



January 2008

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India: New Validated End-User (VEU) Program

The U.S. Department of Commerce has announced the establishment of the Validated End-User (VEU) program for India, which will lift individual license requirements on the export of U.S.-controlled items to certain customers in India. A "Validated End-User" is a pre-screened company in India that meets the security requirements of a U.S. Government interagency review process to import certain U.S.-controlled items without individual licenses. For more information, go to

<http://www.bis.doc.gov/usindiaexportrule.html>

Tip of the Month: Border Wait Times

Knowing where the logjams are may allow you to choose an alternative entry point where wait times are shorter or schedule your land border crossings at times of least congestion. Custom and Border Patrol's homepage detailing wait times at every land border, updated hourly, shows the estimated wait times for reaching the primary inspection booth, the first point of contact with CBP when crossing the Canada-U.S. and Mexico-U.S. land borders.

Go to:

<http://apps.cbp.gov/BWT/>

(Reprinted with permission from the January 2008 edition of IOMA's "Managing Imports and Exports")

Preparing Your Product for Export

Selecting and preparing your product for export requires not only product knowledge but also knowledge of the unique characteristics of each market being targeted. Market research and foreign representatives contacts should give the U.S. company an idea of what products can be sold and where. However, before the sale can occur, the company may need to modify a particular product to satisfy buyer tastes or needs in foreign markets.

The extent to which the company will modify products sold in export markets is a key policy issue to be addressed by management. Some exporters believe the domestic product can be exported without significant changes. Others seek to consciously develop uniform products that are acceptable in all markets. If the company manufactures more than one product or offers many models of a single product, it should start with the one best suited to the targeted market. Ideally, the firm chooses one or two products that fit the market without major design or engineering modifications. Doing so works best when the U.S. company:

- Deals with international customers that have the same demographic characteristics or the same specifications for manufactured goods;
- Supplies parts for U.S. goods that are exported to foreign countries without modifications;
- Produces a unique product that is sold on the basis of its status or foreign appeal; or produces a product that has few or no distinguishing features and that is sold almost exclusively on a commodity or price basis.

Questions to Consider:

- Should the firm modify its domestic-market product for sale abroad? Should it develop a new product for the foreign market?
- What specific features, such as design, color, size, packaging, brand and warranty should the product have?
- What specific services are necessary abroad at the pre-sale and post-sale stages?
- Are the firm's service and repair facilities adequate?
- What foreign needs does the product satisfy?

To read more on this topic, go to: <http://www.unzco.com/basicguide/c7.html#questions>.

Tijuana's Border Program

This program offers participants hands-on exposure to the physical transportation and documentation process of cross-border trade. It enhances the participant's knowledge of the economic and trade dynamics of the region and provides specific insight into how to export into this important business market. If you are seeking to launch or expand your export business south of the border, you will not want to miss this event.

For more information, visit:

http://www.export.gov/eac/show_detail_trade_events.asp?EventID=14767

Penalties and Scope of Export Enforcement Rise Sharply

The maximum civil penalty that can be imposed for a violation of U.S. export regulations has increased almost 25-fold in the past 19 months. Criminal penalties for willful violations by companies and individuals are now 20 times greater than the previous maximum. Under the rules, penalties are retroactive; the new rules apply to any violations with respect to which enforcement action "commenced" on or after Oct. 16, 2007, regardless of when the violations occurred. In addition, federal agents are increasingly setting up false fronts, going undercover, and employing wiretaps and similar tools in their efforts to gather evidence in export control cases. Federal prosecutions in such cases rose to 100 in FY 2006, compared with 60 in FY2005, but even that doesn't tell the whole story. The Justice Department is still tallying what it describes as a "significant" rise in prosecutions for conspiracy to commit illegal exports.

Where Do Export Processes Break Down?

- Failure to determine jurisdiction and document a rationale
- Improper export classification — blanket use of EAR 99
- U.S. re-export regulations are not followed in other countries
- Technology released to foreign persons and "deemed exports" has been ignored
- Failure to control server access
- Commercial items are altered for military use without applying ITAR processes
- Encryption software and technology is shipped without proper classification
- All parties to the export transaction are not screened (name, address, end use, diversion risk, and country embargo)
- Failure to audit

(Excerpt reprinted with permission from the January 2008 edition of IOMA's "Managing Imports and Exports" www.ioma.com/global)

China Domain Name Strategies for US Exporters January 22, 2008

Has your company thought about registering a web address in China? Have you been approached by an Asia-based consultant offering to register your domain name in the PRC? Join this webinar to understand the value of a China domain name presence, how to get one and how to avoid trouble. This webinar, organized by the U.S. Commercial Service with support from the U.S. Patent and Trademark Office, is focused on educating small and medium-sized U.S. exporters on China Domain Names issues and strategies. The program will be conducted on Tuesday, January 22, 2008, from 10:00 — 11:15am EST. The registration fee is \$35 and you can participate right at your desk! To register, go to:

<http://www.buyusa.gov/midwest/204.html>

Questions? Contact:

Julie.carducci@mail.doc.gov

U.S. and Mexico: Building Partnerships in Infrastructure Conference

The U.S. Trade and Development Agency (USTDA) is sponsoring a Conference entitled "**U.S. and Mexico: Building Partnerships in Infrastructure**" to be held in Mexico City, Mexico on February, 26-28, 2008. The U.S. Commercial Service in Mexico is co-sponsoring the Conference with USTDA to facilitate U.S. – Mexican business partnerships in infrastructure.

The catalyst for this event is Mexican President Calderon's launch of the [National Infrastructure Program \(NIP\)](#) to increase investment in infrastructure from 3% to 8% of GDP by 2012. The NIP highlights more than 300 infrastructure projects, primarily in the transportation, energy, and environmental sectors, and outlines goals and strategies to increase the coverage, quality and competitiveness of Mexico's infrastructure.

With this in mind, the Conference has two main objectives:

- 1) Identify near-term business opportunities related to the NIP and USTDA's portfolio in Mexico for U.S. firms and,
- 2) Promote U.S. – Mexican partnerships linked to these projects to facilitate U.S. exports.

The [agenda](#) has been developed with these objectives in mind and includes Mexican project delegate presentations on project opportunities as well as many networking and prescheduled one-on-one meeting opportunities between U.S. companies, Mexican project delegates, Mexican companies, and U.S. government officials. In addition to participation there are also several [sponsorship opportunities](#) for U.S. companies, which include exhibit space. Senior U.S. and Mexican officials have confirmed their participation, including the **U.S. Secretary of Commerce Carlos Gutierrez**, who will speak and moderate a panel at the Opening Plenary.

This Conference represents the *best opportunity* in 2008 for U.S. companies who are seriously interested in pursuing the real business opportunities represented by projects under the NIP.

Contact our office for additional information: 817-310-3744



Featured **U.S. Exporters** (or FUSE) is a directory of U.S. products featured on U.S. Commercial Services websites around the world. It gives your company an opportunity to target specific markets in the local language of business. Currently, listings are offered to qualified U.S. exporters seeking trade leads or representation in over 50 markets around the world. The nominal participation fee for one year (minimum \$25) is based on the number of markets selected and translation requirements. You are required to choose at least 5 English language markets, or some other combination totaling \$25 USD or more. Companies that wish to renew their listings may pay a reduced fee.

This program is only offered to current clients of the U.S. Commercial Service. If you are interested in learning more about the U.S. Commercial Service, please locate the office nearest to you by zip code. Due to the high volume of requests, we are unable to reply to companies which do not meet the qualifications for this program. Some products may not be available for listing in certain markets.

Learn more at <http://www.buyusa.gov/home/fuse.html>

EX-IM LOAN GUARANTEE: COMPETITIVE FINANCING FOR INTERNATIONAL BUYERS

EX-IM BANK ASSISTS EXPORTERS BY GUARANTEEING TERM FINANCING TO CREDITWORTHY INTERNATIONAL BUYERS, BOTH PRIVATE AND PUBLIC SECTOR, FOR PURCHASES OF U.S. GOODS AND SERVICES. WITH EX-IM BANK'S LOAN GUARANTEE, INTERNATIONAL BUYERS ARE ABLE TO OBTAIN COMPETITIVE TERM FINANCING FROM LENDERS WHEN FINANCING IS OTHERWISE NOT AVAILABLE OR THERE ARE NO ECONOMICALLY VIABLE INTEREST RATES ON TERMS OVER ONE-TO-TWO YEARS.

BENEFITS: ENABLES INTERNATIONAL BUYERS TO OBTAIN LOANS FROM LENDERS; COVERS 100% OF COMMERCIAL AND POLITICAL RISKS; FLEXIBLE FINANCING OPTIONS AND REPAYMENT TERMS; NO LIMITS ON TRANSACTION SIZE; MEDIUM-TERM AND LONG-TERM FINANCING AVAILABLE.

EX-IM BANK'S GUARANTEE OF A LENDER'S LOAN TO AN INTERNATIONAL BUYER IS GENERALLY USED FOR FINANCING PURCHASES OF U.S. CAPITAL EQUIPMENT AND SERVICES. FINANCING MAY ALSO BE AVAILABLE FOR:

REFURBISHED EQUIPMENT, SOFTWARE, CERTAIN LEGAL AND BANKING FEES, CERTAIN LOCAL COSTS AND EXPENSES

FIND MORE INFORMATION ABOUT EX-IM'S LOAN GUARANTEE AT [HTTP://WWW.EXIM.GOV/PRODUCTS/LOAN_GUAR.CFM](http://www.exim.gov/products/loan_guar.cfm)

ADVERTISE IN THE NORTH TEXAS EXPORT NEWSLETTER

Are you a local company that would like visibility in the export arena?

Have your business advertise in the monthly edition of North Texas Export News. Your company can be seen by thousands of U.S. exporters looking for access to local business services.

We will feature your detailed company description, logo, corporate website link, and other contact information on the front page of the newsletter, rotating that position with other advertisers in future issues. The newsletter will also be uploaded on our website.

Cost is \$250 for six months.

[Contact our office to place your business in the eyes of thousands.](#)



The North Texas U.S. Export Assistance Center of the U.S. Department of Commerce is part of the U.S. Foreign Commercial Service, an extensive network of trade specialists located throughout the world devoted to assisting U.S. companies expand their international business presence. With offices in 105 cities throughout the U.S. and in more than 150 cities in 90 countries, we're strategically placed to help U.S. firms realize their export potential. Let us show how we can help your business compete and win in today's global economy.

Market of the Month: Chile



Chile goes from deserts in the north to the arctic conditions of Tierra del Fuego, and from the majestic Cordillera de Los Andes, with the tallest peak in the Western Hemisphere at 22,000 feet, to the Pacific Ocean. This is one of Latin America's most open countries, with a stable and attractive market. Its strengths include sound economic policy-making, a transparent regulatory system, an educated workforce and good basic infrastructure. Prudent economic policies and an open attitude toward trade and investment have provided Chile with stable long-term growth.

Since the U.S.-Chile Free Trade Agreement (FTA) came into force on January 1, 2004, bilateral trade between the United States has increased over 154 percent. Chile ended 2006 ranked as the 28th largest export market for the United States, climbing from 29th place in 2005, 30th place in 2004 and 35th place in 2003. The United States was the top source of Chile's imports for 2006 and remained the top destination for Chile's exports. U.S. exports to Chile in 2006 increased by \$4.07 billion over exports in 2003, growing from \$2.72 billion to \$6.79 billion, or by 150 percent. Chile has also benefited tremendously from the FTA; U.S. imports from Chile grew from \$3.71 billion in 2003 to \$9.56 billion in 2006, an increase of 158 percent. Chile's economy grew by 4.3 percent in 2006. The Central Bank of Chile projects 2007 GDP growth of over 5 percent. Chile has maintained a low rate of inflation, with GDP growth coming from high copper prices, solid export earnings (particularly forestry, fishing, and mining), and growing domestic consumption. Chile continues to attract foreign direct investment, but most foreign investment goes into gas, water, electricity, and mining. Unemployment has exhibited a downward trend over the past year, dropping to 7.8% at the end of 2006. Chile also signed or ratified a number of trade agreements in 2006, including with China and India. Chile claims to have more bilateral or regional trade agreements than any other country. It has 57 such agreements (not all of them full free trade agreements), including with Chilean government bidding procedures.

Perhaps the greatest challenge to a U.S. firm seeking to export to Chile is the high degree of competition. Chile is relatively open to trade and investment, and as a result, many foreign firms are already present in the market. A key to competing is finding the right Chilean partner. Chile is a relatively small market, where relationships in the business community are a key to success. The selection of a Chilean agent or representative is an extremely important decision for U.S. exporters and merits a thorough review of possible candidates, their qualifications, and capabilities. A good Chilean agent or distributor can use their business or social connections to open doors. They can also help overcome regulatory, as well as cultural and language barriers. U.S. companies are invited to make full use of the wide range of market entry and partner search services offered by the Commerce Department's U.S. Commercial Service in Chile. Establishing a local subsidiary or branch office in Chile is the appropriate strategy for a U.S. exporter that is convinced sales volume will be large and/or local service support or localized inventory are keys to success. Any corporation legally constituted abroad may form, under its own name, an authorized branch (agencia) in Chile. Another practical and more common market entry strategy, especially for new-to-market exporters, is to appoint an agent or representative with good access to relevant buyers and solid technical expertise.

Best prospects for U.S. exports to Chile include:

Construction	Computer Hardware/Software/Services	Electric Power Equipment
Financial Services	Food Processing/Packaging Equipment	Franchising
Healthcare/Medical Equipment	Mining Equipment	Plastics Machinery/Materials/Resins
Pollution Control/Environmental	Safety and Security Equipment	Telecommunications Equipment

For the complete market research report:

http://www.export.gov/static/doc_Mom_Chile.asp

MARKET RESEARCH

CROATIA: SOLID WASTE MANAGEMENT

Key issues are:

increase in solid waste, very limited recycling, unreliable data concerning waste flows and quantities, and lack of organized disposal sites.

Current market demand:

lining / insulation, impermeable foils for prevention of landfill leachate, bentonit, sludge treatment equipment, conveyors, compactors, facilities/equipment for mechanical biological waste treatment, recycling equipment, equipment for recycling of construction waste.

Contact our office for a copy of the full report.

TRADE LEADS

RUSSIA: MINING / MATERIALS HANDLING INDUSTRIES

Salt mining company looking to purchase scraper conveyors for mines.

Contact our office for more information.

HUNGARY: TELECOMMUNICATIONS INDUSTRY

Voice Communications Management System and Digital Voice Recording System and associated services for Air Traffic Control. This is a foreign government tender.

Our office has additional information.

GREECE: PACKAGING / PLASTICS INDUSTRIES

Security Permanent Seal Tape for courier bag (courier bag to be destroyed at opening attempt) at 35 and 40 mm width One side permanently self adhesive. Adhesive side covered by easily peelable tape.

2008 INTERNATIONAL FRANCHISE EXPO (IFE)
FEBRUARY 2-4
MANILA, PHILIPPINES

The event offers conference programs and seminars, and features a wide range of product categories. There are more than 200 U.S. franchises in the Philippines -- about 70% of all foreign franchises in the country -- which indicates market receptivity to foreign franchises, especially U.S. brands. CS Manila will promote IFE and recruit attendees and, if requested, arrange meetings between potential franchisees (delegates) and US franchise companies for possible expansion into Philippine market.

http://www.export.gov/eac/show_detail_trade_events.asp?EventID=14863

SAFETY AND SECURITY TECHNOLOGY
FEBRUARY 5-8
MOSCOW, RUSSIA

Security and Safety Technologies (SST) is a leading security exhibition and congress event in Russia, CIS and Eastern Europe. For more than ten years the SST Forum has been presenting the largest exhibition by participation, attendance and area in Russia. The expansive congress program, including more than 50 conferences for prospective buyers, end users, and installers, generates tremendous opportunities for business networking and sales. Over 550 security companies from 21 countries present their products and services.

http://www.export.gov/eac/show_detail_trade_events.asp?EventID=26794

EDUCATION AND CAREERS EXPO 2008
FEBRUARY 21-24
HONG KONG

The Education & Careers Expo is the most important forum of its kind in Hong Kong, showcasing a great variety of options in education, training and career advancement. For 18 years it has been a superb marketing tool for local and outside Hong Kong institutions of learning as well as government and private sector employers. It has attracted participants from countries and regions such as Australia, the Chinese mainland, Canada, France, Germany, Japan, New Zealand, Singapore the United Kingdom and the United States.

http://www.export.gov/eac/show_detail_trade_events.asp?EventID=27046

EMBEDDED WORLD & CONFERENCE 2008
FEBRUARY 26-28
NUREMBERG, GERMANY

Embedded World & Conference, taking place in Nuremberg from Feb. 26-28, 2008, is the world's most important event within this industry segment, and is considered as a valuable and significant European venue for U.S. embedded technology. The show's image, media and coverage is first rate. At the 2007 event around 600 exhibitors from 29 countries presented a comprehensive spectrum - hardware, software, tools, services - to about 14,000 in-trade visitors. With the number of applications rising constantly, the trade show with its accompanying conference (2007: 30 sessions, 8 tutorials, 7 workshops) is the ideal platform to meet and network with industry leaders, discover innovative technologies, evaluate industry suppliers and their new products.

Commercial Specialist Winkler-Helmdach will be at Embedded World 2008 in Nuremberg to counsel and assist American companies exhibiting at the trade fair, and collect latest industry and market trends. Commercial Service Munich will conduct a pre-show promotion to its industry contacts in order to advertise and promote U.S. exhibitors' products and services. Interested exhibitors should contact dag-mar.winkler-helmdach@mail.doc.gov.

INTERNATIONAL WIRELESS COMMUNICATIONS EXPO
FEBRUARY 27-29
LAS VEGAS

The International Wireless Communications Expo (IWCE) is the ONE place where all industries and communications professionals come together to share thoughts and ideas on wireless communications technologies.

IWCE 2007 brought together over 4,100 Technology End Users, Public Safety Professionals, Wireless Service Providers, IT Professionals, Dealers and Consultants from all over the world. 785 international attendees from 50 countries made their way to Las Vegas to participate in IWCE. In total, over 6,200 people participated in the event including exhibitors, speakers and press.

http://www.export.gov/eac/show_detail_trade_events.asp?EventID=27038

- [The North Texas U.S. Export Assistance Center is...](#)
- Daniel Swart, *Director*
- Elizabeth Graham, *Senior International Trade Specialist*
- Greg Thompson, *Senior International Trade Specialist*
- Kenneth Haynes, *International Trade Specialist*
- David Royce, *International Trade Specialist*
- Danielle Caltabiano, *International Trade Specialist*
- Sybil Collins, *Export Assistance Specialist*