

Developing New Exporters

AAPA
Maritime Economic Development Workshop

June 3rd, 2014

What is the Value of Exports through the Ports of LA, LB & LAX Airport ?

- **\$ 127 Billion in 2013 (+ 4.63 %)**
- **This is an Export Record**
- ***But Imports still dominate with a total value of \$ 288 Billion !***

Why are Exports Important for Southern California ?

- We are still the largest manufacturing center in the U.S.
- But we can't rely on domestic consumption for sustainable long – term recovery
- Exports provide market diversification
- ***Exports are an engine for creating employment & economic development***

Why are Exports Important for the Port of LA ?

- **Container ship sizes are growing rapidly**
- **The most efficient / economic use of ships, containers & port equipment is with balanced loads**
- ***But container ships leave the Port of LA approximately 60 % empty !***

What are Export Advantages for the LA Cargo Gateway ?

- **Major Pacific Rim markets directly accessible by sea & air trade routes**
- **Extensive Rail & Road Network**
- **Competitive Transit Times**

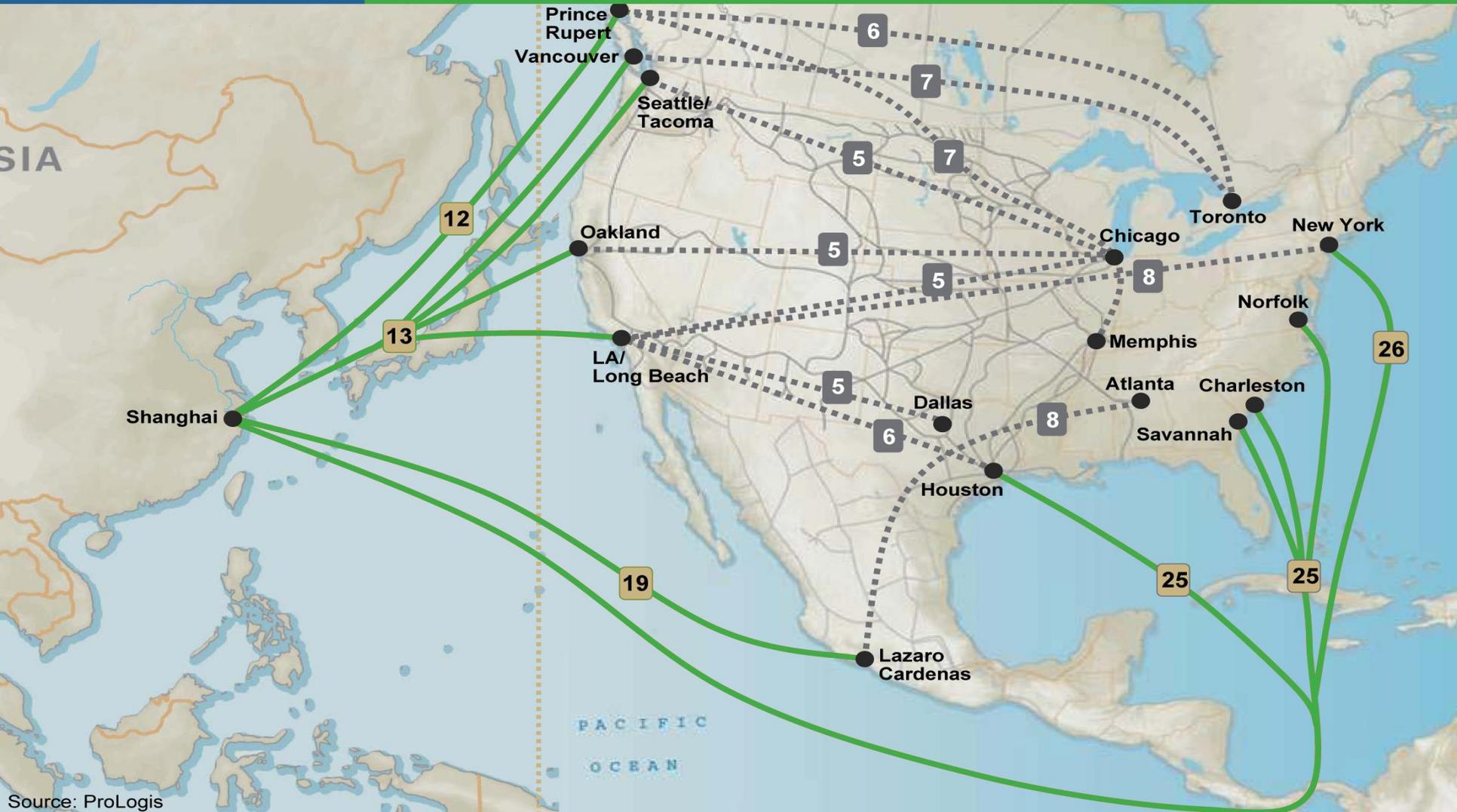
Other LA Cargo Gateway Advantages

- ✓ Most numerous & frequent sailings to & from Asia, + 80 Sailings per Week to the Pacific Rim
- ✓ Greatest number of Origin & Destination Ports of Call
- ✓ 13 Container Shipping Lines
- ✓ Equipment Availability
- ✓ Greatest number of logistics & distribution centers in the U.S. (1.2 billion sq. ft. within 80 miles of the Port)
- ✓ First Class rail links to 14 regional U.S. markets
- ✓ Foreign Trade Zone

Other LA Cargo Gateway Advantages

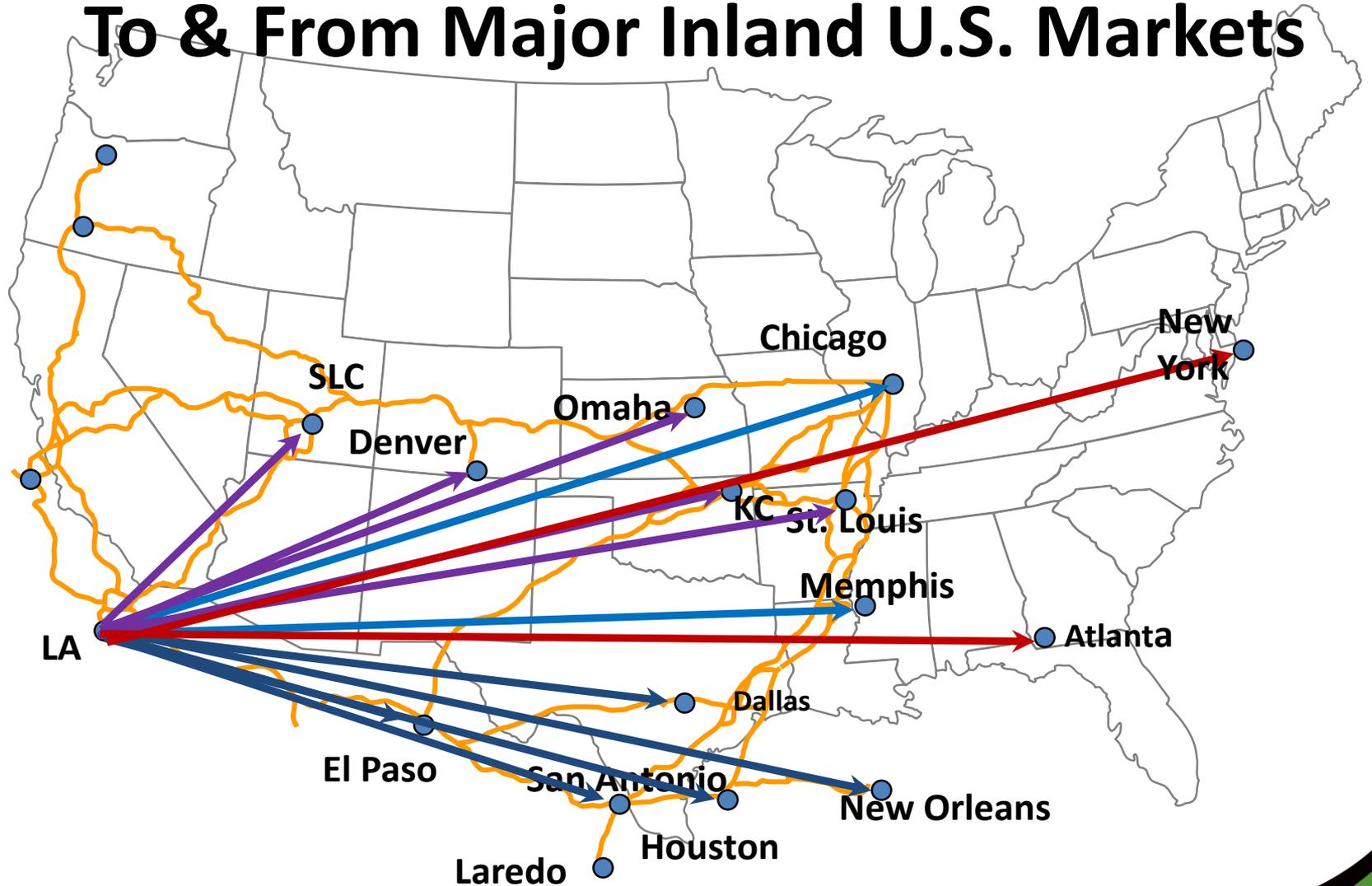
- ✓ **The Number 1 Customs District in the U.S.
(\$414 Billion in 2013)**
- ✓ **International trade is LA's largest employment sector**
- ✓ **Huge number of specialized service companies with talented professionals with linguistic skills, international links & multi - cultural understanding**
- ✓ **Largest concentration of manufacturing in the U.S.**
- ✓ **1000 flights per day at LAWA with air cargo capacity**
- ✓ **100 trains per day to & from LA/LB Ports**
- ✓ **LA/LB Ports handle 1/3rd of total U.S. global trade**

Competitive Transit Times



Extensive Rail Network

Connecting Southern California To & From Major Inland U.S. Markets



LA Customs District: Top Trading Partners

(2010 Sea & Air Cargo Value)

- China \$144.34 billion + 25 %
- Japan \$ 39.55 billion + 23 %
- S. Korea \$ 21.57 billion + 37 %
- Taiwan \$ 13.90 billion + 27 %
- Thailand \$ 9.47 billion + 18 %
- Australia \$ 7.71 billion + 8 %
- Singapore \$ 7.49 billion + 15 %
- Vietnam \$ 7.49 billion + 27 %
- Germany \$ 7.35 billion + 28 %
- Malaysia \$ 7.07 billion + 1 %
- Indonesia \$ 6.75 billion + 24 %
- Hong Kong \$ 6.66 billion + 21 %
- India \$ 5.71 billion + 51 %

LA Customs District: Top Exports

(2012 Sea & Air Cargo Value: Billions of Dollars)

1. Civilian Aircraft & Parts	\$ 121	8. Steel & Iron Scrap	\$ 2.1
2. Diamonds	\$ 5.4	9. Computers	\$ 2.
3. Cotton	\$ 3.	10. Vehicle Parts	\$ 1.8
4. Motor Vehicles	\$ 3.1	11. Copper Scrap	\$ 1.4
5. Medical & Dental	\$ 2.4	12. Machinery Parts	\$ 1.3
6. Cellular Equip.	\$ 2.4	13. Almonds & Nuts	\$ 1.3
7. Computer Chips	\$ 2.3	14. Military Aircraft Parts	\$ 1.2

Emerging Strategic Advantages

- ✓ **US – Korea Free Trade Agreement benefits Southern California more than any other region in the U.S.**
- ✓ **Colombia & Panama Free Trade Agreements have created a new vertical axis of FTA's along the West Coast of the Americas from the Arctic to the Antarctic:**
 - ❖ **LA is the largest sea & air hub along that axis**
- ✓ **The Trans Pacific Partnership (TPP) FTA currently under negotiation will join 12 Pacific Rim countries with 40 % of global output**
 - ❖ **Southern California will be the largest U.S. beneficiary**
- ✓ **ASEAN (South East Asian) region has robust growth that will benefit Southern California**

What are the Export Challenges for the LA Cargo Gateway ?

- **Infrastructure**
- **Productivity**
- **Cost**
- ***Education***

Why is Export Education Needed ?

- 85 % of California Manufacturers don NOT export
- 95 % of consumers are projected to be outside the U.S. in the coming decade
- 80 % of economic growth will be outside the U.S. in the coming decade
- Exports will be a driver for the Next Economy
- *But many local companies have several “fear factors”; what are they ?*

Why is Export Education Needed ?

Many local companies have several “fear factors”; what are they ?

- How do I get paid ?
- How do I find reliable customers ?
- Which country should I start with ?
- Is someone going to steal my ideas ?
- I don't have staff to do the documentation !

I. BASIC TRADE CONNECT PROGRAM

The collage features several promotional materials for the Trade Connect program:

- dailybreeze.com** website screenshot showing a search for "Free Export Workshop with Trade Connect" in Redondo Beach, CA.
- Daily News** newspaper clipping about a "Free Export Workshop with Trade Connect" in Redondo Beach, CA.
- Southern California Export Exchange** flyer for a "Free Export Workshop" on Tuesday, April 3, 2012, at the Irvine Chamber of Commerce.
- Free Export Workshop** flyer for Friday, March 30, 2012, at the Riverside Public Library.
- Export Workshop** flyer for Wednesday, May 23, 2012, at California State University Channel Islands.
- Free Export Workshop** flyer for July 19, 2012, at Redondo Beach Performing Arts Center.
- TradeConnect MIDWEST INTERNATIONAL EXPORT WORKSHOP** flyer for April 18, 2012, in cooperation with the Heartland Shippers Conference.

Each flyer includes details about the workshop, the experts involved (such as Trade Development, Port of Los Angeles, U.S. Department of Commerce, and U.S. Small Business Administration), and the services available (like finding overseas customers, financing, and documentation). Many flyers also mention "Free Registration" and "Free Breakfast".

II. Trade Connect (Intermediate – 201/301)

Examples:

- Trade Finance & Insurance
- Documentation
- Protection of Intellectual Property
- Risk Mitigation Techniques
- Cultural & Business Customs in different countries

The 2013 Export Workshop Series
How to Make Money in Exporting
International Workshop Series starts
August 15, 2013
8:30 a.m. to 12:00 noon

Crowell and Moring
3 Park Drive, Suite 200, San Jose, California 92614-8505

The 2013 Export Workshop Series
International Workshop Series
starts May 1, 2013
9:00 a.m. to 12:00 noon

Workshop Series	Date
1. International Business Culture	May 1
2. Is Exporting for Me?	May 15
3. Finding & Entering New Export Markets/International Matchmaking	May 29
4. Internet Export Marketing	June 5
5. Export Sales Techniques and Documentation	June 19
6. Export Trade Finance & Insurance - Getting Paid	July 10
7. Legal Do's and Don'ts for Exporters	July 24
8. Freight & Logistics /Export Planning and Counseling	August 7

Eight International Trade Workshops will be presented every two weeks from May 1, 2013 through August 7, 2013. Export counseling will be offered by appointment in Session 8.
WORKSHOP FEE: Training is free of charge.
Contact: Jean Conzel at jconzel@portla.org or register at: <http://portla.org/Export/ISFValley>

Port of Los Angeles TRADEconnect

SBA **BUSINESS & JOB RESOURCE CENTER** **Los Angeles World Airports** **DEC**

LA THE PORT **THE VALLEY ECONOMIC ALLIANCE**

Grow your business through exports!

Port of Los Angeles
TRADEconnect

III. Specialized Products and Commodities Programs

Examples:

- Green Exports
(Partner: U.S. EXIM Bank)
- Marine Tech (Partners: HAIC & U.S. Department of Commerce)
- Fashion & Apparel (Partners: CFA & U.S. Department of Commerce)
- Food and Ag Products (Partner: CalAgX – Specialty Crops CITD Fresno & U.S. Dept. of Agriculture)



IV. Major & Emerging Market Programs

Examples:

- Vietnam
- Indonesia
- Singapore
- Malaysia
- Philippines

& West Coast of
Central & South
America



Presidential E Star Award 2013



