

SUCCESSFUL FEED INGREDIENTS BUYERS MISSION AT WORLD PORK EXPO

The International Office and the Food Export Association of the Midwest, organized a Feed Ingredients Buyers Mission, June 8-9,, during World Pork Expo. Buyers from Argentina, Canada, Chile and Mexico met one-on-one with suppliers who reported more than \$23 million in sales at the event. For questions or interest in participation next year, contact Mark Fischer at 515.725.3140, mark.fischer@iowa.gov or Lisa Longman at 515.725.3139, lisa.longman@iowa.gov.

MEXICO TRADE MISSION (OCTOBER 16-22, 2011)

Mexico is the second largest single country market for Iowa exports, with nearly \$1.8 billion in manufactured and value added goods exports alone in 2010. With the exception of 2009, Iowa exports have increased at least 20 percent in each of the last six years! Mexico is a natural market because of the tremendous receptivity it extends to U.S. suppliers. However, it can be difficult to capitalize upon its full potential due to issues such as its size and diversity, legal and banking systems, regulations and standards, language and culture. Mexico City and surrounding states are the political and financial center of Mexico and constitute over 45 percent of Mexico's total industrial base.

One-on-one pre-qualified appointments will be arranged for participating companies whether they are seeking to develop or expand direct export sales, locate distributors or agents, conduct market research or have other goals. All industry sectors are invited to participate in this mission. The mission will coincide with Expo Cihac which is the premier event in Mexico for the building, construction and housing industries. Show sub-sectors include building materials, machinery, equipment, hand and power tools, building systems and prefabricated technologies, financial services, real estate, finished houses, piping, etc. Expo Cihac also includes a forum on sustainable infrastructure and urban development; conferences and lectures by renowned architects and engineers; seminars and workshops; and a special section for those companies producing eco-technologies for the construction industry.

If you are unfamiliar with the Mexican market, need updated market information or just want to see what type of contacts are available prior to making a participation decision, we encourage you to apply for an Industry-Market Analysis (IMA) and Sales Associate Search (SAS) package. An IMA is a customized market-industry overview covering market potential, competitors, competitive products/services, marketing channels, market characteristics and distribution, advertising and promotions and requirements to conduct business in the market. The SAS identifies and pre-screens potential customers, agents, distributors or other sales associates based upon the industry-market parameters and criteria you provide. The research and screening process includes gathering current information from industry sources followed by interviewing potential candidates for a match with the criteria provided and compatibility with your market objectives. IMA/SAS applications must be made immediately to ensure the research can be completed and report prepared in time for your review and a final decision regarding mission participation. Contact Peggy Kerr at 515.725.3143 or peggy.kerr@iowa.gov for additional information.

US CENSUS BUREAU AES COMPLIANCE SEMINAR AND WORKSHOP (NOVEMBER 2-3, 2011)

IDED will be hosting another US Census Bureau AES Compliance Seminar & Workshop in Des Moines, November 2-3, 2011. This is a two-part series designed to effectively teach exporters how to avoid penalties and accurately report shipments through the Automated Export System (AES). The seminar features a full day of learning, covering the different restrictions and classifications of foreign trade regulations, as well as a full overview of the AES. In the workshop, attendees put their knowledge to use, with certified training on completing AES filings on the web.

If you are new to exporting or are unfamiliar with AES, this event will provide all the training you need to get started. Experienced exporters must understand the new requirements of the Foreign Trade Regulations (FTR) and how to avoid possible penalties and seizure of your commodities. In addition, it is vital to provide accurate and complete data in efforts to help the trade make sound business decisions. Registration details will be announced soon or visit our website calendar at www.iowalifechanging.com for upcoming information.

DIRECTORY UPDATES

The International Office has a database of Iowa companies who export or are interested in exporting. This database is used by our office to send pertinent information to the appropriate individuals in your company. It is also used in an online Iowa Directory of Exporters which is promoted to potential buyers worldwide. Therefore, it is important we have current information. We DO NOT share or sell our lists. Only general contact and product information is published (free of charge) in the directory. We are going to work diligently to call companies and update listings. Please feel free to contact us directly at 515.725.3139, international@iowa.gov, to proactively update your information. You can access the Iowa Directory of Exporters at http://www.iowalifechanging.com/business/intl/intldir/export_directory.aspx

FREE REGIONAL NEWSLETTERS FROM IOWA IN-MARKET REPRESENTATIVES/OFFICES AVAILABLE!

International Education Newsletter — A compilation of export/import education events in Iowa and surrounding areas, webinars, technical updates, etc. typically sent monthly.

International Economy & Politics Brief - Mexico — This is a monthly update from our Iowa Mexico Office (our representative Business Development Partners).

China Agricultural Newsletter — This is a monthly update from our Iowa China Office (our representative Phoenix Consulting LLC).

To receive any or all of these newsletters: [Sign Up Here Today!](#)

EXPORT CONFERENCE COMING SOON

Interested in learning more about exporting? You will want to save October 28th, 2011, from 8 am-1:30 pm for an Export Conference hosted by the Iowa Innovation Gateway and its partners. The event will be held at the Vermeer Global Pavilion and will feature panels of speakers discussing contracting, international business development and success stories. Mary Andringa, President and CEO of Vermeer Corporation will be the keynote speaker. Mary is the Chair of the National Association of Manufacturers and currently serves on President Obama's National Export Council. Please watch your email and www.iowainnovationgateway.org for registration information.

THE EUROPEAN UNION – A ROBUST CENTER FOR TRADE

Article by: Anke Goebel de Mendez, Director, Iowa European Office

NEW - TransAtlantic Intellectual Property Rights Portal

Several government agencies in both the European Union and the United States have recently come together to create the new TransAtlantic IPR Portal. This portal is designed to give small and medium-sized businesses the opportunity to both inform and protect themselves regarding intellectual property rights. The website provides valuable information as to defining Intellectual Property Rights (IPRs), registration of IPRs in EU member states and any applicable costs. The portal can be accessed at: http://ec.europa.eu/enterprise/initiatives/ipr/index_en.htm. Also included on the site are training modules and free e-learning programs that help companies learn about assessing, protecting and enforcing their intellectual property rights at home and abroad.

Additionally, according to the Enterprise Europe Network, the EU Commission plans to reduce the cost of new patents filed in Europe by 80 percent, and also streamline the registration process. New registration rules would allow individuals and companies to file one patent which would subsequently be valid for 25 EU member states.¹ See http://ec.europa.eu/internal_market/indprop/patent/index_en.htm for further information.

Increased mobility for workers within the EU

Freedom of movement for workers within the European Union continues to increase. As of May 1, citizens from eight Eastern European countries (Czech Republic, Estonia, Latvia, Lithuania, Hungary, Poland, Slovenia and Slovakia) can work legally and indefinitely within Germany and Austria. Residents from European countries which had joined the EU before 2004, such as France, Spain and Italy, were already allowed to work freely in Germany and Austria. According to studies carried out by the EU Commission, open borders regarding job mobility have led to greater economic growth and have brought otherwise illegal workers into the legal job market.²

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THE EUROPEAN UNION – A ROBUST CENTER FOR TRADE*Continued from previous page***German economy remains strong**

According to the Eighth AmCham Business Barometer, a report carried out by the American Chamber of Commerce in Germany and The Boston Consulting Group, Germany was ranked the top business location in Europe by American business executives. Indeed, 87 percent of U.S. companies with operations in Germany expect their revenue to grow in 2011. More than 50 percent plan to hire additional workers in the upcoming year.³ Additionally, companies remain committed to investing in research and development, with over one third intending to invest in R&D in 2011. “We are honoured that American executives continue to praise Germany. American companies have a long tradition here and their ability to succeed confirms Germany’s attractiveness as the top business location in Europe,” states Dr. Jürgen Friedrich, Chief Executive of Germany Trade & Invest.⁴ Currently, the German economy is growing at a rate of 2.3 percent, has 16 percent of the EU’s total population, and comprises 20 percent of Europe’s GDP (out of 27 member states).⁵

EUROPE 2020 INITIATIVE - ENERGY EFFICIENCY PLAN 2011⁶

The European Union has adopted the “20-20-20 by 2020” rule, i.e.:

- to reduce greenhouse gas emissions by 20 percent compared to 1990 levels;
- to raise the share of renewable energy in final energy consumption by 20 percent, and;
- to increase energy efficiency by 20 percent in comparison with projections.⁷

To achieve these goals, infrastructure investment needs between 2010 and 2020 amount to EUR 1,100 billion (over 1 trillion) for the entire EU energy system. Of the total amount, 500 billion will be invested into power generation (of which close to 400 billion EUR will go into renewable energy), while about 600 billion EUR will be needed for enhancing energy networks (transmission networks, electricity and gas storage, smart grids).⁸ The European Investment Bank (EIB) is a major source for loans in this field.

UPCOMING TRADE SHOWS

ANUGA. Cologne, Germany. October 8 – 12, 2011. ANUGA is the largest food and beverage fair in the world with over 6,500 international exhibitors and 150,000 trade visitors: www.anuga.de

BATIMAT. Paris, France. November 7 – 12, 2011. As the essential meeting place for the French and international construction industry, BATIMAT drew 380,168 visitors with 2,382 exhibitors from 56 countries in 2009: www.batimat.com

AGRITECHNICA. Hanover, Germany. November 15 – 19, 2011. With 18 exhibition halls and over 2,300 exhibitors, AGRITECHNICA is the world’s largest exhibition for agricultural machinery and equipment: www.agritechnica.com

MEDICA. Dusseldorf, Germany. November 16 – 19, 2011. MEDICA is the world’s largest event for the medical sector. Over 4,300 exhibitors and approximately 137,000 trade-only visitors from 100 countries attended the show in 2009. This year the U.S. Commercial Service in Dusseldorf is offering a wide range of free services for U.S. exhibitors, which include but are not limited to pre-show promotion, market research and how to apply for VAT tax refunds. For further information, visit: <http://www.buyusa.gov/germany/en/medica.html>

FOOD INGREDIENTS. Paris, France. November 29 – December 1, 2011. Running since 1986, Food Ingredients Europe is the global meeting place for all stakeholders in the food ingredients industry: www.fieurope.ingredientsnetwork.com/home

AMBIENTE. Frankfurt, Germany. February 10 – 14, 2012. Over 144,000 buyers attended the AMBIENTE in 2011, the world’s biggest trade-fair for the consumer-goods sector. The show’s three “shows-within-one-show” are Dining, Giving and Living: www.messe-frankfurt.com/frankfurt/en.html

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UPCOMING TRADE SHOWS

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(Endnotes)

- 1 <http://www.een-hessen.de/548.0.html>
- 2 <http://www.een-hessen.de/544.0.html>
- 3 http://www.amcham.de/fileadmin/user_upload/Presse/Barometer/110510_PM_AmCham_Business_Barometer_2011_EN_Web.pdf
- 4 <http://www.gtai.com/homepage/info-service/press-releases/may-jun-11/american-executives-praise-german-business-environment/?backlink=0>
- 5 <http://www.gtai.com/homepage/german-business-location/economic-profile/economic-activity/?backlink=0>
- 6 http://ec.europa.eu/energy/efficiency/action_plan/action_plan_en.htm
- 7 <http://www.eib.org/projects/topics/environment/renewable-energy/index.htm?lang=en>
- 8 Global Energy Conference, Frankfurt, May 20, 2011

HOW TO PROTECT YOURSELF BEFORE AN INTERNATIONAL DISPUTE ARISES

Article by: Victoria Nwasike, General Practice Attorney, Including International Law with the Davis Brown Law Firm, Des Moines, Iowa

Like any business, it is inevitable that disputes arise when exporting goods abroad. Often times, this occurs when the buyer fails to make a payment. However, with proper planning, many of the issues may be addressed ahead of time. When drafting your international sales contract, you should consider the following:

1) Designating the Law to Govern the Dispute in the Contract

It is imperative to designate the law that will govern any disputes under the international contract, whether it is U.S. law or the law of the foreign party. Usually, the laws of most countries permit you and buyer to agree on which country's law will apply, and that choice will be binding upon both parties whether or not a lawsuit is brought in either party's country. It is important that you check on what differences exist between the foreign law and U.S. law so that you know the risk and advantages of each option.

2) Filing a Lawsuit in Court

When a dispute arises, sometimes the first thing that comes to mind is filing a claim in court. Oftentimes, you may be limited to the courts of the buyer's country to file the claim, seek a judgment, and obtain assets of the buyer. This can result in a number of problems because even if the parties have agreed that U.S. law will govern the contract, there is the possibility that a foreign court may misapply U.S. law, disregard U.S. law, or show favor to the party that is located in its own country.

One solution to this problem is to specify in the contract that all disputes must be filed in the U.S. and that the buyer consents to the jurisdiction of the U.S. Court. However, it must be noted that even if you obtain a judgment in the U.S. and the buyer has no assets here, you may have to have the judgment enforced in the buyer's country.

3) Resolving a Dispute through Arbitration

An alternative to filing a lawsuit in court is to resolve a dispute through arbitration. While arbitration can be less formal than litigation, at times it may not save the parties money and can last just as long as a lawsuit. Additionally, the parties must pay the expenses of the arbitrators, which can be very substantial.

First, you must select an administering authority, for example the American Arbitration Association or the International Chamber of Commerce. Also, the place of arbitration must be specified, and if the parties disagree, it may be best to designate a third country or intermediate location. Finally, you should specify in the contract whether an arbitral award would be enforced in the buyer's country.

When exporting goods abroad, disputes between parties are inevitable. The above is a cursory overview of how to address disputes in an international contract and is by no means exhaustive. Hopefully, by being proactive, you can better manage international disputes with when they arise.

JAPAN IS OPEN FOR BUSINESS AND TOURISM

Article by: George Hisaeda, Consul General of Japan at Chicago

Ever since the unprecedented disaster in Japan, the United States has been at the forefront in providing tremendous support and relief. Japan will never forget your friendship.

Progress continues in the affected area. Damaged highways are now open. Our bullet train, the Shinkansen, is running again. The Fukushima Dai-ichi Nuclear Power Station is being secured step-by-step with completion expected late this year or early next year.

Unfortunately, excessive concern has led to an overreaction. Americans visiting Japan declined 55 percent in April and 38 percent in May compared to one year earlier. Some companies still require radiation certification for Japanese products.

Here's the real picture. Japan is safe to visit and safe for business. Except in areas surrounding the power station, radiation is now at normal levels in Japan, posing no health risk. You can travel to Tokyo, Osaka, and Iowa's sister state, Yamanashi Prefecture, with no worry whatsoever. Our food is carefully monitored. Our products are under strict control.

In short, Japan is open for business and tourism. I encourage you to attend the Japan-Midwest U.S. Association Conference, which will be held in Tokyo in September as scheduled. As Japan now embarks on reconstruction, your input is welcome. Please spread the word to your colleagues and friends.

Every time Japan has faced disaster, it has rebounded and become even stronger. We will do it again with your support.

For the latest information, please see: www.mofa.go.jp/j_info/visit/incidents/index.html.