

AZ International Trade News

OCTOBER 2008 EDITION

U.S. COMMERCIAL SERVICE - AZ

EXPORT.GOV

ARIZONA DISTRICT
EXPORT COUNCIL

KEY EVENTS

CONTACT US

"Exports boost jobs, grow the economy and allow businesses to prosper." – U.S. Commerce Secretary Carlos Gutierrez

EXPORTECH

DEVELOPING STRATEGIES FOR INTERNATIONAL MARKETS

Presented by the Arizona US Export Assistance Center

in cooperation with
Arizona Manufacturing Extension Partnership
Arizona State University
Arizona Technology Council

February 20, March 27 and May 1, 2009 at ASU SkySong in Scottsdale

Held over a period of three days, spanning approximately three months, this program helps companies enter or expand in global markets, by assisting in the development of a customized international growth plan, vetted by experts, and by building a team of organizations that help companies move quickly beyond planning to actual export sales.

ExporTech leads companies through a facilitated process that prepares them for profitable growth in global markets. Participants will gain an understanding of how exports can be a major growth driver, identify hurdles to expansion, and work with the facilitators to develop a customized international growth plan for their company. The program is limited to approximately eight participants to provide sufficient time and attention to each company's specific challenges. Participants are from non-competing organizations and are encouraged to share strategic information as their plan is being developed.

Participants work as a group through a process to accelerate the pace and increase the success rate of international sales efforts. Working with international business experts, participants will be able to refine their global strategies.

ExporTech offers concrete benefits:

- The content is customized to the specific learning needs of the participants;
- The program delivers an "account team" of resources for each company that helps them rapidly move from planning to actual sales and payment;
- The global strategies and success factors covered are based on real-world company research;
- Speed to market is accelerated as a robust plan is developed in three months;
- Quantifiable cost savings are achieved as participants connect with reputable resources; and,
- Each participant will be matched with a qualified ASU intern for the duration of the course.

For more info contact Sally Spray at (480) 884-1658 or at Sally.Spray@mail.doc.gov

GlobalAdvantage Award Winners Announced in Tucson

On Monday, October 6th, Governor Janet Napolitano presented the inaugural GlobalAdvantage awards for global business excellence in Tucson. All three winners have made extensive use of U.S. Commercial Service products to develop their international business development networks. Over 400 people were in attendance for the Governor's first southern Arizona "International State of the State Address" at the Westin La Paloma.

The winners are:

2008 New Exporter of the Year ALICAT SCIENTIFIC, INC. Donald Hughes, President

Mass flow meters, mass flow controllers and pressure controllers have been the focus of Alicat Scientific, Inc.'s business since its founding in 1991. In the last year, Alicat has made a concerted effort to build its international network. As a result, Alicat signed partnerships and made sales in eight new markets in Europe and Asia in 2008. International sales now account for 25% of the company's revenue.

2008 Global Business of the Year GLOBAL SOLAR ENERGY, INC. Michael Gering, CEO

Tucson's Global Solar Energy was founded in 1996 and has evolved into a major producer of thin-film photovoltaic Copper Indium Gallium DiSelenide (CIGS) solar cells. In 2008, GSE inaugurated its new manufacturing plant in Tucson, capable of producing 40 Megawatts (MW) of solar material annually, and added a plant in Berlin, Germany. Since 1996 the company has grown from 7 to over 160 employees in Tucson. This growth is in large part due to the company's international focus; GSE's sales network includes several international dealers, distributors, representatives and OEM customers, accounting for 49% of the company's total revenues. GSE investors include Solon, a German solar industry leader.

2008 Global Leader of the Year DOUGLAS GOODMAN Ridgetop Group. Inc.

Doug Goodman is an entrepreneur committed to developing international opportunities for both his company, Ridgetop Group, and for Arizona's Nanotechnology Cluster, which he cofounded. Ridgetop's electronic design tools are now being sold in key markets in North America, Europe and Asia. Under Doug's leadership, Ridgetop's "positive cross-cultural atmosphere" includes inviting promising international students to Tucson for internships, giving the company fresh R&D perspectives. Meanwhile, Doug's efforts continue to build the Nanotechnology Cluster's research and business ties worldwide, making it an increasingly important growth catalyst for Arizona.

Article contributed by Eric Nielsen, Director, Arizona USEAC

Sunbelt World Trade Association Breakfast

7:30-9 am Tuesday, Oct. 21, Sheraton Four Points, 1900 E. Speedway Blvd. Howard Weiss, Pres, The Weiss Company, and Seawater Foundation Communication Director, will speak on "Seawater Agriculture: Addressing Global Warming, Food Production, Alternative Energy and Sea Level Rise." All are welcome. No reservation needed. \$15 general, \$12 members; info 360-2240 or pederca@msn.com

Selling to Maquilas 101

On September 9th, the Arizona U.S. Export Assistance Center led the first SELLING TO MEXICO'S MAQUILADORAS 101 in Nogales, Sonora, Mexico. As part of the Border Trade Initiative, "Maquiladoras 101" was a one-day program designed to prepare companies to develop sales in Mexico's large manufacturing sector.

"A maquiladora or maquila is a manufacturing factory that imports materials and equipment on a duty-free basis for assembly or manufacturing and then re-exports the assembled goods, usually back to the country of origin." To read Joe Pangburn's full article from Inside Tucson Business please visit

http://www.azbiz.com/articles/2008/09/16/news/doc48caa82ce32a0165927179.txt

Forty paying participants representing thirty companies from Phoenix and Tucson boarded a chartered bus for a day (that began at 6:30 a.m. and ended at 10:30 pm) that included an onsite briefing from Mexican Immigration and Customs about business visas and the process of clearing U.S. goods destined for maquiladoras, tours of Nogales, Sonora's two largest maquiladora shelter plant operations, Collectron and Javid, industry-focused presentations addressing maquiladora fundamentals such as the competitive environment, growth opportunities, purchasing, quality, and logistics, and a final stop at Amphenol's large plant for the manufacture of defense-related connectors.

Because of the success of the program, The Arizona U.S. Export Assistance Center is planning to repeat the effort in September 2009. Please visit www.buyusa.gov/arizona/events for a complete listing of trade related events and activities.

SAVE THE DATE: The Annual BIS Export Controls Seminar January 27 – 28, 2009 in Scottsdale, AZ

The two-day program is led by BIS's professional counseling staff and provides an in-depth examination of the EAR. The program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods. We will focus on what items and activities are subject to the EAR; steps to take to determine the export licensing requirements for your item; how to determine your export control classification number (ECCN); when you can export or re-export without applying for a license; export clearance procedures and record keeping requirements; an overview of the Export Compliance Management Program (ECMP) concepts; and real life examples in applying this information. Presenters will conduct a number of "hands-on" exercises that will prepare you to apply the regulations to your own company's export activities.

CUSTOMS ASSESSING PENALTIES FOR AES FILINGS (former SED)

Sept. 30, 2008 was "D-Day" for enforcement of the Census Bureau's final rule revising the Foreign Trade Regulations (FTR). The final rule on mandatory Automated Export System filing for all shipments requiring Shipper's Export Declaration information (73 Fed. Reg. 31548) was published June 2, 2008, and took effect on July 2. However, a three-month "grace period" was granted to allow time for trade pros to become compliant before actual enforcement began. The new regulations:

- 1. Mandate electronic filing of export data through the Automated Export System (AES)—signaling the demise of the paper Shippers Export Declaration.
- 2. Authorize significantly greater penalties for violations of the FTR (fines for noncompliance with the new AES rule have increased tenfold, to a maximum of \$10,000 per incident for criminal violations and \$10,000 in civil penalties);
- 3. Provide a process for voluntary self-disclosures of violations; and
- 4. Contain numerous modifications to the previous regulations that could have a substantial impact on exporters' compliance procedures.

If you need assistance with AES issues, please contact your local Trade Specialist. A staff member directory is located at the end of this newsletter.

U.S. Commercial Service Expands Presence in 12 World MarketsExpansion links U.S. businesses to developing nations

The U.S. Commercial Service will enter six new markets and expand its presence in six existing markets in an effort to help American businesses reach out to developing economies and help to create a pro-United States trade environment.

The new markets include Brunei, Cyprus, Oman, Sri Lanka, Tunisia and Nicaragua. Services will be offered through State Department Economic Sections at U.S. Embassies and Consulates.

In addition, the Commercial Service will expand its presence in six existing markets by opening its own offices in American Embassies and Consulates. Those markets include Tripoli, Libya; Recife and Porto Alegre, Brazil; Wuhan, China; and Baku, Azerbaijan. The expansion also includes creating a formal post for a senior commercial officer in the Algiers, Algeria office.

Services at all locations will include counseling, matchmaking, advocacy, customized market research, participation in trade shows and more.

The Commercial Service's emerging market strategy is to bring together U.S. exporters and international customers, helping to facilitate new business that will lead to economic growth and job creation, both at home and abroad.

The new Commercial Service offices will be opening in the next few months, and services will be offered at the U.S. Embassies as soon as State Department staff completes training.

Medica 2008 CEO Program, November 19 – 22, Germany

The time is right to prepare for MEDICA, November 19-22, 2008 in Düsseldorf, Germany. No other event compares to MEDICA, the world's largest and most prestigious medical technology and equipment show. With 4,400 exhibitors and over 137,000 trade only visitors from 100 countries in 2007, MEDICA opens markets across the globe.

Within the framework of MEDICA 2008 the U.S. Commercial Service in Düsseldorf offers a wide range of no-cost services for U.S. exhibitors to support your sales efforts in Germany and Europe before, during and after the event. In addition, the U.S. Commercial Service offers the CEO program, which is a lower cost option for U.S. companies to have a presence at MEDICA without having to incur the higher expenses as a U.S. exhibitor. As a CEO participant, you will have an individual assistant who works the show for you. Our commercial specialists in U.S. Embassies throughout Europe and beyond will actively promote your company to their very best medical industry contacts under the Showcase Europe Medical program and encourage meetings with you at the show. For detailed information, please visit

http://www.buyusa.gov/germany/en/medica2008_ceoprogram.html

U.S. Pavilion at Major International Trade Show for Smartcards

The U.S. Department of Commerce has granted Trade Fair Certification to Exposium to organize the official U.S. Pavilion at CARTES & IDentification 2008, Paris, France, Nov. 4-6, 2008. This annual show is the world's leading event for digital security, electronic documents, and contactless and smartcard technologies. Over 500 exhibitors and more than 20,000 visitors are expected at the 2008 event. US Companies participating in the U.S. Pavilion are provided with an excellent venue to establish or expand overseas distribution, generate sales leads, identify licensing and joint venture partners, find new customers, meet with existing clients, introduce new products, assess the needs of the European and international markets, and evaluate competitors. For additional information about attending or exhibiting at CARTES & Identification 2008, contact the U.S. sponsor of the event, Randy Vanderhoof of Smart Card Alliance, phone 609-587-4208, e-mail rvanderoof@smartcardalliance.org.

US - CANADA Energy Partnering Exhibition/Seminar at the APPro Conference, Toronto, Canada, November 18-19, 2008

This partnering seminar is organized in conjunction with the Association of Power Producers of Ontario (APPrO) Annual Conference. A large number of visitors from the Canadian power related industries is expected. More information available at http://conference.appro.org

Learn more/register: http://www.buyusa.gov/canada/en/energypartneringatappro.html

Business Service Provider Directory

Are you looking for new customers? Then look into the U.S. Commercial Service's <u>Business</u> <u>Service Provider Directory</u>

If you provide a product or service that is useful to U.S. exporters or an international buyer, use our Business Service Provider (BSP) Directory to promote your company to these prospective customers. For a low annual subscription fee of \$300, your company's profile, including contact information and logo, will be listed in our online BSP Directory where it will be seen by thousands of prospective customers.

For a complete list of available BSP categories, standards, participation guidelines, and to sign up, please visit http://www.buyusa.gov/arizona/bsp_quidelines.html

For more information please contact Mr. Kristian Richardson at 602-254-2907 or e-mail him at <u>Kristian.Richardson@mail.doc.gov</u>

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*To watch a video about how we help companies profit through international sales, visit: <u>http://www.imagespark.com/azexport</u>