

# International Trade

Virginia Economic Development Partnership



# What is VEDP- Intl Trade

## Mission:

- To increase international sales for Virginia Companies
- To expand Virginia's tax base and job base

***“... an international marketing organization for Virginia exporters...”***



# Trade Managers

Joel Stopha

Michael Howley  
Ellen Meinhart

Holly Pearce

Roger Porter

Diane Thomas

Jordan Watkins

<http://exportvirginia.org/contact-us/staff-directory/>



# International Trade

## International Trade Managers Virginia Offices



**Diane Thomas**  
Abingdon



**Roger Porter**  
Roanoke



**Michael Howley**  
Tyson's Corner



**Ellen Meinhart**  
Tyson's Corner



**Joel Stopha**  
Winchester



**Jordan Watkins**  
Norfolk



**Holly Pearce**  
Richmond



**Scott Kennedy**  
Marketing Manager



**Mary Maier**  
Events Manager



**Arturo Gallardo-  
Browning**  
VALET Program  
Manager



**John Elink-  
Schuurman**  
VALET Program  
Manager



**Lauren Gibson**  
VALET Research  
Manager



**Lindsey Bertozzi**  
Global Research  
Manager



**Anne Phillips**  
International  
Marketing Specialist



**Sosy Bouroujian**  
International  
Marketing Specialist



**Kelly Spraker**  
VITAL Manager



**Theodora von  
Hohenstaufen Noll**  
Defense Initiative Manager



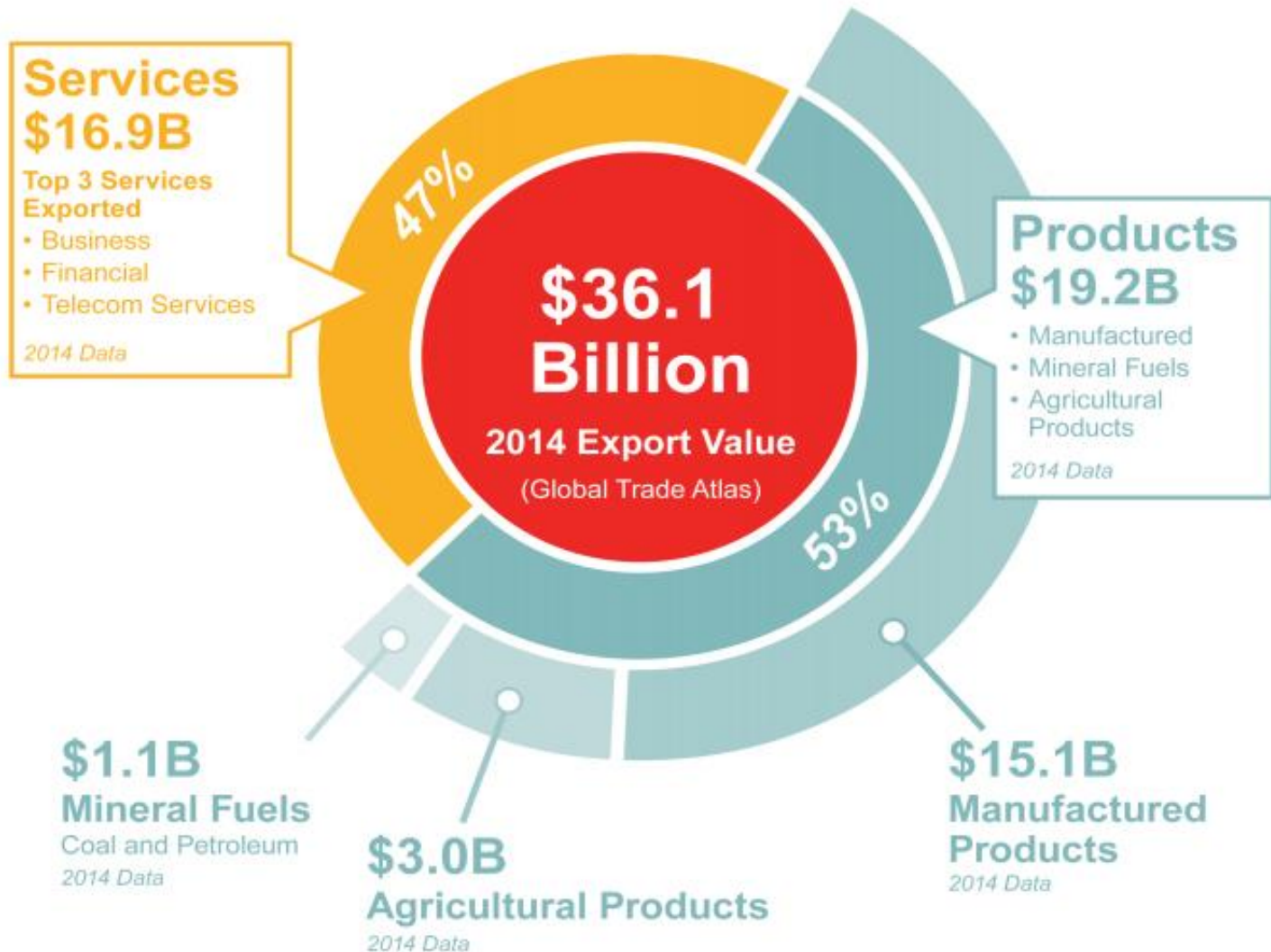
**Paul H. Grossman, Jr.**  
Vice President, International  
Trade



**Carolyn Elliott**  
Assistant to Vice  
President



# Virginia's Exports



# International Trade Programs

Research

Travel to Market

VALET Program

STEP Program

Going Global  
Defense  
Initiative

VITAL

Go Global with  
Coal & Energy  
Technology



- Other states model Virginia's programs:
  - Missouri, North Carolina, Maryland, Ohio, Wisconsin, South Carolina, Washington, Pennsylvania, San Diego, Country of Georgia
- VALET Program – national awards
- Going Global Defense Initiative – 1<sup>st</sup> in the nation

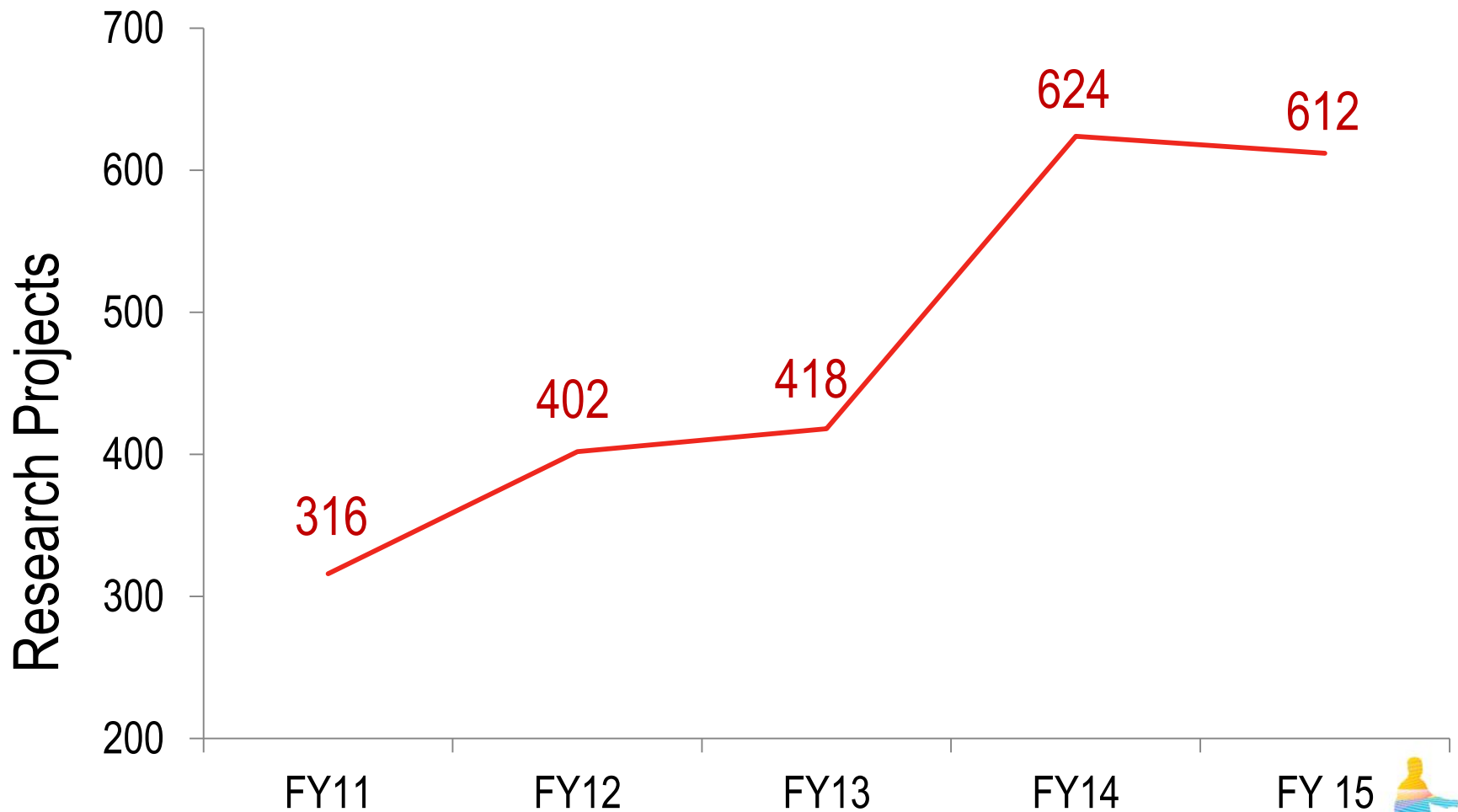


- Who is importing my product or service?
- Are there any regulations I need to be aware of?
- What is the best way for me to sell my product or service internationally?
- How do I find a local partner?

**20+ More Topics**



# Research Projects Delivered



- In-country consultants in 75+ countries provide market research to Virginia companies

## Europe

Belgium	Norway
Bulgaria	Poland
Croatia	Romania
Czech Republic	Russia
Denmark	Serbia
Estonia	Slovakia
Finland	Slovenia
France	Spain
Germany	Sweden
Hungary	The Netherlands
Italy	Turkey
Ireland	Ukraine
Latvia	UK
Lithuania	

## Middle East & Africa

Bahrain  
Israel  
Jordan  
Kuwait  
Oman  
Qatar  
Saudi Arabia  
South Africa  
UAE  
Other African countries

## Americas

Argentina  
Brazil  
Canada  
Chile  
Colombia  
Costa Rica  
Mexico  
Panama  
Peru

## Asia Pacific

Australia  
China  
India  
Indonesia  
Japan  
Malaysia  
New Zealand  
Philippines  
Singapore  
South Korea  
Thailand  
Vietnam



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP INTERNATIONAL TRADE

## FAST FACTS

### Exporting 101

#### Why Export? In a Nutshell: Profits

Virginia's manufacturing companies exported over 2011, and the profits generated by those exports, even for small companies. In fact, 91% of U.S. ex had fewer than 100 employees in 2009. It is now for businesses, no matter how small, to sell goods around the world.

Exporting is one the best ways to help a business

- Increase sales and profits
- Sell excess production capacity
- Reduce dependence on existing markets

(Sources: Global Trade Information Services, U.S. Inte

#### Where to Start

Exporting is a big step for many businesses, and pursuing international sales. The better prepared a

- 1 Determine HS Codes
- 2 Understand Export Regulation
- 3 Select an International Market

Last Revised: September 12, 2012

Information provided by VEDP Fast Facts is intended as advice and guidance, but not a guarantee. VEDP shall not be liable for any damage.



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## FAST FACTS

### Determine HS Codes

#### Why are H

Harmonized numerical codes are 6 digits: countries to further classify

6 digits of the HS U.S. to further

ders)

0020

#### & Schedule B

ase helps you

S code and Sched-

ine.com/

ssification (SITC) or North America y convert it to an HS code: <http://de> ur product, see the following page.



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP INTERNATIONAL TRADE

## FAST FACTS

### Financing and Payments

#### Introduction to Financing and Payments

Understanding trade finance and payments helps exporters turn opportunities into sales and get paid for those sales in full and on time. A successful international transaction starts with the negotiation of a sales contract and ends with a timely payment. The buyer, or importer, gets the product or service they want and pays the seller, or exporter, a profitable amount in an agreed-upon timeframe.

#### Methods of Payment

There are four methods of payment in international trade:

Exporter	Methods of Payment	Importer
High Risk	Open Account	Low Risk
Low Risk	Documentary Collection	High Risk
	Letters of Credit	
	Cash-in-Advance	

Each payment method contains a varying level of risk for the importer and exporter. For exporters, a shipment is a gift to the buyer until payment is received. For importers, a payment is a donation to the exporter until goods or services are received. Therefore, exporters want to receive payment as soon as possible while importers want to delay payment as long as possible.

An appropriate payment method must be chosen carefully to minimize the payment risk to the exporter while accommodating the needs of the importer. To learn more about each payment method, see the following page.

(Source: U.S. Department of Commerce, International Trade Administration)



VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP INTERNATIONAL TRADE

## FAST FACTS

### Select an International Market

#### Where would you like to export?

With approximately 200 countries in the world, how can your company decide where export? Although there are numerous ways to select a market, this simple guide can help your company determine which international market is best for your products and services.

- Step 1: Screen Know Your Company, Know Your Industry
- Step 2: Compare Market Assessment Checklist
- Step 3: Select Continue Research, Develop an Export Plan

#### Top U.S. Export Destinations



#### Step 1: Screen

**Know your company:** First and foremost, your company must understand how exporting products and services internationally will impact current clients and employees. Gaining international clients at the expense of domestic sales may cause problems in the long run, and selling overseas can impact the workload of all employees.

**Establish goals:** Create a list of goals, a timeline, and establish expectations to serve as a guide during the exporting process. Use targets that are specific, measurable, and attainable, such as "In the next fiscal year, fulfill 3 international orders months at margins above existing domestic sales."

**Commit to exporting:** Teamwork and dedication are imperative to achieving success in international trade. Plan and budget: Executing international sales requires significant preparation, including investing time and money into creating lasting relationships with foreign clients.

**Export readiness:** Given the market research, paperwork, and general export preparation involved in your product or service - how soon can your company begin exporting products to customers around the world?

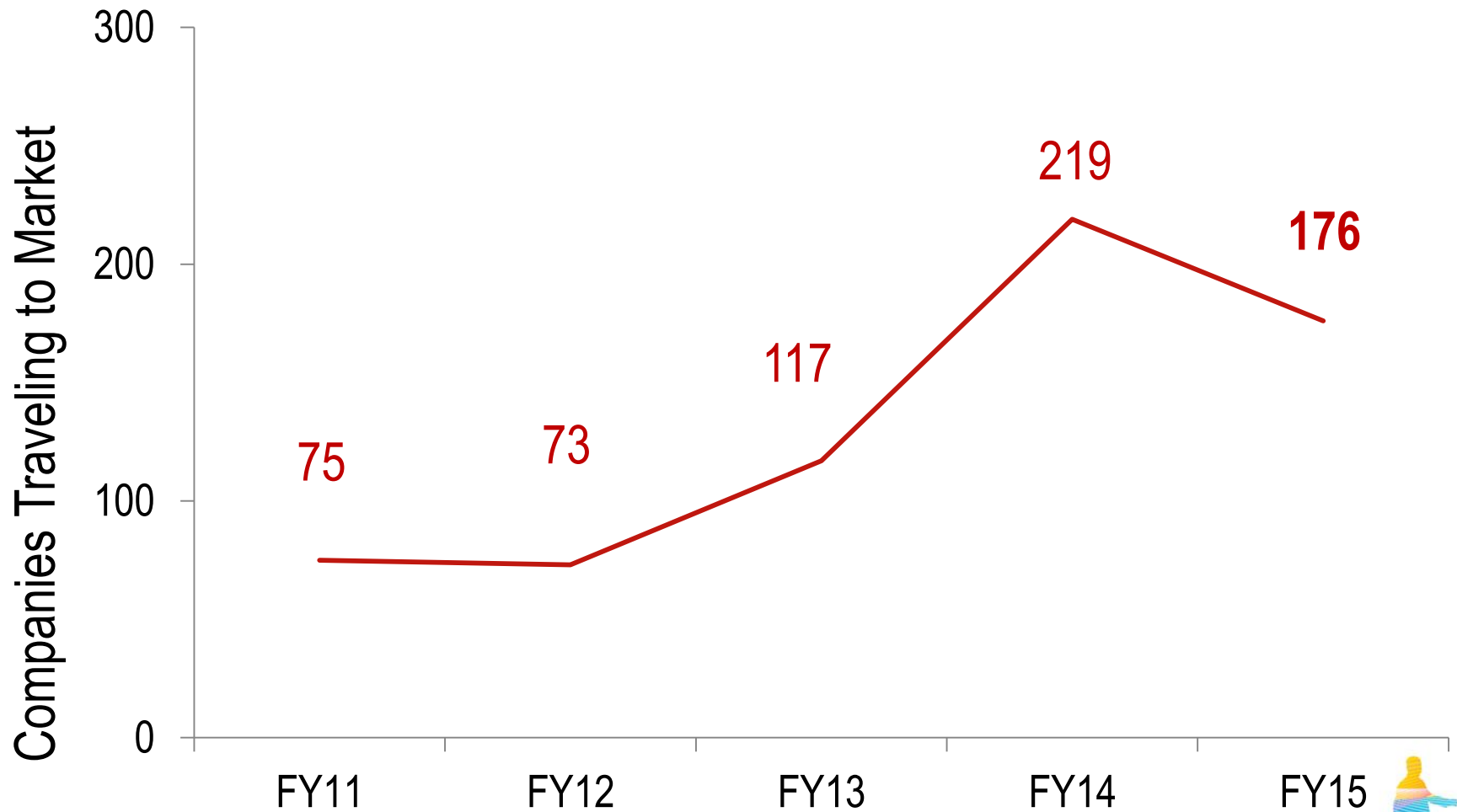
**Know your industry:** It is important to gain a broad understanding of the global environment for your industry. Information from relevant trade journals can provide valuable information on worldwide trends. Factors such as the cost to transport your product from the U.S., cultural preferences in consumption, and barriers to trade will help you narrow your decisions in selecting a market. Once you have a few markets in mind, continue to the assessment on the next page.



<http://exportvirginia.org/international-market-research/exporting-tos/>



# Travel to Market



# Who participates?

Flooring

Organic mattresses & pillows

Specialty aviation

Analytical laboratory services

Forensic cyber security

Spices, seasonings, sauces

Aircraft parts

Educational games

Steel buildings

Eye-tracking computer systems

Cardboard home decor

Premium coffees

Specialty chemicals

Rapidly deployable military camps

Flight jackets and outerwear

Motion control products

DC Motors/driver/controls



# Trade Missions

## TRADE MISSIONS AND TRADE SHOWS\*

July 1, 2016 to July 31, 2017

TRADE MISSION OR EVENT	DATES	REGISTRATION DEADLINE	FEE
Trade Mission to Southern Africa	September 5 - 9, 2016	July 8, 2016	\$3,500
MINExpo 2016 (Las Vegas)**	September 26 - 28, 2016	July 29, 2016	\$1,500
Trade Mission to Costa Rica	October 10 - 14, 2016	August 12, 2016	\$3,500
Trade Mission to Southeast Asia	October 24 - 28, 2016	August 26, 2016	\$3,500
Trade Mission to Saudi Arabia & Qatar	November 6 - 10, 2016	September 9, 2016	\$3,500
Trade Mission to Colombia & Peru	Nov. 28 - Dec. 2, 2016	September 30, 2016	\$3,500
Trade Mission to India	February 6 - 10, 2017	December 9, 2016	\$3,500
Trade Mission to the United Arab Emirates	February 12 - 16, 2017	December 16, 2016	\$3,500
IDEX 2017 (United Arab Emirates)	February 19 - 23, 2017	December 16, 2016	\$1,500
Trade Mission to Mexico	March 27 - 31, 2017	January 27, 2017	\$3,500
Trade Mission to Canada (East)	May 8 - 12, 2017	March 10, 2017	\$3,500
CANSEC 2017 (Canada)	TBD	TBD	\$1,500



# Virginia Leaders in Export Trade (VALET) Program

- **25 companies** join each year
- **50 companies** accelerate their global marketing efforts through this two-year program



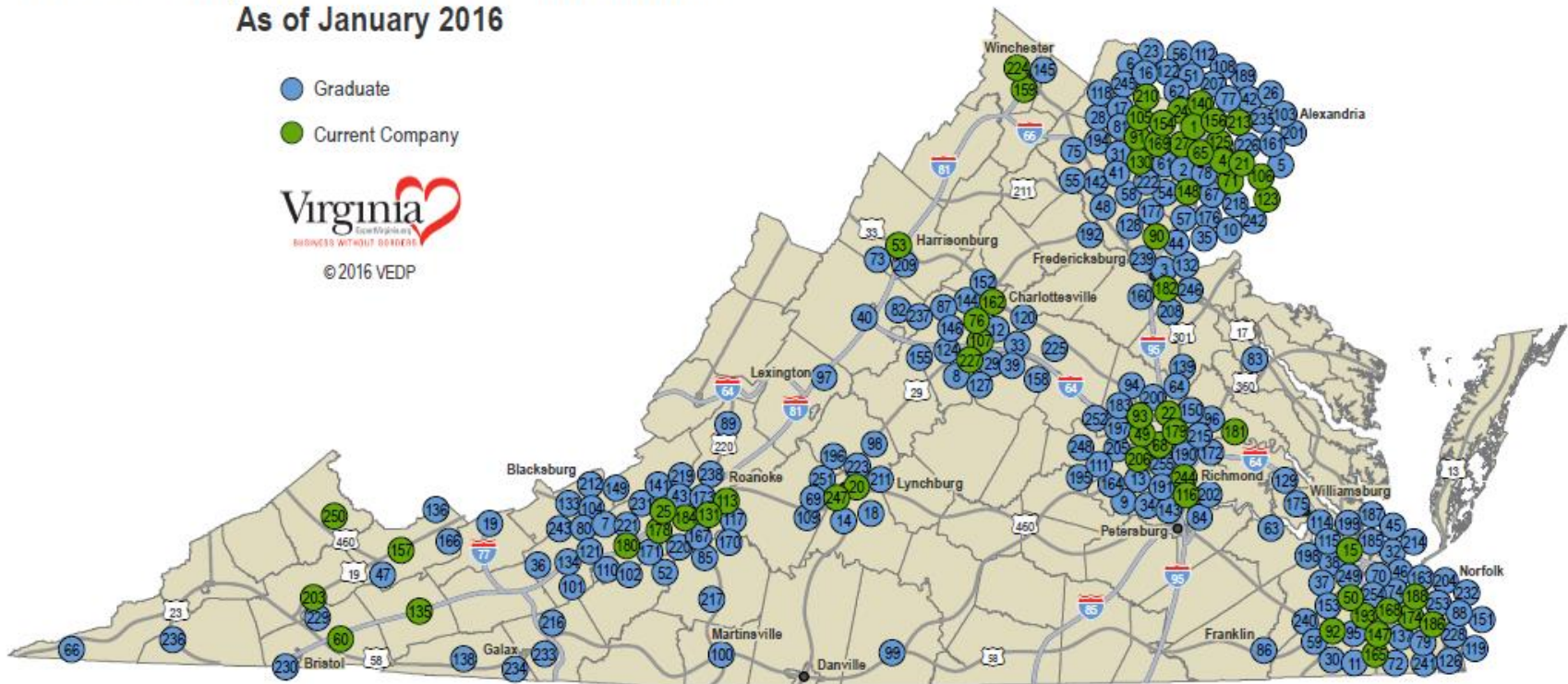
## Program Benefits

- \$15,000 toward export related expenses
- 24 program partners offering pro bono services
- International sales plan development
- Educational events
- Customized research (i.e. market analysis, technical assistance, competitive intelligence)



# VALET Participants & Alumni

## VEDP International Trade VALET Companies - Current and Alumni As of January 2016



## VALET Client Profile

Average Annual Virginia Sales	\$36 Million
Average Employees in Virginia	111
Average Years in Business	25
Average Annual Export Sales	\$3.7 million



# State Trade and Export Promotion (STEP) Grant Program



- **\$578,500 grant** from U.S. Small Business Administration
- **92 companies** participating in program
- Funds may be granted for:
  - Travel to Market Programs
  - Website Translation, Search Engine Optimization and Localization
  - Utilization of U.S. Commercial Service Gold Key Services
  - Featured Ad in Relevant Trade Publication



# Going Global Defense Initiative

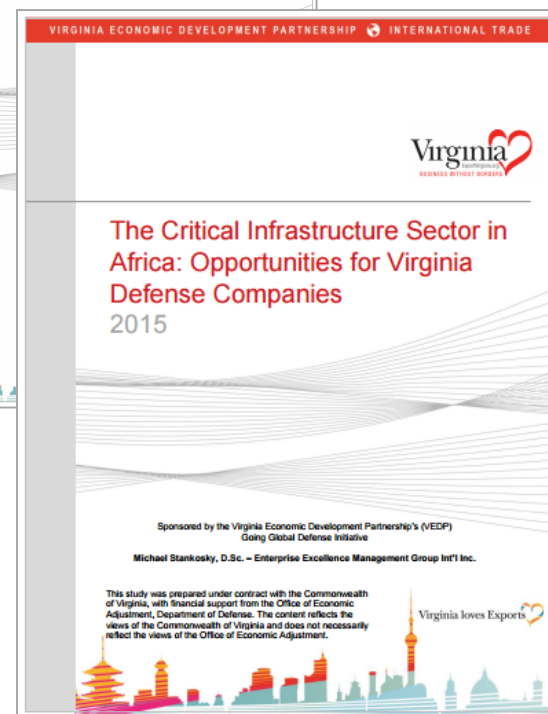
- Office of Economic Adjustment grant program
- 300 companies have participated since July 1, 2013
  - Market research: 432 reports
  - Export compliance: 79 companies
  - Digital localization: 74 companies
  - Technical translation: 43 companies
  - Contracts & proposals: 15 companies
  - International certification: 7 companies
  - COCOM/Host Nation symposiums: 251 attendees
  - Export training: 785 attendees
  - Business community outreach workshops: 900 attendees



# Going Global Defense Initiative

Access video tutorials, in-depth training seminars, market reports, and more at:

[Resources.ExportVirginia.org](http://Resources.ExportVirginia.org)



# Going Global with Coal & Energy Technology

- Funded by Virginia Coalfield Economic Development Authority (VCEDA)
- Up to 20 companies can participate in VALET program
  - 6 companies currently enrolled
- Total of 3 years



# Virginia International Trade Alliance (VITAL)



- Virginia International Trade Alliance (VITAL) helps Virginia companies grow international sales.
- VITAL partners:



## ExportVirginia.org

The screenshot shows the ExportVirginia.org website. At the top, a red navigation bar contains the text "VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP" and "INTERNATIONAL TRADE" with a globe icon. Below this is a dark blue header with a search bar on the left and the Virginia ExportVirginia.org logo on the right. The main content area features a large background image of a hand holding a molecular model. A "SUCCESS STORY" box on the left contains a quote from Polymer Solutions: "...VEDP is able to open doors in other countries that would otherwise not be an option. Maintaining our market edge internationally is more important than ever..." with a "Read their story." link. At the bottom, a grey navigation bar lists links: "Enlightened Customers", "Need Help?", "International Market Research", "Upcoming Events", "News", and "Contact Us", followed by social media icons. Below this is a footer section with four columns: "What Our Clients Say", "Benefits of Exporting", "Who Exports", and "Exporting 101", each with a brief description and a "Learn More" link.

VIRGINIA ECONOMIC DEVELOPMENT PARTNERSHIP INTERNATIONAL TRADE

SEARCH

Virginia  
ExportVirginia.org  
BUSINESS WITHOUT BORDERS

**SUCCESS STORY**

"...VEDP is able to open doors in other countries that would otherwise not be an option. Maintaining our market edge internationally is more important than ever..."

Polymer Solutions  
Read their story.

Enlightened Customers Need Help? International Market Research Upcoming Events News Contact Us f t v s

**What Our Clients Say**  
Don't take our word for it, read what our clients say about our services.  
Learn More

**Benefits of Exporting**  
Want to know the benefits of exporting? We've created an infographic to help illustrate those benefits.  
Learn More

**Who Exports**  
Explore the Beyond VA Calendar to learn who exports.  
Learn More

**Exporting 101**  
We demystify the international selling process. We show you how to expand your markets and increase sales.  
Learn More

