



Your success begins in
PURE MICHIGAN



Global Business Club of Mid-Michigan Go Global: Export 101 Seminar

Pure Michigan Export Program *“Opening New Doors for Michigan Exporters”*

May 24, 2012

Presented by:

Mark Kinsler

Vice President

International Business & Attraction

Pure Michigan Export Program

- Governor Rick Snyder – revitalize Michigan export strategy
- Initiate new program for Michigan SMEs
- Increase export opportunity awareness
- Broker connections to export resources
- Diversify client base & grow business
- Expand Michigan's economy

**\$197,000 IN
EXPORT
REVENUES
=
ONE
MICHIGAN
JOB**

**-International Trade
Administration (ITA)**

Michigan & Its Economy

Economy Indicators

- **Jobs**
 - 3,861,000 jobs (rank 9th)
- **Unemployment rate**
 - 8.3% (rank 36th)
 - down 4.4% from 2010
- **Patents**
 - 13,262 patents (rank 5th)
- **Scientists and Engineers as percentage of workforce**
 - 4.2% (rank 13th)

Export Indicators

- **Exports**
 - \$57.6 billion (rank 9th)
- **Recovery export growth**
 - 14.9% (rank 6th)
- **Annualized export growth**
 - 0.6% (rank 51st)
- **Export supported jobs**
 - 392,855 jobs (rank 7th)

Regional Strategy

- 4 Export Regions
- 4 Partner Host Organizations
- 4 Regional International Trade Managers
- 1 Agricultural/Rural International Trade Manager
- 1 China Market International Trade Manager

REGIONAL EXPORT NETWORKS (RENs)

Michigan's Regional Export Network (REN) hosts work with MEDC and its strategic partners to deliver export services statewide.

REGIONS SERVED BY:

NORTHWEST MICHIGAN COUNCIL OF GOVERNMENTS
PO Box 506, Traverse City, MI 49685
Chris Bosio, International Trade Development Mgr
ph 231.929.5000, bosioc@michigan.org
Regions: 1, 2, and 3

GRAND VALLEY STATE UNIVERSITY'S VAN ANDEL GLOBAL TRADE CENTER
401 W. Fulton Street, 418C DeVos Center
Grand Rapids, MI 49504
Maureen Lyon, International Trade Development Mgr
ph 616.331.6811, lyonm@michigan.org
Regions: 4 and 6

LANSING REGIONAL CHAMBER OF COMMERCE
500 East Michigan Avenue, Suite 200
PO Box 14030, Lansing, MI 48901
Laura Deierlein, International Trade Development Mgr
ph 517.487.6340, deierleinl@michigan.org
Regions: 5, 7, and 8

AUTOMATION ALLEY
2675 Bellingham Drive, Troy, MI 48063
Jeanne Broad, International Trade Development Mgr
ph 248.457.3200, broadj@michigan.org
Regions: 9 and 10

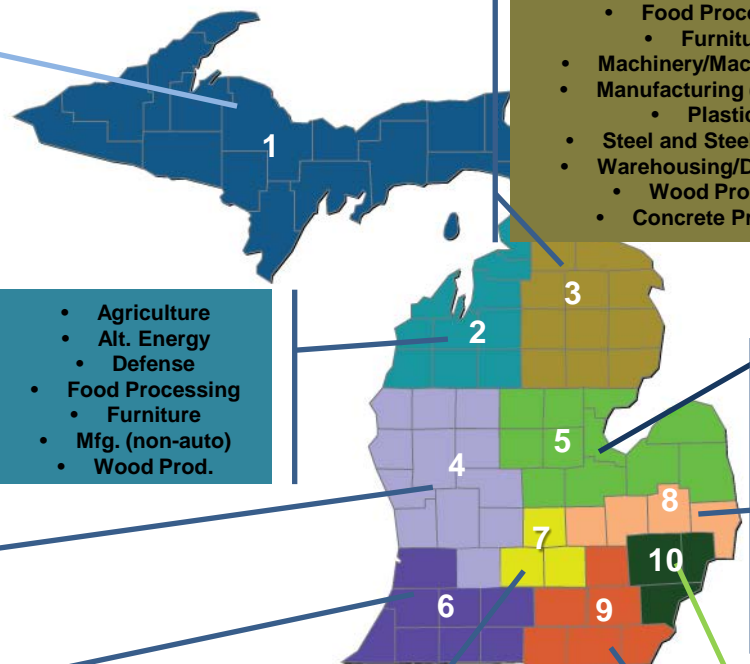
Statewide Agriculture Export
MI Department of Agriculture and Rural Development
P.O. Box 30017, Lansing, MI 48909
Donna LaCourt, International Trade Development Mgr
ph 517.243.5689, lacourtld@michigan.org

Statewide China
300 North Washington Square, Lansing, MI 48913
Weiwei Lu, International Trade Manager
ph 517.335.1646, luw@michigan.org

Michigan Economic Development Corp.
300 North Washington Square, Lansing, MI 48913
Deanna Richeson, Director Export Program
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PURE MICHIGAN®
Michigan Economic Development Corporation

Target Industries by Region



- Agriculture
- Manufacturing (Non-Auto)
 - Plastics
 - Mining
- Steel and Steel Products
 - Wood Products
 - Aerospace
- Alternative Energy
- Defense/Military
- Electronics
- Food Processing
 - Furniture
- Machinery/Machine Tools
- Metal Stamping & Fabrication
- Printing and Publishing

- Aerospace
- Automotive
- Metal Stamping & Fabrication
 - Agriculture
 - Alternative Energy
 - Chemicals
 - Defense/Military
 - Food Processing
 - Furniture
- Machinery/Machine Tools
- Manufacturing (Non-Auto)
 - Plastics
- Steel and Steel Products
- Warehousing/Distributing
 - Wood Products
 - Concrete Products

- Automotive
- Alternative Energy
- Agriculture
- Chemicals
- Food Processing
- Manufacturing (Non-Auto)
 - Plastics
 - Furniture
- Metal Stamping & Fabrication
- Life Sciences/Med Devices
- Machinery/Machine Tools
 - R&D/Engineering
 - Wood Products
- Transportation Non-Auto

- Automotive
- Food Processing
- Manufacturing (Non-Auto)
 - Alternative Energy
- Metal Stamping & Fabrication
 - R&D/Engineering
 - Aerospace
 - Agriculture
 - Defense/Military
 - Furniture
- Life Sciences/Medical Devices
- Machinery/Machine Tools
 - Plastics
- Advanced Energy Storage

- Agriculture
- Alt. Energy
- Defense
- Food Processing
- Furniture
- Mfg. (non-auto)
- Wood Prod.

- Automotive
- IT/Digital Media
- Life Sciences/Med Devices
- Agriculture
- Alternative Energy
- Food Processing
- Instruments and Controls
- Machinery/Machine Tools
- Manufacturing (Non-Auto)
 - Warehousing/Distributing
 - Defense/Military
 - Electronics
 - Metal Stamping & Fabrication
 - Mining
 - R&D/Eng.
 - Sports Equipment

- Automotive
- Manufacturing (Non-Auto)
- Warehousing/Distributing
 - Agriculture
- Alternative Energy
 - R&D/Eng.
 - Chemicals
- Food Processing
- Life Sciences/Med Devices
 - Aerospace
- Machinery/Machine Tools
 - Metal Stamping & Fabrication
 - Food Protection

- Automotive
- Food Processing
- IT/Digital Media
- Life Sciences/Med Devices
- Machinery/Machine Tools
- Manufacturing (Non-Auto)
- Warehousing/Distributing
 - Aerospace
 - Agriculture
- Alternative Energy
- Defense/Military
- R&D/Engineering
- Electronics
- Chemicals
- Instruments and Controls
- Metal Stamping and Fabrication
 - Plastics
- Steel and Steel Products
 - Wood Products
- Consumer Products

- Alternative Energy
- Agriculture
- Automotive
- IT/Digital Media
- Life Sciences/Medical Devices
- Manufacturing (Non-Auto)
- Travel and Leisure

- Automotive
- R&D/Engineering
- Alternative Energy
- IT/Digital Media
- Manufacturing (Non-Auto)
- Life Sciences/Med Devices
- Machinery/Machine Tools
- Defense/Military
- Electronics
- Aerospace
- Metal Stamping & Fabrication
- Plastics
- Warehousing/Distributing
 - Chemicals
 - Instruments and Controls
 - Steel and Steel Products
 - Utilities
 - Agriculture
 - Food Processing
 - Mining
 - Advanced Materials
 - Battery Technology

Top 10 Countries for Michigan Exports

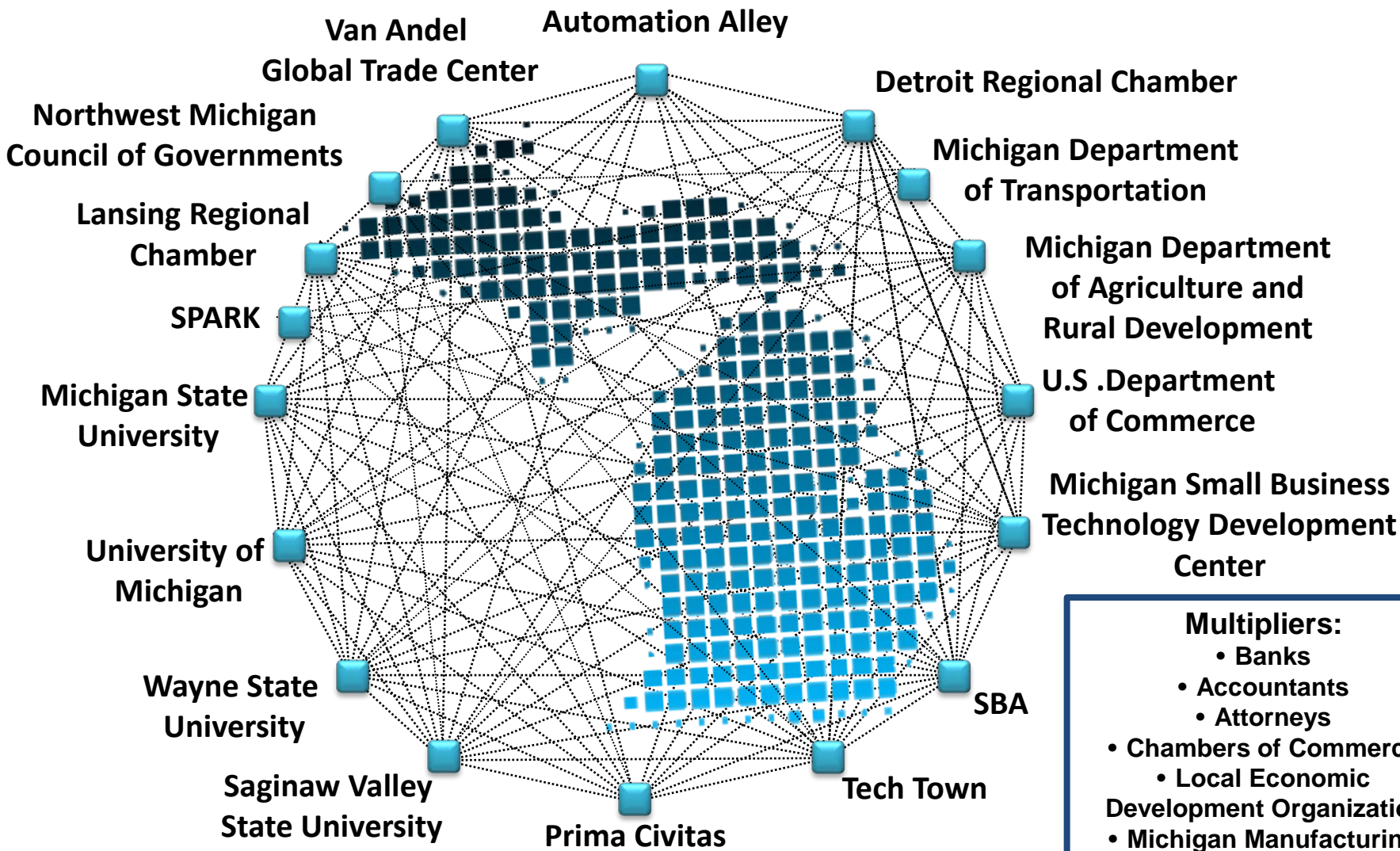
(Value in Billion \$)

Source: <http://www.census.gov/foreign-trade/statistics/state/data/mi.html#ctry>

Rank	Description	2010 Value	2010% Share	% Change, 2009 - 2010
#	Total MICHIGAN Exports and % Share of U.S. Total	44,768	3.5	37.1
1	Canada	22,088	49.3	38.9
2	Mexico	7,424	16.6	42.4
3	China	2,181	4.9	63.6
4	Germany	1,830	3.4	21.6
5	Japan	1,240	2.8	0.1
6	Saudi Arabia	1,105	2.5	94.7
7	South Korea	751	1.7	48.3
8	France	670	1.5	54.4
9	United Kingdom	637	1.4	17.4
10	Brazil	586	1.3	41.5

**Top 5 Food and Agriculture Markets in 2010 in Descending Order:
Canada, Mexico, Japan, South Korea and China
(Source: U.S. Department of Agriculture)**

Statewide Partner Collaboration



- Multipliers:**
- Banks
 - Accountants
 - Attorneys
 - Chambers of Commerce
 - Local Economic Development Organizations
 - Michigan Manufacturing Association

Export Resources: State Trade Export Promotion (STEP)

- SBA pilot program to help small and medium-size enterprises begin or increase exports:
 - Companies can receive up to \$25,000 in matching funds
- Supports the National Export Initiative to double exports in 5 Years (by 2014)
- MEDC received the 4th largest grant:
 - \$1.5 million in FY12
 - \$.5 million state match

Export Resources: Export Now Program

- Assists Michigan companies sell their products directly to Chinese consumers via www.TMall.com
- Handles trans-ocean logistic, customs & tariffs and order fulfillment
- U.S. advisors will consult with sellers to assist in effective pricing and marketing
- To enroll go to:
www.MichiganAdvantage.org/export

Expand the sale of Michigan products to China through Export Now's one stop e-commerce solution

Success Stories

“Thanks to support from STEP, Acme’s recent trip to Brazil was very successful. Several active projects were reviewed and discussed during our sales visits in Brazil, and we believe many of these projects will become orders in 2012. In fact, we received one order on the trip and one soon after that together total nearly \$3.6 million. These are large orders that will provide a significant body of work for Acme’s employees and suppliers.”

**Tom McKaig
CFO**

Acme Manufacturing Company

“The STEP program came along at a perfect time as I took on a new role at Xoran in international sales. The program provides a nice "push" for a small business like Xoran to accelerate its export activity. STEP matching funds will allow us to attend trade missions, and build relationships in key markets. This activity will allow Xoran to begin serving those markets sooner than we otherwise would have. Jeanne B. walked us through the application process and made it painless! With help from STEP, I forecast an uptick in our exports this year while the stage is set for further growth in 2013 and beyond.”

**William van Kampen
Director of International Sales
Xoran Technologies**

Next Steps

- Establish sales culture across economic development organizations - March 2012 – February 2013
- Refine international strategy – March 2012- September 2013
- Establish foreign office presence
 - Canada & China – September 2012
 - Others - 2013
- Execute China strategy – April 2012 - December 2013
- Measure results, adjust resource assignment accordingly – April 2012 and quarterly ongoing

Thank you

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www.michiganadvantage.org/Export