

Institute for Public Policy and Business Research  
The University of Kansas

INTERNATIONAL  
EXPORTING AND NON-EXPORTING BUSINESSES  
IN KANSAS

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## INTERNATIONAL EXPORTING AND NON-EXPORTING BUSINESSES IN KANSAS

This study was conducted by the Institute for Public Policy and Business Research at the University of Kansas for Kansas Inc. Increasing Kansas's participation in the national and world economies is an important part of the state government's plan for economic development. This report examines the differences between Kansas exporting and non-exporting firms based on a sample survey of firms. The findings are based on telephone surveys with a random sample of owners or managers of 424 Kansas business firms. Two hundred and three currently export. Two hundred and twenty one do not export. Details about methods are provided in Appendix A. For the purpose of this study, exporting refers to selling products outside the United States. The report is divided into three sections. First, the findings and implications are summarized. Second, the results of the survey of businesses are detailed. Third, the research methods and basic frequencies are reported in two appendices.

### SUMMARY OF FINDINGS

1. Larger firms are more likely to export than smaller ones. The majority of Kansas exporting businesses employ between 10 and 99 full-time employees. The majority of non-exporting firms (54%) employ fewer than 10 full-time employees (see Q1B, Appendix B).
2. In terms of total annual sales, almost half of Kansas exporters (47%) have sales of between \$1 and \$10 million. In contrast, the majority of non-exporting businesses (58%) have sales of \$1 million or less (see Table 12).

3. Kansas exporting businesses sell the majority of their products (72%) in the national market; non-exporting businesses sell almost half (49%) of their products in their local market (see Table 13).
4. Kansas exports to over 50 countries around the world. Canada is the country that receives the largest percentage (23%) of our exports; Europe is the continent receiving the highest proportion (37%) of Kansan products (see Q6, Appendix B).
5. Kansas exports a variety of products. The majority of exports (51%) are machinery, instruments, transportation equipment, and miscellaneous manufactured goods (see Standard Industrial Codes, Appendix B).
6. Two-thirds of Kansas exporters feel they have great influence over export decisions. Decisions are not made by corporate leaders outside Kansas (see Q4, Appendix B).
7. A majority (54%) of Kansas exporters are optimistic about their potential for further export expansion. In contrast, 74 percent of non-exporters feel they have no potential to export (see Table 5).
8. Nearly 80 percent of Kansas exporters market their exports themselves (see Q10, Appendix).
9. Of Kansas exporting businesses, 39 percent presently attend one or more foreign trade fairs a year. Only a small percentage, 7 percent of non-exporters, attend foreign trade fairs (see Q8, Appendix B).
10. About three-quarters of Kansas exporters finance their exports internally (see Q16, Appendix B).
11. Of Kansas non-exporters, 32 percent indicated that they had no desire to export. Forty-six indicated that it was inappropriate for their business. Although not all non-exporting firms can expand into

international markets, these figures suggest some untapped potential. Of the non-exporters potentially interested in exporting, 47 percent indicated that financing was an important factor preventing them from exporting. Thirty-five percent never considered exporting and 32 percent lacked the needed knowledge. Twenty-six percent said that the lack of government assistance prevented exporting (see Table 11).

12. Points 10 and 11 indicate the nature of the financing problem of small firms. Many firms may avoid or reduce exports because of a lack of available funding. The opportunity is foregone rather than the contract lost. This is especially likely with small firms that lack the resources for internal funding (see Table 16).
13. For those Kansas businesses already exporting, financing remains a problem, but their most significant need is for information on foreign markets. Next in significance is the need for government assistance to individual firms with export development. Other areas of need are: information in foreign governments and assistance in getting and coordinating financing.

## DISCUSSION OF SIGNIFICANT FINDINGS

1. Information on foreign markets and to a lesser extent on foreign governments is a high priority for both exporters and non-exporters. A clear need was repeatedly expressed throughout the interviews (see Tables 15, 16).
2. Thirty-five percent of non-exporters indicated that one factor preventing them from exporting was that they had simply never considered it. The state government may increase exports merely by informing the Kansas business community of the expansion potential that exporting offers. Potential exporters need to know that there are markets abroad that Kansas business can and does serve. They also need to know exactly how the state government can assist them in serving the international marketplace (see Table 14).
3. Most non-exporters are, nonetheless, unlikely to enter international trade. The size of the firm and the nature of their product reduces the likelihood. A special state program targeted for small firms producing products with proven export potential could, nonetheless, be promising. Exporting may be a source, not just a result of growth (see Table 11).
4. Exporters are optimistic and non-exporters pessimistic concerning export expansion. The state government would probably find it more productive to concentrate its efforts on those firms already exporting and firms of a size and producing the products that make them likely exporters. There is one exception to this implication. Those larger non-exporting firms (10-99 employees) already selling a large percentage of their product in the national market should be given special attention. This is especially true for firms selling products that have

already proven successful overseas, such as machinery, instruments, fabricated metal products, rubber and plastic products, and food.

5. Financing remains a problem in Kansas. All financing options mentioned to our respondents received roughly the same support. These include: open accounts for overseas customers, a program to allow exporters to receive payment when goods are shipped, and a program to allow customers to pay for goods up to 180 days after shipment (see Tables 15, 16 and 17).
6. Exporters seemed particularly interested in state assistance with export development to individual firms. Eighty-two percent asked for information on foreign markets, and 68 percent asked for information on foreign governments. Seventy-one percent felt the state should help individual firms. Sixty-seven percent suggest state assistance with export financing and 51 percent suggest assistance with coordination with private banks (see Table 16).
7. State assistance with foreign trade fair costs would increase attendance. Increased attendance at foreign trade fairs would logically increase Kansas exports. But whether the expense of this sort of program would result in a worthwhile increase in Kansas exports is difficult to measure (see Q17A, Appendix B).



FINDINGS

Profile of Exporting Companies in Kansas

Employment Patterns

Most Kansas exporters (73%) provide jobs for between 10 and 99 full-time employees (see Table 1). The basic distribution of employees is heavily weighted towards production workers (see Table 2). There is little difference between exporters and non-exporters in this regard.

TABLE 1: DISTRIBUTION OF EXPORTING FIRMS BY NUMBER OF FULL-TIME EMPLOYEES

<u>Employees</u>	<u>Percent</u>	<u>Cumulative Percent</u>
1-9	13.4%	13.4%
10-49	38.3	51.7
50-99	21.4	73.1
100-249	15.4	88.5
250-499	5.5	94.0
500-1000	3.5	97.5
Over 1000	<u>2.5</u>	<u>100.0</u>
	100.0%	

N = 201

=====

TABLE 2: DISTRIBUTION OF WORKERS IN KANSAS EXPORTING FIRMS

Production Workers	65.7%
Clerical Workers	15.9%
Management/Professional	<u>18.4%</u>
	100.0%

N = 189

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Annual Sales

The median annual sales for exporting firms in Kansas is \$4.85 million. The mean is \$29.49 million, but the standard deviation is \$110 million. The

great difference between the median and mean, and the wide standard deviation result from the small number of firms with much greater sales (skew = 5.715). Five percent of Kansas exporting firms have sales of more than \$100 million. Quartile ranges are displayed below in Table 3.

TABLE 3: EXPORTING FIRMS--TOTAL ANNUAL SALES

Range	
1st Quartile	0 - \$1.7 mil.
2nd Quartile	- \$4.7 mil.
3rd Quartile	- \$10 mil.
4th Quartile	- \$800 mil.
N = 148	

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Market Areas

Kansas exporters produce the majority of their products for the national market. Fully 72 percent of their sales are nationwide. Only 14 percent of their products, on the average, are sold in-state. International sales compose 13 percent of Kansas exporters' total sales (see Table 4).

TABLE 4: EXPORTING FIRMS: PERCENTAGE OF SALES IN EACH MARKET AREA

Local	5.3%
State-wide	9.0%
National	72.3%
International	<u>13.4%</u>
	100.0%
N = 176	

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### Types of Exports

Kansas firms export a variety of products, but the majority of the state's exports are machinery and equipment. Machinery manufacturers are the largest single category of exporting firms, representing 27 percent of Kansas exporters. Following machinery manufacturers are fabricated metal producers with 11 percent, rubber and plastic producers with 8 percent, and food producers with 7 percent. Overall, however, machinery, instruments, transportation equipment, and miscellaneous manufacturing account for the majority (51%) of Kansas exports. (See Appendix B for a full breakdown of the products sold by Kansas exporters.)

### Export Destinations

Kansas exports to 51 countries around the world. As might be expected, our neighbor Canada receives the largest proportion of Kansas exports (23%). Other countries that receive larger-than-average amounts of Kansas exports are Japan (9%), Australia (8%), Mexico (6%), England (5%), West Germany (5%), and France (4%). These countries account for the majority (60%) of Kansan exports. (See Appendix B for other countries receiving Kansan exports.) Europe is the continent receiving the highest proportion (37%) of Kansas exports.

### Local Influence Over Export Decisions

The majority of Kansas exporters indicate that they make export decisions. Thirty-one percent of the exporters polled have total control over their firm's export decisions. Of those not locally owned, a high percentage (36%) of our respondents stated that they felt they had great

influence over export decisions. Thus, a majority of Kansas exporters (68%) have great total influence over their export decisions. This has policy implications. State policies designed to increase exports can be successfully targeted to Kansas business leaders.

Potential for Further Export Expansion

Kansas exporters are optimistic about their potential to expand further into the international market. When asked to rate their potential to expand further into the international marketplace, 55 percent felt their firms had great potential to increase exports. Only 23 percent saw no potential (see Table 5).

TABLE 5: POTENTIAL FOR FURTHER EXPANSION IN INTERNATIONAL MARKET

<u>Potential</u>	<u>Percent</u>
No Potential	23.4%
Moderate Potential	21.9
Great Potential	<u>54.7</u>
	100.0%
	N = 201

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Business Methodologies: Financing and Marketing

The great majority of Kansas exporters (78%) market their exports themselves. The others are evenly divided between using a U.S.-based marketing firm (11%) and hiring international marketing firms (11%).

Most Kansas exporters (71%) finance their exports internally. Of the remainder, 15 percent finance exports through in-state banks, and 12 percent use out-of-state banks.

Nine percent of Kansas exporters have ever lost an export contract through a lack of financing. There is no relationship between methods of financing and having lost an export contract.

#### Foreign Trade Fairs

Fully 61 percent of Kansas exporters never attend foreign trade fairs. Twenty-seven percent attend once or twice a year. Only 8 percent indicated that they attend three to six fairs a year, and 4 percent of exporters attend more than 6 trade fairs a year.

Interestingly, 59 percent indicated that they plan to attend foreign trade fairs in the future, an increase from the total of 39 percent who currently attend trade fairs. The number of exporters who say they would attend foreign trade fairs rises to 66 percent if the state government were to help pay costs. This indicates potential for helping Kansas businesses increase their exports. The possibility is covered more fully in the Overall Findings section below.

Profile of Non-Exporting Companies in Kansas

Employment Patterns

The majority of non-exporting firms in Kansas (54%) employ fewer than 10 full-time employees. If we add the 31 percent that employ between 10 and 49 people, we can see that 85 percent of non-exporting Kansas firms provide jobs for fewer than 50 people (see Table 6).

As with exporters, most employees of non-exporting firms are production workers (see Table 7). Again, there is little difference between the structure of employment in exporting and non-exporting firms.

TABLE 6: DISTRIBUTION OF NON-EXPORTING FIRMS BY NUMBER OF FULL-TIME EMPLOYEES

<u>Employees</u>	<u>Percent</u>	<u>Cumulative Percent</u>
1-9	54.1%	54.1
10-49	30.7	84.8
50-99	6.9	91.7
100-249	6.9	98.6
250-499	0.9	99.5
500-1000	0.5	100.0
Over 1000	<u>0.0</u>	<u>100.0</u>
	100.0	
	N=218	

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TABLE 7: DISTRIBUTION OF WORKERS IN KANSAN NON-EXPORTING FIRMS

Production Workers	63.4%
Clerical Workers	17.0%
Management/Professional	<u>19.6%</u>
	100.0%
	N = 193

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Annual Sales

The median annual sales figure for non-exporting firms in Kansas is \$700,000. As with exporters, the mean annual sales is larger, \$9.69 million, but the standard deviation is \$74.67 million; skewness is \$13.11. A small number of firms with large annual sales accounts for this disparity. Quartile ranges are displayed below in Table 8.

TABLE 8: NON-EXPORTING FIRMS--TOTAL ANNUAL SALES (IN THOUSANDS)

1st Quartile	0 - \$	180
2nd Quartile	-	625
3rd Quartile	-	2,800
4th Quartile	- \$	59,600

N = 181

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Market Areas

Kansas non-exporting firms produce the majority of their products for local and state-wide markets. Sixty-nine percent of their sales are within the state. Only 30 percent of non-exporting firms' products are sold nationally (see Table 9).

TABLE 9: NON-EXPORTERS: PERCENTAGE OF SALES IN EACH MARKET AREA

Local	49.4%
State-wide	20.4%
National	<u>30.2%</u>
	100.0%

N=160

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Potential to Export

There is little optimism among Kansas non-exporters about their

potential to begin exporting. Eighty-three percent feel that they have little or no potential to export (see Table 10). This observation is further reinforced by the percentage of non-exporters indicating either that they have no desire to export (32%) or that exporting is simply not appropriate for their business (46%). Ten percent said they had a great potential for export. Although a relatively small proportion, this group could have significant economic impact (see Table 11).

TABLE 10: POTENTIAL TO BEGIN EXPORTING

<u>Value</u>	<u>Label</u>
No Potential	82.9
Moderate Potential	7.2
Great Potential	<u>9.9</u>
	100.0
N = 222	

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TABLE 11: WHAT PREVENTS NON-EXPORTERS FROM EXPORTING<sup>a</sup>

	<u>Count</u>	<u>% of Responses</u>	<u>% of Cases</u>
No Desire	65	23.6	31.6
Lack of Export Know-how	26	9.4	12.6
Lack of Gov't Assistance	21	7.6	10.2
Lack of Financing	38	13.8	18.4
Never Considered	28	10.1	13.6
Currently Starting	3	1.1	1.5
Not Appropriate	<u>95</u>	<u>34.4</u>	<u>46.1</u>
TOTAL RESPONSES	276	100.0	134.0

<sup>a</sup>Respondents were encouraged to indicate more than one answer. The count is based on number of responses, not cases. The percent of cases adds up to more than 100 percent because of these multiple responses.

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When we eliminate those non-exporters that either have no desire to export or do not believe exporting would be appropriate for their businesses, it becomes clear that financing is a problem that hampers exporting. Almost half of the remaining 116 respondents (47%) indicated that lack of financing prevented them from exporting (see Table 16). Of these respondents, 35 percent indicated that they had never considered exporting before. In addition, 32 percent of this group stated that lack of specific export know-how prevented them from exporting.

#### Foreign Trade Fairs

As might be expected, non-exporters rarely attend foreign trade fairs. Of the non-exporting firms we polled, 93 percent said that they never attend foreign trade fairs. Only 6 percent indicated that they attend trade fairs even once or twice a year.

As far as the future is concerned, 15 percent stated that they are planning to attend trade fairs. That percentage more than doubles (to 31%) when respondents are asked if they would attend fairs if the state would help pay the costs. Here again, we see evidence of potential for productive government assistance in this area.

#### Kansas Exporting and Non-Exporting Firms Contrasted

In general we asked different questions of exporting and non-exporting firms but where both groups answered the same questions, we will examine the differences between the two groups.

Size of Firms

Exporting firms on the average employ and sell more than non-exporting firms. In terms of personnel, the majority of non-exporting firms (54%) employ fewer than 10 people. The majority of exporting firms (60%), on the other hand, provide full-time jobs for between 10 and 99 individuals.

Table 12 shows the obvious disparity in sales between exporting firms and non-exporting firms. Fifty-seven percent of non-exporting firms had sales of \$1 million or less; only 18 percent of exporting firms were at or below that level. Fifty-six percent of exporting firms had sales between \$1 and \$10 million; only 34 percent of non-exporting firms could claim the same. Twenty-five percent of exporting firms had sales above \$10 million; 5 percent were above \$100 million. Only 10 percent of non-exporting firms could boast of sales above \$10 million; none above \$100 million.

TABLE 12: TOTAL ANNUAL SALES OF EXPORTING AND NON-EXPORTING FIRMS  
CONTRASTED (IN THOUSANDS)

	Range	
	<u>Exporting Firms</u>	<u>Non-exporting Firms</u>
1st Quartile	0 - \$ 1,700	0 - \$ 180
2nd Quartile	- 4,700	- 625
3rd Quartile	- 10,000	- 2,800
4th Quartile	- \$800,000	- 59,700
	N = 148	N = 181

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Market Areas

Non-exporters showed a marked difference from exporting firms in distribution patterns. Almost half non-exporting firms' production (49%) was

for local markets--compared to exporters' local sales of only 5 percent. For non-exporting firms, the percentage of their production going to state-wide markets (20%) is more than twice that of exporters. Conversely, their percentage of national sales (30%) is less than half of Kansas exporters' national sales (72%). These figures suggest that while Kansas exporting firms are geared towards serving the national market, most non-exporters, understandably, are focused on serving their local and state-wide markets (see Table 13).

TABLE 13: MARKET AREAS FOR EXPORTING AND NON-EXPORTING FIRMS CONTRASTED

	<u>Non-Exporting</u>	<u>Exporting</u>
Local	49.4%	5.3%
State-wide	20.4%	9.0%
National	30.2%	72.3%
International	<u>0.0%</u>	<u>13.4%</u>
	100.0%	100.0%
	N=160	N=176

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OTHER FINDINGS

Non-Exporting Firms

As we have seen above (Table 11), exporting is inappropriate or not desired by many Kansas non-exporting firms. It is useful therefore, to look at the problems that trouble only those non-exporters interested in exporting. Although only a portion of the sample, this subpopulation is important in policy-making. As may be seen in Table 14, financing is a problem that prevents many Kansas non-exporters (47%) from exporting.

Interestingly, 35 percent indicated that they simply have never considered exporting before. A program that made Kansas business people more aware of the potential in this area might prove productive. Such a program might also help address another problem that prevents exporting for 32 percent of Kansas non-exporting firms--the lack of specific export know-how.

TABLE 14: WHAT PREVENTS INTERESTED NON-EXPORTERS FROM EXPORTING<sup>a</sup>

	Count	% of Responses	% of Cases
Lack of know-how	26	22.4	32.1
Lack of gov't assistance	21	18.1	25.9
Lack of financing	38	32.8	46.9
Never considered exporting	28	24.1	34.6
Currently starting exporting	<u>3</u>	<u>2.6</u>	<u>3.7</u>
TOTAL RESPONSES	116	100.0	143.2

<sup>a</sup>Respondents were encouraged to indicate more than one answer. The count is based on number of responses, not cases. The percent of cases adds up to more than 100 percent because of these multiple responses.

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In regard to assistance that the state government might provide non-exporters, no single option stands out as meeting an overwhelming need.

Instead, Table 15 indicates that assistance in all categories--from information on foreign governments and markets to specific types of financial assistance--would be helpful. This may reflect the fact that non-exporters simply know very little about exporting and need assistance in all areas.

TABLE 15: NON-EXPORTERS: GOVERNMENT ASSISTANCE THAT WOULD BE HELPFUL<sup>a</sup>

	Count	% of Responses	% of Cases
Information on foreign markets	65	23.0	76.5
Information on foreign gov'ts	48	17.0	56.5
Export financing assistance	58	20.5	68.2
Coordinating financing w/ private banks	58	20.5	68.2
Working with ind'l firm on export devel.	54	19.1	63.5
Total Responses	283	100.0	332.9

<sup>a</sup>Respondents were encouraged to indicate more than one answer. The count is based on number of responses, not cases. The percent of cases adds up to more than 100 percent because of these multiple responses.

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#### Trade Fair Attendance

One policy proposal that was discussed with survey respondents was for state government to help pay the cost of attending foreign trade fairs. As has already been observed, Kansas non-exporters very rarely attend trade fairs. They do expect to attend more in the future, and if the state government were to help pay the trade fair costs of Kansas businesses, the percentage attending trade fairs could increase from 7 percent to 31 percent of Kansas non-exporters.

Not only would this policy increase the overall numbers of those attending trade fairs, it would also increase the frequency of attendance of

those who already attend foreign trade fairs. Our data indicate that of those non-exporters now attending only once or twice a year, 31 percent would increase their attendance to three to six times a year. It is important to note, however, that the small number of answers to this question means that these observations may be misleading. The same pattern, however, is found among a larger sample of exporters surveyed.

Exporting Firms

For those Kansas firms already exporting, information on foreign markets appears to be the greatest need. Of the exporters we surveyed, 82 percent indicated that such information would help them in their exporting efforts. Seventy-one percent could use individual assistance with export development. Financing is a concern, but it is not as significant a problem as information about foreign governments and markets or individual export development assistance (see Table 16).

TABLE 16: EXPORTERS: STATE ASSISTANCE THAT WOULD HELP EXPAND EXPORTS<sup>a</sup>

	Count	% of Responses	% of Cases
Information on foreign markets	113	24.1	81.9
Work w/ind'l firms on export devel	98	20.9	71.0
Information on foreign gov't	94	20.1	68.1
Export financial assistance	92	19.7	66.7
Coordinating financing w/private banks	<u>71</u>	<u>15.2</u>	<u>51.4</u>
	468	100.0	339.1

<sup>a</sup>Respondents were encouraged to indicate more than one answer. The count is based on number of responses, not cases. The percent of cases adds up to more than 100 percent because of these multiple responses.

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Financing

For those exporting firms that indicated they had lost an export contract because of a lack of financing, we followed up by asking what sort of export financing program would help increase their exports. So few exporters ever lost a contract that we cannot generalize from these findings.

TABLE 17: FINANCIAL ASSISTANCE PROGRAMS

	Valid Percent
Open account for overseas customers	35.7
Program to pay exporters when goods shipped	35.7
Program to allow customers to pay 180 days late	<u>28.6</u>
	100.0
	N = 14

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Trade Fair Attendance

As has already been mentioned, foreign trade fair attendance was a subject that was pursued in some detail with our survey. Of Kansas exporting firms, 39 percent presently attend foreign trade fairs. However, 59 percent stated they plan to attend trade fairs in the future. This increase (as well as similar plans by non-exporting firms) may point to a rising interest in export expansion in the Kansas business community. And if the state government paid foreign trade fair costs, 66 percent stated they would attend such fairs.

Just as we have seen in non-exporting firms, the frequency of trade fair attendance of those now attending one or two fairs annually would also

increase. If the state government would help pay the costs of such attendance, 39 percent would increase their attendance to three or more fairs a year.



APPENDIX A

## SURVEY METHODOLOGY

This IPPBR study was conducted 29 February 1988 to 8 March 1988. The survey was by telephone, and a total of 424 interviews were completed with the owners or managers of exporting and non-exporting Kansas firms. The response rate for the survey was 89 percent. This means that for every 10 individuals contacted, nine responded to the survey.

Questions used in the survey were designed by the Institute research staff in collaboration with Kansas Inc. Readers should consult Appendix B of this report for the full text of the survey instrument. Most questions and responses have been summarized for discussion within the body of the report.

The sample was drawn from the Kansas Department of Commerce Directory of Kansas Manufacturers and Products. Two hundred and three exporting firms and 221 non-exporting firms were included in the final sample.

The percentages obtained in the sample are estimates of the entire populations under consideration. Sampling theory suggests that when an adequate random sample is obtained within a population, the sample will adequately reflect the responses that would be given if the entire population were surveyed. The margin of error in a survey is the probable difference between interviewing everyone in a given population and a sample drawn from that population. The margin of error for this survey is 5 percent at a 95 percent level of confidence. Given this margin of error, chances are that in about 19 out of 20 cases if all exporters and non-exporters in Kansas had been surveyed with the same questionnaire, the result would differ from the poll findings by no more than 5 percent in either direction.

Although great care is taken in composing questions and drawing a sample, caution should be exercised in the interpretation of telephone survey results. Responses generally represent immediate answers to questions, and respondents are limited to the answer categories given. Nevertheless, telephone surveys are by far the best form of public opinion polling to obtain random and representative samples in a timely fashion.

APPENDIX B

EXPORTING BUSINESSES SURVEY INSTRUMENT

Q1 How many people, part-time and full-time, do you employ in your local operation?

Q1A Exporting Firms: Part-time employees?

Number of Part-time Employees	Frequency	Valid Percent	Cum. Percent
0	99	52.4	52.4
1	24	12.7	65.1
2	19	10.1	75.1
3	15	7.9	83.1
4	6	3.2	86.2
5	9	4.8	91.0
6	2	1.1	92.1
7	1	.5	92.6
10	6	3.2	95.8
11	1	.5	96.3
20	1	.5	96.8
25	3	1.6	98.4
30	1	.5	98.9
35	1	.5	99.5
75	1	.5	100.0
TOTAL	189	100.0	

Q1A Non-exporting Firms: Part-time employees?

Number of Part-time Employees	Frequency	Valid Percent	Cum. Percent
0	90	45.5	45.5
1	38	19.2	64.6
2	27	13.6	78.3
3	11	5.6	83.8
4	12	6.1	89.9
5	5	2.5	92.4
6	4	2.0	94.4
8	2	1.0	95.5
9	1	.5	96.0
10	6	3.0	99.0
14	1	.5	99.5
18	1	.5	100.0
TOTAL	198	100.0	

Q1B Exporting Firms: Full time employees?

Number of Full-time Employees	Frequency	Valid Percent	Cum. Percent
1-9	27	13.4	13.4
10-49	77	38.3	51.7
50-99	43	21.4	73.1
100-249	31	15.4	88.6
250-499	11	5.5	94.0
500-1,000	7	3.5	97.5
OVER 1,000	5	2.5	100.0
TOTAL	201	100.0	

Q1B Non-Exporting Firms: Full time employees?

Number of Full-time Employees	Frequency	Valid Percent	Cum. Percent
1-9	118	54.1	54.1
10-49	67	30.7	84.9
50-99	15	6.9	91.7
100-249	15	6.9	98.6
250-499	2	.9	99.5
500-1,000	1	.5	100.0
TOTAL	218	100.0	

Valid Cases 218

Q2 How would you divide those people into the following categories?

	Exporting Firms	Non-exporting Firms
Production Workers	65.7%	63.4%
Clerical Workers	15.9%	17.0%
Management/Professional	18.4%	19.6%
	100.0%	100.0%
	N = 189	N = 193

Q3 Does your company (or local operation) currently export products to foreign countries? (IF NON-EXPORTER, SKIP TO Q12)

Value Label	Value	Frequency	Valid Percent	Cum. Percent
Yes	1	203	47.9	47.9
No	2	221	52.1	100.0
TOTAL		424	100.0	

EXPORTING FIRMS ONLY

Q4 (IF PART OF A LARGER CORPORATION) Does your local operation have influence over decisions to pursue exports? How would you rate that influence on a scale of 1 to 5 with one being "no influence" and 5 being "great influence"?

Value Label	Value	Frequency	Valid Percent	Cum. Percent
No influence	1	32	15.8	15.8
	2	9	4.4	20.2
	3	10	4.9	25.1
	4	15	7.4	32.5
Great influence	5	74	36.5	69.0
Locally owned/ Total Control	6	63	31.0	100.0
TOTAL		203	100.0	

Q5 Approximately what percentage of your product do you sell in each of the following areas?

Local	5.3%
State-wide	9.0%
National	72.3%
International	13.4%
	100.0%

Valid Cases 176

Q6 What two countries receive the greatest amount of your exports?

Country	Frequency	Percent	Cum. Percent
ALGERIA	2	.6	.6
ARGENTINA	1	.3	1.0
AUSTRALIA	24	7.6	8.6
BELGIUM	3	1.0	9.6
BRAZIL	3	1.0	10.5
CANADA	73	23.2	33.8
CHILE	1	.3	34.1
CHINA	4	1.3	35.4
COLUMBIA	4	1.3	36.6
DOMINICAN REPUBLIC	1	.3	36.9
EGYPT	3	1.0	37.9
FINLAND	1	.3	38.2
FRANCE	12	3.8	42.0
EAST GERMANY	2	.6	42.7
WEST GERMANY	16	5.1	47.8
GREECE	3	1.0	48.7
INDIA	4	1.3	50.0

Country	Frequency	Percent	Cum. Percent
INDONESIA	4	1.3	51.3
IRELAND	2	.6	51.9
ISRAEL	2	.6	52.5
ITALY	3	1.0	53.5
JAMAICA	3	1.0	54.5
JAPAN	28	8.9	63.4
SOUTH KOREA	2	.6	64.0
MEXICO	19	6.1	70.1
NETHERLANDS	1	.3	70.4
NEW ZEALAND	1	.3	70.7
NIGERIA	2	.6	71.3
NORWAY	1	.3	71.7
PAKISTAN	1	.3	72.0
PERU	2	.6	72.6
PHILIPPINES	1	.3	72.9
SOUTH AFRICA	1	.3	73.2
SPAIN	4	1.3	74.5
SWEDEN	1	.3	74.8
SWITZERLAND	1	.3	75.2
TAIWAN	7	2.2	77.4
TURKEY	1	.3	77.7
USSR	1	.3	78.0
UNITED KINGDOM	17	5.4	83.4
VENEZUELA	2	.6	84.1
YUGOSLAVIA	1	.3	84.4
SAUDI ARABIA	4	1.3	85.7
MALAYSIA	1	.3	86.0
EUROPEAN ECONOMIC COMMUNITY	18	5.7	91.7
AFRICA	7	2.2	93.9
SOUTH AMERICA	10	3.2	97.1
MIDDLE EAST	5	1.6	98.7
HONG KONG	1	.3	99.0
SINGAPORE	2	.6	99.7
HUNGARY	<u>1</u>	<u>.3</u>	100.0
TOTAL	314	100.0	

#### REGIONS RECEIVING MOST EXPORTS

Regions	Frequency	Valid Percent	Cum. Percent
EUROPE	75	36.9	36.9
AFRICA	15	7.4	44.3
ASIA	55	27.1	71.4
SOUTH AMERICA/CARIBBEAN	46	22.7	94.1
MIDDLE EAST	<u>12</u>	<u>5.9</u>	100.0
TOTAL	203	100.0	



Q7 Do you feel that your company has the potential to expand further into the international market? How would you rate that potential on a scale of 1 to 5 with 1 meaning "no potential" and 5 meaning "great potential"?

Value Label	Value	Frequency	Valid Percent	Cum. Percent
No potential	1	16	8.0	8.0
	2	31	15.4	23.4
	3	44	21.9	45.3
	4	36	17.9	63.2
Great potential	5	74	36.8	100.0
TOTAL		201	100.0	

Q8 How do you finance the export of your products?

Value Label	Frequency	Valid Percent	Cum. Percent
Internally	117	71.3	71.3
In-state banks	25	15.2	86.6
Out-of-state banks	21	12.8	99.4
Venture capital firm	1	.6	100.0
TOTAL	164	100.0	

Q9 Have you ever lost an export contract because of a lack of financing?

Value Label	Frequency	Valid Percent	Cum. Percent
Yes	18	9.0	9.0
No	183	91.0	100.0
TOTAL	201	100.0	

Q9A (IF YES) How often has this occurred?

Value Label	Frequency	Valid Percent	Cum. Percent
Less than once a year	1	9	50.0
2 to 5 times a year	2	7	38.9
More than 10 times a year	4	2	11.1
TOTAL	18	100.0	

Q9B Which of the following financial assistance programs could help increase your exporting?

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Open account for overseas customers	5	35.7	35.7
Program to allow exporters to receive payment when goods are shipped	5	35.7	71.4
Program to allow customers to pay for goods up to 180 days later	4	28.6	100.0
TOTAL	<u>14</u>	<u>100.0</u>	

Q10 How does your business market its exports? Do you . . .

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Do your own marketing?	156	78.8	78.9
Hire a U.S.-based marketing firm?	21	10.6	89.4
Hire an international marketing firm?	<u>21</u>	<u>10.6</u>	100.0
TOTAL	<u>198</u>	<u>100.0</u>	

Q11 Would it help your business if the Kansas state government provided:

<u>Type of Assistance</u>	<u>Count</u>	<u>Pct of Responses</u>	<u>Pct of Cases</u>
Information on foreign markets	113	24.1	81.9
Information on foreign governments	94	20.1	68.1
Export financial assistance	92	19.7	66.7
Coordinating financing w/ private banks	71	15.2	51.4
Assistance to ind'l firms on export development	<u>98</u>	<u>20.9</u>	<u>71.0</u>
TOTAL RESPONSES	<u>468</u>	<u>100.0</u>	<u>339.1</u>

Valid Cases 138

NON-EXPORTING FIRMS ONLY

Q12 Approximately what percentage of your product do you sell in each market area?

Local	49.4%
State-wide	20.4%
National	<u>30.2%</u>
	100.0%

Valid Cases 160

Q13 Do you feel your business has the potential to expand into the international market? How would you rate that potential on a scale from 1 to 5, with 1 meaning "no potential" and 5 meaning "great potential"?

Value Label	Value	Frequency	Valid Percent	Cum. Percent
No potential	1	164	73.9	73.9
	2	20	9.1	83.0
	3	16	7.2	90.2
	4	11	4.9	95.1
Great potential	5	<u>11</u>	<u>4.9</u>	100.0
	TOTAL	222	100.0	

Q14 What do you feel prevents your business from exporting your product?

Prevents Exporting	Count	Pct of Responses	Pct of Cases
No desire to export	65	23.6	31.6
Lack of specific export know-how	26	9.4	12.6
Lack of gov't assistance	21	7.6	10.2
Lack of financing	38	13.8	18.4
Never considered exporting before	28	10.1	13.6
Currently starting export program	3	1.1	1.5
Not appropriate for business/product	<u>95</u>	<u>34.4</u>	<u>46.1</u>
TOTAL RESPONSES	276	100.0	134.0

Valid Cases 206

Q15 Would it help your business if the Kansas state government provided:

Type of Assistance	Count	Pct of Responses	Pct of Cases
Information on foreign markets	65	23.0	76.5
Information on foreign governments	48	17.0	56.5
Exporting financial assistance	58	20.5	68.2
Coordinating finance w/ private banks	58	20.5	68.2
Assistance to ind'l firms on export development	54	19.1	63.5
TOTAL RESPONSES	283	100.0	332.9

Valid Cases 85

ALL FIRMS

Q16 How often does your business (OR local operation) send individuals to trade fairs in foreign countries?

Exporting Firms

Value Label	Frequency	Valid Percent	Cum. Percent
Never	120	60.9	60.9
Once or twice a year	53	26.9	87.8
3 to 6 times a year	16	8.1	95.9
More than 6 times a year	8	4.1	100.0
TOTAL	197	100.0	

Valid Cases 197

Non-exporting Firms

Value Label	Frequency	Valid Percent	Cum. Percent
Never	203	93.2	93.2
Once or twice a year	13	5.9	99.1
3 to 6 times a year	1	.5	99.5
More than 6 times a year	1	.5	100.0
TOTAL	218	100.0	100.0

Q17 Does your business intend to send representatives to future trades in foreign countries?

Exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Yes	117	58.8	58.8
No	<u>82</u>	<u>41.2</u>	100.0
TOTAL	199	100.0	

Non-exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Yes	35	15.9	15.9
No	<u>185</u>	<u>84.1</u>	100.0
TOTAL	220	100.0	

Q17A If a state program was available to pay up to 1/2 of the expense of attending foreign trade fairs, would you go more often?

Exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Yes	131	66.5	66.5
No	<u>66</u>	<u>33.5</u>	100.0
TOTAL	197	100.0	
Valid Cases	197		

Non-exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Yes	66	30.6	30.6
No	<u>150</u>	<u>69.4</u>	100.0
TOTAL	216	100.0	

Q17B Approximately how many more trade fairs a year would you attend?

Exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Once or twice a year	92	69.7	69.7
3 to 6 times a year	28	21.2	90.9
More than 6 times a year	<u>12</u>	<u>9.1</u>	100.0
TOTAL	132	100.0	

Non-exporting Firms

<u>Value Label</u>	<u>Frequency</u>	<u>Valid Percent</u>	<u>Cum. Percent</u>
Once or twice a year	1 68	86.1	86.1
3 to 6 times a year	2 8	10.1	96.2
More than 6 times a year	3 <u>3</u>	<u>3.8</u>	100.0
TOTAL	221	100.0	

Valid Cases 81

Q18 And our last question is, approximately what was your company's (OR local operation's) total annual sales last year?

	Range	
	<u>Exporting Firms</u>	<u>Non-exporting Firms</u>
1st Quartile	0 - \$1.7 mil.	0 - \$180,000
2nd Quartile	- \$4.7 mil.	- \$625,000
3rd Quartile	- \$10 mil.	- \$2.8 mil.
4th Quartile	- \$800 mil.	- \$59.7 mil.
	N = 148	N = 181

Standard Industrial Code: Exporting Firms

Value Label	Frequency	Valid Percent	Cum. Percent
Agricultural Prod.-Livestock	2	1.0	1.0
Agricultural Services	1	.5	1.5
Food and Kindred Products	14	7.0	8.5
Apparel/Textile Products	6	3.0	11.4
Lumber and Wood Products	1	.5	11.9
Furniture and Fixtures	2	1.0	12.9
Paper and Allied Products	3	1.5	14.4
Printed and Published Materials	10	5.0	19.4
Chemicals and Allied Products	11	5.5	24.9
Petroleum Coal Products	1	.5	25.4
Rubber and Plastics Products	15	7.5	32.8
Leather and Leather Products	1	.5	33.3
Stone, Clay, and Glass Products	6	3.0	36.3
Primary Metal Industries	3	1.5	37.8
Fabricated Metal Products	22	10.9	48.8
Machinery, except Electrical	56	27.9	76.6
Electric and Electrical Equip.	12	6.0	82.6
Transportation Equipment	11	5.5	88.1
Instruments and Related Prod.	12	6.0	94.0
Miscellaneous Manufacturing	12	6.0	100.0
TOTAL	201	100.0	

Non-exporting Firms

Agricultural Prod.-Livestock	1	.5	.5
Agricultural Services	3	1.4	1.8
Oil and Gas Extraction	1	.5	2.3
Mining and Quarrying--Nonmetallic	6	2.7	5.0
Food and Kindred Products	31	14.0	19.0
Apparel and Textile Products	4	1.8	20.8
Lumber and Wood Products	13	5.9	26.7
Furniture and Fixtures	3	1.4	28.1
Paper and Allied Products	2	.9	29.0
Printed and Published Materials	36	16.3	45.2
Chemicals and Allied Products	9	4.1	49.3
Petroleum Coal Products	3	1.4	50.7
Rubber and Plastics Products	5	2.3	52.9
Leather and Leather Products	1	.5	53.4
Stone, Clay and Glass Products	19	8.6	62.0
Primary Metal Industries	4	1.8	63.8
Fabricated Metal Products	20	9.0	72.9
Machinery, except Electrical	31	14.0	86.9
Electric and Electrical Equipment	6	2.7	89.6
Transportation Equipment	12	5.4	95.0
Instruments and Related Products	3	1.4	96.4
Miscellaneous Manufacturing	6	2.7	99.1
Electric, Gas and Sanitary Serv.	1	.5	99.5
Motor Vehicles--Wholesale	1	.5	100.0
TOTAL	221	100.0	