



OKLAHOMA INTERNATIONAL TRADE BULLETIN



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Mathey Dearman, Inc. and Round House Manufacturing Receive the 2011 Governor's Award for Excellence in Exporting

Mathey Dearman, Inc. and Round House Manufacturing received the 2011 Governor's Award for Excellence in Exporting. The Honorable Mary Fallin, Governor of Oklahoma, presented the award during the 28th Annual Oklahoma World Trade Conference held at the Reed Center in Midwest City, Oklahoma.

Mathey Dearman grew out of two long-established companies who were both active in the oilfield and pipeline equipment industries. Mathey Manufacturing, founded in 1936 in Tulsa, developed and introduced some of the first portable machines for cutting and beveling pipe. Over the years, it developed new products for the same or similar applications. Dearman International, founded in 1970 and originally headquartered in Pearland, TX, designed and built a number of tools and machines that were used by pipefitters and welders to secure pipe for welding. Mathey acquired Dearman International in 1996. Today, the company designs and manufactures cutting and beveling machines as well as systems for clamping, aligning, and reforming pipes, tubes, and vessels.

Mathey made its first export sale in 1985 for use on a pipeline project in Saudi Arabia. In subsequent years, the export business grew, especially to the Middle East where oil and gas pipelines and refineries were being built. The Company has during the last decade strategically located distribution partners in other parts of the globe, particularly in Southeast Asia, Australia, and Western Europe. Recently, with the support of the Oklahoma Department of Commerce and the U.S. Commercial Service, the Company has identified distributors and customers in Russia, Eastern Europe, and China, and is currently working on building a business base in India.

Mathey Dearman's manufacturing and administrative operations are located in Tulsa. The Company also has a sales office and warehouse in Milan, Italy, from which it serves its customers in Europe, Russia, the Middle East, and Africa. In 2010, its export sales accounted for 35% of its total global sales.

For 108 years Round House's Made in Oklahoma overalls and jeans have been the favorite of workers throughout the United States. Now customers in Japan, Great Britain, France, Italy, Germany, South Africa, and other countries are consuming the American workwear staple.

Round House Overalls and Jeans now employs over 75 Oklahomans at two plants in Shawnee, Oklahoma and Wewoka, Oklahoma. Excitement for Made in USA clothing led Round House Overalls and Jeans to open a second factory, for the first time in its history, in Wewoka in 2008. According to the American Apparel Producers Network, this was the first new clothing factory opened in the United States in the last 15 years.

While Oklahomans know Round House Overalls and Jeans from local stores like Atwoods, Sharpes, Langstons, Drysdales, Cavenders, and Sheplers, the Japanese or European customer finds the same authentic workwear in a much different setting. In Shibuya, one of Tokyo's fashion districts, you can see Japanese customers purchasing Round House overalls and jeans in urban boutiques.

Round House started in 1903 when Oklahoma was still Indian Territory, 4 years before statehood. Over 100 trains roared through Shawnee each day.

Round House began making overalls and jeans for the thousands of railroad workers. The Round House name comes from the “round house” railroad repair station.

The past decade has seen Round House Overalls and Jeans featured prominently in the media. Earlier this year ABC News did a feature story on Round House’s growth for their “Made in America” programming. The National Geographic Channel is currently filming a new show in which the host will be wearing Round House jeans.

Round House continues to be the overall worn by train engineers at Disneyland, Disney World, Tokyo Disneyland and Disneyland Paris. Celebrities from Christopher Walken to Donald Trump are seen wearing Round House. The Travel Channels’ *Made in America with John Ratzenberger* produced a 15 minute episode on the Round House factory and its overalls and jeans that aired from 2007 to 2010.

Governor Fallin also presented nine Oklahoma exporters – **Control Devices, Inc., HIS Sensing, Lopez Foods, Inc., Mathey Dearman, Inc., OCV Control Valves, LLC, Round House Manufacturing, Tower Tech, Inc., United-Tech, Inc., and Western Technologies** – with the U. S. Commercial Service’s Export Achievement Certificate. The certificate program is designed to showcase the important role that exporting plays in our national economy, to highlight the contributions made by exporters to their local communities, and to recognize new and existing exporters.

[Special Promotions for the July-August 2011 Edition of Commercial News USA](#)

Commercial News USA, the official export promotion magazine of the U.S. Department of Commerce, offers exporters an inexpensive way to promote their products and services in 178 countries worldwide.

Now, you can take advantage of two special offers:

**Buy two ads and get the third ad for free (Based on one-time rates. Does not include Showcase section). Moreover, you will receive a free online listing in French.

**Advertise in the USA Product Showcase section of the magazine for just \$499.

For more information, call 1-800-581-8533, x 822, go online to www.thinkglobal.us, or send an e-mail to advertise@thinkglobal.us. The deadline for the July-August Issue is May 20th.

[Doing Business in Japan](#)

It has never been easier to do business in Japan. Savvy observers agree that an active engagement with the Japanese market remains critical to the success of American business, both big and small alike, as well as to U.S. states seeking trade and investment with Japan. While the reasons U.S. firms engage with Japan are diverse and often complex, most firms recognize that underestimating the strategic and tactical importance of selling to and competing in the Japanese market may disadvantage them not only in Japan, but also in the U.S. and third-country markets as well. For information about doing business in Japan, please [click here](#).

[Blue Australia Trade Mission](#)

This trade mission is designed to provide a key opportunity for U.S. suppliers of water and wastewater treatment equipment and services to expand their presence in the Australian market. To help firms leverage opportunities a top level Department of Commerce executive will be leading this matchmaking mission.

Where?

Sydney, Brisbane, and Melbourne, Australia

When?

September 12-15, 2011

Why Participate?

The goals of the Australian Water and Wastewater Industry Trade Mission are to increase U.S. water treatment equipment and services sales to Australia.

During the mission, participants will receive:

- Briefings on water and wastewater industry market;
- Introductions to potential agents/ distributors, facility administrators, and purchasing managers through group events;
- Site visits if applicable;
- One-on-one business meetings tailored to each firm's interests; and
- Meetings with local business representatives and government officials, as appropriate.

Fees

Cost: \$2,000 for a small or medium-sized enterprise (SME) and \$2,500 for large firms. The fee for each additional firm representative (SME or large) is \$450. Expenses for travel, lodging, meals, and incidentals will be the responsibility of each mission participant.

For more information please e-mail AustraliaWaterMission@trade.gov.

Market Overview of Russia

-With over 140 million consumers, a growing middle class, and almost unlimited infrastructure needs, Russia remains one of the most promising markets for U.S. exporters.

-Russia is the richest of the BRIC countries, with per capita personal disposable income of \$6,923 and per capita GDP of \$15,900. It is an upper middle income country, with a highly educated workforce and sophisticated, discerning consumers.

-Russia's economy has begun to recover from the economic crisis that started in 2008, with GDP growth at 4.0% for 2010. This growth was slightly less than anticipated due to drought and wildfires, which disrupted agriculture, commerce and industry. Economists forecast real GDP growth of 4.3% in 2011.

-Russia was the U.S.'s 37th largest export market and the 17th largest exporter to the U.S. in 2010. U.S. exports to Russia were \$5.97 billion, a 12% increase from 2009. Russian exports to the U.S. were \$26.5 billion, up 41% from 2009. Russian sources list the country's leading trade partners as: Netherlands, China, Germany, Italy, Ukraine and Turkey.

-U.S. accumulated investment in Russia is approximately \$21.3 billion. According to Russian data, the U.S. is Russia's 10th largest foreign investor.

-Russia anticipates joining the WTO in 2011, which would liberalize trade with the rest of the world and create opportunities for U.S. exports and investments.

U.S. Free Trade Agreements

Why should you care about free trade agreements (FTAs)?

If you are looking to export your product or service, the United States may have negotiated favorable treatment for your service or product through an FTA. This treatment should make it easier to export your product to or offer your service in the FTA country's market. It may also give your product or service a competitive advantage versus products from other countries.

What is an FTA negotiated by the United States?

An FTA is an agreement between two or more countries where the countries agree on certain behaviors that affect trade in goods and services, and protections for investors and intellectual property rights, among other topics. For the United States, the main goal of trade agreements is to reduce barriers to U.S. exports, and protect U.S. interests and enhance the rule of law in the FTA partner country. The reduction

of trade barriers and the creation of a more stable and transparent trading and investment environment make it easier and cheaper for U.S. companies to export their products and services to trading partner markets. Forty-one percent of U.S. goods exports went to FTA partner countries in 2010, with exports to those countries growing at a faster rate than exports to the rest of the world from 2009 to 2010, 23% vs. 20%.

FTAs usually build off of the agreements negotiated in the [World Trade Organization](#) (WTO). For example, in the WTO, each country agrees to issue, at the request of the importer or exporter, binding advance determinations on where a product will be viewed as coming from, since many products are made up of parts from multiple countries. Under an FTA, importers and exporters can obtain determinations for a broader set of issues, including finding what tariff line the product will be classified under, and value that will use to calculate the tariff.

Other countries also negotiate FTAs and the behaviors covered may not be the same as those negotiated by the United States.

With which countries does the United States have an FTA?

The United States has 11 FTAs in force with 17 countries. In addition, the United States has negotiated FTAs with [Korea](#), [Panama](#) and [Colombia](#), but these agreements have not yet entered into force. The United States is also in the process of negotiating a regional FTA, the [Trans-Pacific Partnership](#), with Australia, Brunei Darussalam, Chile, Malaysia, New Zealand, Peru, Singapore and Vietnam.

U.S. FTA Partner Countries

[Australia](#), [Bahrain](#), [Chile](#), [DR-CAFTA](#): Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, & Nicaragua, [Israel](#), [Jordan](#), [Morocco](#), [NAFTA](#): Canada & Mexico, [Oman](#), [Peru](#), and [Singapore](#)

For further information about FTAs please [click here](#) or contact either one of the Oklahoma offices.

[Free Trade Agreement \(FTA\) Tariff Tool](#)

The International Trade Administration's [FTA Tariff Tool](#) combines tariff and trade data into a simple and easy-to-search public interface. Using the Tool, users can see how U.S. and FTA partner tariffs on individual products—searchable by keyword or tariff code—are treated under an agreement. Additionally, U.S. importers and exporters can see the current tariff and future tariffs applied to their products, as well as the date on which those products become duty-free. Finally, by combining sector and product groups, trade data, and the tariff elimination schedules, users can also analyze how various key sectors are treated under recently concluded FTAs. For more information, please [click here](#).

[June 2011 Calendar of Events](#)

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