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# United States Senate

COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

WASHINGTON, DC 20510-6350

February 13, 2006

The Honorable Carlos M. Gutierrez  
Secretary, U.S. Department of Commerce  
Herbert Hoover Building, Room 5421  
Fourteenth Street and Constitution Avenue, NW  
Washington, DC 20230

Dear Secretary Gutierrez:

Let us take this opportunity to thank the Department of Commerce and the United States Commercial Service for your efforts in assisting with the recovery of businesses disrupted or damaged by Hurricanes Katrina and Rita. In particular, we commend the U.S. Export Assistance Center (USEAC) staff in New Orleans for their tireless work, along with other federal agencies in the region, in providing technical assistance and organizing seminars for affected businesses in Louisiana.

As you know, Hurricanes Katrina and Rita devastated over 18,700 businesses in Louisiana and left 365,200 residents homeless. As local small and medium-sized businesses begin to rebuild from these disasters, exports will be one of the keys to the long-term recovery of the Gulf Coast. As it has been for hundreds of years and will remain so in the years to come, Louisiana and its strategic ports serve not only as an outlet to the Gulf of Mexico but also as a gateway to the rest of the world for domestic products.

In an effort to stimulate exports for small and medium-sized businesses recovering from these hurricanes, we ask that you review the enclosed October 19, 2005 letter from the Louisiana District Export Council proposing a waiver of fees in 2006/2007 for Gold Key Matching Service, International Partner Search, and International Company Profile requests submitted by the South Louisiana clients of the New Orleans USEAC. This letter also includes a request to waive or significantly reduce fees in 2006/2007 for South Louisiana companies to participate in U.S. pavilions and booths at foreign trade shows and conferences, as well as in trade missions abroad. In particular, we would request that you review your authority to waive fees for these services for small businesses in the Hurricane Katrina and Rita Disaster Areas in Mississippi, Louisiana, Alabama, and Texas, as well as to significantly reduce these fees for medium-sized businesses in these areas. In your response to us, please notify us on whether such actions are within your authority or if you require Congressional action.

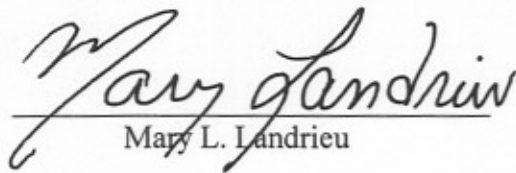
These small businesses need every opportunity available to not only resume their domestic operations but to maintain, and perhaps expand, their overseas clientele. We believe these actions would provide the affected businesses with the needed export assistance to market their products overseas and facilitate contact with international suppliers/distributors.

February 13, 2006

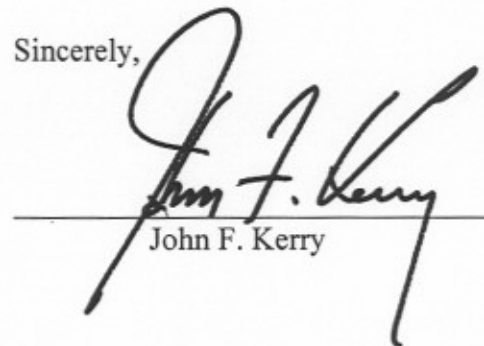
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Given that this is a time sensitive matter, we would greatly appreciate the favor of a reply before March 3, 2006. Thank you for your time and consideration, and we look forward to hearing from you. If you have any questions regarding this request, please contact Brian van Hook in Senator Landrieu's office at (202) 224-8851.

With kindest regards, we are

  
Mary L. Landrieu

Sincerely,

  
John F. Kerry

Cc: Louisiana District Export Council

Enclosure

# LOUISIANA



October 19, 2005

Mr. Israel Hernandez  
Assistant Secretary of Commerce and  
Director-General of the U.S. & Foreign Commercial Service  
U.S. Department of Commerce  
Room 3802, Herbert C. Hoover Building  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Dear Mr. Hernandez:

The Louisiana District Export Council, representing South Louisiana, would like to propose several specific steps that the U.S. & Foreign Commercial Service could immediately implement to assist Louisiana exporters that have been seriously impacted by Hurricanes Katrina and Rita. Some of the following suggestions can be implemented quickly and others may take more time. Clearly, though, a public-private partnership is urgently needed. The timeliness of these changes to programs, amendments and/or legislation cannot be over emphasized; it is a true factor in the recovery process. A rapid response and implementation of these suggestions will help our Gulf Coast international sector to survive and recover more quickly. These programs will also provide a much needed boost to companies in Katrina and Rita affected areas as they rebuild and restore commerce to this devastated region.

- Waive fees in 2006/2007 for Gold Key Matching Service (GKMS), International Partner Search (IPS), and International Company Profile (ICP) requests submitted by the South Louisiana clientele of the New Orleans USEAC.
- Waive or significantly reduce fees in 2006/2007 for South Louisiana companies to participate in U.S. pavilions/booths at foreign trade shows and conferences and in trade missions abroad.
- Petroleum industry equipment and services are a key element of the South Louisiana economy, with Latin America being an extremely important market. We suggest special petroleum industry assistance funding of at least \$6,000 be provided to

the New Orleans USEAC for 2006/2007. This funding would be used to bring Foreign Service Nationals from our posts in key Latin American countries to Louisiana to meet with local firms. The New Orleans USEAC would work with other USEACs, particularly in Texas and Mississippi, as well as the Energy Team to organize the visits to coincide with other programs and trade shows to maximize the benefits.

- Valuable overseas contacts are made at the Offshore Technology Conference, the largest oil and gas show in the U.S. We would request that additional funds be added to the travel budget of the New Orleans USEAC to enable one of its trade specialists to attend the next show in Houston in May 2006.

- Develop a special program to "Bring Customers To U.S." for site visits/demonstrations etc. Implement the program for Louisiana companies first. This would NOT be the usual program where the foreigners sign up and get a free trip (i.e. SABIT, BISNIS), but a program where the U.S. manufacturer or service provider selects specific visitors and then applies for financial assistance to fund such orientation visits. US Trade & Development Agency provides such funding and could perhaps encourage these on a fast track basis.

- The Banking sector needs a viable term lending program to help area exporters get back on their feet. Banks need help to finance their clients for infrastructure of plants and equipment, from new vehicles, to docks, to computers, to new vessels, furniture, buildings, facility repairs and even in some cases, totally new facilities in completely different locations within the affected areas. **Existing U.S. government programs for term lending are inadequate to fill the recovery need.** Ex-Im Bank, we feel, could play a substantive role to further this process. The existing Ex-Im Bank loan program for exporters offers an excellent conduit to deliver a term loan program. **An amendment to the 1982 legislation is all that is needed. We urgently need Congress to amend this legislation to allow Ex-Im Bank, under their existing program, to support TERM loans with proceeds to be used for plant, equipment and debt re-financing, with REPAYMENT TERMS OF UP TO 30 YEARS.** An attachment to this letter provides an introductory proposal for the development of an Ex-Im Bank Exporter Plant & Equipment Loan Guaranty Program.

Please also be aware that Louisiana and the Gulf Coast Region will be hosting the National District Export Council Conference in New Orleans in the fall of 2006. We would greatly appreciate support and assistance from the U.S. Department of Commerce in the form of cash contributions or other suggestions that you may offer.

Mr. Hernandez, any assistance that you, the U.S. Department of Commerce and of course, Congress, can offer to help South Louisiana exporters to recover and rebuild their lives, their businesses and the economy of our devastated region will be greatly appreciated. Members of the Louisiana District Export Council have compiled a matrix of such assistance that would be of great value to all exporters in this effort and would

sincerely appreciate your assistance. We stand ready to discuss these suggestions as well as other issues with you at your earliest convenience.

My contact details are as follows:

Geralyn Contini

Telephone: 225/343 9262 (office)

Telephone: 225/235 0669 (cell)

Email: [gcontini@fcschaffer.com](mailto:gcontini@fcschaffer.com)

Thank you in advance for your kind consideration, and we look forward to your most urgent response.

Sincerely,

Geralyn C. Contini

Chairperson, Louisiana District Export Council

Cc: Carlos Gutierrez, Secretary of Commerce  
Louisiana Congressional Delegation

Attachment