

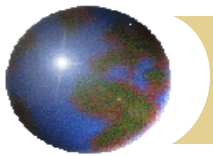
Expand Your Business Internationally

Dan Bjerck

Sr. International Trade Specialist

18 March 2013



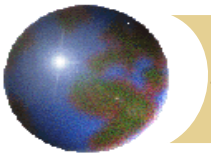


US Commercial Service

Who We Are

- ✦ Global network of 1,400 specialists
- ✦ 109 offices in the USA
- ✦ 128 offices in >75 countries, representing
 - ▣ >95% of the world marketplace
 - ▣ >70% world's purchasing power



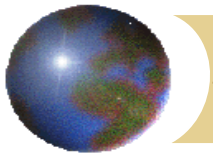


US Commercial Service

Our Mission

- ✦ Help companies export U.S. made products and services.
- ✦ Advocate on behalf of U.S. businesses abroad and protect their interests.
- ✦ Place emphasis on small & medium-sized enterprises (SMEs).





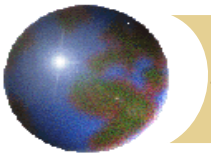
US Commercial Service

What do we do?

In a sentence...

Think of us as a clearinghouse of information and services on all things related to doing business internationally.





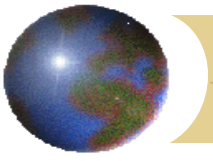
US Commercial Service

What are our results?

The US Commercial Service generates:

**\$135 in sales
per \$1 in federal taxes spent**

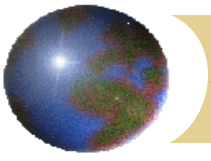




So, Why Export?

- ✦ Increase Sales - Reach 95% of Your Market
- ✦ Make Use of Excess Production (+ Profits)
- ✦ Ride Out Economic Cycles
- ✦ Balance Seasons for Your Products
- ✦ Improve Your Products
- ✦ Extend the Life of Your Products





General Tips for Exporting

✚ Get Senior Management On Board

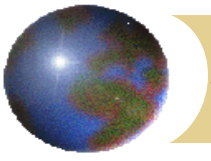
✚ Production

▣ Do we have the excess capacity?

✓  Must we modify the product?

✓  Can we meet technical and quality standards and certifications?





General Tips for Exporting

✚ Logistics

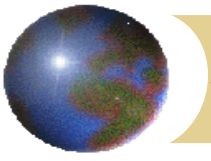
✚ Can we ship internationally and be competitive?

✓  International shipping requirements

✓  Export Compliance

✓  Identify a good international freight forwarder for your team.





General Tips for Exporting

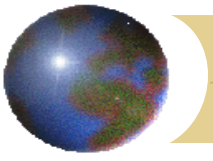
✦ Finance

- ✦ Budget for International
- ✦ Getting Paid: foreign currencies, terms, etc.
- ✦ Financing: cash flow, loans (buyer, PO, WC, inventory, et. al.), AR insurance, etc.

Include on your team:








- ✓  a bank with international services
- ✓  Small Business Administration
- ✓  Export-Import Bank of the US, etc.



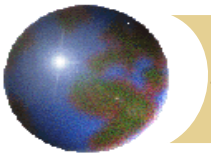


General Tips for Exporting

Legal

-  International Agreements?
-  International Trademarks and Copyrights?
-  International Patents?
-   Export Control?
-   Identify existing staff or find outside expertise



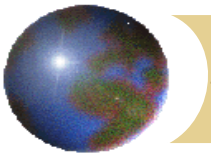


General Tips for Exporting

Initial Market Research

- ✚ Product? Is it export ready?
 - ❑ Can you deliver (excess capacity)?
 - ❑ Unique Features & Benefits
 - ✓  Will adaptations be required?
 - ✓  Standards & Certifications
 - ❑ Quality & Warranties
 - ❑ Repairs & Servicing
 - ❑ Technical Support





General Tips for Exporting

Initial Market Research (continued)

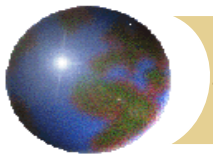
☒ Place? Which markets and how?

- ✓  U.S. Export Statistics
- ✓  Country Import Statistics
- ✓  UN Trade Statistics
- ✓  Market Research Reports

☒ Price? (Competitive Pricing)

- ✓  Export Statistics
- ✓  Customized Market Research



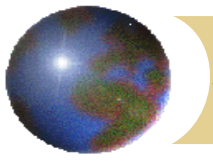


Electric Generating Systems

Where are the markets for the US?

Region	Total Value 2006 – 2011
Latin America & the Caribbean	\$5,130,409,561
North America	\$2,767,259,303
East Asia	\$2,329,204,909
Middle East (Western Asia)	\$1,634,373,659
Western Europe	\$1,300,832,543
Southeast Asia	\$1,199,222,505
Northern Europe	\$704,806,838
South Asia	\$556,933,300

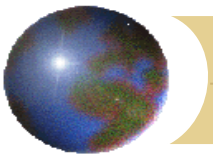




Electric Generating Systems

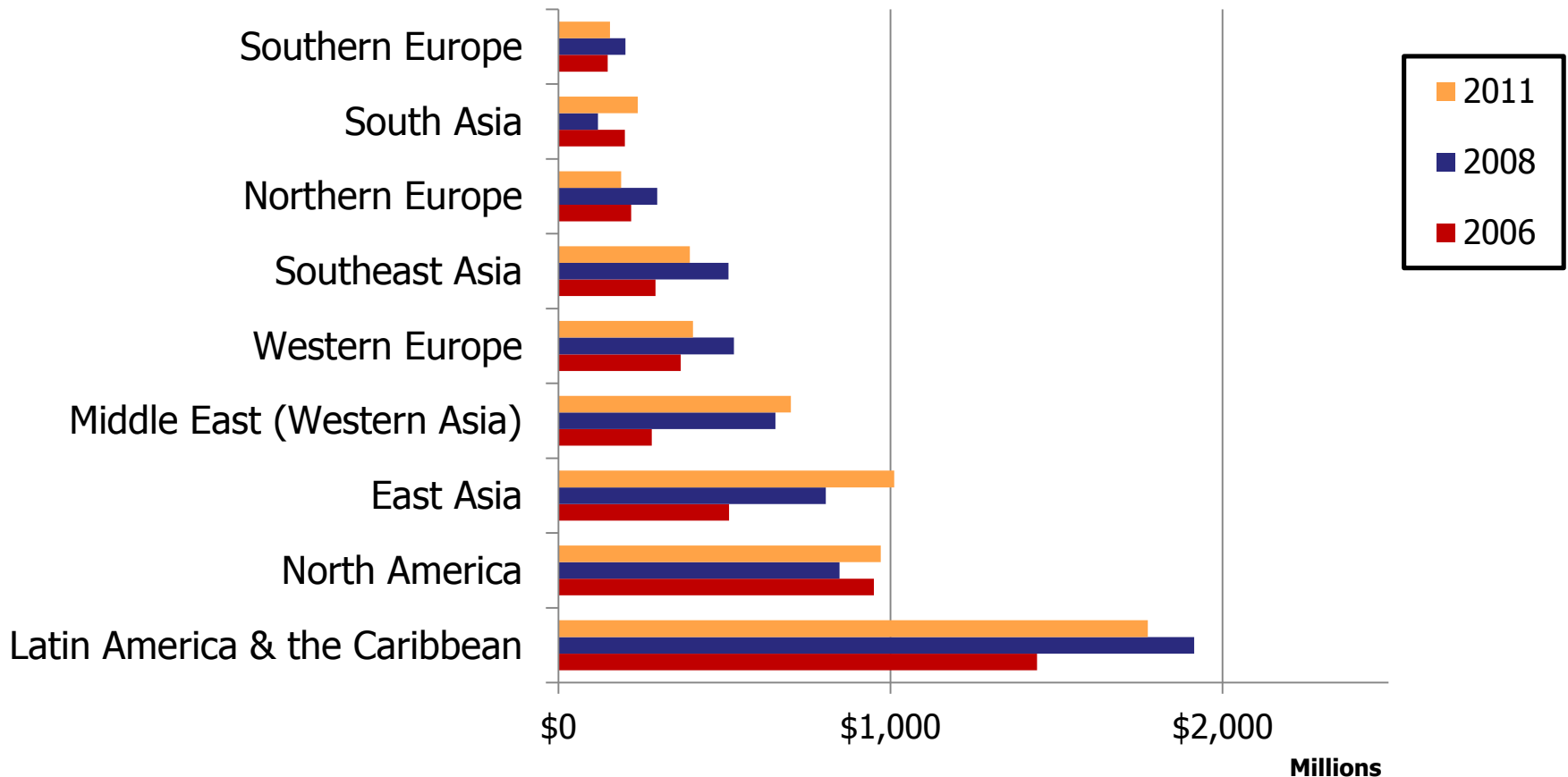
U.S. Exports by Region

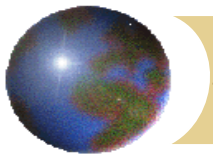
Region	2006	2007	2008	2009	2010	2011
Latin America & the Caribbean	\$1,441	\$1,233	\$1,914	\$1,491	\$2,507	\$1,775
North America	\$950	\$944	\$847	\$747	\$1,042	\$970
East Asia	\$514	\$536	\$805	\$590	\$524	\$1,011
Middle East (Western Asia)	\$281	\$615	\$654	\$615	\$576	\$700
Western Europe	\$368	\$486	\$528	\$373	\$340	\$405
Southeast Asia	\$292	\$400	\$512	\$416	\$292	\$395
Northern Europe	\$219	\$339	\$297	\$220	\$176	\$189
Southern Europe	\$149	\$147	\$201	\$216	\$143	\$155



Electric Generating Systems

U.S. Exports by Region of the World



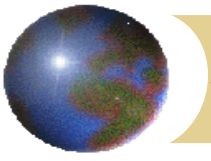


Electric Generating Systems

NAFTA & CAFTA-DR Import Duties

- ⊕ HS 8501.61 – 0%
- ⊕ HS 8501.62 – 0%
- ⊕ HS 8501.63 – 0%
- ⊕ HS 8501.64 – 0%
- ⊕ HS 8502.11 – 0%
- ⊕ HS 8502.12 – 0%
- ⊕ HS 8502.13 – 0%
- ⊕ HS 8502.20 – 0%
- ⊕ HS 8502.39 – 0%
- ⊕ HS 8503 – 0%
- ⊕ HS 8535 – 0%

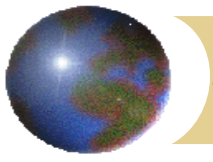




U.S. Export Regulations

- ✚ US Department of State (DDTC)
 - ▣ Made for the US Military
 - ▣ Modified for the US Military
- ✚ US Department of Commerce (BIS)
 - ▣ Dual use items

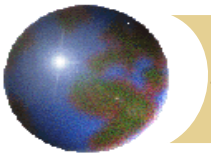




U.S. Export Regulations—The Process

- ✦ Commodity Jurisdiction
- ✦ Classification Request with BIS
- ✦ Is a license needed?
 - ❑ Technology
 - ❑ Country of Destination (embargoed countries)
 - ❑ End Use
 - ❑ Parties to the transaction
(denied parties screening)

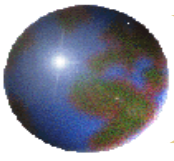




U.S. Export Regulations – Tips

- ✦ Get your products classified properly
- ✦ Target and respond to only non-embargoed countries
- ✦ When sales receives inquires, conduct a denied parties screening
- ✦ When sales receives orders, conduct a denied parties screening
- ✦ When the order ships, conduct a denied parties screening








Now, Make It Happen!

Marketing

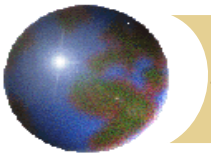
Identify Channel Partners

-  Data Base Research
-  Prequalify Interested Partners (Gold Key Service, IPS)
-  Partner Due Diligence (International Company Profile)

Advertising / Promotion

-  Trade Journals (Commercial News USA, etc.)
-  Promotional Events (Single Company Promotion)
-  Trade Shows (Industry Shows in US and Abroad)



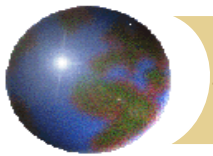


And Keep It Going...Profitably!

☉ Overcoming Challenges Along the Way

- ✓  Closing the Deal
- ✓  Export Control
- ✓  Export Documentation
- ✓  Export & Import Regulations
- ✓  Foreign Customs Authorities
- ✓  International Collections

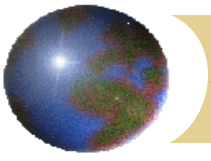




Useful Websites

- ❖ **U.S. Commercial Service**
www.export.gov/cs
- ❖ **U.S. Government Export Portal**
www.export.gov
- ❖ **Bureau of Industry & Security**
www.bis.doc.gov
- ❖ **Small Business Admin**
www.sba.gov
- ❖ **Export-Import Bank (EXIM)**
www.exim.gov
- ❖ **U.S. Census Bureau**
www.census.gov/scheduleb
- ❖ **Florida District Export Council**
www.floridaexporter.com
- ❖ **Enterprise Florida**
www.eflorida.com
- ❖ **Trade Leads**
www.export.gov/tradeleads
- ❖ **Commercial News USA**
www.export.gov/cnusa
- ❖ **A Basic Guide to Exporting**
www.unzco.com/basicguide
- ❖ **Webinars**
www.export.gov/index.asp#WebinarsTab
- ❖ **Export Plan - www.export.gov/exportbasics**





Key Contacts

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