



EXPORTNews

"Your Partner in Exporting"

September/October 2004

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ATLANTA U.S. EXPORT ASSISTANCE CENTER WEBSITE

The Atlanta U.S. Export Assistance Center now has its own website! For your information on current export topics, links to export trade resources, our monthly newsletter and upcoming local events, visit us at:

<http://www.buyusa.gov/georgia/>

EXPORTNews is the monthly newsletter of the U.S. Commercial Service, U.S. Dept. of Commerce in Atlanta. It is distributed by email and winfax. To correct, add or delete an address, send complete contact information to the Atlanta USEAC at the email address or fax # above.

MARKET OF THE MONTH: Portugal



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WHY PORTUGAL?

Portugal has become a diversified and increasingly service-based economy since joining the European Community in 1986. Although Portugal is a European country it looks towards the Atlantic and to trade with others. U.S. exporters have increasingly found this market to be receptive and eager for their goods. Best prospects for U.S. exporters include telecommunications, computer and software, Internet and e-commerce, medical equipment, and more.

Learn more about this market:

http://www.export.gov/comm_svc/press_room/marketofthemoth/portugal/portugal.html

New Name and Address for the Georgia Department of Industry, Trade and Tourism is.....

Georgia Department of Economic Development (DEcD)

75 Fifth Street, N.W.

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**Commerce Under Secretary Aldonas
Launches New Tools to Help U.S.
Small and Medium-Size Exporters Take Advantage
of
China's Growing Market**
*China Business Information Center provides U.S.
firms with "one-stop shopping" for exporting;
American Trade Centers will help U.S. firms compete
for infrastructure projects*

BEIJING, China – In China with a delegation of U.S. manufacturers led by National Association of Manufacturers president Jerry Jasinowski, Under Secretary of Commerce for International Trade Grant Aldonas today unveiled new tools to help U.S. companies expand exports to China's growing market – the China Business Information Center, American Trade Centers and the Global Supply Chain Initiative. According to U.S. Commerce Department trade statistics, through June of this year, U.S. exports to China are up 36 percent over the same period last year, making China one of the fastest-growing U.S. export markets, and the sixth-largest U.S. export market overall. Last year, China's worldwide imports increased by more than 40 percent.

"Free and fair trade helps create jobs at home by opening foreign markets to American exports, but one of the biggest hurdles U.S. small and medium-size companies (SMEs) face in trying to export to China is a lack of information," said Aldonas. "Eighty-six percent of all U.S. firms exporting to China are small and medium-size enterprises, and these new resources are part of the Bush administration's commitment to helping smaller firms expand exports and create new jobs for Americans."

The China Business Information Center (BIC) is the first comprehensive U.S. federal government resource aimed at helping American businesses take advantage of China's rapid integration into the global economy. The BIC offers clients access to counseling with trade specialists in the United States, referrals to USFCS officers in China, and helps channel trade leads to clients through U.S. Export Assistance Centers. The BIC consists of an 800 number that the public can use to speak with a China specialist; a website with China-focused information and export tools; and a series of outreach events planned throughout the United States.

The China Business Information Center at <http://www.export.gov/china> is located within the Commerce Department's U.S. Foreign and Commercial Service (USFCS) and features practical information that the American exporter can use to achieve tangible commercial results including: country and industry-specific information, exporting steps and tips, current market research, timely export leads, upcoming trade events, and vital regulatory information enabling U.S. exporters to undertake the following activities:

- Promote products and services to qualified Chinese buyers, distributors and agents;
- Understand Chinese laws, regulations and customs;
- Collect world-class market research;
- Develop new or additional business relationships in China;
- Initiate the basic steps to enter the Chinese market; and
- Resolve trade disputes.

The American Trade Centers program increases the Commerce Department's ability to help U.S. companies tap into export markets in second-tier but very large commercial centers in China, such as Wuhan, Nanjing, Dalian, Chongqing, and Xiamen. The program devotes increased resources, including personnel, to promoting U.S. business exports to China, where the Commercial Service already has the largest staff of any U.S. Commercial Section in the world. The American Trade Centers program will link U.S. firms with regional and local authorities and the Chinese business community in these commercial hubs, helping U.S. firms take advantage of opportunities to compete for major infrastructure projects and sell directly to Chinese importers by providing targeted market research, counseling, introductions, and representation at trade shows.

The Global Supply Chain Initiative is aimed to help U.S. small businesses identify global supply chains that will take American manufactured goods overseas. As part of this initiative, the Commercial Service will conduct a series of sector specific trade missions involving tier 2 and tier 3 suppliers to major manufacturing centers around the world. The first will be an auto parts trade mission this spring to China. In addition, Commercial Service officers in key manufacturing cities will reach out to large non-U.S. multinational companies to identify the companies' needs and inform U.S. small businesses of these potential opportunities. Since most small businesses only have one or two companies they supply, the Commercial Service is developing a CD and seminar program on how to access global supply chains in conjunction with the Department's Manufacturing Extension Partnership program.

To highlight these new tools and encourage U.S. small businesses to consider exporting to China, The Commerce Department is holding a series of outreach events throughout the United States in the coming months. At the outreach events, the Commerce Department will explain how the BIC website can assist new market entrants, highlight market opportunities, and address challenges to entering the China market. For more information on the China BIC, please visit <http://www.export.gov/china> or call **800-872-8723**. Information about China BIC outreach events can be found on the *Trade Events* section of <http://www.export.gov/china>.

Recent Trade Legislation: Promotion and Compliance for the Australia and Morocco FTAs and AGOA 3

The U.S. Congress has recently passed three new pieces of trade legislation. This presents new opportunities for U.S. exporters in some very different markets: Australia, Morocco and Sub-Saharan Africa. The Australia and Morocco free trade agreements (FTA) are expected to go into effect on January 1, 2005, and the President signed the African Growth and Opportunity Acceleration Act ("AGO 3"), which enhances and extends the earlier legislation to 2015.

The Australia and Morocco FTAs offer the most significant immediate reduction of industrial tariffs ever achieved in free trade agreements with a developed and a developing country, respectively. They will provide immediate benefits for America's manufacturing workers and companies and substantial benefits in a broad range of other sectors as well. Markets for services such as life insurance and express delivery will be opened; intellectual property will be better protected; American investments will be facilitated through predictable access and a stable business environment. American firms will be allowed to compete for Australia's and Morocco's government purchases on a nondiscriminatory basis for the first time.

To read summaries of the agreements:

http://www.ustr.gov/Trade_Agreements/Bilateral/Australia_FTA/U.S.-Australia_FTA_Summary_of_the_Agreement.html
www.ustr.gov/Document_Library/Fact_Sheets/2004/Free_Trade_with_Morocco_A_Vital_Step_Towards_Middle_East_Reform.html

To see what products a particular state is selling to these two markets:

<http://www.ita.doc.gov/td/industry/otea/australia/oz-ex.html>
http://www.ustr.gov/assets/Document_Library/Fact_Sheets/2004/asset_upload_file116_5570.pdf

To access the Trade Information Center's information tailored to the needs of exporters:

<http://www.ita.doc.gov/td/tic/fta/INDEX.HTM>
<http://www.ita.doc.gov/td/tic/fta/australia/>
<http://www.ita.doc.gov/td/tic/fta/morocco/index.htm>

AGO 3 offers eligible countries the most liberal access to the U.S. market available to any countries other than those with which the U.S. has free trade agreements. Besides expanding trade preferences, AGO 3 supports U.S. business by encouraging reform of Africa's economic and commercial regimes. It offers tangible incentives for African countries to continue their efforts to open their economies and build free markets, which will build stronger

markets and more effective partners for U.S. firms. The Commerce Department participates in the annual AGO 3 eligibility review, in which the U.S. Government assesses the progress that the Sub-Saharan African countries have made in terms of their reforms – including the elimination of barriers to U.S. trade and investment. If U.S. companies experience difficulties resolving disputes, receiving national treatment or protecting their intellectual property rights, the AGO 3 eligibility review can be used as a tool to address these problems.

More information on AGO 3, including a copy of the legislation and a list of eligible countries, can be found at <http://www.agoa.gov>.

If you have any questions, please be sure to contact Australia Desk Officer George Paine at (202) 482-2471 or x3668, Morocco Desk Officer David Roth at (202) 482-2680. Becky Erkul can assist you with questions regarding AGO 3 at (202) 482-5148.

MOST FREQUENTLY ASKED QUESTIONS:

How do I get a grant to start my exporting business? The SBA does not offer grants to start or expand small businesses, although it does offer a wide variety of loan programs. Refer to website <http://www.sba.gov/financing> for more information on financing. Limited grant programs are only available for very specific purposes and can be viewed at <http://www.sba.gov/expanding/grants.html>.

1. Can you provide me information on starting my import/export business? The Service Corp of Retired Executives (SCORE) and the Small Business Development Center (SBDC) conduct regular training sessions on how to start your own business including some specifically designed for the import/export business. They have many other programs scheduled as well as one-on-one counseling. You can register for these programs at <http://www.scoreatlanta.org> or call 404-331-0121 or 678-407-5385.
2. Do I need an export license to export my product? It depends on your Export Control Classification Number (ECCN). Most products fall under Export Administration Regulation (EAR) number 99 and normally do not require a license when shipping to most destinations. Specific information is available at <http://www.bis.doc.gov> or by calling 1-800-USA-TRAD(E) (1-800-872-8723).

3. Just what does your organization do over there?
We are a partnership of Federal and State organizations that offer a broad range of export assistance services from counseling, to marketing, to financial assistance and most of these services are provided free-of-charge or at a minimal cost. You can find out more about us at <http://www.georgia.org> or <http://www.export.gov>. Our Export Assistance Centers are listed at <http://www.sba.gov/oit/export/useac.html>.
4. What is the procedure to apply for a loan through SBA? All of our loan programs are simply guarantees to lenders so you must have a lender willing to put up the money with an SBA guaranty for us to help with the financing. We do work closely with the Small Business Development Center (SBDC) to help you prepare the initial information needed to take to your lender. Your best shot at obtaining a loan is your first presentation unless you already have a close relationship with the lender. Therefore, you need to have updated financial statements and a detailed business plan showing what the funds are needed for and how it will help your company grow and pay the loan back.
5. If my lender agrees to do the loan without SBA what is the advantage to go through SBA? If the lender agrees to loan you the money without SBA, there is no big advantage to obtaining the guarantee. However, the lender may be able to increase the payback period to help your company's cash flow or if the lender cannot do the deal, the SBA guaranty may be what is needed to allow them to finance your project.
6. If I ship overseas, how can I make sure I get paid? There are several ways to protect you from non-payment by a foreign buyer. These range from payment in advance to Letters of Credit to Documentary Collections to Open Account with receivable insurance. The details of the type of transaction your company has and the product being sold may indicate the best method of making sure you are paid. Our publication, Bankable Deals, contains details on the methods and can be obtained at <http://www.sba.gov/oit/>. A discussion with one of our trade finance people should also take place.
7. I have an order from overseas. How do I arrange for shipment and documentation? Most companies who are relatively new to exporting should rely on a qualified freight forwarder who will take care of the shipping requirements and the documentation. Contact one of our Export Assistance Centers for a list of freight forwarders in your area.
8. Those Export Center numbers are listed at <http://www.sba.gov/oit/export/useac.html>. In Georgia, call 404-962-4127.
9. I need to establish a location overseas or a joint-venture. Can you help me? SBA is not allowed to finance locations outside the United States but we do have a relationship with the Overseas Private Investment Corporation (OPIC). They have several programs to help you finance your investment overseas and can also insure that investment. More information is available at <http://www.opic.gov> or you can contact the U.S. Export Assistance Center for additional information.
10. How do I find out where my product is needed overseas? Our resource center has an extensive library and database system to help you locate foreign buyers. You can call 404-962-4127 in Georgia and schedule an appointment to use the facilities and obtain help in starting you on your search. In addition, the Department of Commerce, University of Georgia Business Outreach Services (SBDC), and Georgia Department of Economic Development (GDED) offer many marketing assistance programs including trade training seminars and programs, trade missions, trade shows, catalog shows, International Partner Search, Gold Key Service, publications, overseas trade reps., etc. Contact our center for more detailed information.