

Growing Arizona Companies via Exporting



ARIZONA  
COMMERCE  
AUTHORITY

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# Why Export?

## Grow Sales, Diversify Buyer Base, Create Good Jobs

95% of World's Consumers Live Outside USA

80% of World's Purchasing Power is Outside USA

92% of World's Economic Growth - Outside USA

15% Higher Wages in Export-Related Jobs

# What Can Be an Export?

- Products: medical devices, mining technology, consumer products, etc.
- Services: elite athlete training, healthcare consulting/delivery, IT services, etc.



# ACA Assists Companies along the Entire Export Continuum

- New-to-Export (NTE) Companies
- Reactive Exporters
- Proactive Exporters to One Market
- New-to-Market (NTM) Exporters



# Recovering from the Great Recession (GR) via Exporting

Arizona has had export growth each year since GR

U.S. exports up 23.6% nationally since 2010

Exports up 23.5% in AZ: #25 among 50 states

Texas #9, California #30, Utah #32



# Recovering from the Great Recession via Exporting

Most recent year USG export statistics (CY 2013)

25 states with export growth, 25 with declines

AZ ranked #8 in growth

AZ exports grew 5.5%

Texas grew 5.6%

California grew 3.2%

Utah exports DECREASED by 16.3%



# Arizona State Trade and Export Promotion (AZSTEP) Pilot Program

- 240+ companies in 30 AZ cities & towns
- Export-related technical & financial assistance to companies
- Program-related export success >\$46M
- Program-related exports to 81 countries
  - Top 6: Mexico, Canada, UK, Germany, Australia, Japan
- National ROI average on STEP: 15 to 1
- AZSTEP ROI: 40 to 1



# Mexico City Trade Office

- Opened October 2014
- Services to AZ companies free of charge
- Access services via ACA Phoenix office
- Scope of office is nationwide, including Mexico City, Guadalajara and Monterrey
- Trade and Export Assistance to AZ companies
- Foreign Direct Investment (FDI) Lead Generation for Arizona
- Logistics: trade missions & trade shows



# Mexico City Trade Office

## Export Opportunities in Mexico for Arizona companies:

- Advanced manufacturing/supply chain, including aerospace and medical device
- Growing consumer markets, including over-the-counter medical products and after-market automotive accessories
- Increased demand for professional services, including software, information technology, mining



# Mexico City Trade Office

## Key Sector Focus:

- Aerospace
- Advanced Manufacturing
- Life Sciences
- Information Communication Technology

# Mexico City Trade Office

## Trade and Export assistance services:

- Market research
- Sales channel partner identification
  - Distributors, representatives, end buyers/users
- B2B and B2G in-country matchmaking
- Linguistic assistance
- Trade show identification & technical assistance
- Augment BIEN database of companies



# Mexico City Trade Office

## Foreign Direct Investment (FDI):

- Lead generation for Arizona
- Wide range of potential investments
  - Sales and marketing offices
  - Distribution facilities
  - Manufacturing facilities
- Primary focus on identified priority sectors
  - Aerospace, advanced manufacturing, life sciences, ICT



# New ACA Program: ExporTech

- 60-day intensive export boot camp
- 6-8 companies in each session – NTE & NTM
- Export education, counseling, coaching
- Market research & target market(s) identification
- Unique export plan developed for each company
- Go-to-export technical & financial assistance
- Sessions completed in 2014: Mesa & Tucson
- 4 sessions to occur in 2015
  - Greater Phoenix area, Tucson, Northern AZ



# Additional ACA Export Services

- Practical export training workshops
- One-on-one export counseling with companies
- Market research & identification
- International trade shows
- International trade missions
- Post-AZSTEP next-generation technical & financial assistance export program



# Transformational Export Success Stories

- Product Exporter:
  - BioHumaNetics: Gilbert, Arizona
- Service Exporter:
  - EXOS: Phoenix, Arizona





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