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Section One

In This Issue

- A Letter From Dale Kelly, Chief of the International Trade Management Division (ITMD) p. 2
- Introducing Our New Trade Ombudsman p. 2
- Exports Into Automated Commercial Environment (ACE)...What Is This All About? p. 3
- Changes to USA Trade Online p. 6
- Network of Local Export Counseling Puts Help Just Around the Corner p. 7
- Are You Export Ready? The U.S. Commercial Service Can Help. p. 7
- Streamlined Export Tool Puts Local U.S. Businesses on the Front Line of Market Research p. 8
- Small Business Development Centers Ready to Assist Small Businesses p. 9
- A Formula for Success: Tapping the Export Potential of Minority Businesses p. 10
- STEP = Unlimited Potential p. 11
- Foreign Agriculture Service (FAS) State Regional Trade Groups p. 11
- New FAS Online System Links U.S. Exporters to International Customers p. 12
- Looking to Build Your International Competitiveness? The U.S. Department of Commerce Can Help p. 12
- Hannover Messe 2016 p. 13
- Contacts Information p. 14

Transitioning Exports Into the Automated Commercial Environment

Welcome to the January 2016 edition of TradeSource. This special two-part edition will help familiarize U.S. companies with the many key resources that can assist in the planning of global business strategies. As readers shall see, these tools are both comprehensive and easily accessible. In Section One, Dale Kelly of the U.S. Census Bureau provides a brief introduction and update on the Census Bureau's transition of export reporting into the Automated Commercial Environment for improving the accuracy, collection, and use of export trade data. In Section Two, Curt Cultice of the U.S. Commercial Service highlights export counseling resources available locally from several U.S. government agencies.



A Letter From Dale Kelly, Chief of the International Trade Management Division (ITMD)

Greetings Trade Community!

Part of our mission in the ITMD is to collect, process, and provide quality, timely, and accurate international trade statistics. As we move forward in an ever-evolving technological environment, I want to take the opportunity to thank you for your continued partnership and diligent pursuit of export compliance. We could not successfully pursue and fulfill this portion of our mission without you!

My expectation is that you find the articles and resources that follow useful as we continue the transition into the [International Trade Data System \(ITDS\)](#) single-window platform. The ITDS is integrating data collection systems and streamlining processes across the federal government in very exciting ways!

ITMD is committed to supporting you throughout this process. Quality customer service and innovative outreach will always remain our priority. As we transition to this new environment, we are dedicated to providing the most current information, training, and the most effective assistance. We will continue to utilize broadcast messages, [Webinars](#), [compliance seminars](#), our [Global Reach Blog](#), and this newsletter for outreach and education. If there is anything that we can do to assist you through this process, please do not hesitate to contact us via the resources listed in this publication. It is our pleasure to serve you!

That being said, I hope you enjoy this edition of TradeSource and we look forward to seeing you in ACE!

Dale

Introducing Our New Trade Ombudsman

Ms. Theresa Gordon recently accepted the position of Trade Ombudsman in the U.S. Census Bureau's [International Trade Management Division \(ITMD\)](#), formerly Foreign Trade Division. Ms. Gordon serves as the primary liaison between the trade community and the ITMD for reporting requirements related to the Automated Export System (AES) and the [Foreign Trade Regulations](#) trade-related issues. She will follow through to completion her leadership role in the refactoring of the *AESDirect* program into the Automated Commercial Environment (ACE).



Theresa embarked upon her career at the Census Bureau in 1999 as a computer programmer in ITMD. She eventually transitioned to Web development. In 2006, she worked as a technical, marketing, and outreach expert with AES. In 2009, she was selected to manage the Export Compliance Team and 2 years later, she transitioned to managing the *AESDirect* Team, in the Data Collection Branch, formerly the Automated Export System Branch.

As the *AESDirect* Team supervisor, some of her key contributions include serving as a technical lead on several projects, including the *AESDirect* Redesign, the AES Rehost, and most recently, the *AESDirect* Refactoring into ACE. She spent several months on detail at Customs and Border Protection (CBP) representing the Census Bureau's interest on the electronic export manifest effort. Strategic planning and communication are two of her strong suits. Ms. Gordon is dedicated to excellent customer service and fostering positive relationships.

Ms. Gordon's outstanding work with the trade community has earned her several team awards and wide recognition over the years. As a part of the Export Promotion Team, she earned both the Director's Award for Innovation and the U.S. Department of Commerce's Silver Award. Additionally, Theresa was recently recognized for 15 years of federal service, all of which were served in ITMD.

Ms. Gordon received her B.S. in Computer Science from the University of Maryland Eastern Shore and a Master of Science in Electronic Commerce from the University of Maryland. She received a Master's Certificate in Leadership from Georgetown University and a Master's Certificate in Project Management from George Washington University.

You may contact Ms. Gordon by phone at 301-763-6961 (office) or 202-407-1312 (cell) or by e-mail at Theresa.L.Gordon@census.gov.

Exports Into Automated Commercial Environment (ACE)... What Is This All About?

By Theresa Gordon, U. S. Census Bureau, Trade Ombudsman

In accordance with the President's Executive Order to "Streamline the Import and Export Process for America's Businesses," issued on February 19, 2014, the U.S. Census Bureau and the U.S. Customs and Border Protection (CBP) are collaborating on the redevelopment of AESDirect functionality in the ACE single window platform managed by CBP. One of the first steps to set the stage for this project was to rehost the Automated Export System (AES) onto the ACE platform, which occurred in March 2014. In keeping with the "single window" approach, the Census Bureau and CBP started the AESDirect Refactoring project in the summer of 2014.

After the rehost was complete, three teams began working concurrently to incorporate Exporter Accounts, ACE Export Reports, and AESDirect functionality into ACE. Exporter Accounts and Export Reports became available in ACE on June 27, 2015. This allows current ACE account holders to add the export functionality to their account and those without ACE accounts may sign up for an ACE Exporter Account (registration form is available at www.cbp.gov/ACE).

Existing ACE account users will be authorized to access export reports once they add the exporter functionality to their account. These users have completed the vetting process with CBP. New ACE users must request reports authorization and complete the vetting process prior to gaining access to their export data.

With respect to the refactored AESDirect portal, the anticipated date of deployment to ACE is late 2015. This portal will replace the legacy AESDirect portal, aesdirect.census.gov, and the stand alone desktop application, AESPcLink. A bulk upload feature for Electronic Data Interchange (EDI) processing will also be part of the portal deployment, along with a Virtual Private Network (VPN) filing option for EDI. AESDirect Weblink functionality will be available for transition beginning in early 2016. Consequently, the different applications in the legacy AESDirect program will be retired in phases during the first half of 2016. We will communicate these timelines on a regular basis and ultimately, users must transition to the ACE in order to continue filing Electronic Export Information (EEI).

More information about this transition and specific instructions on ACE accounts and the export reports vetting process are contained in this publication.

ACE Exporter Accounts: How Do I Apply? What Is My Plan?

How you obtain an ACE Exporter Account will depend on your current ACE access. For those companies that have an ACE Importer Account, you will not need to submit another registration form. ACE allows the exporter functionality (exporter role) to be added to your account to centralize the import and export capabilities into one account. Each ACE account has a company designated Trade Account Owner (TAO) who manages the access and the features on the account. The TAO has the ability to add the exporter functionality for this existing account.

Quick Reference Guide
Applying for ACE Export Account Topic 1: Applying for a ACE Exporter Account for Non-ACE Account Users

Table 1: How to apply for an ACE Exporter Account

Step	Action
1.	To access the CBP.Gov home page. <ol style="list-style-type: none"> Launch Internet Explorer Type http://www.cbp.gov/trade/aesdirect  <p>On the main page to the right under ACE Secure Data Portal choose the Apply for an Account icon.</p> 

If you are new to ACE, then a registration form must be submitted via www.cbp.gov/ACE by the company representative that will be deemed the TAO. ACE allows for a multiple Employer Identification Number (EIN) account structure. It is imperative that the principal EIN is registered by the TAO and all subsequent EINs are added to that Top Account after it is established. This is not applicable for companies that operate under one EIN. Keep it in mind if additional business units are acquired, the TAO must register new EINs upon completion and submission of the form.

The TAO will receive an e-mail with further instruction to finalize the registration process. During this process a "shared secret value" must be entered into the system. This value is the username provided by the system once the registration form is submitted. The TAO may begin adding user accounts to the Top Account.

Please see the resource section titled "ACE Exporter Accounts & Reports" for Quick Reference Guides, Webinars, and User Guides to assist you with the registration and user setup process.

Export Accounts Highlights:

- The TAO should be a person designated by the company to manage the ACE Top Account.
- If you have multiple related EINs, it is not necessary to create multiple accounts. Create your Top Account by completing the registration process and add additional EINs to that account once established.

Continued on page 4

Exports Into Automated Commercial Environment (ACE)... What Is This All About?—Con.

- The “shared secret value” for Exporter Accounts is your ACE username provided to you during the registration process. This value is requested to finalize the set-up process.
- If you have an ACE Importer Account, you do not have to register for an Exporter Account. Have your TAO add the exporter role to your existing account.
- Include only the names of your exporting subsidiaries on your COA.
- Be prepared to provide requested shipment information to the Census Bureau for each EIN you request reports access to.
- Respond to all requests in a timely fashion to avoid delays and backlogs.

ACE Export Reports: How Do I Obtain Authorization to View My Reports?

If you are an existing ACE Importer Account holder and have added the exporter role to your account, you will receive authorization to access export reports for existing import EINs without further vetting by the Census Bureau. The CBP will have vetted your access and the Census Bureau will not require additional documentation. However, if you add additional EINs to your account that are not setup for imports, those EINs will require vetting by the Census Bureau per the process described in the next paragraph.

Once a new Exporter Account is established, the ability to request access to Export Reports is available. There are several steps in the process and **ALL steps** must be successfully completed prior to obtaining authorization by the Census Bureau.

1. Click “Request EIN Reports Authorization” button inside ACE. This will initiate the approval process and the system will provide the link to www.census.gov/foreign-trade/compliance/aesvetting.html to complete additional steps.
2. Provide the Certificate of Authority (COA) as directed on the Census Web site noted in Step 1.
3. Accurately respond to verification questions provided by Census Bureau staff to complete the vetting process.

Note: Steps 1 and 2 **MUST** be completed in order to initiate the vetting process in Step 3.

Keep in mind, the vetting process is a one-time process required by the Census Bureau. Once you have successfully completed the process and have been granted authorization, you will have access to data for 5 years in addition to the current year, and you can run scheduled or on-demand reports without limitation.

Export Reports/Vetting Highlights:

- Once you request reports access in ACE, immediately complete the COA, have a company official sign it and submit directly to the Census Bureau at exportreports@census.gov.
- If you have multiple EINs associated with an account, request access for each EIN and submit a comprehensive COA request for access if possible.

- Newly established Exporter Accounts without prior filing history will not receive authorization to access reports.
- EINs associated with established ACE Importer Accounts do not require further vetting.
- Refer to the [ACE Export Report Flowchart](#) for more information.

ACE Export Reports: What Can I See?

The available reports can be run by EIN and either an export date range or a filing date range. There are three different export reports provided in the ACE system: the 201 Filer Report, the 202 U.S. Principal Party in Interest (USPPI) Report, and the 203 USPPI Routed Report.

- **The 201 “Filer”:** This filer report will return all shipments submitted by the filer requesting the report for the given date range.
- **The 202 “USPPI”:** This USPPI report will pull all shipments submitted on behalf of the USPPI requesting the report for the given date range (including self-filed, if applicable).
- **The 203 “Routed”:** This USPPI report will return a data dump of only the subset of data elements approved by the Foreign Trade Regulations (FTR) for 5 years plus current.
Note: A change to the FTR has been proposed to include the Internal Transaction Number (ITN) and date of export to this subset of data elements, which will make this report searchable by date range.

The 201 and 202 reports will both return a predetermined subset of data elements to maximize the efficiency of the system. The report system allows users to customize their reports by adding or removing elements from the full record layout as desired. These reports can be saved, downloaded to Excel spreadsheets, and even automated for future regular use. This is a feature that has been requested for years. To be able to deliver this functionality is a major accomplishment and advancement in export reporting.

Continued on page 5

Exports Into Automated Commercial Environment (ACE)... What Is This All About?—Con.

AESDirect into ACE: What Do I Need to Know About the Transition

First, let's review a few key definitions so we are all on the same page.

ACE

The ACE—The primary system through which the trade community reports imports and exports shipments. ACE will further streamline and automate processes and facilitate the elimination of paper. ACE is the single window.

AES

The AES—The central point through which export shipment data are filed electronically to CBP. AES collects, processes, and stores all EEI. AES is the source of all ITNs and generates other messages as applicable (Fatal Errors, Compliance Alerts, etc.) As of March 2014, AES resides in ACE.

AESDirect

The *AESDirect* system—The free online filing system for EEI maintained by the Census Bureau. Filers can register for accounts in *AESDirect* and file their export shipments to the AES for processing. Just to note, approximately 50 percent of all export shipments are processed through *AESDirect* and the remaining 50 percent are filed directly to AES.

What Is Transitioning?

The current *AESDirect* functionality available at aesdirect.census.gov, referred to as Legacy *AESDirect*, will transition completely into ACE in 2016. The ACE *AESDirect* application is referred to as Refactored *AESDirect*. The online portal filing capability for the Refactored *AESDirect* became available on November 30, 2015. This portal will replace the legacy portal application and the AESPcLink standalone application. The EDI bulk upload feature is also available. This feature allows users to upload a file of shipments in AESTIR or X12 format for batch processing.

We are looking to allow a 2- to 3-month timeframe for transition into the new system. During this time, filers have access to both systems. All EEI filed in the legacy system will be available for retrieval and management in the Refactored *AESDirect*. However, the legacy system will not allow you to retrieve any shipments outside of what is filed directly in that system.

We want to stress that both systems will be production environments. We implore all filers to ensure that they are not filing duplicate shipments between the two systems. Proper record keeping and a plan of action for transition to the new system is key to this process.

The refactored system provides a new look and feel, intuitive functionality, and faster shipment processing with on-screen notifications (acceptance or rejection). Realignment of tabs/sections provides increased usability for data entry. We have received positive feedback regarding the system overall. We continue to encourage all current *AESDirect* filers to obtain ACE exporter access and begin filing in the new *AESDirect* system.

Information on the *AESDirect* Weblink transitions were provided on December 11, 2015, and we are making concentrated efforts to contact companies impacted by this transition. Of note, the URL in the Weblink application will change and every Weblink user must have an active ACE account. The ACE account must be logged into prior to the Weblink transmission being sent from the third-party vendor.

There is also a VPN option that is currently available using the Department of Homeland Security's approved VPN client. For those who desire to use the approved VPN, a Letter of Intent must be completed in order to facilitate this transition.

The different applications in the legacy *AESDirect* program will be retired in phases in 2016. We will communicate these timelines on a regular basis and ultimately, all users will transition to ACE in order to continue filing EEI. Please be sure to sign up for our broadcast mailing list. Information is provided in the resource section of this publication.

Refactored *AESDirect* Highlights:

- The Refactored *AESDirect* portal will encompass features from the legacy *AESDirect* portal and AESPcLink. AESPcLink functionality will not transition to the new system.
- The new portal allows for saving of drafts and completed shipments. It incorporates an auto-save feature as users navigate through screens.
- Profiles and Templates will not be migrated to the new system. Users must recreate the profiles and templates in the Refactored *AESDirect*.
- The Standard Carrier Alpha Code/International Air Transport Association table will not be available for code lookup.

Changes to USA Trade Online

By Henock Kebede, U.S. Census Bureau, International Trade Macro Analysis Branch

Redesigned Web site:

In May 2015, the Census Bureau launched a new version of USA Trade Online (UTO) with a redesigned Web site. This new Web site layout provides a simpler and efficient navigation. We also transitioned the account management system allowing customers to easily manage resetting passwords and making changes to their profiles.

UTO went FREE on October 15, 2015:

On October 15, 2015, UTO became FREE to all users. The FREE system was a seamless transition for current customers. Site license customers and Federal Depository Libraries (FDL) will no longer have IP Access for UTO. However, existing reports will remain, enabling users to transfer to the new setup.

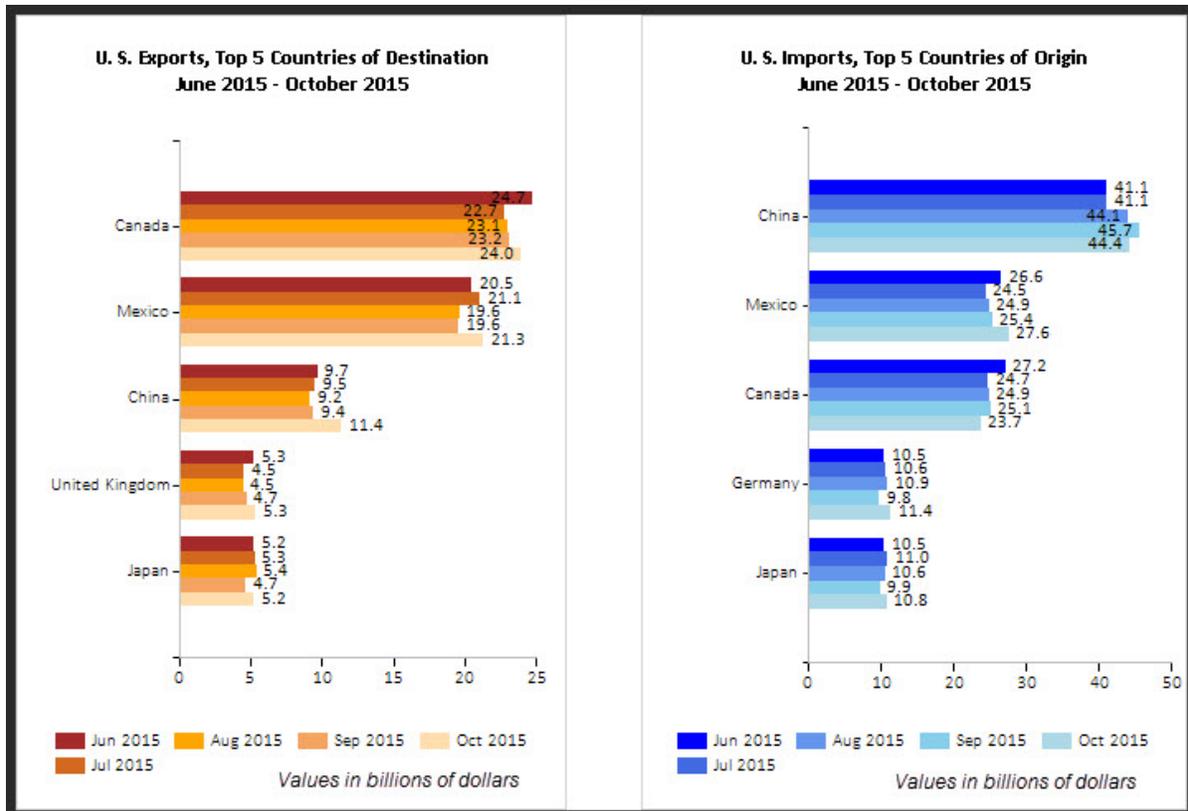
Here are a few things to consider for existing customers:

- If you have a multi-user account, you may create one single account for your organization or allow users to share the same account. The FDLs have the option of providing login access to users or allowing users to create their own account.
- Your userid and password information stays the same. However, if you forget your password, you can always reset it by clicking on "forgot login information." When resetting your password, you will be asked to create a password that meets our security criteria. You will be prompted to fill in three security questions. For more guidance on this, please visit our "Help and FAQ" section on the USA Trade Online Page.

New Fields and Quick Reports:

In addition to going FREE in October, we added new data fields (13 in imports and 3 in exports). We are also adding new quick reports that will provide high-level summary tables and graphs. This new version features description of fields and reports within the UTO data selection and report pages.

Don't delay, sign up today for your FREE UTO Account. If you have any questions, please contact us by e-mail at eid.international.trade.data@census.gov or by phone at 1-800-549-0595, option 4.



Help Locally, Sell Globally

Network of Local Export Counseling Puts Help Just Around the Corner

By Curt Cultice, Senior Communications Specialist, U.S. Commercial Service

As part of President Obama's National Export Initiative (NEI)/NEXT, many U.S. businesses—particularly small- and medium-sized firms—are leveraging the full array of enhanced U.S. government and partner export resources to make new sales abroad. The Census Bureau and its federal government partner agencies continue to develop better online exporting tools and information to empower more U.S. companies to help themselves. Yet, as you build an exporting strategy or make plans to enter a foreign market, nothing can replace one-on-one counseling from a seasoned trade professional.

Exporting can boost a company's bottom line and build competitiveness, while helping businesses to weather changes in the global economy. Each year, hundreds of thousands of U.S. businesses reap the benefits of exporting—selling just about everything to markets from Bangalore to Bangkok. That is good news, however many other U.S. firms have yet to export or realize their full export potential. Why? Well, often this is because they view exporting as too burdensome, don't know where to start,

or might not be knowledgeable about key export resources, such as export counseling, financing opportunities, business matchmaking, market research, and more.

These include both federal government resources—many of which are available at little or no cost—and assistance through state and local public- and private-sector partners. For example, the U.S. Department of Commerce's Commercial Service has a seamless global network of 108 offices across the United States and locations at U.S. Embassies and Consulates in more than 75 countries, and that is just a start. Many other agencies, such as the Small Business Administration, Minority Business Development Agency, Foreign Agriculture Service, and numerous others, are ramping up their collaborative export assistance efforts as a direct result of NEI/NEXT. So whether you are looking to make that first export sale or expand into new foreign markets, read on to find out more. We hope the local counseling resources profiled in the following articles will serve as valuable tools to help in your exporting pursuits. And remember that when it comes to exporting, there is no need to "go-it-alone," you are in good company.

Are You Export Ready? The U.S. Commercial Service Can Help

By Debbie Dirr, International Trade Specialist, U.S. Commercial Service, Dayton, Ohio

Are you looking to make that export sale or increase your current export sales? You are not alone! Many smaller businesses have yet to export, and among all U.S. exporters, 58 percent sell to only one market. What many businesses do not know is that exporting does not have to be burdensome or complicated. With the Internet, improved logistics options, and an array of federal, state, and local resources, exporting is more viable than ever for many businesses. Each year, thousands of businesses take advantage of the export services of the U.S. Department of Commerce's U.S. Commercial Service (CS). With offices in more than 100 U.S. cities and 75 countries across the globe, the CS offers U.S. companies exporting information, advice, and cost-effective end-to-end international business solutions. For those businesses that have not yet worked with the CS, we thought it would be helpful to step you through the export assistance process to help gain insight into your company's export capabilities.

1. The first step is usually a face-to-face meeting held at the company site. If the company is new-to-export, we first look to see if the firm's upper management has a long-term commitment to exporting—as it can take anywhere from 6 to 18 months to complete an export sale. If the company has a track record of selling throughout the United States, that is a strong indicator that it could be a successful exporter.
2. If the company has export potential, the next step is to help the firm analyze its in-house resources and export capabilities. Time and again, smaller companies will assign the international sales or shipping to one or two people, yet the sale impacts the entire company (or the company as a whole). For example, the accounting department may not understand the importance of financing options and how such knowledge could help the company become more competitive if it was shared more broadly within the company. Or, the traffic manager may not prepare documents needed if sales did not include him/her in details promised to the customer. By not facilitating the flow of internal information, this adversely impacts the ability of the company to streamline and thus increase export sales. It is important that people with a company understand other key areas of the export process, like international terms of sale (Incoterms), or what the seller and buyer responsibilities really are once they have agreed to a sale.
3. The third step is to help the firm develop an export strategy and determine the right markets. For new exporters this might involve targeting markets in close proximity to the United States, such as Canada, Mexico, or an English-speaking market like the United Kingdom,

Continued on page 8

Are You Export Ready?**The U.S. Commercial Service Can Help—Con.**

- before pursuing more difficult or other distant markets. For companies already exporting, this usually involves expanding their sales in new markets—for example, companies selling to Mexico might next pursue opportunities with countries in Central or Latin America where the United States has several free-trade agreements. The development of an export strategy involves research and collaboration between the domestic and overseas CS offices to determine which markets have the best potential for what the company sells and how that firm can best enter those markets. This often includes challenges, such as foreign standards or developing an understanding of U.S. export laws.
4. The fourth step is determining which CS services are most appropriate for a company to penetrate those markets or find the right foreign business partner(s). For example, our Gold Key Service provides customized meetings for U.S. businesses with prescreened agents and distributors in a country. We also support U.S. exhibitors at trade shows and events around the world, conduct due diligence on potential international partners, and a host of other services.
 5. The final step is providing ongoing support to the company throughout the process of entering the market(s) and continuing to build a long-term relationship with the business client, as the CS has done with thousands of businesses, resulting in billions of dollars in U.S. export sales.
 6. I would point out that since well over half of all U.S. exporters sell to only one market, there is great potential for firms to expand their international sales. With this in mind, your local CS office can serve as a valuable “home base” to help your business build on its export strategy by looking at additional markets. This includes leveraging CS global network counseling services to test drive prospective new market ideas.
 7. You can visit the CS at www.export.gov, or contact your nearest office at www.export.gov/usoffices/index.asp. Companies are also encouraged to view the publication, *A Basic Guide to Exporting* at www.export.gov/basicguide.

Streamlined Export Tool Puts Local U.S. Businesses on the Front Line of Market Research

With 96 percent of the world’s consumers outside of the United States and in today’s competitive global economy, U.S. businesses—and particularly small- and medium-sized firms—now have a newly streamlined export tool at their fingertips. The Country Commercial Guides, long trusted as the premier source for market information on 126 markets are written by boots-on-ground trade professionals at U.S. Embassies and Consulates abroad:

- Previously, industry sector snapshots and other critical market-entry guidance were buried in large, unsearchable reports for each country; now, companies can easily tap directly into target information for each country.
- The new format dramatically reduces the time and effort it takes for U.S. businesses to obtain the latest on industry sectors, as well as on the latest economic overviews, selling techniques, investment climate considerations, trade financing options, and business travel advice and resources.
- U.S. companies can now find opportunities more quickly in popular markets, but can also access the full scope of global demand for their products in other, often less crowded markets. Each Country Commercial Guide contains roughly 70 articles, more than 8,800 for the world.

To access the new Country Commercial Guides, visit www.export.gov/ccg. In addition, we encourage you to follow up on your market research efforts through our worldwide U.S. Commercial Service network with more than 100 U.S. offices and locations in U.S. Embassies and Consulates in more than 75 markets, visit www.export.gov/usoffices/index.asp.

Small Business Development Centers Ready to Assist Small Businesses

By Curt Cultice, Senior Communications Specialist, U.S. Commercial Service

Small Business Development Centers (SBDCs) provide assistance to small businesses and aspiring entrepreneurs throughout the United States and its territories. SBDCs help entrepreneurs realize the dream of business ownership and help existing businesses compete in today's global marketplace. SBDCs are hosted by leading universities and state economic development agencies, and funded in part through a partnership with the U.S. Small Business Administration. In the below Q&A, Aaron Miller discusses his office's outreach to Virginia companies. Mr. Miller is International Trade Manager with the Virginia Small Business Development Centers (SBDC) at George Mason University—Mason Enterprise Center in Fairfax, VA.

Q: What business services are available from SBDCs in Virginia?

A: First, let me say that the services offered here at the Virginia SBDC are very representative of the work of the nationwide [SBDC network](#). We help small businesses start and grow through free one-on-one counseling from highly experienced experts from all walks of business. Training in basic and advanced issues for small businesses is offered for a modest fee. In addition, market research, financial analyses, introductions to local professionals, and other resources are also available. These services are offered through the 29 local SBDC offices around the Commonwealth. Here in Virginia, no business is more than an hour's drive from an SBDC office.

As the International Trade Manager, I focus on helping businesses export. The SBDC collaborates closely with state agencies to host special programs in international trade, technology commercialization, social media, counseling, and training for retailers and restaurants, manufacturing, and more. These state programs include Mason Enterprise Center in Fairfax, along with the MEC-Fairfax incubator and PTAP (Procurement Technical Assistance Program), and the Mentor-Protégé Program.

Q: What can your SBDC do to help companies begin exporting or become more successful exporters?

A: I work with new-to-export companies, helping turn reactive exporters—those companies that don't initiate international sales—into proactive exporters. I also put together training programs. Overall, I help identify, assess, and match business needs with public- and private-sector resources that help firms grow internationally, such as the U.S. Commercial Service, U.S. Export-Import Bank, SBA, and private-sector lenders. For example, I help businesses understand the differences between credit insurance offered by Ex-Im Bank vs. private-sector lending institutions, provide counseling on access to capital, and help firms identify global opportunities. We also leverage District Export Council members who bring legal and business expertise to the table, and provide guidance on how to lower costs with freight forwarders in specific markets.

Q: What kinds of businesses do SBDCs typically work with?

A: Our mandate is to work with small- and medium-sized companies across all sectors—ranging from start-ups to companies that have been around a long time. The industries are wide-ranging and diverse: micro, manufacturing, healthcare, technology, emergency preparedness, defense, and disaster relief. Many of these companies have an information technology component to their business.

Q: How does your SBDC help identify potential exporters?

A: We do a lot of outreach—events, training, and networking; there's really not a methodology. It's about being out there and talking to a lot of people, and getting them to think about exporting. Offering encouragement is part of it, but also offering the reassurance that the resources and expertise exist to reduce the risk and eliminate obstacles. We also network at nonexport events. I met a designer with a high-end interior design firm who had never thought about exporting, that is, until I met her. Now she is looking at the possibilities. Also, we often find that many firms don't realize their many positive attributes that could make for successful exporting.

Q: To follow up, what are some key attributes for successful exporting?

A: Lots of companies are hesitant about exporting, so there's a strong emphasis on educating and informing businesses. They often have an initial view that exporting is too burdensome, that their sales staff might lack the necessary foreign-language skills, or are unsure how their firm will get payment from foreign customers. Knowing they don't have to "go-it-alone" builds confidence. Key attributes or conditions that make for successful exporting include management commitment; knowledge of product or service; adequate cash flow; and a capacity to produce products or services for foreign markets. Interestingly enough, while a previous track record of selling domestically is very helpful, a major trend is the number of start-up businesses we're seeing that are going global almost right away, prior to making domestic sales. For example, one technology company that I've been working with has been in business for only 2 years, but the firm's exports now account for half of the company's sales. That's an impressive accomplishment.

Q: How does your SBDC work with other agencies to tap other sources of export assistance?

A: That's a lot of what I do, I work with the U.S. Department of Commerce almost daily through the local U.S. Export Assistance Centers in Northern Virginia and Richmond; leverage District Export Council members for featured speakers; and host Export University seminars. These

Continued on page 10

Small Business Development Centers Ready to Assist Small Businesses—Con.

seminars help business navigate the export process—financing, freight forwarding, legal aspects of exporting, etc. I'm currently working with the ExporTech team, collaborating on a 10-week course customized to a company's needs.

Q: Most SBDCs are located within universities. What are some of the benefits that can have for exporters?

A: It's really a great asset being located at George Mason University, and very enjoyable as well. I organize student research teams, and manage several projects with students conducting market research and export strategies for our client companies looking to expand overseas. This helps companies determine what the real issues are that might

affect the sale of their product or service overseas. So, it's really a win-win for everyone, as it helps push entrepreneurship interest among students, many of which are using their learned business skills to advance social causes.

Q: How did you get started in this career, and what do you like most about your job?

A: I studied anthropology for my undergraduate degree and had a chance to live overseas in Nepal and China. I love this job because every day I learn something new and different—it's exciting covering all parts of the world. Most of all, it's gratifying that I'm able to help make a difference in the success of many of our business clients.

A Formula for Success: Tapping the Export Potential of Minority Businesses

Albert K. Shen, Minority Business Development Agency (MBDA) National Deputy Director

For more than 45 years, the Minority Business Development Agency (MBDA) supported the economic growth of Minority Business Enterprises (MBE) initially only through domestic operations. It was in 2003 that MBDA published its first export report titled *Globalization and Minority-Owned Businesses in the United States: Assessment and Prospects*. The report led to the creation of our Global Business Strategies, subsequent research on MBE exporters, and the 2012 release of an export fact sheet that took a closer look at the exceptional export capabilities of MBEs, which revealed that minority-owned firms are:

- Twice as likely to export as their nonminority counterparts (14.4 percent minority-owned exporters compared to 5.4 percent nonminority exporters).
- Three times as likely to have international operations.
- Six times as likely to transact business in a language other than English.

Fast forward to today's global economy, where 96 percent of all customers live outside of the United States. As the nation continues its journey from economic recovery to economic resurgence with an increased focus on promoting American goods abroad—MBDA is expanding its Global Business Strategy to support the growing number of MBEs that support and sustain American jobs by exporting goods and services around the world.

In focusing on the growth and expansion of MBEs into global markets, MBDA is proud of its success in promoting the global competitiveness of minority-owned firms. In fiscal year 2014, [MBDA client exports](#) neared \$710 million in contracts and \$74 million in export financing accounting for 37 percent of the agency's overall increase in contracts and capital.

So what is the formula for success? In 2013, MBDA established expanded expertise at several MBDA Business Center locations. In doing so, a strong emphasis was placed on global market engagement activities with a strategic focus on international trade and export financing. In addition to

providing wide-ranging export assistance, these centers collaborated with the entire network of 44 MBDA Business Centers to leverage three White House Initiatives—Doing Business in Africa, Doing Business in Asia, and Look South. These initiatives, which involved coordinating business-to-business matchmaking events, cross-promotion of contract opportunities, and sharing of many resources, are helping numerous businesses navigate the avenues of exporting while easing their entry into emerging markets.

A second core component of providing MBEs greater access to new markets was addressing their capital needs by utilizing the MBDA Business Center network to identify export financing. In fiscal year 2014, nine centers became loan originators under Export-Import Bank's Global Credit Express program; an additional two centers focused on alternative financing for both global and domestic business opportunities.

Lastly, MBDA strategically partners with key stakeholders with essential expertise and global relationships. A great example is the ongoing collaboration with our sister agency, the International Trade Administration (ITA) and its worldwide network of export and industry experts in the U.S. Commercial Service; as well as our participation on the Trade Promotion Coordinating Committee. The partnership with ITA has allowed MBDA to create resource hubs that provide current market data, business development support, and business-to-business exposure for clients interested in exploring export opportunities.

MBEs are sources of robust economic development and job growth for many communities around the country. The presence of minority firms in communities and markets often provides a multiplier effect that serves as an inspiration for others to follow in their path. In leveraging new growth opportunities, these companies can look forward to harnessing their full export potential with confidence and the full backing of the U.S. government. Visit the MBDA at www.mbda.gov. Also, follow us on Twitter [@usmbda](https://twitter.com/usmbda).

STEP = Unlimited Potential

Gene Stewman, Director, State Trade and Export Promotion Program, U.S. Small Business Administration (SBA)

You own a small business and you are serious about wanting to start exporting to complement your domestic sales. So, what should your action plan include? In addition to obtaining access to local export counseling and training resources, you should consider the financial assistance available from the State Trade and Export Promotion (STEP) Grant Program. The STEP Grant Program is managed by the U.S. Small Business Administration's (SBA) Office of International Trade.

The STEP Grant Program helps eligible small businesses enter and succeed in the international marketplace. Under this program, the federal government makes financial assistance awards to state governments to increase the number of small businesses that start exporting and expand the markets of existing small business exporters.

The STEP Grant Program is designed to support the following export activities:

- Export training

- Participation in foreign trade missions, market sales trips, and trade shows
- Subscription services provided by the U.S. Department of Commerce
- Payment of Web site translation fees
- Design of international marketing campaigns

The STEP Grant Program was appropriated \$17.4 million in fiscal year 2015 and 40 states earned a STEP award during the competitive award process. Follow this link to the SBA STEP Web site and click on your state on the U.S. map to learn if your state currently has a STEP award and who to contact to apply: www.sba.gov/offices/headquarters/oit/resources/14315. Businesses that meet SBA's definition of a small business are eligible for STEP funding support. Please visit www.sba.gov/size to review SBA's small-business size standards.

Foreign Agriculture Service (FAS) State Regional Trade Groups

Dale Miller, Director-Trade Services Staff, Foreign Agricultural Service/USDA

The Foreign Agricultural Service (FAS) supports four State Regional Trade Groups (SRTGs), which in turn assist U.S. companies with creating and expanding export markets for value-added food and agricultural products. These nonprofit organizations work closely with state Departments of Agriculture and offer services including:

- Exporter training and education;
- Analysis of export markets and opportunities;
- Trade shows and buying missions; and
- Support for international marketing campaigns and product promotion activities.

All promotional activities conducted by the SRTGs are coordinated with FAS's Washington and overseas offices and most are funded through the [Market Access Program](#).

SRTG	States	Contact
Food Export USA Northeast	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont	www.foodexport.org (215) 829-9111
Food Export Association of the Midwest USA	Indiana, Illinois, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin	www.foodexport.org (312) 334-9200
Southern U.S. Trade Association	Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, Puerto Rico, South Carolina, Tennessee, Texas, Virginia, West Virginia	www.susta.org (504) 568-5986
Western U.S. Agricultural Trade Association	Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming, Guam, America Samoa	www.wusata.org (360) 693-3373

New FAS Online System Links U.S. Exporters to International Customers

The U.S. Department of Agriculture's (USDA) FAS has launched a new online system to connect exporters of U.S. food and agricultural products with potential customers around the world. The Trade Lead System gives U.S. exporters access to information about potential foreign sales opportunities. In addition, interested international buyers can use the system to search for potential suppliers of U.S. farm and food products. To learn more about the Trade Lead System, visit www.fas.usda.gov/trade-lead-system.

Looking to Build Your International Competitiveness? The U.S. Department of Commerce Can Help

By Curt Cultice, Senior Communications Specialist, U.S. Commercial Service

The Manufacturing Extension Partnership (MEP), led by the U.S. Department of Commerce's National Institute of Standards and Technology (NIST), collaborates at the federal, state, and local level to assist and better position U.S. manufacturers in developing new products and customers. The MEP helps firms expand into global markets, adopt new technology, reshore production, and more. In the below Q&A, Douglas Devereaux, Program Manager for International Business Strategies, highlights how businesses are benefitting from the program.

Q: What is most unique about the MEP?

A: It's our collaborative approach. Working through our direct contact with manufacturers, MEP serves as a valuable bridge to other organizations that share a passion for enhancing the manufacturing community. To date, MEP centers have helped thousands of manufacturers reinvent themselves, increase profits, create or maintain jobs, and establish a foundation for long-term business growth and productivity. Since 1988, MEP has worked with nearly 80,000 manufacturers, leading to \$88 billion in sales and \$14 billion in cost savings, and helping create more than 729,000 jobs.

Q: What types of issues can the MEP help with?

A: Many of the companies participating in the MEP are looking to benefit in the areas of process improvement and workforce development to business practices, including supply chain integration, innovation, and technology transfer. Also, many of our business participants are new to export companies or are looking to expand into new export markets and need assistance to doing so.

Q: Looking globally, why should U.S. companies export or look at expanding current export sales?

A: Exporting allows businesses to grow, increase profitability, and weather changes in the global economy. For many firms, exporting helps increase the value of the business as a whole. Chances are that if your competitors aren't already exporting, they soon will be. The vast majority of world consumers are beyond U.S. borders, so it's important not to be left behind in today's global economy. We know there's great potential to expand U.S. exports as many businesses

have yet to consider their export potential; still others only sell to a few international markets.

Q: How does a company start exporting and what are some of the challenges?

A: First, a company should develop an export plan, which requires several steps. But many companies don't know where to start or don't have the resources or first-hand knowledge to go straight into exporting themselves. So for these firms, those first steps can be challenging. Some of the biggest issues involve dealing with the myriad of different rules and regulations concerning trade in overseas markets. Programs, such as ExporTech, provide businesses with the tools and insight to do their homework first, helping to avoid potential bumps in the export process that can prove costly. These programs are often recommended to businesses by their local U.S. Commercial Service (CS) trade specialist or partner agencies, such as the Small Business Administration and U.S. Export-Import Bank.

Q: What exactly does the ExporTech program do?

A: A U.S. Department of Commerce program, ExporTech is jointly offered through the NIST Manufacturing Extension Partnership and CS field offices. It's an export accelerator program with partners that assists companies in developing export business plans, working to make exporting easier. The intensive, 10-week structured process includes group workshops and individualized coaching/counseling. The program is focused on the development of a customized international growth plan, vetted by experienced international business people. By building a team of organizations that helps companies move quickly beyond planning to actual export sales, it helps provide a roadmap for export success. By doing so, it also helps match a company's product or service with the best potential markets.

Q: What types of companies benefit from ExporTech?

A: There are many different kinds of companies in a cross-section of industries. Hundreds of U.S. businesses, particularly small- and medium-sized firms, have participated in the program. For example, one Tennessee manufacturer of high-tech scientific tools, using CS business matchmaking and other programs found new markets in Germany,

Continued on page 13

Looking to Build Your International Competitiveness? The U.S. Department of Commerce Can Help.—Con.

Switzerland, Taiwan, United Kingdom, and South Korea. Overall, the firm now sells to 13 markets and reached its first \$1 million in international sales in 2014.

ExporTech has proven itself to have been very successful. Since 2007, over 129 ExporTech programs have been delivered in 30 states with over 700 participating companies, resulting in a combined \$400 million in new or retained sales to date.

Q: Has the overall MEP program proven to be an excellent investment as well?

A: Definitely. The MEP public/private partnership has delivered a high return on investment to taxpayers. For every dollar of federal investment, MEP clients generate nearly \$19 in new sales, which translates into \$2.5 billion annually. And for every \$2,001 of federal investment, MEP creates or retains one U.S. manufacturing job.

Q: Who should U.S. companies contact to find out more about MEP/ExporTech?

A: The MEP is accessible through a nationwide system of centers located in all 50 states and Puerto Rico. Each center is a partnership between the federal government and a variety of public or private entities, including state, university, and nonprofit organizations. This diverse network of more than 440 service locations has over 1,200 field staff serving as trusted business advisors and technical experts. And because MEP's foundation is its partnerships, centers are a hub for manufacturers, connecting them with government agencies, trade associations, universities, and research laboratories, state and federal initiatives, and numerous other resources.

For more information, visit www.export.gov. Companies are also encouraged to visit the MEP Web site at www.nist.gov/mep/about/network.cfm.

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For more information, visit www.export.gov/hannovermesse;

E-mail: HannoverMesse@trade.gov; or call 704-333-4886.



Contact Information

<p>International Trade Helpline ITMD blogs: http://globalreach.blogs.census.gov/ 800-549-0595 (see menu options below) *Secure fax: 301-763-8835 (all branches)</p>	
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