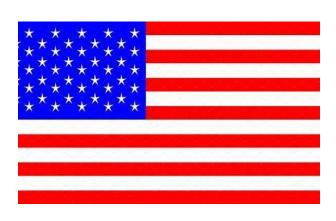
# **Export to the United States**





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# 1. General information

# **Political landscape**

- Like most other developed nations, the United States economy is mainly based on services, which make up 70% of the U.S. GDP. Manufacturing, which has declined in GDP share for decades, is still a significant part of the economy. The top 5 largest private industries by percentage of U.S GDP are: Professional and business services (13%), Real estate, rental, and leasing (12%), Manufacturing (11%), Educational services, health care, and social assistance (9%), and finance and insurance (9%).
- The fastest growing industries in the U.S. from 2022-2032 are projected to be software (5.2%), computing infrastructure providers (3.9%), wireless telecommunications carriers (3.6%), home health care services (3.6%), and Oil and gas extraction (3.5%).
- The current corporate tax rate is 21%. However, there have been calls from the current Biden administration to increase this to 28%.
- The Inflation Reduction Act of 2022 represents the largest investment in climate and clean energy in U.S. history. These investments are primarily in the form of loans to eligible projects to replace/upgrade energy infrastructure, tax incentives for electricity generated from qualified renewable energy sources, and a tax credit for consumers who purchase an electric vehicle.

# Legal

 While federal laws apply uniformly across the entire U.S., state laws can vary significantly from state to state, creating a complex legal landscape. Contact our regional offices for more information specific to our territory's regulations.



# 2. Additional indicators

#### **Economic indicators**

Find the main socio-economic indicators for this country, as well as its trade with Brussels and Belgium, in the publication "Brussels and the world – Country statistics" on analytics.brussels, hub.brussels' online data library.

The "Brussels and the world - General statistics" publication also provides data on trade between the Brussels-Capital Region and the rest of the world, by continent and by major world region. The same type of data is also available for the various regions of Belgium, as well as for Belgium as a whole.

#### Social and environmental indicators

If you'd like to know where your country stands in terms of social, environmental and economic issues, access a series of <u>composite indicators from the European Commission</u>, structured according to the 17 United Nations Sustainable Development Goals<sup>1</sup> and the European Commission's 6 priority policy areas<sup>2</sup>.

# Free trade agreements

European agreements have a major impact on market accessibility and trade with certain countries. The links below, published by the European Commission, will provide you with all the information you need on free trade agreements and trade barriers. Existing agreements, those that have not yet been ratified and those that are expected to be ratified, can be consulted here:

- Free trade agreements
- Trade barriers

<sup>&</sup>lt;sup>2</sup> A green pact for Europe, An economy serving people, A Europe fit for the digital age, A stronger Europe on the world stage, Promoting our European way of life, A new impetus for European democracy.



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<sup>&</sup>lt;sup>1</sup>No poverty, Zero hunger, Good health and well-being, Quality education, Gender equality, Clean water and sanitation, Clean and affordable energy, Decent work and economic growth, Industry, innovation and infrastructure, Reduced inequalities, Sustainable cities and communities, Sustainable consumption and production, Measures to combat climate change, Water life, Land life, Peace, justice and effective institutions, Partnerships to achieve the goals.

# 3. On-site: a step-by-step guide

#### First contacts

# **Prospecting**

- Participate at trade shows to learn about your competitors and potential clients.
- Do a market research and study of competitors' pricing (our offices are happy to help with that)
- Go on a customer discovery journey: validate that there is a need for your product; talk to subject experts; join communities; attend networking events; conduct surveys; create a buyer persona.
- Prepare your brochures in "American English" and not the UK English and don't forget to translate all measurements into US standard units (e.g. inches, feet, F, sizes)
- The US is huge! Don't try to cover the whole territory: choose a specific region/state/city and start from there.

## **Exporting**

## Distribution and dealership agreements

- Do your due diligence when choosing a distributor.
- Determine exclusivity (which territories do you want your distributor to cover exclusively?)
- Register your intellectual property rights in the United States
- Never sign a contract without consulting a lawyer!

# Creating a US subsidiary: legal forms

- Creating a corporation is the most common way to start your business in the US. Most lawyers recommend starting your corporation in Delaware (ease of doing business)
- LLC (Limited Liability Company) is less recommended.

# Support and subsidies.

Discover all subsidies for Brussels businesses on the Brussels Economy and Employment website.

# Interesting markets for a first export

Success stories of Brussels-based companies on the US market range from the food and beverage sector (Le Pain Quotidien, Leonidas, Nat's Rawline), to software development (AppTweak, Demute), to architecture, green building and climate tech (A2M, ORG Permanent Modernity, 3E). Here we will mention five sectors that might be most interesting for first-time exporters.

# Food and beverage

The US Food and Beverage market is huge with revenue of US\$1,011.00bn in 2024. The market is expected to grow annually by 3.81% (CAGR 2024-2028). Americans are quite open to trying new foods. We'd like to mention some of the most popular trends where the highest growth can



be seen: organic, local, and unadulterated foods and specialty foods (highest-quality foods and beverages in their respective categories),

# Fashion and accessories

Although the US fashion and accessories market can be characterized as oversaturated, it is still possible to find boutiques that are happy to buy one-of-a-kind fashion items. We do have examples of Brussels exporters happily returning to the same trade shows year after year and finding new clients.

#### Software development

The Technology sector is very important in the United States. Among the high-tech centers, the main one is in Silicon Valley, an area between San Francisco and San Jose in California. New York has become the second major tech hub in the USA after Silicon Valley.

#### Climate tech

New York is positioning itself as one of the major climate tech hubs in the US. With three new hubs (Brooklyn Navy Yard, Brooklyn Army Terminal and Governors Island), New York is trying to attract foreign and domestic companies in this field.

#### Green building

Both New York and California have recently adopted stringent building codes (such as <u>California Building Code 2022</u> and <u>New York Local Law 97</u>). These laws are some of the most ambitious plans for reducing emissions in the US. Brussels, with its expertise in Passive House construction, is widely known to both public and private sectors, and our companies have a well-deserved reputation of experts in this domain. The demand is most certainly there.

#### Major US trade shows

Major US trade shows include <u>CES</u> (consumer electronics) (Las Vegas), <u>Summer Fancy Food Show</u> (New York) and <u>Winter Fancy Food Show</u> (San Francisco), <u>Natural Products Expo West</u> (Anaheim), and the <u>Game Developers Conference</u> (San Francisco). Among smaller trade shows which we particularly recommend to our fashion designers are <u>Shoppe Object</u> (New York) and <u>Designers and Agents</u> (New York and Los Angeles). Additionally, for Green technology businesses the <u>Cleantech Summit</u> (San Diego) may be of interest. For tech startups, we suggest <u>TechCrunch Disrupt</u> (San Francisco).

Contact our offices for specific questions regarding trade shows.



# 4. Business culture

#### Communication

 Americans may value direct communication and get to the point quickly, avoiding lengthy preambles.

# **Attire**

• The United States is a large country, with different regional expectations regarding business attire. Generally, it can be said that those who work in finance, law, or government, are expected to wear full professional outfits, while those who work in technology often wear "smart casual" clothing. In most business settings, casual business clothing is appropriate.

# How to prepare a visit

- The U.S. business culture is highly accepting of change, which is considered a constant factor. New ideas are welcome.
- There is a focus on transactional and task-focused business relationships, with personal information kept to a minimum.
- Professional teams are formed to achieve specific goals and are often transitory, with members moving on after task completion.
- Many Americans have never left the United States. Be aware of a U.S.-centric mindset.

# **Negotiating**

- In a U.S. professional setting, punctuality is important. That importance has only grown as remote meetings have become more common. If someone is late, it is considered polite for them to apologize.
- While open discussion and feedback from all levels of an organization are usually welcome, the final decision (and responsibility) rests with the manager or leader of a project.

# What are the public holidays?

- Business hours in the U.S are generally longer than in Belgium. Banks and post offices are open 9 – 5pm weekdays, 9 – 12pm Saturdays. Supermarkets close between 8 – 10pm, with some open 24 hours in almost all major cities.
- The average vacation time for a working American is two weeks. A typical work week is 40 hours, with a 30 minute 45 minute lunch break.



# 5. What can we do for you?

# **Local contact points**

The General delegates and local representatives employed by hub.brussels are official representatives of the Brussels Government abroad, they support Brussels companies that want to export, and search and prospect for new investors.

They have the information, expertise and in-depth knowledge about the specifics of different foreign markets. Based on that knowledge, they help to refine and fine-tune your export plans, with advice on regulations, competition, market entry conditions, permits, etc. Furthermore, they can support you with your questions regarding exports, certain sectors within the jurisdiction, contacts with intermediaries, business culture, and much more.



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# **Key addresses**

Belgian-American Chamber of Commerce https://www.belcham.org/ 530 Seventh Avenue, Suite 902 New York, NY 10018 Sophie Berben, Managing Director sophie@belcham.org Anton Wouters, Member Manager anton@belcham.org

Empire State Development
https://esd.ny.gov/
633 Third Avenue
New York, NY 10017
Marine L'Herrou
FDI Director, Europe for Empire State Development
Marine.LHerrou@ocoglobal.com

New York City Economic Development Corporation (NYCEDC) https://edc.nyc/ One Liberty Plaza New York, NY 10006

**BelWest** 



https://belwest.org 6300 Wilshire Blvd, Suite 720 Los Angeles, CA 90048 Alain Charbonnier,CEO Alain@belwest.org

Consulate General of Belgium in Los Angeles https://unitedstates.diplomatie.belgium.be 6300, Wilshire Boulevard - Suite 720 Los Angeles, CA 90048 LosAngeles@diplobel.fed.be

#### Useful website to delve into

# Regulations for exporting goods:

CBP (US Customs and Border Protection) https://www.cbp.gov/

FDA (US Food and Drug Administration) https://www.fda.gov/

# Facilitating business investment in the USA:

SelectUSA

https://www.trade.gov/selectusa-home

# Small business support:

USA Small Business Administration https://www.sba.gov/

# Data on the US labor market and economic trends:

United States Bureau of Labor Statistics https://www.bls.gov

# Data on US businesses:

United States Census

https://www.census.gov/topics/business-economy.html

