



# US Market Facts & Figures

**Business to Business**



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## ABOUT THE US

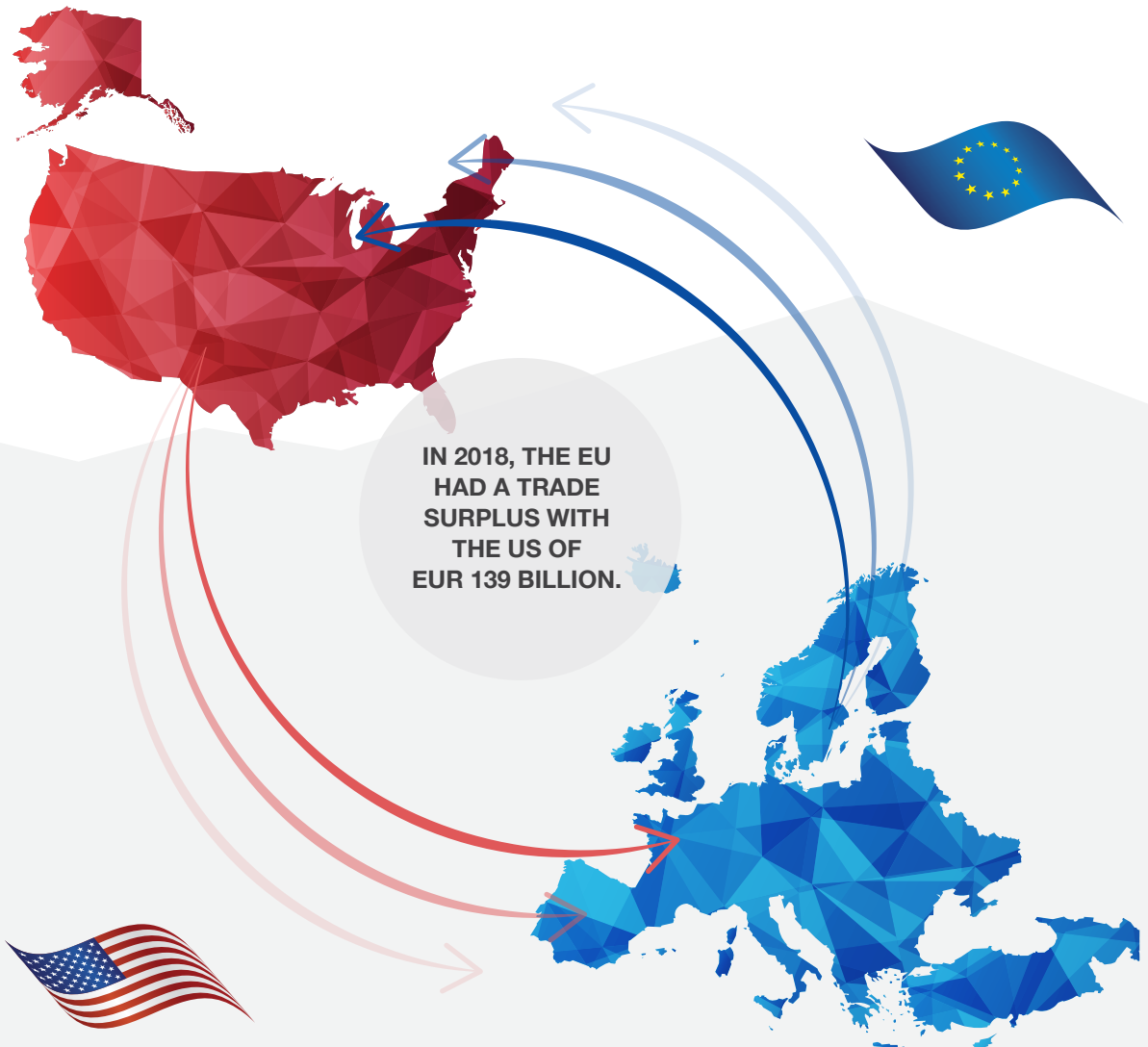
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- 9,826,675 sq km, 2 ½ times the size of Western Europe
- Most technology powerful country in the world
- 329 million population (2019)
- GDP of EUR 18.124 trillion (2018)
- GDP per capita (purchasing power) of about EUR 55,616 (2018)

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## EXPORTS AND IMPORTS

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## EU EXPORTS TO THE US

In 2017, the US was the largest partner for exports from the EU with almost twice the exports of China (EUR 198 billion, 11%).

- In 2017, the main categories driving EU exports to the US were 'Machinery and vehicles' (44% share), 'Chemicals' (22% share) and 'Other manufactured goods' (22% share).
- The most exported products from the EU to the US were "motor cars and vehicles".
- In 2017, Germany (EUR 112 billion) was the largest EU exporter to the US.

## EU IMPORTS FROM THE US

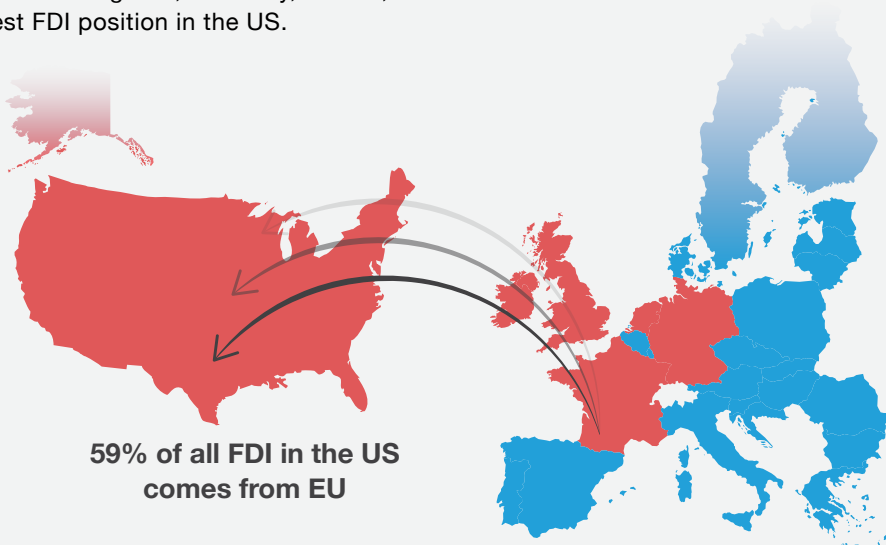
In 2017, the US was the second largest partner for EU imports (EUR 255 billion, 14%), second only to China.

- The most imported product to the EU from the US is "aircraft and associated equipment".
- Among the EU Member States, the United Kingdom was the largest importer from the US (EUR 54 billion).

## FOREIGN DIRECT INVESTMENT (FDI)

The US is the largest single recipient of FDI in the world.

- The EU accounts for more than half of all FDI in the US, with its investments of US\$ 2,370 billion making up more than half (59%) of all FDI in the US in 2017.
- The United Kingdom, Germany, Ireland, France and the Netherlands are the EU countries with the highest FDI position in the US.



## MAIN STEPS TO APPROACH THE US MARKET



### STEP 1: SMART TAKE-OFF APPROACH

- Evaluate your human resources.
- Evaluate your financial situation (costs and revenues).
- Evaluate your technological assets.
- Analyse your market competitiveness.
- Present your business activities and your added-value to the US market.

Use tools such as CANVAS Business Model and SWOT Analysis.

### STEP 2: SOFT LANDING

- Identify Soft Landings networks.
- Looking for help here? Contact an ENRICH in the USA Centre or Landing Hub.

### STEP 3: SET UP YOUR GOALS

- What are you 5-year goals in the US market?
- Direct sales or via a distribution network?
- Fundraising?
- Implementation, Expatriation?

### STEP 4: HAVE A US REPRESENTATION

- Establish a US address in order to show your commitment to do business in the US market.

### STEP 5: ESTABLISH STRATEGIC PARTNERSHIPS

- Identify potential partners and potential competitors.
- Choose carefully the form of partnership

### STEP 6: HIRE AN INTERNATIONALIZATION TEAM

- Establish a specific team for expanding in the US market, with responsibility for sales and marketing.

*Looking for help here? Contact an ENRICH in the USA Centre or Landing Hub.*

## FINDING THE RIGHT BUSINESS PARTNER

The US market is highly complex; therefore it is crucial to identify partners that wish to collaborate with your organisation in light of your internationalization strategy.

### Business Incubators & Accelerators

Identify and contact business accelerators and incubators

Examples:

[Alchemist Accelerator](#)

[AngelPad](#)

[MuckerLab](#)

[Techstars](#)

[Y Combinator](#)

[International Business Innovation Association \(InBIA\)](#)

[European American Enterprise Council \(EAEC\)](#)

### Business Networks

Identify and contact business networks.

Examples:

[International Business Innovation Association \(InBIA\)](#)

### Leading Industry Clusters

Analyze cluster mapping Initiatives

Examples:

[US Cluster Mapping](#)

[European Cluster Collaboration Platform](#)

### Leading Industry-University Research Centers:

Contact programs and networks.

Examples:

[NSF's Industry-University Cooperative Research Centers Program](#)

[National and Federal Laboratories and Research Centers](#)

### Matchmaking Events

Attend matchmaking events:

Examples:

### Business Networks

Identify and contact business networks.

Examples:

[ENRICH in the USA Matchmaking & Events](#)

■ [Matchmaking and Pitching Events](#)

■ [Innovation Tours](#)

■ [Business to Business Bootcamps](#)



## MAIN OPPORTUNITIES IN THE US MARKET

- **Large Single Market** - Largest consumer market with a GDP of \$19 trillion and 325 million people;
- **One Common Language** – Although Spanish can be important in specific regional markets;
- **Common General Culture** – Common spending trends by demographic;
- **Access to Global Supply Chain** - Can lead to doing business with other markets;
- **Low Average Tariffs** - EU-US low average tariffs (under 3%);
- **Technologically Advanced Economy** – Business opportunities in new areas;
- **Niche Market Opportunities** – Value added products or perceived value from country of origin;
- **Comprehensive Intellectual Property (IP) Laws** - Strong legal enforcement against infringement, offering a high standard of protection for IPR;
- **Product Certification** - Certain products can be tested and certified for the US market by private industry organizations, some are located in Europe.

## MAIN CHALLENGES IN THE US MARKET

- **Size of the Market** – Normally need to identify target regional markets; ENRICH in the USA Landing Hubs have been set up in the regions where EU businesses are most likely to succeed, contact them today!
- **Geographical Distance From the Market** – Adds supply chain costs;
- **Exchange Rate Fluctuations** – EUR to USD in the last 12 months: + 8%; last 5 years: +16%;
- **Local Laws and Regulations** - Challenges with regulations, testing, and standards;
- **Strong Competition** – Mature market (products and services);
- **Litigation is Common** – Highest number of lawyers per capita;
- **High Investment** – it takes time to have ROI;
- **Human Resources** – High competition for talent.

## SUPPORT PROGRAMS AVAILABLE IN THE US

Do you think you are ready to set up operations in the US market? The US federal government provides multiple services and programs for companies that operate in the US.

### SelectUSA

SelectUSA is a US government-wide program led by the U.S. Department of Commerce. SelectUSA aims to facilitate job-creating business investment into the US and promote awareness of the critical role that FDI plays in the US economy. SelectUSA supports companies of all sizes find the information they need to make decisions; connect to the right people at the local level; and navigate the federal regulatory system.

SelectUSA has an international portfolio of contacts around the world that can provide useful information to companies: <https://www.selectusa.gov/portfolio-international>

### Federal Interagency Investment Working Group (IIWG)

<https://www.selectusa.gov/iiwg>

IIWG helps addressing international investors' questions and concerns related to a wide range of federal regulatory issues, helping companies to connect with the right federal-level contacts. In this context, SelectUSA collaborates with IIWG agency partners to help address investor questions relating to a wide range of federal regulatory issues and supporting companies to navigate an unfamiliar system and connect with the right federal-level contacts.

### Federal Programs Database

[https://www.selectusa.gov/federal\\_incentives](https://www.selectusa.gov/federal_incentives)

Federal Programs Database, which is part of SelectUSA, provides information about programs from US government agencies that aim to support businesses in the US.

### State Business Incentives

<http://selectusa.stateincentives.org/programs/>

State Business Incentives (part of SelectUSA) is a database developed by the Council for Community and Economic Research (C2ER), which provides information about incentive programs in all the US 50 states.

### US Commercial Service

<https://www.buyusa.gov/import/index.asp>

The US Commercial Service can help international companies by:

- Introducing the international companies to potential US suppliers
- Informing about suitable U.S. trade shows to visit
- Inviting international companies to participate in their programs

### European Network of Research and Innovation Centres and Hubs (ENRICH) in the USA

<https://usa.enrichcentres.eu>

ENRICH in the USA can help European companies by providing:

- Pre-departure training in Europe
- Fast-track US market access through its network of Landing Hubs across the US
- Providing hot desks and acceleration services from its West Coast Centre at the heart of Silicon Valley
- Matchmaking events, innovation tours and more

VISIT US

[www.enrich-usa.eu](http://www.enrich-usa.eu)



Horizon 2020  
European Union funding  
for Research & Innovation

ENRICH in the USA is powered by NearUS.  
The NearUS initiative has received funding from the  
European Union's Horizon 2020 research and innovation  
programme under grant agreement no. 733286.

