Advancing Technology Exports

Electro-Optics Center
February 8, 2012
The $1.1 Trillion Question: Why Aren’t We Doing Better at This?

- **The Situation**
  - Only 1% of US businesses export
  - 20% of US manufacturing jobs depend on exports
  - 2/3 export to only 1 market

- **The Role of Small and Mid-Sized Enterprises**
  - 2/3 of US exporters have less than 20 employees
  - Represent 97% of all exporters; but 30% of the value

- **The Potential**
  - 95% of the world’s consumers live outside the US
Why Special Attention to Tech?

- **Specific challenges**
  - U.S. government controls
  - Foreign government regulatory hurdles
  - IP concerns

- **Early international outreach necessary**
  - Shortened product life cycle
  - Potential need for international engagement at every stage of the life cycle
    - Research
    - Capital
    - Testing & certification
What is TechExport?

• Joint initiative
  ▪ Center for Trade Development, Pittsburgh Technology Council, Team Pennsylvania Foundation

• Objective
  ▪ Raise awareness about international business opportunities
  ▪ Increase export capacity of the Pennsylvania technology community
  ▪ Learn how to better serve SME technology firms

• Tech-customized export assistance tools and services
Why Work with Us?

- Compress timeline
- Flatten learning curve
- Mitigate risk and uncertainties
- Reduce cost
Premier State for Export Assistance

• Largest international network of offices & representatives of any state
  ▪ 21 Authorized Trade Representatives
  ▪ Outreach to more than 50 worldwide markets

• A Client-Oriented, Results-Based Program
  ▪ Assisted close to 1,300 PA clients
  ▪ 272 PA Exporters Reporting New Sales
  ▪ Facilitated $526m in export sales in FY 2010-2011
  ▪ 4,020 created or retained jobs in FY 2010-2011
Value of PA Exports (CTD Assisted Sales) in Millions

- 2002-'03: 57
- 2003-'04: 65
- 2004-'05: 89
- 2005-'06: 175
- 2006-'07: 254
- 2007-'08: 263
- 2008-'09: 365
- 2009-'10: 455
- 2010-'11: 526

Actual
Goal

Pennsylvania Department of Community & Economic Development
Pennsylvania’s Center for Trade Development

3-Tier Approach

- **Center for Trade Development**
  - Harrisburg
  - Fund Program
  - Set Goals
  - Design Policies and Procedures
  - Monitor Traffic
  - Ensure Quality
  - Report to Department Leadership
  - Logistics and Governance

- **In-State Regional Partners**
  - Primary Local Client Contact Point
  - Exporter Needs Assessment
  - Issue Work Orders
  - Client Follow-up

- **Overseas Trade Representatives**
  - Accept and Fulfill Work Orders
  - Deliver Market Intelligence; Business and Partner Searches
  - On-the-Ground Assistance
  - Monitor for Sales
TechExport Services

- Export Counseling
- Foreign Market Assistance
- Education & Training
- Expert Hotline
- Trade Events
- Grant Funding
Export Counseling

- Provided through Regional Network Partners
  - Primary Local Point of Contact
- Export Readiness Assessment
- Identification of Potential Foreign Markets
- Target Market Research and Identification
- Market Entry Strategy Development
- Trade Event Assistance
- Technical Assistance
PENNSYLVANIA REGIONAL EXPORT NETWORK
Regional Contact Agencies
Foreign Market Assistance

- Foreign Market Intelligence Reports
- Partner Search Services
- Trip Support
- Additional Services
  - Translation
  - Background checks
  - Literature proofreading
Pennsylvania’s International Representatives

21 Authorized Trade Representatives
Covering 50+ Countries

TRADE
Australia
Brazil
Canada
China
France
Germany
India
Israel
Japan
Korea
Mexico
Netherlands
Saudi Arabia
Singapore
South Africa
Taiwan
UK
United Arab Emirates
Vietnam

INVESTMENT
Australia
Canada
France
Germany
India
Japan
Korea
Netherlands
Spain
UK
Education & Training

• Hosted by regional partners
• Export basics as well as technical seminars
• Upcoming events:
  ▪ NAFTA and Other Free Trade Agreements, State College, Feb 21
  ▪ Export Documentation, Pittsburgh, March 8
  ▪ REACH – A Chemical Regulation Compliance Event, Pittsburgh, March 22
  ▪ Export 101, Lewisburg, April 4
  ▪ Export Finance, Philadelphia, April 18
Expert Hotline

- **One-on-one counseling** over the phone or by email
- **Free-of-charge**
- **Topics:**
  - Domestic Export Compliance
  - Logistics
  - Trade Finance
  - Foreign Government Compliance
  - Legal - pending
Trade Events

• 20+ trade shows and missions a year

• Benefits of participating in Commonwealth-sponsored trade events:
  ▪ Cost effective
  ▪ Convenient & time efficient
  ▪ Low risk
  ▪ Assistance with follow-up

• Trade show vs. Trade missions
Financial Assistance – Global Access Program (GAP)

• **50 / 50 matching grant program**
  - Awards of up to $5,000 per company per year
  - No lifetime limit

• **Qualifying Expenses Include:**
  - Expenses associated with international trade missions, trade shows and individual business trips
  - Consulting fees
  - Subscription to DOC services
  - Product Certification fees
  - Website internationalization, etc.
Your Local Point of Contact

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