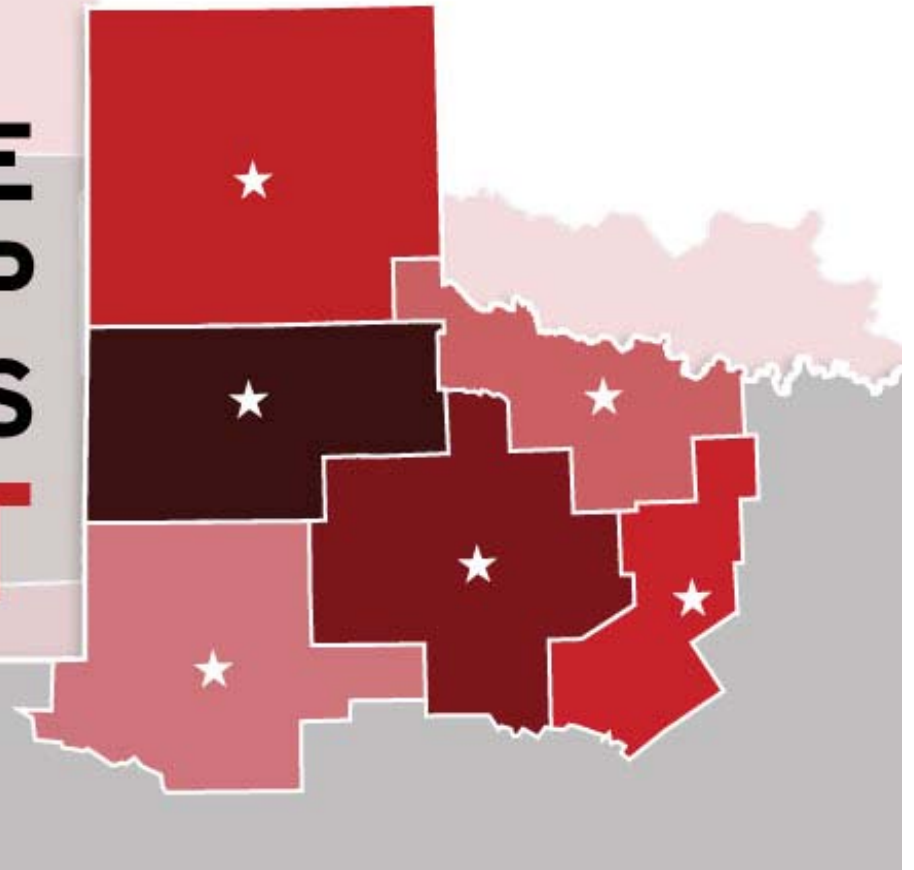




**WE
HELP
COMPANIES
EXPORT**



Dexter Sykes

Why Export?



- World trade is increasingly important to the health of our economy, and to the growth of U.S. companies
- 96% of consumers live outside of the US
- But, exporting not only creates jobs, it also provides small firms with new growth markets and additional profits

Who Exports?



- **Less than 1 percent of America's 30 million companies export**
- **A significantly lower percentage than all other developed countries**
- **U.S. companies that do export, 58 percent export to only one country**
- **The majority of small and med-sized exporters have less than 20 employees**

Motivations to Export



- Increased profits
- Additional markets/Diversify customer base
- Extended product/service life cycles
- Stabilize seasonal market fluctuations
- Utilizing excess capacity to lower costs per unit
- Responding to competition

De Facto International



- If you produce an exportable product and you are not exporting, you risk market share erosion
- Global competition already at your doorstep
- U.S. consumers have proven that they are willing to buy foreign products
- Risk of losing potential foreign customers
- Risk of losing market share to foreign competitors in your own backyard

Pre-export Considerations



- **Management commitment**
- **Company, product and market expertise**
- **Adequate cash flow**
- **Capacity and capability to produce international products**
- **Successful domestic business model nets export potential**

Unsolicited Inquiries



- Exporting that is the result of customers finding you in the marketplace
- First introduction to export for many companies
- A good signal of a larger market potential
- Something to build on - starts the ball rolling
- Trade shows, industry publications
- The industry tends to find you

Targeting Export Markets



- Which countries want my product?
- Which countries offer the best market potential?
- How do we find these markets?

Market Research



- **Primary:** direct from customer/marketplace interviews, surveys, and other direct contact with representatives and potential buyers usually in country- *VERY EXPENSIVE*
- **Secondary:** data collected from various sources, such as trade statistics, database and published reports

Export Statistics



- Track trade statistics-the follow the buyers approach
- Trade stats show the quantities and value of exports from the U.S. to international markets
- Every item that is exported is assigned a unique identification code. (HS Code)
- Required for international documentation
- Tracking export statistics by HS code can give you a picture of export activity for your product

Cotton Gins 8445190040	2006	2007	2008	2009	2010	2011 through September
World Total	2,702,455	2,401,180	1,507,794	868,281	3,965,370	14,030,203
Australia	14,677	-----	359,075	12,794	1,346,582	1,133,184
South Africa	272,996	-----	258,587	-----	679,156	
Mexico	657,745	581,542	-----	-----	424,240	3,539,397
Spain	13,789	59,164	61,185	-----	290,572	58,933
Argentina	3,110	-----	60,573	123,542	264,297	1,135,168
Mozambique	-----	20,000	-----	-----	234,607	1,700,000
Greece	72,443	67,237	21,490	35,113	96,416	28,697
Brazil	-----	303,525	-----	-----	81,585	3,608,946

Parts Of Cotton Gins 8448320010	2008	2009	2010	2011 through September
World Total	17,945,628	8,174,045	10,618,334	10,899,409
France	3,728,002	1,502,153	2,619,802	1,725,981
Mali	-----	491,001	1,596,905	908,487
Nigeria	263,335	51,829	1,052,496	5,677
Argentina	140,128	51,675	723,926	305,970
Zimbabwe	566,618	277,196	596,145	446,691
Turkey	317,490	93,874	503,520	116,806
South Africa	620,515	246,658	357,943	330,098
Australia	206,381	646,882	252,422	2,385,944

Monitor Site Analytics



- Identify potential markets from web site analytics
- Breakdown hits by country
- Monitor pages/visit; Average visit duration
- May serve as a better indicator for industrial products
- Very company/product specific
- Shaded areas pinpoint higher hit concentration

* *Beta-testing this method of market discovery*

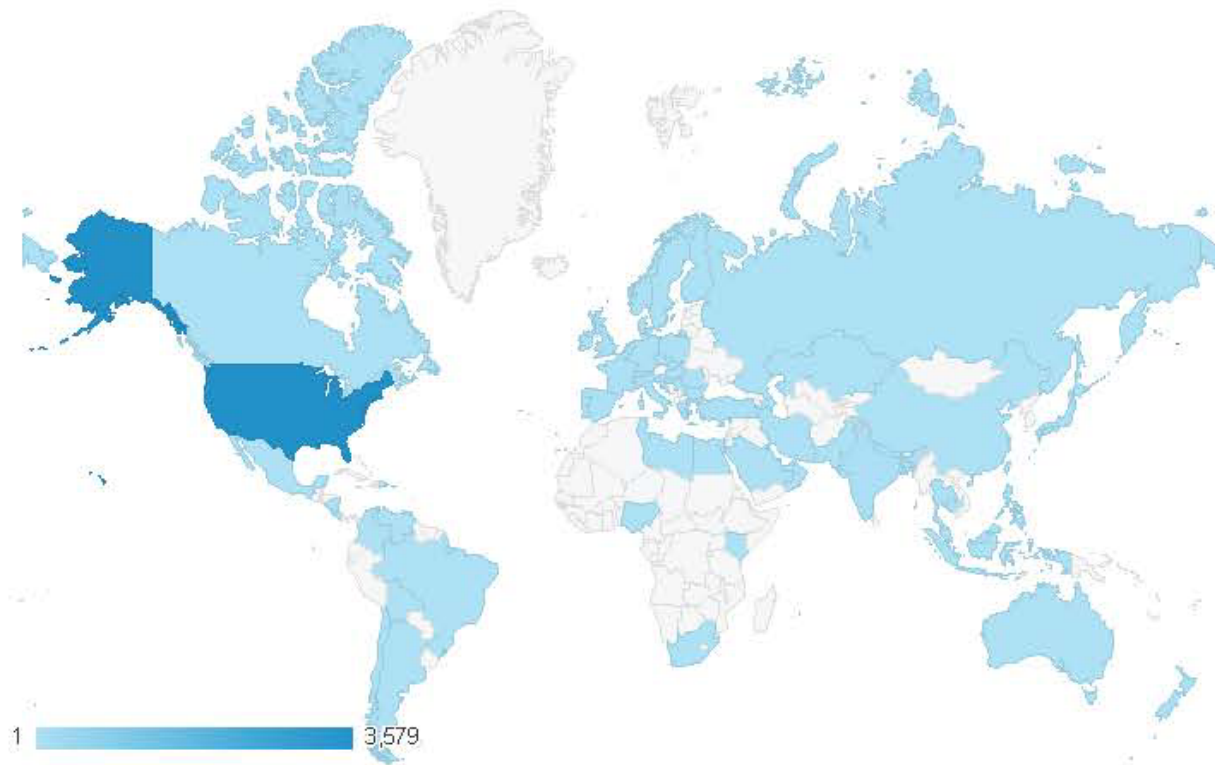
Location

Jun 24, 2012 - Jul 24, 2013

 % of visits: 100.00%

Map Overlay

Site Usage



Country / Territory	Visits	Pages / Visit	Avg. Visit Duration	% New Visits	Bounce Rate
	3,927	3.12	00:03:02	62.24%	47.01%
	% of Total: 100.00% (3,927)	Site Avg: 3.12 (0.00%)	Site Avg: 00:03:02 (0.00%)	Site Avg: 62.18% (0.08%)	Site Avg: 47.01% (0.00%)
1. United States	3,579	3.26	00:03:14	59.09%	44.65%
2. India	41	1.73	00:01:38	82.93%	70.73%
3. Philippines	35	1.94	00:02:05	94.29%	54.29%
4. United Kingdom	29	3.45	00:01:20	86.21%	65.52%
5. Greece	24	1.29	00:00:27	100.00%	79.17%
6. (not set)	22	1.23	00:00:22	100.00%	81.82%
7. Canada	12	2.25	00:03:04	91.67%	50.00%
8. Indonesia	12	1.50	00:00:18	100.00%	50.00%
9. Turkey	12	1.50	00:00:41	100.00%	58.33%
10. Germany	8	1.62	00:00:25	100.00%	75.00%

Rows 1 - 10 of 75

Location

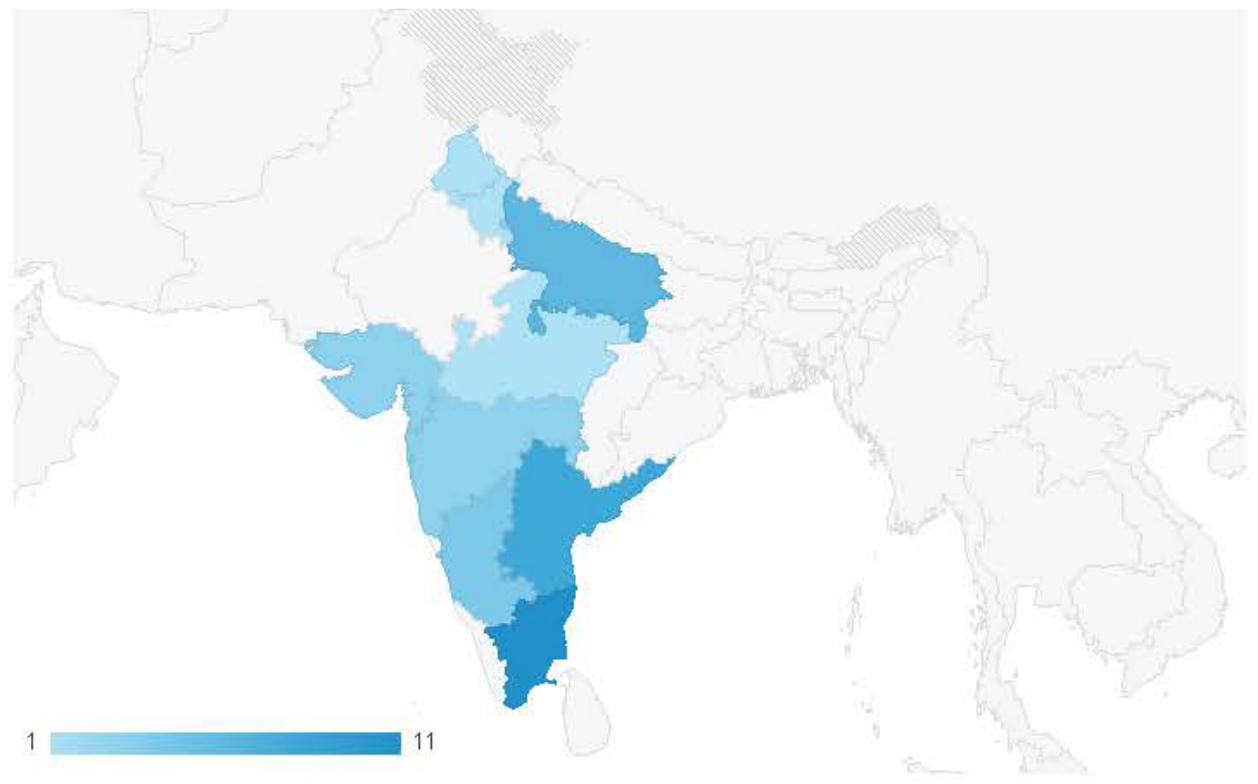
Jun 24, 2012 - Jul 24, 2013

ALL » COUNTRY / TERRITORY: India

 % of visits: 1.04%

Map Overlay

Site Usage



Region	Visits	Pages / Visit	Avg. Visit Duration	% New Visits	Bounce Rate
	41 % of Total: 1.04% (3,927)	1.73 Site Avg: 3.12 (-44.51%)	00:01:38 Site Avg: 00:03:02 (-46.15%)	82.93% Site Avg: 62.18% (33.36%)	70.73% Site Avg: 47.01% (50.47%)
1. Tamil Nadu	11	1.64	00:02:09	54.55%	72.73%
2. Andhra Pradesh	8	1.62	00:01:27	100.00%	50.00%
3. Uttar Pradesh	6	2.83	00:04:34	66.67%	66.67%
4. Karnataka	4	1.00	00:00:00	100.00%	100.00%
5. Delhi	3	1.00	00:00:00	100.00%	100.00%
6. Gujarat	3	3.00	00:00:43	100.00%	33.33%
7. Maharashtra	3	1.00	00:00:00	100.00%	100.00%
8. Haryana	1	1.00	00:00:00	100.00%	100.00%
9. Madhya Pradesh	1	2.00	00:02:05	100.00%	0.00%
10. Punjab	1	1.00	00:00:00	100.00%	100.00%

Rows 1 - 10 of 10

Target Markets



- Identify potential markets for the next 3-5 years and some potential long term plays
- Target the markets with the greatest sales/profit potential that fits best with your product offering
- Use country-specific, and industry specific information to determine ease of entry and the competitive environment
- <http://bcove.me/ajomq54i>

Assessment of Target Markets



- Examine industry & product trends that could actually influence demand for your product
- Calculate overall consumption of the products and the amount accounted for by imports.
- Identify sources of competition
- Analyze marketing factors/distribution
- Research product adaptation
- Identify tariff or non-tariff like barriers

Sources of Market Research



- Access the U.S. Commercial Service through www.export.gov
- Market Research Library that contains more than 100,000 industry and country-specific market reports authored by specialists working in our foreign posts.
- Country Commercial Guides
- Industry Sector Analysis
- International Market Insights
- Best Markets Reports



Country Commercial Guide



- Guides are updated annually
- Economic Trends & Outlook
- Current Political Environment
- Marketing U.S Products & Services
- Key Trade Regulations
- Investment & Financing Climate
- Travel Considerations

Partnering in International Markets



- **International Partner Search (IPS)** is a list of prescreened contacts interested in your product or service
- **Gold Key Matching Service (GKS)** provides 1-on-1 appointments with prescreened potential agents/distributors/sales representatives/government contacts
- **Export USA** promotes products/services to over 400,000 international buyers in 145 countries
- **International Company Profile (ICP)** delivers background information needed to evaluate an international firm

Why Partner?



- Imports are routinely handled by local agents on commission, or by importer-distributors who buy for their own account and resell to end users
- They know the market and have contacts with the end-users
- They assist you with sales orders, payment, import documents, customs, etc
- <http://bcove.me/6odpxkhh>

International Company Profile



- A detailed credit report
- A listing of the company's key officers and senior management
- Bank & trade references, local reputation, etc. about the company
- Financial data, including sales and profit figures, and potential liabilities
- Normally includes physically visiting company
- Reasonable cost (30-45 working days)

U.S. Commercial Service Fees

The U.S. Commercial Service, a division of the Commerce Department, connects U.S. companies with international buyers worldwide. This is the Service's simplified fee schedule announced in 2008, featuring substantial discounts for small businesses.

Service	SME Company*	SME Company Using Service For First Time	Large Company*
Gold Key Service (Matchmaking)	\$700	\$350	\$2,300
International Company Profile (Due diligence)	\$600	\$350	\$900
International Partner Search (Prequalified business contacts)	\$550	\$350	\$1,400
Featured U.S. Exporter (Overseas Web promotion)	\$150	\$75	\$300
Business Service Provider (Domestic Web listing of export services)	\$300	–	\$600

*A Small or Medium-Sized Enterprise is defined as a firm with 500 or fewer employees or self-certified as a small business under SBA regulations. A large company is defined as a firm with more than 500 employees. Subsidiaries are classified based on the size of the parent company.

Source: U.S. Commercial Service, www.trade.gov/cs/.



*Rural Export
Assistance Program*



Dexter Sykes

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