



Mission Statement Under Secretarial Business Development Mission to India November 29-December 5, 2006



Mission Description

The Commerce Department's International Trade Administration (ITA) and its U.S. Commercial Service posts in India will host a U.S. delegation to the India Business Summit to be led by Under Secretary for International Trade Franklin L. Lavin, November 29-30, 2006. Leaders of U.S. business, industry, education, and state and local government are among those encouraged to take part in the Summit, which will provide access to India's high-level business, industry, and government representatives and opportunities to gain timely insights into the country's trade and investment climate in strategic breakout sessions. Following the Summit, the U.S. Commercial Service posts in India will concurrently host spin-off missions for U.S. exporters in Bangalore, Calcutta, Chennai, Hyderabad, and New Delhi, December 4-5, 2006, and in Mumbai, December 1 and 4, 2006. The spin-off missions will be open to qualified U.S. business representatives in a wide range of sectors and will include market briefings, networking receptions, and one-on-one business appointments with prospective agents, distributors, partners, and end-users. U.S. applicants may opt to participate only in the Summit, in both the Summit and a spin-off mission, or in a spin-off mission only. Participation in the Summit will be open to 200 U.S. applicants. Participation in the spin-off missions will be offered on a first-come, first-served basis to 20 appropriate companies per city.

This precedent-setting initiative, potentially involving the largest ever overseas delegation of its kind led by a U.S. Government official, will serve as the capstone of a year of successful activities conducted under the auspices of the U.S.-India Commercial Dialogue, honoring the commitment of President Bush and Indian Prime Minister Manmohan Singh to revitalize bilateral trade discussions.

Commercial Setting

The Indo-U.S. relationship is in the midst of a remarkable transformation. The two countries, politically and economically distant for much of the late twentieth century, now find their national interests converging on many points. The Indian market, and its one billion plus population, presents lucrative and diverse opportunities for U.S. exporters with the right products, services, and commitment. For calendar year 2005, U.S.-Indo two-way merchandise trade reached an all-time high of over \$26 billion, with U.S. merchandise exports to India almost reaching \$8 billion, up 30 percent over 2004 and nearly double our exports in 2002.

India's infrastructure, transportation, energy, environmental, health care, high-tech, and defense sector requirements for equipment and services will exceed tens of billions of dollars in the mid-term as the Indian economy globalizes and expands. India's gross domestic product (GDP), currently growing at over 8 percent annually (according to the International Monetary Fund), makes it one of the fastest growing large economies in the world. Construction of nearly everything from airports to container ports to teleports is setting the stage to remake India. India's entrepreneurs and technologists have the dynamism and knowledge to make their country a global economic power. While high tariffs and poor infrastructure present the biggest obstacles to foreign investment and growth, India's infrastructure requirements also present trade and investment opportunities for American companies.

Key factors for doing business successfully in India include finding good partners who have knowledge of the local market and procedural issues; good planning; due diligence and follow-up; and perhaps most importantly, patience and commitment. U.S. companies, particularly small and medium-sized enterprises, should consider approaching India's market on a local level, as good localized information is a key to success in such a large and diverse country. U.S. Commercial Service posts in Bangalore, Calcutta, Chennai, Hyderabad, Mumbai, and New Delhi will provide delegation members with indispensable information and advice based on their close contacts with local business and economic leaders.

Bangalore: With a population of 7 million, Bangalore is the capital of the State of Karnataka and the Silicon Valley of India. Also known as the Knowledge Capital and Biotechnology Capital, the city is India's high-profile Information Technology (IT) center. In addition to its thriving IT and biotech sectors, Bangalore is the hub to India's aerospace, electronics, machine tools, automation and food processing industries. Opportunities also abound in and around Bangalore in infrastructure development projects, including airports, ports, roads, hardware/biotechnology industrial parks and townships.

Calcutta: With a metropolitan population of 13 million, Calcutta (known officially as Kolkata since 2001) is the capital of the state of West Bengal. Calcutta is the main commercial and financial hub of eastern India, which is home to a population of 280 million, who live in 12 states, contributing 22 percent of India's annual net domestic product. The Communist party-led state government has in recent years adopted more investor friendly policies, which has led to a spurt in the city's growth. Over 25 U.S. companies currently have a presence in Calcutta in sectors such as IT, chemicals and petrochemicals, financial services, consumer goods, and engineering. American fast food companies such as Pizza Hut, Subway, McDonalds, and KFC are among the favorite anchor stores in many shopping malls. IT and IT Enabled Services (ITES), real estate, retail, food-processing, banking and insurance, chemicals and petrochemicals, and healthcare are burgeoning sectors in West Bengal that are receiving investment from India and abroad. Additional opportunities are emerging in infrastructure development projects, including power generation and airport and port development.

Chennai: With a population of over 4 million, Chennai (formerly called Madras), the capital of the State of Tamil Nadu, is fast becoming the "Detroit of India," with Ford, Hyundai, and Mitsubishi manufacturing outside the city for both the local Indian and export markets. Other notable companies, such as Nokia, Motorola, and Flextronics, also have manufacturing facilities just outside Chennai, as do many IT and ITES companies. Chennai has a good and growing medical infrastructure and new hospitals are being planned, creating opportunities for medical equipment and technology sales. Other promising sectors include chemicals, petrochemical processing, pharmaceuticals, education, entertainment, financial services, food processing, renewable energy, safety and security, and environmental technologies. Chennai has a well-developed major port and an international airport.

Hyderabad: With a population of 7 million, Hyderabad is the capital city of the state of Andhra Pradesh and home to a number of prestigious institutions, such as the Indian School of Business, and key Indian public sector and defense enterprises. The city is also home to many major Indian pharmaceutical/biotechnology companies, including Dr. Reddy Labs, Shanta Biotech, Aurobindo Biotech, and Bharat Biotech. A number of U.S. companies have set up key operations in Hyderabad, such as Microsoft's India Development Center and Google's India Center. In and around Hyderabad there are good opportunities in a broad range of sectors, including IT, ITES, biotechnology, pharmaceuticals, textiles, food processing, safety and security, and defense. Hyderabad is well connected nationally and internationally with an international airport. To underscore its growing importance, both President George W. Bush and President Clinton visited Hyderabad during their visits to India.

Mumbai: With a population of over 17 million, Mumbai (formerly known as Bombay) is the capital of the State of Maharashtra and the commercial, financial and entertainment capital of India. The city is headquarters to almost all of India's financial institutions, which handle over 35 percent of check clearances in terms of number and 60 percent in terms of value, for the entire country. It is also home to the country's two largest stock exchanges (the Bombay Stock Exchange and the National Stock Exchange), its securities regulatory body, and its central bank (the Reserve Bank of India). Fifteen of the top 20 Indian business houses are also headquartered in Mumbai. Mumbai has two major ports, the Mumbai Port and Jawaharlal Nehru Port, accounting for over 65 percent of India's container traffic, and its airports handle about two-fifths of India's international passenger traffic and one-fourth of its domestic passenger traffic. Mumbai has a wide range of sectors offering significant opportunities, including: entertainment, process controls/instrumentation, machine tools, pollution control, renewable energy, consumer goods, processed foods, infrastructure (ports, rail, roads, power), airport and ground support equipment, education, and scrap (metal, acrylic, paper).

New Delhi: With a population of over 14 million, New Delhi is India's capital and, much like Washington, D.C., it also has a significant and growing private sector mostly located in neighbouring satellite towns. New Delhi's metropolitan area, informally known as the National Capital Region, is now the sixth most populous agglomeration in the world, with an estimated population of 19.7 million. With more than 160 embassies and an ever-growing expatriate population, along with its own multi-ethnic and multi-cultural presence, New Delhi is a cosmopolitan city. Since all major political, strategic, economic and public sector commercial decisions are made here, U.S. companies pursuing business with the government are advised to visit New Delhi to make appropriate contacts. Key opportunities exist in the defense, energy, environment, healthcare, IT, telecommunications, and transportation sectors.

Mission Goals

The goal of the Under Secretarial Business Development Mission to India is to position U.S. firms for long-term business success in this fast-growing market. The Summit will provide access to India's business leaders and senior government officials; expert briefings on the trade and investment climate, including industry breakout sessions and a Commercial Service presentation on how to export to or do business in India; networking opportunities, including a reception hosted by the Ambassador or Consul General; and assistance with logistical matters such as reserving hotel accommodations. The six spin-off events will match participating U.S. companies, as appropriate, with qualified agents, distributors, representatives, licensees, and joint-venture partners in India, and will include networking receptions.

Mission Scenario

Following the two-day Business Summit, some of the participating U.S. companies may wish to return home. However, on a first come first served basis and subject to the participation and selection criteria specified below, interested companies may apply in advance for up to 20 slots per city to take part in the Commercial Service-led spin-off missions. The spin-off missions will occur after the Business Summit within a set two-day time frame and for a set fee to ensure consistency. At each stop, business-to-business networking opportunities will be arranged with Indian companies.

Proposed Timetable

India Business Summit

Tuesday, November 28, 2006

Arrive in Mumbai

Evening Reception

Wednesday, November 29

India Business Summit/Business Summit Breakout Sessions
Evening Reception

Thursday, November 30

India Business Summit/Business Summit Breakout Sessions
Evening Reception

India Business Summit Concludes

Spin-off Mission in Mumbai

Friday, December 1

Consulate/Commercial Service Breakfast Briefing
One-on-one Business Appointments
Evening Networking Reception

*Monday, December 4**

One-on-one Business Appointments
Late Evening Departure for United States

** Companies participating in the Mumbai spin-off mission have the option to sign up for a single day of appointments only, Friday, December 1, which would allow them to return to the United States or to participate in a full two-day spin-off mission in one of the other cities, Monday-Tuesday, December 4-5.*

Spin-off Missions in Bangalore, Calcutta, Chennai, Hyderabad or New Delhi

Monday, December 4

Embassy/Consulate/Commercial Service Breakfast Briefing
One-on-one Business Appointments
Evening Networking Reception

Tuesday, December 5

One-on-one Business Appointments
Late Evening Departure for United States

Criteria for Participation and Selection

For the Summit: Leaders of U.S. business, industry, education, and state and local government are among those encouraged to take part in the Summit. There will be a \$500 fee for participation in breakout sessions and related activities organized by the U.S. Commercial Service for members of the Under Secretary's delegation. This fee does not include travel, meals, or lodging costs or overall registration fees that may be charged by the Summit organizers in India. Participation in the Summit will be open to 200 U.S. attendees. The following criteria apply:

- Relevance of an applicant's interests and activities to mission goals.
- Timeliness of a company's signed application and participation agreement, as well as above-mentioned costs.

For the spin-off missions following the Summit: Participation in the spin-off missions will be offered on a first-come, first-served basis and limited to 20 appropriate U.S. companies per city. Participants in the Mumbai spin-off mission may opt for a single day of appointments, Friday, December 1, for only \$900, after which they could return to the United States or participate in a full two-day spin-off mission in one of the other cities, Monday-Tuesday, December 4-5. The following criteria apply:

- Relevance of a company's business line to mission goals.
- Timeliness of a company's signed application, participation agreement, and supporting materials, including a \$1,600 participation fee (\$900 for a single day of appointments in Mumbai). This fee does not include travel, meals, or lodging costs.
- Company's potential for business in India and in the specific city hosting the spin-off mission for which the company is applying.
- Provision of adequate information on company's products/services, and company's primary market objectives, in order to facilitate appropriate matching with potential business partners.
- Past or current export activity or ability to initiate and sustain immediate export activities. Preference will be given to applicants with some prior export experience.
- Certification that the company meets Departmental guidelines for participation. A company's product or service should be either produced in the United States, or, if not, marketed under the name of a U.S. firm and have at least 51 percent U.S. content of the value of the finished product or service.

Any partisan political activities (including political contributions) of an applicant are entirely irrelevant to the selection process.

Recruitment for the Under Secretarial-led delegation to the Summit and for the spin-off missions will begin June 22, 2006, and will close October 2, 2006. U.S. applicants may opt to participate only in the Summit, in both the Summit and a spin-off mission, or in a spin-off mission only. Applications for the Summit or the missions received after the closing date will be considered only if space and scheduling constraints permit.

Recruitment will be conducted in an open and public manner, including publication in the *Federal Register*, posting on the Commerce Department events calendar – www.ita.doc.gov/doctm/tmcal.html – and other Internet web sites, press releases to general and trade media, direct mail and broadcast fax, notices by industry trade associations and other multiplier groups, and announcements at industry meetings, conferences, and trade shows.

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