Legislative Committee on Economic Development and International Relations

Lt. Governor Brad Owen

Spokane, WA

August 3, 2004

Presentation outline:

- International Trade in the Spokane Region
- Overview of International Trade Alliance
  - Mission
  - Structure
  - Programs
  - Projects
- Policy issues

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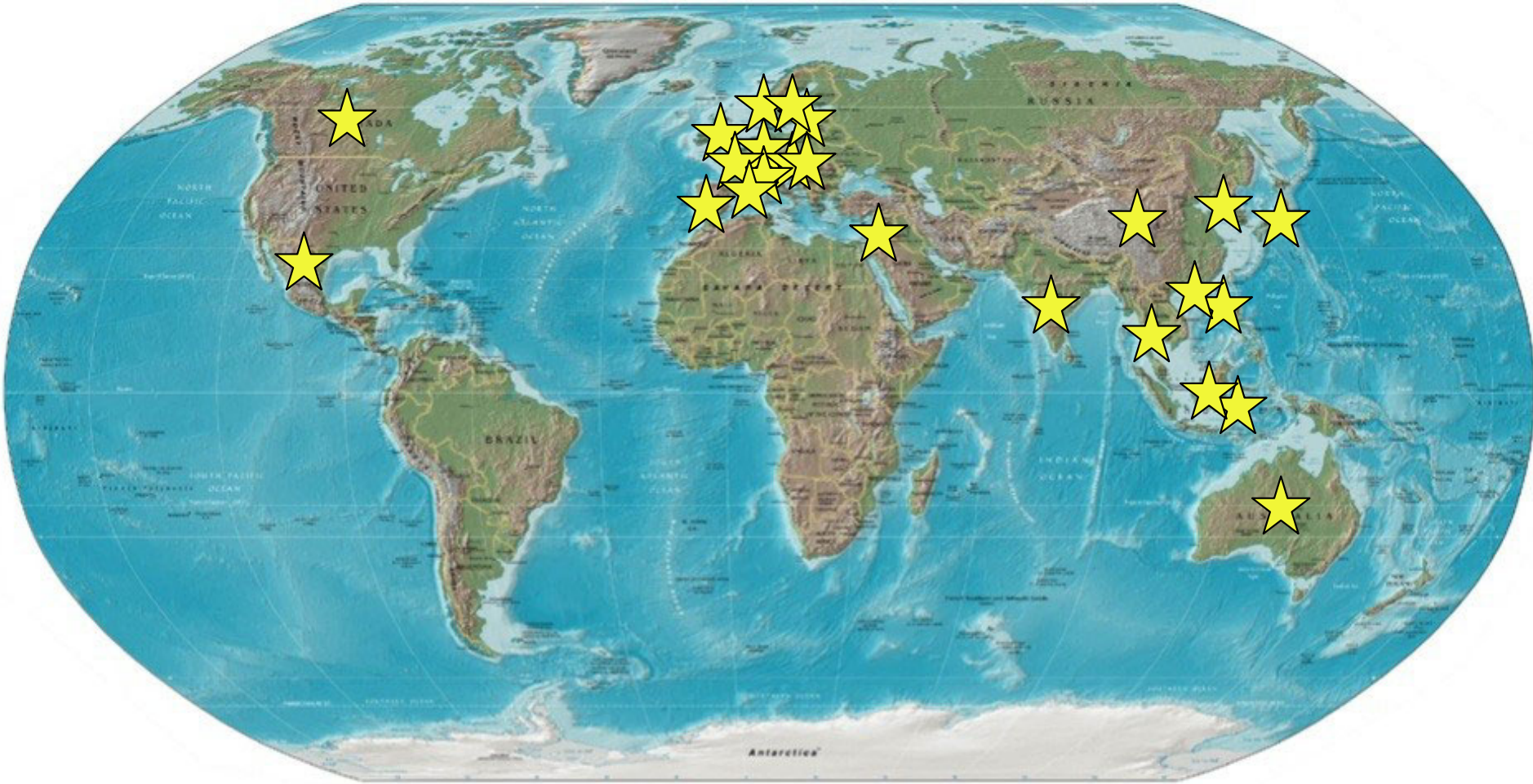
Esterline AID™
Advanced Input Devices
AN ESTERLINE COMPANY



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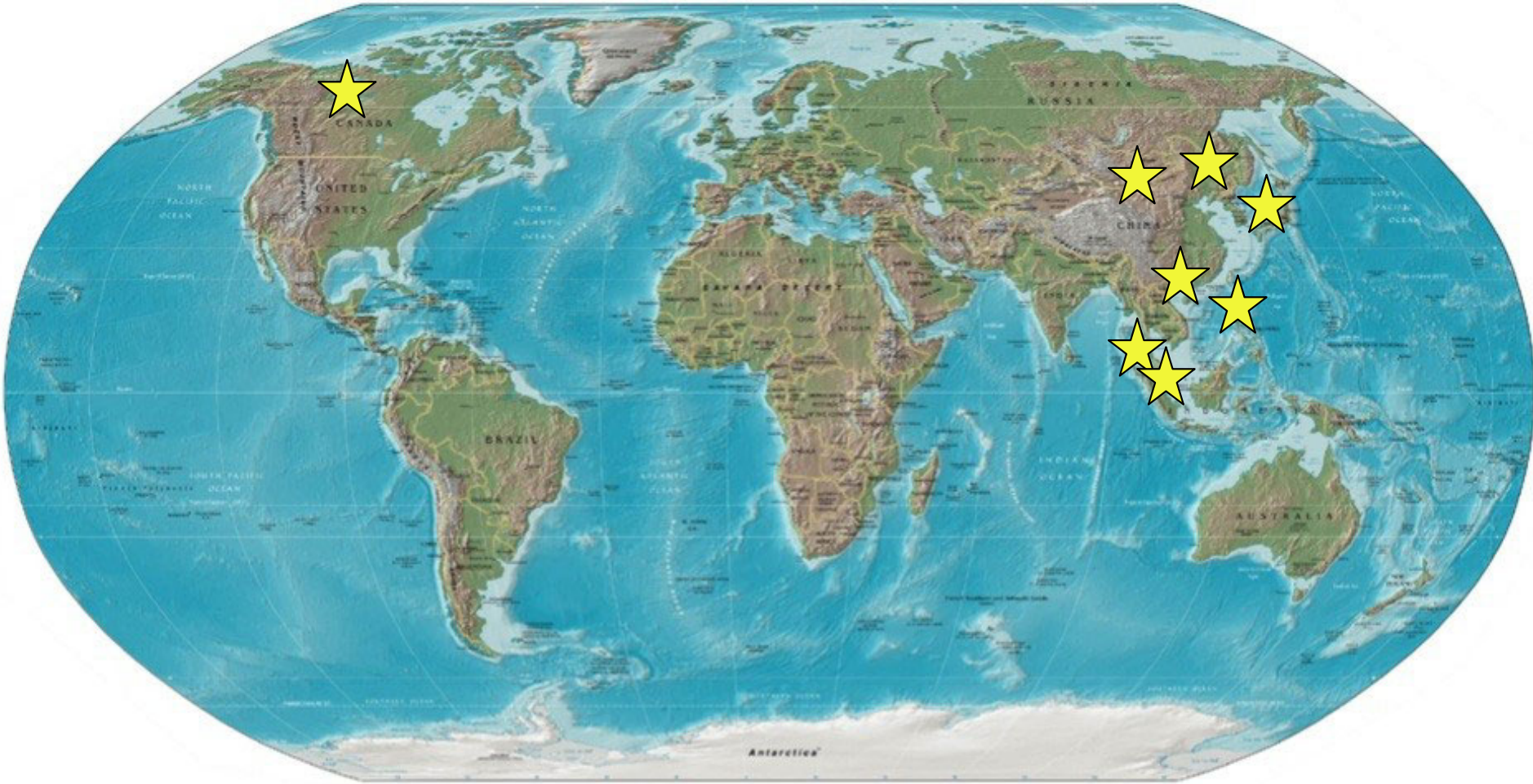
Asia Information Associates



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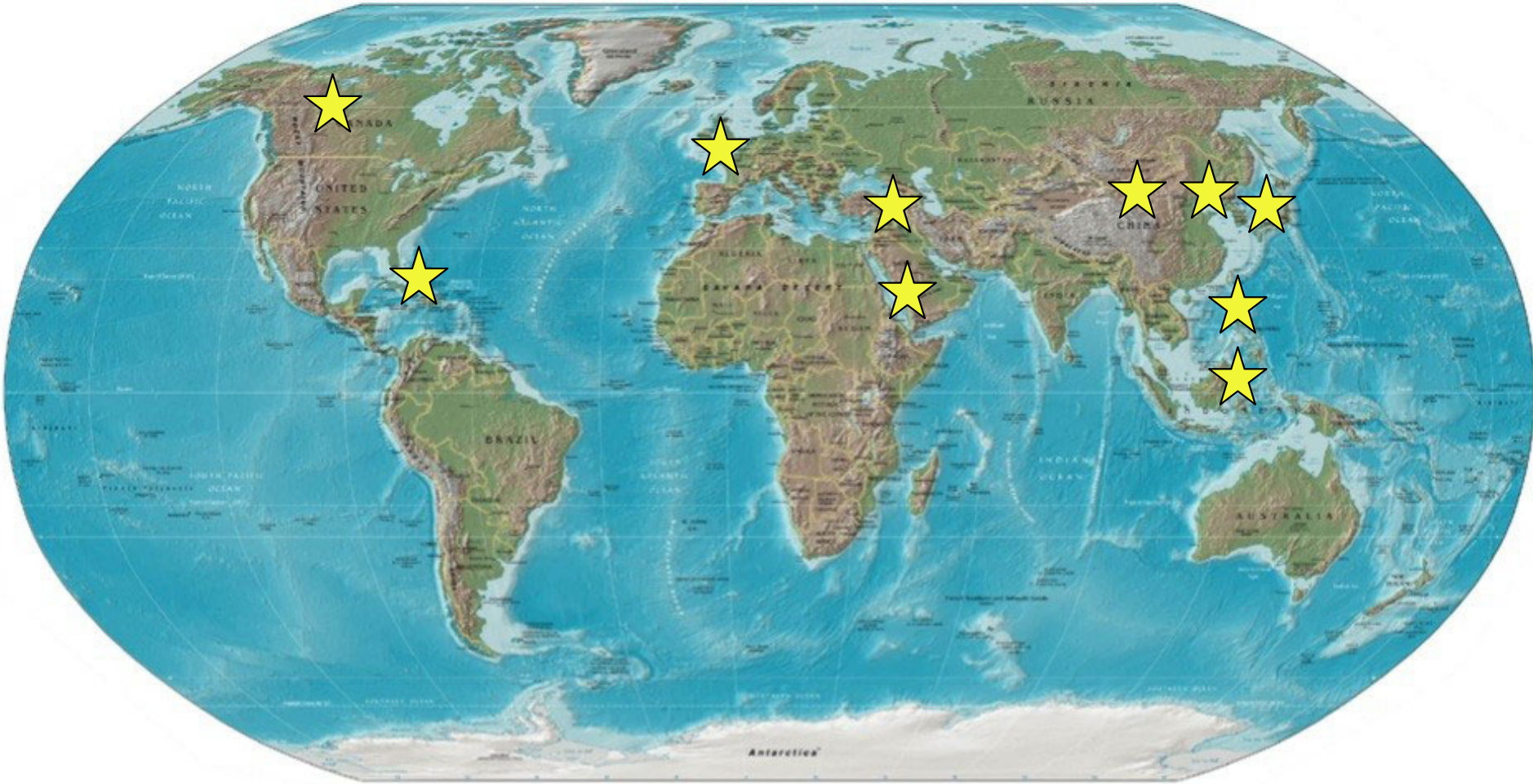

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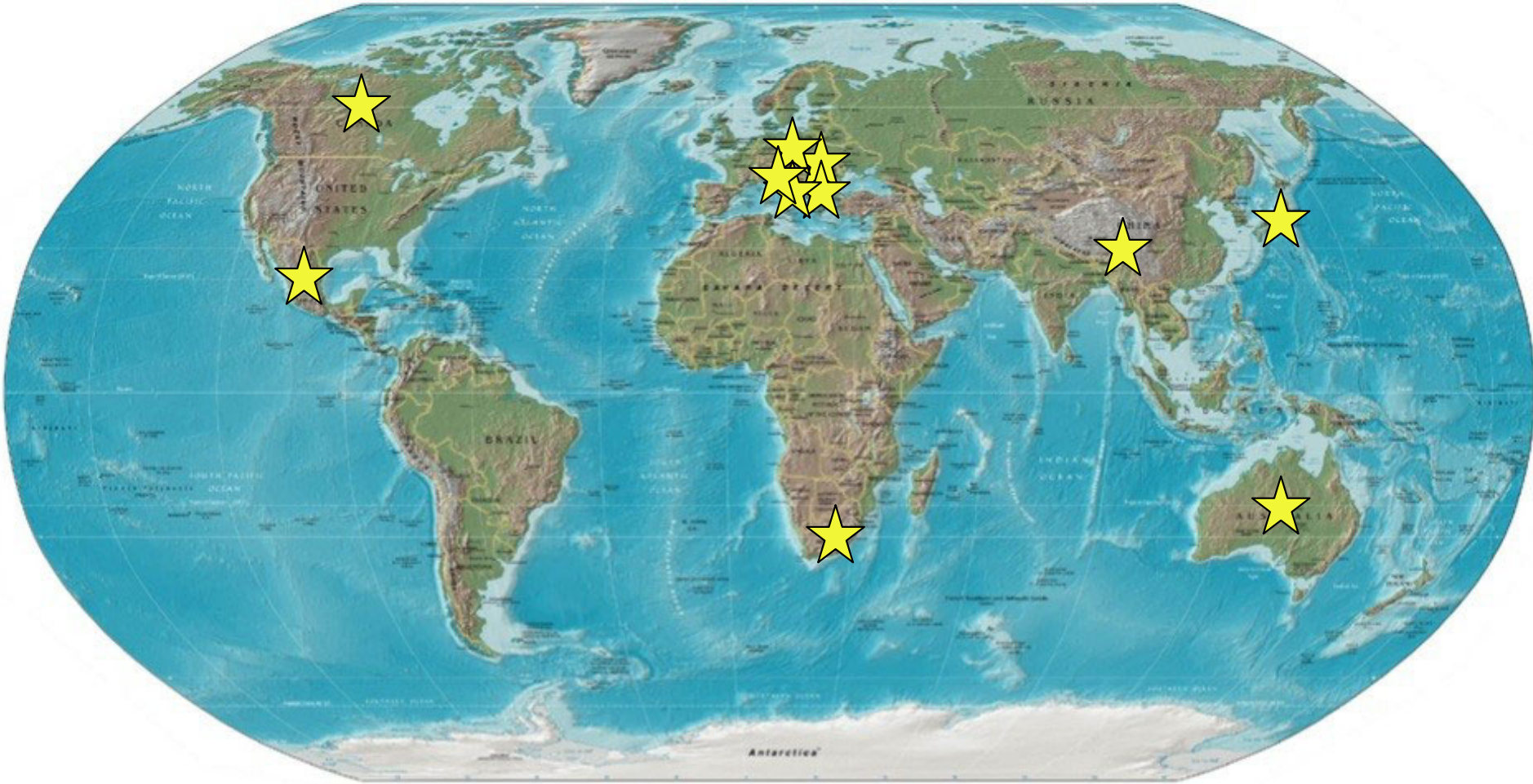

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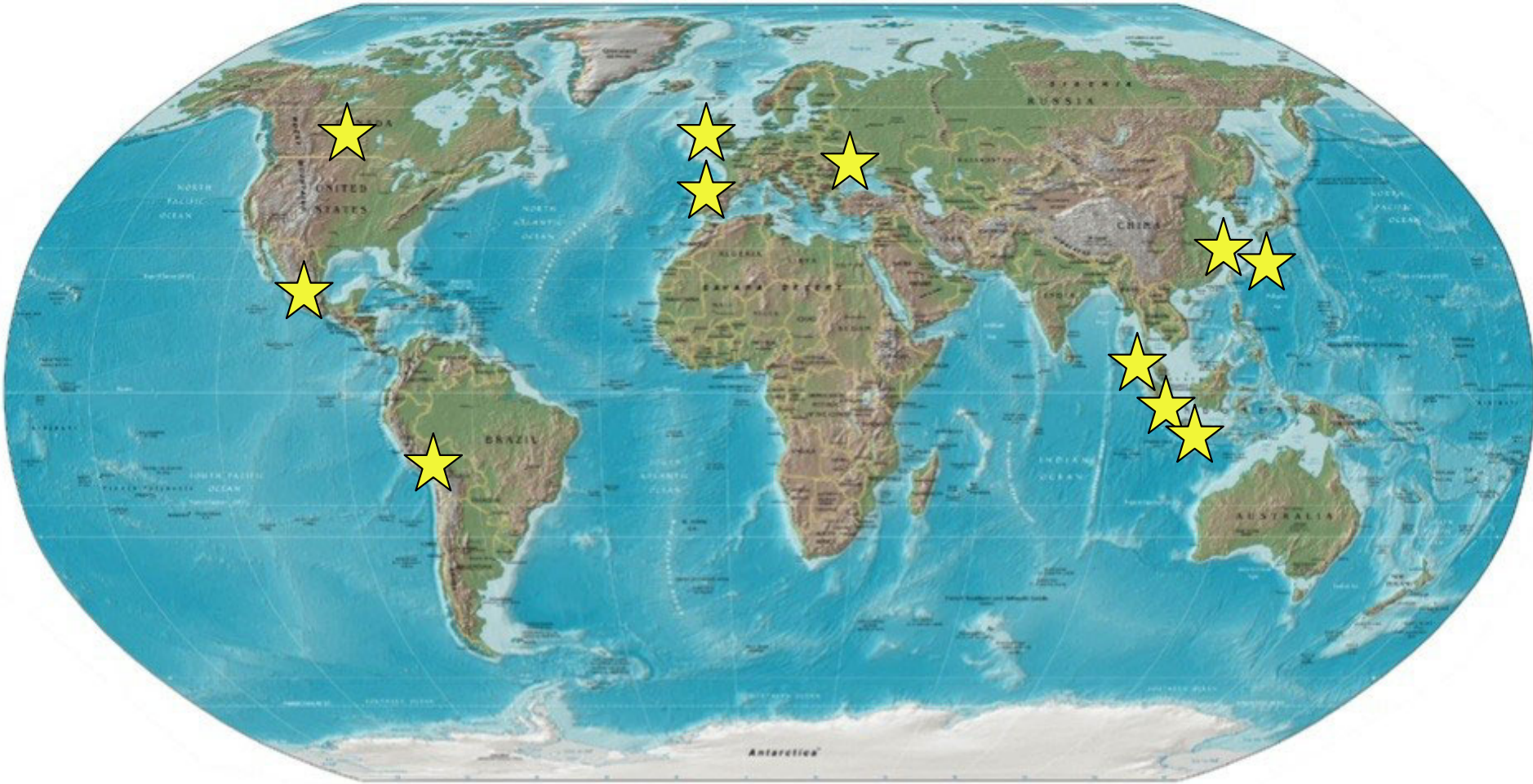
Export Finance Assistance Center
Of Washington



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FedEx Freight

FedEx Trade Network

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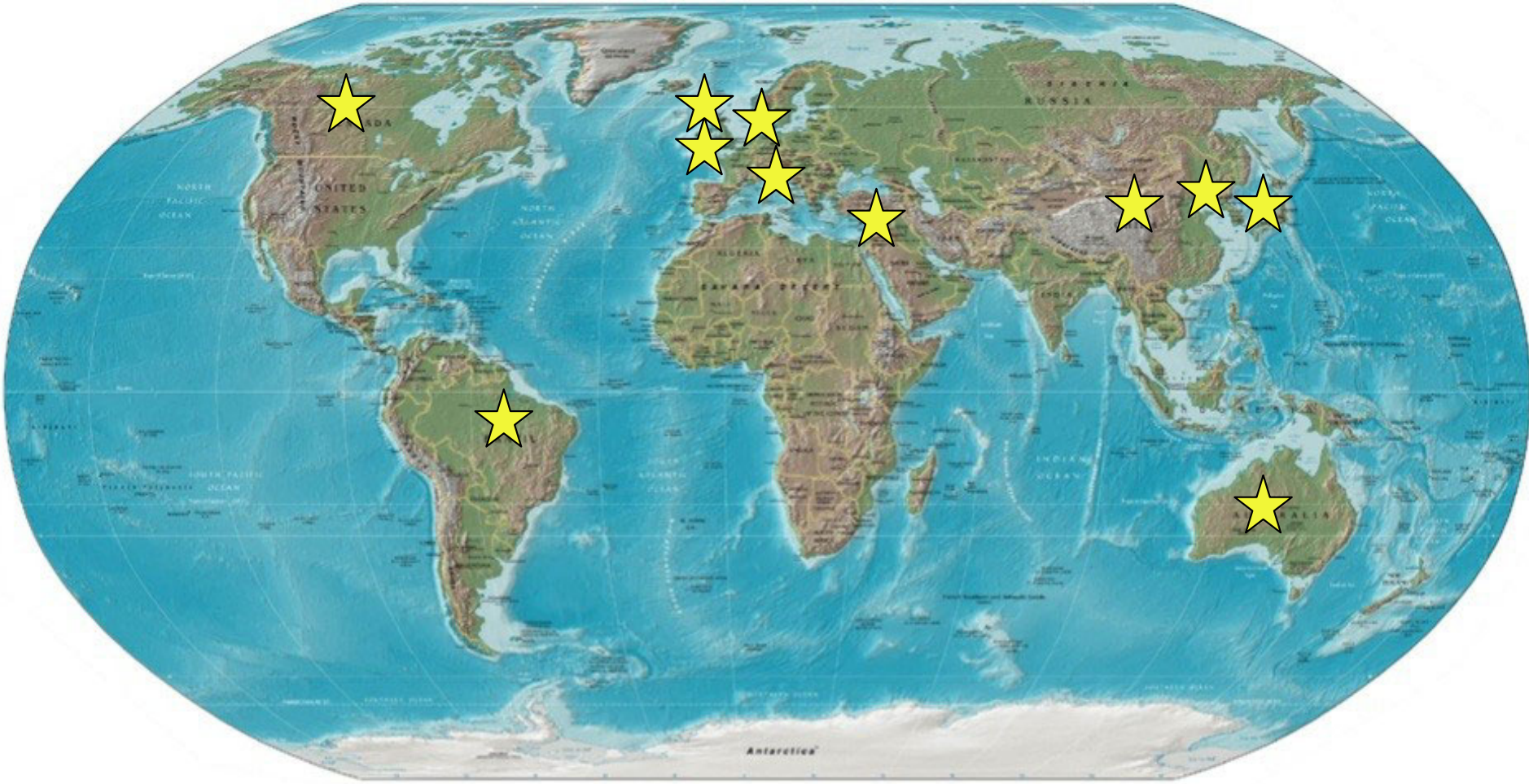

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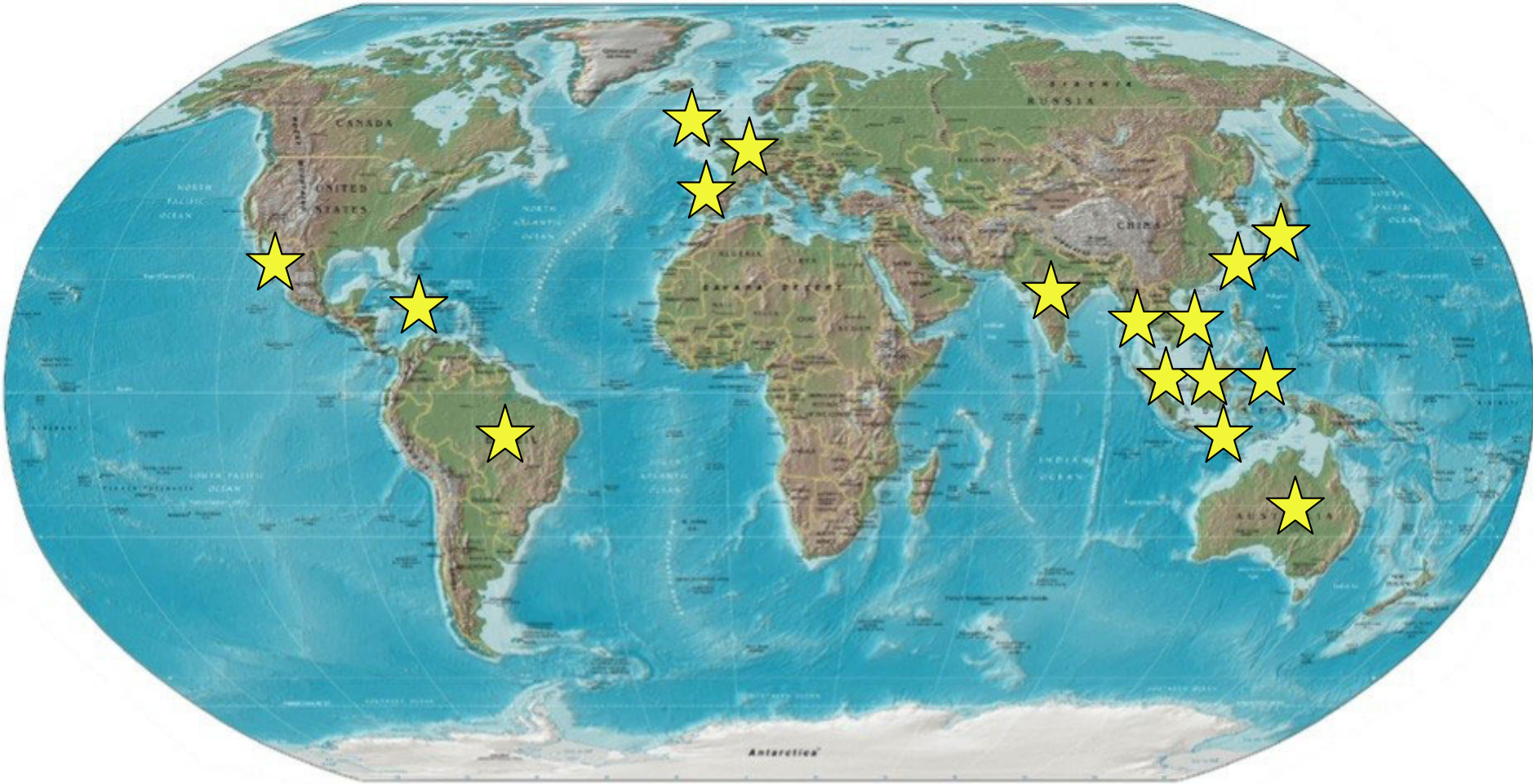

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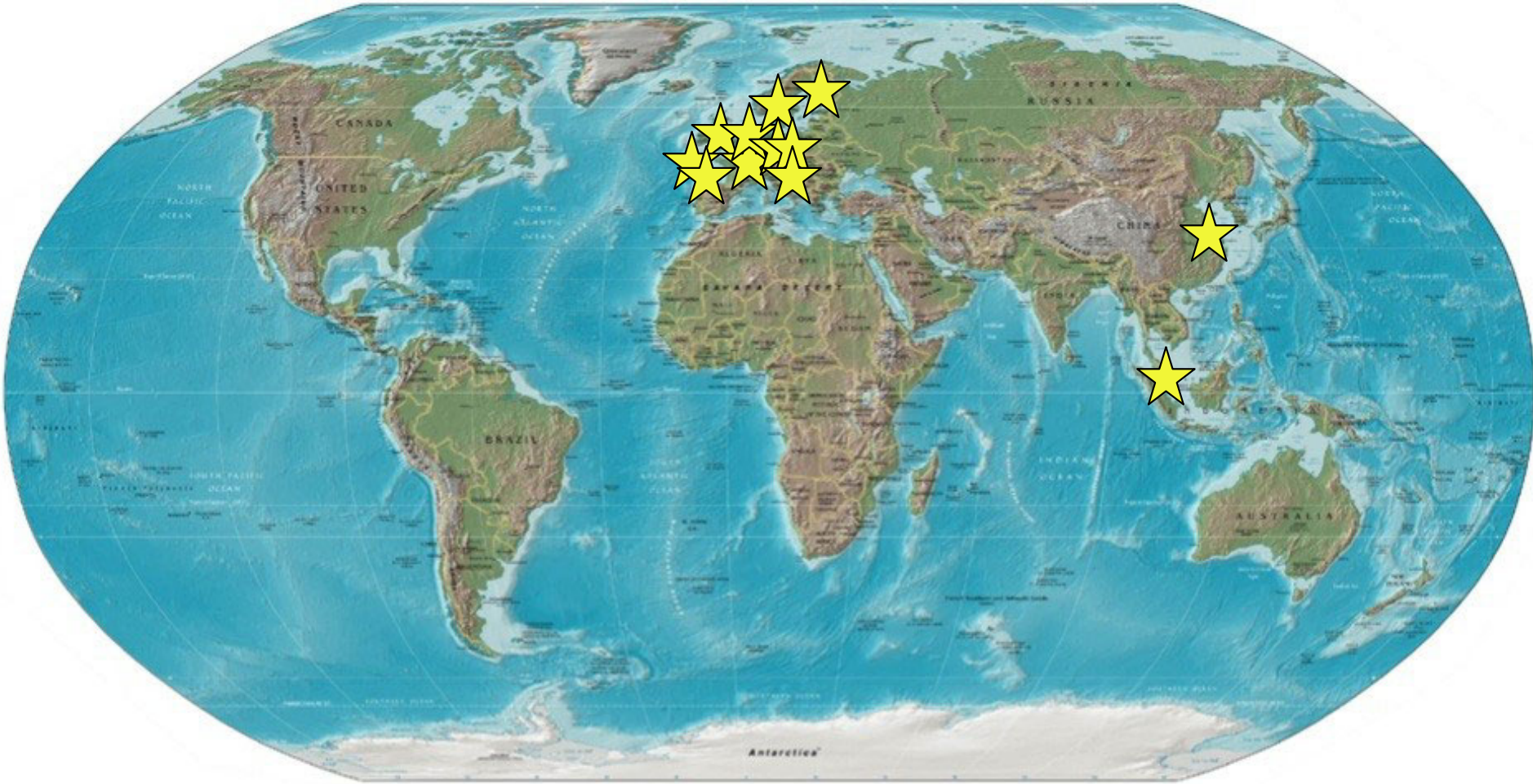

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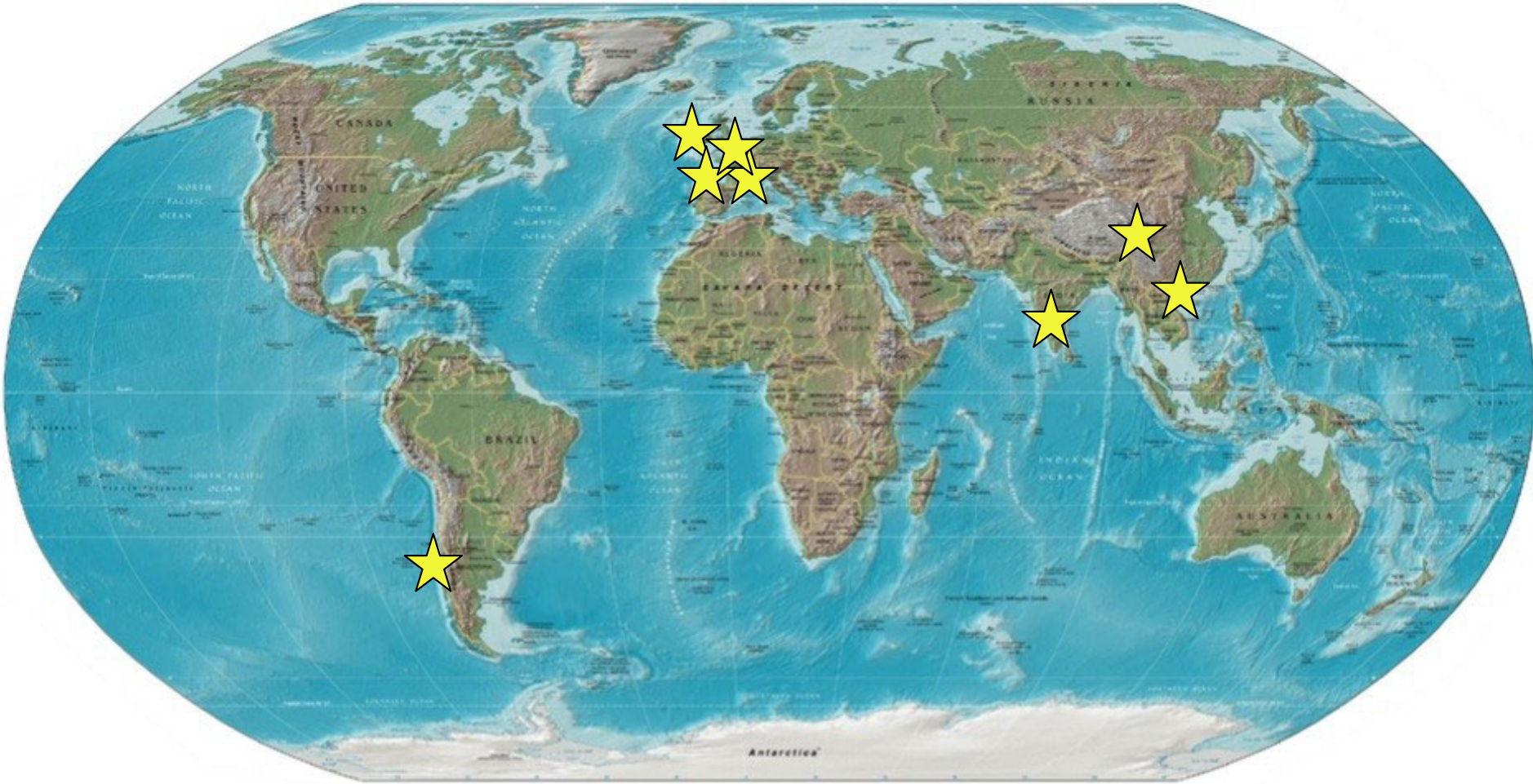

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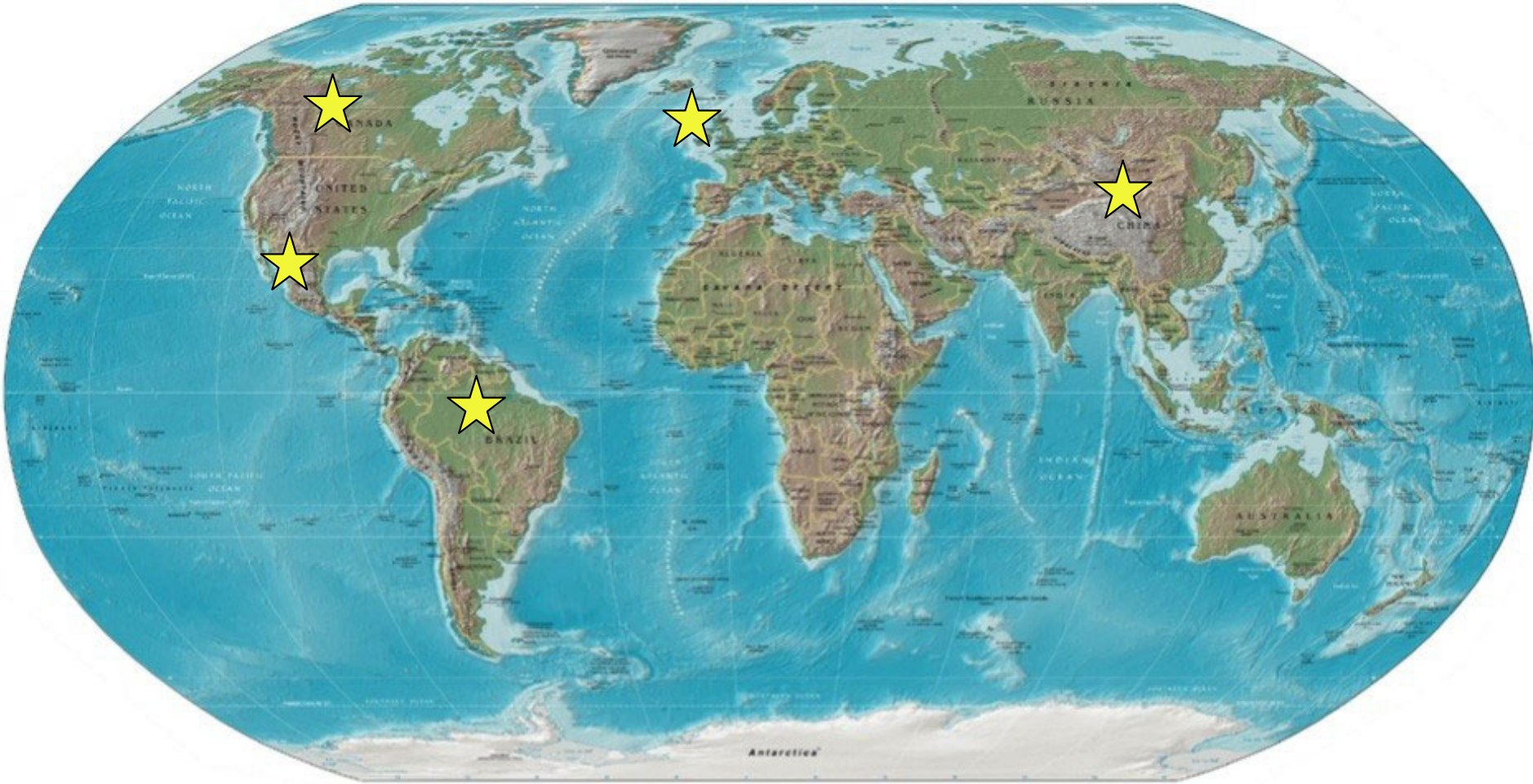
Paine Hamblen Coffin Brooke & Miller LLP



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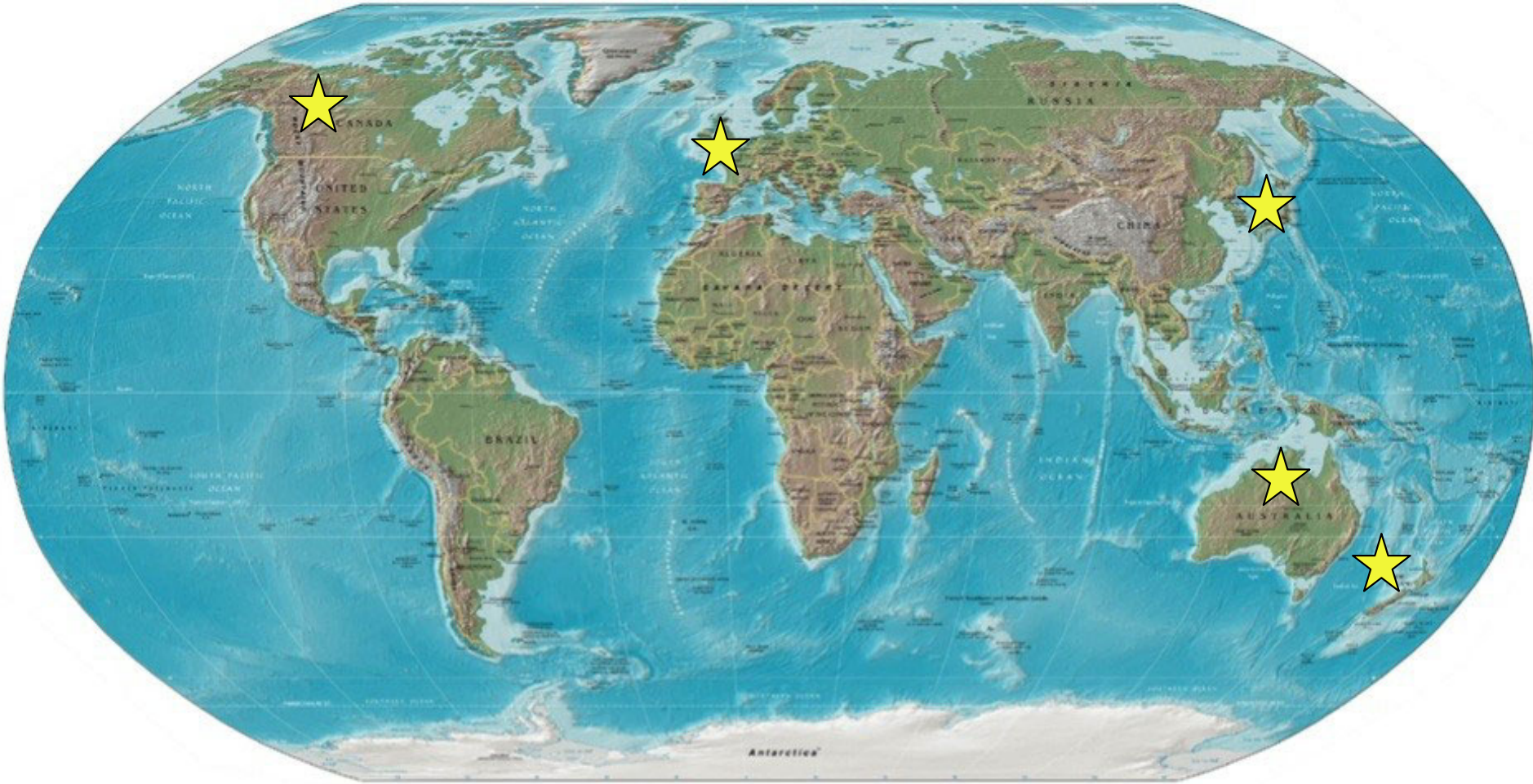
Rings & Things

Jewelry Supplies for Professional Craftspeople



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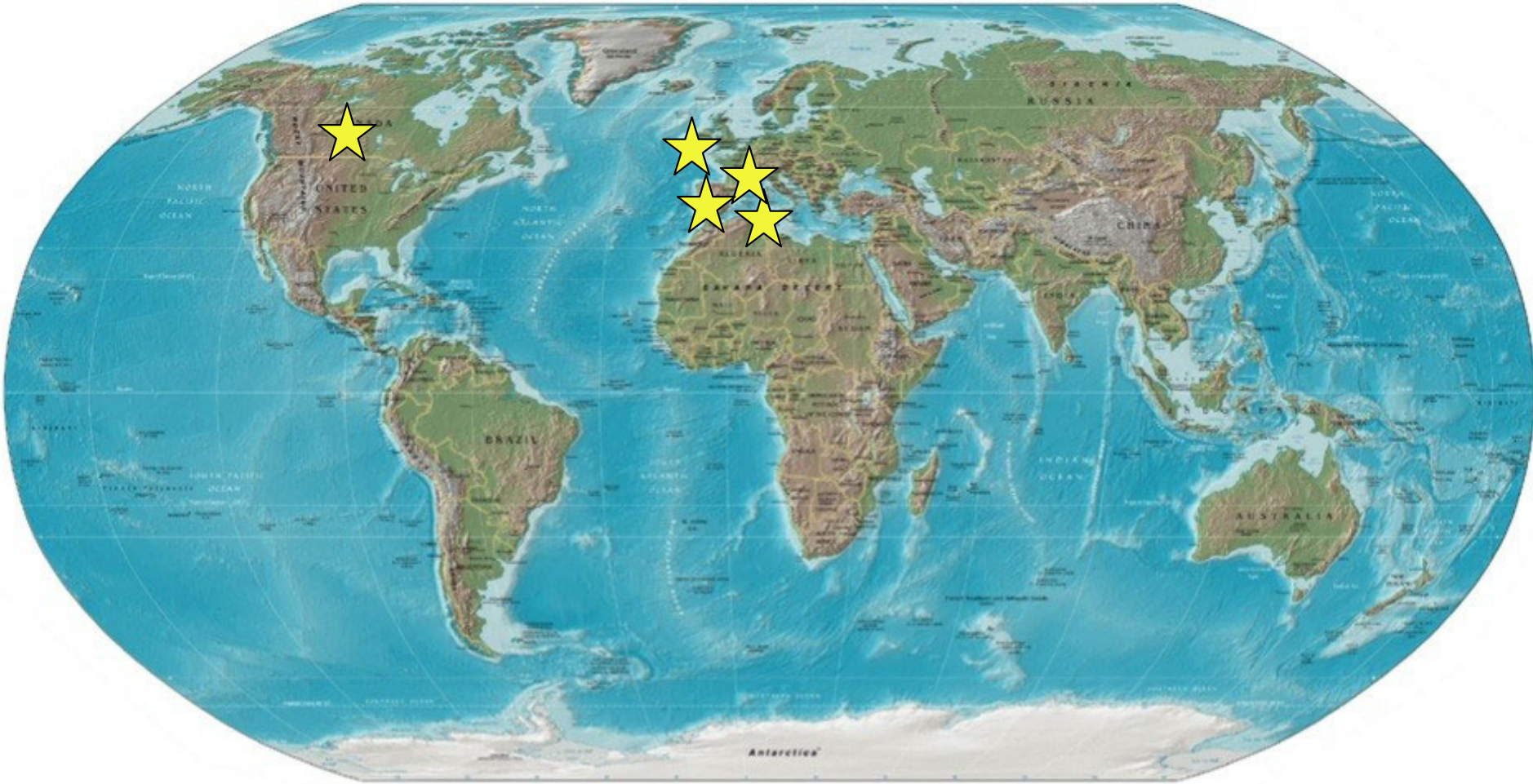

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Thompson Immigration Law Associates

Providing Global Immigration Solutions
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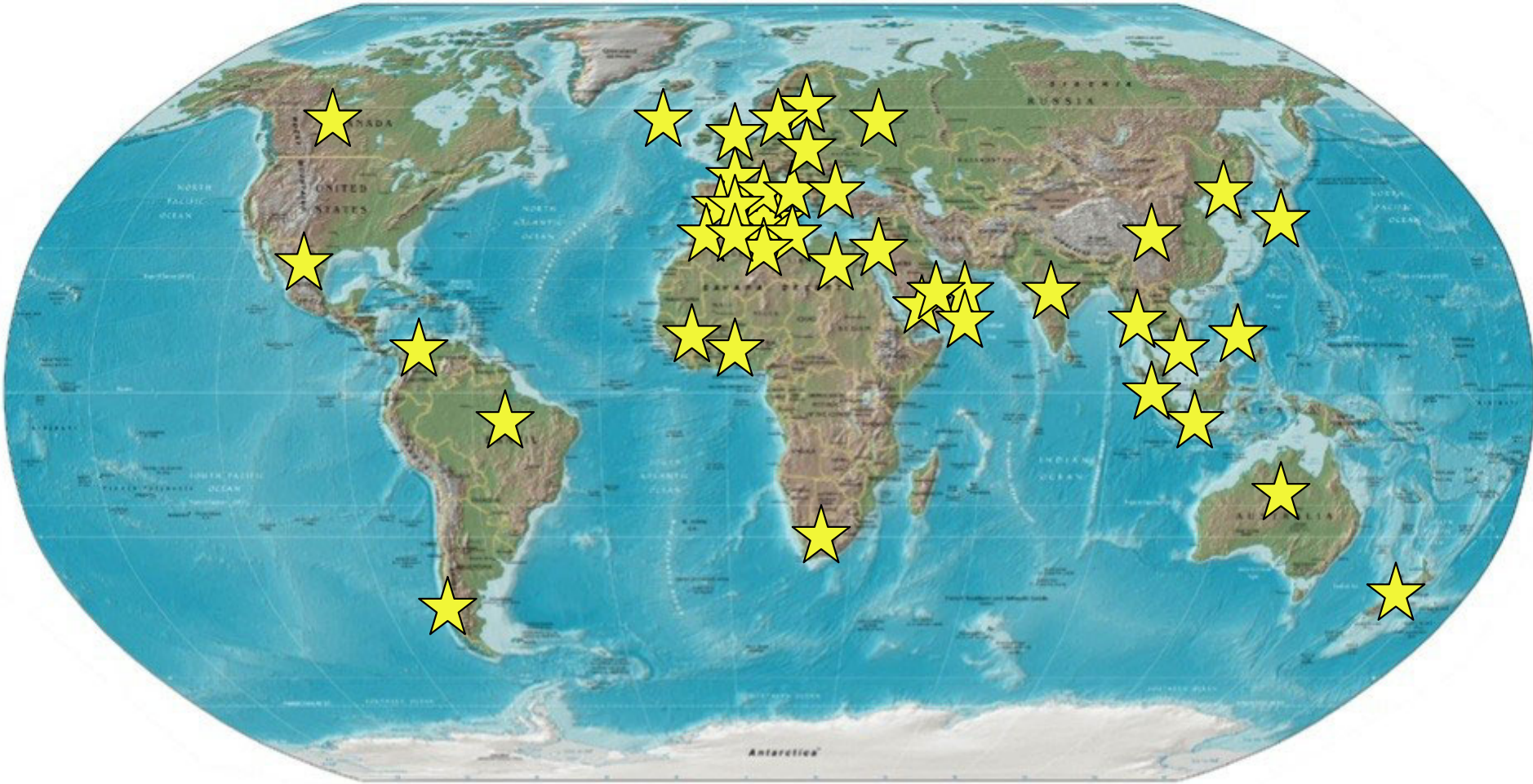

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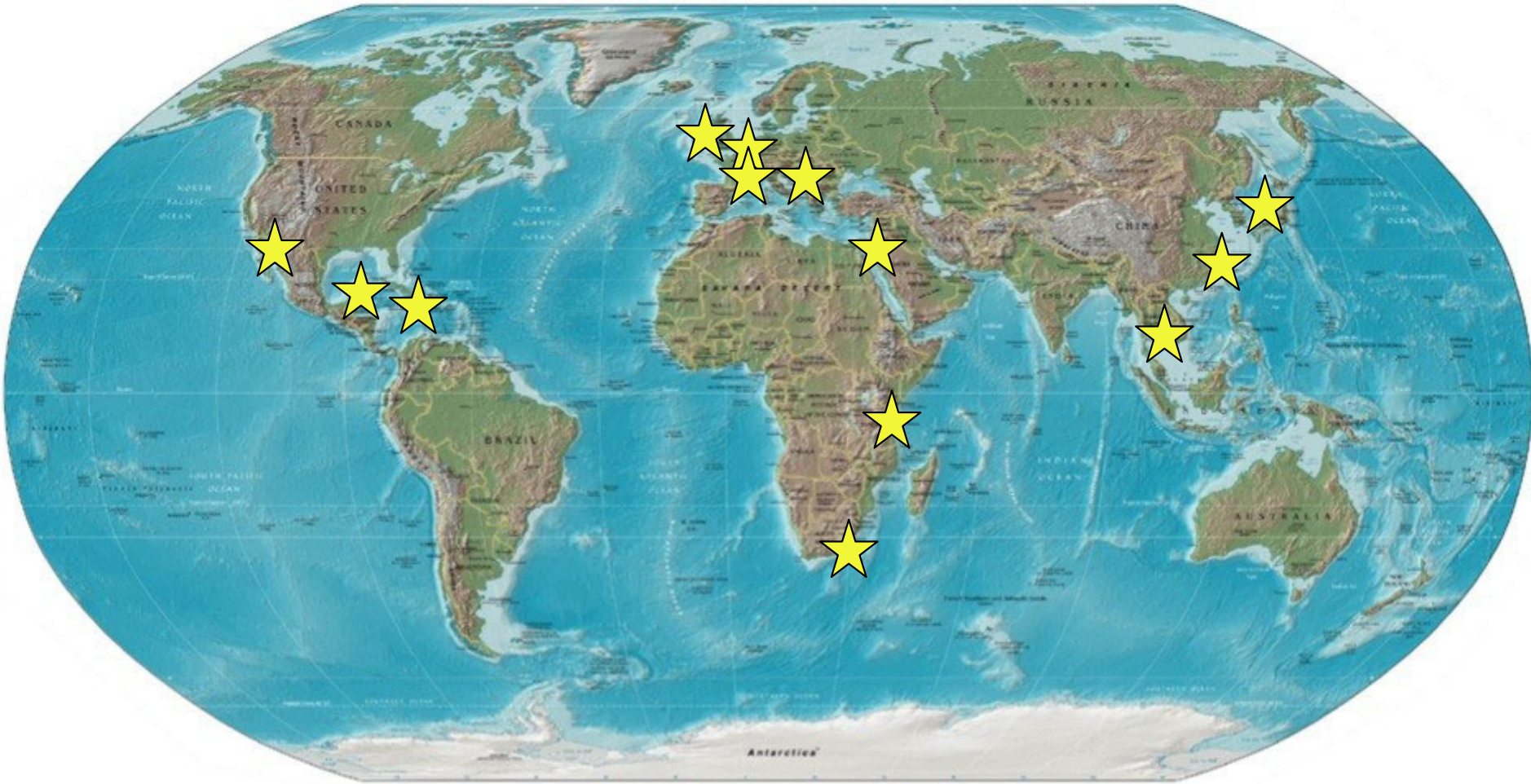

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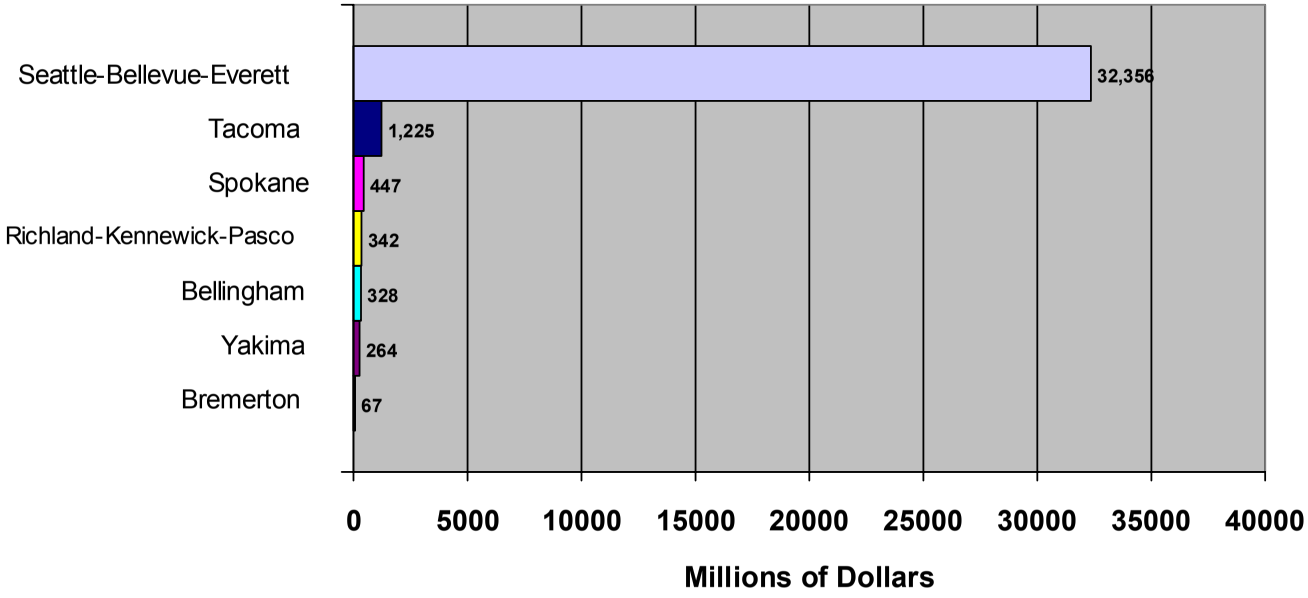
he Reach of the Spokane Region Spans the Globe

THE SEATTLE-BELLEVUE-EVERETT METRO AREA POSTED EXPORTS OF $32.4 BILLION IN 1999



Source: U.S. Department of Commerce, Exporter Location Series

Statistics from 2003 ITA Annual Survey

Majority of respondent companies fell into these industry categories:

(324 companies)

Machinery manufacturer	7.4%
Miscellaneous manufacturer	24.1%
Professional/technical services	7.4%
Remaining 16 categories	61.1%

(each remaining category represented less than 7.4%)

Of the respondent companies annual sales categories are as follows:

(248 companies)

Less than $1 million	12%
$1 to $5 million	15%
$5 to $10 million	6%
over $10 million	67%

Percentage of 2002 annual revenue that represents export sales:

Exports = < 5%	35%
Exports = 5 to 15%	45%
Exports = over 15%	20%

2002 Export Sales

Decreased	34%
Stayed the same	43%
Increased	23%

Projected 2003 Export Sales

Decreased	16%
Stayed the same	41%
Increased	43%

Top Export Markets

1. **Canada**
2. **Japan**
3. **Mexico**
4. **China**
5. Chile
6. Germany
7. UK
8. Taiwan
9. France
10. Italy
11. New Zealand

New Market considerations

1. **China**
2. **Mexico**
3. **Germany**
4. **Canada**
5. France
6. Australia
7. Brazil
8. Japan
9. Taiwan
10. UK
11. Chile

2004 Survey

- Will be completed September 2004
- New question asks what trade assistance would be most helpful:
- Results are indicating:
  - Market research
  - Finding distributors

- **Mission:** … to develop and expand international markets and trade in the Inland Northwest businesses while enhancing the image and competitiveness of the region as an international community.

Major Stakeholders

City of Spokane

CTED/ITD

Membership

Spokane County

City of Spokane Valley

City of Liberty Lake

What we do:

ITA ***open doors*** to international trade for Inland Northwest companies looking to grow business in foreign markets:

- Maintains established relationships with domestic and foreign trade associates including ties to government, industry, cultural organizations
- Provides networking opportunities
- Develops and participates in Trade Missions

What we do:

This region's ***go-to resource*** for knowledge and expertise about doing business in the global marketplace:

- Provides resources that simplify, ease and aid firm's trade efforts such as technical information and assistance
- Partners with public and private organizations/entities; connects to other resources
- Conducts seminars, workshops and information sessions
- Provides one-on-one consulting
- Provides market-readiness assessment and market research
- Assists in breaking down cultural barriers

What we do:

A ***vital economic development tool*** that helps companies expand and boosts economic growth throughout the Inland Northwest:

- Success measurements are economic; comes when regional firms compete effectively in international markets
- Global trade is increasingly important
- Company expansion means new monies for the region
- Partners with variety of organizations and entities in public and private sectors to achieve goals
- This region's only Non-profit, trade promotion organization

Special Projects

- International Student Initiative
- Distribution Center
- International Airport cargo expansion
- Foreign Trade Zone
- U.S. Customs container inspection site
- Trade Missions
- Committee Canada – Oil Sands

Overview of ITA contract with CTED/ITD

ITA will provide trade services such as:

- **market intelligence**
- **trade related programs**
- **conferences**

to companies in the Spokane region and also refer companies in region to ITD and other partner organizations, and trade events programming.

ITA programs specifically enhanced by CTED $$

- Client Profiles and lists
  - Annual survey
  - Database maintenance
- Referrals and Clearinghouse
  - Connecting businesses with global markets
- Trade Seminars
  - Workforce development
- Trade Promotion
  - Public awareness
- Special Projects

International Trade Alliance

Connecting businesses with global markets

- This is a partnership the state asked for in order to address the lack of international development and resources in Eastern Washington
- The state taps into the ITA's contacts, reputation, and unique knowledge of the region
- State gains the benefit of providing services to Eastern Washington companies without the extreme expense of establishing an office in Spokane
- State funds ITA to expand Eastern Washington's capacity for international trade and focused business development

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- Funding of Spokane ITA enhances *One Washington* economic development concept
- International trade is key economic development driver for Eastern Washington economy
- International trade funding keeps Eastern Washington in the game

What we need to improve the balance of trade in Eastern Washington:

1. Broader educational programs that will help companies understand the value of and opportunities for international trade
2. More resources to help smaller firms meet their challenges
3. Substantial, sustained support