



THE FUTURE GROWTH OF INTERNATIONAL TRADE...

IN NORTHEAST WISCONSIN STARTS HERE

OUR GLOBAL NEW NORTH FUNDING PARTNERS

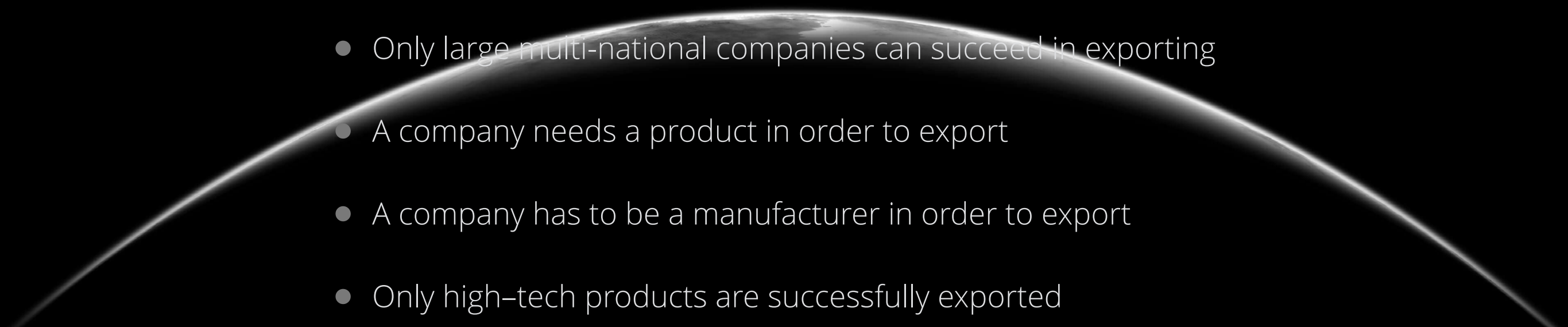


INTERNATIONAL PARTNERS


In Addition To Funding Partners

- WEDC
- Milwaukee Export Assistance Center
- M7
- NWTC
- FVTC
- LTC
- Chambers?
- Airports/Ports?
- Universities?
- Others?

EXPORTING MYTHS

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- Only large multi-national companies can succeed in exporting
 - A company needs a product in order to export
 - A company has to be a manufacturer in order to export
 - Only high-tech products are successfully exported
 - Exporting is not profitable

REASONS TO CONSIDER EXPORTING

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- While the United States remains the single largest market in the world, it represents less than 25% of the global economy
 - Exporting can place a company's product or service in markets that are experiencing above-average growth
 - Exporting can extend a product's life cycle
 - Foreign exchange rates

BENEFITS OF EXPORTING

- 15% Average Higher Wages
- 15–20% Faster Growth
- 17% More Profitable
- Better Resistance to Domestic Market Disruptions

Currently Only 50% of Export Ready Companies Are Exporting
(According to the U.S. Department of Commerce Bureau of Economic Analysis)

BENEFITS OF EXPORTING TO THE S/M BUSINESSES

- enhance domestic competitiveness
- increase sales and profits
- gain global market share
- exploit corporate technology and know-how
- extend the sales potential of existing products (extend product life-cycle)
- lower per unit costs
- stabilize seasonal market fluctuations
- enhance potential for corporate expansion/valuation
- sell excess production capacity
- gain information about foreign competition
- new knowledge and experience

EXPORTING DISADVANTAGES

- develop new promotional material
- substitute short-term profits for long-term gain
- incur added administrative costs
- allocate personnel for travel
- wait longer for payments/longer sales cycle
- modify your product or packaging
- apply for additional financing
- obtain special export licenses

IDEAL EXPORT BUSINESSES



Primary

- Small/Medium Sized New North Area Manufacturers, Producers, Distributors And Service Companies
- Partners—Chambers, Education, Tourism, Other EDO'S And Trade Organizations
- International Companies Interested In New North's Products And Services

Secondary

- International Companies Interested In Expanding Or Relocating To The New North (made easier with a strong local trade development program)

WHAT WE DO

INTERNATIONAL TRADE CONSULTANT

WORKING WITH NEW TO EXPORT AND EXPANDING EXPORTS TO NEW COUNTRIES

BASIC SERVICES

EXPORT
READINESS
ASSESSMENT

COUNSELING/
MENTORSHIP

COUNTRY-
SPECIFIC
MARKET
INFORMATION

IDENTIFYING
POTENTIAL
OVERSEAS
BUYERS

REFER CLIENTS
TO STATE &
PARTNER
INTERNATIONAL
ACTIVITIES

In addition:

- Work with International Partners
- Organize International Trade Seminars, Workshops and Other Events

OBJECTIVES

- Provide a regional trade development network to assist New North businesses to export worldwide—a connecting point
- Assist New North companies to identify international clients and diversify markets through a menu of export support programs
- Market NE Wisconsin's advantages worldwide through Wisconsin's international offices and other local-led trade events
- Build an international representation network to identify FDI prospects and to assist Wisconsin companies to export

INTERNATIONAL OBJECTIVES

Primary

- Primary contact for new-to-export companies—offering export counseling and advice
- Leverage and interface with state/federal resources/agencies—Develop strategic partnerships
- Leverage and interface with large community organizations (EDO, chamber, education, trade agencies, tourism, etc.).
- Promote service delivery by leveraging existing resources
- Develop new services for unmet or emerging needs
- Expand “knowledge network” area for international services
- Assist New North companies to export products and services (primarily through business development missions/shows, Gold Keys, etc.) to global markets and identify Joint Ventures and Strategic Alliance Partners
- Market New North’s international advantages worldwide—market New North’s industries and services worldwide
- Export promotion—promote NEWI to the world marketplace
- Penetrate new markets/expand existing markets
- Identify and exploit specific market niches for the New North region

Secondary (future?)

- Attract international investment to the New North region
- Advocate continuous improvement of New North’s critical factors for global competitiveness

BUSINESS/COMMUNITY OUTREACH

- Visit businesses, educational institutions, partner organizations, government, tourism, etc. to build consensus and shared vision/cohesiveness and resonate that their input and activities are all vital components to the overall success of New North's Global initiative and success
- It's important to execute a specific agenda and objectives with a cohesive plan integrating/leveraging synergies of these organizations to help both existing companies and prospects from the outside

SPECIFIC ACTIVITIES

Provide Guidance In Areas Including:

- Offering export counseling and advice
- Assisting NN companies in marketing their products and services overseas
- Primary contact for new-to-export companies
- Export readiness assessment
- Basic exporting information and tools
- Referrals for financial and governmental assistance
- Produce export activities (workshops/seminars, conferences & networking)
- Assist in Export Market Plan development
- Financial Planning including Grant Opportunities
- Assist in Strategic Planning
- Market Entry
- Organizing and executing overseas trade missions, shows and other activities

EXPORT READINESS ASSESSMENT

The Export Readiness Assessment is designed to determine a company's strengths and opportunities when approaching the decision to actively seek international business opportunities. The assessment will gauge readiness to export based on four criteria:

1. Export Resources
2. Marketing Methods
3. Management Commitment
4. Product Potential

A. COMPANY READINESS

1. Are you an established presence in your industry domestically?
2. How extensive is your current domestic sales outreach?
3. How do you sell and distribute your products in the domestic market?
4. Do you customarily conduct market research and planning for your domestic operations?
5. To what extent do you advertise and promote your products in the domestic market?
6. Do any of your current managers or staff have export marketing or sales experience?
7. Has your company received any unsolicited inquiries from foreign firms?
8. Could you promptly fill any new export orders from present inventory or other sources?
9. How would you handle any new or additional export business within your organization?
10. What is the current status of your export activity?
11. Is your top management committed to exporting as a new or expanded area of activity?

12. How much per year could you afford to spend on export development?

13. How long would your management be willing to wait to achieve acceptable export results?

B. PRODUCT READINESS

1. Have domestic sales of your product grown over the past 3 years (average per year)?
2. What is your product's current share of the domestic market?
3. Is your product price-competitive in the domestic market?
4. What payment terms would you be willing to offer reputable foreign buyers? Does your product compare favorably with domestic competitors in features and benefits?
5. Would you be willing to adapt your product and/or packaging to better suit foreign markets?
6. Is your product costly to transport over long distances?
7. Is any special training required to assemble, install or operate your product? Does your product require any special technical support or after-sale service? Can your product tolerate harsh or widely varying environmental conditions?

SPECIFIC INTERNATIONAL ACTIVITIES TO PURSUE


In Support Of Local/Regional/State Partner Organizations

- Export Sales/Trade Missions (in country)
- Inbound Trade Missions
- Partner Searches
- Trade Shows
- Catalog Shows
- "Special Missions"
- Other Marketing Events/Opportunities

PRIMARY TARGET MARKET CRITERIA

- Top 25 Wisconsin Export Markets
- Top 25 Wisconsin Total Trade
- Top 25 U.S. Export Market
- USDOC-Identified Big Emerging Markets
- Sector-Related Investment Potential
- Top 25 US Investment Source

SECONDARY TARGET MARKET CRITERIA

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- NEWI-Specific Market Opportunities
 - Wisconsin-Specific Market Opportunities
 - Economic Stability
 - Political Stability
 - Trade Alliance Access/Trade Agreements
 - Economic Growth Rate
 - Personal Security
 - Unique Opportunities

ADVANTAGES OF TRADE MISSIONS + GOLD KEYS

Have Proven to be One of the Most Successful and Cost-Effective Ways to Develop and Expand Business Internationally

- Your in-country
- Meet prospects face-to-face, see facilities
- Time in country is spent with pre-screened prospects with definitive timetables–no downtime
- Opportunity to network with local business professionals (lawyers, bankers, Chambers, trade groups, etc.)
- Local expertise (FCS industry trade specialists)
- Multiple staff conducting appointments
- Reputation of the U.S. Embassy (get appointments you had trouble getting)
- Embassy preferred rates at hotel
- Market briefing/research (breakfast briefings, Embassy receptions, etc.)
- Translators/drivers
- Country knows you're there (publicity/media coverage, etc.)
- Possible EDO investment track/opportunity or other tie-ins

PICTURES FROM TRADE MISSIONS



MY TRADE MISSIONS/RECRUITMENT

MEXICO CITY

February 2009
6 businesses
\$2 million sales/expected sales
35 trade leads

PANAMA/COSTA RICA

February 2007
7 businesses
\$4.4 million sales/expected sales
108 trade leads

PANAMA

March 2005
8 businesses
\$11.5 million sales/expected sales
123 trade leads

COSTA RICA

January 2005
7 businesses
\$5.1 million sales/expected sales
85 trade leads

MEXICO

November 2003
11 businesses
\$1.2 million sales/expected sales
76 trade leads

AUSTRALIA

August 2001
8 businesses
\$6.22 million sales/expected sales
85 trade leads

MEXICO

August 2000
17 businesses
\$7.22 million sales/expected sales
195 trade leads

CANADA (INBOUND)

October 2002
7 businesses
\$1.6 million sales/expected sales
45 trade leads

116 businesses participated in overseas international trade events

- (55%) 64 companies participated in local/regional led Trade Missions
- (26%) 31 companies participated in Florida Governor led Trade Missions
- (18%) 21 companies participated in other state/partner events

COLLABORATIVE MARKET ACCESS GRANT (CMAG)

This program is designed to help industry associations, alliances, agencies, nonprofits, regional economic development organizations or other state/local departments located in Wisconsin to work with Wisconsin companies to increase exports. This grant provides pass-through reimbursed funds. Organizations may apply for up to \$150,000 to provide assistance of no more than \$15,000 per Wisconsin company per fiscal year July—June 30.

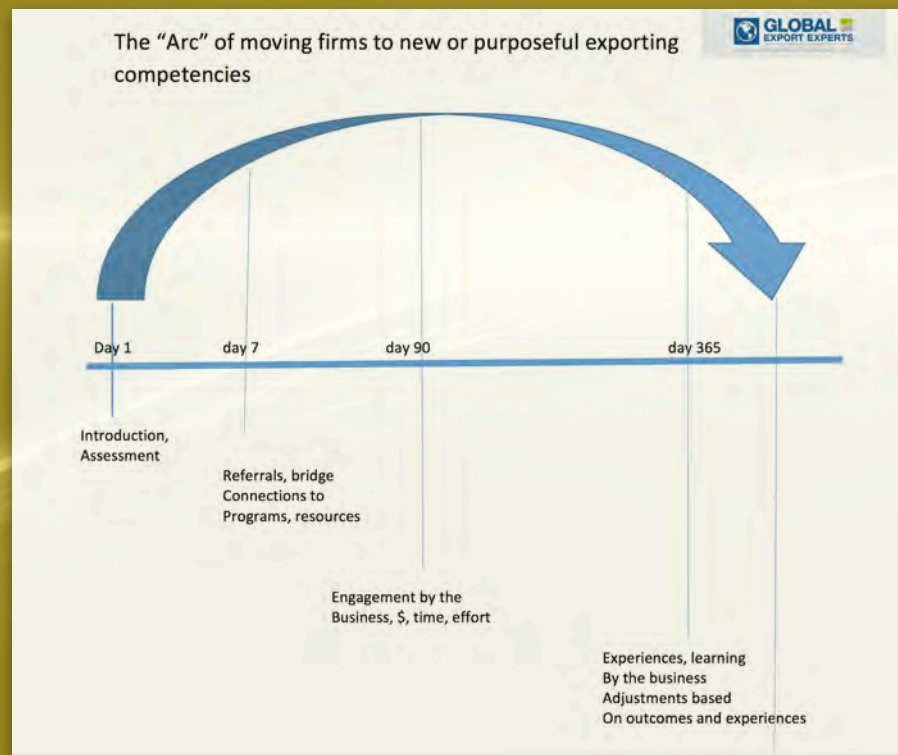


BENEFITS OF AN INTERNATIONAL STRATEGY TO ECONOMIC DEVELOPMENT ORGANIZATIONS

- Displays To Businesses Community Commitment To Expand Local Business Into New Markets
- Counters The Incentives Given To Newly Recruited Companies Or Existing Business Whom Don't Qualify For Other Incentives
- Get In The Door Of More Companies As There Is Now A Program Most Can Utilize And Easily Participate In
- Potential Increased Tax Collections
- Potential Increase In Average Wages
- Can Assist In Job/Company Retention
- Assists With Both FDI And Other Recruitment Activities Can Generate Both Trade And Investment Leads/Interest

MEASURABLES

Global New North



GLOBAL EXPORT EXPERTS

Proposed Technical Advisor Metrics for first year of effort - 2016-2017

Program/tactics	Activities/Programs	output units	output goals 2016	outcomes/impact	outcome goals
Introductions and assessments	outreach and promotions	initial meetings	100	Qualified Export candidate firms	25
Referrals, bridge connections to Programs, resources, etc.	SBDC advising hrs	hours	1500	advance export knowledge base	improved assessment measures
	DATCP	program participation	8	advance export knowledge base	program eval.
	WEDC	program participation	8	advance export knowledge base	program metrics
	WMEP	program participation	8	enroll in Exp. Tech, referral to other MEP advisors	program eval.
	NEWERA	program participation	6	enrollment, student engagement, faculty engagement	program eval.
	NEWREP	connections with local ED	30	educate client and ED person concurrently	ED program connections and increased Export knowledge base
	Global NN	use of resource tools	60	utilization of web tools and electronic subscriptions	analytics and open rates
engagement	owner/firm staff	participation/events, programs	50	qualified as ongoing 'book' for tech. advisor	25
	connected with partner resources	connection count	55	improved and refined assessment	55
competencies	review initial, ongoing assessments against accomplishments, connections and engagement	firms who have engaged	25	reach export capable	25

Also SBDC reporting requirements/metrics

THANK YOU.

ANY QUESTIONS?

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