



State of Washington
Legislative Budget Committee

Pacific Northwest Export Assistance Project Sunset Review

Report 95-12

October 16, 1995

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Established by Chapter 44.28 RCW, the Legislative Budget Committee (LBC) provides oversight of state funded programs and activities. As a joint, bi-partisan legislative committee, membership consists of eight senators and eight representatives equally divided between the two major political parties.

Under the direction of the Legislative Auditor, committee staff conduct performance audits, program evaluations, sunset reviews, and other types of policy studies. Study reports typically focus on the efficiency and effectiveness of agency operations, impact of state programs, and compliance with legislative intent. As appropriate, recommendations to correct identified problem areas are included.

Reporting directly to the legislature, the LBC generally meets on a monthly basis during the interim between legislative sessions.



**State of Washington
Legislative Budget Committee**

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**Pacific Northwest Export
Assistance Project
Sunset Review**

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TABLE OF CONTENTS

Chapter		Page
	SUMMARY	i
	SUMMARY OF RECOMMENDATIONS	v
1	BACKGROUND AND INTRODUCTION	1
2	PROGRAM ASSESSMENT	5
3	PROGRAM DUPLICATION AND COORDINATION	9
APPENDICES		
1	Scope and Objectives	15
2	Agency Responses	17
3	PNEAP Client Product List	35
4	PNEAP & EAC Organizational Chart EACW/PNEAP Board Membership Roster	37
5	Summary of Key PNEAP Performance Indicators	39
6	Client Survey Results	41
7	Matrix Comparing Export Assistance and Counseling Services	43
8	Map of LTAN Offices	45
9	Summary of Public and Private Export/Trade Promotion Programs Contacted	47

PACIFIC NORTHWEST EXPORT ASSISTANCE PROJECT

Summary

This study is the result of a mandated sunset review of the Pacific Northwest Export Assistance Project (PNEAP). This agency has three goals: to assist businesses to increase their export sales; to increase or retain jobs for the state; and to generate fees sufficient to become financially self-supporting.

This study found that PNEAP has generated comparatively lower sales to program expenditures than similar state and federal programs, and has not been effective in adding new jobs to the state's employment rolls. In addition, PNEAP has not been able to generate sufficient revenues from fees to become financially self-supporting. Further, this report found that similar export assistance services are provided by existing state and federal agencies as well as several other public and private business and trade promotion organizations.

This report recommends that PNEAP be allowed to terminate on June 30, 1996.

INTRODUCTION

PNEAP was created during the 1991 regular legislative session to educate and assist Washington State manufacturers gain access to foreign markets (trade leads). Its enabling legislation directed PNEAP to assist a selected group of manufacturers to: design and manage export strategies; provide export services, such as information, technical assistance, and trade leads; and secure financing and credit guarantees for export transactions. PNEAP aims to provide sufficient export assistance and training to

Goals: create
jobs and
increase
export sales

Thirty-one clients

companies so that these companies will eventually become self-supporting in export transactions and to add jobs to the state's employment rolls. By law, 90 percent of PNEAP clients must have gross annual revenues of less than \$5 million, and at least 50 percent of the clients must be from timber-impacted areas. Businesses with gross annual revenues greater than \$25 million are not eligible for the program. The program is currently serving 31 client businesses.

Criteria

The criteria used to evaluate PNEAP included:

- The value of each of the 31 clients' export transactions
- The employment impact to the state from this assistance
- The extent to which PNEAP's services are duplicative of similar programs offered in the public and private sectors
- Whether there is a continued need for PNEAP, and
- The public impact if the program were terminated.

Our analysis of PNEAP also included conducting a telephone survey of nine of the 31 clients as well as reviewing the quarterly program sales and performance tracking data maintained by PNEAP staff.

PNEAP was created as a private non-profit organization, receiving state financial support. The budget during the 1993-95 Biennium was \$774,000 and 4 FTEs, and the adopted budget for the 1995-97 Biennium is \$458,000 and 4 FTEs. PNEAP is authorized to collect commissions of 4.5 percent of sales from its clients. Since program inception, it has collected \$21,000 in commissions. The legislature has directed PNEAP to become progressively financially self-sufficient through 1998, at which time the program was expected to be totally self supporting.

Negative sales to expenditure ratio

SUMMARY OF FINDINGS

This review found that PNEAP has a negative sales-to-expenditure ratio of \$.50 to \$1, while the other state and federal programs have a positive sales-to-expenditure ratios of \$8 to \$1 and \$29 to \$1, respectively. These include the Local Trade Assistance Network

within the Washington State Department of Community, Trade and Economic Development, and the federal government's newly created United States Export Assistance Center. Because of its low sales, PNEAP is not expected to meet legislative funding goals of becoming totally self-supporting by 1998. Further, the direct impact of PNEAP in adding or retaining jobs for the state appears to be minimal.

Our survey of PNEAP clients found that, in general, they were very impressed by the quality of the training and education received. The clients felt that the staff were professional and had a wealth of knowledge to offer. Most of the clients surveyed believe that export assistance services, such as those provided by PNEAP, are still needed to assist other businesses new to exporting. However, most of PNEAP's clients were not very satisfied with the quality of trade leads provided. They stated that the leads were overly general and were not productive in generating new or additional export sales.

We found that PNEAP is duplicative of other state and federal export assistance programs. Similar to PNEAP, these programs provide export assistance by helping the business owner find trade leads, determine appropriate transportation requirements, seek financial and legal advice, and support the development of international marketing plans.

Based on these findings, this report recommends that PNEAP be allowed to terminate on June 30, 1996.

AGENCY RESPONSE AND AUDITORS' COMMENTS

Responses to this report from PNEAP and OFM are included in Appendix 2.

ACKNOWLEDGMENTS

We wish to acknowledge the assistance provided by the employees of PNEAP and the Department of Community, Trade and Economic Development (DCTED), especially Bernard Murray, Chief Operating Officer, PNEAP, and Stephen Odom, Managing Director, Trade and Market Development Division of DCTED.

Minimal
effect in
creating
jobs

Duplicative
of other
programs

Recommendation:
sunset on June
30, 1996

This sunset review was conducted by Martin Chaw and Debbie Evick. The project supervisor was Ron Perry.

Cheryle A. Broom
Legislative Auditor

On October 16, 1995, this report was approved by the Legislative Budget Committee and its distribution authorized.

*Senator Al Bauer
Chair*

RECOMMENDATIONS

Summary

The legislature should allow the Pacific Northwest Export Assistance Project (PNEAP) to terminate on June 30, 1996, according to provisions of the Sunset Act.

Legislation Required:	None
Fiscal Impact:	Savings of up to \$458,000 in 1995-97 Biennium
Completion Date:	June 30, 1996

BACKGROUND

Chapter One

This report is a sunset review of the Pacific Northwest Export Assistance Project (PNEAP). This is a private, non-profit economic development program which is established in law and receives state funding through the Department of Community, Trade and Economic Development (DCTED).

Created by the legislature in 1991, PNEAP educates and assists a selected group of 31 manufacturers in accessing foreign markets.¹ PNEAP's mandated goals are to: 1) provide sufficient export assistance and training to companies so that these companies can increase their export sales and eventually become self-supporting in export transactions; 2) increase the number of jobs for the state's employment rolls; and 3) generate sufficient fee revenue to become financially self-sufficient.

Three-year training and counseling agreements exist for each of the 31 clients selected to receive assistance. PNEAP is expressly prohibited by law from promoting the importation of goods or from taking title or ownership to goods of its clients. It is also limited by statute to providing services to companies meeting certain sales and geographic requirements.² Most of PNEAP's clients' contractual obligations expired in May 1995.

¹ PNEAP's enabling legislation included a formula to determine the initial number of clients (Section 12(7), C314, L91), codified as RCW 43.210.110(7). This formula was based upon an average cost per client and the adopted budget for PNEAP. A list of the products offered by these clients is included as Appendix 3.

² Up to 90 percent of PNEAP clients must have gross annual revenues of less than \$5 million and at least 50 percent of its clients must be from timber-impacted areas. In no case can any client have gross annual revenues greater than \$25 million.

Overview

Three year
training
agreements...

...for thirty-
one clients

PNEAP was established as a branch of the state's Small Business Export Assistance Center of Washington (EACW). As in the case of PNEAP, the EACW is a non-profit corporation and receives funding from the state. The EACW assists small- and medium-sized businesses access financing for export ventures. Both the EACW and PNEAP are overseen by the same nineteen member board of directors which is comprised of representatives from the public and private sectors.³

Similar to PNEAP, comparable state and federal programs also provide export assistance by helping the business owner to: find trade leads; determine appropriate transportation requirements; seek financial and legal advice; and assist with international marketing plans. These services are offered by the Washington State Department of Community, Trade and Economic Development's Local Trade Assistance Network, and the federal government's newly created United States Export Assistance Center. (The subject of program duplication is discussed in greater detail in Chapter 3 of this report.)

PNEAP Budget

PNEAP is funded through annual service contracts administered by DCTED. State funding for this contract is appropriated by the legislature to DCTED.

During the 1993-95 Biennium, the legislature appropriated \$774,000 to DCTED for PNEAP's contract. The adopted budget for PNEAP is \$458,000 for the 1995-97 Biennium. The legislature also mandated that funding for PNEAP, beginning in Fiscal Year 1995, gradually decrease by 25 percent per fiscal year, and that by FY98, the program become financially self-sufficient.

The initial funding level for PNEAP, established in the 1991-93 Biennial Budget, was \$1.2 million. This amount was subsequently lowered during the 1993 supplemental session to \$1.04 million, and then further reduced during the 1994 regular session to \$774,000.

³ An organizational chart for PNEAP and the EACW as well as the membership of the Board is included as Appendix 4.

Legislative
mandate:
progressive
self-
sufficiency

Exhibit 1
Allocation of Expenditures
Fiscal Years 1993 and 1994

Category	Fiscal Year 1993		Fiscal Year 1994	
	Amount	%	Amount	%
Staff salaries & benefits	\$336,843	64%	\$279,530	73%
Operating expenses	83,775	16	78,560	20
Internal services	19,000	4	13,000	3
Advertising	24,000	5	3,500	1
Training & Consultation	56,000	11	12,410	3
Total	\$519,618	100%	\$387,000	100%

As shown in the Exhibit above, about 70 percent of the expenditures were for staff salaries and benefits. The budget for PNEAP comes primarily from the general fund and supports a staff of 4 FTEs.

The enabling legislation for PNEAP authorizes the program to seek non-state revenue sources to supplement its operations. The service agreements entered into with clients authorize PNEAP to collect a fee of 4.5 percent of the invoice price of the goods shipped. Since program inception, PNEAP has recorded a sales volume of \$787,000. Based upon the commission rate of 4.5 percent, PNEAP should have collected \$35,415. However, actual commissions collected total \$21,300.⁴

Low sales and commissions

The reason cited for the low level of commissions collected include disagreements with clients on whether PNEAP was responsible for generating a sale. Some clients have stated that their export sales were due to leads provided by a private export trading company or the sale was already being negotiated prior to their involvement with PNEAP. PNEAP contends that all sales consummated during or after involvement with PNEAP should be credited to PNEAP regardless of the source, since the training provided by PNEAP may have given the client the confidence and knowledge to investigate foreign markets. This area of dispute remains unresolved by PNEAP and its clients.

⁴ A summary of key performance indicators including commissions collected, sales, average sales per order shipped, and expenditures for PNEAP is included as Appendix 5.

PNEAP Services

Training

Services provided by PNEAP are targeted toward assisting qualified manufacturers to access export markets. The goal of PNEAP is to assist the companies to acquire the knowledge and skills to engage in export trade without further support from the program. To evaluate the client's export potential and educate the client on exporting procedures, PNEAP provides a series of three-hour courses. These courses provide instruction on developing export commitments, finding overseas buyers, financing and product risk protection, pricing, advertising, transportation, and cultural and customs issues.

Once a client completes the course work, PNEAP further assists the client by identifying trade leads. These leads usually come from existing federal trade databases, contacts in business trade associations, and through contacts from trade missions to foreign countries.

Referrals to other programs

According to PNEAP staff, they also field general phone calls from businesses seeking advice for various export-related problems. For areas in which PNEAP is unable to assist, callers are referred to other state and federal agencies who may be able to help. Those entities include the United States International Trade Administration, the Small Business Administration, or the Local Trade Assistance Network within the Department of Community, Trade and Economic Development. (These programs are described in Chapter 3.) PNEAP does not maintain statistics on the result of these referrals.

PROGRAM ASSESSMENT

Chapter Two

This chapter concludes that due to the negative benefit/cost ratio of PNEAP, the program's continuation is not justified. Although clients of PNEAP praise the quality of training and education they have received, they expressed disappointment with the lack of viable trade leads provided. They stated that the leads were overly general and were not productive in generating new or additional export sales. This report also finds that PNEAP was not effective in creating jobs for the state.

Discussion

As mentioned earlier, PNEAP's goals are: 1) to provide support and training to companies so that they can increase their export sales, and 2) to increase the state's employment rolls. Consistent with this, the criteria used to assess the performance of PNEAP are: its ability to generate export sales relative to program expenditures; its success in creating or retaining jobs; and its achievement of customer satisfaction. Another measure was whether PNEAP earned commissions (through fees) sizable enough to make the program financially self-supporting—a statutory goal for the program.

Negative Benefit/Cost Ratio

Our review compared the ability of PNEAP to generate sales relative to comparable state and federal programs. Specifically, we compared the ratio of export sales to program expenditures. This ratio provides a benchmark from which the public benefit of each program can be compared.

Overview

Goals: jobs and sales

Our review found that PNEAP has not generated a positive benefit/cost ratio, nor is its sales level comparable to export assistance programs offered by the state's Local Trade Assistance Network or by the federal International Trade Administration.

Between the period July 1, 1991 through December 31, 1994, PNEAP has expended a total of \$1.6 million. During this same period, the program claims generated sales of \$787,000 and collected commissions of \$21,000. This has resulted in a sales-to-expense ratio of about \$.50 for every dollar expended. Comparable ratios were \$8 to \$1 for the state Local Trade Assistance Network and \$29 to \$1 for the federal International Trade Administration.

**\$.50 to
\$1.00 sales-
to-expense
ratio**

One reason why PNEAP's ratio is so much lower than the federal or state programs is that the first two years of PNEAP were focused more on training and education, whereas the latter two programs emphasized sales transactions more heavily. However, even when comparing sales and expenditures for calendar year 1994 when most, if not all, PNEAP clients progressed beyond the training phase, we found that the sales to expenditure ratio improved only to a break-even level.

Another reason for PNEAP's comparatively low sales ratio is the legislative limit on the type and size of clients it can assist. Since PNEAP's client base is limited to small- and medium-sized businesses below \$25 million in annual sales, PNEAP administration has claimed that this restriction limited the size of potential export transactions. They also stated that some of the 31 clients have decided to postpone expansion to the international market and instead have focused on domestic sales, further limiting potential export sales.

The administration for PNEAP acknowledges the low sales performance of its program. It is currently in the process of developing a proposal to shift toward a program based more on sales transactions, with a focus on the European community. Even in its current form and with this shift in focus, PNEAP duplicates efforts already provided by federal and state export assistance programs. In addition, these other programs serve not only the European community but also other markets of the world. The issue of program duplication and coordination is discussed in greater detail in the next chapter.

Employment Impact

To determine the impact of PNEAP's assistance in creating or retaining jobs for the state, we surveyed nine randomly selected PNEAP clients, asking them whether and how PNEAP has assisted their firm in adding jobs. They responded by saying that PNEAP assistance has had minimal impact on their employment levels. For example, of those businesses surveyed, a total of 32 jobs have been added since their start with PNEAP. However, only one client stated that an additional job was created as a direct result of PNEAP assistance.

Although the 31 PNEAP clients as a whole have added a net 206 jobs to the Washington State economy, based on our survey, the number of jobs added as a result of PNEAP's assistance appears minimal.

Quality of Training and Education

Our sample survey of PNEAP clients revealed that they are very satisfied with the extensive training courses provided. Many of the clients stated that from these courses they have gained the knowledge and self-confidence necessary to venture into the international marketplace. The clients also praised the knowledge and commitment to customer service of PNEAP's employees.

Some clients interviewed have postponed their international sales efforts to focus on their domestic market. Nevertheless, they stated that what they have learned can and will be useful in the future when they are able to consider exporting. Many of the clients recommend and encourage the state to continue offering the training services. The majority of the clients believe that the courses were a positive benefit for their business and that it would be a loss to other businesses considering exporting.¹

Program Assessment

As discussed above, the performance of the PNEAP has not been satisfactory in increasing sales and employment. We believe there are two major reasons for this. First, legislatively established

Minimal
employment
impact....

...but gained
confidence
and
knowledge

¹ A summary of the survey results is included in Appendix 6. For confidentiality purposes, client's names are not shown.

program restrictions limited the types of clients it was able to assist, which may have inhibited its ability to generate sales. For example, export assistance services could only be provided to clients who met specific gross annual revenue requirements and were from specific geographic areas. These restrictions could have limited the ability for the PNEAP to provide services to companies which may have had viable export opportunities.

Second, the program assisted 31 companies offering about 28 different products, ranging from processed flowers to control valves and hot tub covers.¹ Given the broad range of products, the ability for PNEAP staff to gain in-depth expertise as to the unique needs and demands for any one product or industry was limited. This could also have had the effect of limiting PNEAP's effectiveness.

Should the legislature decide to continue offering intensive export assistance services such as those provided by the PNEAP, consideration should be given to removing or easing the restrictions discussed above, and to consider targeting export assistance to specific industries or products.² For example, the latter can be accomplished by marrying the efforts of DCTED's market/targeted sectors program with export assistance training services which were found to be valuable by PNEAP clients.

¹ See Appendix 3 for a list of export products offered by PNEAP clients.

² See Chapter 3, program coordination/duplication, for a discussion of other state export assistance services.

PROGRAM COORDINATION/ DUPLICATION

Chapter Three

This study found that PNEAP is duplicative of other state and federal export assistance programs. These include the Local Trade Assistance Network within the Washington State Department of Community, Trade and Economic Development, and the federal government's newly created United States Export Assistance Center. Similar to PNEAP, these programs provide export assistance by helping the business owner by finding trade leads; determining appropriate transportation requirements; seeking financial and legal advice; and assisting with international marketing plans.

Similar state and federal programs

These programs offer many of the same services that PNEAP offers. These include training and education, export evaluation and assessment, product licensing, pricing and financing analysis, and marketing/transportation counseling. Beginning in 1995, the state and federal programs (with the exception of PNEAP) will be co-located in downtown Seattle, offering businesses a single location to acquire export information and advice.

This report concludes that PNEAP should be allowed to terminate per the sunset law. The impact of termination will be minimal because Washington State businesses in need of export assistance could be served by other state and federal agencies.

Other Public Export Assistance Programs

State Programs

State export assistance programs are coordinated through the International Trade Unit of the Trade and Economic Sectors Division of DCTED. Services provided through this division

Local trade assistance network

include overseas trade offices in the Russian Far East, Japan, Taiwan, and Paris. These offices assist Washington State businesses with foreign business contacts and also serve as a point of contact for foreign businesses wishing to do business with our state. The division also works closely with the Washington State International Trade Fair to assist businesses wishing to participate in trade shows. Focused market development services in areas such as the use of wood and construction products in Japan are also emphasized.

The state Trade and Economic Sectors Division also funds a network of ten offices in the rural areas of the state, known as the Local Trade Assistance Network. Created by the legislature in 1993, the network assists businesses located in rural areas of the state to access export assistance services. Since inception of the network four months ago, a total of \$4.1 million in foreign sales have been recorded, a ratio of about \$8 in sales to each program dollar expended. The department currently expends about \$4.9 million for the International Trade Unit of which \$486,000 is expended for the Local Trade Assistance Network.

The following exhibit shows the level of funding and the extent of resources budgeted for the International Trade Unit of which PNEAP is a part.

Exhibit 2
1993-95 Budget
International Trade Unit
Washington State Department of Community, Trade
and Economic Development

Program Area	Amount
Administration	\$ 567
Japan Trade Office	785
PNEAP	774
Paris Trade Office	630
Local Trade Asst. Network	486
WA State Export Asst. Center	341
Product Export	297
Local Services Program	283
Marketplace Program	257
International Trade Rep.	257
Canada Program	143
Russian Trade Office	84
China/Taiwan Trade Office	61
TOTAL	\$ 4,965

Federal Programs

Federal export assistance programs include export counseling, country and regional market information, specialized market assistance, international trade contacts, financing and insurance, investment and feasibility studies, agricultural export programs, and export licenses and controls. Within each of these areas, local offices of various federal programs provide a variety of services designed to assist the exporter to access foreign markets, information, and financing alternatives.¹ Although sales statistics from export services rendered are unavailable for Washington State, the United States International Trade Administration, a division of the Department of Commerce, estimates that these programs generate a national average sales-to-expense ratio of approximately \$29 to every program dollar.

United States Export Assistance Center

Beginning in 1995, a regional office of the United States Export Assistance Center will open in Seattle. Currently, there are four centers in the nation. A total of 15 centers, including the one in Seattle, are planned to open by late 1995. The Seattle office will be co-located with the DCTED and Economic Development and the Export Assistance Center of Washington. It will serve as an umbrella organization for several export agencies and programs. Other representatives in this office include federal programs such as the Small Business Administration's Service Corps of Retired Executives (SCORE), an international trade officer, and a representative from the Small Business Development Center. The PNEAP is not planned to be a part of the Seattle office.

The focus of the center is to assist export ready clients to establish or expand their export programs. One-on-one counseling is available to small- and medium-sized businesses. The staff for the Export Assistance Center of Washington evaluates the client's needs and assists in developing international business strategies.

¹ Federal export assistance programs are offered by the Department of Commerce, the Export Import Bank of the United States, the Department of Agriculture, the Agency for International Development, the Small Business Administration, and the Trade and Development Agency.

Federal export
assistance
programs
available

Umbrella
organization
for state
and federal
export
assistance
programs

The United States Export Assistance Center will have several distinct advantages over PNEAP. The center will use the extensive federal network of 1,200 international trade specialists in 68 cities in the United States and 122 overseas posts, as well as our state's overseas trade offices. Discussions with the center's staff indicate that the services will be a broad/extensive mix of federal and state resources where targeted state business services can be provided by the department and more global services can be provided by the federal programs.

Other services offered by the center include databases on exporting leads, one-on-one counseling with the Small Business Administration, customized market searches, and trade financing and legal counseling. A matrix comparing the services of public and private export and trade promotion programs, including PNEAP and the United States Export Assistance Center, is included in Appendix 7.

In short, the center's combined services of state and federal agencies, and their respective international network of overseas trade officers, not only offer many of the same services offered by PNEAP, but also offer an established network of international and state offices that PNEAP will have difficulty matching.²

International Business Center

Another program being considered for location in Seattle is the International Business Center (IBC) operated by the United Kingdom. Currently, a network of 200 local business assistance offices is being established throughout the United Kingdom. The IBC is a private, non-profit program offering local businesses information and advice designed to assist them to become more competitive. Similar to PNEAP, the mission of the IBC is to assist businesses in the United Kingdom export and import goods from foreign countries. The IBC receives no public funding and each office is expected to become financially self-sufficient within three years of operation.

**Network of
200 offices
in the U.K.**

² Maps showing the locations of US Export Assistance Center offices and service areas for the Local Trade Assistance Network is included in Appendix 8.

Currently, only 82 of the 200 offices are operational. By the end of this year, the remaining offices are expected to be open. Statistics on the sales and success of the IBC are unavailable given its infancy.

The proposed Seattle office of the IBC would offer Washington State businesses access to a network of foreign offices designed to assist businesses with international transactions.

Other Programs

In addition to the aforementioned programs, the North Seattle Community College International Trade Institute offers a 30-credit certificate program whereby students can learn about international trade, the fundamentals and intricacies of exporting and importing, transportation and financing, and customs and cultural issues. Export and trade-related services are also provided by the World Trade Centers of Tacoma and Seattle.

Private organizations and business associations that focus on national and local trade policies, and promote networking on international trade issues also exist. Examples of these organizations include: the World Trade Club, the Washington Council on International Trade, and the Trade Development Alliance of Seattle. Participation in international trade fairs is offered by the Washington State International Trade Fair.

Conclusion

There does not appear to be a compelling reason for the state to continue funding a program in which comparable services are offered by state and federal agencies. This conclusion is further supported by the low return in sales for program expenditures and the low impact to the state employment rolls. We recommend that PNEAP be allowed to terminate on June 30, 1996.

The public impact of terminating PNEAP would be minimal, as there are other existing state and federal programs to assist businesses with international transactions. PNEAP should coordinate with DCTED to ensure that outstanding contractual obligations to PNEAP clients are satisfied prior to program termination and that PNEAP clients seeking assistance can be referred to other export assistance programs for services.

**Public
impact
minimal**

Program
termination
on June 30,
1996

Recommendation

The legislature should allow the Pacific Northwest Export Assistance Project (PNEAP) to terminate on June 30, 1996, according to provisions of the Sunset Act.

SCOPE AND OBJECTIVES

Appendix 1

SCOPE

The scope of this mandated sunset review includes, but may not be limited to, an assessment of the costs/benefits of the Pacific Northwest Export Assistance Project (PNEAP) to Washington State.

OBJECTIVES

1. Evaluate the short- and long-term employment and economic impacts to the state.
2. Evaluate the short- and long-term effectiveness of the PNEAP in assisting businesses in timber-impacted areas.
3. Evaluate the extent to which PNEAP services may be duplicated in federal and local governments, the private sector, and other Washington State programs.
4. Determine the extent to which the termination or modification of the PNEAP would adversely affect the public health, safety, or welfare.
5. Develop recommendations to terminate, modify, or continue the entire, or parts of, the program.

AGENCY RESPONSE

Appendix 2

- **Department of Community, Trade and Economic Development**
- **Export Assistance Center**
- **Office of Financial Management**
- **Auditor's Comments to Agency Response**

RECEIVED**SEP 26 1995
LEGISLATIVE
BUDGET COMM**

STATE OF WASHINGTON

DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT

2001 6th Avenue, Suite 2600 • Seattle, Washington 98121 • (206) 464-7743 • Fax (206) 464-7222

September 11, 1995

Mr. Martin Chaw
Legislative Budget Committee
P.O. Box 40910
Olympia, Washington 98504-0910

Dear Mr. Chaw:

This letter is in response to the Preliminary Report for the Sunset of the Pacific Northwest Export Assistance Project. The Department of Community, Trade and Economic Development agrees with the Legislative Budget Committee Preliminary report recommendation that PNEAP should be terminated.

The Preliminary Report findings is strikingly consistent with the independent review of PNEAP that was prepared last year and also is consistent with the both CTED's assessment of PNEAP and with the quantifiable results reported by PNEAP to CTED.

Approximately \$1.5 million of tax payers money was expended by PNEAP since 1991. The program was intended to assist 31 businesses at a time, but over the past year, that number has declined to only 18. Total export sales reported by PNEAP clients since 1991 are \$2.2 million, with \$1 million of that from one business for one transaction in 1993. The number of clients making export sales and the dollar volume of those sales have consistently declined for the past year and in the last reported quarter, April through June 1995, only 4 businesses reported sales for a total value of \$67,000. State funds used to support PNEAP during this period were \$96,500 and PNEAP had three full time professionals on staff and a support staff of one and one half persons. Total commissions collected by PNEAP, according to the data provided to CTED by PNEAP since 1991 has only been \$19,664. PNEAP received one grant from the U.S. Department of Agriculture for approximately \$40,000. The B & O tax revenues paid by PNEAP clients attributable to PNEAP are estimated at \$11,120 since 1991. There is little evidence of job creation that can be quantified.

Although CTED believes that the concept of providing one-on-one intensive start to finish education, counseling and export transactional assistance is a sound concept, the results of PNEAP have proved to be extremely disappointing. There are alternatives available to businesses interested in exporting, to obtain a broad range of information and assistance.

Please do not hesitate to contact me if you have any additional questions.

Sincerely,



Stephen R. Odom
Managing Director
Trade and Market Sectors

cc: Mr. Mike Fitzgerald
Mr. Tom Campbell
Mr. John Savich



STATE OF WASHINGTON
 DEPARTMENT OF COMMUNITY, TRADE AND ECONOMIC DEVELOPMENT
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PACIFIC NORTHWEST EXPORT ASSISTANCE CENTER

Recommendation	Agency Position	Comments
Terminate PNEAP	Agree	<p>Approximately \$1.5 million of state funds have been spent by PNEAP with few quantifiable results. Total sales by PNEAP clients are \$2.2 million from 1991, with \$1 million of that by one client for one transaction. The number of clients making sales and the value of those sales has never been great and have continued to decline over the past year. PNEAP has collected only \$19,664 in commissions and has no history of ever being self sufficient. Cost-benefit ration is very poor and B& O tax revenues paid by PNEAP clients are estimated at \$11,120 since 1991. There is little evidence of job creation. PNEAP has not met it's statutory goals or expectations. There are alternatives available to the business community to obtain information, training and assistance.</p>



Export Assistance Center
of Washington

2001 Sixth Avenue
Suite 2100
Seattle, Washington 98121

Tel (206) 464-7123
FAX (206) 587-4224

August 24, 1995

RECEIVED

State of Washington Legislative Budget Committee
P.O. Box 40910
506 16th Avenue S.E.
Olympia WA 98501-2323
Attention Cheryle A. Broom
Legislative Auditor

AUG 25 1995
LEGISLATIVE
BUDGET COMM

Dear Ms. Broom:

SBEFACW Board Response to the Legislative Budget Committee report on PNEAP

The Legislative Budget Committee held meetings in June of 1995 and reviewed the auditor's report on the operations of PNEAP.

The legislative process allows for comment on official reports concerning the activities of entities that have been specifically charged with the oversight of independent Boards.

The Export Assistance Center for the State of Washington is managed by a full time staff which reports to a Board of Directors appointed by the governor by legal statute. The State Department of Trade and Community Development processes the funding for the activities of this organization on conditions set out in the relevant legislation. A report was prepared by Auditors of the Legislative Budget Committee on the operation and performance of the Pacific Northwest Export Assistance Project that requires comment by the Board of the Export Assistance Center, which has legislatively mandated oversight.

The activities of PNEAP did not commence until mid November 1991, after the SBEFACW Board directed its Executive Committee to sit down with DTED management to insist on the formulation and adoption of a contract that would govern the operation.

The contract defined precisely what was required by DTED for funding. The program was to provide training in the disciplines that are utilized to develop and maintain international trade. Specifically, this activity was intended for clients who generally had

less than \$5 million in annual sales, were in the timber-impacted counties and had less than 10% of their sales in international markets. This distinction is vitally important, because current evaluations are based on past value of commissions and total sales.

PNEAP is being measured against operations that do not have the above size and location limitations. It seems rather disingenuous to accuse PNEAP of not performing to the standards set over the period considered, when both the Director of CTED and the Department's contract administrator were fully aware of PNEAP's performance, and indeed approved payment for all quarters, based on performance to contract.

The contract with DTED was based on quarterly deliverables and only those approved by DTED/CTED would qualify for reimbursement. Payment was withheld until PNEAP completed the work to the administrative satisfaction of DTED. It is curious that a particular activity that is referred to in the biennial assessment as a "waste of time", and that was not completed by PNEAP to DTED requirements, was a reason for DTED to withhold reimbursement payments. On our part, PNEAP staff had no option but to carry out the administratively defined requirements. There is no indication in the report that performance against the contract was regulated by DTED/CTED to meet their requirements.

The operations of PNEAP were reviewed at Board meetings and by Executive Committee members - contract against work performed - and it was consistently found that the contract conditions were being met in fine style.

A major point in the report relates to the duplication of PNEAP efforts by other export services from the State. At the last Board meeting of SBEFACW, Board members specifically questioned CTED officials if the program duplicated other export services provided by or in the State. They were assured that this was not the case and that PNEAP operated outside the parameters of other programs. Inexplicably, the Legislative Budget Committee at its meeting on June 23rd, was supported by CTED officials in stating that the activities completely and totally duplicated services offered in other programs.

The Board of SBEFACW feels rather strongly that the report provided by the Legislative Budget Committee has been unduly cast in totally negative terms, without any recognition of the positive results from the services provided by PNEAP. Our clients have expressed great satisfaction with the positive standards of training. This surely results in an on-going positive benefit to the State.

The Board of SBEFACW rigorously reviewed the conditions of the program accomplishments, and we found that we came to entirely different conclusions compared to those presented in the report to the Legislative Budget Committee. The Biennial Assessment Report deals with the first biennium. This period was used exclusively for training, and this activity did not start until June of 1992 because of the contract delays. The last Deliverable, accepted and paid by CTED on June 30th, 1995, in the second

biennium, show the clients of PNEAP have an increase in employees of 260, since joining the program.

There are a number of issues that need to be addressed, so that the legislators have a better understanding of the legislative intent, the contract that ensued from the legislation, and the performance of PNEAP in accordance with that contract.

The PNEAP Contract.

The contract defined precisely what DTED required. This was a program that provided training in the disciplines that are utilized to develop and maintain international trade. The influences related to company size and location are important, because currently, CTED as it has become, is now focusing on the past value of commissions and total sales. PNEAP is being compared to operations that do not have size and location limitations, do not have to collect commissions, and have "Estimated" sales.

If a more balanced report cannot be arrived at, then a completely false impression will be given to the legislators, one result of which may be the adverse influence any future programs that they may consider beneficial for improved international trade.

With respect to the question of how many employees were engaged specifically for export orders, there is a fundamental problem. If a company is asked the question "How many were employed exclusively for export related work" the answer is likely to be very low, at best. How many people does Boeing employ for domestic airplane sales, and how many for export airplane sales? The true answer is that the company employs the numbers needed to fulfill total orders.

Improved marketing standards as a result of PNEAP training and assistance, increased sales to both home and foreign markets, namely total sales. Whether the sale is for an export customer or a domestic customer is not of consequence at the manufacturing level.

Taking three clients from the PNEAP client base, one company in Everett is building a second factory in order to accommodate large export orders that stem from PNEAP efforts. A second company in Yakima has increased from part time to full time work, and has potential international sales expansion to add another shift. This year they will be able to enter into an international contract that will take their products world wide. This contract is an extension of the existing contract that came about from direct introductions and negotiations by PNEAP. A third company has increased from one full and one part time employee to ten full time employees, and in addition uses sub-contractors. This came about through PNEAP assistance and guidance. The company is currently gearing up to deliver container loads of products to Japan. This is an Olympic Peninsula company, and employment increases for the region are very important.

PNEAP clients can document the above claims. This aspect of PNEAP performance is in total contrast to the Legislative Budget Committee Report and the claim that only one employee increase was recorded.

Biennial assessment background.

The RFP for a Biennial Assessment Audit for PNEAP was advertised as directed by CTED, and the bids ranged from \$35,000 down to \$12,000, with options for additional cost items. All bids were rejected by CTED because of price.

The second RFP advertisement had the top fee that could be paid specified at \$6,000. This RFP received only one bid. This bid was accepted. It should be noted that CTED had placed the \$6,000 limit for the PNEAP biennial Assessment Audit.

The Biennial Assessment Audit has some comments on EMC's by the auditor. The Audit compares the PNEAP training program to a non-training export management operation. In such a competition, a training program will always return lower sales. However the companies supplying EMC's will not know who their overseas customers, or where their markets are. That is why training was deemed the best procedure by the legislators in the enabling legislation.

Conclusions

The SBEFACW has no problem with the Sunset date of June 30, 1996 being recommended, because this is the recommended date in the original enabling legislation, and it had been assumed as the termination date, even during the original PNEAP/DTED contract negotiations.

As a matter of record, the PNEAP contract from DTED for the first biennium received was five and one half months late. The CTED contract for the second biennium was also more than five months late. For the current biennium, CTED has introduced terms and conditions that the SBEFACW Board has been compelled to reject. In the opinion of the SBEFACW Board, the intent of the 1995 legislation has not been recognized in the new contract terms, and in consequence, the operation of PNEAP as a state funded operation will not go beyond September 30, 1995.

The SBEFACW Board has endeavored to ensure the terms of contracts were met, allowing that the contract operating requirements were based on the DTED/CTED interpretation of the legislation.

The performance of PNEAP has been reported to the contractor, and to the Board, so that we were both able to see the state benefited from its financial support. The Legislative Budget Committee Report (LBCR) does not recognize any of the positive work that was achieved by PNEAP, and the SBEFACW Board as the body that is legislated to be

responsible for the management of the PNEAP program would not be fulfilling its obligations to the state, if it allowed the totally negative LBCR to go forward without these corrections.

Sincerely,


Willem Maas
SBEFACW Chairman



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SEP 26 1995

LEGISLATIVE
BUDGET COMM

STATE OF WASHINGTON


OFFICE OF FINANCIAL MANAGEMENT

Insurance Building, M.S. AQ-44 • Olympia, Washington 98504 • (206) 753-5450

DATE: September 26, 1995

TO: The Honorable Al Bauer, Chair
Legislative Budget Committee

Cheryle A. Broom
Legislative Auditor

FROM: Ruta Fanning, Director 

SUBJECT: SUNSET REVIEW: PACIFIC NORTHWEST EXPORT ASSISTANCE
PROJECT

In accordance with RCW 43.31.050, the Office of Financial Management (OFM) has reviewed the operations of the Pacific Northwest Export Assistance Project (PNEAP) and the Legislative Budget Committee's (LBC) preliminary sunset review of that program. Based on this review, OFM is in substantial agreement with the analysis and recommendation of the LBC report that the project should be allowed to terminate, effective June 30, 1996.

PNEAP was initiated by the Legislature as part of legislation to assist timber-dependent communities. The authorizing legislation required PNEAP, managed by the Small Business Export Finance Assistance Center, to provide assistance to small and medium sized firms with no prior experience in exporting goods or services. A minimum of 50 percent of project assistance was to be provided to firms in timber-dependent areas of the state. The project was to provide comprehensive services to help firms with no export experience develop introductory export strategies and to assist them to secure financing for export transactions.

OFM is in agreement with the conclusion that the financing results of the Pacific Northwest Export Assistance Project have not been satisfactory. Our review of the outcome of PNEAP results has confirmed that the Project was able to provide quality training to small and medium size firms with little export experience. The training was given generally high marks by participating businesses.

However, PNEAP was rarely able to successfully follow up that training with successful export transactions. In some cases, firms trained by PNEAP were able to successfully enter exporting, while others were not, but most of the firms who successfully exported did not credit PNEAP with arranging the financing or assisting in the transaction. At the same time, the separate export financing programs of the Small Business Export Finance Assistance Center have been quite successful, focusing on arranging Export-Import Bank financing for a range of businesses in the state.

We have examined the results of the LBC staff analysis, an independent analysis of PNEAP conducted by Resource Associates Inc. (RAI) in 1994, and figures provided by PNEAP. The LBC staff analysis and the RAI analysis both show very low return for the state funds invested. While PNEAP claims are more positive, they consist of sales and employment figures before and after PNEAP assistance, with no real evidence presented that positive changes were related to PNEAP assistance.

We agree with the draft report that it would be unfair to judge the Project on the basis of financial performance in the first two years of program operation, when most work focused on identification of firms and training, but the financial results of the program in 1994 are below the return projected by the Legislature.

As a result, we are in agreement with the recommendation in the draft LBC report that the Project be allowed to terminate, effective June 30, 1996.

There are some important lessons to be learned from the PNEAP experience. First, while export assistance was a reasonable economic assistance goal for timber-dependent communities, the numeric targets for assisting firms in these communities were overly ambitious. An additional problem was the inability of PNEAP to develop economies of scale in the firms it worked to assist. Because PNEAP was working with firms from so many different industries and with export targets in so many countries and markets, the transaction costs of PNEAP efforts were overly high. One significant problem faced by the PNEAP was how to show that their efforts had made a real difference for firms. When they provided training alone, they could not verify that their efforts resulted in export sales. Any future effort must develop clear methods of measuring success from the start, to avoid this problem.

We continue to believe that increasing the involvement of small and medium size firms in international export markets is an important policy goal for the state. Despite the fact that the economy of Washington State is more dependent on export markets and on international trade than that of any other state, a comparatively small number of firms in the state currently export goods and services. Meanwhile, some of the best opportunities for enterprises in the state are in international markets.

The export assistance efforts of the state Department of Community, Trade and Economic Development under the new Local Trade Assistance Network are one effort to try to provide export assistance to small and medium size firms. This program is working with economic development councils, community colleges, Small Business Development Centers and the new federal U.S. Export Assistance Center. The U.S. Export Assistance Center includes a number of federal and state export assistance organizations, including the Export Finance Assistance Center (a finance program of the Small Business Export Finance Assistance Center). We continue to believe that expansion of efforts to provide export training and market development to small and medium-size firms is worthwhile.

We believe that the state should continue its efforts in the field of export assistance, working cooperatively with the federal government, private export assistance providers, and with the business community.

AUDITOR'S COMMENTS TO AGENCY RESPONSE

The Board of Directors for the Pacific Northwest Export Assistance Center concurs with the recommendation to sunset the program. However, the Board takes exception to the conclusions presented within this report. In general, the Board states: 1) that comparing PNEAP to other export promotion programs is an unfair comparison due to statutory restrictions governing the types of clients PNEAP can assist and the types of services it can provide; and 2) that this report does not fully recognize the benefits of the program, especially the number of jobs created.

The report recognizes the statutory restrictions placed upon PNEAP and the impact that these restrictions may have when comparing the performance of PNEAP against other public export assistance programs (refer to the discussion under chapter 2, negative benefit to cost ratio). We found that similar export assistance services are offered by other public entities (refer to appendix 7, comparison of export counseling services).

The report further recognizes that businesses are satisfied with the training services provided and that there may be domestic or deferred international benefits as a result of PNEAP's assistance (refer to chapter 2, quality of training and education). However, when the auditors assessed the performance of the program and analyzed the export sales and expenditure data which were tracked and provided by PNEAP, the benefits of their efforts were much lower than the costs incurred, especially when compared to other public export promotion programs (refer to chapter 3, program duplication and coordination). Moreover, the auditors conducted a survey of PNEAP's clients and, based on the survey results, concluded that the impact to employment was minimal (refer to appendix 6 for a summary of the survey results).

Appendix 3

PNEAP CLIENT PRODUCT LIST

1. Bicycle parts
2. Bins and pallets
3. Control valves
4. Cutters
5. Drill bits
6. Electrical transmission lines
7. Fruit picking bags
8. Heavy-duty trailer equipment
9. Hottub covers
10. Industrial cleaners/sanitizers
11. Inverters and converters
12. Medical educational aids
13. Metal building systems
14. Metal sculptures, student furniture
15. Music stands
16. Outboard crankshafts
17. Paints, coats
18. Processed berries
19. Processed flowers
20. Smoked salmon
21. Steel castings/metal products
22. Towing equipment
23. Upholstered furniture
24. Wheel chair accessories
25. Wines
26. Wood cabinets
27. Wood products
28. Wood windows

Appendix 4

EXPORT ASSISTANCE CENTER OF WASHINGTON BOARD OF DIRECTORS

Kathryne A. Cobb, Vice President of International Banking
North Pacific Bank

Michael Fitzgerald, Director of the Department of Community, Trade, and
Economic Development, State of Washington

Bill Glassford IV, Senior Vice President/Manager
Seafirst Bank

Jim Jesernig, Director
Department of Agriculture, State of Washington

Burrill Hatch, Inspector
International Transport Worker Federation (ITWF)

Larry Killeen (EAC Chairman)
Gordon, Thomas, Honeywell

Bernie Korth
ASC Machine Tools Incorporated

Bob Levin, President
Columbia River EDC

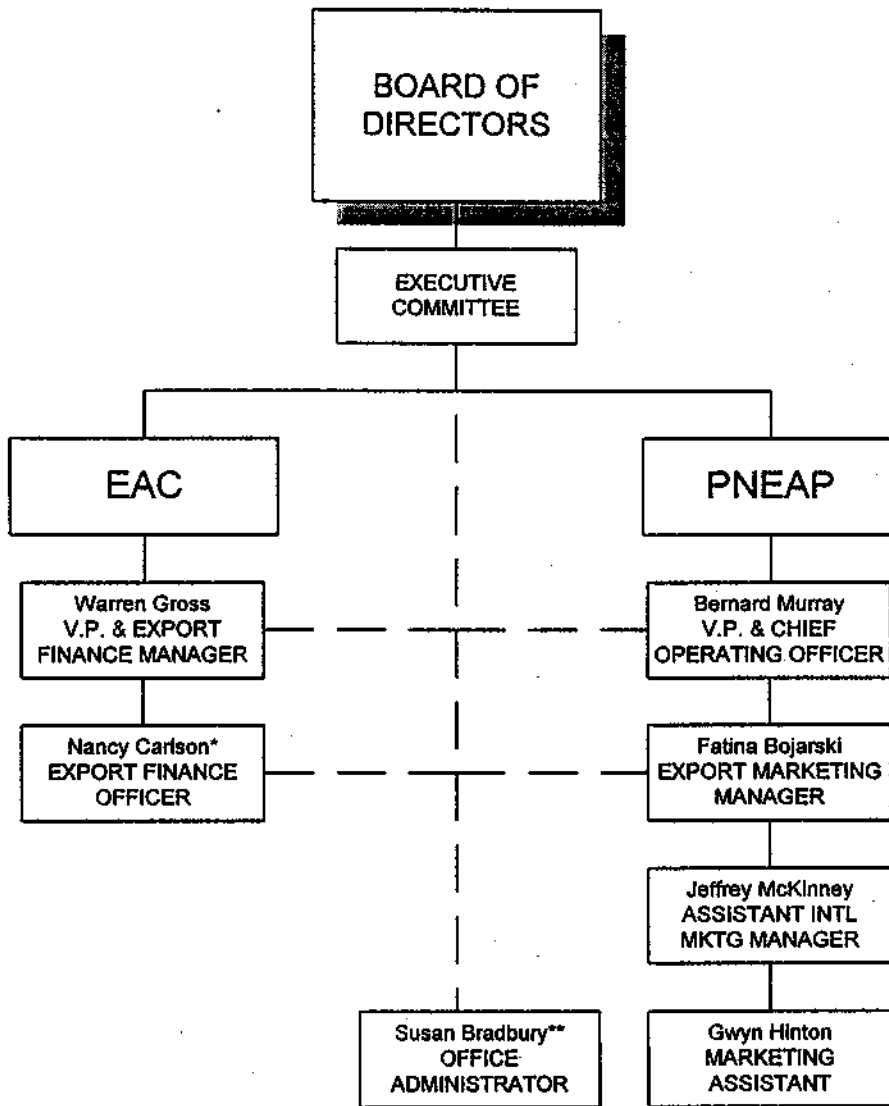
John Lewis (EAC Treasurer)
Export Management Company

William Maas, President (EAC Vice Chairman)
Ironwood

Donald Miller, President (EAC Secretary)
Ederer Incorporated

David Thornton
Boeing Finance Department

James Walesby, President
Walesby Farms Incorporated



* 20% PNEAP/ 80% EAC

** 50% PNEAP/ 50% EAC

7/1/94

PNEAP Performance Measures

	<i>For period ending</i>		<i>July 1, 1991</i>							
	<i>- June 30, 1993</i>	<i>30-Sep-93</i>	<i>31-Dec-93</i>	<i>31-Mar-94</i>	<i>30-Jun-94</i>	<i>30-Sep-94</i>	<i>31-Dec-94</i>		<i>Total</i>	
No. of distr. agreements signed	n/a	n/a	n/a	0	13	4	0			
Amt. of commissions collected \$	2,462	\$ 1,783	n/a	\$ 296	\$ 10,872	\$ 41	\$ -5,846	\$	21,300	\$
No. of orders shipped	n/a	n/a	n/a	18	60	39	179		296	
Change in employment	n/a	n/a	n/a	-20	82	-34	-20		8	
Sales \$	54,711	\$125,143	n/a	\$ 63,409	\$241,600	\$110,211	\$191,874	\$	786,948	\$
Direct expenditures \$	288,572	\$ 84,196	\$ 84,196	\$ 84,196	\$ 84,196	\$ 84,196	\$ 84,196	\$	793,749	\$
Indirect expenditures \$	568,587	\$ 41,470	\$ 41,470	\$ 41,470	\$ 41,470	\$ 41,470	\$ 41,470	\$	817,406	\$
Total expenditures \$	857,159	\$125,666	\$ 125,666	\$125,666	\$125,666	\$125,666	\$125,666	\$	1,611,155	\$
Ratios:										
Sales:expenditure \$	0.06	\$ 1.00	n/a	\$ 0.50	\$ 1.92	\$ 0.88	\$ 1.53	\$	0.49	\$
Commissions:sales	4.5%	1.4%	n/a	0.5%	4.5%	0.0%	3.0%		2.7%	
Average amt. of sale per order	n/a	n/a	n/a	\$ 3,523	\$ 4,027	\$ 2,826	\$ 1,072	\$	2,659	\$

Source: PNEAP quarterly data reports

Summary of client responses:

<u>Question:</u>	<u>Client #1</u>	<u>Client #2</u>	<u>Client #3</u>	<u>Client #4</u>	<u>Client #5</u>	<u>Client #6</u>	<u>Client #7</u>	<u>Client #8</u>	<u>Client #9</u>
<i>What has been the major benefit of the PNEAP for your organization?</i>	training & education	training & education	training & education	training & education	training & education	one-to-one assistance	No benefit	training & education	training & education
<i>In your opinion, is there a continued need for the PNEAP?</i>	yes	yes	yes	yes	yes	yes	no	yes	yes
<i>Has your need for the PNEAP changed since the beginning of the program?</i>	no	no	no	no	Yes, only for for technical assistance	Focusing on domestic market only	no	no	no
<i>What modifications would you recommend for the PNEAP?</i>	none	better leads	Haven't used program	Haven't used program	better leads	none	better leads	none	none
<i>Do you know of any other organizations providing similar services to the PNEAP?</i>	no	Yes. Federal export prgs.	no	no	Yes. Federal export prgs.	no	Yes. Federal export prgs.	no	no
<i>What would be the impact of allowing the PNEAP to sunset?</i>	none	none	none	none	none	State will lose access to foreign mkts.	none	Loss of PNEAP commissions	Loss for other businesses
<i>What has been the impact on your sales and staff?</i>	One new employee	none	none	none	Fairly large, no details available	\$40k sales	n/a	none	none

11

Source: LBC staff survey, May 1995

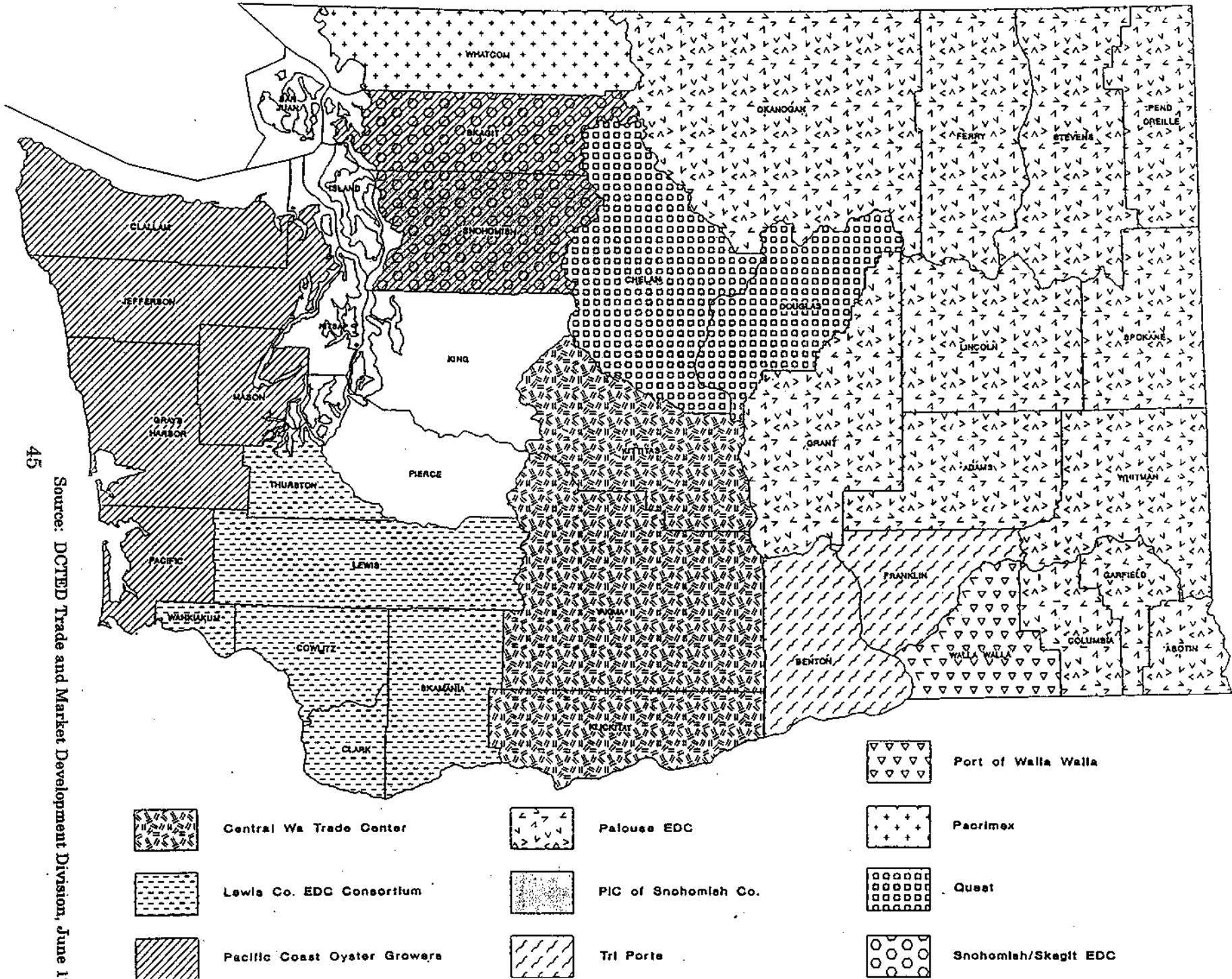
Appendix 7

Comparison of Export Counseling Services

	Wa. State US EAC											
	PNEAP	US FCS ITA	SBA/Score	SBDC	Wa. DCTED	EACW	NSCC ITI	WSIT Fair	Trade Dev. All.	Tacoma WTC	Council on IT	Wa. Dp. of Ag.
Counseling services provided												
Education and training												
Cultural/customs briefings	X	X	X	X	X	--	X	--	--	X	--	X
Export education and training	X	X	X	X	X	X	X	--	X	X	X	X
Export evaluation and assessment												
Company management of new activities	X	X	X	X	X	X	--	--	--	X	--	X
Evaluation of company readiness for export	X	X	X	X	X	X	X	--	--	X	--	X
Product licensing and permitting												
Export licensing and permits	X	X	--	X	X	--	X	--	--	X	--	X
FTA duty reduction	X	X	--	--	X	--	--	--	--	X	--	X
ISO 9000 requirements/assessment	X	X	X	--	X	--	--	--	--	X	--	X
Trade mark, Trade name protection	X	X	--	X	X	--	X	--	--	X	--	X
Financing & Pricing strategies												
Financing and risk analysis	X	X	X	X	--	X	X	--	--	X	--	--
Pricing strategies	X	X	--	X	--	X	--	--	--	X	--	--
Export loans and guarantees	--	X	X	X	--	X	X	--	--	X	--	--
Marketing/Exhibition												
Exhibitions, trade fairs, and advertising	X	X	--	--	X	--	--	X	X	X	--	X
Finding markets and distributors	X	X	--	X	X	--	X	X	--	X	--	X
Market matching opportunities	X	X	--	X	X	--	--	--	X	X	--	X
Translation	X	--	--	--	--	--	--	X	--	X	--	--
Country/regional market information	X	X	X	X	X	--	X	--	X	X	--	X
Market information by facsimile	X	X	--	--	X	--	--	--	--	X	--	X
Market trade databases	X	X	--	--	X	--	--	--	--	X	--	X
Trade statistics and product demand databa	X	X	--	--	X	--	--	--	--	X	--	X
Regional & foreign trade offices	--	X	--	--	X	--	--	--	--	X	--	X
Market matching of buyers and sellers	X	X	--	--	X	--	--	--	--	X	--	X
Organizing country visits	X	X	--	X	X	--	--	--	X	X	--	X
Transportation and packaging												
Transportation and packaging	X	X	X	X	X	--	X	X	--	X	--	X

Source: US FCS ITA, DCTED, PNEAP, US DOC, personal interviews with representatives from each of the respective organizations.

LOCAL TRADE ASSISTANCE NETWORK



Appendix 9

LIST OF PRIVATE AND PUBLIC EXPORT/TRADE PROMOTION PROGRAMS CONTACTED

Public Programs

Export Assistance Center of Washington
U.S. Department of Commerce, Foreign Commercial Service, International
Trade Administration
U.S. Small Business Administration, Service Corps of Retired Executives
Department of Agriculture, State of Washington
Department of Community, Trade, and Economic Development, State of
Washington

Private, Non-profit Programs

International Trade Institute, North Seattle Community College
Trade Development Alliance of Seattle
Washington Council on International Trade
Washington State International Trade Fair
World Trade Center, Tacoma
World Trade Club of Seattle

Export Management/Trading Companies

International Marketing Service
Latin American Consulting
WRG Corporation