

# LEVELING THE PLAYING FIELD

USDOC'S ADVOCACY CENTER GOES TO BAT FOR U.S. BUSINESS

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In May 1999, the Ogden Corporation, as part of the AERODOM consortium, and with the assistance of the U.S. Department of Commerce's Advocacy Center, was awarded a 20-year concession to operate and manage four airports in the Dominican Republic. The airports—located

in Santo Domingo, Puerto Plata, Samana and Barahona—will serve about 4.2 million passengers per year. AERODOM plans to invest over \$400 million in upgrading, expanding and remodeling the cargo and passenger terminals, \$60 million of which will be U.S. content.

This project is proof that the early support of the U.S. Government can make a big difference between winning and losing an overseas bid. Increasingly, U.S. firms have discovered that it is not enough just to provide the best service at the lowest price. As more governments of foreign competitors lobby for

sole source awards and provide financial incentives to host governments to select specific companies, it becomes increasingly important to level the playing field prior to companies submitting a bid. A behind-the-scenes look at what happened in the case of the Ogden Corporation reveals how various U.S. Government agencies work to promote U.S. exports and transparency in overseas procurements.

In 1997, the U.S. Embassy in Santo Domingo learned that the Government of the Dominican Republic planned to award the airport project to a foreign company through a sole source arrangement. Recognizing that this meant U.S. firms would be locked out of the competition, Embassy officials immediately reacted by demanding an open procurement through an international tender process. The Embassy's intervention resulted in opening the bid process for U.S. firms' participation. Once the tender was issued, Embassy officials, including the Ambassador, played a very important role in outlining the extensive experience of all the U.S. participants.

At the heart of this assistance was the Advocacy Center. The Center was engaged by the Commercial Service at the U.S. Embassy in Santo Domingo, and by interested U.S. firms, to help coordinate inter-agency assistance in Washington. As part of the strategy, in February 1999, Secretary Daley called the Dominican Republic's President,



Ogden's new state-of-the-art cargo terminal at Prague's Praha Ruzyně International Airport in the Czech Republic.

Leonel Fernández, urging him to choose a consortium that included firms from the United States. In addition, the Secretary sent letters to President Fernández and other Dominican Republic officials to stress his support for a fair and transparent procurement process.

This coordinated advocacy helped Ogden win the project. Kent Burton, Vice President of Policy and International Governmental Affairs at Ogden Corp. said, "We are very pleased that we were selected by the government of the Dominican Republic to privatize the key airports in the country. I am convinced that the Advocacy Center and the U.S. Embassy played a critical role in helping Ogden win this project."

A key part of U.S. Government advocacy is to overcome corruption in the procurement process. While other parts of the U.S. Government work on the long-term goal of promoting transparency, such as through the *OECD Anti-Bribery Agreement* and various bilateral government procurement agreements under the World Trade Organization, the Advocacy Center was created to address the more immediate challenges that U.S. firms face on a project-by-project basis. Using the information gathered during the process of advocacy, the Advocacy Center relays data on non-compliance by specific foreign agencies to the U.S. monitor of procurement agreements. This dual prong approach provides the maximum assistance to promote U.S. exports and transparency in procurement practices overseas.

Since its creation in late 1993, the Advocacy Center has worked with U.S. companies, large and small, in a variety of industry sectors to help them win projects all over the world. Based upon the success they have generated, they believe that advocacy efforts have led to increases in U.S. exports and the jobs



USDOC advocacy helped the Ogden Corporation and the AERODOM consortium win a 20-year concession to operate and manage four airports in the Dominican Republic.

that they support. Their track record for successful advocacy includes more than 500 projects, totaling \$120 billion in total value and roughly \$60 billion in U.S. export content. These advocacy successes also benefit small- to medium-sized companies—including both prime contractors and suppliers or subcontractors to larger U.S. firms.

By defending U.S. firms' chance to compete fairly, staff at the Advocacy Center believe that many governments around the world have received the best products and services at the most reasonable prices. Some of these projects even have benefits for the world community at large. For example, Lockheed Martin was recently selected by the Turkish Government to provide a vessel tracking system for the congested Strait of Bosphorus. This system will be beneficial to Turkey in a number of ways. It will allow Turkey to control the level of traffic, and

therefore, to improve security in the Strait. The system will also help the environment by helping to reduce the number of tanker traffic accidents, and will limit corruption by producing a better accounting of the ships. Furthermore, installation of similar systems in other countries in the area will also allow for better regional coordination of vessel traffic.

Companies needing U.S. Government advocacy can complete an advocacy request form, available through ([www.ita.doc.gov/advocacy](http://www.ita.doc.gov/advocacy)) or by contacting the Advocacy Center. Once a request is received, the regional project manager will work with the company and the U.S. Embassy to determine the appropriate next steps. ■

For more information, please contact the Advocacy Center at Tel: (202) 482-3896 or Internet: [www.ita.doc.gov/advocacy](http://www.ita.doc.gov/advocacy).