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Exporting: A Key for Your Business Success!

By Susan Bysiewicz and Anne Evans

As various indicators point to a downward trend for Connecticut's economy, one bright spot was that 2008 set a record for the most goods and services ever exported overseas from this state. According to the U.S. Census Bureau, Connecticut firms exported a total of \$15.3 Billion in 2008, an increase of 11% over 2007 numbers. At a time when multiple industries are shedding jobs around the state, this is great news!

A closer look at the numbers reveals fascinating aspects about globalization and how it has impacted our economy here in Connecticut. As one might expect, with large manufacturers like General Electric, Sikorsky Aircraft, Pratt & Whitney, and Hamilton Sunstrand, the bulk of the exports emanating from Connecticut consist of jet and propeller parts for airplanes, helicopter parts, completed helicopters, and industrial equipment for power plants, cooling and heating units. The heavy industrial sector accounted for nearly \$8 billion of Connecticut's exports last year.

There are other areas of the economy, however, which also experienced fantastic export growth in 2008. Overseas sales of pharmaceutical products manufactured in Connecticut rose by 378% in 2008 compared to the year before. International sales for medical and surgical products made in Connecticut grew by more than 100%. Meanwhile, the sale of corn and grain cereals manufactured in Connecticut rose an astounding 296%.

The largest share of our goods were exported to Canada and Western Europe. But the global marketplace is changing, and that means Connecticut businesses that are aware of the trends stand to succeed. In 2008, Connecticut firms sold 61% more goods to Ireland, 33% more to Mexico, and 20% more to China than in 2007. The greatest emerging marketplaces for Connecticut products however, may be Brazil and the Persian Gulf. Connecticut's exports to Brazil in 2008 rose by nearly 94% from the year before, while sales to the United Arab Emirates surged by over 100% in 2008. Exports to Saudi Arabia, meanwhile, grew by 327% in 2008 – topping out at nearly \$270 million.

Connecticut has a sophisticated manufacturing economy and our greatest resource is our productive, highly skilled and educated

workforce. As the rest of the world's developing economies grow, so too will their demand for the kind of well-built products Connecticut firms are known for throughout the globe. The increase in exports means Connecticut companies are finding new markets for their products. More exports abroad means more jobs and capital here at home.

The experience of one Connecticut firm bears out the growth of these new international markets. For about 10 years, the company EcoGenics of Trumbull has produced skin care products derived from natural plants, specializing in 9 different types of botanical facial creams. The sole employee of EcoGenics, founder and CEO Ann McDonnell, started exporting her products to Canada and Western Europe a few years ago. Just this past February, McDonnell had EcoGenics participate in an overseas advertising program put on by the U.S. Department of Commerce Export Center in Middletown. Almost immediately, McDonnell had a half-dozen inquiries for her skin-care products from distributors in South America, Honduras, Japan, The Philippines, India, and Romania. McDonnell is now in the process of hammering out export agreements. If she successfully enters those new markets, it will be a substantial increase in profits for EcoGenics.

Ann McDonnell's story at EcoGenics could be your story. If you own a small business, find out more about how exporting can expand your company's bottom line. At the U.S. Department of Commerce Export Assistance Center in Middletown, federal officials offer technical assistance including: one-on-one business counseling, workshops, seminars, webinars, and videoconferencing on subjects such as export documentation, export licensing, export controls, intellectual property rights and country specific briefings. The Middletown facility is part of a worldwide network of U.S. Commerce Department sites, where representatives work together to connect American businesses with overseas markets. In the coming weeks and months, the Secretary of the State's Office will be partnering with the Department of Commerce to reach out to small businesses across Connecticut and encourage entrepreneurs to expand their exports. For more information, you can go to www.export.gov

Exporting may not be for everyone. But chances are, if you produce something of value, offer unique or innovative services, there is an emerging, growing market for you overseas.

Susan Bysiewicz is Connecticut's Secretary of the State and Chief Business Registrar. **Anne Evans** is the Connecticut District Director for the U.S. Department of Commerce International Trade Administration.