

# EXPORT *America*<sup>®</sup>

March 2004

Volume 5 Number 3

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**THE FEDERAL SOURCE FOR YOUR GLOBAL BUSINESS NEEDS**

## **Look Before you Leap**

**Essential Advice for  
Doing Business in China**

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**Mexican Manufacturing Devours U.S. Goods:  
Importing Components and Exporting Finished Products**

**Marketing Communications:  
A Good First Impression is the Foundation for Sales**

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avigating the labyrinth to a successful business is usually more complex for smaller companies.

Factors such as reliable access to capital, frequent gyrations in market conditions, and competition from more established businesses often prove to be overwhelming challenges for small companies. According to recent reports by the Small Business Administration, close to 50 percent of small businesses fail before their fourth year in business, even so small firms historically account for half of overall GDP. So as smaller firms are more susceptible to the pressures of normal business cycles, they are a dominating force collectively. The sheer determination to succeed even in the face of so many obstacles as well as the infectious entrepreneurial spirit is what makes small companies so inspiring. The companies we highlight as success stories inspire me: from the firm that designs and manufactures prefabricated dome housing to the company that sells solar-powered water purification mechanisms to rural communities in Southeast Asia. These small companies must be creative not only in the products they sell but also in the way they sell them and the networks they create to reach more clients.

Part of being an innovative and nimble company is being able to seek

out opportunities and pursue them while they are viable. This could be as simple as sending marketing materials to 160 commercial offices across the globe and seeing which ones respond or doing focused market research on the surf and sporting goods market in Brazil through the U.S. Commercial Service to determine if your product would do well. Conducting market research, exploring opportunities, asking questions, checking on potential relationships, consulting legal professionals, knowing your business partners, and, most importantly, getting paid are all necessary aspects of doing business in any environment, particularly in exporting. There are many attractive markets for U.S. products and services outside of our borders; however, companies must be willing to do the yeoman's task of being well prepared. China is one of the fastest growth markets for U.S. exports and, while doing business in China can be very challenging, doing the homework before plunging ahead can pay off in the long run. Our feature this month focuses on China as an export market and offers lessons learned from experienced professionals who have been in China providing assistance to firms of all size.



*Cory Churches*

Cory Churches  
Editor

## POLAND

After 10 years of steady growth, the market for sporting goods softened in Poland. The combined effect of the economic slowdown and decrease in purchasing power reduced sporting goods imports. In 2001, expenditures by Polish households for sports and culture represented only 7.6 percent of total expenditures. Statistics from 2002 show the lowest level of imports, exports, and production of sporting goods since 1995. However, information from 2003 indicates that a marked turnaround is taking place. Imports have increased 36 percent, exports 37.5 percent, and production 14.2 percent.

The majority of Polish sporting goods production is exported; it does not supply the local market. In 2002, imported products accounted for 72 percent of the total market, while 2003 statistics show an increase to 90 percent.

## BULGARIA

The total market value for dental equipment and services in Bulgaria for 2003 was estimated at \$28.25 million.

This figure is composed of \$7.36 million for dental equipment and \$20.9 million for dental products and services. The projected growth rate of the dentistry market in Bulgaria for the next five years is approximately 20 percent annually.

The dentistry market was one of the first segments of the Bulgarian health care market to be restructured according to market economy principles. Between 2001 and 2003, the dental equipment market was largely composed of imports (98 percent). The bulk of these imports (71 percent) originated from European suppliers. In 2003, the U.S. market share was estimated to be 28 percent, and this share is forecast to increase approximately 15 percent annually for the next five years. Local competition is concentrated primarily in operative dentistry and endodontics, light curing devices, diagnostic equipment and physiotherapy, and laser devices.

The Bulgarian dental equipment market is slowly opening for high-tech products such as laser instruments, magnetic resonance imaging apparatus, and computerized systems for cosmetic, aesthetic, and

restorative dentistry. However, financial constraints have hampered purchasing of such products.

The end-use market consists of private dental clinics (89 percent), medical university dental clinics (10 percent), and regional hospital dental clinics (1 percent). These combined institutions employ 7,000 certified dentists.

There are no tariff or non-tariff barriers to imports of dental equipment and supplies, regardless of country of origin. Distribution is mainly through agents or distributors who have knowledge of the market and access to decision-makers as well as regulatory, licensing, and registration authorities. Financing of the dental equipment, supplies, and services market is provided by the state budget, including the National Health Insurance Fund.

## ROMANIA

Romania's industry is extremely energy intensive. Romania is the largest energy consumer in Central and Eastern Europe after Poland. Romania's energy intensity is among the highest in the region and five to 10 times higher than in the United Kingdom, France, Germany, or the United States. The ratio of total energy consumption to GDP is at least three times that of the European Union, and it is estimated that electricity efficiency in Romania is four times lower than in OECD countries.

Romanian industry is for the most part highly inefficient. It is estimated that industry uses 40 percent of all energy. The metallurgical and chemical industries are the most energy intensive: three and one half times the industry average and almost seven times the national average. It is estimated that 50 percent of industrial consumption is from electric motors driving pumps, fans, and compressors.

Romanian businesses are highly receptive to U.S. products. American products are generally perceived as having high quality in craftsmanship,





design, and production. In addition, U.S. firms are seen as desirable partners.

Opportunities for sale of energy efficient products and services exist for power plant equipment, boilers, turbines, electrical motors, industrial machinery, variable-speed drives, cogeneration equipment, consulting in energy efficiency, project management, engineering, management software, and energy audits.

American companies have an intermediate presence in the energy and energy efficiency market in Romania. U.S. companies are active in consulting and engineering, as well as power plant upgrades, maintenance, and design. Many companies are performing feasibility studies and energy audits as well as providing specialty hardware.

## GREECE

**The Greek market for cosmetics and toiletries is small, reflecting Greece's small consumer base relative to other EU markets.** The sector, however, has experienced considerable growth, and this expansion is expected to continue through 2006. The market is price sensitive and is dominated by European manufacturers and suppliers who benefit from proximity to the market. Direct imports from the United States are limited, but all major U.S. firms in this sector are represented in the Greek market. A rapidly expanding segment of this sector is ethnically oriented, personal care products.

**There are excellent opportunities in Greece for U.S. architectural, engineering, and consulting firms, specializing in tourism and infrastructure development.** The 2004 Olympic Games in Athens are precipitating a major push for privatization of government-owned tourist properties. The tremendous influx of infrastructure development funds creates outstanding opportunities for U.S. architectural, engineering, and consulting firms specializing in tourism and infrastructure development. Projects related to these initiatives are expected

to transform Greece's tourism industry and the country into a year-round resort destination.

Greeks are very receptive to U.S. services and regard the United States as the world leader in technological advances. U.S. tourism infrastructure equipment, products, and services are known in Greece for outstanding quality. American companies are considered experts in tourism and tourism infrastructure projects and as such new ideas for tourism development coming from the United States are welcome.

## SOUTH KOREA

**South Korea's low-emission vehicle industry is emerging.** Compressed natural gas buses were first introduced in South Korea in late 2000. By the end of 2002, there were 2,746 compressed natural gas buses operating nationwide. One year later, there were nearly 5,000. All compressed natural gas buses are locally manufactured, while the core parts are largely imported. In 2003, the South Korean auto industry began producing and selling two-passenger, three-wheeled electric cars, most of which are exported. Hyundai plans to unveil its first hybrid electric car models this year for demonstration and testing. The commercial mass production of these hybrid vehicles is tentatively scheduled to begin in 2006.

Following the pattern of other advanced markets, hybrid and fuel cell technologies should influence the development of South Korea's low-emission vehicle industry across a variety of vehicle types, including sedans, sport-utility vehicles, minivans, and light trucks. Compressed natural gas and, to a lesser extent, liquefied petroleum gas engines will be more widely adopted in commercial vehicles, as South Korean industry continues to upgrade and develop its own engines for these alternative energy sources.

Fuel cell technology development in South Korea is still in early stages. Last November, however, the South Korean

government announced that it would make a substantial investment, until 2011, to develop hydrogen-based fuel cell technology in collaboration with industry and research institutes. While committed to developing its own indigenous fuel cell technology, South Korean industry would also be interested in introducing technologies from advanced sources in Japan, the United States, and Europe. The import market for low-emission vehicles has not emerged yet, but it is poised for takeoff in the next several years. Business opportunities may also exist for U.S. suppliers of core engine components and other high-tech parts used in hybrid and fuel cell vehicles. ■

### NEED MORE DETAIL?

Ask a commercial officer at one of the Department of Commerce posts located around the globe. Contact information, including phone, fax and e-mail, is available by calling the Trade Information Center at (800) USA-TRAD(E), or visiting [www.buyusa.gov](http://www.buyusa.gov).

# U.S. Water Treatment Firm “Taps” Chinese Market

## Building a Better Quality of Life in Guizhou Province

By Curt Cultice

ITA Office of Public Affairs

Imagine having to take a two-hour bus ride just to take a shower, or living in a village where drinking, bathing, and washing water comes from a stagnant rainwater pond or a muddy irrigation and drainage canal contaminated with pesticides. Unfortunately, that's what the majority of people face in Dafang, located in western China's Guizhou province.

Fortunately, the Chinese government, with help from U.S. companies like Han's Technologies, Inc., is working to improve the quality of life for the people of Guizhou province.

“The existing water utility networks or piped water can only cover 50 percent of the cities in Guizhou province, and nationwide, only 14 percent of China's

population is connected to wastewater treatment plants. China's clean water needs are very great,” says Dr. Weiping Xia, senior vice president and chief operating officer of Oakland-based Han's Technologies. “Estimates show that China would require 10,000 treatment plants with a market value of \$48 billion just to achieve a treatment rate of 50

percent—a goal set forth by the Chinese government.”

In Dafang county, northeast of Guizhou province, for example, new residents could not get water at fourth or higher floors because of lower water supply pump pressure and or great pipe head-loss due to the old, small piping system built 20 years ago, which forced most households to turn to entrepreneurs who drilled wells.

### PARTNERSHIPS, PROGRESS, AND THE PLATINUM KEY

Dr. Xia, a native of China, has been keenly aware of China's drinking water problem and has been at the forefront of China's wastewater treatment market since the beginning of Han's in 1997.

Having done business in China for several years, Dr. Xia wanted to expand his business opportunities there. Three years ago, after building his sixth treatment plant, he decided it would be better to be the investor rather than just the designer or the builder. But it is not easy doing business in such a large country where people-to-people relationships are a way of life.

Soon after envisioning this new approach, Xia visited the U.S. Export Assistance Center in Oakland. “I met with Han's in the beginning of 2001, regarding their interest in expanding their presence in the China environmental technology sector. They had just returned from a trade mission to Beijing, China where they had received a Commercial Service briefing,”



Representatives from Han's Technologies and the Commercial Service attend the Bijie prefecture, Guizhou province water supply plant ground-breaking ceremony.

Photo courtesy of U.S. Department of Commerce





Han's Technologies' construction partner Chengdu Railway Engineering Construction Group organized the Bijie prefecture, Guizhou province water supply plant groundbreaking ceremony.

Photo courtesy of U.S. Department of Commerce

## SUCCESS AND RECOGNITION

In recognition of Han's hard-earned success in China, Maria Cino, then director general of the U.S. Commercial Service, presented an Export Achievement Certificate to Han's in April 2003.

According to Xia, the recent projects will provide water in six counties of Bijie prefecture for domestic, municipal, and industrial consumers, and for the development of irrigated agriculture in the surrounding areas. The total investment is estimated at \$150 million, with an estimated \$50 million in U.S. export content.

"The overall project will completely solve the water problems through the building of a whole new water and wastewater system," Xia says. "This will include the construction of the water reservoir and a 38-kilometer transfer canal located to the west in the neighboring town of Dafang county."

This is the first and the largest build-operate-transfer project in western China. Xia estimates the Bijie prefecture project will take about three years to complete.

In January 2004, Rod Hirsch and Bruce Blakeman, Secretary of Commerce Donald Evans' special representative in China, joined Han's in Bijie prefecture for the project's ground-breaking ceremony.

Meanwhile, the people of Guizhou province, who have faced severe water shortage and a lack of Chinese government funds to resolve the problem, are anxiously waiting to turn on the tap.

"This project will benefit directly more than a half million people in six counties, improving their overall quality of life," says Mr. Jiapei Huang, commissioner for the prefecture. "This is the first endeavor of our provincial government using foreign capital to develop our municipal infrastructure. We trust Han's." ■

says Rod Hirsch, director of the Oakland office. "We then requested the aid of our Commercial Service posts in China. Han's signed up for the Platinum Key Service in Hong Kong that provides for long-range advocacy and export assistance."

Commercial Service officers and trade specialists in Hong Kong, Shanghai, Chengdu, Beijing, and the Manila liaison office of the Asian Development Bank were briefed on Han's and communicated with the company. Soon thereafter, they were coordinating market research and assessing Asian Development Bank opportunities as well as identifying and contacting key Chinese government officials involved in municipal management, water supply, and waste treatment.

That's good. But would these Chinese officials be interested in hearing what Dr. Xia had to say about his water treatment technologies?

Soon enough, Xia was flying to China, where he would contact local government officials through meetings arranged by the Commercial Service. While in China, he toured Guizhou province, including

the Bijie prefecture region, to learn more about its potable water and pollution control needs.

As a follow-up, Dr. Xia requested the assistance of the Oakland office to host decision-makers from Guizhou province for one-on-one "matchmaking" meetings, and an informational seminar on environmental technology opportunities in Guizhou. In addition, Hirsch worked with Congresswoman Barbara Lee's office in Oakland to secure a letter of support for Han's activities in China. This was crucial for solidifying the connections so necessary for doing business in China. These connections are called "guanxi," which means "relationships."

"As a result of this coordinated assistance, we have built up wide relations with our Chinese government clients," says Dr. Xia. "This led to a recent build-operate-transfer contract signing for 17 projects in Bijie prefecture, covering five water supply plants, six wastewater, and another six solid waste treatment facilities, financed by China Construction Bank."

# Mexican Manufacturing Devours U.S. Goods

## Importing Components and Exporting Finished Products

By Ellen Lenny-Pessagno

U.S. Commercial Service, Mexico

**T**o understand U.S. trade with Mexico, it is important to appreciate fully Mexico's in-bond processing, or *maquiladora*, sector. Inputs of components, supplies, and machinery, worth \$88 billion, for *maquiladora* plants dedicated to producing goods for export, make up over half of all products imported into Mexico. This alone dwarfs total imports by any other Latin American country, the next largest import volume being Brazil's with \$64 billion of imports annually. Therefore, if you are not currently selling to the export manufacturing industry, you should consider it.

The purpose of this article is to highlight opportunities related to the 2,826 foreign-owned, export-manufacturing *maquiladoras*, of which U.S. firms own 79 percent. While the number of *maquiladoras* is only 25 percent of all export manufacturing facilities, they account for 55 percent of Mexico's industrial manufacturing, and imports to this segment make up more than 67 percent of the total for the sector. Approximately three-quarters of *maquiladoras* are located along the 2,000-mile border with the United States. While detractors may criticize the *maquiladora* sector for its low-tech, low-wage jobs, many *maquiladoras* make use of robotics and the latest equipment for metal stamping and forming, as well as for plastic injection and blow molding. Furthermore, *maquiladoras* pay wages on average 10 to 20 percent higher than those of other manufacturing facilities in Mexico.

Despite the fact that a number of *maquiladora* plants have recently relocated to China, partly in search of lower cost labor, in 2002 the industry increased imports of equipment and

materials into Mexico 3.1 percent and increased production 1.9 percent. While production in 2003 remained at \$89 billion due to weak demand in the United States, which consumes 90 percent of Mexico's exports, production is forecast to expand at a relatively rapid pace to a value of \$125 billion by 2008.

### U.S. SUPPLIERS LOSE GROUND TO ASIAN COMPETITORS

One troubling trend is a drop in the total U.S. share of *maquiladora* imports to 70 percent in 2002 from 90 percent just two years earlier. This loss, namely to Japan, Taiwan, China, and South Korea, is due to significantly cheaper prices from these Asian competitors and the effects of the Mexican government's PROSEC program. PROSEC, implemented at the beginning of 2001, lowered (to a maximum of 5 percent) or eliminated tariffs on non-NAFTA industrial inputs, thereby undermining tariff advantages that U.S. suppliers had often previously enjoyed. Trade statistics for January–September 2003

indicate that the United States held its 2002 market share of 70 percent. Despite the loss in U.S. market share in 2001 and 2002, the *maquiladora* import market grew more than 50 percent between 1999 and 2002, and as a result, the United States sold \$17 billion more to *maquiladoras* in 2002 than in 1999.

Another challenge in selling to this industry is determining where purchasing decisions are made. A company's staff at its headquarters normally makes purchasing decisions for a new plant, while the staff of the manufacturing plant itself will make the decisions on purchases of replacement equipment. Furthermore, companies often make purchasing decisions on a global basis for inputs used in manufacturing, but they are increasingly making these decisions locally, as they do on nearly all indirect inputs, such as test equipment, lubricants, packaging, and services. Therefore, it is imperative that U.S. suppliers or their agents and distributors meet with purchasing managers and plant managers in Mexico to identify the appropriate decision-makers.

### MARKETING TO MANUFACTURERS IN MEXICO

To promote U.S. exports to the Mexican manufacturing sector, the International Trade Administration has developed an important program, Marketing to Manufacturers in Mexico. U.S. compa-

nies that enroll in this program receive monthly reports by e-mail, invitations to participate in videoconferences with Mexican buyers, qualified trade leads; assistance in finding agents, representatives, or distributors; and support during trade shows in Mexico.

As part of this initiative, in September 2003 the Commercial Service offices in Monterrey and Tijuana teamed up with the Chicago U.S. Export Assistance Center and the NAFTA Opportunities Center of Illinois to bring two dozen U.S. manufacturers together with four American and Japanese export manufacturers located in Monterrey and Tijuana. The Chicago businesses, representing tool and die manufacturers, metal stamping companies, and plastic injection-molding equipment firms, received a briefing on the in-bond processing sector, which was followed by presentations on the specific purchasing needs of four *maquiladoras*.

U.S. Export Assistance Centers in Pennsylvania, Missouri, Florida, Texas, and Arkansas will host similar videoconferences in 2004 to match U.S. suppliers with potential buyers within the *maquiladora* sector. On March 24, companies from St. Louis, Mo., and northern Florida will participate in a videoconference with commercial officers at the U.S. consulates in Monterrey and Guadalajara, as well as with buyers from those regions. Pittsburgh and Detroit will host similar conferences on April 27.

For more information on marketing to Mexican manufacturers, as well as relevant trade shows, videoconferences, and research reports, visit [www.export.gov](http://www.export.gov) and [www.buyusa.gov/mexico/en](http://www.buyusa.gov/mexico/en). ■

## Trade Events

### September 2004

Mexico City—MetalMecanica and U.S.–Mexico Industrial Show

Monterrey—Saltillo Automotive Mission

This mission is targeted to a broad range of automotive suppliers. Participants will visit General Motors, Daimler Chrysler, and international plants and have one-on-one meetings with potential suppliers.

### October 2004

Monterrey—Repcom 2004 Trade Show

## Partnership For Prosperity

In 2002 Presidents Bush and Fox announced a new initiative designed to bring the benefits of NAFTA to all Mexicans. The program seeks to create jobs where they are most needed.

The four main objectives of the partnership are to expand and broaden access to capital, share best practices and technical expertise, build capacity for future growth and link institutions with shared goals. The next meeting, on June 28–29, 2004 in Guadalajara, represents the perfect opportunity to network with local firms that will highlight upcoming projects in the areas of airport infrastructure, information technology, secure supply chain infrastructure and logistics, and construction.



# Flex Your Export Muscles in Brussels

## Belgium, a Young Nation with Old Ties

By the U.S. Commercial Service, Belgium

**B**elgium's unique political and economic position in Europe is perhaps best understood by taking a brief look at its history. By European standards, Belgium is a very young nation: it was not until 1830 that Belgium became an independent country, serving as a buffer between Germany, France, and the United Kingdom. Belgium has naturally been considered as neutral place between these larger forces in Europe.

As one of the original members of the European Coal and Steel Community, the foundation of the European Union, Belgium has always taken an active role in common European affairs. Brussels is the capital of Belgium as well as the seat of government of the European Union.

### INTERNATIONAL TRADE CENTER

Belgium is an outward-looking country, which is heavily dependent on trade. The country is an ideal transit and distribution hub. The cosmopolitan nature of Belgium makes it an ideal European test market for U.S. products and services. The Belgian market is small enough that a substantial commitment to a new product is not necessary, yet it is so diverse and competitive that it gives a representative sample of potential international competitors. Both the Belgian government and its citizens support international commerce. Brussels is a sophisticated city and the headquarters of NATO, as well as hundreds of international institutions, global associations, and multinational corporations.

With a population of 10 million in an area about the size of Maryland, Belgium offers exceptional possibilities to

American companies interested in entering the European market or looking for a European headquarters. Home to the second-largest seaport in Europe, Antwerp, and one of the 10 largest seaports in the world, Belgium is connected to more than 15,000 miles of waterways linking major industrial regions. Transportation to EU neighbors and beyond is made

simple through Belgium's extensive infrastructure. Outstanding highways, railroads, and inland waterways enable goods shipped into Antwerp to be moved quickly and cheaply to European manufacturing and distribution centers. The Belgian train system is one of the densest networks in Europe. Major European highways pass through Belgium, and its airports allow for convenient air travel.

### ECONOMIC OUTLOOK

The Belgian economy has great depth and diversity. A very large service sector accounts for more than 70 percent



of GDP, followed by manufacturing and agriculture. Belgium is one of the highest per capita exporters in the world. More than 76 percent of Belgium's exports go to EU nations, making Belgium even more attractive as a European commercial and distribution hub. In addition, Belgium and the United States enjoy strong reciprocal trade relations. In 2002, 8.4 percent of Belgium's imports came from the United States. According to the Office of Trade and Economic Analysis, 2002 trade between the U.S. and Belgium totaled \$23.1 billion. Although Belgium is a small country, it ranks among the top 20 U.S. trading partners.

According to the Economist Intelligence Unit, with the exception of Luxembourg and Ireland, Belgium is the most open economy in the European Union as measured by the value of exports and imports relative to GDP, and one of the most open in the world. This is the result of Belgium's economic integration and interdependence with its three main neighboring countries—Germany, France, and the Netherlands. In 2001, the share of external trade in goods and services in GDP at current prices was 88 percent. Nearly one-half of Belgian trade in goods is with neighboring countries, while slightly more than 60 percent is with other members of the European Union.

## POLITICS AND TRADE

Belgium has long been a political ally and friend of the United States. Active in international diplomacy in Europe and Africa, Belgium works closely with the United States on numerous international issues. Successive Belgian governments have been committed to the development of a strong European Union with common foreign, security, and economic policies. These governments have also been proponents of close transatlantic ties through NATO and other institutions.

As a long-standing supporter of increased European political and economic integration, Belgium has consistently advocated lowering of barriers on the movement of goods, services,

## FACTS AND FIGURES

<b>Total area:</b>	20,220 square miles (a little smaller than the state of Maryland)
<b>Population:</b>	10.3 million
<b>Languages:</b>	Dutch (58%), French (41%), German (1%)
<b>Government:</b>	Federal parliamentary democracy with a constitutional monarch
<b>GDP:</b>	\$295.4 billion (2004 forecast)
<b>Imports:</b>	machinery and equipment, chemicals, metals and metal products, foodstuffs
<b>Exports:</b>	machinery and equipment, chemicals, diamonds, metals and metal products, foodstuffs

Sources: U.S. Department of Commerce, EIU, CIA.

## Leading Sectors for U.S. Exports and Investment

Automotive parts and service equipment  
 Biotechnology  
 Computer services  
 Computer software  
 Energy and power generation  
 Environmental technologies  
 Plastic materials and resins  
 Telecommunications equipment  
 Telecommunications services  
 Textile fabrics  
 Travel and tourism services

Source: Country Commercial Guide: Belgium, FY2004.

## BELGIAN NATIONAL HOLIDAYS, 2004

January 1	New Year's Day
April 9	Good Friday
April 12	Easter Monday
April 30	Labor Day (observed)
May 20	Ascension
May 21	Whitmonday (observed)
July 21	Independence Day
August 16	Assumption (observed)
November 1	All Saints' Day
November 11	Veterans' Day
December 24	Christmas Day (observed)
December 27	Boxing Day (observed)
December 31	New Year's Eve

Sources: U.S. Embassy, Belgium.

capital, and labor within Europe, which benefits European and foreign businesses alike.

Belgium is a federal state composed of a central government, three regional governments (Flemish, Walloon, and Brussels) and three linguistic communities (Dutch, French, and German). The federal government is responsible for foreign affairs, national security, defense, taxes, and issues relating to

the European Union, while the regions manage a wide variety of socioeconomic matters.

Each region is responsible for a wide range of social, economic, and environmental matters within its own territory. Elected officials exercise legislative powers within their regions and elect executive authorities. Under the devolving federal system, the regional governments have taken responsibility

for areas of interest to U.S. businesses such as foreign trade, the environment, and investment. This devolution means that Americans wishing to do business in Belgium will have considerably more contact with regional officials than in the past. ■

## WEB RESOURCES

### **Agoria**

This is a federation representing companies active in industrial metals and materials, metal products, plastics, mechanical and electrical engineering, electronics, information and communications technology, automotive, aerospace, defense, and security sectors.

[www.agoria.be](http://www.agoria.be)

### **American Chamber of Commerce in Belgium**

This is a non-profit organization with 1,000 European and American corporate members.

[www.amcham.be](http://www.amcham.be)

### **Council of American States in Europe**

This organization is comprised of 22 U.S. states that maintain full-time offices in Europe. CASE helps European companies locate ideal production sites or efficient sales and distribution operations for their products and services in the United States. The council also assists European agents and importers to find U.S. products and services to market in Europe.

[www.case-europe.com](http://www.case-europe.com)

### **European Union**

This site includes official news, activities, documents, and links to institutions and member states.

[www.europa.eu.int](http://www.europa.eu.int)

### **Federal Public Service Economy**

This site contains information for investors who would like to set up operations in Belgium. The site provides links to others, which examine economic activity and related regulations.

[www.mineco.fgov.be](http://www.mineco.fgov.be)

### **Federation of Enterprises in Belgium**

The country's only multi-sector employers' organization represents small, medium-sized, and large companies. FEB is active in all areas of interest to business, focusing in particular on economic, social, fiscal, and legal questions as well as European and international issues.

[www.vbo-feb.be](http://www.vbo-feb.be)

### **U.S. Commercial Service in Belgium**

This site explains the services offered by the U.S. Commercial Service to companies interesting in doing business in Belgium. Topics addressed include locating a business partner, market research, and upcoming trade events.

[www.buyusa.gov/belgium/en](http://www.buyusa.gov/belgium/en)

### **U.S. Embassy in Belgium**

This site provides information on the embassy as well as Belgian-American relations.

[www.usembassy.be](http://www.usembassy.be)





## MAJOR TRADE EVENTS, 2004

DATE	TITLE	LOCATION	SECTOR
April 18–22	Autotechnica	Brussels	Automotive
May 6–8	European Seafood Exposition	Brussels	Seafood
May 10–14	Health Care Technologies Trade Mission	Brussels/Netherlands	Medical
May 20–22	Telecom City	Brussels	ICT
May 20–24	Eccentric	Knokke	Architectural services
September 4–7	Decosit/DecoContract	Brussels	Upholstery, contract interior
October 19–22	IFEST	Ghent	Environmental technologies

Sources: This article drew from several sources, including *Country Commercial Guide: Belgium, FY 2004* (U.S. Commercial Service and U.S. Department of State, 2003), trade data from [www.export.gov](http://www.export.gov), *Belgium, A Central Location in Europe* (Ernst & Young), the Economist Intelligence Unit, and National Bank of Belgium ([www.nbb.be](http://www.nbb.be)).

# Marketing Communications

## A Good First Impression is the Foundation for Sales

By Richard Kanter

U.S. Commercial Service, Canada

In a classic, award-winning McGraw-Hill advertisement that first appeared in 1958, a dour-faced man in a business suit leans forward in a chair and stares at the reader, with the caption:

I don't know who you are.  
I don't know your company.  
I don't know your company's product.  
I don't know what your company stands for.  
I don't know your company's customers.  
I don't know your company's record.  
I don't know your company's reputation.  
Now—what was it you wanted to sell me?

McGraw-Hill's ad was for business-to-business advertising to promote name recognition. But the moral of the ad applies to any initial sales and marketing activity in any market—it is essential for a seller to establish the company's credibility at the outset of any marketing communications before discussing the company's products or services. In other words, sell your company before selling your products or services.

The principle of establishing credibility at the outset is truly cross-cultural. No matter whether the buyer's country has an advanced legal system for resolving commercial disputes like Canada, or has a developing legal system like Bulgaria,

your potential business partners need to be assured that you are honest, capable, and reliable.

Demonstrating that you and your company are worthy business partners before going into detail about products or services you are offering is also a basic theme of any book on how to do business in Japan. The last thing that the members of a Japanese company's purchasing committee want to do is to be criticized later for choosing an unreliable supplier. Japanese companies



expect prospective sellers to show that they are reliable and that they are not going to fail to deliver or suddenly pull out of the Japanese market, leaving the Japanese company to pick up the pieces with its customers.

The importance of establishing credibility at the outset applies to all sales promotion methods—including phone sales calls, promotional materials, e-mails, introductory letters, and business

cards—not just in face-to-face sales presentations. It also includes mode of dress and personal hygiene. In marketing materials, describe your company clearly—what your company does, where it stands in the U.S. industry, and what makes your company different from the competition. Give your prospective business partners a level of comfort that they are dealing with a reputable company that is highly regarded in the United States and in other markets in which you are doing business. For example, you can describe your company history, shareholders, current customers, trade association memberships, credit ratings, and listings on any stock exchange.

Above all, establish your credibility quickly to encourage your audience to keep listening or reading. In written communications, don't force your reader to wade through your message to find who you are or what you do. Avoid meaningless hype ("our company is a global leader in e-commerce solutions") and instead describe exactly what you do. Avoid vague statements ("we can help your company meet the expectations of your clients"); describe exactly what benefits you offer. And avoid tired slogans, convoluted language, industry buzzwords, and undefined acronyms.

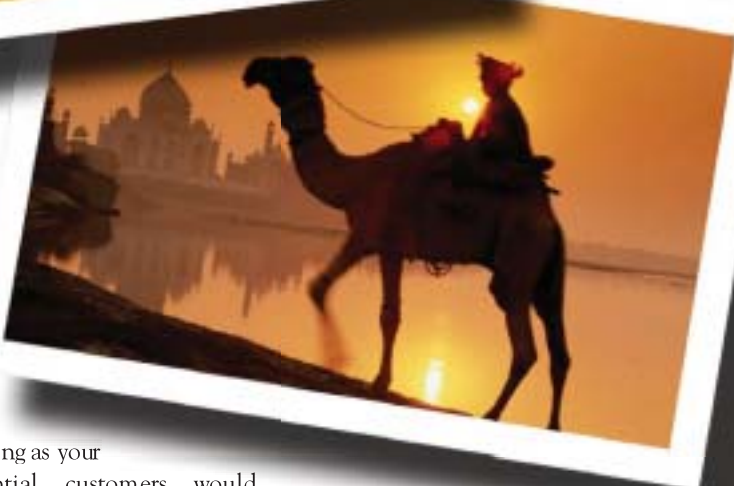
Only after addressing the seven questions in the classic McGraw-Hill ad should you go into the sales presentation of the advantages of the products or services you are trying to sell.

Finally, tailor your presentation to your audience. Follow international business standards, such as exchanging business cards, showing up on time, and

dressing as your potential customers would expect a serious international businessperson to dress in visiting their country. Do research on how to do business in their country before going—decision-making in Japan can be by consensus of a purchasing/buyers' committee in large organizations, for example—and observe, observe, observe. While your potential clients are sizing you up, you should also satisfy yourself of the sincerity, honesty, and reliability of your prospective business partners.

At the same time, remember that you are outside your customer's culture, and it may not always be necessary to "do in Rome as the Romans do." Just because

two cousins do business on a handshake in Saudi Arabia does not mean that you should do an international transaction on a handshake. Rather, use your common sense and remember that everything is negotiable if you and your prospective business partner trust each other. ■



TECHNICAL  
ADVICE





# Look Before You Leap

## Essential Advice for Doing Business in China

By the U.S. Commercial Service, Beijing  
and  
Rosemary Gallant

*U.S. Commercial Service*

**S**ince adopting market reforms in 1978, China has been among the world's fastest growing economies. This has led to dramatic developments in America's commercial relationship with China. In 1986, total trade between the United States and China was \$7.9 billion. By 2003, this total had reached \$170 billion, making China the United States' third largest trading partner. Despite a significant trade deficit, U.S. exports to China grew by 66 percent over the past three years as compared to 10 percent decline for the rest of the world. There are significant opportunities for U.S. businesses in China.

A key list of "do's and don'ts" of doing business in China draws from the experience of American companies with successful sales in China, as well as information from the U.S. Department of Commerce.

### **DIVERSE MARKETS REQUIRE CAREFUL RESEARCH**

China is a very diverse market with varying levels of development and regional industrial strengths. From Harbin in China's Northeast, to subtropical Haikou on Hainan Island in the South China Sea, China encompasses diverse topographies, climates, cultures, and peoples. Each region therefore has its own consumer preferences and business

needs. Some industries are spread all over the country, some are clustered, and others are heavily concentrated in one area. For example, of the roughly 3,000 personal care products factories in China, 2,700 are located in the southern province of Guangdong.

Basic market research is available from the U.S. Department of Commerce through [www.export.gov](http://www.export.gov), as well as a host of private consulting firms, research companies, and trade groups. The commercial sections of the U.S. embassy and consulates in China can also work with American exporters to provide research on specific topics to understand current market conditions, pricing, and future trends. Lists of local businesses service providers, consultants, and law firms are

available through the commercial sections of the U.S. embassy and consulates. The U.S. Department of Commerce maintains offices in Beijing, Chengdu, Guangzhou, Shanghai, Shenyang, and Hong Kong. Similarly, many companies need multiple representatives to cover China.

### **SPEAK THE SAME LANGUAGE**

Despite China's commitment to, and success in, developing human resources with good English-language skills, companies that are serious about doing business in China should supply company information in Chinese and be prepared to initiate contact in Chinese. Having Chinese-language material prepared and a Chinese speaker or interpreter available makes a great first impression and demonstrates that a company is serious about doing business in China.

Small firms also need to be resourceful about finding affordable Chinese-language expertise. For initial oral communication, a number of companies have used Chinese-speaking employees

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from other parts of the company to help with sales and marketing to China. One business has an individual responsible for placing sales calls to China stay late at the office to introduce the company during business hours in China. Another transferred a Chinese-American from the factory floor to the marketing

Commercial Service can help companies find translators.

### FIND THE RIGHT PARTNER

Small firms typically need to find a counterpart in China to make sales and deliver products for them.

Guidebooks on doing business in China emphasize the importance of personal connections, or *guanxi* (GWAN-shee). Networking is an aspect of doing business around the world, but it takes on added importance in a society with a complex bureaucracy and a weak legal system. A web of *guanxi* helps firms navigate China's bureaucratic and distribution challenges.

The importance of relationships is another reason why many small American companies choose to sell through trading companies or local distributors, even if they have offices in China. Representative offices, the most basic, least-expensive type of foreign commercial presence in China, may only perform "liaison" activities; Chinese law does not allow such offices to sign sales contracts or bill customers directly. As a result, local agents and representatives are crucial.

It is critical that companies make sure that their partners are reliable and that they have the right motivation. Make certain your client or partner is able and willing to do all he says he will do in the contract. Ensure that it is in your partner's best interest to perform as agreed. Is it in his interest to assist you to protect your brand or other intellectual property rights? Be careful that your partner is allowed by law to fulfill the promises in the contract. Check the reliability of information on

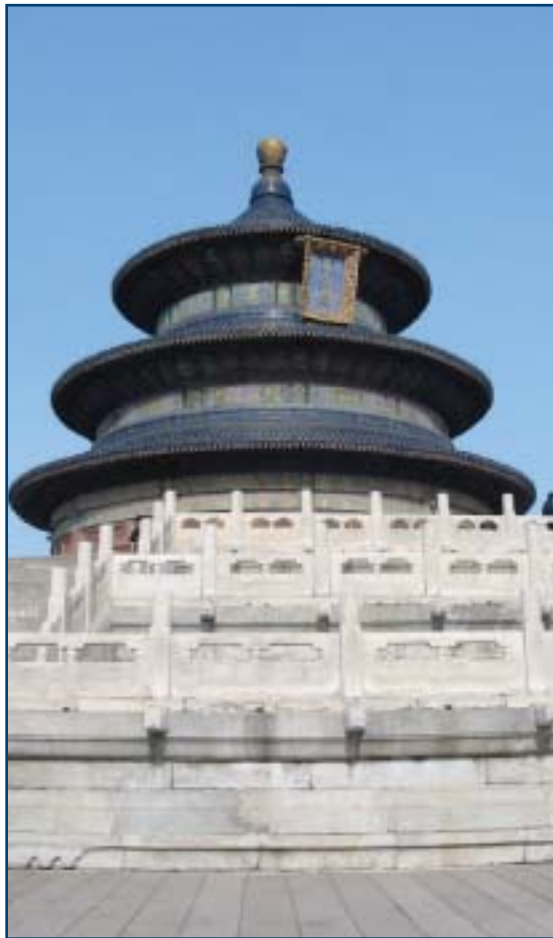
your partner or customer through using independent sources.

Companies can locate distributors or sales agents through a variety of methods, including trade shows and business connections. The Department of Commerce offers a program that helps companies find representation in the market—the Gold Key Service (see [www.buyusa.gov/china/en/gks.html](http://www.buyusa.gov/china/en/gks.html)). Knowledgeable Commercial Service trade specialists research and develop appointments with the contacts you need to do business in China. The Gold Key Service can provide instant business relationships for companies new to China, by setting up tailored appointments with potential importers, distributors, end users, or trade associations. Companies already in China seeking further representation may consider using either service.

One Midwestern industrial equipment company used a small and underfunded distributor in China for 10 years. In early 2002, the company traveled to China on a trade mission that included Beijing and Shanghai. The 15 meetings arranged through the Gold Key Service led the U.S. company to sign up four distributors covering four areas from the northeastern to the southeastern part of China.

Successful companies have also used independent distributors either established by entrepreneurs in China or branches of companies from Taiwan, Hong Kong, or Singapore. Other companies work through major state-owned trading companies that provide wide geographic coverage. The number of distributors these companies use range from two to 34, but regardless of the number, the U.S. companies screened them as thoroughly as they screen distributors in other markets, requiring business plans, interviews, and background checks before signing them on.

Finding the right partner or distributor and employing prudent payment practices are particularly critical in China, where the judicial process is slow, expensive, and plagued by



department to handle Chinese customer accounts. Interestingly, once contact was made in Chinese, several companies indicated that they then conducted routine business in English via e-mail without a problem. Similarly, successful companies normally invest in developing Chinese-language material about their companies and products. Companies worked with their distributors on the translations, used outside professional firms, or used their U.S. staff to produce business cards, brochures, and other materials. The







Commercial Service China and the States of Hawaii and Nevada hosted an informational booth at the 2004 World Travel Fair.

Photo courtesy of U.S. Commercial Service Shanghai.

corruption. Rather than relying on legal safeguards, American companies need to ensure that their Chinese counterparts in any contract have their own motivation for fulfilling the contract.

### **HAVE CLEAR CONTRACT TERMS**

China's consistent, 8-percent economic growth leads to continual radical transformations in the internal dynamics of the economy. When entering into a contract with a Chinese partner you must be careful. Do not attempt to enter into an agreement without sound legal advice. Have your own legal counsel. In your contracts, specify exact terms of payment and performance standards. Set timelines. Pay careful attention to details, such as initialing pages of contracts and signing properly. Scrupulously follow the contract yourself—or expect to pay a high price. Do not rely on legal advice from your Chinese partner. Beware of claims that Chinese law requires specific covenants in your contract. Verify this with your own counsel. Do not agree to provisions in a contract that are not under your control. For example, if your client or partner wants you to specify in the contract that he must visit your production facilities in the United States, remember that you cannot guarantee that he will receive a visa. This could invalidate your contract. Do not assume that local or provincial officials actually have the authority to give you permits and permissions. Verify their claims of authority through independent sources.

### **ENSURE PROJECT VIABILITY**

Profitability of a project or the sale of goods and services should be based on sound economic criteria. Do not rely on promises of subsidies, special considerations, or non-market sources of income to create a profit. If subsidies are offered, they should be used to augment profit, not create it. Make certain your partner has the authority to offer subsidies and verify from independent sources that the subsidies will actually be paid. Look for examples of companies that have actually received such benefits. Viability may look very different over the short, medium- and long term. Many Chinese partners will encourage you to look at the long-term potential of the market and sacrifice profit in the early stages. Doing so maybe detrimental to your ultimate success in the market. In China, as in any high-growth economy, it is difficult to predict the long term, so make sure that you can obtain profitability in the short term and sustain that profitability in the medium term.

### **AVOID PROHIBITED AGREEMENTS**

Creating viable contracts and agreements is challenging in any business transaction. However, given an unfamiliar business environment, many companies can be unwitting victims of illegal agreements. Be familiar with the overarching rules governing agreements at all levels of jurisdiction. U.S. companies often enter into agreements in China with promises from

## Protect Your Intellectual Property

Time and again, companies are strongly warned about the problems of protecting their intellectual property rights in China. If you have a successful product or brand name, most likely you will be a target for intellectual property pirates.

The U.S. embassy in China, under the leadership of Ambassador Clark T. Randt, has been working with U.S. companies to educate the Chinese government and help it strengthen and enforce relevant laws.

In trying to help small and medium-sized U.S. companies, the embassy has devised an IPR toolkit. This toolkit was created to help companies understand the scope of the IPR problem in China, educate them on how to best protect their rights, and give them an action plan for what to do once they discover their goods, designs, logos, software, packaging, and so on have been illegally copied and sold.

To access the IPR toolkit, check out [www.usembassy-china.org.cn/ipr](http://www.usembassy-china.org.cn/ipr).

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local officials that central government rules will not be enforced in the provinces. Indeed, often they are not. Problems arise when these rules are suddenly applied—sometimes retroactively—leaving a company with little recourse. You must be ready to follow all WTO-compliant regulations. Seriously question any agreement in which you are told you can ignore or avoid these rules. Also, make sure that your managers know all relevant U.S. laws such as the U.S. Foreign Corrupt Practices Act. You should be aware that China is also cracking down on corruption. You do not want your business to be associated with corrupt officials or illegal practices. Be aware of Bureau of Industry and Security regulations on the transfer of dual-use technology to China. U.S. law prohibits transfer of some sensitive technologies without a license.

### **PRACTICE PROBLEM PREVENTION**

In addition to creating pro forma balance sheets, spend some time at the beginning of a project to create possible scenarios if things go wrong. Try to anticipate possible problem areas. Create a practical strategy to deal with potential problems. Set milestones in the project for performance. Have an escape strategy for each stage of the project, even if you do not plan to use it. In China, personal relationships are very important, and sometimes partners may not be completely truthful about potential problems if they feel the problems may have a negative impact on a personal relationship. Chinese partners may also be under pressure from government or party bureaucrats (as well as business associates) to compromise ethical standards. When problems arise, you should have excellent contacts among officials at the local, provincial, and central government to manage the issues.

### **DO A THOROUGH RISK ANALYSIS**

Be realistic about how much risk you are willing to accept in your business

venture. Make sure you use reliable sources for this assessment. Use more than news media sources or your immediate partners to evaluate the market. Do not have a corporate risk analysis policy for China that is different than you would have for any other country. If a project is too risky, do not do it—even though it is in China. The majority of American companies currently in trouble in China did not perform thorough risk analysis.

### **EXPECT FIERCE COMPETITION AND PRICING PRESSURE**

Recent economic analysis suggests that there is a significant surplus in industrial markets. There are strong competitive pressures. Chinese brands are strong and gaining market share in many sectors. In many Chinese markets there is a constant downward trend on prices. Chinese competitors, particularly those from the state-owned sector, often enjoy very low costs of capital. Thus, they can enter markets quickly, and they can expect to receive strong encouragement from the government for their efforts. The Chinese government makes no secret of its support for state-owned enterprises. Foreign companies should not expect a level playing field.

### **GETTING PAID**

Pay careful attention to how you get paid, when you get paid, and in which currency. If you want to be paid in U.S. dollars, be certain you are able to convert profits. Be advised that not all companies have rights to provide payment in foreign currency, and payment may be arranged through a “window company.” Inquiring about a company’s payment process should be an important part of screening for partners. Use letters of credit and other financial instruments to protect yourself. If you do not want to use a letter of credit, require your partner to make advance payment. Remember that Chinese companies usually do not use terms that allow unsecured payments after delivery of goods. For

example, payment terms of “30 percent letter of credit, 70 percent payment, 120 days after delivery” would not be customary in China. For most large projects, terms of “70 percent advance payment, 30 percent letter of credit” would not be unusual. Never agree to unsecured payments after delivery.

One critical difference between China and most other markets is the country’s lack of a predictable, systematic approach to credit and receivables management. Indeed, perhaps the primary risk of doing business in China today is the difficulty of collecting full payment on time.

The lack of credit infrastructure makes determining creditworthiness challenging—but not impossible. Companies need to spend the time and money to analyze customers’ and partners’ creditworthiness or minimize exposure to the risk of nonpayment. The Commerce Department’s International Company Profile service can help companies understand the background of potential customers or business partners by providing reports on individual Chinese companies. The Commercial Service in China subcontracts with Kroll Associates, an American investigative service firm, for parts of these reports. Commercial Service staff members provide additional information about the relative strength of the firm in its market and the firm’s reliability.

A small U.S. firm that provides specialized training for the financial services industry in China ran into trouble when it attempted to save money by foregoing due diligence, relying instead on a personal referral. The first training session it organized with its local partner was well attended, but success soon gave way to a trade complaint. A company representative stressed, “When I say the Chinese company took advantage of us, I mean it in the full extent.” In this case, the partner collected \$10,000 in registration fees but refused to share information on the number of paid participants. The representative continued, “When it came time for [the partner] to pay us the money



agreed upon, she reneged. She paid me \$1,000 cash and promised to pay 50 percent via wire. We will lose 90 percent of what we agreed to.” Given the vast need for financial services training in China, the U.S. company decided to plow ahead despite this experience, but with a more cautious strategy.

This small service provider subsequently found success—packed training sessions and full payment for its services—by establishing a relationship with a domestic Chinese insurer. The U.S. company found that locating a reputable partner through extensive research and requiring third-party confirmation of information could help avoid further trade disputes.

To minimize risk, companies just entering the market can protect themselves by not selling on credit. Exporters frequently require full payment in advance from their distributors or customers. One credit manager has his multinational corporate clients in China pay his company directly, via bank transfer. For local Chinese buyers, the American company requires payments from its distributor before releasing shipments.

The local distributor is responsible for collecting payment from the end users

that placed orders. Two U.S. consumer products companies recently made their first significant sales to China, in both cases to retail companies. The two U.S. companies obtained full payment prior to shipment, allowing them to gauge consumer interest in their products while limiting their risk.

## LOOK BEFORE YOU LEAP

Companies must be persistent in their efforts but flexible in their strategies to take advantage of the changing landscape. When they need help, U.S. companies should use available services, from the Department of Commerce as well as from the many professional law, accounting, marketing, translation, and other firms. One good starting place is the Commercial Service China Web site, [www.buyusa.gov/china/en](http://www.buyusa.gov/china/en). Small firms can use the site to find information on Commercial Service China services, Beijing 2008 Olympic updates, and industry highlights.

The U.S. Department of Commerce, as well as other business-oriented organizations, is prepared to serve the interests of American companies and assist with market research, locating suitable and reliable partners, or providing feedback on the viability of a business plan.

China is a rapidly changing market that requires a great deal of caution and patience. Companies should test the water carefully before jumping in. With proper preparation, however, firms can position themselves to profit from China’s growth in the years to come. ■



## Resources for China

### Country Commercial Guide

Prepared annually by U.S. embassy staff, the Country Commercial Guide for China contains information on the business, economic, and political climate as it affects U.S. business and foreign investments.

[www.buyusa.gov/china/en/ccg.html](http://www.buyusa.gov/china/en/ccg.html)

### China Commercial Brief

China Commercial Brief is an e-newsletter that provides useful insights into the business and economic environment in China. Articles are taken from a wide variety of Chinese and international sources, and serve as a valuable reference to keep you abreast of the Chinese market. China Commercial Brief is free via the Internet.

[www.buyusa.gov/china/en/ccbnew.html](http://www.buyusa.gov/china/en/ccbnew.html)

### Contact China

Contact China is published by the U.S. Commercial Service as a guide for U.S. exporters. This handbook contains key information for American firms entering the Chinese market, including an explanation of the different sections of the U.S. embassy, sector briefs on key industries that include major shows and exhibitions, and a vast section dedicated to important contacts.

[www.buyusa.gov/china/en/contactchina.html](http://www.buyusa.gov/china/en/contactchina.html)

### Olympics Hot Sheet

This ad hoc e-newsletter is the perfect way to stay abreast of preparations for Beijing 2008. It is published when news happens, as soon as it happens. The e-newsletter is free of charge for U.S. companies. It is also posted on-line, and available free of charge.

[www.buyusa.gov/china/en/hotsheets.html](http://www.buyusa.gov/china/en/hotsheets.html)

### Useful Links

U.S. Commercial Service

[www.buyusa.gov](http://www.buyusa.gov)

U.S. Department of Commerce

[www.commerce.gov](http://www.commerce.gov)

Embassy of the United States in Beijing

[www.usembassy-china.org.cn](http://www.usembassy-china.org.cn)

U.S. Department of State

[www.state.gov](http://www.state.gov)

Export-Import Bank of the United States

[www.exim.gov](http://www.exim.gov)

American Chamber of Commerce (Beijing)

[www.amcham-china.org.cn](http://www.amcham-china.org.cn)

American Chamber of Commerce (Shanghai)

[www.amcham-shanghai.org](http://www.amcham-shanghai.org)

American Chamber of Commerce (Guangdong)

[www.amcham-Guangdong.org](http://www.amcham-Guangdong.org)

U.S.-China Business Council

[www.uschina.org](http://www.uschina.org)

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# China and Standards

## New Rules, New Resources

By Tim Wineland

Office of the Chinese Economic Area, Market Access and Compliance



**R**adical changes are occurring in China regarding standards and testing requirements, at the same time as U.S. companies recognize China as a key export market, not just a low-cost source of suppliers. To avoid problems with customs clearance in China and to ensure their products reach their Chinese buyers, exporters interested in selling to China need to understand China's new and changing standards and testing regulations.

differ from existing international standards and impact trade.

### STANDARDS AND TODAY'S CHINA

For a century, the United States and other developed countries have recognized product standards as a facilitator for the global economy, creating trade and assuring safety and quality. At the same time, as countries have reduced tariffs and other barriers to trade, standards and testing requirements have sometimes proven to be obstacles to trade—a way for countries to protect their own industries and put foreign companies at a competitive disadvantage.

From 1979 to 2000, China's rank as a trading power rose from 27th to seventh largest in the world, in terms of total value of trade. At the same time, China began to recognize the importance of product standards as a lubricant for international trade. In 1984 and 1989, China enacted landmark laws establishing a modern-day standards and testing regime. Additionally, individual government agencies in China, such as its health ministry and environmental protection agency, adopted new standards and regulations affecting importers and domestic companies.

In the 1990s, as China implemented its standards and testing laws, and as companies began to see China as a market for

exports, foreign companies experienced China's standards regime firsthand, and reported that the system was in some cases costly, burdensome, and applied more stringently to foreign imports than domestic products. When China negotiated WTO accession in the late 1990s, it was conditioned in part on an agreement to revamp its standards system so it would apply equally to domestic manufacturers and foreign importers.

### A SEA CHANGE FOR CHINESE STANDARDS

In conjunction with China's WTO entry in 2001, the country reorganized its standards and testing systems. It merged two standards agencies—one focused on domestic standardization and one focused on imported goods—into a single entity, the State General Administration of Quality Supervision, Inspection, and Quarantine (AQSIQ). China also combined its two prior "safety marks"—the Commodities Inspection Bureau's mark and the "Great Wall" safety mark—into a single safety mark, one that applies equally to domestic and imported products. In the area of transparency, China must now, like all WTO members, notify the WTO of its draft technical standards in any cases when mandatory standards

### UNDERSTANDING CHINESE STANDARDS

The Chinese standards system can be viewed as a three-legged stool. The first leg of the stool is China's set of mandatory, national "GB standards." The second leg is China's "China Compulsory Certification," or CCC mark, a safety mark that is required for 133 categories of products sold in or imported in to China. The final leg is agency-by-agency technical regulations and testing requirements that vary by product.

**GB Standards.** AQSIQ oversees China's so-called GB standards. Currently more than 19,200 GB standards are in force, and they range from standards for jet fuel to green tea to truck tires to fertilizer. Compliance with GB standards is mandatory. This means that if a certain product is sold in China, it must meet the relevant standard, or its manufacturer can be assessed fines or other administrative penalties. The standards can be enforced at Chinese Customs, for imported products, and once the product has entered the market, for both imports and domestic products. Additionally, some GB standards are used in the CCC mark system, described below.

Notably, many GB standards are similar to or identical to international standards widely used in other countries. For example, GB electrical standards are often equivalent to IEC standards, a set of international standards for electrical products. If a company is already





familiar with IEC or other international standards, it will often find that it already meets China's own standards.

For a U.S. exporter, finding out whether products are subject to GB standards can be challenging, and then obtaining the GB standards themselves can also prove taxing. One place to start is the Standardization Administration of China, the body under AQSIQ that develops China's GB standards. Exporters unable to find answers to their questions about GB standards can contact the author at (202) 482-5316.

**CCC Mark.** The China Compulsory Certification (CCC) mark was announced in 2001 and was fully implemented on August 1, 2003. The quality and safety mark is required for products in 133 categories, ranging from electrical fuses and toaster ovens to automobiles and information technology equipment. About 20 percent of U.S. exports to China are on the product list. If an exporter's product is on the CCC mark list, it cannot enter China until CCC registration has been obtained, and the mark physically applied to individual products as an imprint or label. The CCC mark system is administered by the Certification and Accreditation Administration of China.

Obtaining the CCC mark involves an application to Chinese certification bodies. The application process can take three months or more, and can cost \$5,000 to \$15,000 in application fees. The process includes sending testing samples to a Chinese laboratory and testing in those labs to ensure the products meet safety and/or electrical standards. A factory inspection of the applicant's factories, to determine whether the product line matches the samples tested in China,

is also required. Finally, Chinese testing authorities approve the design and application of the CCC mark on the applicant's products. Some companies, especially those with a presence in China and with a dedicated certification/standards staff, are able to manage the application process in-house. Other exporters tap the expertise of standards consultants based both in the United States and in China who can provide application management services and handle all aspects of the application process.

The U.S. Department of Commerce maintains a comprehensive CCC mark Web site to help U.S. exporters determine whether they need the CCC mark and how to apply. Your first step in learning about the CCC mark should be the CCC mark Web site at [www.mac.doc.gov/china/cccguid.htm](http://www.mac.doc.gov/china/cccguid.htm). The Department of Commerce also regularly sponsors CCC mark seminars in cities across the United States. For more information, visit [www.mac.doc.gov/china](http://www.mac.doc.gov/china).

#### **Other Regulatory Requirements.**

Like all countries, China has numerous government agencies that mandate standards or testing requirements for products under their jurisdictions. Even if a given product has no specific GB standard requirements and is not subject to the CCC mark, that product may still be subject to particular standards or testing requirements at various Chinese government agencies.

A general rule of thumb for exporters is that if their products are subject to sector-specific regulations in the United States or other markets, such as the Environmental Protection Agency, Federal Communications Commission, or Food and Drug Administration, it is

possible that China maintains similar regulations for those products. To find out whether you are subject to Chinese regulatory requirements, first evaluate what requirements you have in other markets. Then talk to standards and testing consultants here in the United States, or your Chinese partners. You can also check with the Commerce Department at (202) 482-5527 or [www.mac.doc.gov/china](http://www.mac.doc.gov/china).

## THE FUTURE

As China continues to open its markets and modernize its standards system, U.S. exporters can expect to see increasing use by China of international standards, and increasing similarities between testing procedures used by China and other countries. WTO rules requiring transparency in the drafting process for mandatory standards will also help exporters by giving advance warning of changes and the opportunity to actually comment on draft standards before they are finalized. But at the same time, China's standards system is still in transition, and China will add new products to the CCC mark list and draft new standards. The challenge for exporters will be to keep abreast of those changes. Ensuring that those changes comply with multilateral trade agreements will be the U.S. government's challenge. One thing will be certain as China's importance as an export market grows: understanding standards issues is critical to any successful exporter's China export strategy. ■

## Standards Resources

Standardization Administration of China  
[www.sac.gov.cn/english/home.asp](http://www.sac.gov.cn/english/home.asp)  
China's WTO TBT National Inquiry Point  
[www.tbt-sps.gov.cn](http://www.tbt-sps.gov.cn)  
CCC Mark Guide and Mailing List  
[www.mac.doc.gov/china/cccguid.htm](http://www.mac.doc.gov/china/cccguid.htm)

# Trade Events

**March–September 2004**

<b>DATES</b>	<b>EVENT</b>	<b>LOCATION</b>
March 31–April 2	<b>Globe 2004</b> Globe 2004 provides a unique opportunity for companies to network with decision-makers from around the world. It is an excellent forum for introducing technological innovation to environmental business leaders. It is also a great venue for the dissemination of research reports.	Vancouver, Canada
April 1–5	<b>Vinitaly</b> Vinitaly offers a great opportunity for the American wine industry to showcase its diverse and unique wines, meet Italian industry players and the large number of international visitors and exhibitors, educate European consumers and press about the wine regions of America, study the latest trends, discuss the newest technologies, and identify ways to enter European markets.	Verona, Italy
April 5–6	<b>Environmental Technologies Catalog Exhibition</b> This U.S. catalog exhibition will be held in Hanoi in conjunction with the U.S. Commerce Department's Environmental Technologies Trade Mission. It offers an affordable, convenient alternative for U.S. companies seeking business contacts in one of Southeast Asia's fastest-growing pollution control markets.	Hanoi, Vietnam
April 6–8	<b>Medicare India 2004</b> With a market of \$21 billion and growing at an estimated 17 percent a year, India's health care industry is a prime target for medical and health care equipment and services. About 80 percent of India's medical equipment is imported. U.S. companies should take advantage of this opportunity to garner their share of this growing market by participating in Medicare India 2004.	New Delhi, India
April 12–15	<b>Defense Services Asia</b> This biennial event is the premier ground and naval defense trade show in Southeast Asia. DSA features 420 exhibitors from 21 countries and registers 17,000 military, government, and business visitors. Officially sponsored by the Malaysian Ministry of Defense, DSA hosts military delegations from 26 countries from the region.	Kuala Lumpur, Malaysia
April 14–17	<b>International ICT Expo</b> This event showcases all types of products and services for information and communications technology industries. The fair will have more than 400 exhibitors from approximately 150 countries. Buyers' delegations will come in from mainland China as well as from other countries. This is an ideal venue for U.S. companies that are considering expanding their business by partnering with Hong Kong companies to penetrate the Chinese market.	Hong Kong
April 20–23	<b>Food and Hotel Asia 2004</b> The 2002 event attracted 2,462 exhibiting companies from 67 countries. A total of 32,931 international buyers from 93 countries visited the show. For more information, see <a href="http://www.foodnhotelasia.com">www.foodnhotelasia.com</a> .	Singapore
April 20–24	<b>Expomin 2004</b> Expomin has rapidly become the premier mining show in Latin America and one of the largest of its kind in the world. Expomin has grown from a national event with 4,000 attendees to a major international exhibition with more than 45,000 business visitors.	Santiago, Chile
April 22–24	<b>Southeast Asian Health Care Show</b> This annual trade event covers a broad range of health care products and services and is especially suited for promoting hospital and electro-medical equipment and supplies, pharmaceuticals, home care, and health information technology.	Kuala Lumpur, Malaysia
May 3–4	<b>Plastics Trade Mission</b> This trade mission is scheduled to coincide with Plast-Ex, the Canadian Plastics Industry Association's largest and most important trade event. The Plast-Ex show includes more than 500 exhibitors on 300,000 square feet of exhibition space. More than 12,000 plastics industry decision-makers attend Plast-Ex and rely on the event to purchase products and services essential to Canada's \$22.5-billion plastics industry.	Toronto, Canada
May 7–9	<b>MIDO</b> MIDO, the international optics, optometry, and ophthalmology show, is the largest and most prestigious trade fair of its kind. The show features eyeglasses, sunglasses, lenses and frames, contact lenses and accessories, microscopes, binoculars, barometers, instruments for optometry and ophthalmology, optical machinery, tools, accessories, and related equipment. In 2002, MIDO had 1,302 exhibitors, 795 of which were foreign. MIDO, now in its 32nd edition, maintains its position as the only truly international fair for the optical sector.	Milan, Italy



## INDUSTRY

## CONTACT INFORMATION

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Water Resources Eq.

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Water Resource  
Equipment/Services

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Dental Eq., Drugs/  
Pharmaceuticals,  
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Medical Equipment

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Computers/Peripherals,  
Software, Services,  
Telecommunications Eq.

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Food and Drinks; Food  
Service Equip./Supplies;  
Restaurant, Catering,  
Hotel Equip./Supplies

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Mining Industry Eq.,  
Oil/Gas Field Machinery,  
Telecommunications Eq.

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Drugs/Pharmaceuticals,  
Health Care Services,  
Medical Equipment

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Plastics Production  
Machinery, Plastic  
Materials and Resins

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Medical Equipment

Piera Gattinoni  
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# HIGHLIGHTED EVENTS

## MEDICAL DEVICE TRADE MISSION

**APRIL 17-28, 2004**  
**CHINA**

The Office of Microelectronics, Medical Equipment, and Instrumentation, along with AdvaMed, will lead a trade mission to Beijing, Shanghai, and Chengdu, with opportunities for additional business meetings in Hong Kong and Guangzhou. U.S. firms can identify opportunities for sales of medical and dental devices, clinical laboratory products, and related supplies, especially for more advanced medical technologies, in which the United States enjoys a comparative advantage with China.

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## BUSINESS AND TECHNOLOGY FAIR

**MAY 19-22, 2004**  
**JAPAN**

The Business and Technology Fair 2004 will take place in Osaka City. This event is organized by Business and Technology Daily News, which is the major industrial news media company in Japan. This show features a wide range of industrial technologies, including IT and environmental solutions. Because of the large scale of this exhibition and its many seminars and symposiums, this event has been successful in attracting approximately 40,000 industry and company decision-makers to this event each year. The Commercial Service in Osaka-Kobe will organize a U.S. pavilion at this event and fully support U.S. participants via promotion and logistics.

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TRADE  
EVENTS

<b>DATES</b>	<b>EVENT</b>	<b>LOCATION</b>
May 10–14	<b>Miconex 2004</b> Miconex is the largest trade show in China for instrumentation products and is an ideal venue for U.S. companies seeking to enter or maintain their competitive position in this \$3-billion market. The United States exported \$647 million worth of instruments to China in 2001, an increase of 33 percent from 2000.	Beijing, China
May 11–14	<b>Wind Energy 2004</b> In 2002, the Hamburg trade fair inaugurated the first international fair for wind energy together with the German Wind Institute and the German Machinery and Plant Manufacturers Association. It was decided to hold the trade event on a biennial basis. The first event attracted more than 200 international exhibitors and more than 20,000 industry experts.	Hamburg, Germany
May 13–16	<b>InterZoo 2004</b> InterZoo is the largest trade show for the pet industry in Europe. Excellent opportunities exist for U.S. firms in this sector. For U.S. companies wishing to sell in Germany and throughout Europe, it is important to participate in this trade fair in Nuremberg. Attendance is strictly limited to qualified buyers.	Nuremberg, Germany
June 1	<b>Surf Beach Show 2004</b> This event consists of three simultaneous trade fairs, with more than 300 exhibitors and almost 500 brand names represented. This event highlights the latest trends in beach, surf, and leisure wear. More than 38,000 retailers from all over the world are expected to visit. The U.S. Commercial Service in Brazil plans to organize a U.S. pavilion at the event.	São Paulo, Brazil
June 1–4	<b>Hospitalar 2004</b> Hospitalar is the largest medical event in the Latin America. This show is one of the best opportunities for new-to-market companies to find business partners in Brazil. This event covers a wide variety of medical sectors such as rehabilitation, diagnostic products, medical equipment, medical services, home care, drugs, and pharmaceuticals.	São Paulo, Brazil
June 8–10	<b>GEPEC</b> This biennial fair, which is not open to the general public, is targeted to professional visitors, such as relevant agency officials, police and special forces commanders, decision-makers, procurement officers, and trainers and others from regional and federal security forces. Although relatively small, this event provides a good opportunity for U.S. companies active in the security sector.	Hamburg, Germany
June 15–16	<b>Asian Elenex 2004 and Asian Automation 2004</b> This biennial event is the largest building services and air-conditioning trade show in Hong Kong. Held simultaneously with Securitex, it attracts professionals from the air-conditioning, electrical, electronics, building services, security, and lighting products industries. Hong Kong is an important market for U.S. building equipment/service providers and HVAC manufacturers, because it imported \$2.3 billion in air-conditioning, ventilation, heating, and refrigeration equipment last year.	Hong Kong
June 21–24	<b>International Exhibition on Environmental Technologies</b> ENVEX is the premier environmental exhibition in South Korea. As the South Korean government has placed more emphasis on the environment, South Korean companies are looking for the latest environmental technologies. ENVEX will include products from every environmental sector.	Seoul, South Korea
July 3–4	<b>American Auto Show</b> The American Auto Show is an exhibition of U.S. companies in the automotive sector. This show is an excellent forum for U.S. companies to obtain market exposure and enter the Dominican market. The show attracts agents, representatives, and end users. The show will feature American cars, automotive parts, and auto accessories.	Santo Domingo, Dominican Republic
July 17–25	<b>Farnborough International Air Show</b> The Farnborough International Air Show will be the largest aerospace trade show in the world in 2004. In recent years, some 300 U.S. companies, large and small, have exhibited at the show, forming the largest national group after U.K. firms. Farnborough is a key opportunity for U.S. civil and military aerospace companies to showcase their products and services.	Farnborough, United Kingdom
August 13–16	<b>Franchise Expo</b> Franchise Expo is the largest show for franchise opportunities in New Zealand. Thousands of people are interested in becoming franchise operators and looking for new opportunities in the franchise sector.	Auckland, New Zealand
September 9–12	<b>SANA</b> Europeans are spending more and more on natural and environmentally friendly products. SANA features organic products, dietary and nutritional products, herbs, natural cosmetics, food supplements, homeopathic and natural health products, natural fashion products, and furniture. The U.S. pavilion at the show has been an excellent venue for American firms.	Bologna, Italy
September 23–25	<b>Top Resa 2004</b> This event includes a U.S. pavilion set up by the show organizer of Top Resa, in close coordination with the Visit USA Committee and the U.S. Commercial Service in France. Top Resa is the major travel and tourism trade event in France. In 2003, 25 U.S. destinations exhibited as part of the U.S. pavilion.	Deauville, France

## INDUSTRY

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## AUTOMECHANIKA

**SEPTEMBER 14-19, 2004**  
**GERMANY**

In 2002, Automechanika featured more than 3,000 exhibitors, including 200 from the United States, in 250,000 square meters of exhibition area. It attracted 162,635 visitors. This biennial fair is the world's largest display of automotive parts (OEM and aftermarket) and service equipment. Wholesalers and distributors are the primary visitors.

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## NATURAL HEALTH PRODUCTS TRADE MISSION

**SEPTEMBER 20-21, 2004**  
**CANADA**

Canada's new natural health product regulations come into force this year. U.S. companies have an opportunity to take advantage of Canada's growing demand for natural health products. Specific opportunities lie in vitamins and minerals, health food, supplements, herbal products and remedies, and homeopathic medicines. Industry analysts will explain Canada's new regulations, as well as customs, legal, and other issues. Whether U.S. firms are looking for new customers, representation, or other business relationships, the staff of the Commercial Service in Montreal will set up appointments and provide the latest market information.

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*A full listing of trade events is available  
via [www.export.gov](http://www.export.gov).*

TRADE  
EVENTS



# Ex-Im Bank Helps Companies Boost Exports to Latin America

## Partners in Financing Provide Security

By John A. Emens

*Export Finance Group, Export-Import Bank of the United States*

**L**atin America offers many exciting opportunities to U.S. companies. Whether large or small, new to exporting or experienced in global trade, U.S. firms with their sights set on Latin America have a valuable partner in the Export-Import Bank of the United States (Ex-Im Bank).

Ex-Im Bank is the official export credit agency of the United States. By providing export financing that otherwise would not be available, Ex-Im Bank helps thousands of U.S. companies to expand their businesses and create and maintain employment in the United States.

Take Resources Group, of St. Louis, Mo., and S&M Machine, of Oconto Falls, Wis. These small businesses sold a multi-spindle, automatic bar lathe to Precision S.A. de C.V. of Lomas Altas, Mexico, backed by an Ex-Im Bank export credit insurance policy.

In the 2003 fiscal year, Ex-Im Bank financing assisted 2,707 export sales, of which more than 83 percent were small business transactions. Overall, the bank authorized \$10.5 billion in loans, guarantees, and export credit insurance, supporting \$14.3 billion worth of U.S. exports.

Ex-Im Bank's stock in trade is to go where commercial banks won't go, and to shoulder risks that the private sector

will not take on, primarily in developing markets where opportunities for sales growth are often great. Although every transaction the bank approves must meet the requirement of reasonable assurance of repayment, Ex-Im Bank takes risks where others fear to tread.

Ex-Im Bank also levels the playing field for U.S. exporters who face competition from foreign companies that are supported by their governments' export credit agencies.

Latin America is an important market to U.S. exporters. Mexico accounts for one-eighth of total U.S. exports. In the 10 years since NAFTA took effect, U.S.-Mexican trade has nearly tripled, to the benefit of both countries. As a World Bank report last year noted, "NAFTA has brought significant economic and social benefits to the Mexican economy."

While Ex-Im Bank supports exports throughout the world, Latin America and the Caribbean account for one-quarter of its total authorizations.

Ex-Im Bank brings expertise to all kinds of export transactions, such as oil field equipment and technology, machinery and power projects, school textbooks, food, and engineering services. And no transaction is too small. This is important, because the ability to offer financing or credit terms is often the most critical element in competing for, and securing, export sales.

If a U.S. company needs to insure foreign receivables, Ex-Im Bank has a program that is especially helpful, an export credit insurance program. The insurance protects U.S. exporters against payment default by foreign buyers. And the insured receivables can be used as collateral to get Ex-Im Bank-guaranteed working capital financing, as well as to offer foreign buyers favorable credit terms. For example, Poultry and Industrial Suppliers Inc., of Miami, Fla; CTB Inc., of Milford, Ind.; and Betco Inc., of Statesville, N.C., are using Ex-Im Bank insurance to support sales to Mexico of hog feeding, watering, housing, and penning equipment.

If you operate a small U.S. company that needs money to produce products to fill a foreign order, the working capital

guarantee program could help you. An Ex-Im Bank working capital guarantee enables commercial lenders to make working capital loans to U.S. exporters for various export-related activities. An exporter may use the program to buy raw materials and finished goods for export, to pay for materials, labor, and overhead to produce goods for export, and to cover stand by letters of credit, and bid and performance bonds. Monosep Corporation, a small business in Broussard, La., is able to sell water treatment systems to Brazil, backed by an Ex-Im Bank-guaranteed revolving working capital loan from a commercial bank.

For American firms that need to offer foreign buyers competitive credit to secure sales of goods and services, Ex-Im Bank can offer medium-term guarantees of commercial loans. U.S. exporters can offer credit terms of up to seven years' repayment to their customers, with the commercial and political risks of default covered 100 percent by Ex-Im Bank. Architects and engineers at Armentrout Roebuck Matheny Consulting Group, Athens, Ga., are designing and building a new two-story elementary school in the Caribbean nation of Granada, backed by an Ex-Im Bank-guaranteed, commercial bank loan. The seaside school's structural steel framing suffered severe corrosion from the salt air.

Ex-Im Bank offers long-term loan guarantees as well. The bank has provided several billion dollars of support to Pemex in recent years in the form of long-term guarantees to enable this Mexican oil and gas company to buy U.S. equipment and services for projects in Burgos Basin, the Bay of Campeche, and elsewhere.

And for U.S. companies competing for contracts for large infrastructure projects in countries seeking to limit their government debt, Ex-Im Bank has a solution: limited recourse project



finance. With this type of financing, no government guarantee is needed. Repayment is based on revenues from the project itself.

Ex-Im Bank also has several incentive programs to support U.S. exports. For example, environmental exports, medical equipment exports, and transportation security equipment exports all qualify for special financing enhancements.

Ex-Im Bank has a master guarantee agreement with, among others, Nacional Financiera (Nafinsa), which makes Nafinsa an Ex-Im Bank guaranteed lender. Under the arrangement with Nafinsa, Ex-Im Bank can guarantee up to 85 percent of loans made by Nafinsa to Mexican companies for their purchases of U.S. goods and services. Using this program, Mexican companies can obtain more favorable credit terms for their purchases.

In addition, Ex-Im Bank has a foreign currency agreement with Nafinsa. This allows Nafinsa to offer peso-denominated loans guaranteed by Ex-Im Bank to small and medium-sized Mexican enterprises buying U.S. products.

Ex-Im Bank is constantly working to develop new financing products and programs to meet changing customer needs. The bank works closely with

U.S. government agencies, such as the Commerce Department, Small Business Administration, Overseas Private Investment Corporation, and Trade and Development Agency, to provide export financing and assistance to U.S. companies. Commerce Department Export Assistance Centers are located around the United States, and trade professionals at them provide counseling on a variety of products and services from Ex-Im Bank and other trade-related agencies, geared to small and medium-sized businesses. To locate the center nearest you, visit [www.export.gov](http://www.export.gov) or see the back cover of this magazine.

In addition, Ex-Im Bank has delegated authority lenders around the United States. These are commercial lenders that are authorized to provide Ex-Im Bank-guaranteed working capital financing to exporters on an expedited basis, without prior approval from Ex-Im Bank. These lenders are listed on Ex-Im Bank's Web site.

To learn more about Ex-Im Bank products and services, visit [www.exim.gov](http://www.exim.gov), or call (800) 560-EXIM (3946) and select the option to be connected to the Ex-Im Bank regional office nearest you. ■



U.S. DEPARTMENT OF COMMERCE  
INTERNATIONAL TRADE ADMINISTRATION  
Room 3414  
1401 Constitution Avenue, NW  
Washington, DC 20230



# U.S. Export Assistance Centers

U.S. DEPARTMENT OF COMMERCE

## ALABAMA

Birmingham  
(205) 731-1331

## ALASKA

Anchorage  
(907) 271-6237

## ARIZONA

Phoenix (602) 640-2513  
Tucson (520) 670-5540

## ARKANSAS

Little Rock (501) 324-5794

## CALIFORNIA

Bakersfield (Kern County)  
(661) 637-0136  
Indio (760) 342-4455  
Fresno (559) 227-6582  
Inland Empire  
(909) 466-4134  
Downtown Los Angeles  
(213) 894-4231  
West Los Angeles  
(310) 235-7104  
Monterey (831) 641-9850  
North Bay (415) 492-4546  
Oakland (510) 273-7350  
Orange County  
(949) 660-1688  
Ventura County  
(805) 676-1573  
Sacramento  
(916) 498-5155  
San Diego (619) 557-5395  
San Francisco  
(415) 705-2300  
San Jose (408) 271-7300

## COLORADO

Denver (303) 844-6001

## CONNECTICUT

Middletown  
(860) 638-6950

## DELAWARE

Served by the Philadelphia  
U.S. Export Assistance Center

## DISTRICT OF COLUMBIA

Served by the Baltimore  
U.S. Export Assistance Center

## FLORIDA

Clearwater (727) 893-3738  
Miami (305) 526-7425  
Ft. Lauderdale  
(954) 356-6640  
Orlando (407) 648-6235  
Tallahassee (850) 942-9635

## GEORGIA

Atlanta (404) 657-1900  
Savannah (912) 652-4204

## HAWAII

Honolulu (808) 522-8040

## IDAHO

Boise (208) 334-3857

## ILLINOIS

Chicago (312) 353-8040  
Peoria (309) 671-7815  
Rockford (815) 987-8123  
Lake County (847) 327-9082

## INDIANA

Indianapolis (317) 582-2300

## IOWA

Des Moines (515) 288-8614

## KANSAS

Wichita (316) 263-4067

## KENTUCKY

Lexington (859) 225-7001  
Louisville (502) 582-5066  
Somerset (606) 677-6160

## LOUISIANA

New Orleans (504) 589-6546  
Shreveport (318) 676-3064

## MAINE

Portland (207) 541-7400

## MARYLAND

Baltimore (410) 962-4539

## MASSACHUSETTS

Boston (617) 424-5990

## MICHIGAN

Detroit (313) 226-3650  
Grand Rapids (616) 458-3564  
Pontiac (248) 975-9600  
Ypsilanti (734) 487-0259

## MINNESOTA

Minneapolis (612) 348-1638

## MISSISSIPPI

Raymond (601) 965-4130

## MISSOURI

St. Louis (314) 425-3302  
Kansas City (816) 410-9201

## MONTANA

Missoula (406) 542-6656

## NEBRASKA

Omaha (402) 597-0193

## NEVADA

Las Vegas (702) 229-1157  
Reno (775) 784-5203

## NEW HAMPSHIRE

Portsmouth (603) 334-6074

## NEW JERSEY

Newark (973) 645-4682  
Trenton (609) 989-2100

## NEW MEXICO

Santa Fe (505) 827-0350

## NEW YORK

Buffalo (716) 551-4191  
Harlem (212) 860-6200  
Long Island (516) 739-1765  
Rochester (585) 263-6480  
Westchester (914) 682-6712  
New York City  
(212) 809-2642

## NORTH CAROLINA

Charlotte (704) 333-4886  
Greensboro (336) 333-5345  
Raleigh (919) 715-7373

## NORTH DAKOTA

Served by the Minneapolis  
U.S. Export Assistance Center

## OHIO

Akron (330) 237-1264  
Cincinnati (513) 684-2944  
Cleveland (216) 522-4750  
Columbus (614) 365-9510  
Toledo (419) 241-0683

## OKLAHOMA

Oklahoma City  
(405) 608-5302  
Tulsa (918) 581-7650

## OREGON

Portland (503) 326-3001

## PENNSYLVANIA

Harrisburg (717) 221-4510  
Philadelphia (215) 597-6101  
Pittsburgh (412) 395-5050

## PUERTO RICO

San Juan (787) 766-5555

## RHODE ISLAND

Providence (401) 528-5104

## SOUTH CAROLINA

Charleston (843) 760-3794  
Columbia (803) 765-5345  
Greenville (864) 271-1976

## SOUTH DAKOTA

Sioux Falls (605) 330-4264

## TENNESSEE

Knoxville (865) 545-4637  
Memphis (901) 323-1543  
Nashville (615) 259-6060

## TEXAS

Austin (512) 916-5939  
Dallas/Arlington  
(817) 277-1313  
Fort Worth (817) 212-2673  
Houston (281) 449-9402  
San Antonio (210) 228-9878

## UTAH

Salt Lake City (801) 524-5116

## VERMONT

Montpelier (802) 828-4508

## VIRGINIA

Arlington (703) 524-2885  
Richmond (804) 771-2246

## WASHINGTON

Everett (425) 248-2010  
Seattle (206) 553-5615  
Spokane (509) 353-2625  
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