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Pete, thank you for that kind introduction. It is pleasure to join you this afternoon.

I’m Courtney Gregoire, and I serve at the U.S. Department of Commerce’s Director for the National Export Initiative, also known as the NEI. As many of you know, President Obama announced the National Export Initiative in his 2010 State of the Union address and set the ambitious goal of doubling America’s exports over five years to support millions of American jobs.

The NEI is a recognition that to win the future, we must strengthen our economic partnerships abroad to help create jobs here at home because every \$1 billion of goods and services we export supports more than 5,000 U.S. jobs.

America’s seaports are crucial to the success of the NEI. Today, I’d like to describe the NEI to you, and to suggest some ways in which Commerce, the AAPA, and interested American seaports can work together to achieve this national goal.

Some years ago, several public service advertisements appeared on the sides of Washington, D.C.’s buses. Their message: “The product you’re using today was on a vessel yesterday.”

Not everyone who saw these advertisements understood its message. But those who work for America’s seaports and shippers all understood it. And as someone from Washington state – where Ports are so important to the health and success of our economy – I understand this message very well.

America’s seaport activities are vitally important to America’s exports. For ocean exporters, America’s seaports are the nexus between the United States and the global economy. Over 75 percent of our merchandise exports by volume – and over 36 percent by value, the largest modal share – leaves the United States by water. And in overall terms, ocean transport carriers move more U.S. international merchandise trade than air cargo, trucks, railroads, and pipelines combined.

### **National Export Initiative**

First, let me say a few words about the NEI. There have, of course, been previous efforts by the federal government to promote exports. What sets the NEI apart is that it is the first-time the United States has a Presidential-led, government-wide export promotion strategy.

The decision to export is one fundamentally made by U.S. business owners, entrepreneurs, and farmers. U.S. companies, particularly small-and-medium sized enterprises, often face hurdles when trying to close an export sale, including lack of readily available information about exporting and market research, challenges obtaining export financing, strong competition from

foreign companies and obstacles thrown up by foreign governments. This suggests an important role for the federal government.

The NEI is the Obama Administration's commitment to serve as a full partner with U.S. businesses to promote American-made goods and services worldwide, within global trading rules. The NEI is focused on five areas

- (1) improving trade advocacy and export promotion efforts;
- (2) increasing access to credit, especially for small and midsize businesses;
- (3) removing barriers to the sale of U.S. goods and services abroad;
- (4) robustly enforcing trade rules; and
- (5) pursuing policies at the global level to promote strong, sustainable, and balanced growth.

As part of the NEI, President Obama named the first-ever Export Promotion Cabinet – ensuring that export promotion would be a top issue for the top officials across the Administration. As Secretary Locke explained it, prior to the NEI export promotion may have been a some-of-the-time focus for some federal agencies, with the NEI – export competitiveness has become an all-the-time focus across the federal government.

President Obama is personally engaged in this effort and, as many of you know, just returned from a critical trip to Latin America where he focused much of his attention on trade. Brazil offers tremendous opportunities to U.S. exporters with a potential market of 195 million consumers, and per capita incomes forecasted to grow at an average rate of six percent during the next. As the host of both the 2014 World Cup and the 2016 Olympics, Brazil will be investing significantly in new infrastructure and security projects.

To capitalize on this opportunity, the U.S. Export-Import Bank recently approved a nearly \$1 billion preliminary commitment for infrastructure projects. This commitment can be converted to loan, guarantee, or insurance transactions over the next two years as Rio State finds potential U.S. exporters for its infrastructure projects.

At the Department of Commerce, we are leveraging our global footprint – with U.S. Export Assistance Centers in 107 locations in 49 states ready to counsel U.S. companies through exporting to our commercial officers in 77 countries around the globe – ready to connect companies with foreign buyers and distributors, and provide critical insight on market issues.

And, we're seeing results. U.S. exports of goods and services in 2010 increased nearly 17% over 2009 -- the largest year-to-year % change in over 20 years. This puts us on pace to achieve President Obama's goal of doubling exports in the next five years. The \$1.83 trillion total in exports of U.S. goods and services represents the second highest annual total on record.

Let me briefly share with you some of our 2010 successes:

- The Department of Commerce's International Trade Administration assisted over **5,500 U.S. companies** export for the first time or increase their exports overseas, 85% of whom

were small and midsize businesses.

- For example, let me tell you about Custom Alloy Corporation, a New Jersey-based manufacturer of pressure vessel fittings and forgings and piping products with approximately 240 employees. Custom Alloy approached our Trenton U.S. Export Assistance Center looking for assistance to grow their international sales. Our trade specialists helped develop a targeted strategy for the Western Hemisphere region and, more specifically, Brazil. In April 2010, Custom Alloy participated in the Trade Winds Forum, a three-day business conference in Brazil, with Commerce staff arranging individual business appointments on the ground. As a result of this activity, Custom Alloy has made initial sales of \$55 thousand and continues to work with our trade specialists for additional opportunities.
- Commerce's **Advocacy Center** assisted U.S. companies competing for international contracts and other U.S. export opportunities, worth \$18.7 billion in U.S. export content, supporting an estimated 101,000 jobs.
- Commerce coordinated 35 **trade missions** to 31 different countries with nearly 400 companies participating. Participating companies anticipate \$2 billion in increased exports from these missions.
- And, we recruited nearly 13,000 foreign buyers to visit major U.S. trade shows here in the United States and directly connect with U.S. companies, resulting in approximately \$770 million in export successes.
- To address the critical need for **export financing**, President Obama signed into law the Small Business Jobs Act, which significantly expanded financing capacity and long-term support for small-and-medium sized companies looking to export.
- During 2010, the Small Business Administration authorized over 1,200 loans totaling \$532 million to help small and medium-sized companies engage in exporting.
- The Export-Import Bank financing enables U.S. exporters to compete on a level-playing field by providing capital not available through commercial markets and minimizing U.S. exporters' international commercial and political risk. In fiscal year 2010, the Export-Import Bank financing supported some 227,000 jobs at 3,300 companies through \$34 billion in export sales.
- Finally, the Administration has been focused on addressing barriers to foreign markets. KORUS. The International Trade Administration successfully resolved some 82 trade barriers in 45 countries affecting a broad range of industries, helping to ensure U.S. companies better access overseas.

While we are proud of our 2010 successes, we know we cannot rest on our laurels.

### **Working with AAPA**

So today, I'd like to mention several ways in which AAPA, Commerce, and interested seaports can work together to leverage our common export efforts and to achieve the national export growth that is so vital to our economic recovery.

As part of the NEI, Commerce has already engaged with the AAPA and various seaports towards improving the flow of exports to and through America's seaports. Under the Competitive Supply Chain Initiative, which is an important piece of the NEI, the Departments of Commerce and Transportation are working with freight system users and stakeholders to identify the critical elements of a comprehensive, holistic U.S. freight policy. Our goal in developing such a policy is to achieve the seamless and facilitated goods movement across all transport modes and throughout the nation that is needed to boost our export sales and our national competitiveness. The AAPA is an important industry partner in this effort.

As part of this initiative, Commerce and Transportation are leading a comprehensive series of joint outreach forums to regional stakeholders to better understand America's supply chain and transportation problems. At these forums, we are gathering information on each region's top freight movement and infrastructure issues, and on what regional stakeholders view as potential solutions. We have already held two successful events this year, in Seattle and Kansas City. Commerce and Transportation are looking to hold other joint forums in key port cities, such as Los Angeles, New York, and New Orleans, between now and the end of this year. We hope that interested seaports can join in this important outreach effort.

Now, my Department wants to work with AAPA and with you to take more direct measures to leverage our export resources and programs, in order to achieve the export growth that is the core goal of the NEI.

For many exporters – particularly new-to-export firms and small-to-medium enterprises – the help provided by seaport executives can be crucial. Experienced port officials know their exporters' needs, federal export promotion programs, and overseas trade contacts. They can help these exporters to identify overseas markets and trade leads, understand basic commercial transaction requirements, and address financing, insurance, trade documentation, and risk mitigation issues. Such seaports help their exporters make the connections between trade promotion resources and overseas customers that can lead to an export success.

Over the last couple of months, Commerce and AAPA staff members have been informally discussing this issue. Today, I would like to propose that Commerce and AAPA work together to craft a joint initiative through which we can help interested seaports to improve and expand their own export promotion efforts and their participation in the NEI.

The Port of Los Angeles' TradeConnect program is a great example of what seaports can do to educate potential exporters and to help them succeed in overseas markets. Geraldine Knatz will describe TradeConnect in our next panel, but I wanted to take a moment to thank Geraldine and the Port for their initiative in establishing TradeConnect and for their commitment to promoting America's export growth under the NEI.

Another possible activity would promote wider U.S. seaport participation in national-level trade missions, by helping AAPA to expand its efforts to inform interested seaports of these events. As you know, AAPA already provides updates to its members on upcoming trade events. But, we can and should take this effort to the next level.

Commerce can work with AAPA to let interested seaports know about trade missions well in advance, and to discuss any participation issues that they may have. Through such missions, U.S. seaports can expand their knowledge of overseas export opportunities, and the connections with foreign trade and port officials, that can improve their ability – and their exporters' ability – to compete in the global marketplace.

If you are interested in these activities, and in helping us to craft this joint initiative, please stay in touch with us over the coming weeks and months. You have an important role to play in this effort.

America's export growth relies on our ability to focus and leverage all available export promotion resources to help U.S. companies succeed in the global marketplace. By working together to do so, we can achieve the export growth, job creation, and national economic recovery and development goals that are at the heart of President Obama's National Export Initiative.

Thank you very much.