

# International Trade UPDATE

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January 2007

## India Mission a “Success on Every Level”

A business development mission to India, led by Under Secretary of Commerce Franklin L. Lavin, gave more than 250 U.S. businesspeople the opportunity to learn about India’s business potential.

BY JOHN WARD



Attendees at the U.S.–India Business Summit held in Mumbai on November 29 and 30, 2006. The two-day summit was the opening event of the India Business Development Mission that was led by Franklin L. Lavin, under secretary of commerce for international trade

**M**ore than 250 executives from 200 U.S. companies joined Franklin L. Lavin, under secretary of commerce for international trade, this past December on a business development mission to India. The mission began with a two-day business summit in Mumbai on November 29 and 30. On December 4 and 5, 2006, the summit continued with spin-off missions in Bangalore, Chennai, Hyderabad, Kolkata, Mumbai, and New Delhi. In addition

to export promotion activities, the trip also involved trade policy meetings with Indian government officials.

The mission was the largest of its kind ever organized by the U.S. government, and it gave participating companies the chance to fully explore business opportunities in India. Lavin noted in remarks made to the Indo-American Chamber of Commerce in New Delhi on December 5, 2006, “With an open and growing economy, and a billion potential customers, the Department of Commerce believes [that] in order for American companies to be globally competitive, they need to be thinking about India.”

### Presidential Mandate

The mission to India came as a significant step in fulfilling a mandate given to the U.S. Department of Commerce and the Indian Ministry of Commerce and Industry in March 2006, when President George W. Bush met with Indian Prime Minister Manmohan Singh in New Delhi during a state visit. In the course of their talks, the two leaders charged their respective ministries with promoting

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INTERNATIONAL  
TRADE  
ADMINISTRATION

# Creating Opportunities in Russia's Financial Services Sector

By working with financial professionals in the United States and Russia, the Department of Commerce has helped develop a program to better manage Russia's growing financial assets and pension management sector.

BY MICHAEL CORBIN



Three participants in the financial assets management training program with their Commerce Department and private-sector contacts during a visit to Washington, D.C. From left to right: Alexander Viner (JSCB TransCapitalBank); Maxim Bekishev, (BrokerCreditService); Michael Corbin (U.S. Department of Commerce); Lydia Borgatta, (senior vice president for investments, AG Edwards); Natalya Dostovalova (Vnesheconombank).

Since 2003, the Office of Finance of the International Trade Administration (ITA), with U.S. industry, has been working with Russian government officials and asset management industry professionals to develop a training program for Russia's developing private pension and asset

management sector. This training has been coordinated with reforms undertaken during the past several years in Russia's private pension sector, and it seeks to build capacity in the Russian market while enhancing opportunities for U.S. firms.

## An Important Export Sector

The financial services sector, which includes asset management, is an important and growing export for the United States. In 2005, U.S. firms exported some \$29.2 billion in financial services. Russia is an untapped market for U.S. firms active in that sector. But prospects for increased access to the Russian financial services sector will depend on a number of factors, including ongoing trade negotiations, development of a sound financial infrastructure, and cultivation of strong business ties between Russian and U.S. asset managers.

## Enormous Growth Potential

Since its recovery from the global financial crisis in 1998, the Russian government has made efforts to reform its capital markets in the pension sector. Although results thus far have been mixed, a successful reform will reinforce the ability of individuals to seek private management of their pension assets and will help Russia to invest the tremendous liquidity that has accumulated after several years of high oil and gas prices. Although those reforms offer tremendous opportunities for foreign and domestic asset managers in Russia, they also present many challenges from a development point of view.

Currently, Russian capital markets are limited not only by regulatory and legislative requirements, but also by a lack of variety in the types of instruments available for investment. Consumers of financial products also lack the knowledge of, and trust in, investing in capital markets. For example, only 2 percent of Russian households have their savings in some type of private mutual fund. Those factors limit the knowledge of most Russian fund managers. At the same time, the potential for growth is enormous. During the next five years, the asset management sector in Russia is expected to grow to as much as \$250 billion from the current \$20 billion.

#### **Internship Program Launched in 2004**

In February 2004, after two years of work by Russia and the United States, an internship program in financial asset management was officially unveiled in New York. The Russian participants commit to one or two weeks of training in New York City and Washington, D.C. In New York City, the participants meet with various U.S. firms throughout the sector. Such meetings enable them to obtain experience working with live assets on a real team. In Washington, D.C., they meet with regulators and related trade associations. During the course of the program, participants can take part in seminars and other types of information exchanges.

Since its inception, the program has trained 15 high-level Russian money managers from organizations such as Vnesheconombank, Nikoil (now UralSib), BrokerCreditService, JSCB Transcapitalbank, and RegionGazFinance. The bulk of the training has been devoted to Vnesheconombank, which is responsible for the management of more than \$10 billion in private pension money. Nearly 96 percent of that amount was created by Russian pension reforms that were enacted in 2001.

#### **Continuing Commitment**

In April 2005, ITA's Office of Finance and the Russian Ministry of Finance concluded a memorandum of understanding. In it, both sides committed to continuing their cooperation in support of Russia's financial services sector. That obligation underscores the Commerce Department's commitment to assist Russia in developing its insurance and pension sectors while, at the same time, helping to bring the country into adherence with World Trade Organization (WTO) norms, a step that will be necessary if Russia is to join the WTO.

#### **Expansion of Program Sought**

With the rapidly developing Russian market, the Office of Finance is seeking to advance the training program through a number of means. One is the series of ongoing discussions that have been held with the State Department's International Visitors Program, to involve it in a proposed program that would bring a group of Russian regulators and legislators to the United States for training. Such training would give participants the tools they need to approve more investment instruments with greater speed and to clarify existing loopholes in Russian legislation. The Office of Finance is also working with various stakeholders to develop a U.S.–Russia funds conference in late 2007.

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*Michael Corbin is an international trade specialist in the International Trade Administration's Manufacturing and Services unit.*

## India Business Development Mission

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commercial and business ties and improving the policy framework between the two countries.

### A Growing Economy

The business mission took place at a propitious time for U.S.–Indian commercial relations. India has the 10th-largest economy in the world and has been enjoying high rates of economic growth during the past several years—about 8 percent per year from 2002 to 2005. Two-way trade between the United States and India has also been growing. In 2005, total bilateral trade was \$26.77 billion. That same year, U.S. exports to India were \$7.96 billion, a 30.3 percent increase over 2004. Also in 2005, imports from India were \$18.81 billion, a 20.8 percent increase over the previous year. India now ranks as the 22nd-largest export market for the United States.

### Matchmaker Events Help First-Time Business Visitors

The trade mission was an opportunity to build on the existing trade relationship, and mission participants were clearly pleased with the results. Jennifer Thompson, director of international relations for Oshkosh Truck Corporation of Oshkosh, Wisconsin (a manufacturer of fire trucks, cement mixer trucks, and specialty airport vehicles), noted that before coming to India, her company “thought there were opportunities ... but now we *know* there are opportunities here.” She summed up the business environment in India as “a very warm climate for U.S. businesses.”

Among the highlights of the five-day mission were the 600 matchmaker events organized by U.S. and Foreign Commercial Service staff members in the spin-off cities. Those events were nearly identical to the Commercial Service’s Gold Key Service, which arranges one-to-one meetings with prescreened distributors, professional associations, government contacts, and licensing or joint venture partners.

According to participants, the matchmaker events were especially fruitful in establishing business contacts in India. Malcolm Butters of Butters Construction

and Development (an industrial developer in Coconut Creek, Florida) participated in one such event held in Hyderabad on December 4. He noted, “[I] couldn’t have gotten a better meeting schedule if I had been here for 30 years.”

### Civilian Nuclear Technology

The participation of a number of U.S. civilian nuclear technology companies in the trade mission marked a historic first. Representatives of 18 U.S. firms and organizations in that sector met with potential Indian buyers, such as power authorities and government officials, to lay the groundwork for future sales. Their participation in the trade mission came because of an agreement reached in July 2005 by President Bush and Prime Minister Singh to allow the sale of civilian nuclear technology to India. Congress subsequently passed legislation allowing those sales to proceed, and President Bush signed the law on December 18, thus completing the first steps toward ending a 30-year moratorium on such sales. A number of safeguards remain as well as regulatory and compliance issues that must be resolved before any sales to India can be made.

### Challenges

Although India clearly presents many opportunities to U.S. businesses, significant hurdles need to be resolved if the U.S.–India trade relationship is to grow. Oshkosh Truck’s Thompson noted that U.S. companies looking to enter India must be extremely patient when taking a long-term approach to business in India.

Under Secretary Lavin spoke about several of the systemic and policy challenges during his visit, noting that they were being addressed in negotiations held under the auspices of the U.S.–India Commercial Dialogue, the main mechanism for negotiating trade policy matters. Those challenges include the following:

- Limitations on foreign ownership and investment in the retail and financial services sectors

“For American Companies to be globally competitive, they need to be thinking about India.”

Under Secretary of Commerce for International Trade Franklin L. Lavin



At the U.S.-India Business Summit in Mumbai on November 30, 2006 (from left to right): R. Seshasayee, president of the Confederation of Indian Industry; Franklin L. Lavin, under secretary of commerce for international trade; Kamal Nath, Indian minister of commerce and industry; Saroj Kumar Poddar, president of the Federation of Indian Chambers of Commerce and Industry.

- High tariffs—on average, 20 percent compared with 4 percent for the United States
- Lack of adequate intellectual property rights protections, such as up-to-date laws on patents and copyrights, that meet international standards.

“What I would like to see,” said Lavin in a speech on December 19, 2006, to the Asia Society about prospects for commercial reform in India, “is for every Indian company to have as much access to the American market as possible, and for every American company to have access to [the Indian] market as possible.”

#### Next Steps

Participants agreed that many good business contacts were made during the mission. The Department of Commerce will be tracking the results and following up with the participating companies. According to Lavin, “This mission was a success on every level, and I believe

its dividends will be paid with an expanded economic relationship long into the future.”

*John Ward is a senior editor in the International Trade Administration's Office of Public Affairs.*

#### For More Information

More information about the India Business Development Mission, including day-by-day reports and contacts on the business development services offered by the U.S. and Foreign Commercial Service, can be found on the Web at [www.export.gov/indiamission/](http://www.export.gov/indiamission/).

# Improving Supply Chains by Enhancing U.S.–China Relationships

Seeking advice on how to improve the delivery of goods, a delegation from China met with Department of Commerce officials in November.

BY ANA M. GUEVARA AND BRUCE HARSH

“Enhanced cooperation between the United States and China will reduce regulatory burdens . . . and help U.S. companies better compete in China.”

Connecting businesses and customers around the world, moving hundreds of thousands of shipments of goods and documents efficiently, and employing numerous workers worldwide will take better communications and improved supply chain management processes. Such improvements are particularly important for the U.S.–China commercial relationship, which is a significant percentage of world trade, and are vital to the economic growth for businesses in both the United States and China. To nurture this relationship and to improve market conditions, the Department of Commerce has been meeting with delegations and business representatives from China for the past several years. The delegations have come to the United States to learn more about improving the ability to move goods more efficiently. U.S. companies, with the aid of Department of Commerce officials, have also been providing workshops in China to better educate government officials and business representatives about logistical matters.

## Logistical Issues Influence All Goods and Services

Logistical issues affect all goods and services that move to and from the United States and markets abroad. An efficient and well-developed transportation and freight infrastructure is essential to the continued competitiveness and economic growth of U.S. industry. However, costs and delays associated with logistics services are increasing competitive pressures on U.S. firms. Infrastructure pushed beyond its capacity erodes both the efficiency of U.S. imports of production inputs and the global competitiveness of U.S. exports.

With the growth of China as a consumer market, the development of a more robust logistics system in China will be very beneficial to the economies of both countries. The goals of U.S. companies seeking to sell their goods inside China will be facilitated by an open and transparent regulatory regime for logistics.

## Commerce Experts Supply Important Links

In November 2006, a seven-member delegation of officials from the Chinese People’s Political Consultative Conference (CPPCC) visited the Department of Commerce to learn how the U.S. government addresses supply chain and logistical matters. The CPPCC is a political advisory body to the Chinese government that makes recommendations on a variety of topics. China is considering drafting more logistics regulations and wants to determine whether its proposed regulations are addressing the right issues.

The delegation received detailed information from Ana M. Guevara, deputy assistant secretary for services, and her staff in the Office of Service Industries, as well as from the Department of Commerce’s Office of China, regarding major U.S. government rules that regulate the U.S. logistics industry. The delegation also received information on how to develop more open and transparent regulatory systems. Enhanced cooperation between the United States and China will reduce regulatory burdens that decrease the efficiency of supply chains, transform logistics infrastructure to world-class standards, and help U.S. companies better compete in China.

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# Scorecard Shows Improved Business Environment for U.S. Manufacturers

Significant progress has been made in implementing the recommendations made by the Commerce Department's 2004 report, *Manufacturing in America*.

BY CARLA LANGJAHR AND MATT BRAUD

Since its publication of *Manufacturing in America*, the comprehensive 2004 report on the state of the U.S. manufacturing sector, the U.S. Department of Commerce has continued to make progress in overseeing the implementation of the 57 policy recommendations made in the report. To date, 36 of the report's recommendations have been implemented, and the remaining 21 await final action.

## A Wide-Ranging Snapshot of U.S. Manufacturing

The 2004 report comprises three chapters that covered (1) an in-depth analysis of the long-term trends affecting the U.S. manufacturing sector, (2) a report on the key challenges faced by manufacturers and the views they expressed at 27 industry-specific roundtables held across the country in 2003, and (3) a list of 57 recommendations for action by the federal government from the roundtables.

The report took a broad look at government's role in manufacturing. It was not limited to administrative matters but addressed a wide range of program and policy initiatives that would require coordination between the legislative and executive branches to create the conditions necessary to foster U.S. manufacturing competitiveness.

## Manufacturing Unit Established

One important outcome of the report was the establishment of the Manufacturing and Services (MAS) unit within the Department of Commerce's International Trade Administration. Since its establishment in 2004, MAS has taken great steps toward fulfilling its mandate to enhance

Manufacturing in America Report		Total Implemented: 36
Progress Chart		Total Implemented: 36
Total Implemented = 36		Total In Progress = 21
Page # Recommendation		Implemented = 36
Page # Refers to the Manufacturing in America Report		
12	Enhance education, training, and workforce development programs for manufacturing workers	+
13	Improve the availability of skilled workers in manufacturing	+
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A progress report on implementation of the 57 policy recommendations made in the 2004 report *Manufacturing in America*—the “Manufacturing in America Scorecard”—is available on the Web at [www.manufacturing.gov](http://www.manufacturing.gov).

the global competitiveness of U.S. industry through the implementation of the recommendations.

The recommendations were grouped into six categories: (1) enhancing government's focus on manufacturing competitiveness; (2) creating the conditions for economic growth and manufacturing investment; (3) lowering the cost of manufacturing in the United States; (4) investing in innovation and new technologies that fuel productivity gains; (5) strengthening education, retraining, and eco-

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### Trade and Environmental Technology Issues Are Focus of Secretarial Visits to South Korea and China

Secretary of Commerce Carlos M. Gutierrez, accompanied by Under Secretary for International Trade Franklin L. Lavin, visited South Korea and China on December 11–15, 2006, to promote trade ties and to expand access for U.S. exports in the two countries.

In South Korea, Gutierrez met with government officials and spoke to the American Chamber of Commerce on the state of U.S.–South Korean bilateral trade and the importance of ongoing South Korea–U.S. Free Trade Agreement negotiations. He also participated with Energy Secretary Samuel Bodman in a clean energy event that highlighted technology produced by Woodward Governor Company of Fort Collins, Colorado. The technology is being used on Seoul city buses.

“The Seoul bus system is evidence that U.S. technology can play a critical role in achieving a cleaner environment throughout the world,” said Gutierrez. “The clean air technology ... [that] is being used on Korean buses is an excellent example of the global economy in action and symbolizes how nations can work together to protect the environment.”

In China, the secretary participated in the U.S.–China Strategic Economic Dialogue led by Henry M. Paulson Jr., secretary of the treasury. The two-day event, held December 13 and 14, 2006, in Beijing, brought together a U.S. delegation of cabinet officials and agency heads to discuss a number of trade issues with their Chinese counterparts.

While in Beijing, Gutierrez also took part in ceremonies that marked the signing of several deals by U.S. companies to expand their access within China. Those deals included agreements between Chinese companies and The Home Depot, GE Aviation, VeriSign, and Oshkosh Truck Company.



Secretary of Commerce Carlos M. Gutierrez at the signing of a \$550 million agreement between GE Aviation and Shanghai Airlines in Beijing this past December 13, while in China to participate in the U.S.–China Strategic Economic Dialogue. Pictured from left to right are: Andy Solem, CEO and president of GE Infrastructure, China Region; Mike Wilking, president of GE Aviation, China Region; Secretary Gutierrez; Yi Xiaozhun, Chinese vice minister of commerce; Shao Xiaoyun, vice president of Shanghai Airlines; and Li Ling, general manager of planning department, Shanghai Airlines.

### Small Business Program Helps Protect U.S. Intellectual Property

A program to assist small and medium-sized enterprises (SMEs) in gaining greater knowledge of how to protect their intellectual property rights (IPR) was launched recently by the U.S. Department of Commerce with the American Bar Association’s Section of International Law and the Coalition against Counterfeiting and Piracy.

The International Intellectual Property Rights Advisory Program offers SMEs a free one-hour consultation with a volunteer attorney who is knowledgeable in both IPR issues and the legal system in one of the six countries covered by the program: Brazil, China, Egypt, India, Russia, and Thailand. By means of this consultation, SMEs can begin to learn how to protect and enforce their intellectual property, such as trademarks, patents, or copyrights, in the country where they are doing business.

Research conducted in 2005 by the U.S. Patent and Trademark Office found that 85 percent of exporting SMEs failed to recognize that their U.S. patents and trademarks did not protect them internationally. Thus, SMEs are particularly vulnerable to IPR infringement. As SMEs expand their presence in international markets, availing



themselves of legal expertise and local IPR protection is critical to prevent potential infringement of their IPR.

This new program uses a model similar to one launched in November 2005, the China IPR Advisory Program. Because of the success of that program, which was limited to IPR issues in China, the International IPR Advisory Program was conceived to provide similar information regarding a wider range of countries.

For more information about the program, or to apply to make use of its services, visit the program's Web site at [www.abanet.org/intlaw/intlproj/iprprogram.html](http://www.abanet.org/intlaw/intlproj/iprprogram.html). For general information about IPR protection overseas, visit the StopFakes Web site at [www.stopfakes.gov](http://www.stopfakes.gov).

### **International Visitation up 8 Percent**

According to the latest figures released by the Commerce Department on international visits to the United States, 3.6 million international visitors traveled to the United States in October 2006, an increase of 8 percent over October 2005. During their stays, international visitors spent more than \$9 billion (in receipts and passenger fares), an increase of 4 percent from the previous year's levels. Visitation for the first 10 months of 2006 was up 5 percent compared with 2005, and year-to-date spending was up 4 percent.

Travel and tourism represent the top services export for the United States, and they have produced a travel balance of trade surplus since 1989.

Among other highlights of the October 2006 data were the following:

- Overseas arrivals (excluding Canada and Mexico) were up 2 percent for October because of solid growth from overseas inbound markets other than the top three (Germany, Japan, and the United Kingdom). The majority of the growth came from overseas markets requiring U.S. visas.
- Canadian visitation was up 9 percent for October and 7 percent for the year.
- Arrivals from Mexico were up 29 percent for the year. Land crossings accounted for a majority of this increase.

Air arrivals were up 3 percent for October and 2 percent for the year.

For more information on international travel to the United States, including the top markets and regional data, visit the Web site of the International Trade Administration's Office of Travel and Tourism Industries at [www.tinet.ita.doc.gov](http://www.tinet.ita.doc.gov).

### **Vietnam Enters WTO; Commerce Department to Monitor Textile Trade**

Vietnam became the 150th member of the World Trade Organization (WTO) on January 11, 2007. Congress approved Permanent Normal Trade Relations status with Vietnam on December 9, 2006, and President George W. Bush signed the legislation on December 20, 2006. This status allows the United States to apply WTO rules and procedures to its trade with Vietnam, including strong protections against prohibited subsidies and dumping.

U.S. manufacturers will enjoy reduced tariffs of 15 percent or less on more than 94 percent of industrial and consumer goods, as well as tariffs from 0 to 5 percent in several key sectors, including construction equipment, pharmaceuticals, and aircraft and aircraft engines. Vietnam has agreed to harmonize tariffs on chemicals, thereby eliminating tariffs on more than 80 percent of chemical products. Vietnam has also agreed to join the Information Technology Agreement that eliminates tariffs on a wide range of products, including computers, cell phones, and modems. Vietnam's accession to the WTO will also remove significant non-tariff barriers, such as those effectively prohibiting U.S. exports of large motorcycles.

The United States and Vietnam have already enjoyed a growing trade relationship since the U.S.-Vietnam Bilateral Trade Agreement came into force in December 2001. Two-way trade between the two countries increased more than fivefold, from \$1.5 billion in 2001 to \$7.8 billion in 2005.

Vietnam's entry into the WTO will bring potential benefits to U.S. service suppliers, who will enjoy

## February 2–5

**Salon International de la Lingerie**  
Paris, France  
[www.lingerie-paris.com](http://www.lingerie-paris.com)

In 2006, more than 450 exhibitors and 22,000 visitors—mainly trade representatives, with about half of them international—attended this international buyers' marketplace for lingerie and intimate apparel. For more information about the 2007 event, contact Caroline de Villoutreys of the USFCS, tel.: +33 (1) 4312-2698; e-mail: [caroline.de.villoutreys@mail.doc.gov](mailto:caroline.de.villoutreys@mail.doc.gov).

## February 4–9

**Women in Business Trade Mission**  
Belgium and the Netherlands  
[www.export.gov](http://www.export.gov)

This mission has been organized with the National Association of Women Business Owners. It offers business opportunities in the European Union (EU) to 10 to 12 U.S. companies looking for prospective representatives, distributors, partners, and end-users in two dynamic markets that offer convenient EU access. For more information, contact Nyamusi Igambi of the USFCS, tel.: (281) 449-9423; e-mail: [nyamusi.igambi@mail.doc.gov](mailto:nyamusi.igambi@mail.doc.gov).

## February 6–9

**ABACE 2007**  
Hong Kong, China, and Nagoya, Japan  
[www.abace.aero](http://www.abace.aero)

TABACE 2007, the Asian Business Aviation Conference and Exhibition, will be held in Hong Kong, China, February 6 and 7, 2007, at the AsiaWorld-Expo, which is adjacent to the Hong Kong International Airport. More than 50 exhibitors and several thousand trade visitors are expected. A Japan Regional Forum on February 9, 2007, in Nagoya, Japan, will be part of the event. For more information, contact Deborah Semb of the USFCS, tel.: (202) 482-0677; e-mail: [deborah.semb@mail.doc.gov](mailto:deborah.semb@mail.doc.gov).

## February 7–11

**Aero India 2007**  
Bangalore, India  
[www.aeroindia.in](http://www.aeroindia.in)

The last show attracted 380 exhibitors from 36 countries. This year's show will have much more exhibition space, with a focus on business aviation. U.S. companies can pay to participate in a Commerce Department minibooth or product literature center. For more information, contact Karen Dubin of the USFCS, tel.: (202) 482-3786; e-mail: [karen.dubin@mail.doc.gov](mailto:karen.dubin@mail.doc.gov).

## February 8

**Civil Intellectual Property Litigation in China**  
[www.stopfakes.gov](http://www.stopfakes.gov)

This program is part of a continuing series of "Webinars" on the protection of intellectual property rights in China. It is sponsored by ITA's China office and will run from 2:00 p.m. to 3:30 p.m. Eastern time. For more information, or to register, send an e-mail to [chinaipr@mail.doc.gov](mailto:chinaipr@mail.doc.gov).

## February 13

**Export Strategies Seminar**  
Salem, Oregon  
[www.buyusa.gov/oregon/exportstrategiesseminar.html](http://www.buyusa.gov/oregon/exportstrategiesseminar.html)

This daylong seminar is dedicated to taking the guesswork out of international trade and is cosponsored by the U.S. Small Business Administration and the Portland U.S. Export Assistance Center. For more information, contact Jennifer Woods of the USFCS, tel.: (503) 326-5290; e-mail: [jennifer.woods@mail.doc.gov](mailto:jennifer.woods@mail.doc.gov).

## February 18–22

**IDEX 2007**  
Abu Dhabi, United Arab Emirates  
[www.idexuae.com](http://www.idexuae.com)

This conference is one of the leading land and naval defense exhibitions, showcasing military equipment of all types. There will be 850 exhibitors from 40 countries, with 40 U.S. exhibitors and a professional trade attendance of 25,000. (Attendance is limited to trade visitors.) For more information, contact Helen Simpson-Davis of the USFCS, tel.: (202) 482-1882; e-mail: [helen.simpson-davis@mail.doc.gov](mailto:helen.simpson-davis@mail.doc.gov).

## February 21–23

**AustralAsian Oil and Gas Exhibition and Conference**  
Perth, Australia  
[www.swanexhibitions.com.au/aust/](http://www.swanexhibitions.com.au/aust/)

The 2007 edition of this biennial show will be held in Perth's new convention center, which is within walking distance of many Australian oil and gas companies. The show will feature a U.S. pavilion. In 2005, there were 3,764 visitors, with 327 exhibitors. For more information, contact Mark Wells of the USFCS, tel.: (202) 482-0904; e-mail: [mark.wells@mail.doc.gov](mailto:mark.wells@mail.doc.gov).

## February 22

**Seminar: Tijuana's Border Program**  
Tijuana, Mexico  
[www.export.gov](http://www.export.gov)

This one-day program, conducted by the Commercial Service's Tijuana office, will offer participants hands-on exposure to the physical transportation and documentation process of cross-border trade. For more information, contact Judith Valdes of the USFCS, tel.: +52 (66) 4622-7495; e-mail: [judith.valdes@mail.doc.gov](mailto:judith.valdes@mail.doc.gov).

## On The Horizon

March 5

**Visit USA Workshop**  
**Brussels, Belgium**  
[www.export.gov](http://www.export.gov)

This workshop, organized by Visit USA with the Commercial Service, is held annually just before ITB Berlin. It gives a unique opportunity to promote U.S. tourism regions, products, and services to the Belgium and Luxembourg markets. For more information, contact Brigitte de Stexhe of the USFCS, tel.: +32 (2) 508-2454; e-mail: [brigitte.de.stexhe@mail.doc.gov](mailto:brigitte.de.stexhe@mail.doc.gov).

March 7-11

**ITB Berlin 2007**  
**Berlin, Germany**  
[www.itb-berlin.com](http://www.itb-berlin.com)

This trade fair is one of the world's largest for travel and tourism. Small and medium-sized companies can gain valuable exposure to the global marketplace by participating in the low-cost Product Literature Center that will be within the "Discover America" pavilion. For details, visit [www.buyusa.gov/germany/en/plc.html](http://www.buyusa.gov/germany/en/plc.html). For more information, contact Elizabeth Powell of the USFCS, tel.: +49 (69) 7535-3167; e-mail: [elizabeth.powell@mail.doc.gov](mailto:elizabeth.powell@mail.doc.gov).

March 13-15

**Expo Manufactura 2007**  
**Monterrey, Mexico**  
[www.expomanufactura.com.mx](http://www.expomanufactura.com.mx)

This show is Mexico's largest metalworking and manufacturing exhibition. It will feature a U.S. pavilion for 60 U.S. exhibitors. The organizer will also provide a fully furnished booth for the U.S. embassy's Business Information Office. Two hundred exhibitors from more than 12 countries are expected, with 7,500 trade-only visitors. For more information, contact William Corfitzen of the USFCS, tel.: (202) 482-0584; e-mail: [william.corfitzen@mail.doc.gov](mailto:william.corfitzen@mail.doc.gov).

## Featured Trade Show: Expocomer

March 7-10

**Panama City, Panama**  
[www.expocomer.com](http://www.expocomer.com)

Expocomer, which celebrates its 25th anniversary this year, is a key trade show for U.S. companies looking to penetrate the Caribbean, Central American, and South American markets. In 2006, the show had more than 8,000 buyers, 890 exhibitors from 30 countries, with a total of 30,000 visitors. According to the Panamanian Chamber of Commerce, last year's total sales at Expocomer exceeded \$90 million. Major exhibitors come from Brazil, Chile, Colombia, France, Hong Kong, South Korea, Spain, Taiwan, and the United States. The main product categories in the show include foods, textiles, construction, technology, and services. Expocomer is a certified trade show and will feature a U.S. pavilion. The Commercial Service's Panama staff will host a booth with a variety of information, including catalogs, commercial directories, brochures, and other promotional materials. In addition, the Commercial Service will be briefing exhibitors on doing business in Panama. Gold Key and single-company promotion services are also available. For further information on Expocomer and the services offered by the U.S. and Foreign Commercial Service, contact William Corfitzen, tel.: (202) 482-0584; e-mail: [william.corfitzen@mail.doc.gov](mailto:william.corfitzen@mail.doc.gov).



The U.S. pavilion at Expocomer 2006.



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## Supply Chains

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### Building for the Future

The Department of Commerce will continue to advocate for other governments to make their regulatory practices transparent, and it will share its understanding of governments' involvement in the supply chain process around the world. That sharing will allow U.S. companies to better manage their supply chains, thereby lowering costs while helping prepare for more contingencies as the companies move goods and services across longer chains.

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## Scorecard

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conomic diversification; and (6) promoting open markets and a level playing field.

Many of the recommendations required coordinated efforts between agencies within the executive branch. Other recommendations called for Congress to take action.

### Upcoming Implementation Actions

MAS expects to implement additional recommendations in the coming months. Similar to all of the actions taken in response to the 2004 report, implementing those recommendations will improve the competitiveness of U.S. manufacturers. The recommendations include the following:

- Strengthening partnerships to promote manufacturing technology transfer and to better ensure the broad

## Short Takes

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improved market access in many significant sectors, including telecommunications, financial services, distribution, and energy services. Other provisions related to WTO accession will enhance export opportunities through greater transparency and the protection of intellectual property.

With Vietnam's accession to the WTO, the country has committed to eliminate all prohibited textile and apparel subsidies by the dates of accession and to phase out other WTO-inconsistent subsidies within five years of accession. The Department of Commerce's Import Administration will set up a textile and apparel import monitoring system to oversee U.S. imports of those products in connection with the administration of U.S. trade laws and WTO rules. The program begins on Vietnam's accession and will expire at the end of the current U.S. administration on January 19, 2009. For more information, visit [www.trade.gov/ia](http://www.trade.gov/ia) and click on "Decisions and Data."

diffusion of technology, particularly to small and medium-sized manufacturers.

- Initiating a benchmark analysis on skills. (*Outline for Educational Benchmarking Resource Guide*, a report addressing this issue, is being released by the Commerce Department in late spring 2007.)

Since the publication of *Manufacturing in America*, the Commerce Department has measured the progress made toward implementing the recommendations. The resulting "Manufacturing in America Scorecard," along with other information related to efforts by the federal government to assist domestic manufacturers, is available for viewing on the Internet at [www.manufacturing.gov](http://www.manufacturing.gov).

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