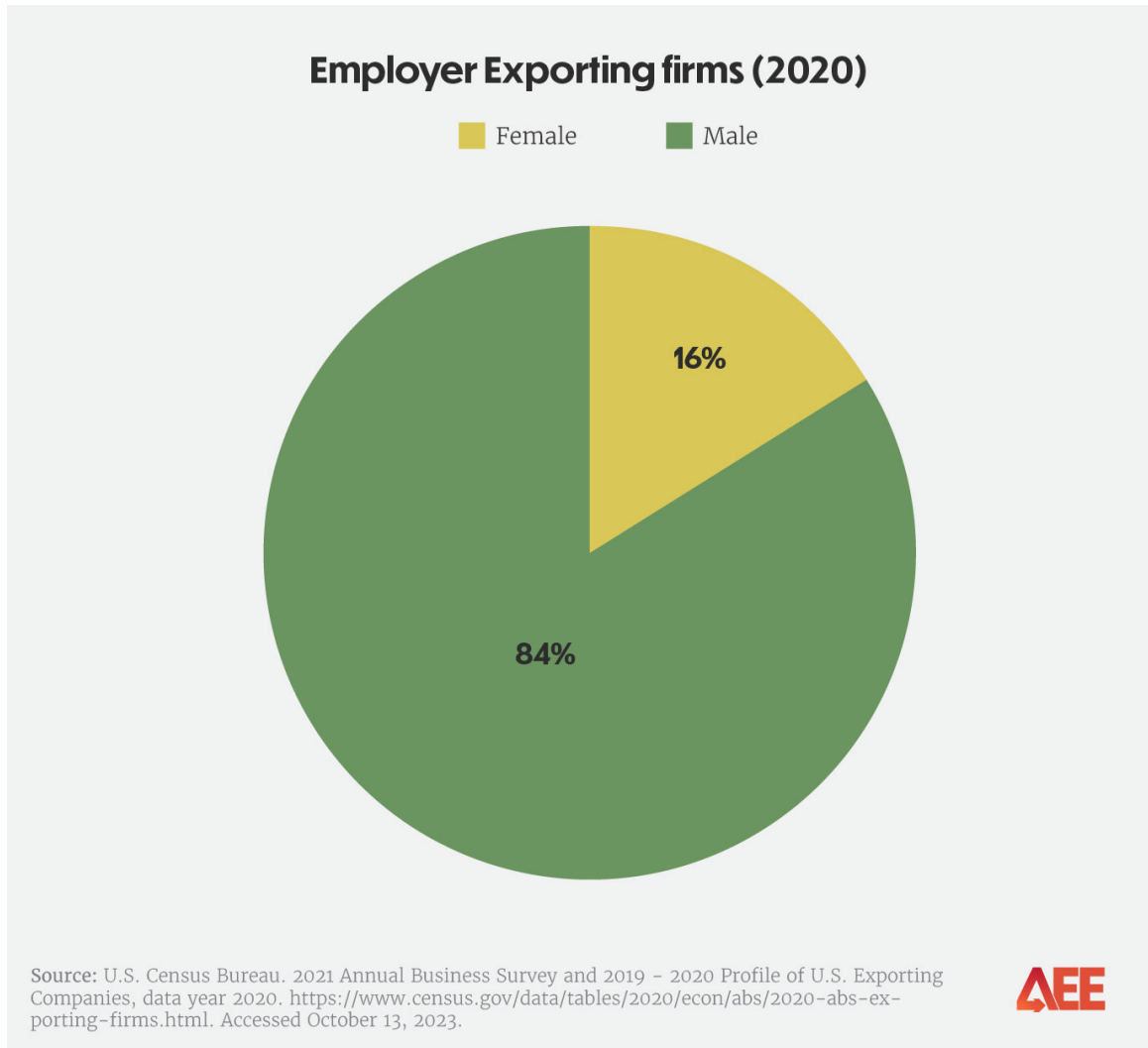
In 2020, the Census found 161,086 employer firms who exported to foreign markets.<sup>3</sup> Of these firms, eight-in-ten were white-owned businesses. In contrast, 15,805 were Asian-owned, 9,191 were Hispanic-owned, 1,001 were Black-owned, and 511 were American Indian and Alaska Native (AIAN)-owned. Notably, except for Asian ownership, other minority groups were dramatically underrepresented as exporters compared to their population in the United States.



## Men own five times the number of exporting firms than women.

It's not uncommon for exporting businesses to be equally owned by men and women. In fact, there were over 17,000 exporting firms with joint

ownership. However, there is a distinct trend when it comes to firms wholly owned by one gender or another. There were 107,338 exclusively male-owned exporting firms compared to only 20,997 women-owned exporters in 2020.<sup>4</sup>



## The Black exporting community shrunk by more than a third from 2019 to 2020.

As COVID curtailed travel between countries, the Census data revealed notable shifts among exporting firms from 2019 to 2020. Overall, the number of employer firms with exports dropped by 12,373 businesses (a drop of 7.1%), but there was significant variation among demographic

groups.<sup>5</sup> Notably, Black-owned employer firms experienced the largest decline of approximately 34%.

Conversely, AIAN businesses saw significant growth, though they remained less than 1% of the total exporting community. Asian-owned employer firms also saw a slight increase of approximately 2% while Hispanic- and white-owned firms saw slight declines.

## Employer Firms with Exports

	2019	2020	Percent Change
Hispanic-owned	9,740	9,191	-5.6%
Black-owned	1,514	1,001	-33.9%
AIAN-owned	458	511	11.6%
Asian-owned	15,529	15,805	1.8%
White-owned	139,086	128,347	-7.7%

Source: U.S. Census Bureau. 2021 Annual Business Survey and 2019 - 2020 Profile of U.S. Exporting Companies, data year 2020. <https://www.census.gov/data/tables/2020/econ/abs/2020-abs-ex-porting-firms.html>. Accessed October 13, 2023.



## ENDNOTES



- 1.** Congressional Research Service. “Small Business Administration Trade and Export Promotion Programs.”  
<https://sgp.fas.org/crs/misc/R43155.pdf>
- 2.** All data, unless otherwise noted comes from ABS - U.S. Exporting Firms by Demographics 2021 Tables.  
<https://www.census.gov/data/tables/2020/econ/abs/2020-abs-exporting-firms.html>. Note: Census notes that businesses can be tabulated in more than one racial group.  
<https://www.census.gov/programs-surveys/abs/technical-documentation/methodology.html>
- 3.** Note: demographic data from a small number of firms was unclassifiable in Census numbers.
- 4.** Data refers to businesses that could be classified under ABS data.
- 5.** Reference year 2019 data comes from ABS - U.S. Exporting Firms by Demographics 2020 Tables.  
<https://www.census.gov/data/tables/2019/econ/abs/2019-abs-exporting-firms.html>.