Volume 5, Issue 1



THE CIEDEC QUARTERLY

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From the Desk of the New CIEDEC Chair

As the new chairman of CIEDEC I realize the challenges of the economic situation and also how we can help. Today, the economic reality forces us all to rethink how we interact and accomplish business. Exports bring much needed new money and new ideas into our businesses and communities.

Achieving and increasing exports across the communities is our goal and not one that can be forestalled. In my strategic plan, CIEDEC will bring together the Economic Development Agencies, Manufacturers' Groups and Chambers of Commerce towards the goal of increasing exports.

From a broader perspective, The National Association of Manufacturers (NAM) has reviewed and signed onto our

Export Action Plan, showing their support and providing national assistance at the local level.



As
CIEDEC develops the methods
and documents
the successes, we
will promote
these ideas as
Best Practices to
all of the DECs.
In this way, we
will have a multiplier effect across
the country and
we will be help-

ing in the economic recovery of this Great Nation!

A Message from the CIEDEC Past-Chair



2009
CIEDEC Meetings

- February 23, 2009
- May 18, 2009
- August 31, 2009
- November 30, 2009

When Larry Sharp and I raised our hands and volunteered to do the Na-

tional DEC Conference three years ago it was probably a good thing that we had no idea what it took to put on a confernational ence. At the time California the Inland **Empire** District Export Council was the newest DEC in the country so it



was a leap of faith by all when we were

chosen. And boy did we ever come through!

Our team of conference committee members did an incredible job. After hundreds of hours and countless meetings over two years we kicked off our "Travel & Trade - Redefining Exports" Conference in Palm Springs on October 15th. Four-hundred and forty-eight District Export Council members and guests attended and for the first time ever we were able to provide a live webcast that was viewed throughout the country and the world thanks to the generous sponsorship of the Green Institute for Village Empowerment of Corona. We featured 25 breakout sessions 10 keynote addresses and scheduled 130 one-on-one meetings between U.S. companies and Senior Commercial Officer from 10 different countries.

Presenters included Congressman Jerry

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PAGE 2 THE CIEDEC



"to contribute leadership & business experience in export expansion"



The California Inland Empire District Export Council (CIEDEC) is an organization of local leaders, appointed by the U.S. Secretary of Commerce, whose knowledge of international business provides a source of professional advice for local firms. The current network of District Export Council members in the United States includes over 1,500 volunteers.

Chair

Roy Paulson

Vice-Chair

Darrel Olson

Executive Secretary

Fred Latuperissa

Treasurer

Don Driftmier

Past-Chair

Lori Van Arsdale

Board Member

Mark Stanley

Board Member

Karen Bowerman

Board Member

Tim Murphy

Board Member

Uwe Janssen

2940 Inland Empire Blvd.

Suite 121

Ontario, California 91764

U.S.A.

www.ciedec.org

Phone: (909) 466-4146

Meet the Members

* denotes Executive Board of Directors

Dean Angelides **ESRI**

James Hamamoto Global Energy Solutions

Todd Hooks Agua Caliente Band of Cahuilla Indians

Tom Legro International Trade Attorney Kanu Obioha Bluefield Associates. Inc. Darrel Olson Sawyer Cook Insurance Greg Pennyroyal Phyto-Technologies, Inc.

Carol Rowen International Trade Education Program

Ralph Stock Jacob Engineering

Jeffery Williamson Riverside Community College—CITD Karen Bowerman * California State University San Bernardino

Uwe Janssen* Rauch International Kusum Kavia Combustion Associates

Eddie Khoury Fedex Sally Palmer Lobbyist HardHatBid John Parks Roy Paulson* Paulson MFG

Larry Sharp* Arrowhead Credit Union

Jeffery Standart XRT—Express Reefer Transport, Inc. Mark Stanley* MicroCool (a division of Nortec Industries)

Diana Stopford

Carlos Valderrama Musick, Peeler & Garrett LLP Greg Brittain Greg Brittain Attorney at Law Donald Driftmeier* Nobel House Entertainment, Inc. Richard Stockton Atlas Medical Technology

Lori Van Arsdale* Peace World International Jim Worsham

Southern California Logistics Airport

Kevin Floody **K&N** Engineering Scott Fischler Netozoic

Economics & Politics John Husing

Deron Marquez San Manuel Band of Mission Indians

Tim Murphy* Comerica Bank—CA

Hebab Quazi MARTECH International, Inc.

Noble House Entertainment finds International Opportunities

When the principals of Noble House Entertainment Pictures, Inc., Mark

Roemmich,
Debi Roemmich
and Don Driftmier premiered
their motion
picture "Taylor"
at the New
York Independent International
Film Festival
they were approached by an

Indian representative with an offer they could not refuse. After a few months of meet-

ings an agreement for funding a slate of three films was signed. A percentage of each motion picture will be filmed, processed and funded in India The United States Department of Commerce Export Assistance Center in Ontario, CA provided key information about India and contacts in India. "This represents an exciting partnership" said Noble House CFO Don Driftmier. The amount of services provided by Ontario based Noble House Entertainment Pictures, Inc while in India will be over \$73 million for the full slate of films.



The CIEDEC Committees



Trade Policy: CIEDEC Chair Roy Paulson

The Trade Policy subcommittee is responsible for addressing trade policy matters that are considered to be of strategic national importance, that will contribute to the creation of a strong national economy within the global economic society in which we operate, and that can be affected positively through the activities of the DEC's. Some of these issues may fall into the sphere of current legislative activity while others may not.

Legislative Affairs: CIEDEC Chair Don Driftmier

The Legislative Affairs subcommittee is responsible for addressing all legislative issues that are of importance to Commerce and/or the DEC's in general. These issues may be at the federal level, or at the state level.

Commercial Resources: CIEDEC Chair Norm Martin

The Commercial Resources subcommittee is responsible for addressing all resources such as Power Points, reports, graphs, miscellaneous information, etc., needed by any Steering Committee subcommittee or any DEC in general. This subcommittee is also responsible for the communications infrastructure, ensuring the proper communications resources are in place.

Education/Outreach: CIEDEC Chair Karen Bowerman

The Education/Outreach subcommittee is responsible for addressing all education and outreach issues that are of importance to commerce and any DEC in general. This subcommittee will evaluate outreach programs needed to address all relative issues both within Commerce and the DEC's. These programs will be developed with the help of Commerce's Education Outreach designee, for distribution to each DEC. This committee will also evaluate "Best Practices" education and outreach programs that various DEC's have in place and pass this information to the other DEC's for their use.

Electronic Communications: CIEDEC Chair Mark Stanley

The Electronic Communications subcommittee is responsible for addressing all electronic communications issues that are of importance to commerce and any DEC in general. This subcommittee will coordinate and distribute information to all DEC's through the National DEC Web Site. It will ensure that website content is current and applicable to the requirements of the DEC's. The Chair will work closely with the Electronic Communications designate at the Department of Commerce.



To learn more about DEC issues, visit www.decissues.co m



VISIT CIEDEC's website at: www.ciedec.org CALIFORNIA INJANO EMPIRE CALIFORNIA INJANO EMPIRE CALIFORNIA COUNCIL





Rauch International: Owner's Advocate

Rauch International serves as owner's advocate for companies and governmental entities in support of business, construction, security, and safety initiatives. Rauch International specializes in mission-critical programs that are domestic or international in scope.

Headquartered in Temecula, California, Rauch International services clients throughout the world through project offices in Beijing, China; Bishkek, Kyrgyzstan; Casablanca, Morocco; Dubai, UAE; Las Vegas, Nevada (USA); Moscow, Russia; Silver Springs, Maryland (USA); and Seattle, Washington (USA).

Rauch International's seasoned leadership team has worked with clients in all 50 states of the USA, over 110

countries, and 6 of 7 continents.

Our personnel continually search the globe and attend seminars and trade shows in order to find the latest products, services, and technologies available to support our client's projects. We have an extensive network of "local" professionals that we leverage to provide our clients with the best team available to meet their specific needs. We believe in utilizing local resources whenever practical to help stimulate economic activity.

Uwe Janssen is the CEO of Rauch International. For 28 years, he has focused on international business, construction, safety, and security. Uwe developed an acute business acumen beginning as a small business owner, growing

into senior leadership positions, and eventually founding Rauch International. During this time, he became an expert in directing large-scale projects, including oil infrastructure, earthquake retrofit, commercial construction, and safety compliance.

Recognized as a global business development expert by the U.S. Department of Commerce, Uwe leverages his worldwide network of individuals, companies, and governmental organizations to assist clients develop business, open operations, and safety and successfully complete projects around the world. Rauch International's corporate culture demands each leader's involvement in causes for the greater good.

The Southern California Logistical Airport

Over the next few years, the Inland Empire stands poised to continue tremendous trade growth as a product of its numerous cargo airports. Perhaps, none has greater potential than the still developing Southern California Logistics Airport (SCLA) in Victorville.

The SCLA airport facility is just one aspect of the logistical hub located in Victorville, which is already connected to a NAFTA-identified highway and includes a multi-track rail connection that, among other destinations, will connect to Los Angeles Harbor. It is expected that this regional

hub, overseen by the City of Victorville and Stirling Development Company, will relieve pressure from overloaded trade terminals at Los



Angeles ports. The SCLA is also looking to receive direct

cargo flights from the international community.

The Southern California Logistical Hub boasts 2.500 square feet of afford-

able commercial and industrial space that is already beginning to fill with corporations such as Boeing, General Electric, Newell-Rubbermaid, Pratt & Whitney, and FedEx, among others. With the logistics airport's development come benefits to the Inland

Empire's trade aspirations, but another key market will

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ESRI: GIS and Mapping Software

Today ESRI has 2,700 employees in the U.S., 1,900 of whom are based at its corporate headquarters in Redlands, California. ESRI offers employment opportunities to qualified professionals from around the world and has a richly diverse work force.

The Redlands campus expanded with the addition of a three-story Research and Development (R&D)
Center in 1996. Further expansion of the R&D Center was completed in the summer of 1998, and another state-of-

the-art facility opened in summer 2001. With 10 regional offices in the United States, more than 80

international distributors, and users in more than 150 countries, ESRI stands ready to meet the needs of its user community and to set the standards for the GIS industry.

ESRI is privately held and debt free, and there are no plans for the company to go public or change ownership. The company's focus



remains on producing excellent software and delivering exceptional service to users. We at ESRI believe that better information makes for better decisions. Our reputation is built on contributing our technical knowledge, special people, and valuable experience to the collection, analysis, and communication of geographic information.

CIEDEC's website at: www.ciedec.org



A Business Mission To Indonesian

The Indonesian cultural entertainment featured at the National DEC Conference in Palm Springs this fall marked the beginning of what has become a full-fledged effort to bring about a business mission to Indonesia in 2009.

On December 16th, L.A. Consul General Subijacksono Sujono of Indonesia welcomed CIEDEC members and Inland Empire businesspeople to his residence for a dinner party to discuss future trade cooperation, including the possibility of an Inland Empire trade mission to Indonesia.

Speakers at the occasion included the Hon. Sudjadnan Parnohadiningrat, Indonesian Ambassador to the United States, Consul General Subijacksono Sujono, and CIEDEC Executive Secretary Fred Latuperissa.

Ambassador Parnohadiningrat, who had just flown in from the Indonesian Embassy in Washington,



Fred Latuperissa and Subijacksono Sujono talking trade at the 2008 National DEC Conference in Palm Springs.

D.C. spoke optimistically about potential trade opportunities for US companies in the fields of engineering, aerospace, and security, among others. The Ambassador also addressed concerns about financial stability in the wake of the current international financial crisis, making favorable comparisons to his country's current position

versus during the 1997 Asian financial crisis. According to Ambassador Parnohadiningrat, Indonesia is currently using some of its 50+ billion US dollars of foreign exchange reserves to stabilize its currency, but also has the support of China, Japan, and South Korea via the

Chiang Mai Initiative (\$80 billion US), as well as bilateral agreements with Australia and Malaysia.

CIEDEC member

Continued on page 15

To learn more about the Indonesian Consulate of Los Angeles, visit their website at www.kjrila.net



SRS Engineering Goes Global

VISIT CIEDEC's website at: 19%. www.ciedec.org

SRS Engineering Corporation started out with humble beginnings back in 1985 in a small garage with less than \$85,000 in total annual sales and only 3 employees. From 1985-2000 less than 1% of annual sales was derived from export sales. Today, the company does over 5 ½ million dollars in total sales with 20+ employees. From 2005-2008 the percentage of export sales to total sales averaged over

SRS Engineering was initially founded to provide solvent recovery systems to the printing industry. Over the years, SRS Engineering has evolved by creating process equipment such as washing systems, compactors, aerosol can crushers, and distillation systems for various industries

such as printing, paint, petroleum, food, pharmaceutical, government, and many more. The company's client list also included several Fortune 500 companies over the years. In dealing with large US corporations with great success and customer satisfaction, SRS gained a great deal of credibility and respect in the industry which slowly began to attract international attention.

SRS Engineering, while it came from humble beginnings has turned into an international exporter of industrial process equipment winning multiple awards such as the EIBA Exporter of the Year in 2004 and the US Department of Commerce Export Achievement Certificate. Over the past 5 years, SRS has successfully exported to countries like Mexico, Canada, Columbia, Australia, Singapore, United Arab Emirates, Turkey, Saudi Arabia, China, Nairobi, Scotland, and New Zealand.

SRS Engineering Corporation is located in Murrieta, California and has new offices just opening up in Asia and Mexico. The

solvent recovery systemš

company's diverse product line and equally diverse staff

make them a unique industry in itself. Much of their success can be attributed to their ability to utilize a variety of resources to manufacture and engineer the best process equipment at the most competitive price throughout the world.

CIEDEC Member Achieves Lifetime Recognition



Larry Sharp, CIEDEC member and Arrowhead Credit Union CEO was selected for the highest annual recognition designated by the California Credit Union League. Sharp recently received the Leo H. Shapiro Lifetime Achievement Award.

The Shapiro Lifetime Achievement Award goes to individuals with outstanding records in credit union philosophy and in recognition of a lifetime of contributions to California's credit union movement. Sharp was quoted by the

Press Enterprise, "It's a very high honor. I'm very pleased to receive it considering that some of the past recipients have been icons in the industry in California, and also nationwide."

Larry Sharp's record includes 43 years of involvement with credit unions, 26 of which have been at Arrowhead Credit Union. The financial cooperative is headquartered in San Bernardino and has a number of locations throughout the Inland Empire with a total workforce of approximately 600 employees.



Arrowhead Credit Union CEO and CIEDEC Member Larry Sharp

Export Success: American Custom Coach

Despite gloomy economic forecasts shadowing over US industry, some businesspeople are finding more opportunity than bad weather. One such person is Charlie Mello, President of American Custom Coach.

Mello and American Custom Coach have taken advantage of inexpensive real estate by expanding his specialty vehicles factory to a larger structure in Redlands, Ca. One might ask, however, what reason there would be to expand during a recession, given the economic pinch on business that Americans have experienced stateside.

In a New York Times small business article, Mello pointed to growth on the export side of his business, stating that he has been consistently filling orders from the Middle East and Africa. In fact, business is going so well at American Custom Coach that Mello plans to increase his workforce from 24 employees to as many as 40 over the next couple years. The increased direction of sales efforts towards international markets has not only allowed ACC to continue its



Custom Mobile Dental Unit designed by ACC

success, but with unemployment rates rising, ACC is creating job opportunities in the Inland Empire.

American Custom Coach specializes in customized vehicles for medical professionals, law enforcement, and in other fields with a need for mobile work

> space. Besides the current orders from the Middle East and Africa, ACC has established relationships with clients in China, Japan, Taiwan, Venezuela, Brazil, and Peru.

VISIT CIEDEC's website at: www.ciedec.org



For more
information on
how to apply for
the "E" Award,
visit
www.buyusa.gov/
inlandempire/
news.html

The President's "E" Award

The President's "E" Award was created by Executive Order of the President on December 5, 1961, to afford suitable recognition to persons, firms, or organizations which contribute significantly in the effort to increase United States exports.

The President's "E Star" Award, which was authorized by the Secretary of Commerce on August 4, 1969, affords continuing recognition of noteworthy export promotion efforts.

During World War II, more than 4,000 "E Pennants" were presented to war plants in recognition of production excellence. The fa-

mous flag with the big "E" emblazoned on it became a badge of patriotism in action. President Kennedy revived the World War II "E" symbol of excellence to honor and provide recognition to America's exporters. Thus, the "E" Award Program was established by Executive Order 10978 on December 5, 1961. The "E Star" was authorized

in 1969 to recognize
"E" Award winners for continued efforts in
export expansion.

Winners of the "E" and "E Star" Award are authorized to fly the blue and white banner, to display the accompanying certificate of commendation which is signed by the Secretary of Commerce in the name and by the authority of the President, to wear and issue to employees an "E" lapel pin, and to refer to the award in their advertising.



U.S. Department of Commerce International Trade Administration: Inland Empire Export Council Staff

Fred Latuperissa, USEAC Director: Ontario, CA

As a Senior International Trade Specialist and Director of the U.S. Commercial Service office in Ontario, California, Fred Latuperissa brings a wealth of experience in international trade and with the U.S. Commercial Service. Latuperissa is highly motivated to assist new and existing exporters in the Inland Empire by entering into new markets and expanding sales abroad. Latuperissa covers the following industries: Aircraft/Aircraft Parts, Aviation Services, Defense Industry Eq., Electrical Power Systems, Education/Training Services, Ferrous & Non-Ferrous Metals (Scrap), Mining Industry Eq., Oil/Gas/Mineral Prod/Explore Services/Machinery, Renewable Energy Eq., Safety & Security Equipment, Sporting Goods & Recreational Equipment.

Tony Michalski, Senior International Trade Specialist

Working out of the US Commercial Service office in Ontario, California, Tony Michalski assists companies in the Inland Empire region with their international business development. One such company is Redux Beverages, a manufacturer of energy drinks based in Murrieta, California. Michalski has helped Redux Beverages enter and sell into several European countries through providing guidance on export documentation, market intelligence, regulatory information, and counseling on international business development. In addition to products such as energy drinks, Michalski covers the following industries: Agriculture, Cosmetics & Personal Care, Drugs & Pharmaceuticals, Food Processing & Packaging Equipment, Healthcare Technologies, Processed Foods, several Service industries (e.g. Accounting, Advertising, Franchising, etc.), Travel & Tourism, and Veterinary & Pet products. Michalski's twelve years of work at the U.S. Commercial Service along with an opportunity to work in the International Sales department of a private sector firm has equipped him with knowledge and skills to serve the Inland Empire business community and help the region increase its exports.

Erica Ramirez, Senior International Trade Specialist

As a Senior International Trade Specialist at the U.S. Commercial Service office in Ontario, California, Erica Ramirez brings ten years of work with the U.S. Commercial Service. Ramirez is highly motivated to assist new and existing exporters in the Inland Empire by entering into new markets and expanding your sales abroad. Ramirez covers the following industries: Environmental, Electronics, Computer Software and Peripherals, Telecommunication Equipment, Sporting Goods & Recreational Equipment, Audio, Video, Film, and Entertainment, Giftware, Hotel & Restaurant Equipment, Apparel, and Consumer Goods.

Eduard Roytberg, Senior International Trade Specialist

Eduard Roytberg currently serves as Senior International Trade Specialist at the U.S. Department of Commerce's Inland Empire U.S. Export Assistance Center in Ontario, California. He is the Deputy Global Automotive Team Leader of the U.S. Commercial Service's Automotive Team working with his colleagues around the world in assisting U.S automotive industry to enter and expand international markets, overcome trade barriers and resolve trade disputes. He is specifically focused on addressing the export assistance needs of the automotive and transportation companies in the greater Inland Empire region of Southern California.

Cynthia Torres, USEAC Director: Indio, California

Cynthia Torres currently serves as Director at the U.S. Department of Commerce's Cabazon U.S. Export Assistance Center in Indio, California. Her industries of focus are Renewable Energy Equipment and Building Products. She has in-depth industry knowledge in clean and renewable energy sources such as Wind, Solar, Biomass, and Geothermal as well as CNG, Biodiesel, and Hydrogen alternative fuels.





CIEDEC Welcomes Newly Appointed Secretary of Commerce

On March 24th, United States Senate confirmed Gary Locke as the nation's 36th Commerce Secretary by unanimous consent. Secretary Locke will be a key member of President Obama's economic team and will be an influential ambassador for American business and industry abroad. Locke is the first Chinese American to serve as Commerce Secretary.

"I'm honored to take on this challenge and will work every day to make the Commerce Department an engine for improving our competitiveness, encouraging innovation and creating jobs," Locke said.

Locke will oversee a department that, under the American Recovery and Reinvestment Act, is charged with expanding the country's broadband infrastructure, bringing economic development to communities hardest hit by the recession and putting Americans to work under programs run by the

Census, NOAA and the National Institute of Standards and Technology.

Former Washington Gov. Gary Locke is a tireless and successful champion of



American products, services and jobs. As the popular two -term governor of the nation's most trade-dependent state, Locke broke down trade barriers around

the world to advance American products.

For the past four years, Locke has been a successful business advocate and adviser, helping U.S. companies break into international markets, particularly in Asia, and expand their international business. A partner in the Seattle office of the international law firm of Davis Wright Tremaine LLP, Locke co-chairs the firm's China practice and is active in its governmental relations practice.

To open doors for Washington State businesses, Locke led 10 productive trade missions to Asia, Mexico and Europe, significantly expanding the sales of Washington products and services. He successfully fostered economic relations between China and Washington State. His visits are credited with introducing Washington companies to China and helping more than double the state's exports to China to over \$5 billion per year. He also opened a Washington State trade office in Germany to advance trade relations with European countries.

CIEDEC works in close connection with the Department of Commerce, Commercial Service and looks forward to a fruitful partnership with Secretary Locke's administration.

VISIT



CIEDEC's website at: www.ciedec.org





To contribute to The CIEDEC Quarterly,

Please call (909) 466-4146

or write to:

CIEDEC Quarterly 2940 Inland Empire Blvd., Ste. 121 Ontario, California 91764

Upcoming Trade Events

EU Directives Workshop

Date: June 2nd, 2009 Location: TBD

Description: The EU Directive Workshop provides valuable information on how to comply with EU requirements for manufacturers of machines, electrical components, and electronics.

WTC Luncheon

Date: May 20, 2009

Location: DoubleTree Inn, Ontario, CA Description: The World Trade Forum luncheon, composed of two keynote speakers and a panel discussion, will address green manufacturing and technological opportunities ready to be utilized by Inland Empire businesses.

AES Compliance Seminar

Date: June 16-17th

Location: Cal Poly Pomona, Pomona, CA Description: Avoid penalties and/or seizures by attending this seminar on the Automated Export System, which has replaced Shipper's Export Declarations.



VISIT CIEDEC's website at: www.ciedec.org

Colombia has a population of approximately 45 million and is about twice the size of Texas. It is also the only South American country with ports on the Pacific and

the Caribbean.



Colombia Free Trade Agreement Status

In November of 2006, President Bush and Colombian President Alvaro Uribe signed the US-Colombia Free Trade Agreement, aiming to lower trade barriers for US exporters and increasing foreign investment in Colombia. Now, more than two years later, Congress continues to debate the implementation of legislation required for the agreement to go into effect.

Looking ahead to President Barack Obama's term, it appears the US-Colombia FTA will continue to face significant opposition. During his campaign for the presidency, Obama held to Democratic Party consensus that the agreement cannot be ratified until the assassination of labor union leaders in Colombia is brought under control. Further, gains made in Congress in the recent election give the Democratic Party a firm hold on government policy for the next two years.

Still, there is hope for the implementation of the US-Colombia FTA in the future. According to an article printed in the Washington Times, Democratic control of Congress is likely to result in a redirection of US foreign aid to Colombia from military support to the improvement of the judicial system. If this occurs, conviction rates in cases of political assassination are likely to improve, which in turn would improve Colombia's image. In addition, recent free-trade agreements with Canada and the European Union will put pressure on Washington to

accept the US-Colombia FTA.

Though President Barack Obama has not shown himself to be as much of a political centrist as President Clinton, he has repeatedly made claims in public addresses that he is a "freetrader." One must also consider a similar situation during the early part of the Clinton presidency. Though during his campaign he claimed he would not support a free trade agreement with China until human rights conditions improved, President Clinton very quickly adopted the opposing view upon being elected

In short, the future of the US-Colombia Free Trade Agreement remains in flux for the time-being.

CIEDEC Member Carlos Valderrama Appointed to New Positions in Los Angeles

CIEDEC member Carlos Valderrama is already having an eventful 2009, with concurrent appointments to the newly formed Los Angeles Trade Advisory Council and as the new Senior Vice President of Global Initiatives for the Los Angeles Area Chamber of Commerce.

The Trade Advisory Council will inform Mayor Villaigarosa's policies with regard to increasing foreign direct investment, boosting tourism, and expansion of export opportunities worldwide. The Mayor hopes that this advice from Valderrama and other members of the council will lead to the creation of jobs and subsequently the stimulation of the local economy. Members will interact directly with the Mayor at quarterly meetings.

Carlos Valderrama will also play a critical role at the LA Chamber of Commerce, where as Senior Vice President of Global Initiatives, he will lead efforts to bolster international trade, bring in foreign investment, and expand export opportunities for the greater Los Angeles Region. Valderrama's selection for this position was explained by LA Chamber President Gary Toebben

when he said, "Carlos Valderrama is one of the leading global trade strategists in our state, and the Los Angeles business community and our local economy will benefit greatly from his service to the L.A. Area Chamber."



International Trade Education Programs

International Trade **Education Programs (ITEP)** is a non-profit organization that seeks to prepare high school students for roles in international trade. ITEP accomplishes this goal by creating academies within schools that expose students to the trade industry through field trips and paid internship programs. Students participating in ITEP graduate at a much higher rate and with better grades than their peers and are better prepared to enter the workforce with the combination of skills, motivation, and confidence.

Until recently, ITEP efforts have been focused on maritime trade

in the Los Angeles area and Oakland, but ITEP is now also in place at Barstow High School. This expansion has given the Inland Empire the opportunity to benefit from ITEP's successful academy programs. Recently, students have met with Coast Guard Cadets and also spent a day



ITEP academy students making a presentation

job-shadowing at the local Marine Corps base.

In the future, an exciting collaboration between ITEP and the Southern California Logistical Airport will give students the opportunity to learn about the still developing regional logistical hub in Victorville. In a meet-

ing put together by
CIEDEC member Fred
Latuperissa in Victorville last December,
CIEDEC members Jim
Worsham of the SCLA
and CIEDEC member
Carol Rowen of ITEP
agreed to make this collaboration a reality with
a shared enthusiasm for
the budding alliance.





New Market of the Month: Indonesia

As reported by the Economist magazine in May 2008, Indonesia is attracting tremendous attention from Asian firms as the Indonesian economy expands, its vibrant regional autonomy offers new avenues for investment access and sales opportunities, while locally produced commodity prices soar. The news reports that the queue of Asian companies in Indonesia "reads like a "Who's Who" of global industrialists."

Indonesian internal growth continues to fuel consumer demand and the traffic lines leaving the airport passing in front of multiple US

franchises such as A& W, Starbucks, Dunkin Donuts and advertisements for Serta underline the appeal of American products and services.

International news analysts report that it is imminent that American firms will shed their wariness and join the Asian firms converging on Indonesia to broaden their current American expansion in China and India.

Continuing progress in managing the high growth and increasing lifestyle demands has led to another year where the Indonesian stock market achieved record performance and finished the year as the number 3 top performer in Asian bourses, increasing domestic wealth and confidence.

On the social front, Indonesia was in the top 3 best performers worldwide on improving the business environment as measured by the Global Peace Index published on May 20, 2008. As Sir Moody Stuart, chair of Anglo American and the UN Global Compact Foundation explained, investment and business benefit from more peaceful environments. This vear the report highlights the link between business and peace by analyzing the correlation between peaceful



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VISIT

CIEDEC's

website at:

www.ciedec.org

Sawyer Cook Insurance

Sawyer Cook Insurance is an agency dedicated to serving its clients' needs. Located in the Inland Empire since 1924, Sawyer Cook Insurance has been providing Southern California individuals, businesses and organizations with the highest quality insurance products and services, excellent service and packaged discount rates. We are proud of our heritage, but "we are more than just another insurance agency."

This is the most exciting time in our 85-year history and we've dedicated our energy to being a true

"21st Century Financial Organization."

Customer relationships are the cornerstone of Sawyer Cook Insurance. With strong management and experienced staff, Sawyer Cook utilizes a diverse range of stable carriers to develop customized corporate and personal insurance plans.

In April of 2002, Sawyer Cook Insurance took a bold step to enhance its position in the Inland Empire by becoming part of the Arrowhead Credit Union Family of Companies. The Credit Union members now have access to complete insurance services of commercial, personal, life & health, marine and bonds.



Darrel Olson, President & CEO of Sawyer Cook.

Paulson Manufacturing International Distributor Selection and Product Training in South America

On January 14, 2009 we start our travel (Wolfgang Maedler, COO and Miriam Mesina, Assistant International of Paulson International) to Central America – the return is on January 24, 2009. The travel is scheduled for two reasons.

One reason is to cover the 7 Central America Countries (Panama, Costa Rica, Nicaragua, Honduras, San Salvador, Belize and Guatemala) with Authorized Distributor for our three trade lines Tactical, Industrial and Fire. The entire population of these 7 countries is around 40 Million, a reasonable market for our products. We have arranged meetings in Guatemala, Panama, and Costa Rica - 6 meetings altogether and we will select the future

partners for Paulson International in this region in accordance to our International concept to have one Authorized Distributor for each trade line in the country – in this case the region.

The second reason is a Distributor Products Training in San Jose, Costa Rica. This Training is dedicated to our Distributors in South and Central America and Mexico as well. The Training is organized for 10 weeks, with 17 participants coming from Ecuador, Chile, Argentina, Peru, Colombia, Brazil, Mexico, Puerto Rico, Panama, Costa Rica. The Training will be provided in Spanish by our European Area Manager Jose Hueso, originally from Spain.

The Training is mandatory to be an Authorized

Distributor for Paulson International – without the detailed knowledge about the advantages and benefits of our products the sales departments of the Distributors are not able to promote our products in a professional and successful way. On the occasion of the training we also hand out brochures in Spanish language for the sake of the end users. The training takes two days - January 22 + 23, 2009. Participants will arrive on January 21, 2009 and we have organized a "get to know you" event for the evening of January 21, 2009. We expect with these actions a large contribution to the sales of Paulson International.



John Husing on Inland Empire Exports

Excerpts from Husing's International Trade and The Inland Empire

One of the major issues facing the Inland Empire and Southern California has been the demise of a large share of its manufacturing base as overseas firms have been able to produce goods for less money. From 1990-2007, Southern California's manufacturing employment dropped from 1,279,600 to 888,800 jobs, down 241,400 or-21.4%.

The inland counties fared better, adding 41,000 in this period. However, the area lost 4,500 in 2007 and are down another 6,500 in 2008. In part, this is the reason why import volumes have soared.

One part of a remedy for this situation is for the cost of U.S. exported goods to go down for the rest of the world. This has, in fact, begun to happen with decline in the value of the dollar. Turning around the logic stated earlier, the drop in the value of the dollar means that U.S. goods costing a foreign buyer \$100.00 in February 2002 can be purchased for \$73.65 today. That is a 26.35% decline in cost.

This fact is showing up in the export volumes at the ports of Los Angeles and Long Beach with outbound loaded containers up 199,000 in 2006, up another 366,000 in 2007 and headed for an increase of 585,000 in 2008.

At the moment, the problem is the fact that much of this exported cargo is scrap steel, paper products and agricultural goods, not

produced goods. As yet, the Southern California economy is not taking advantage of this new found international competitiveness.

To a large extent, this is likely because the Inland Empire's manufacturmore employees. Many of the firms do not know how to find foreign customers.

For the Inland Empire, international trade has become a crucial part of its economy. This has been particularly true for imports.





ers are largely not used to competing in the world economy. Those whose business grew up in the Cold War era were used to selling domestically without much foreign competition. They thus had no need to learn about international trade.

Those whose firms have evolved more recently were not able to compete internationally until now because their goods were too expensive for foreigners. In addition, the vast majority of the Inland Empire's producers are small firms.

In 2007, there were 3,579 manufacturers of whom only 585 had 50 or

Some 43.2% of containers entering the U.S. do so through Southern California's ports with much of the cargo contained in them being processed in inland warehouses. Export trade has not been as strong in the inland region, however with the dollar down in value, the opportunity for local producers to sell abroad has increased. In 2007, \$4.2 billion in exports originated from the Inland Empire. Numerous organizations are now working with local manufacturers to help increase that number.



To read
International
Trade and the
Inland Empire in
its entirety, visit
www.johnhusing.c





VISIT CIEDEC's website at: www.ciedec.org

The Green Institute for Village Empowerment

The Green Institute for Village Empowerment (GIVE) is an organization dedicated to the education and promotion of sustainable lifestyles, technologies, and development practices. A non -profit, charitable organization formed in 2006, GIVE looks to bring about sustainable communities through education, information, research, and initiatives that put concepts into action.

Current GIVE projects include: campus-based student organizations that raise awareness about and promote sustainability; a regional development plan called the Green Valley Initiative that focuses on green technology, transportation, energy, and lifestyles in the Inland Empire area; symposiums and community awareness meetings that broaden sustainability awareness throughout the population.



Ali Sahabi, founder of GIVE



To learn more about how San Manuel has given to the surrounding communities, visit www.sanmanuelnsn.gov/ charitable.php

San Manuel Band of Mission Indians

In June of 1999, San Manuel signed a Memorandum of Understanding (MOU) with the U.S. Department of Commerce

(USDOC), a truly history agreement. The agreement was the first of its kind between a tribal government and the Commerce Department's International Trade Administration, and made San Manuel the first tribe in the country to form a partnership, providing office space and support to open an **Export Assistance** Center on tribal property. Under the MOU, San Manuel and Di-

rector Fred Latuperissa of the Inland Empire USEAC agree to work together to promote international trade for businesses in the Inland Empire.

As former California Congressman George Brown expressed, "this joint venture ing international economic

is representative of the emerg-

and continues to recognize the importance of encouraging further international activities and desires to develop an aggressive export assis-

tance function.

San Manuel is

San Manuel Native American Tribe Perspective

As we contemplate the erratic treatment of Native Americans in U.S. history, we occasionally (and all-too infrequently) see glimmers of hope such as this new administration.

The challenge of on-going administrations and Congress is to execute on a consistent policy toward tribes which supports self -sufficiency not only from an economic perspective but also from a governance perspective.

The tax code and other provisions of law continue to treat tribes in a bi-polar manner and do not consistently treat tribes as governments. In many cases, treatment of tribes by states is even worse.

The testimony of Dan McLaughlin in 1998 before the Senate Committee on Indian Affairs begins to encapsulate that full and complete understanding of interaction in Indian Country. The actions of the Commerce Department, in particular, by executing the MOU with the San Manuel Band of Mission Indians is to be applauded for its insight, vision, and spirit of cooperation in a mission of mutual import to both parties.

force that will make San Ber-

nardino an international trade

leader in California." Since

signing the agreement, San

ness and community leader

Manuel has remained a busi-

one of the largest employers in the Inland Empire, employing more than 3.300 locals. and donates generously to charity each year. In an effort to safeguard the people of San Bernardino, the tribe made a \$2 million donation of three fire engines and one

hazardous materials vehicle to the city in 2000, followed by another donation of 10 thermal imaging cameras in 2002 to various Inland Empire fire stations.



The Southern California Logistical Airport, Cont.

also see valuable growth.

The logistics hub currently employs a workforce of 4,000 individuals, but is expected to expand to 25,000 employees by completion. The SCLA is taking a pro-active approach to recruiting local students for these jobs, particularly with its on-site Airframe and Powerplant Licensing Program. The SCLA has recognized an industry requirement for new A&P technicians (the

current average age of these technicians is 56 years of age).

The school will seek to fill the additional 200 A&P jobs expected at the airport each year, giving post high school individuals from the High Desert the opportunity to work at a starting salary of \$40,000 after two years of training. Besides growth of that salary up to \$80,000, the SCLA School of Aviation Technology is also in the process of setting up a transfer-

credit system, which would allow students to continue their education at other institutions without starting from square one.

The SCLA will serve the Inland Empire as a key resource for trade and manufacturing, while also raising the standard-of-living and providing career opportunities.

VISIT CIEDEC's website at: www.ciedec.org

A Business Mission to Indonesia, Continued

Fred Latuperissa spoke on behalf of Inland Empire and other US businesses. He highlighted a desire for results-oriented dialogue between American and Indonesian companies that would lead to new contractual agreements and a mutually beneficial cooperation of the two countries. His speech was met with enthusiasm and willingness by attending members of the Los Angeles Indonesian Consulate, as well as Ambassador Parnohadiningrat.

Proceeding dinner, Consul General Subijacksono Sujono captivated attendees with his musical talent on the keyboard and microphone. He was joined by Ambassador Parnohadiningrat on the Saxophone and CIEDEC's new lead vocalist, Fred Latuperissa.

CIEDEC members in attendance were: Roy Paulson, Lori VanArsdale, and Fred Latuperissa. Inland Empire and Southern California businesspeople in attendance included: John Baraneck, Character Bound Books LLC; William Collier, Keesal, Young and Logan; Les Hamasaki,

Green Valley Initiative;
George Hawranik, SRS Engineering Corporation; Jim
Hoffman, El Camino CITD;
Uwe Janssen, Rauch International; Noriko Kikuchi and
Jonathan Watson, ALVARADO; Donette Lamson,
Green Global Exports; Tim
Murphy, Comerica Bank;
Morris Myers, Southwest
EDC; Skip Staats, IES; Max
Stock, Jakob Engineering; Jeff
Tucker, AMI Metal; Hudson
Warren, China West LLC.

New Market of the Month: Indonesia, Continued

countries and business activity in the Industries that Prosper in Peace report released on May 20th alongside the Global Peace Index.

With growth and stability becoming the benchmarks to market opportunities and Indonesia's steady and sharp progress, American firms can look to the most populous market in Southeast Asia as a key part of expanding exports and

Fast Facts:

- Indonesia is the world's fourth largest country, with a population of over 230 million
- Indonesia's GDP is growing at over 6% annually.
- Indonesia has by far the largest economy in

Southeast Asia.

Indonesia is the world's third largest democracy, with a thriving open economy.



Comerica and US Commercial Service Team Up



The Department of Commerce's U.S. Commercial Service announced a new partnership with Comerica Bank aimed at growing exports from U.S. small- and medium-sized enterprises. The partnership is designed to increase awareness among U.S. businesses of the array of export promotion and assistance resources and expertise available to them from the public and private sectors.

"More than 70 percent of the world's purchasing power is outside the United States," said Israel Hernandez, assistant secretary for trade promotion and director general of the U.S. Commercial Service. "Through our combined resources, we recognize that we can more effectively promote U.S. exports and improve the country's competitive advantage in global trade. Comerica Bank has been providing global trade solutions for over 50 years and operates in Texas

and California, the number one and number two U.S. exporting states, making this partnership a natural fit."

"If you do business here in the United States, the most competitive market in the world, then you can certainly sell your product or service in other markets around the

ComericA Bank

world, just like small- and medium-sized businesses do every day," Hernandez added.

U.S. exporters stand to benefit from the joint resources of Comerica Bank and the U.S. Commercial Service. The U.S. Commercial Service's export services network extends around the world, with trade specialists in more than 100 U.S. cities and 80 countries, providing market research, trade events, introductions to qualified buyers and distributors, and counseling

and advocacy.

Comerica Bank offers an array of export solutions that support every stage of the global supply chain, including solutions to optimize working capital (financing of inventory, accounts receivable and accounts payable), mitigate key

risks (structuring of international payment methods -- letters of credit, documentary collections, wire transfers; foreign ex-

change services) and simplify the trade process (Web-based services for trade, foreign exchange and international wires).

In addition, Comerica Bank is a Super Delegated Authority lender and Fast Track lender for the Ex-Im Bank Working Capital Guarantee Program. Comerica Bank was named the 2006 Small Business Bank of the Year by Ex-Im Bank.



Tim Murphy: Comerica Vice Pres. & CIEDEC Member

Tim Murphy is First Vice President of Comerica Bank's International Banking Division. He is responsible for marketing international trade products and services to import and export companies in California.

Murphy has over 28 years combined banking and lending experience. He joined Comerica Bank nine years ago. He served two terms as President of Export Managers Association of California and was Chairman of the Export

Small Business Development Center.

Murphy has been a guest lecturer for various local and international universities and associations in the Southern California and in Asia.

In 2006, United States Secretary of Commerce Carlos M. Gutierrez appointed Murphy to his second term as member of California Inland Empire District Export Council.



The Green Valley Initiative

Inland Empire businesses, governments, universities and school districts, public utilities, nonprofit organizations and community members are working collaboratively on an innovative project called the Green Valley Initiative. (GVI). It's a region-wide effort to create jobs, promote "clean and green" technologies and to designate Riverside and San Bernardino counties as a global hub for sustainable industries.

To date, more than 500 people are participating in the effort. Both county boards of supervisors have

adopted resolutions in support of GVI, as have more than 35 cities and public agencies in the region. It's a regional project that has received recognition from the state and federal governments, as well as the media.

Why is the Inland Empire ideal for this effort? Abundant sunshine, affordable land, a comprehensive shipping and logistics network, a broad consumer and workforce base and, perhaps more importantly, a regional program like GVI to help businesses get started here.

The Green Valley Initiative is committed to many of the same causes as CIEDEC. GVI was a sponsor of last year's conference in Palm Springs, and has worked with the U.S. Department of Commerce on a Comprehensive Economic Development Strategy report, which was approved late last vear by the Economic Development Administration. That approval qualifies the Inland Empire for federal funding for projects associated with GVI's mission.

CIEDEC will continue to work with GVI on assisting these businesses in their efforts to export products and services overseas.









A Message from the CIEDEC Past-Chair, Continued

Lewis, Congresswoman Mary Bono Mack, and Congressman Darrel Issa. In addition, USTR Ambassador Susan Schwab spoke on the Free Trade Agreements and Assistant Secretary and Director General of the U.S. Department of Commerce Israel Hernandez was a keynote speaker during the conference as well as Korea's Ambassador Lee Tae-Sik and many other distinguished high level U.S. Government officials representing World Bank, Overseas Private Investment Corporation (OPIC), Export-Import Bank and Small Business Administration. A

Blue Ribbon Panel debated the Free Trade Agreements, U.S. Trade Policies and how these elements relate to the current economic conditions.

We opened our conference by dedicating it in memory of our CIEDEC member Dean Carson of Transit Sales International and a presentation to his family. Dean was an experienced pilot who passed away as the result of an accident involving his single engine airplane during his daily commute to his home in Big Bear, California. I know Dean would have been pleased with the success of this years' National DEC Conference. Dean was incredibly dedicated to CIEDEC and his enthusiasm, wry sense of humor, and dogged determination will inspire us for years to come.

I sincerely appreciate and thank all of you who took so much time out of your lives to make sure that the world of exporting knows that when it comes to the California Inland Empire District Export Council, we mean business AND we know how to put on a great National Conference!

For information about GVI, or to get involved, visit www.greenvalleyn ow.org or call 951 -808-0100.





Thank You to the 2008 National DEC Conference Sponsors

















Commercial News USA

We'd like to extend an out-sized thank you to all the

individuals who gave their time to making the confer-

ence such a well-run operation. Some of these volun-









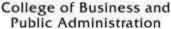
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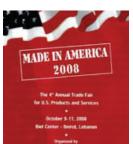








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Approaching U.S. Export Controls

The Four Questions that Need Answers

For U.S. exporters of nearly any stage of experience, complying with U.S. export controls for commercial products or technology has never been easy. Better, however, to undergo the legally required due diligence beforehand than discover that a past shipment was (or, worse still, multiple past shipments were) impermissibly exported from the United States. What follows below is a brief primer on reviewing potential exports to determine whether those exports meet U.S. legal requirements.

A helpful starting point for approaching U.S. export controls for commercial items is to break up the potential export transaction into segments for consideration. The following four inquiries (What, Where, Who, and Why) capture this approach.

<u>WHAT:</u> Some U.S. export controls apply to specific

types of products and technologies.

It is very important that a commercial product or technology be correctly classified and assigned the proper Export Control Classification Number (ECCN) prior to export.

WHERE: Some U.S. export controls apply to transactions involving persons in specific countries. These controls may impose an export license requirement or may prohibit the transaction altogether. The U.S. maintains complete or nearly complete embargoes on trade with Cuba, Syria, Sudan, Iran, and North Korea.

WHO: U.S. persons are prohibited from doing business with persons who have been placed on denied or prohibited party lists maintained by the U.S. Government. Parties to an export transaction must be screened against these lists prior to the transaction.

WHY: Certain U.S. export controls apply to particular end uses to which the product or technology will be applied overseas. It must be determined why the product or technology is being sought, e.g., what is the end usage of the product or technology. Certain end usages, such as those related to weapons of mass destruction, either require U.S. export licenses or are outright prohibited.

Asking these questions is only the beginning but, nevertheless, it is a good beginning. A helpful resource is the website for the Bureau of Industry and Security in the U.S. Department of Commerce (www.bis.doc.gov).

Greg Brittain, Attorney, is a member of the California Inland Empire District Export Council. The opinions expressed are solely his own..

CIEDEC's website at: www.ciedec.org



For additional information on U.S. Export Controls, call the Inland Empire Export Assistance Center at (909) 466-4134.

Palm Springs DEC Conference a Smashing Success

Palm Springs, California was home to this year's 2008 National District Export Council Conference which featured the theme "Travel and Trade: Redefining Exports" and hosted by the California Inland Empire District Export Council (CIEDEC) in conjunction with Pacific South Network, October 15-17, 2008.

The National DEC Conference showcased 25 breakout sessions and over 10 keynote addresses, including presentations by Congressman Jerry Lewis, Congressman Joe Baca, Congresswoman Mary Bono Mack, and Congressman Darrel Issa. In addition, Ambassador Susan Schwab spoke on FTA's. USFCS Director General Israel Hernandez was a keynote during the conference as well along with Korea's Ambassador Lee Tae-Sik and many other distinguished high level U.S. and foreign government officials.

In a two-day period, the Inland Empire USEAC and CIEDEC scheduled 130 oneon-one meetings between 45 U.S. firms and Senior Commercial Officers from Australia and New Zealand, Colombia, Saudi Arabia and Germany, Singapore, Taiwan, Malaysia and China, and Vietnam.

Over 450 District Export Council members and guests attended this event. Hundreds more were able to see it through a live webcast. The event also included 30 sponsors who exhibited throughout the conference.



Thinking of Exporting?

Your Local U.S. Export Assistance Center is Ready to Help You!



Our staff is ready to help you with our extensive coverage of industries located in the Eastern Los Angeles, Riverside, and San Bernardino

> U.S. Department of Commerce Inland Empire U.S. Export Assistance Center Ontario, California www.buyusa.gov/inlandempire



Fred Latuperissa Tony Michalski Erica Ramirez Eduard Roytberg

Cabazon U.S. Export Assistance Center Indio, California

(760) 342-1310 Cynthia Torres



TOP 10: U.S. Commercial Service's Exporting Tips

·Dedicate top-level management and develop a clear export strategy.

·Identify potential market(s) and conduct research and a risk/reward assessment.

·Be patient and realistic when going international (Take a longterm approach and allow sufficient time for due diligence).

·Seek professional help from the U.S. Commercial Service, District Export Council, bankers, international legal firms, or freight forwarders.

·Make sure the product is export ready (standards compliance, regulations, labeling, licensing, etc.).

·Understand and select the best distribution channel for each country (research all potential distribution partners).

·Identify sources of finance before beginning negotiations to ensure you are not caught flat-footed in business meetings (Trade financing is crucial to success overseas).



·Create payment terms and conditions that meet the market's needs standards (You can offer terms to foreign buyers. Meet competitors head-on by using the Export-Import Bank and the Small Business Administration's export programs).

·Design your company's Web site to be attractive and responsive to foreign buyers

• Take advantage of U.S. government export promotion services—everything from export counseling, financing and market research to advocating for your products in overseas markets. (They are affordable and effective, regardless of the size of the company).