



# TradeSource

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Issue 15

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## Harnessing Global Opportunities: Upping Your Export Game

This issue will introduce you to a dynamic tool offered by the U.S. Census Bureau called the Census Business Builder. It is used for analyzing data for market growth and expansion, to help you understand customers, competitors, and suppliers. Learn from other government agencies, such as the Export-Import Bank of the United States, U.S. Commercial Service, the Bureau of Industry and Security, and U.S. Customs and Border Protection, about the valuable resources and tools on the many facets of exporting. With the many challenges of exporting, we are confident that these articles will assist you in being successful in the exporting process to achieve global business expansion and compliance.

# Introducing Census Business Builder

By Andrew W. Hait, Economist, U.S. Census Bureau

The U.S. Census Bureau provides a wealth of demographic and business data that exporting and importing companies can use to help them better understand their customers, competitors, and suppliers. The challenge for many of them is finding, accessing, and using these data.

For years, the Census Bureau has led the federal statistical community with powerful data tools that give full access to this wealth of data. Large companies rely on Census Bureau data tools like [American FactFinder](#) to access these data. But what about small- and mid-sized businesses? How can they access these data?

## ENTER CENSUS BUSINESS BUILDER (CBB)

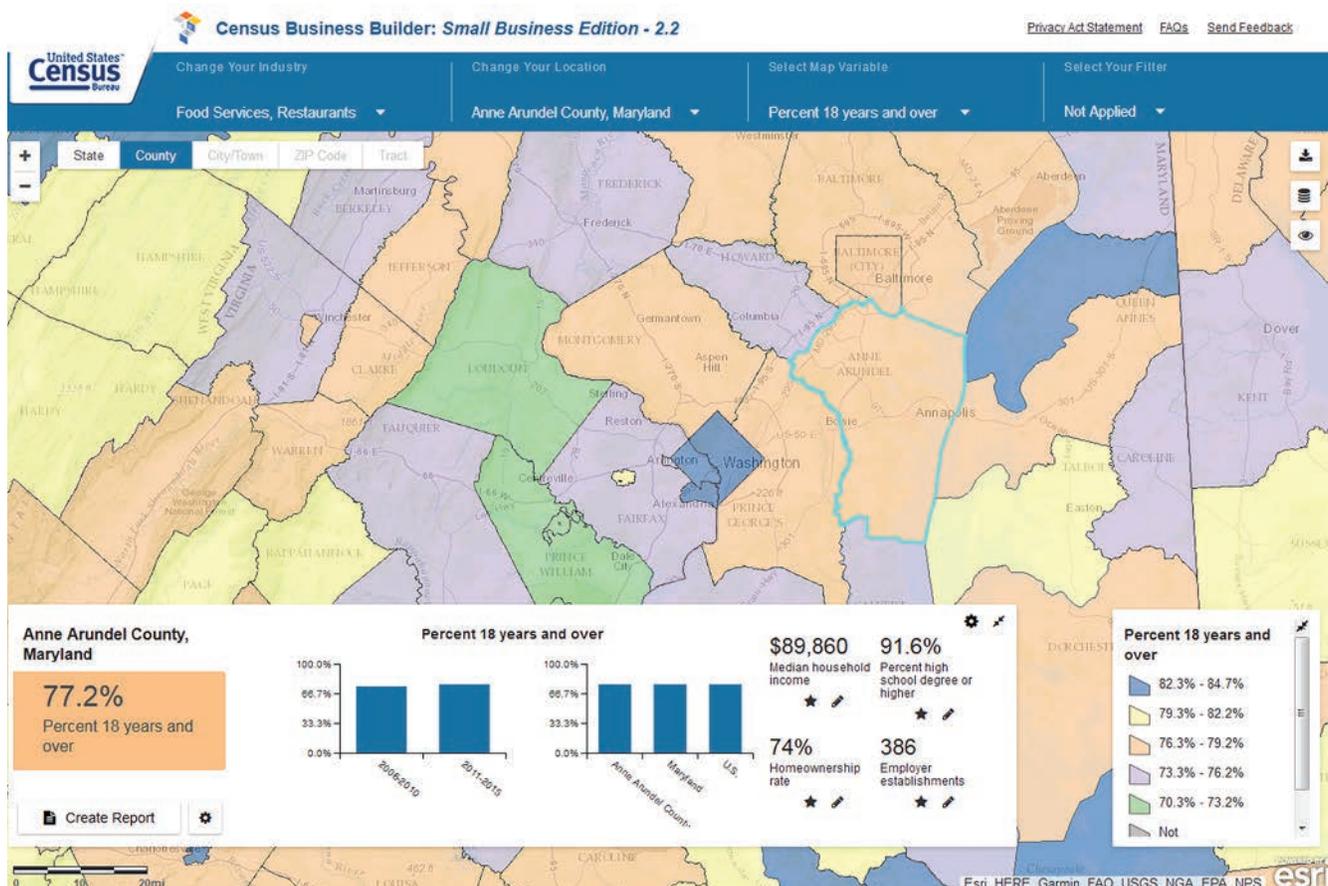
In September 2015, the Census Bureau released version 1.0 of [Census Business Builder: Small Business Edition \(SBE\)](#). This tool was specifically designed to help small business owners access the key data they need to understand their markets better.

The [Regional Analyst Edition](#) of CBB was released 6 months later. It presents similar information as SBE but was designed to help regional planners and economic development staff understand their service areas better.

## WHAT DATA ARE SHOWN IN CBB?

CBB includes demographic, socioeconomic, and housing data from the latest American Community Survey. This includes stats on educational attainment, median household income, and median home value. The data are shown at the state, county, city/town, ZIP code, and tract levels. Information on the number of businesses, employment, payroll, and revenue at the same geographic levels (except tract) are also provided from four different Census Bureau business surveys. CBB even includes consumer spending data from Esri. An interactive map displays all of these data.

Released in June, version 2.2 of CBB adds data on the total value of imports and exports for selected agriculture,



(Map showing percentage of total population that is 18 years or older for counties in the Washington, DC, metro area. Dashboard shows this statistic for Anne Arundel County, MD, plus four other user-defined variables and comparison charts.)

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#2: My Potential Customers

#3: Business Summary

#4: Consumer Spending

#5: About Data

### Employer Businesses

Includes key statistics for businesses with 1 or more paid employees (Employers) from the 2007 and 2012 Economic Census and the 2011 thru 2015 County Business Patterns and ZIP Code Business Patterns programs

Name	Estimate	
Employer establishments	386	↑
Total employment of employers	12,540	↑
Total annual payroll of employers (\$1,000)	\$253,663 (1,000)	↑
Average employment per employer	32	↑
Average payroll per employee	\$20,228	↑
Population per employer	1,439	↑

Average employment per employer (2011-2015)

Year	2011	2012	2013	2014	2015
Value	~29	~29	~30	~30	~30

Average employment per employer (Comparison)

Region	Anne Arundel County	Maryland	U.S.
Value	32	~24	~20

Information may not be available for all industries and areas to protect the privacy of individual companies.  
Source: [2015 County Business Patterns](#)

(Local Business Profile Report showing Employer Businesses data for full-service restaurants in Anne Arundel County, MD.)

mining, and manufacturing industries by mode of transportation (air vs. vessel) at the national and state levels. Agriculture data from the [U.S. Department of Agriculture, National Agricultural Statistics Service](#) at the national and state levels were also added, as well as more consumer spending data. Finally, version 2.2 adds the ability to import your own data via an Excel spreadsheet.

**HOW DOES CBB WORK?**

To deliver on the performance expectations of today's users, CBB is the first Census Bureau data tool deployed on the cloud, and was built for the Census Bureau by Esri on their ArcGIS platform. The data can be manipulated using intuitive tools, including a map filter. Version 2.2 of CBB adds the ability to import your own reference ShapeFiles and map services.

All of the data in CBB are accessed dynamically via the Census Bureau's DataWeb Application Programming Interface.

The data in CBB can be downloaded from the map. Interactive reports can be generated and downloaded as well.

**HOW CAN I USE CBB FOR MY BUSINESS?**

Importing and exporting companies that cater to individual consumers can use the demographic and consumer spending data in CBB to identify additional markets here in the United States for their goods. Companies whose customers are primarily other types of businesses can use the business data in CBB to identify potential customers and suppliers. Finally, importers and exporters can use CBB to compare the employment, payroll, and revenue of their business (and their operating ratios) to the data for other businesses like them to identify possible areas of improvement.

**HOW CAN I LEARN MORE?**

For more information about CBB, including flyers, videos, and widgets that you can place on your company's Web site, visit the [CBB Web site](#). To help us shape future versions of CBB, please use the "Send Feedback" link that appears at the top right of CBB.

If you have questions about how to use CBB effectively, please contact me at 301-763-6747 or at [Andrew.w.hait@census.gov](mailto:Andrew.w.hait@census.gov).

# Internal Export Auditing Made Easier

*By: Maurice Hinton, Survey Statistician, U.S. Census Bureau*

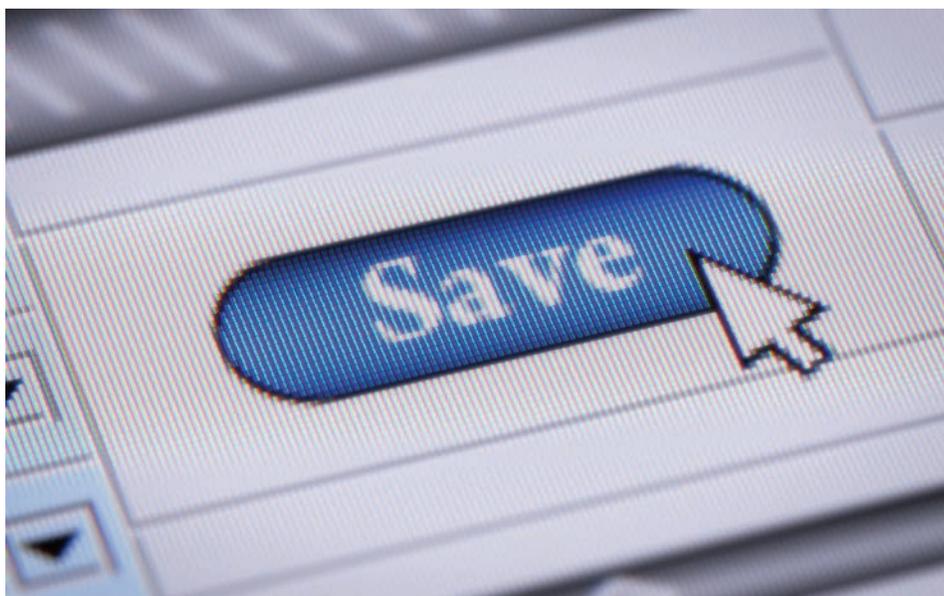
Those of you in the business of exporting know that maintaining thorough documentation is a vital part of having a successful business. The Foreign Trade Regulations (FTR) require that all parties in an export transaction must retain documentation for 5 years from the date of export. The documentation allows you to maintain compliance with the FTR, as well as conduct audits to ensure the accuracy of the information reported. On April 19, 2017, the Census Bureau published the Final Rule, FTR: Clarification on Filing Requirements. One of the changes in the rule is going to assist you when auditing your routed export transactions.

For many years, the trade community has expressed concerns that the U.S. Principal Party in Interest (USPPI) is not able to link the shipment information filed in the Automated Export System (AES) to their internal records when the U.S. Authorized Agent files the AES record in a routed export transaction. Prior to the Final Rule, when auditing routed export transactions, the USPPI only had access to the limited data elements they provided to the U.S. Authorized Agent. However, none of the data elements provided a source to tie that information back to the USPPI's paperwork. Therefore, the Census Bureau revised §30.3(e)(2) of the FTR to require the U.S. Authorized Agent in a routed export transaction to provide the USPPI, upon request, with the filer name, date of export, and the Internal Transaction Number in addition to the information previously required. Because of this new requirement, these additional data elements have been added to the

Automated Commercial Environment (ACE) USPPI Agent-Filed Routed Transactions report (ACE 203). The additional data elements should allow the USPPI to better utilize the ACE 203 report because there are now data elements that can link the USPPI's paperwork to the information that the U.S. Authorized Agent provides to them.

In addition to the ACE 203 report, there are two other reports available in the ACE. Those reports are the Filer Transactions report (ACE 201) and USPPI Transactions report (ACE 202). The ACE 202 and 203 reports can be very useful tools for the USPPI to maintain compliance. These two reports allow the USPPI to track all shipments in which they were reported as the USPPI. The USPPI can use these reports to perform regular and comprehensive audits while maintaining compliance with the record retention requirements found in §30.10 of the FTR. For additional information on ACE Export reports, please read the [blog](#) written by Theresa Gordon of the Trade Outreach Branch within the International Trade Management Division (ITMD).

It is our hope that these changes to the FTR and ACE Export reports will help make the auditing process a little easier. For more information, visit our Web site or call the ITMD at 800-549-0595, option 3 for Regulations or option 5 for Outreach. You can also e-mail Trade Regulations Branch at [itmd.askregs@census.gov](mailto:itmd.askregs@census.gov), or Trade Outreach Branch at [itmd.outreach@census.gov](mailto:itmd.outreach@census.gov).



# ACE Exports Compliance Seminar

## 2-DAY SEMINAR

### TWO LOCATIONS

Experts from the U.S. Departments of Commerce, Homeland Security, State, and EXIM Bank will provide valuable information to all parties involved in exporting.

#### DAY 1

- Electronic Export Information and the Foreign Trade Regulations
- Commodity classification
- Automated Export System
- ACE AESDirect
- ACE export reports

#### DAY 2

- Bureau of Industry and Security export control requirements
- Advanced ACE export reports
- Avoiding penalties/seizures of cargo (Customs and Border Protection)
- Nonpayment Protection (EXIM Bank)
- Directorate of Defense Trade Controls Licensing Systems

#### CHICAGO, IL

**Date:** August 2 and 3, 2017

**Time:** 8:30 a.m.—4:30 p.m.

**Location:** Chicago Marriott Naperville  
1801 North Naper Boulevard  
Naperville, IL 60563

**Cost:** \*\$275.00/per day

\*Cost is per person, per day and includes breakfast and lunch.

Chicago: [www.regonline.com/builder/site/?eventid=2011163](http://www.regonline.com/builder/site/?eventid=2011163)

Boston: [www.regonline.com/builder/site/?eventid=1913480](http://www.regonline.com/builder/site/?eventid=1913480)

#### BOSTON, MA

**Date:** October 12 and 13, 2017

**Time:** 8:30 a.m.—4:30 p.m.

**Location:** Boston Marriott Peabody  
8 Centennial Drive  
Boston-Peabody, MA 01960

**Cost:** \*\$275.00/per day

If registering for both days, enter the code "BOTH" and receive reduced cost of \$225 per day.

For more information, please contact Shawn Shannon at 443-895-8881 or <[shawn@m-palm.com](mailto:shawn@m-palm.com)>.



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU

# U.S. Commercial Service Video Series Offers Window to Exporting, World Markets

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

In today's global economy, businesses cannot afford to miss international opportunities. With more than 95 percent of the world's consumers outside of the United States, exporting is a great way to boost the bottom line and build competitiveness.

Each year, our U.S. Commercial Service global network of trade professionals counsel thousands of small- and medium-sized businesses on exporting. Based on this experience, we understand that the export process can be challenging for companies like yours. Perhaps you are looking to evaluate your export readiness, develop an export plan, or navigate the mechanics of exporting. You might even have some orders sitting directly in front of you. No matter where you are in the export process, how can you best become a successful, proactive exporter for the long-term? Look no further, the U.S. Commercial Service has developed a new set of "How to Export" resources including a series of export basics videos.

## Watch Video



The 22 videos are organized into six themes covering all aspects of exporting with input from our worldwide U.S. Commercial Service trade professionals. While you may have mastered many aspects of exporting, the new videos can help fill in any gaps while updating you on all facets of successful exporting. Look below to find your video(s) of interest:

1. Get Ready to Export!
2. Plan Your Market Entry Strategy
3. Find Foreign Buyers
4. Get Paid
5. Make the Export Sale
6. Navigate Your Export Market

View the entire video series at [export.gov/How-to-Export](http://export.gov/How-to-Export). As noted in the videos, "A well-thought-out export plan can make all the difference between generating a few international sales and achieving real business growth."

Each video connects you to more in-depth export tools and resources available on [export.gov](http://export.gov), the federal government's export assistance portal. Check out these resources today.

## TIPS FROM THE FIELD

Whether you are looking to make that first export sale or expand current global sales, you are likely to have more questions along the way. Debbie Dirr, International Trade Specialist with the U.S. Commercial Service Cincinnati's satellite office in Dayton, OH, lends her experience and insight into some of the most common challenges faced by exporters and how the U.S. Commercial Service's global network of 108 offices across the United States and in U.S. embassies and consulates in more than 75 countries can assist you. Learn more about U.S. Commercial Service export services and the office nearest you by viewing our short video on [export.gov/services](http://export.gov/services).

## Export Planning

The road to export success starts with a good export plan that includes determining potential markets, finding qualified business partners, pricing, financing options, and more. Companies need to have a long-term, upper-management commitment to exporting, assess their internal resources for doing business abroad, and be sure to incorporate all aspects of the company into the overall, international business strategy.

## Watch Video



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"I've often seen that smaller companies will assign the international sales or shipping to one or two people, yet not consider how the sale impacts the rest of the company," says Debbie Dirr. "For example, the accounting department may not understand how the company could be more competitive if they only gained an understanding of finance options for export sales."

In developing their export strategies, thousands of U.S. companies take advantage of U.S. Commercial Service export counseling each year. "There is no 'one size fits all,' different companies have different needs and the value of our assistance is tailored to the individual needs of that company," says Dirr. "Basic export counseling is one of our core services, but the scope can vary greatly."

### Market Research

Creating a solid export plan requires good market research. "We gather research on economic and industry trends for leading sectors in many markets, and this market intelligence is available through our Country Commercial Guides, or 'CCGs,'" says Dirr. "Our services save U.S. businesses valuable time and resources when competing in world markets."

### Watch Video



The Country Commercial Guides (CCGs) serve as a window into more than 140 foreign markets. Businesses can gain insight into high-demand industry sectors in foreign markets along with market-by-market economic overviews, selling techniques, investment climate considerations, trade financing options, business travel advice and resources. The CCGs are written by "boots-on-the-ground" U.S. Commercial Service trade professionals and U.S. State Department economic officers—all living and working in the country. You can be confident you will receive accurate and up-to-date information on your market of interest.

### Finding International Partners

Other areas that can cause confusion or expose the company to risk may include not knowing the buyer. U.S. companies need to do their due diligence to ensure the potential partner has a good reputation and will pay for the purchases. "Many smaller U.S. firms often lack the internal resources needed to find reputable overseas partners in a cost-effective manner," Dirr says. "The U.S. Commercial Service can assist through its many business matchmaking services."

### Watch Video



The Gold Key Service for business matchmaking is a way to arrange customized meetings for U.S. companies with prescreened, prospective overseas partners. Our International Partner Search provides the same list of prescreened foreign partners for the U.S. company to follow up with minus the travel. Each year, thousands of U.S. companies benefit from the U.S. Commercial Service presence at domestic and overseas trade shows through networking with overseas buyers, export counseling, marketing support, and business matchmaking. Many companies also take advantage of U.S. Commercial Service trade missions to increase their export sales.

### Getting Paid

One of the biggest concerns among U.S. exporters is how to ensure their buyers will pay them. Dirr says, "U.S. companies can mitigate these risks by working with a bank's international department and taking advantage of programs offered by the U.S. Small Business Administration, the Export-Import Bank of the United States, and the U.S. Department of Agriculture." She notes that many exporters create flexible payment schedules for their buyers, such as requiring 60 percent payment in advance, 30 percent when shipped, and 10 percent when the product is received.

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**Watch Video**



**Understanding Foreign Regulations**

Understanding regulations in foreign markets is one of the most challenging areas for U.S. exporters. These regulations may include safety standards, documentation, and customs clearance.

**Watch Video**



Says Dirr, “Exporters should consider all possible resources available to them, including consistent communication with any foreign distributors and customers, contacting freight forwarders, international bankers, attorneys, and their local

U.S. Commercial Service office. The CCGs can also be a good starting point for navigating these issues.

**Protecting Intellectual Property and Trademarks**

When selling internationally, U.S. exporters should be sure to protect their Intellectual Property (IP) rights. The U.S. Department of Commerce has initiated STOPfakes, a program in partnership with the U.S. government, the private sector, our trading partners, and law enforcement. This is a way to educate U.S. companies on how to register their intellectual property in foreign markets and utilize any enforcement available. Our U.S. Patent and Trademark Office points out that 85 percent of small- and medium-sized businesses that export do not realize their U.S. patents and trademarks are not protected abroad.

**Watch Video**



The U.S. government offers many programs to educate and train U.S. industry on how to best protect and enforce IP outside of the United States. We have four such programs you can find on the [www.stopfakes.gov/](http://www.stopfakes.gov/) Web site. We also suggest that U.S. exporters seek legal counsel and find out what steps they need to take to prevent IP violations and what their legal recourse might be in a country if they discover intellectual property theft.

# Want to Be an Expert on Exporting but Don't Have the Time? An International Marketing Manager May Be Right for You.

*By Elizabeth Thomas, Business Development Specialist, Export-Import Bank of the United States*



Face it. We live in a global economy and staying competitive means understanding that multiple channels of distribution can be a great hedge against local economic conditions, currency fluctuations, and political upheaval. Many small business executives want to understand the impact that exporting their products or services would have on the bottom line, but frankly, they just do not have the bandwidth to take on the in-depth analysis required to make the best strategic decision. Some things to consider include:

- Choosing markets with the greatest potential.
- Understanding how to position and price your products.
- Is any localization required?
- How do we manage regulatory and legal requirements?
- What resources are available to help us?

Do not panic—Exporting is actually straightforward when you know what you are doing, thousands of U.S.-based small businesses do it every day. Some of them decide to invest in someone that has done it before by hiring an International Marketing Manager to lead their export efforts.

The International Marketing Manager does everything your domestic marketing team does and is in tune with foreign economies, cultural norms, political landscape, etc. Fluency in the local language is always a plus. Equally important is their ability to forge strong internal ties. Exporting will touch every aspect of your business including strategic

planning, design, development, manufacturing, sales, shipping, marketing, accounting, and more. An International Marketing Manager will need strong organizational and communication skills to work collaboratively with stakeholders to assess the impact and payoffs exporting will have for each department.

Interested but not ready to commit fully? Consider reaching out to a consultant, your industry trade association, or a fellow business owner who is exporting successfully. Perhaps an international marketing student intern can help to build the framework for your analysis, analyze your current product fit, identify gaps, understand the operational and financial costs to fill those gaps, and balance these against revenue projections. Regardless of whom you engage, here are some questions to ask:

- Why are you passionate about international marketing?
- What are some of the opportunities you see for a small business like ours?
- What common pitfalls do small businesses face when starting to export?
- Why do you think our product/service will be successful overseas?
- What resources are available to help small businesses start exporting or expand into multiple international markets?

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Like all of us, your international marketing manager will not always have all the answers, but they will know where to go. The U.S. Department of Commerce, Small Business Administration, U.S. Census Bureau, and Export-Import Bank of the United States (EXIM Bank) are federal government agencies that have the people, processes, and resources to help.

Would you like to start with a FREE consultation? Click on the link below to work with an EXIM Bank specialist.

[Request a FREE consultation today!](#)



## Export Controls at a Glance

*By Gerard Horner, Director, Office of Technology Evaluation, Bureau of Industry and Security*

The Bureau of Industry and Security (BIS) is a part of the U.S. Department of Commerce and is responsible for implementing and enforcing the Export Administration Regulations (EAR). If you export, you should become familiar with the EAR (15 CFR, Parts 300–799). These regulations, as well as other resources, are available on our Web site at [www.bis.doc.gov](http://www.bis.doc.gov).

The EAR governs the export, re-export, and in-country transfer of items subject to the regulations. Items listed in the Commerce Control List may require a license from BIS prior to export, or they may be eligible for export under a License Exception. Still other items do not require a license or License Exception.

Much depends on what the item is and what it is being used for, where it is going, and who will receive it. If your item requires a license, you will need to apply online and submit it to BIS for approval prior to export. Exports that meet the specific conditions within a License Exception may be eligible for immediate export.

The Commerce Control List is in Part 774 of the EAR. This list provides specific criteria or performance characteristics of items controlled under the EAR. Once you determine where your item falls on the Commerce Control List—its Export Control Classification Number—you will be well on your way to determining what controls (and hence, license requirements) exist on your export.

As you might expect, the requirements vary from destination to destination. Looking at the Commerce Country Chart (Part 738, Supplement 1) you can cross-reference the controls on your item with the proposed destination to see the requirements for exporting the item to that destination. You may need a license, your item may be eligible for one of many License Exceptions (Part 740), or you may be eligible to export with No License Required.

There are other considerations as well—who the end user is and what they intend to do with it. These may affect your licensing requirements. The Export Control Decision Tree (Part 732, Supplement 1) can help you work your way through the details. Other agencies have jurisdiction over certain types of exports or financial transactions. For example:

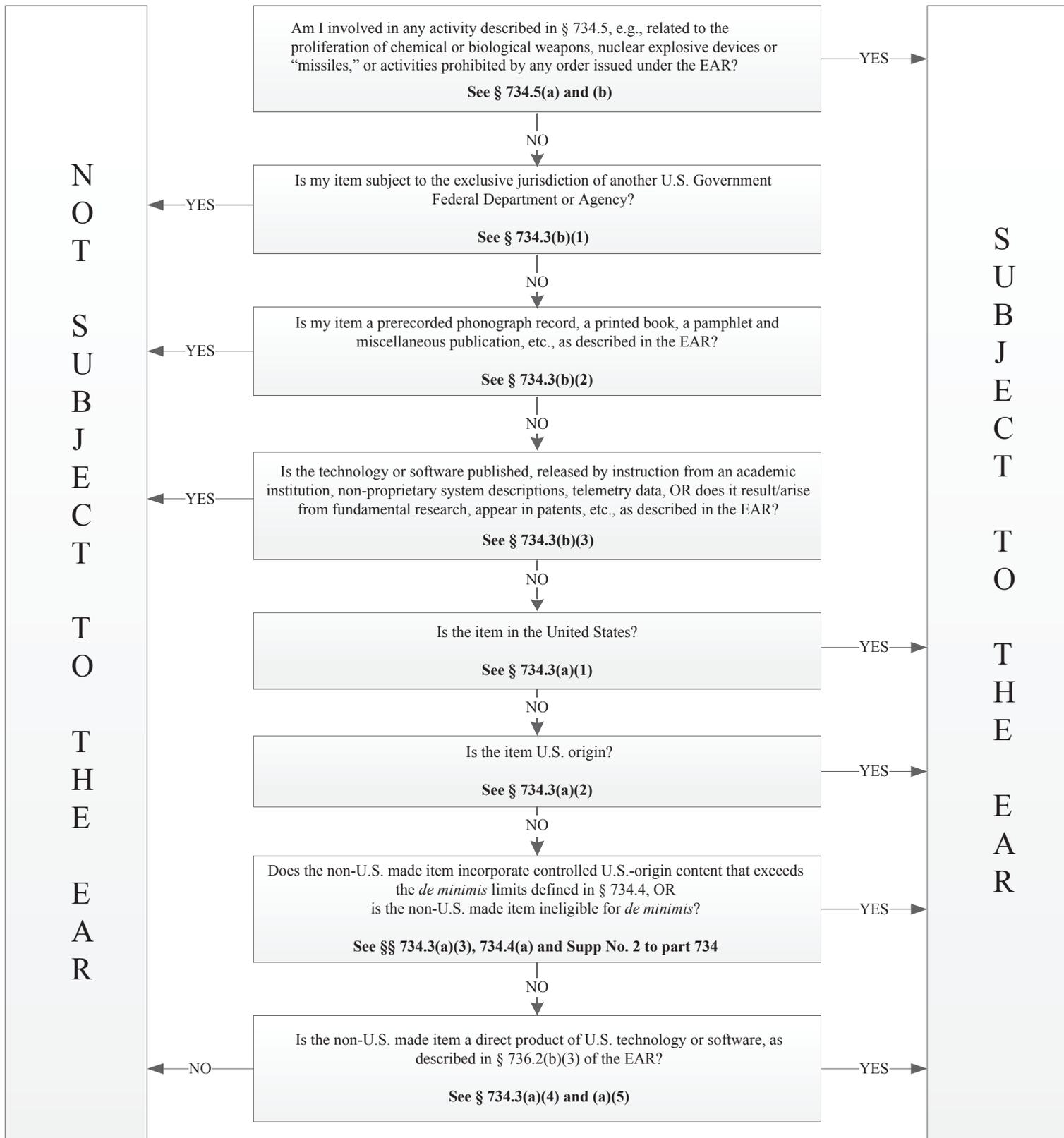
- The U.S. Department of State, Directorate of Defense Trade Controls licenses defense services and defense (munitions) articles.
- The U.S. Department of the Treasury, Office of Foreign Assets Control administers and enforces economic and trade sanctions with specific countries and individuals.

The BIS provides one-on-one counseling assistance to those seeking help understanding and complying with the EAR. Counselors are available in Washington, DC, at 202-482-4811, and in the Western Regional Offices located in California at 949-660-0144.



# Subject to the EAR?

(as modified on June 19, 2017)



# The U.S. Customs and Border Protection Outbound Mission

*By Robert Rawls, Branch Chief, Outbound Enforcement and Policy Division,  
U.S. Customs and Border Protection*

U.S. Customs and Border Protection (CBP) utilizes a comprehensive, multilayered strategic approach to processing outbound cargo and conveyances, building the ability to identify security threats and assess risk by utilizing automated systems and intelligence.

The Outbound Enforcement and Policy (OE&P) Division, within Cargo and Conveyance Security, was established to develop policies and procedures as guidance to field personnel at the ports of export for vehicle and cargo export processing. OE&P also supports and assists field personnel for day-to-day operations involving the export clearance processing.

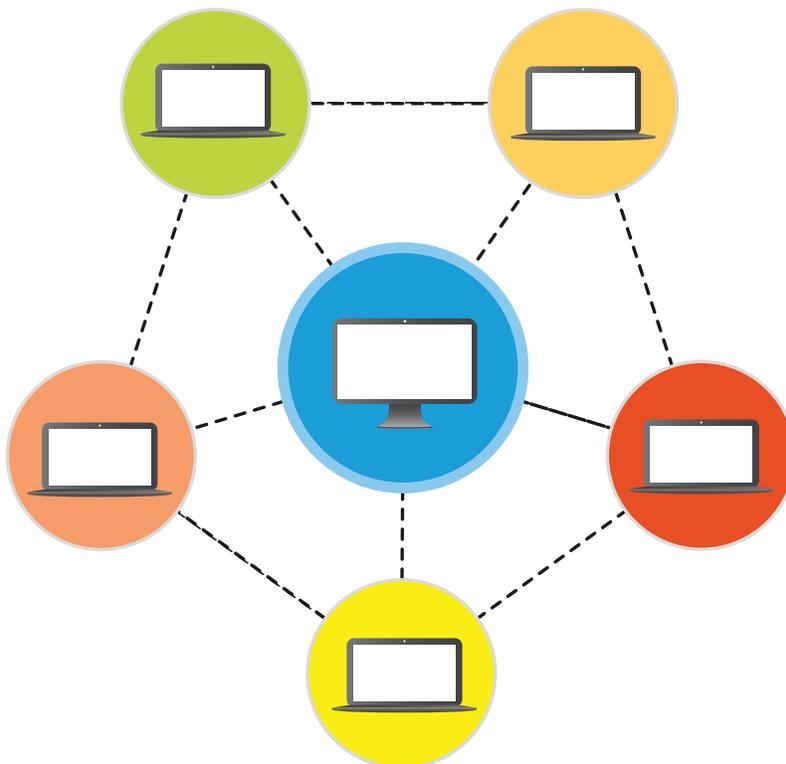
CBP is responsible for screening cargo and vehicle exports to identify and interdict potential threats, while facilitating the flow of legitimate goods departing the United States. Given the enormous daily export volume of cargo and conveyances, identifying violations prior to departure from the United States is vital to CBP's success.

Getting the right information to the right entities at the right time successfully contributes to the mission of securing the nation against threats of terrorism. The effectiveness of this effort is further strengthened by leveraging automation

opportunities that will provide greater efficiencies in the trade environment while allowing more effective use of existing resources. Just as the U.S. Department of Homeland Security represents one face at the border, it is critical that a unified, responsive, automated system exists through which timely information is available to target high-risk cargo. Focusing on high-risk cargo allows CBP to expedite legitimate trade across U.S. borders.

The Automated Commercial Environment (ACE) automates import transactions and is the platform for the Automated Export System for export processing. These automated systems enable CBP to manage the daily volume of exports in a timely, more efficient manner. This has drastically improved its ability to target high-risk goods effectively prior to departure from the United States. These systems are the key and the IT solution for efficient trade processing and information sharing with other federal regulating agencies at our nation's border.

For additional information, please contact the Robert Rawls, Branch Chief, Outbound Enforcement & Policy Division, via e-mail at [Robert.Rawls@dhs.gov](mailto:Robert.Rawls@dhs.gov) or by phone at 202-344-2847.



# Pass It Along: Share With a Friend, Business Partner, or Colleague

*By Wendy Peebles, Lead Outreach Coordinator, U.S. Census Bureau*

Do you know someone who can benefit from the valuable articles included in the TradeSource newsletter? Well, I invite you to pass this newsletter along so others can receive the valuable and informative articles. The TradeSource newsletter is published twice a year in January and July. The newsletter has been published since 2002 and is delivered to over 100,000 subscribers covering a plethora of topics that assist you with the export process to achieve compliance, system enhancements, and adherence to government agency regulations.

In addition to receiving updates from the International Trade Management Division TradeSource newsletter, you can receive messages on export tips for filings, Automated

Commercial Environment Exports Compliance seminars, webinars, regulatory updates, and much more. Click the button at the Web site below to become a subscriber.

Visit the Web site at [www.census.gov/foreign-trade/aes/documentlibrary/index.html#aes\\_newsletters](http://www.census.gov/foreign-trade/aes/documentlibrary/index.html#aes_newsletters).

Thank you for your continued support!

Connect with us on Social Media at [www.census.gov/about/contact-us/social\\_media.html](http://www.census.gov/about/contact-us/social_media.html).

International Trade Management Division blogs:  
[www.census.gov/newsroom/blogs/global-reach.html](http://www.census.gov/newsroom/blogs/global-reach.html).



