



WELCOME TO
City of Norfolk's
Export Information Workshop



INTERNATIONAL TRADE OVERVIEW

Dulles International Airport

November 12, 2020

VEDP | International
Trade
ExportVirginia.org

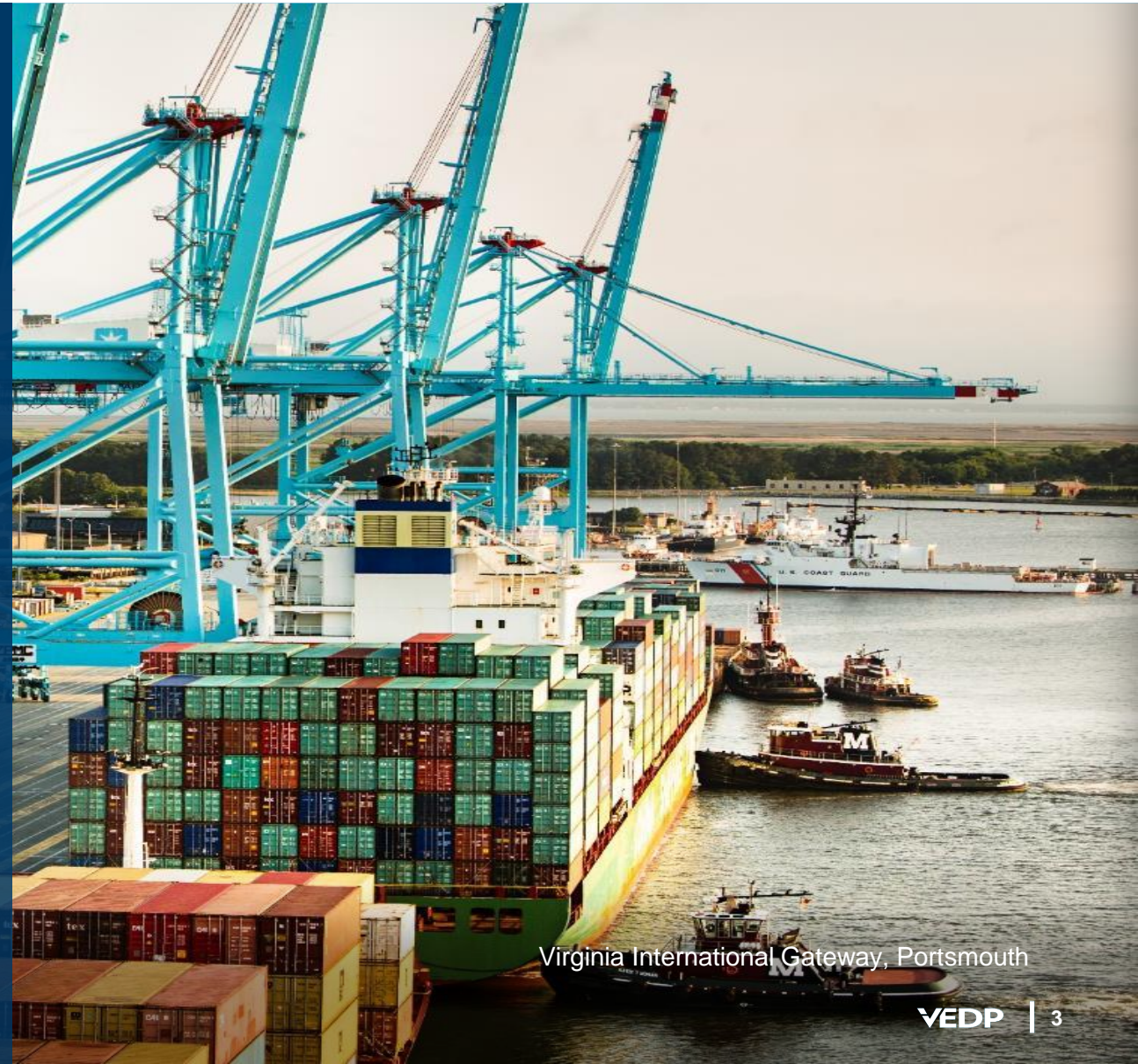
VIRGINIA'S ECONOMY IS INCREASINGLY TIED TO EXPORTS

257,000

Exports support more than 257,000 jobs in Virginia

\$2B

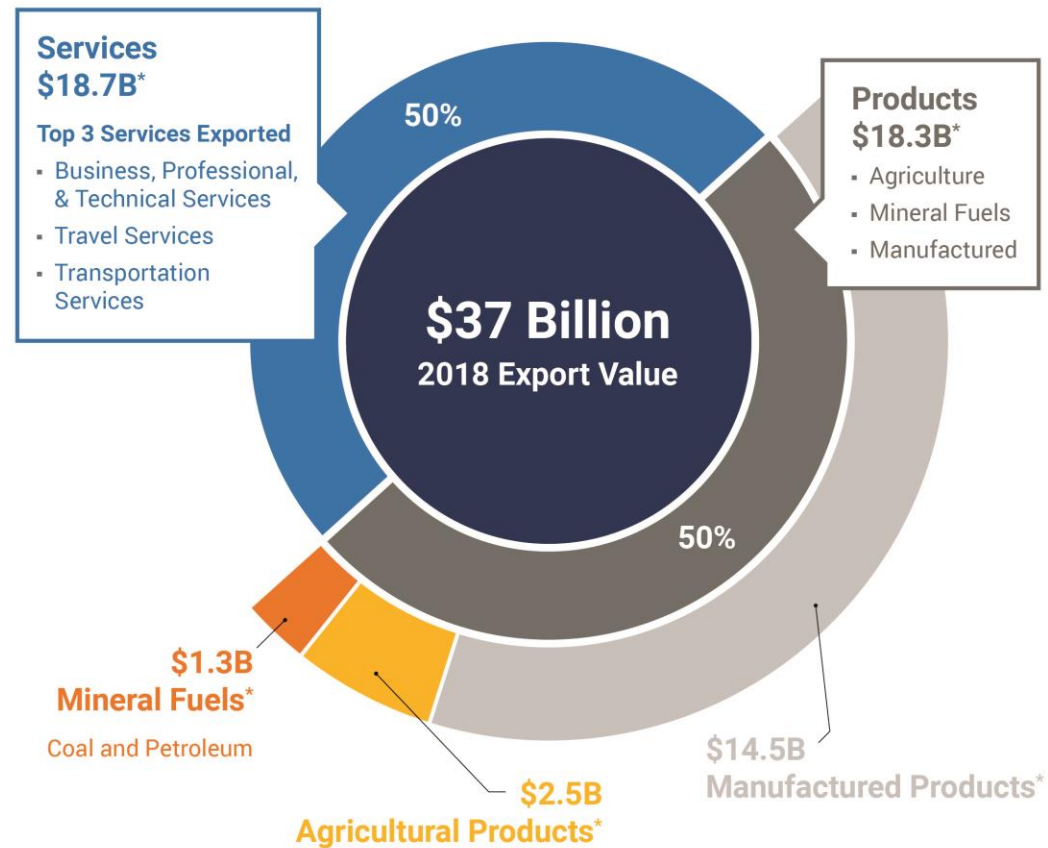
Virginia businesses that export contribute \$2 billion in tax revenue to Virginia annually



Virginia International Gateway, Portsmouth

VIRGINIA EXPORTED \$37B IN GOODS AND SERVICES IN 2018

Total Virginia Products and Services Exports, 2018



*Products and services data were taken from two sources and are not an exact comparison.

Source: Coalition of Services Industries for 2018 services data; ©2020 IHS Markit – Global Trade Atlas for 2018 manufactured products data

VEDP – INTERNATIONAL TRADE PROVIDES PROGRAMS & SERVICES TO HELP COMPANIES GROW THEIR INTERNATIONAL SALES

321

Last year, a total of 321 companies were enrolled in our international trade development programs

\$7.9M

Companies enrolled in our programs reported average projected international sales of \$7.9 million in 2019

49,000

Companies currently enrolled in our international trade development programs have over 49,000 employees in Virginia

Source: Survey of companies enrolled in International Trade programs during FY2020 (July 1, 2019 to June 30, 2020)



O'Sullivan Film

VEDP |

OUR TEAM OF RESEARCHERS ASSISTS VIRGINIA COMPANIES WITH EXPANDING THEIR BUSINESS ABROAD

Customized market research for Virginia companies

- Our team of researchers performs a variety of market research services at little to no cost
- More than 1,600+ research projects have been completed in the last five years
- In-country market research is fully customized to your company's objectives

Typical questions

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



Optical Cable Corp., Roanoke

VEDP HAS INTERNATIONAL RESEARCH CONSULTANTS THAT COVER MORE THAN 75 COUNTRIES AROUND THE WORLD

VEDP's pre-screened in-country consultants deliver market research specific to your industry and target market

Europe

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

Americas

- | | | | | |
|-------------|----------|--------------|----------|--------|
| ▪ Argentina | ▪ Canada | ▪ Colombia | ▪ Mexico | ▪ Peru |
| ▪ Brazil | ▪ Chile | ▪ Costa Rica | ▪ Panama | |

Middle East & Africa

- | | | | | |
|-----------|-----------|----------------|----------------|---------------------------|
| ▪ Bahrain | ▪ Kenya | ▪ Oman | ▪ South Africa | ▪ Other African countries |
| ▪ Israel | ▪ Kuwait | ▪ Qatar | ▪ Tanzania | |
| ▪ Jordan | ▪ Morocco | ▪ Saudi Arabia | ▪ UAE | |

Asia Pacific

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

WE HELP VIRGINIA COMPANIES MEET POTENTIAL CUSTOMERS AND PARTNERS THROUGH INTERNATIONAL BUSINESS MEETINGS



Trade Mission to Colombia

Trade Missions

- Trade Missions provide customized international business meetings for Virginia companies
- Our team will identify, screen, and set appointments with qualified distributors, agents, or partners



Paris Air Show

Trade Shows

- At select international trade shows, Virginia's booth provides the ideal space for co-exhibiting companies
- Companies exhibit their products and services and meet prospective customers and partners at the show
- 64 companies participated in trade missions and trade shows year¹



Melbourne, Australia

Independent Market Visits

- Meet face-to-face with representatives in targeted international markets to build your business in over 75 countries
- Our team will identify, screen, and set appointments with qualified distributors, agents, or partners
- *Virtual meetings are now available in 75+ countries*

¹Data from FY2020 (July 1, 2019 to June 30, 2020)

VIRGINIA COMPANIES CAN PARTICIPATE IN THE FOLLOWING TRADE MISSIONS & TRADE SHOWS THROUGH JULY 2021

Trade Mission or Event	Dates ¹	Fee (\$)
Virtual Trade Mission to South Korea & Japan	Oct. 12 - 16, 2020	2,500
AUSA 2020 Trade Show (Virtual)	Oct. 12 - 14, 2020	2,500
Virtual Trade Mission to Czech Republic & Slovakia	Oct. 19 - 23, 2020	2,500
InfoSecurity 2020 Trade Show (UK)	Oct. 20 - 21, 2020	2,500
Virtual Trade Mission to Poland & Romania	Oct. 26 - 30, 2020	2,500
Virtual Trade Mission to Brazil	Oct. 26 - 30, 2020	2,500
Virtual Trade Mission to South Africa & Tanzania	Nov. 9 - 13, 2020	2,500
Commercial UAV Expo Europe	Dec. 1 - 3, 2020	2,500
SHOT Show 2021	Jan. 19 - 22, 2021	2,500
Virtual Trade Mission to the United Arab Emirates	Feb. 14 - 18, 2021	2,500
IDEX 2021 Trade Show (UAE)	Feb. 21 - 25, 2021	2,500
Virtual Trade Mission to Australia & New Zealand	March 1 - 5, 2021	2,500
Virtual Trade Mission to Western Europe	March 15 - 19, 2021	2,500
Virtual Trade Mission to Mexico	Apr. 19 - 23, 2021	2,500
Virtual Trade Mission to Southeast Asia	May 10 - 14, 2021	2,500
Virtual Trade Mission to Colombia	May 24 - 28, 2021	2,500
InfoSecurity 2021 Trade Show (UK)	Jun. 8 - 10, 2021	2,500
Paris Air Show 2021	Jun. 21 - 25, 2021	2,500

¹To participate, companies must register at least two months before each event.

VEDP OFFERS PROGRAMS AND GRANTS TO HELP VIRGINIA COMPANIES GROW THEIR INTERNATIONAL SALES



Virginia Leaders in Export Trade (VALET) Program

- VALET is a two-year international business acceleration program.
- Companies receive executive training, international sales plan development, educational events, and market research
- Participants can access up to \$30,000 toward export-related expenses
- More than 300 companies have graduated from the VALET Program



Regional Export Program

- The Regional Export Program is a year-long export development program for companies in each region of Virginia
- Companies develop and execute an export plan
- Companies can receive up to \$10,000 in reimbursements for export-related expenses



Trade Show Program

- The Trade Show Program assists companies with exhibiting at international trade shows that are relevant to their unique product, service, or industry
- Companies can receive up to \$10,000 in reimbursements
- Companies meet prospective customers and partners at the show

VEDP OFFERS PROGRAMS AND GRANTS TO HELP VIRGINIA COMPANIES GROW THEIR INTERNATIONAL SALES



Global Defense Program

- The Global Defense Program helps Virginia's defense companies diversify into new international markets
- Companies develop and execute an export plan during this year-long program
- Companies can receive up to \$10,000 in reimbursements



U.S. Small Business
Administration

State Trade Expansion Program (STEP) Grant

- The State Trade Expansion Program (STEP) grant supports travel to international markets
- Eligible companies can receive up to \$6,000 for international marketing media expenses
- STEP is funded through a Cooperative Agreement with the U.S. Small Business Administration (SBA)

THANK YOU

For more information, please visit:

www.exportvirginia.org

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The Port of Virginia,
Newport News



International Business Development Services Overview



Core Team

- 40+ years of experience in international trade
- Expertise spans trade finance, export and import compliance, market identification, supply-chain, marketing and management
- Aaron Miller, Chris Van Orden, Dulce Zahniser

Student Research Team

- Diverse, interdisciplinary student research teams with burgeoning specialized expertise, access to the array of resources found at a T1 Research University
- Past members come from 11 schools, 15 countries, have gone on to work at VC firms, EX-IM, World Bank, UN, small biz, and top 25 grad/law programs

Partners





Trainings

- ❑ Cohort and subject-specific trainings
- ❑ Trade finance and working capital solutions, USMCA, export-import compliance, Certified Global Business Professional, and others to be developed based on demand



Counseling

- ❑ Free, custom market research and analysis reports
- ❑ No cost consultations on any trade or global business-related topic
- ❑ Wholly confidential and personalized
- ❑ Geared to experienced and new exporters



Resources

- ❑ Standard research and export guides
- ❑ Business planning checklists on relevant business topics
- ❑ Referrals to other specialized agencies and coalitions



Client Success Stories



- ❖ Successful entry to the U.K. market with \$50,000 in sales at projected 15% growth



Matrix
International

- ❖ Accelerated timeline on entry into international commercial markets by 12 months



GATEKEEPER
Intelligent Security

- ❖ Market identification led to \$500,000 in security contracts



Aaron Miller
Director, International Business Development
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<https://www.virginiasbdc.org/>





America's Export Experts

U.S. COMMERCIAL SERVICE GLOBAL PRESENCE

Overseas, we're part of U.S. Embassies and Consulates worldwide; in markets where U.S. business needs us most.

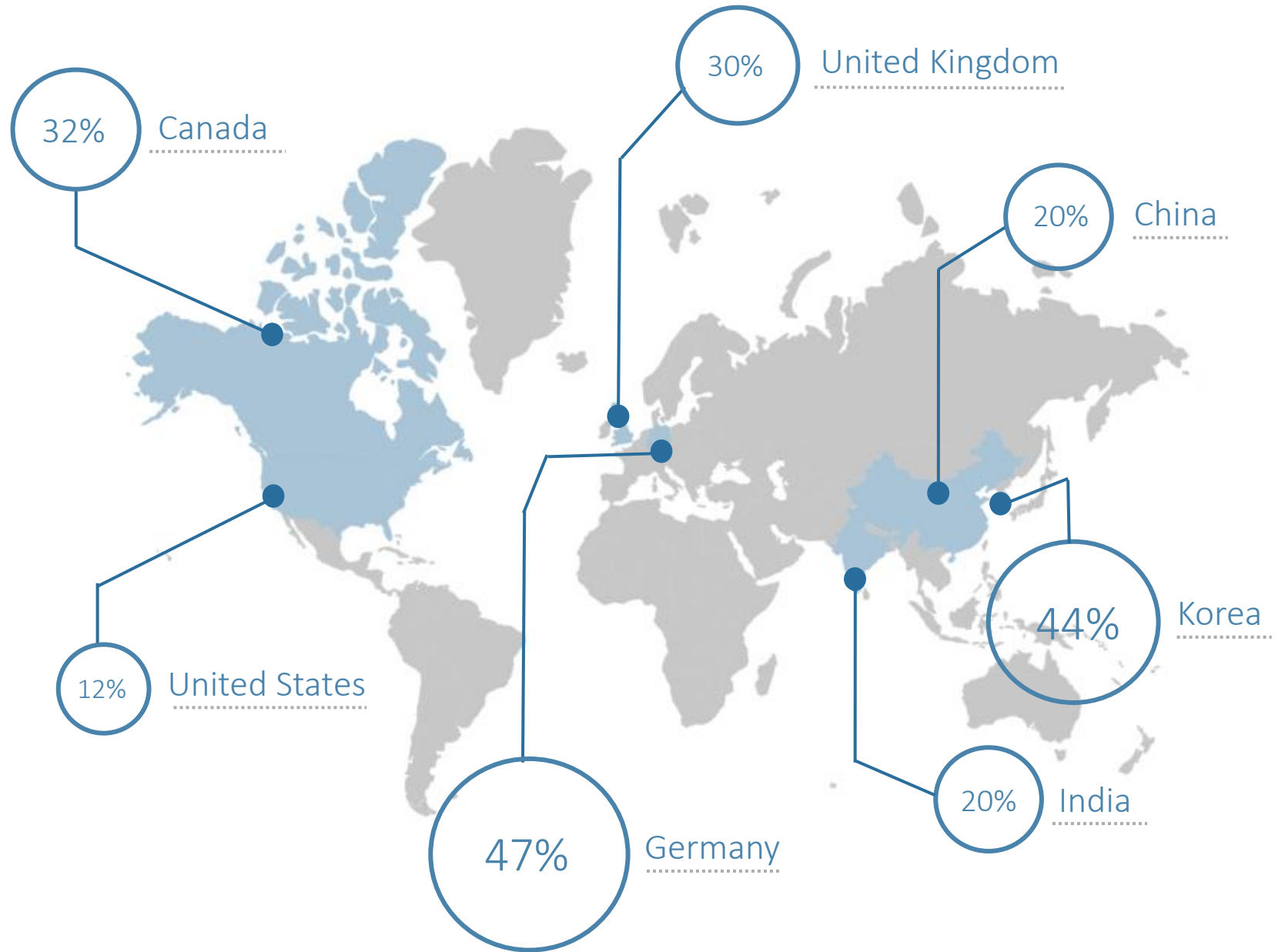


Why Exports Matter

More than **70%** of the worlds purchasing power is **outside** of the United States.
Competitors are **increasing** their global market share while the U.S. is underperforming.

With only 12% of our GDP generated by exports...

It's safe to say we have a lot of room for growth.



Exports of goods & services (% GDP)

Source: WorldBank 2017

Let our global network work for you.

Worldwide Recognition

As the U.S. government, we can open doors that no one else can in markets around the world.

Global Network

Our unmatched global network with trade experts in more than 80 countries can provide you with on-the-ground knowledge and connections.

Results Driven

Our expert, in-person counseling is unparalleled and designed to help you succeed in global markets.



The world is open for your business.

Our global network of experienced trade professionals is located throughout the United States and in U.S. Embassies and Consulates worldwide. Whether you're looking to make your first export sale or expand to additional markets, we offer the expertise you need to connect with lucrative opportunities and increase your bottom line.

Our Services



Export Counseling

- Develop effective market entry and sales strategies.
- Understand export documentation requirements and import regulations of foreign markets.
- Navigate U.S. government export controls, compliance and trade financing options.



Market Intelligence

- Analyze market potential and foreign competitors.
- Obtain useful information on best prospects, financing, laws, and cultural issues.
- Conduct background checks on potential buyers and distributors.



Business Matchmaking

- Connect with pre-screened potential partners.
- Promote your product or service to prospective buyers at trade events worldwide.
- Meet with international industry and government decision makers in your target markets.



Commercial Diplomacy

- Overcome trade obstacles to successfully enter international markets.
- Benefit from coordinated U.S. government engagement with foreign governments to protect U.S. business interests.



Export Counseling

International Business Development

The U.S. Commercial Service provides you with reliable information and personalized counseling at every step of your export journey- from strategy and planning, financing and logistics, market entry and expansion, to advocacy and dispute resolutions, and even eCommerce counseling. Our trade experts are here to address your concerns and guide you to success in the global marketplace.

eCommerce Innovation Lab

The eCommerce Innovation Lab helps U.S. business by identifying export opportunities across the ecommerce sales channels, through concentration on client digital strategy development, use of Website Globalization Review gap analysis tools, and the online eCommerce Export Resource Center business library to help companies adapt and grow in the digital economy.





Market Intelligence

Country Commercial Guides

Prepared by trade and industry experts, Country Commercial Guides provide information on market conditions, opportunities, regulations and business customs for over 125 countries. Country Commercial Guides detail important factors to help you decide if a market is right for your product or service.

Customized Market Research

Customized Market Research answers questions about an overseas market including; market trends & size, customary distribution and promotion practices, market entry requirements, product standards and registration, regulations, key competitors and potential agents, distributors, and strategic Partners.

Initial Market Check

The Initial Market Check is an initial assessment of the market potential of your product or service in the targeted market. The service gauges the potential of a specific product or service in a market by gathering feedback from up to five industry participants and provides recommendations on whether to pursue the target market.

International Company Profile

The International Company Profile provides U.S. companies and economic development organizations with a comprehensive background report and full analysis on a specific foreign company. Reports provide general business information, background and product information, key officials, references contacted by ITA, financial data/credit worthiness, reputation, results of site visits and interviews with principals; information sources consulted in preparing the report; and analysis of information collected.



Business Matchmaking

Single Company Promotion

Provides U.S. companies with promotional services to help increase the awareness of their product or service in a specific market. The promotional event may consist of a technical seminar, press conference, luncheon, dinner, or reception with targeted direct mail or email campaigns.

International Partner Search

Provides U.S. firms with a list of up to five agents, distributors and partners that have expressed an interest in your product or service. Virtual introduction via teleconference to the identified contacts also available.

Featured U.S. Exporter Listing

A listing in the directory of an overseas U.S. Commercial Service's website gives U.S. exporters targeted exposure to more effectively help them find foreign business partners in specific local markets. It allows local importers to find U.S. exporters interested in exporting to a specific local foreign market.

Business Service Provider Listing

An online program to help U.S. exporters identify a professional export service provider to support them in the assessment, financing, or completion of an export transaction.



Gold Key Service

Provides U.S. firms traveling to a foreign market with up to five pre-screened appointments to establish relationships with potential overseas agents, distributors, sales representatives, business partners and other local, in-country entities.



Commercial Service Presented Events

Discover Global Markets

Organized by the U.S. Commercial Service, these annual business development forums focus on an industry and/or world region. The conferences feature one-on-one meetings with U.S. Commercial Service diplomats visiting from abroad; panel discussions on the latest industry trends; export education; and extensive networking with U.S. trade officials and leading private sector experts.

Trade Winds

Organized by the U.S. Commercial Service, Trade Winds is the largest, annual, U.S. Government-led trade mission. Each mission includes a business development forum in its host city, consisting of regional and industry specific conference sessions as well as pre-arranged consultations with U.S. Diplomats representing commercial markets throughout the region. Participating companies can customize a business matchmaking schedule with multiple stops, based on input from our in-country Commercial Specialists, and grow their international sales through meetings with pre-screened potential buyers, agents, distributors and joint-venture partners during the mission.



Trade Events

Certified Trade Missions

Organized with select trade organizations, missions are customized to meet the needs of groups of U.S. companies participating. Missions may include activities such as market briefings, Gold Key Service, receptions, site visits, and technical seminars.

Trade Show Representation

The Trade Show Representation Service provides U.S. companies and economic development organizations with the ability to increase their marketing exposure at an overseas trade show when they are unable to attend in-person. Multiple clients' products and services may be showcased by the Commercial Service at the event.

International Buyer Program

At major domestic industry trade shows, the U.S. Commercial Service provides services including on-site introductions to foreign buyers; networking; export counseling; market analysis; and business matchmaking.

International Partner Search

Provides U.S. firms with a list of up to five agents, distributors and partners that have expressed an interest in your product or service. Virtual introduction via teleconference to the identified contacts also available.

International Trade Fairs

Certified trade fairs feature a U.S. Pavilion and represent a U.S. Department of Commerce endorsement, ensuring a high-quality, multifaceted opportunity for American companies to successfully market their product/services overseas. Participating companies receive U.S. Commercial Service assistance with access to foreign buyers, agents, and industry representatives. Other services include pre-show industry/country market briefings, one-on-one export counseling, onsite promotion, and more.



Commercial Diplomacy

Advocacy Center

The Advocacy Center coordinates U.S. Government advocacy efforts for U.S. companies bidding on public-sector contracts with overseas governments and government agencies. The Center helps to ensure that sales of U.S. products and services have the best possible chance competing abroad. U.S. Government advocacy assistance can help U.S. companies overcome trade barriers, bureaucratic problems, and unfair trading practices; level the playing field to ensure that your company has the best possible chance to win foreign government contracts; and settle payment disputes with foreign companies.

Report a Trade Barrier

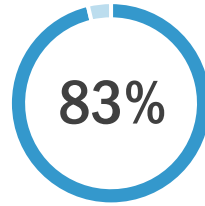
File a complaint with the International Trade Administration's Trade Agreements Negotiations and Compliance Office. This office works with U.S. businesses to remove unfair foreign government-imposed trade barriers.

Trade Dispute Resolution

We can help you resolve common trade disputes like customs issues. We engage directly with foreign governments to advance and protect your business interests and help your company overcome barriers to trade.



Commercial Service & Client Results FY 2018



Clients assisted who were small & medium sized companies.

88%

Clients assisted who said the Commercial Service played a significant role in their success.



Facilitated
\$104 BILLION EXPORTS
\$20 BILLION FOREIGN INVESTMENT

All in all supporting 500,000 American jobs



Average client exported to
10 COUNTRIES

9%

Average annual revenue increase reported by companies who received Commercial Service assistance.



Created 13 jobs &
Safeguarded 20 jobs



11% FIRST TIME EXPORTERS
38% EXPORTED TO A NEW MARKET
49% IMPROVED SALES IN EXISTING MARKET



Source: U.S. Department of Commerce's International Trade Administration, Bureau of the Census, and the Bureau of Economic Analysis

Meet Your Virginia Export Team



Olga Molnar

Director

(804) 512-4259

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Industries: Aerospace and Defense, Agribusiness, Boating, Design and Construction, Education, Energy, Food and Beverage, Equipment and Machinery, Travel and Tourism



Export Resources for Small Businesses

Aérék N. Stephens
Business Development Officer
EXIM Bank

WHO IS EXIM BANK?

EXIM is an independent agency of the U.S. Government.

Mission: Maintain and create U.S. jobs by supporting the growth of U.S. exports.

- › Established in 1934
- › Headquartered in Washington, D.C.
- › 12 Regional Offices nationwide
- › Support for all U.S.-based companies who export



HOW CAN EXIM PRODUCTS ASSIST YOU?



You Need:



Funds to Fulfill Orders



Risk Protection
Extension of Credit
Access to capital



Buyer Financing

Your Solution:

Working Capital Guarantee

Export Credit Insurance

Medium and Long Term
Insurance and Loan Guarantee

EXPORT CREDIT INSURANCE – BENEFITS



Risk Protection

Protects against buyer nonpayment due to commercial risks and political risks.



Sales Tool

Allows exporter to offer competitive credit terms to foreign buyers, generally up to 180 days, some products may qualify for 360 day terms.



Financing Aid

Obtain additional financing. Insured foreign receivables may be added to your borrowing base by assignment of policy proceeds (claim payments) to a lender.



STAY CONNECTED WITH EXIM



> **LinkedIn**

www.linkedin.com/company/eximbankus/

> **Twitter**

www.twitter.com/eximbankus

> **EXIM Blog**

www.grow.exim.gov/blog



EXPORT-IMPORT BANK
OF THE UNITED STATES



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U.S. Small Business
Administration

Bill Houck

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www.sba.gov/international

US Export Assistance Center (USEAC)



- Market analysis
- Match making
- Buyer due diligence



- Export activity working capital
- Transaction working capital



- Export working capital
- Credit insurance

SBA Export Financing Programs

- **Export Express**

- 90% guarantee for amounts up to \$350,000 (for up to 7 years)
- 75% guarantee for amounts between \$350,000 and \$500,000 (for up to 7 years)
- Lender uses its own loan approval process and documents
- For financing of inventory, accounts receivable and export development activities
- Fixed assets, permanent working capital and real estate

- **Export Working Capital Program**

- 90% guarantee for amounts up to \$5,000,000
- Use of funds for purchase order financing, accounts receivable and inventory financing, advance rates ranging from 75% (inventory) to 90% (AR)

- **International Trade Loan Program**

- 90% guarantee for amounts up to \$5,000,000
- For working capital term loans for financing and refinancing of fixed assets used for exporting (loan tenures up to 10 years for plant & equipment and 25 years for real estate)

- **Developing an Export Business Plan**

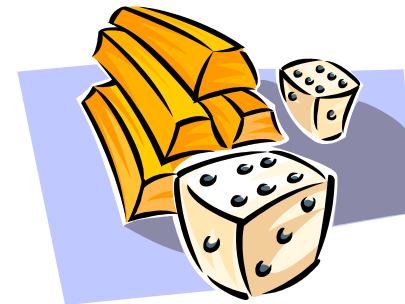
- www.sba.gov/exportbusinessplanner



Fulton Bank

International Trade Considerations

- * Can I trust my overseas vendor / customer?
- * When will I receive payment? Before or after shipment?
- * Am I guaranteed to receive what I ordered?
- * What currency will I pay / receive in?
- * How stable / volatile is the market?
- * Sovereign Risks
- * Commercial Risks



Summary of Banking Considerations When Negotiating Trade Deals

- * All parties (Bank; Sales; Freight Companies; etc.) should be involved as early as possible in your negotiations
- * Do not negotiate solely on price of goods
- * Consider available bank / SBA / EXIM financing mechanisms if needed to support export inventory and/or receivables
- * Remember available Trade Services when negotiating terms of sale (Open Account, L/C, Collection, etc.). [Terms of shipment (INCOTERMS) should be discussed before quoting the product price]
- * Foreign Exchange - Think outside of the USD box; see the deal from your buyer's or seller's perspective
- * Contact: Federico Manno – Fulton Bank – 703-788-1848 or fmanno@fultonbank.com