



OKLAHOMA INTERNATIONAL TRADE BULLETIN



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[Ex-Im Bank Express Insurance](#)

The Ex-Im Bank short-term insurance policy helps small businesses expand into new foreign markets, add new buyers, and transfer all foreign buyer credit decision making to Ex-Im Bank at an economical cost. It is a "named buyer" policy that simplifies small business access to export credit risk insurance on their foreign accounts receivable. In addition to providing payment risk protection and allowing the extension of competitive credit terms to foreign buyers, the insurance also enables small businesses to obtain lender financing of those receivables through the assignment of policy proceeds.

A streamlined online application provides a policy quote and credit decisions up to \$300,000 on foreign buyers within five workdays (buyer credit requests exceeding \$300,000 will require additional processing time). Insurance premiums are payable only upon an exporter's shipment, or invoice for services, to a buyer pre-approved by Ex-Im Bank. Premium rates are determined by a rate schedule based on the credit term with no differentiation based on country.

Credit reports on all buyers the exporter elects to insure are complimentary (though they remain with Ex-Im Bank). Insuring pre-existing foreign buyers is optional. There are no application fees. A \$500 advance deposit is required at quotation acceptance to issue the policy. This deposit is refundable if the exporter decides to cancel the policy.

For further information about the Ex-Im Bank express insurance policy please [click here](#).

[AESDirect New Shipment Manager](#)

Filers who submit their EEI through the AESDirect program have a new option to retrieve their shipments. This new feature provides AESDirect program filers with a set of tools to search and track their submitted export information. For more information, please [click here](#).

[Market Overview of China](#)

China responded quickly to the global economic downturn in 2008 and, as a result of a combination of monetary, fiscal, and bank-lending measures China's GDP grew 9.2 percent in 2009 and an impressive 10.3 percent in 2010. Projections are for the GDP growth to slow slightly in 2011 to between 9 and 9.5 percent.

Accompanying the rise in China's GDP, U.S. exports to China increased in 2010 by over 32 percent to almost \$92 billion. Of course, China's exports to the U.S. also increased by 23 percent, leading to a balance of trade deficit of \$273 billion. After falling in 2009, the trade imbalance with China is now on the rise again. China remains the U.S.'s second largest trading partner after Canada.

After near zero percent inflation in 2009, in 2010 consumer price index rose 3.3 percent, exceeding the authorities' target of 3.0 percent. Inflation reached 5.1 percent in December 2010, alarming authorities who undertook a multipronged effort to bring real estate prices, food prices and monetary liquidity driven by bank lending under greater control.

Inbound FDI rebounded after a dip in 2009, rising 17.4 percent in 2010 to almost \$106 billion. China is the world's second largest recipient of FDI after the United States.

China stands as the world's third largest market for luxury goods behind Japan and the United States, and some studies estimate that there are now more than 200 million Chinese citizens with a per capita income over USD 8,000. Over the next several years, most economists predict a surge in the number of people achieving true middle class status.

Despite these remarkable changes, China is still a developing country with significant economic divisions between urban and rural areas, albeit one with vast potential. The numbers of migrant workers continues to remain high, with the number of laborers employed outside their hometowns at approximately 150 million in 2009. This number has appeared to remain static, however, with some areas, especially in the East, reporting shortages of such laborers and tightening wage situations. As of 2010, the per-capita disposable income of urban residents was RMB 19,109 yuan (USD 2,895), and the per-capita disposable income of rural residents stood at RMB 5,919 (USD 897).

For more information about doing business in China, please [click here](#).

[Protecting Intellectual Property Rights \(IPR\) Abroad](#)

Globalization and the rapid proliferation of technology have elevated the importance of intellectual property protection for small and medium sized enterprises (SMEs). The intangible nature of intellectual property and the worldwide lack of standard practices create challenges for U.S. businesses wishing to protect their inventions, brands, and business methods in foreign markets. The three most common vehicles for protecting intellectual property are patents, trademarks, and copyrights. This article is intended to provide exporters with a brief overview of intellectual property rights and the methods being employed to protect those rights internationally. [Learn how](#) to obtain and protect a patent, trademark or copyright in another country.

Transatlantic IPR Resource Portal

The U.S. Department of Commerce and the European Commission's Directorate General (DG) for Enterprise and Industry have developed the [Transatlantic IPR Resource Portal](#) to make it easier for transatlantic small and medium-sized enterprises (SMEs) to find and use the resources that both governments have developed to protect and enforce intellectual property rights. The portal was developed by the Market Access and Compliance (MAC) unit of Commerce's International Trade Administration in collaboration with DG Enterprise's Competitiveness Policy unit.

Report IPR Infringement

You can report suspicions concerning the manufacture or sale of counterfeit or pirated goods to the National Intellectual Property Rights Coordination Center. The IPR Center is a task force that uses the expertise of its member agencies to share information, develop initiatives, and conduct investigations related to intellectual property theft. -Report theft of intellectual property to federal law enforcement at the IPR Center Hotline (1-866-IPR-2060 or 1-866-477-2060) or via email at IPRCenter@dhs.gov.

Report Barriers to Protecting Your IPR Abroad

If you feel your company's intellectual property rights have been, or may be adversely affected by foreign intellectual property protection and enforcement practices, you may [file a complaint electronically](#) with the [Office of Intellectual Property Rights](#) within the International Trade Administration.

For further details about intellectual property rights, please [click here](#).

Doing Business in Singapore

Foreign investments, combined with investments through government-linked corporations, underpin Singapore's open, heavily trade-dependent economy. In 2010, the Singapore economy rebounded with an exceptional performance, expanding by 14.5% to become the second fastest growing economy in the world. GDP is expected to moderate in 2011 with the Singapore Government forecasting a more sustainable growth rate of 4-6%. Inflation grew 2.8% in 2010 and is projected to rise to 3.0-4.0% in 2011. Analysts expect the Singapore currency to strengthen as the Singapore Government uses monetary policy to fight inflation.

In 2010, Singapore was the United States' 10th largest export market (up from 11th place in 2009) and remained the 13th largest trading partner. The city state is a major entry point and was the second busiest container port in the world in 2010. The top supplier of imported goods to Singapore was Malaysia, followed by the United States, China, Japan, Taiwan, South Korea, Indonesia, Saudi Arabia, Thailand, and India respectively. "The Global Enabling Trade Report 2010" by the World Economic Forum ranked Singapore first for having the most open economy for international trade and investment.

For further information about doing business in Singapore, please [click here](#).

Loss of Goods

Loss of goods occurs either during the course of shipping from damage or theft or as part of scam. Managing the loss of goods during the course of shipping can best be addressed with the advice of a freight forwarder or cargo insurance company. Loss of goods due to theft or damage can be managed to some degree through the choice of the port of entry or choice of shipping method. Some ports are more secure than others and are better equipped. If the goods in question require special handling then it is important that the chosen port is equipped to handle goods. For example perishable goods require a port where they can be handled quickly and where sufficient cold storage is available. If goods are fragile or of high value, then air freight may be preferable.

It is important to be aware of when ownership passes from the buyer to the seller and thus risk of loss passes. This is typically defined within the [INCOTERMS](#) 2010. Not all losses can be prevented so it is important that sufficient marine [cargo insurance](#) be purchased.

Goods can also be lost as a result of a scam. It is important to be able to recognize a scam. Many scams contain similar features. A scam may contain some or all of these features or other elements as well.

- A company is contacted by an unknown foreign buyer. The contact may be unexpected or there may be no obvious reason for the contact.
- The buyer seems to be unfamiliar with the goods. Scammers often have no particular need for the goods but see an opportunity to easily obtain the goods or they can easily dispose of the goods.
- The buyer orders an extraordinary quantity of goods.
- The buyer is willing to pay full retail price especially when less expensive alternative sources are available.
- The buyer wants the goods shipped immediately, often by expressed freight, and is not concerned about the cost.
- The buyer offers to pay in advance by credit card or cashiers or certified check. None of these are secure methods of payment. The burden is on the seller to verify the validity of these methods of payment. It can take two weeks or longer for stolen or fraudulent credit card numbers to be registered in the banking system. U.S. banks will give you immediate credit for checks that are deposited. This is called a provisional credit and does not mean the check is valid. The provisional credit is subject to being revoked if the check does not clear. It can take two weeks or more for a check to be determined as fraudulent.

Remedy: There is no adequate method to recover goods lost in the course of an international scam.
Prevention: The key to avoiding scams is to conduct due diligence on the buyer and use a secure method of payment with unfamiliar buyers.

Due Diligence: There are various approaches to conducting due diligence.

- Conducting a credit check through a bank,
- Conducting a full background check, or
- Having the buyer provide references to other U.S. firms and verifying their references

Secure Method of Payment: When dealing with unfamiliar buyers even if due diligence has been conducted a secure method of payment should also be used. Irrevocable confirmed letter of credit is one option or electronic funds transfer is another. For a more complete discussion of methods of payment [click here](#).

[CE Marking](#)

The CE marking (an acronym for the French "Conformite Europeenne") certifies that a product has met EU health, safety, and environmental requirements, which ensure consumer safety. Manufacturers in the European Union (EU) and abroad must meet CE marking requirements where applicable in order to market their products in Europe. For a list of countries that require the CE marking, see: [CE Marking Countries](#). A manufacturer who has gone through the conformity assessment process, may affix the CE marking to the product. With the CE marking, the product may be marketed throughout the EU. CE marking now provides product access to 27 countries with a population of nearly 500 million.

Unfortunately, there is no comprehensive list of the products that require a CE marking. Therefore, it is the manufacturer's responsibility to determine if a product requires a CE marking. The "New Approach Directives" are documents that contain the legislation issued by the European Commission on the requirements that need to be met and procedures that must be followed in order for a particular product to be CE marked for sales in the EU.

For further information about CE Marking, please [click here](#).

[June/July 2011 Calendar of Events](#)

Date:	Event:	Contact:
June 7, 2011	Minority and Women's Breakfast Metro Tech Economic Development Center	capccokc@coxinet.net
July 5, 2011	Minority and Women's Breakfast Metro Tech Economic Development Center	capccokc@coxinet.net