NWX-US DEPT OF COMMERCE (US)

Moderator: Deborah Rivera-Nieves
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Coordinator: Welcome everyone to today's conference call. At this time your lines have been placed on listen-only for today's conference until the question and answer portion of our call at which time we will be prompted to press Star 1 on your touchtone phone. Please ensure that your line is unmuted and please record your name when prompted so that I may introduce you to ask your question. At the time for questions and answers we do ask that you limit yourself to one question and one follow up. The conference is being recorded and if you have any objections you may disconnect at this time. I will now turn the conference over to our host Omari Wooden. You may proceed.

Omari Wooden: All right thank you very much. I would like to welcome everyone dialed in on their computers and everyone listening in on the phones to today's webinar One Line Tools for Finding New Markets as a part of the World Trade Month Go Global Webinar Series. This webinar is the third part in a four-part series hosted by the U.S. Census Bureau. This webinar series was created by your federal trade partners – the U.S. Small Business Administration, the Export/Import Bank of the United States, the U.S. Census Bureau, National Trade Administration, U.S. Commercial Service, U.S. Agency for

International Development and U.S. Trade and Development Agency. So we've all come together to bring you this helpful webinar series.

This in-depth webinar series provides you the government resources to help you become a successful exporter from finding compatible markets to financing your export program to discovering international opportunities. These webinars will take place every Thursday at 2 pm Eastern time during the month of May. Each webinar is completely free and again a great way for you to understand the valuable resources that the U.S. government has to offer for you.

The next webinar Learning About International Opportunities will be held next Thursday, May the 30th at 2 pm. Please be aware after the speakers have completed their presentations today we will again open up the webinar for a question and answer session. Keep in mind we also have the chat feature available so as you're listening in and you have questions that you would like to submit during the chat, we will review those and then ask some of those questions during the Q&A portion as well.

By the end of today's webinar our goal is to make sure that you walk away with answers to the following questions. What online tools exist to help me find new markets? How can I use trade data and other information to make more informed decisions? As I stated earlier my name is Omari Wooden and I am your host today from the U.S. Census Bureau. I am joined by (Patrick Kuhn), Survey Statistician, also with me here at U.S. Census Bureau and also Morgan Barr an international economist from the Office of Trade Negotiations and Analysis with the International Trade Administration.

So now that I've gone over the introductions I would now like to turn the presentation over to (Patrick) who's going to walk us through some of these online tools.

(Patrick Kuhn): Thank you Omari. Good afternoon. I'm (Patrick Kuhn) and I'm from the International Trade Microanalysis Branch in the Economic Indicators Division. Today I'm going to show you two tools for accessing and utilizing trade data.

First I will be covering the USA trade online database and then the second part of the presentation will cover our global market finder tools. So you may be wondering what is USA trade online. USA trade online is the official source of international trade data. This data tool gives you access to current and cumulative U.S. export and import data. New data are added every month when the international goods and services report is released jointly by the Census Bureau and the Bureau of Economic Analysis. This monthly release occurs roughly 30 to 35 days after the end of the calendar reference month. Typically within the first five business days of the month.

On release day the international goods and services report is released at 8:30 am. It can take up to an hour for the data to become available in USA trade online. This is because the USA trade online tracks more than the international goods and services report. In fact it covers over 17,000 import commodities and over 9,000 export commodities between the harmonized system and the North American Industry Classification System.

USA trade online has many users from people in industry and government to academia. By the end of the day we hope you'll understand how and why USA trade online is used by a wide range of data users. USA trade online has detailed data in what you can say are four distinct databases. And we have

databases on district level data, port level data, state level data and also on NAICS otherwise known the North American Industry Classification System.

Each database has different levels of detail available. For instance port data includes information on method of transportation whereas NAICS has balance of trade data. We'll examine the exact level of detail each database has later in the presentation.

USA trade online also has many useful features most of which I will demonstrate for you today. Perhaps the most important feature here is the customized reports. Using customized reports you can combine commodities, countries, states, ports or time periods into customized groups for your data needs. You can also save your reports and view them at any time. You can also have them update automatically as we update data. And they can also sort the data in USA trade or export it to your computer for your own custom calculations.

And as I just mentioned USA Trade Online offers data in two classification systems – the harmonized system or HS and North American Industry Classification System or NAICS. The HS data share the same six-digit headings for imports and exports. Their differences arise over the final four digits of their 10-digit codes. These divisions create the distinction for exports under the Schedule B classification and imports under the harmonized tariff system. For a complete list of codes please visit the links on these slides.

The second classification system we have available is the North American Industry Classification System otherwise known as NAICS. While our NAICS data is product based it matches other census industry classification meaning this data provides a broader picture than the HS system. For

example the detail under the six-digit level of NAICS could show you data on passenger vehicles or potatoes. While under the more detailed harmonized system you could find out if those vehicles were trucks, light automobiles or tractor trailers. And if these potatoes were organic, russet or red potatoes.

So now we're actually going to switch to a live version using USA Trade Online. So first I'm going to show you how to access USA Trade Online and it's as simple as navigating to census.gov/foreign-trade. And then over here on the left-hand side under important links you will see a link to USA Trade Online. You click that and that will bring you to the homepage.

And upon clicking the link you'll be brought to the login page. And if you're a first-time user you will need to sign up by creating an account with your email address. You will also be assigned a distinct username. Okay and once you have logged in you will be brought to what we call the data source selection page. Now right here. And this will be your starting point for accessing data related to your query. You'll notice we have distinct databases as I mentioned earlier. And we have the district level database, the port level, state level database and also a database regarding NAICS.

You'll also notice we have a couple quick reports down here in the dropdown arrow. And these quick reports – so if you're interested in our top trading partners, top trade categories, HS port level data or state import and export data, we've created some basic tables and charts you might find helpful. Now these quick reports deal with very high-level aggregate data.

So if you're interested in more detailed information, you'll need to compile a report yourself as I will demonstrate over the next few slides here. You can also navigate up to the my reports tab on the top left. And here all of the saved customizable reports that you created will be accessible.

Go back over to the PowerPoint real fast for one – okay. So our first example. So say you are a business owner who has a sporting goods store and you want to expand your business to include fishing rods and you're looking for some information on the following questions. How many fishing rods were imported into the United States in 2018, what were the top 10 countries for fishing rod imports in 2018 and what were the average prices for each of the top 10 countries?

So we'll go back over to USA Trade Online here. Okay and for this example we're looking for an individual product. So we want as much detail as possible on these fishing rods, detailed selection I should say as possible. So we're going to look in the harmonized system because that's the most detailed database for products. And we're also dealing with imports. So we'll select the import category here.

Okay so now we're able to actually build our report if you will. And so on the left-hand side you can see we have a bunch of variables under the report contents. And we're able to select and choose whatever variables we want to build our query. And so you can see commodity is currently selected. So we on the commodity selection screen here. And here you can select your commodity in one of three different ways here. You can start by what we call drilling down which is where you just go to the commodity heading. You expand that, you expand the next row and you keep going until you get to your appropriate commodity.

But you can see this can kind of be a little confusing because you need to really know your products and you have to go by just, like, the headings. And that's not the most efficient and it can be quite tedious. If you have to know your harmonize number you can also type in whatever the harmonize number

is. For example hit enter and it will take you right to your harmonize number and your product if it exists or if it's the correct number. Or you can simply search for fishing rods just a basic click search. Okay and you see we have five results here. The first one is 9507 fishing rods and tackle, nets, decoys, etcetera, parts, etcetera. So that does include fishing rods but it also includes a bunch of additional information that we don't necessarily want to view in our reports. We only want to capture fishing information solely on fishing rods.

So again we go to the next code 950710 which is fishing rods and parts and accessories. Again it captures additional information besides fishing rods. But the third choice here 950710040 fishing rods, you know, which stands for number of fishing rods that is the most accurate detailed classification. So we will select that as our commodity.

All right and now we will move onto measures. So in the four contents we can select measures to get additional variables. And so with that screen we can see all the measures available in this dataset here. And for the purpose of our example we are looking at the value, the volume and the price. So we're going to select custom's value general. For volume we're going to select quantity one general. And then for unit price we're going to select custom's unit price value general.

Now you might be asking me what's the difference between custom's value general or custom's value cons. Well cons actually stands for consumption. And if you scroll down you have all the definition of each individual variable and what that variable entails. You can scroll down or you can possibly go up to measures where we have a little blue link or little blue dot and this will open up the definitions in a new popup window.

Another thing to notice here next to custom's value general is in red. It's the default member. So if we do not make a choice under measures, USA Trade Online would automatically choose custom's value general as the default member exactly as it says. Each one of these categories over here on the left measure, commodity, country, country sub code, district, rate provision, time, they all have a default selection. So even if we don't address, make a choice on one of these categories, USA Trade Online will automatically choose the default one and allow us to run our report.

And now that we have our measures we can go down to country on the left-hand side. And so in this example we're interested in the top 10 countries that we export, that we imported fishing rods from. So we want to select all countries in the world for our example. And we can do this by expanding next to world total here. Then we can see that below we have each individual country in the world. Now we can go through and individually check each one but that will be a little time consuming. But we can just as easily go up to the green checkmark here next to world total, select that. And that will select every country. It also includes world total but we're not necessarily interested in the world total for fishing rod imports. So we can deselect that. Okay.

And now we can move on down to time. Now so in this example we're not necessarily interested in country sub code. We're not interested in custom's district or in rate provision. And so we can skip these choices and go straight to time. And just, like, I mentioned with measures up here each one of these has a default member, a default selection, that allows us to bypass them.

Now for time you can see that we have annual data going back to 1992. And we have monthly data going back to 2002. So if we hit the plus sign next to 2002 we can expand that and we can see we have the individual months that

we can select if we wanted to. Now however for this example we're solely interested in 2019. And so we can simply check 2019.

And now we're ready to create our report. And we just – we can create the report by going up here to the top report contents. And there is a little link for reports. We check that and we get this resulting table. Now this table it's in the most presentable format. You know we aren't able to really answer our questions right away just by looking at it. But we can take some simple steps to really format it and put it in a very usable format.

So we can do this by A) now I'm just hovering over commodity so we see all four arrows and we can click and drag commodity up to the top kind of like a heading for this table. And we can do the same with time as well. We hover over time, click and drag, move it up. And we can also move country down to the rows. So again hover over country, click and drag down to where measures is. And this kind of alternates the table down to this elongated fashion.

But again we still have all these cells and fields that are blank because we're not importing a lot of fishing rods from Afghanistan or Albania. And we're only interested again in the top 10 countries. We could very easily remove a lot of these excess fields by going here to this icon which is the top bottom reduction next to custom's value general. If we click on that we will select the top because we're looking for the top 10. And we want a count of 10. Simply enter 10, hit okay and we can see that now the system has rated the top 10 countries by custom's value. And we can easily put this in descending order by clicking the down arrow.

Then you can see here that, you know, China was the top country with 155 million, then South Korea and so forth. You can also order by quantity one or

you can order them by custom's unit value as well. That's kind of how you can use the USA Trade Online to analyze your market a little bit and view the data.

So now we'll go back to the PowerPoint real fast for another quick example. Okay. So say you're an entrepreneur and you run a company that creates light protective coverings for contact lenses so that they do not break during flights. You're interested in what airports most contact lenses leave the country, have to set up advertising there about your product. And so you're interested in generating a report that looks at the following. What are the top ports for export or contact lenses by air value and what is the air shipping weight at each port?

Now we'll go back over to USA Trade Online and again we start at the data source selection page. And then for an example we are interested in ports. So we're going to look at port level data and we're also interested in exports. So we will choose this right here. So for this example let's start with measures. So since we are looking at air transportation we are going to pick air total export's value and air total export's shipping weight.

Again if you wanted to know what the definitions of these variables are you can just as easily look at them right here or hit this little blue circle up here. But also you should notice that some of the variables under measures are a little different than what we had with the prior example. For this example we have information on method of transportation. And we also have, you know, export value. We're not dealing with imports anymore. So that's just some of the variation you get from imports and exports and also state, port and HS level data.

So now we can move onto port which is right below measures. And again with this example we're interested in looking at every individual port within the U.S. So currently we can see a bunch of districts are showing up. And that is if we hit the plus sign next to say the Anchorage, Alaska, district we can see that once it loads here – we can see that multiple ports comprise a single district. However we are only interested in selecting the ports. And we can simply do this by going up to the green checkmarks here hovering over them. We hover over the one the furthest to the left and we see it's a select total all ports. Well we're not interested in the total of all ports. We move to the one on the right. Hover over it and select all districts.

Again we're not interested in districts. We're interested in all ports. And this just happens to be the next one, this one. And so select all individual ports and we can click that. And again we can see that each individual port has been selected. And now we can move down to commodity on the report content's page. And so again in this case we're dealing with contact lenses. So we can very simply type in contact lens and hit search.

Then you'll notice that in this case we only have one result which is 900130 contact lenses. So notice that this code is only six digits as the full 10-digit codes are not available in the port level dataset. Data is limited to six-digit codes to prevent disclosure issues. You know since ports are geographically very defined it's more likely data users would be able to determine which business is responsible for said data. And at census protecting business data is of the utmost importance.

Now in this case we can skip country and move to time after making our contact selection. And again because we were not interested in which country these contact lenses are going to we're solely interested that they're being exported from the U.S. via a court. And so again with this case, with this

example we're only interested in 2018. So we will select that. But you also notice that in this case we only have datasets available back to 2003. Whereas the prior example we had annual data back to 1992. However, you know, for reports we have monthly data going back to 2003 and annual data back to 2003 as well. So a little different dataset in this example.

So we select 2018 and once again we are ready to generate our report. We come up here to the top. We select report. Once again we get a table that's very elongated, not the best format for answering our questions. But we can very easily make some simple maneuvers to correct that. So again we can take commodity, click and drag and move it up. And we can do the same thing with time. And we can also move port down to the rows.

And again just, like, the last example we have multiple cells, cells in this table that there's no data there because we're not exporting contacts from those ports. We can handle that again with a little different route this time. So at the toolbar if we go to the table options we can click suppress values. And we will check rows where all values are empty or zero and we hit okay. And we can see that all those cells and rows that did not have any values disappeared.

And again we can very easily put these cells in order by sorting, by hitting this down arrow. And we can see that the port of Orlando, Florida, have the highest value of exports of contacts in 2018. Followed closely by Atlanta, Georgia, and JFK International Airport. If we wanted to move to export shipping weight we can go over to that column and hit the down arrow. And we can see that Newark, New Jersey, and Miami were the two highest exports. That's how you can kind of maybe see where you place your advertisements just by looking at that.

Now another feature that I mentioned is saving and customizing your reports. So if you go up to the top toolbar here you can click on this floppy disk and save your report as. And maybe I'll just name it contact lenses. Hit okay and then I'll go back to the data source selection page and so maybe in the future I can come back, go to my reports and there's the report I created, you know, maybe a couple weeks ago or so. So this just allows you to save your report and then go back and do them again in the future.

All right so now we'll move onto a final couple of slides with the USA Trade Online. Okay now here's a quick reference for data available on USA Trade Online for exports. As previously discussed the HS district level is the only dataset with 10 digit HS codes. Port and state level has data by method of transportation and NAICS has trade balance data. And we have a similar slide for imports.

And so here's the same page for imports. This import side has additional information at the district level, like statistics by rate provision and country subcode along with additional measures, like, CIF value, calculated duty and duty of both value. The other datasets are very similar to the export side with some difference in time period at the state level.

So this concludes my presentation on USA Trade Online. And I will now move onto the global market finder. Okay. So the global market finder is the newest international trade tool on census.gov. The global market trade find has been in the works for several years now and we finally released a beta version back in November of 2018. We created the global market finder to provide companies with a simple tool for identifying new export markets. And unlike U.S. Trade Online the global market finder does not require you to set up accounts or to require a password. It also doesn't involve creating a report. The tool is very easy to access and is very simple to navigate.

And so as I mentioned this is a beta version. It will be slow and can potentially crash depending on the amount of users it has at any given time. We are aware of this and we are in the process of fixing these issues along with adding additional features. So please feel free to share with us any feedback positive or negative regarding your experience with this tool.

Okay so I'm actually going to go ahead and switch back over to the live side and go to – and I'll show you how to access the global market finder. So the global market finder all you need to do is get to census.gov. Up here at library you click that. That opens up the infographics and visualization's link. Now on the left-hand side if you go down to interactive gallery, then you can select all. Then you scroll down to the global market finder.

So the global market finder can be broken down into two parts. You have the top here where you need to select your commodity code or Schedule B code. Then you have the bottom where you have four data visualizations based on your commodity choice. So again note that the search is just a simple plain text search engine. So if you're able to – if you're unable to find your commodity then I suggest using the Schedule B search engine which can be accessed via this question mark here. And you can find that on the Schedule B page at foreign trade.

But if you have further questions about the Schedule B search engine or about the HDS search unfortunately those are out of the purview of this presentation. But if you contact me I can address – send you to the right area to answer your question about further classifying your product because these search bars for both USA Trade Online and for the global market finder is just a very basic search.

Okay so let's go pick it up with fishing poles or fishing rods just, like, our first example. We just merely type it in. And we'll see that the tool gives us two choices. Fishing rod's number which has the most detail and that's the one we're interested in. So we can select that. And we scroll down and we see what is called the map visualization if you will. And the map visualization is exactly as it tells you. It maps for 2017 all of the exports of fishing rods from the U.S. So all of our trade partners for that year under that category.

And the top five countries by value are in red. So we just hover over one of the dots. You will get the pertinent information such as the country, the year, the total export value and the quantity. And you can also hover over a blue dot too. Just realized those are not the top five, one of the top five trading partners. You can also do the map if you will, like, in tabular form. You can view all the countries in table format if you prefer.

And you can very simply sort and by hovering over the variable and clicking on the icon that will, you know, put them in a sending or descending order based on your preference. You also have the ability to change the year. But notice that we only have data going back to 2013. That is because for the global market finder. Again it's annual data from 2013 all the way to 2017. However in future updates we do hope to add more datasets to this tool.

You can also isolate an individual country if you prefer. Now however the most useful feature of the global market finder I believe is the unit price tool. So on the far right let's start in a graph mode. And as you can see here we have a graph of the average unit price for a good of each country. Each country is plotted in a blue dot. And we can see how they compare to the trendline which is the average unit price. So this regression line here represents the average unit price.

Now let's take an example of say Mexico here. And we can see that Mexico the average unit price of a fishing rod export in 2017 was $40.80. So maybe your company exports fishing rods. Well you can look at this chart and you can see well maybe I have a more premium fishing rod that's a little more expensive. Maybe there's a market for you down in Mexico to export your product, your fishing rod because Mexico seems, like, the fishing rod's average is a little lower than unit price if it's a little farther below the trendline. Whereas conversely if you go to the Netherlands we see that the Netherlands is a little higher than the trendline. And that the average unit price of a fishing rod to Netherlands was $171.46. So in that case it may be again you're an exporter of fishing rods. Maybe you don't have a premium fishing rod priced that high. Maybe you can go in and undercut the market to the Netherlands.

So that's just one of the ways of how you can use the unit price tool to, you know, find a possible export market for you. And one thing to keep in mind is not all commodities have a unit of quantity. So the unit of price analysis tool is not available for all goods. And again, you know, you can have the tabular format if you want. You can change the year. You can isolate the individual country if you prefer.

But we will move onto the time series data visualization. And the time series does exactly as it says. Now I'm in graphs. All the years from 2013 to 2017. If you hover over the individual dot and you can see the total value of exports from the U.S. And keep in mind this is aggregate across the whole world, every country. And we could easily select an individual country if we prefer. We can see that, you know, the trend of fishing rod exports has fallen over the last few years.

And then the final visualization is the methods of transportation. And so this tab allows you to see how exporters are shipping their products. So it includes the breakdown of air here. We've got vessels, containerized or non-containerized vessels. And we also have other. And other includes rail, truck and then other minor methods of transportation. So we can see here that it looks, like, in 2017 most of the fishing rod exports from the U.S. were exported via airplane.

Okay. All right so that pretty much concludes my report or my presentation for global market finder. Again it is in beta mode. So feel free to give us any comments both positive or negative after you use the tool. And here's my contact information along with the contact information of the macroanalysis branch. The branch that actually maintains these tools. Reach out to us if you have any questions and we can walk you through, you know, the tools.

And so now I will actually turn it over to Morgan for her presentation.

Morgan Barr: Thanks (Patrick). So today I am going to talk about the International Trade Administration's new market diversification tool which we released in November of 2018 so it's been out for six months or so. As Rob said I work in ITA and I'm in the industry and analysis bureau of ITA. And we're the part of the International Trade Administration that hosts industry experts as well as the data and analysis shop which is where I work. And that's really where the idea for this tool came from. As part of our normal work we analyze large datasets to help develop policy priorities and negotiate trade agreements.

So we wanted to see if we could leverage that internal expertise to build an analytical tool for public use. And since 58% of U.S. exporters only export to one market finding additional markets for existing exporters seems, like, a

good use case. Essentially the diversification tool uses an exporter's current trade pattern to make recommendations on additional markets you may want to consider. And it's really meant to be a starting point for market research where you can get a quick idea of potential markets for your product and then refine your search from there.

Just a note on its relationship with the other tools you've seen today it's really a complementary tool and a little different from both USA Trade Online and the global market finder. First it makes recommendations on additional markets rather than just displaying trade data using its internal algorithm. Second it uses international trade data rather than U.S. trade data. So with the other tools you've seen today you can get that really detailed level of the U.S. export data. Our tool uses the foreign important data. So it's a little more aggregated but I'll show you in a minute why we use that.

Additionally the market diversification tool has more than just trade data which we'll talk about in a minute. So what exactly does the tool do? Well first it's going to need some information from you such as the product or products that you currently export and where you currently export. It uses this information in an algorithm that pulls in other relative data including trade data for your product, data on the tariffs you might expect to pay in various markets, an assessment of the rule of law in each market and whether markets speak the same languages as they do where you're already exporting.

As this data is incorporated into the algorithm, each indicator is given a specific waiting and then a score is calculated for each potential market and then the markets are ranked by those scores. You can dig into the data used in the tool to determine why certain markets might have ranked higher or lower and you can modify the search to tailor it to your specific needs. You can also access other resources to help with your market research.

You need just four pieces of information to use the tool and you should either already have this information or should be able to get it from your export documentation. The first thing you need to know is the product or products that you already export. We define these numbers – these products in the tool by their six-digit harmonized system numbers which (Patrick) talked about a little earlier. So if you have your Schedule B number you can just take the first six digits of that.

The second thing you need is your current export market so where you're currently exporting. The third thing is your markets that you want to consider. So this is what you want to see in the results. An important note is that the tool is only going to compare and include in the calculation the countries that you select here. So are you thinking about just pursuing a regional strategy and just want to look at markets in one region? Do you want to compare a specific list of countries or do you want to see the whole world and start from there? The tool lets you choose. The last thing you're going to need is your zip code and this is because the tool will connect you to your local commercial service office.

There are 11 indicators in the tool. Three are product specific so the data is specific to the product or products that you have entered into the tool. The other eight are country level indicators. They help show whether a market is generally a good place for exporting and doing business. A lot of those indicators come from the World Bank because they compare every country in the world on the same factors.

The first product specific indicator is historic trade which looks back at whether the market has been a large importing of that product from the United States. The second is potential trade growth which aims to measure the potential growth in U.S. exports of the product to that market. It looks at

things, like, whether we're performing in that market relative to similar countries, whether the country's import of the products have been increasing and whether the economy has been growing.

So a third product indicator is the maximum average tariff as defined as average because we're using data at the subheading or six-digit level rather than the national line level. So it's an average of the national line tariffs in that subheading. Each indicator in the tools is given its own weight in the equation. So that's how much it contributes to the overall score. All of the weights then have to add up to 100%. This is the breakdown of the standard weights in the tool that we've calibrated so that the overall score is a good indication of whether the market is a good place to export. As you can see historical trade which is the big blue box has the heaviest weight in the standard weights of 50%. And then the trade weight or the trade growth indicator has another 10% of the weight.

And this means that the two trade indicators contribute the most to the overall country score. The other indicators will then contribute less. And the biggest implication for the standard weight is that the countries that have historically imported the most from the U.S. will tend to be at the top of the results because that indicator is weighted so heavily. So countries that are big markets with a lot of imports or countries that have a strong preference for American products in that HS number are going to tend to float to the top. So you can also adjust the weighting in the tool to address your specific needs.

So now I'm going to go to the tool itself. The easiest way to find the tool is just go to export.gov/marketdiversification. I'm just going to drag this over. Okay so when you get to the tool site this is what you're going to see. There are some links here at the top. The first page why use the tool is just an introduction. And then you're going to see the other links.

About the tools has detailed instructions on how to use the tool including a video that goes through a lot of what we're doing today but in more detail. There's also an interpreting your results page which goes through how to look at the results, how the algorithm works, why some markets may rank higher or lower, and what the different indicators mean. So this is also a great reference for later when you forget everything I said today and you actually want to use the tool and you need a refresher course. There's also a page for FAQs and a data availability table which has information explaining what data we use in the tool for each country. So what years of trade data we have and what year the tariff data is from.

What we're going to focus on right now is the tool itself which is here in the middle of the page and it is really simple to use. This is where you're going to enter the four pieces of information. So the first box is for your HS number. You can enter multiple products if you export multiple products. But the tool is going to treat those products as a group. And so they're going to add up the trade data. I recommend just using one or two products at a time so you can clearly see the different trade patterns for the products. Even two really closely related six digits could have remarkably different trade patterns.

So I'm going to enter a number into the box. Here I'm assuming we export lipstick which this is the HS number for that. So then in the second box we're going to enter our current market. Once you click in it you'll see a list. You can type a country in. I'm just going to pick Canada. Assume, like, many U.S. exporters we currently export to Canada. If you type in the wrong country you can just get rid of it by clicking an X. And you can put in as many markets as you want here.

So the third thing you're going to need to select is really critical information. And so this is what you want to see in the results. And so, like, I said before the tool is only going to include in the calculations the countries that you pick here. So there's three radio buttons here. You can search the whole world. You can pick a specific region. If you do that a box will pop up where you can specify which regions you want to choose. You can pick more than one region if you want or you can pick a specific country and then it'll change it to a country box.

If you're just choosing a specific list of countries I recommend you use at least four or five because it's only going to compare them to each other. So if you only choose two countries a tool dataset is just two data points for the two countries. So I recommend using at least a handful. For right now I'm just going to search the whole world and then I am going to put my zip code in here. Then the last thing you can do is just limit the results. It doesn't limit what's in the calculation but just what's displayed on the screen.

So once we have all of our data put in I'm going to click submit. You'll see a calculating button and then our results will appear. They're just going to appear right below the menu. So if you need to change anything you can go right back up to the top, click submit again and it'll change it.

So this blue box here at the top if you want to change the weighting for the different indicators. There's additional information on how to do that and why you might want to under the how to enter print your result's page. Below that we see an HS number and our description of our product so we can make sure we entered the correct HS number. And below that's our actual results.

So you can see here the countries are listed in order. The algorithm calculates an overall score for each market and you can see those numbers in bold next

to each country so the UK here has a score of 83. These scores are going to range from the bureau to 100. So and, like, I said here we're seeing the whole world. But if we reran the results for just a specific reason these scores and the ranking are going to change because it's only going to compare those countries to each other.

So looking at the results there's box for each market. It shows you the overall score, the average import from the United States. So that's the historical trade indicator and the maximum average tariff. But if you click on that market it will open up and you can see all of the data that's used in the tool. It can be difficult to kind of go back and forth between the different boxes. So if you want you can also download all of the results from your search to a CSD file which you can just open in Excel or any other spreadsheet program that you use. And then you can also add in any other indicators that might be relevant for your products.

So for example if you're exporting snow blowers you're going to want to know the average annual snowfall for each country which is not relevant for 99% of the products in the database but it is for you. The results are going to show you the first 10 markets and then you can go to the next pages to see the rest.

So how do we interpret these results? I'm just going to give a really brief overview of it here. But more information is on the interpreting your results page. So the first thing we see is the overall scores. Like I said those can range from 0 to 100. Sometimes you'll run a search and the top one will only be 50 which is not a great score. But here the UK has a score of 83 which is pretty high. And then the next two countries are in the 60s and 50s.

And so there's a big gap there. And this can happen if one country has the top or almost top scores in multiple indicators or if it has a significantly higher score in the heaviest weighted indicator. We see here that the UK has a really high number for average imports from the U.S. That's the historic trade indicator worth 50% of the overall score. As you look at the next few they're a little more than half of that value. So we can see right away that's probably why the UK is rated first.

We can also open up the data and we'll see that the UK's import growth rate for this product is really high at almost 10% a year. And the import growth rate is a factor in the potential trade indicator which is the second highest weighted indicator in the algorithm. And then they also have good scores in a lot of the other country level indicators, like, rule of law. So these are all factors that make the UK stand out. And again if we were going to run the research results again using different weights for the different indicators, the scores and rankings would change. And they would also change if we just looked at one region or a group of countries in the search results.

So what I recommend is that you might have to run your search a few different ways to really focus in on the type of markets you want to consider, like, do you want to look at big markets, fast growing ones, ones that are easier to export to. There's a lot of information on the Web site about how to do that.

And again so just as an explanation of why we're using the international trade data. So here we're using the United Kingdoms or the EU's imports from the world and from the U.S. And what that allows us to do that you can't get just from using U.S. export data is the U.S. import share. So what share of their imports of this product are coming from the U.S. And that allows us to see whether we are underperforming in the UK relative to other countries that are

similar, like, the rest of Western Europe which we use to calculate the import share gap.

So trade data comes in lots of different shapes and forms and you may want to look at it in different ways to get different perspectives on it which takes me to our recommendations underneath your results. You're going to see your local commercial service office. This will give you the address and contact information for them. For me mine is Bill Fanjoy in northern Virginia. And below that there's additional recommendations on what to do next.

So I said that this tool is really just a starting point for market research. So first we recommend that you really dig into your results and interpret them in great detail. Then we recommend looking at additional trade data. And there's instructions here for how to do that. Take a deeper look at the tariffs you might face.

So we recommend using our custom's info database to look at the actual national line of tariffs you might face in the markets you're focusing on. And then additional market research resources such as the commercial services country commercial guide, our top market's report or contacting your local commercial service office. Below that is just citations for where the data comes from.

So that is all I have. I'm going to go back to the PowerPoint presentation here. And here is my contact information. Also there's an email address on the tool Web site. That email just goes to me anyway. So you can contact me at either one. And I will turn it back over to Omari.

Omari Wooden: All right thank you very much Morgan. And I'd like to also thank (Patrick) very much today for all of the great information that they shared with us.

Right here on the slide you will see the information for our next webinar in this series which also happens to be our last webinar in this series entitled Opportunities in International Development which will be on May 30 and again it will be at 2 pm Eastern time.

So at this point we're going to now open it up for questions and answers. Again I would like to ask the audience to limit their questions to one question with one follow up question. Before I open it up to the call we're going to go through a few questions that we received through the chat feature and I'll share those questions with our speakers.

So one question that came up is for the international trade for (Patrick). Can you also run a report for exports for products to the top 100 countries because your examples show the top 10?

(Patrick Kuhn): Yes it's very easy. Just, like, in our first example I only focused on the top 10 countries even thought it was imports. So you can easily select exports and then filter by the top 100, top 50, top 1,000 – we don't have 1,000 countries but yes it's very easy to do.

Omari Wooden: Okay great. Does the trade online tool also look at exports to other countries by commodity code?

(Patrick Kuhn): Yes once again you can look at either imports or exports from other countries or to other countries. So yes very easy to do.

Omari Wooden: Okay and one other question. I understand that the NAICS – North American Industrial Classification System is at a broader six-digit level. But wouldn't that be the same as pulling HTS data at the six-digit level instead of drilling

down to the 10-digit level? So they're really asking a comparison of the NAICS versus the six-digit HTS.

(Patrick Kuhn): We have (Jeremy) here who's going to – he can better explain that than I can – a little more experience.

(Jeremy): So NAICS and HTS or other HS codes even though there are six-digit HS codes and six-digit NAICS codes, they might not correspond to the same commodity code. So they have their own groupings and they kind of have different purposes. So the NAICS codes are more to be in line with our other economic data. So you might find that this is different. So what I would suggest is take a look at both the HS six digit and the NAICS six digit and see which one works better for what your purposes are.

Omari Wooden: Great thanks. We have one more question and then we'll open it up for the phones. For Morgan can I use the market tool to compare the cities such as Ontario and Quebec?

Morgan Barr: So no we only have national level data in the tool at this time. So it would just be all of Canada at this point.

Omari Wooden: All right great. So now at this point we're going to open it up for questions on the phone. We'll go back to the chat as well to see if there were any other questions. Operator can you please provide instructions for those on the phone?

Coordinator: Certainly at this time please press Star 1 on your touchtone phone and please unmute your line and record your name if you would like to ask a question over the phone. Once again it is Star 1 and please record your name. And as

stated we do ask that you limit yourself to one question and one follow up. Please stand by for questions.

Omari Wooden: All right so as we're waiting for calls to come in through the queue, the question came up again through the chat and then we'll turn it back over to the call. Does USA trade have the feature to upload a list of HTS codes? Let's say that I have codes that I'm interested in looking at or 20 to 30 codes that I'm interested in looking at. Does USA Trade Online have that feature to allow me to upload codes into the system?

(Jeremy): So this is (Jeremy) again. You can upload your own code into USA Trade Online. So once you go into that commodity screen above that you're going to see where it says upload selection set and it will allow you to upload a TSB file. So you have to have a list of codes separated usually by if you hit enter. So if you enter a 10-digit code and you have a list of that uploaded, you know, automatically select it in. If you have any questions how to do that you can always call the international trade line that was in the presentation.

Omari Wooden: All right great. Operator do we have any calls, any questions on the queue?

Coordinator: Yes we do.

Omari Wooden: All right.

Coordinator: We do Mr. Wooden. The first one's from (Michael Grant). Sir your line is open.

(Michael Grant): Yes hello. I actually entered a question on the chat which I guess didn't pop up for whatever reason. I was doing some research into U.S. exports of whiskey. And I noticed a very, very large discrepancy between the data on

the USA trade database and a report that I found from the USDA that was based on data from the Russian custom service. For several years the numbers differed by, like, a factor of 300 to 800 times. Can you help me understand what might be going on there?

(Patrick Kuhn): So we obviously don't look at the Russian information. But there can be discrepancies on the data we collect first, what other organizations collect obviously. But you can actually reach out to me and I will give you a number where you can actually write those questions and we can look into our numbers to see if they are accurate. So we can go back and contact some of the exporters of whiskey and verify that those shipments were actually accurate.

(Michael Grant): Okay who should I contact?

(Patrick Kuhn): So you can reach out to me (Patrick Kuhn).

(Michael Grant): (Patrick Kuhn) okay.

(Patrick Kuhn): Yes. I think my contact information is in the middle of the presentation.

(Michael Grant): Okay so I'll wait until the slides are available for download…

(Patrick Kuhn): Yes.

(Michael Grant): …because I can write it down. Okay thank you.

Omari Wooden: Also to just mention that the contact information we will make available through the chat line. So both (Patrick) and Morgan's contact information was in the slide. But we're actually going to send out their contact

information through the chat feature so you can have their contact information right now.

All right operator do you have any other questions?

Coordinator: Yes sir our next question is from (Carmelo DiSalvo). Your line is open.

(Carmelo DiSalvo): Hi and thank you rather quickly thank you guys so much. This information is really, really beneficial. My question I'm starting out as an export broker. And I was wondering if there's any information from ITA or export.gov or the US Census on finding suppliers. I know there's finding export buyers in other countries but is there any information on how to establish relationships with suppliers especially when a lot of companies already have contracts or agreements with other companies and it kind of whittles us small guys out.

Omari Wooden: So I'll actually answer that question and if my colleagues want to jump in as well. Especially from the Census Bureau's perspective we do not provide company level detail of company level disclosure as to who these companies are. However what I would recommend in your case a lot of different entities and associations will have trade shows and conferences such as a healthcare conference, a vehicle conference, you know, different types of manufacturing compasses. And many of those types of situations I've seen brokers, couriers and those types of entities to reach out to those types of companies at those types of conferences to say hey if you're looking to export abroad please feel free to contact me.

There's also a national customs brokers and freight board association. And they have a large conglomerate where they're actually represented across the

nation. And they have different methods of reaching out to U.S. businesses that they've already been working with and partnering with.

(Carmelo DiSalvo): Great thank you very much.

Omari Wooden: Sure thing.

Coordinator: Thank you. Our next question comes from (Billy Obadio). Your line is open.

(Billy Obadio): Hi my question is regarding the diversification part and the algorithm basically sets, you know, anywhere where the U.S. is from, gives it 50%. And my real question is doesn't that buy us any developing countries or countries that have not had past history of purchasing from the U.S.?

Morgan Barr: So the standards in the weights and the algorithm is set to sort of we use some econometric analysis to match it up so that the results will match up with where a good predictor of future exports. But of course you can change those weights yourself. So if you were looking for smaller countries that were fast growing or versus larger markets you can definitely do that and adjust the weights. Those are just the standard weights. You are free to change those as much as you want as long as they all still add up to one.

(Billy Obadio): Right and I completely agree because anywhere where they bought the products are most likely to buy them from you also. So I thank you much. Appreciate it, thank all the speakers.

Omari Wooden: Thank you.

Coordinator: Our next question comes from (Hunday Granaker). Your line is open.

(Hunday Granaker): (Hunday Granaker) is that what you said? My question is…

Coordinator: Go ahead sir my apologies, go ahead.

(Hunday Granaker): I want to import tire pyrolysis units from China and I wanted to see how the process would work. So I guess it might be a (unintelligible) to do. But would the Chinese financials also be able to fund it or maybe through the EXIM Bank?

Omari Wooden: So my recommendations of that sir we had in the first webinar in this series we actually had EXIM Bank as one of the speakers talking about financing, credit protection and insurance. My recommendation is that webinar has been loaded onto our site. And I'm actually going to pull that site up on the screen. So if you go back to that URL at the top of the screen where you actually logged in today for today's webinar, you go back where you'll also then find the recording for that webinar as well. And then you can get contact information to touch base with EXIM Bank.

(Hunday Granaker): Okay now I read previously that it's available only for five days. So that has probably gone and won't be there?

Omari Wooden: No so if that was stated it would take five days for it to be loaded. But it stays…

(Hunday Granaker): Oh.

Omari Wooden: …up there for at least over a year if not forever.

(Hunday Granaker): Okay now so the other thing is that if I have to purchase an existing business or interest in an existing business, how would I do that in a different country?

Omari Wooden: I'm not sure I understand your question.

(Hunday Granaker): Okay so let us say I have an existing business that is owned by somebody else in a different country and I am asked to do some investing to get maybe 50% ownership of that business. So how do I go about funding that to get ownership in that business?

Omari Wooden: So that question I think was a bit out of scope for what we're discussing today in terms of purchasing and ownership and then focusing on then how to import. So that's out of scope for today so I'm sorry I don't have an answer for you. But again we've got different resources at the government that possibly was on a previous webinar. But that's not really something we can address today.

(Hunday Granaker): Okay all right. Thank you so much.

Omari Wooden: All right thank you.

Coordinator: Thank you. Before we take our last question on the phone just a reminder press Star 1 and record your name to be introduced. Our final question on the phone at this time is from (Todd LeGrant). Your line is open sir.

(Todd LeGrant): Thank you very much. I am supporting and sitting in for CEO (Oaksday) who I do IT support for. And my question is very basic and generic because of coming in at this juncture I missed the earlier seminars. This person would like to know what's required to register and use these resources. How do the

tools that were demonstrated today, how would this individual use it by CEO? Registering into the site, creating a password longhorn, is this open to the public or do you have to register as a business?

(Patrick Kuhn): Hi, thanks for the question. Yes these are free resources. So for you USA Trade Online all you need is an email address. You can login, create an account very simply. You will be assigned a username specific for your account though. And then you just…

(Todd LeGrant): Okay.

(Patrick Kuhn): …login username for any future logins. However the global market finder tool there is no login. That is just through our Web site. And that's very easy. You just login, go to the link – the URL there and you can use the global market finder within, you know, a matter of time.

Morgan Barr: And the same with market diversification tool. It's open to the public.

(Patrick Kuhn): Yes.

(Todd LeGrant): Great. Open resource that's good to know, thank you.

Omari Wooden: All right. Operator before we see if there are any other questions one thing that I forgot, failed to mention is today's webinar is going to be recorded and it will be available within a few days. So everything that we have been discussing today if there's possibly again someone that may have dialed on late and missed the first part or you think this was great information, very useful information, you'd like to see it again or share it with colleagues it's going to be recorded and it will be available again at the same place where you went to login today. It's going to be posted there in a few days so you can

always come back and check that site and the recording and the presentation will be available today.

Operator do we have any other questions?

Coordinator: No Mr. Wooden we do not.

Omari Wooden: Okay. So what we would like to do now I'd like to thank everyone on the phone that attended and participated. I'd like to thank our speakers today for providing a wealth of information. The slide that is up now provides contact information for both the U.S. Census Bureau and Morgan at International Trade Administration. I even have information to help with trade barriers which was a previous topic we had discussed in another webinar. But again you can still reach out and touch base with them if you have questions about trade barriers or different issues that you are facing.

So again keep in mind our webinar, our next webinar and last webinar of the series will be Opportunities in International Development. Ways that you can expand abroad but also be a help to the world. So make sure that you dial back in. Again it's at 2 pm next Thursday. We're looking forward to seeing you then. Thank you again for everybody that attended and participated and thank you again.

Coordinator: That does conclude today's conference call. We thank you all for participating. You may now disconnect and have a great rest of your day.

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