

April 2010

Volume 3, Issue 1

# EIB World Trade Headlines

Evolutions in Business 978-256-0438 Fax: 978-250-4529 www.eib.com

## **A Word from Jeanette:**

*(Please share this with your International Sales and Marketing groups)*

### **Exports Sustain Thousands of New Hampshire Businesses**

#### **Recent Facts:**

A total of 2,164 companies exported goods from New Hampshire locations in 2007. Of those, 1,893 (87 percent) were small and medium-sized enterprises (SMEs), with fewer than 500 employees.

SMEs generated 49 percent of New Hampshire's total exports of merchandise in 2007. **This was the sixth highest share among the states and well above the national average of 30 percent.**

Last year, even though the overall numbers were down, NH still maintained a position of growth.

**I recently attended an export forum at St Anselm's College in NH, moderated by Senator Jean Shaheen. My objective was to learn more about President Obama's initiative on export.** Many of the "key points" were from some of the panel members. The panel included, Dawn Wivell, Director of the International Trade Resource Center in NH, Lorraine Hariton, US Dept of State, Representative for Commercial Affairs, Jeanne Hult, U.S. Small Business Administration Region I, and James A Cox, U.S. Commercial Service DOC, Northeast Regional Director as well as EXIM Bank's Northeast Mid Atlantic Business Development Officer, Bruce Drossman.

**I picked up this gem from Lorraine Hariton:** Whenever she travels to represent U.S. Commercial business interests, be they Military products or Commercial, the overseas counterpart asks, "Where are the Americans?" Our lack of business presence in foreign countries is noticed. Asian companies and European companies are represented everywhere. American goods and services are still desired all around the world, but we are sadly underrepresented compared to our European and Asian counterparts.

**Dawn Wivell, Director of the NH International Trade Resource Center, said;** "The United States used to be number one in the world of international export. We are now among the top three, with China and Germany. U.S. manufacturers complain that they cannot compete against China, yet Germany is the number one exporter and their goods and services are perhaps even more expensive." She also stated, "this is shameful and correctable."

Theses two individuals along with the rest of the panel gave all kinds of information about federal services, from finance to trade missions available from the government to grow U.S. exports. **Many of these services are unknown and underutilized by national exporters. Companies that take advantage of these programs increase international revenue.**

**Evolutions in Business will soon add to the hot links page on our website (www.eib.com) links to these programs and services. Your export growth means everything to us and to the U.S. Our success is directly tied to your ability to promote your products around the globe. Fully 10 million Americans are employed because of exporting. The President's initiative seeks to double exports over the next 5 years. This is a cross government, coordinated agency initiative. President Obama has now made this effort coordinated at the Cabinet level, which means exporting is JOB # 1 for new jobs in the country.**

**\* Evolutions in Business proud to be the co-sponsor of the ONLY BIS, DTC conference in the country that is completely sold out Portsmouth, NH April 20-22, 2010 - A Credit to the International Trade Resource Center, NH**

#### **Note:**

**\*A Word From Jeanette Exports Sustain Thousands of New Hampshire Businesses**

**\* President Obama's Export Initiative**

**\*State Department News**

**\*Commerce Department News**

**\* Hong Kong Citizen Extradited To Massachusetts to Face Charges of Conspiring and Attempting to Illegally Export Military Parts From the United States**

**\* THREE NEW ECCN's Added to Commerce Control List**



*(\*Continues on Following Page)*

To this end, Evolutions in Business has also been attending forums for new markets. Pakistan, Afghanistan, Saudi Arabia and Morocco are among the expanding (buying) nations. The United States is pouring billions of dollars into Pakistan and Afghanistan for commercial development and commercial diplomacy. These federal dollars could be going to U.S. companies, but instead **the Europeans are beating us to our own money.**

**I met a gentleman, Waheed Mansur, who is the Commercial Counsel in NH for Afghanistan and Pakistan.** He can share his contacts with other U.S. companies looking to do business in Afghanistan, Pakistan, India Turkey, Bangladesh, Malaysia and the Middle East. Waheed can help in all aspects of International marketing, market penetration, and product positioning. This gentleman is worth having a conversation with: Waheed Mansur 603-559-9393.

*In a global economy such as ours, you have to be willing to understand new markets. We can't let the rest of the world beat us at our own game- Capitalism. When played well and played fairly, there is no better game in the world. – Jeanette Reed, Vice President, Evolutions In Business*

### ***President Obama's Export Initiative***

The National Export Initiative (NEI) shall be an Administration initiative to improve conditions that directly affect the private sector's ability to export. The NEI will help meet my Administration's goal of doubling exports over the next 5 years by working to remove trade barriers abroad, by helping firms -- especially small businesses -- overcome the hurdles to entering new export markets, by assisting with financing, and in general by pursuing a Government-wide approach to export advocacy abroad, among other steps.

Sec. 2. Export Promotion Cabinet. There is established an Export Promotion Cabinet to develop and coordinate the implementation of the NEI. The Export Promotion Cabinet shall consist of:

- (a) the Secretary of State;
- (b) the Secretary of the Treasury;
- (c) the Secretary of Agriculture;
- (d) the Secretary of Commerce;
- (e) the Secretary of Labor;
- (f) the Director of the Office of Management and Budget;
- (g) the United States Trade Representative;
- (h) the Assistant to the President for Economic Policy;
- (i) the National Security Advisor;
- (j) the Chair of the Council of Economic Advisers;
- (k) the President of the Export-Import Bank of the United States;
- (l) the Administrator of the Small Business Administration;
- (m) the President of the Overseas Private Investment Corporation;
- (n) the Director of the United States Trade and Development Agency; and
- (o) the heads of other executive branch departments, agencies, and offices as the President may, from time to time, designate.

Sec. 3. National Export Initiative. The NEI shall address the following:

(a) Exports by Small and Medium-Sized Enterprises (SMEs). Members of the Export Promotion Cabinet shall develop programs, in consultation with the TPCC, designed to enhance export assistance to SMEs, including programs that improve information and other technical assistance to first-time exporters and assist current exporters in identifying new export opportunities in international markets.

(b) Federal Export Assistance. Members of the Export Promotion Cabinet, in consultation with the TPCC, shall promote Federal resources currently available to assist exports by U.S. companies.

*(\*Continues on Following Page)*

## *EIB World Trade Headlines*

(c) Trade Missions. The Secretary of Commerce, in consultation with the TPCC and, to the extent possible, with State and local government officials and the private sector, shall ensure that U.S. Government-led trade missions effectively promote exports by U.S. companies.

(d) Commercial Advocacy. Members of the Export Promotion Cabinet, in consultation with other departments and agencies and in coordination with the Advocacy Center at the Department of Commerce, shall take steps to ensure that the Federal Government's commercial advocacy effectively promotes exports by U.S. companies.

(e) Increasing Export Credit. The President of the Export-Import Bank, in consultation with other members of the Export Promotion Cabinet, shall take steps to increase the availability of credit to SMEs.

(f) Macroeconomic Rebalancing. The Secretary of the Treasury, in consultation with other members of the Export Promotion Cabinet, shall promote balanced and strong growth in the global economy through the G20 Financial Ministers' process or other appropriate mechanisms.

(g) Reducing Barriers to Trade. The United States Trade Representative, in consultation with other members of the Export Promotion Cabinet, shall take steps to improve market access overseas for our manufacturers, farmers, and service providers by actively opening new markets, reducing significant trade barriers, and robustly enforcing our trade agreements.

(h) Export Promotion of Services. Members of the Export Promotion Cabinet shall develop a framework for promoting services trade, including the necessary policy and export promotion tools.

## *Other Headlines In World Trade*

### *State Department News:*

**Web Notice:** Paper agreements will be accepted until September 1, 2010. After this date, applicants must submit agreements electronically per the Guidelines for Preparing Electronic Agreements. (4.02.10)

**Updated:** The AECA List of Statutorily Debarred Parties has been updated. (3.22.10)

### **U.S. Department of State**

#### **DIRECTORATE OF DEFENSE TRADE CONTROLS**

#### **Guidelines for Completion of Export and Temporary Import License Applications**

**When completing any online license application**, only the legal business name is permitted when listing a party involved in an export or temporary import (i.e., source/manufacturer, seller, consignor, freight forwarder, foreign consignee, foreign intermediate consignee and end user). An applicant must ensure the correct spelling is used when entering the legal business name(s).

**Accordingly, the following must not be included in the above mentioned data fields:**

**The term “subsidiary” and subsidiary information.** For example, “Generic Company a subsidiary of Master Company” should instead read “Master Company.”

**The phrase “doing business as” or the term “dba” and dba information.** For example, “Generic Company d/b/a Detail Name Inc.” should instead read “Detail Name, Inc.”

**A geographic or physical location indicator inserted within the legal business name.** For example, “Company A (United States) Limited” should instead read “Company A Limited.”

**Additional instructions and inclusive comments.** Some examples are:

No Name Company *POC: Jane Doe* should instead read No Name Company

One Uno Company *Attn: John Doe President International Affairs* should instead read One Uno Company GreatBuzzness LLC and all others should read GreatBuzzness LLC

**Failure to adhere to these guidelines may result in a delay in review of a license application or a return without action (RWA).** For additional guidance or clarification, please contact the DDTC Response Team at (202) 663-1282 or by email at [DDTCResponseTeam@state.gov](mailto:DDTCResponseTeam@state.gov).

(\*Continues on Following Page)

***Commerce Department News:***

**March 29, 2010**

Effective 3/15/2010, the STELA voice response system will no longer be available and exporters should only utilize the new on-line STELA system to obtain real time BIS work item status information.

You may now check the status of your export / re-export license applications, classification requests and AGR notifications using the on-line System for Tracking Export License Applications (STELA) at <https://snapr.bis.doc.gov/stela>

**March 23, 2010**

Wassenaar Arrangement 2008 Plenary Agreements Implementation: Categories 1, 2, 3, 4, 5 Parts I and II, 6, 7, 8 and 9 of the Commerce Control List, Definitions, Reports; Correction (*these are nuanced changes that do not likely have great impact at this time, -Evolutions in Business*).

**U.S. Department of Justice**

**United States Attorney's Office**

**For Immediate Release: March 26, 2010**

***Hong Kong Citizen Extradited To Massachusetts to Face Charges of Conspiring and Attempting to Illegally Export Military Parts From the United States***

BOSTON, MA. -- An Indictment was unsealed yesterday in U.S. District Court in Boston, charging a Hong Kong citizen with conspiring to, and attempting to, illegally export defense articles designated on the United States Munitions List in violation of the Arms Export Control Act.

United States Attorney Carmen M. Ortiz, Bruce Foucart, Special Agent in Charge of Immigration and Customs Enforcement - Boston Field Office, John McKenna, Special Agent in Charge of the U.S. Department of Commerce, Office of Export Enforcement, Boston Field Office and Edward Bradley, Special Agent in Charge of the Defense Criminal Investigative Service, Northeast Field Office, announced today that **HOK SHEK CHAN a/k/a JOHN CHAN**, 57, of Hong Kong, was charged in an Indictment with conspiring with two Malaysian nationals, **WONG FOOK LOY a/k/a AARON WONG** and **NGO TEK CHAI a/k/a T.C. NGO** and others to knowingly and willfully export and cause the export of 10 indicators servo driven tachometers used in C-130 military flight simulators from the United States without a required license or written authorization from the Department of State. The Indictment further charges **CHAN a/k/a JOHN CHAN**, and **NGO TEK CHAI a/k/a T.C. NGO** with attempting to illegally export and causing the illegal export of the military flight indicators from the United States in violation of the Arms Export Control Act.

*“The alleged charges are serious and as a result of the exceptional coordination between federal and international authorities, Mr. Chan has been returned to the U.S. to face them,”* said United States Attorney Carmen M. Ortiz.

*“Protecting national security is our top priority,”* said John McKenna, Special Agent in Charge of the U.S. Department of Commerce, Office of Export Enforcement, Boston Field Office. *“This action is a clear signal that federal law enforcement agencies continue to work together diligently to prevent U.S. technology from falling into the wrong hands,”* he concluded.

*“Mr. Chan’s extradition to the United States showcases the diligent work conducted by ICE and its domestic and international law enforcement partners in safeguarding sensitive military technology,”* said Bruce M. Foucart, Special Agent in Charge of U.S. Immigration and Customs Enforcement (ICE) Office of Investigations in Boston. *“Export violations involving military components are a serious threat to our national security and a top ICE priority.”*

*(\*Continues on Following Page)*

***“The illegal export of U.S. military technology and weapons is one of the most significant and growing threats to our national security,”*** said Ed Bradley, Special Agent in Charge of the Defense Criminal Investigative Service, Northeast Field Office. ***“The indictment and extradition of Mr. Chan are the direct result of the significant investigative efforts of the agents of DCIS, ICE and Commerce,”*** Bradley said.

**If convicted on these charges, HOK SHEK CHAN a/k/a JOHN CHAN faces up to 10 years imprisonment, to be followed by three years of supervised release and a \$1million fine.**

The case was investigated by Immigration and Customs Enforcement, U.S. Department of Commerce, Office of Export Enforcement and the Defense Criminal Investigative Service. It is being prosecuted by Assistant U.S. Attorneys B. Stephanie Siegmann and Jeffrey Auerhahn of Ortiz's Anti-Terrorism and National Security Unit.

The details contained in the Indictment are allegations. The defendant is presumed to be innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

### ***THREE NEW ECCN's Added to Commerce Control List***

For concealed object detection equipment operating in the frequency range from 30 GHz to 3000 GHz and having a spatial resolution of 0.5 milliradian up to and including 1 milliradian at a standoff distance of 100 meters.

**This new licensing policy for ECCNs 2A984, 2D984 and 2E984 differs from the licensing policy for the other RS Column 2 controlled items listed under § 742.6(a)(4)(i).** Applications to export or reexport any other RS Column 2 controlled items listed in § 742.6(a)(4)(i) to Austria, Cyprus, Finland, Ireland, Israel, Malta, Mexico, Singapore and Sweden will generally be considered favorably on a case-by-case basis unless there is evidence that the export or reexport would contribute significantly to the destabilization of the region to which the equipment is destined. The license review policy for any destination other than for Austria, Cyprus, Finland, Ireland, Israel, Malta, Mexico, Singapore and Sweden (*i.e.*, other countries subject to an RS Column 2 license requirement) for the new ECCNs will be the same as other RS Column 2 controlled items listed under § 742.6(a)(4)(i), meaning applications to export or reexport items controlled by ECCNs 2A984, 2D984 and 2E984 will generally be considered favorably on a case-by-case basis.