

A Profile Of Southeastern Agribusiness Exporters

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Exports in a global economy represent a powerful source of economic growth. U.S. agricultural exports have more than doubled since 1987. Of the \$57 billion in exports in 1997, each dollar generated another \$1.28 in economic activity. With the overall rise in exports the decision for an agribusiness firm with regards to exporting is becoming ever more important. The decision to export is complicated by uncertain export demand and attendant promotion methods, varying exchange rates, unknown international logistical procedures, foreign languages, varying customs and laws, and the uncertainty of financial arrangements.

The purpose of this study is to examine the characteristics of southeastern exporters and to develop a profile of successful southeastern exporters for three agribusiness categories—poultry;

fruits, vegetables, and nuts; and row crops—where success is measured in terms of relative export sales or the proportion of the business devoted to the export market.

Preliminary analysis suggests the following profile for a successful southeastern agribusiness exporter: The firm tends to have higher promotion expenditures and more export-market experience. Exporters appear to depend heavily on freight-forwarding companies for all international logistics. Though promotion appears to be pivotal for success, only one-fourth of the exporters took advantage of the U.S. export-promotion programs which provide promotion funds and services, thereby lowering the cost of exporting and increasing the demand for U.S. exports.