

# Exporting Roadmap

## Step #1

### Do I have an export opportunity?

- ☐ I could sell and deliver my product or service to a customer 500 miles away (e.g. in Toronto, Canada).
- ☐ The right people in my company are willing to travel.
- ☐ I am willing to build an international marketing plan with defined goals and strategies.

If you checked ✓ all three boxes...keep reading.

## Step #2

### How do I get started?

If you like to do-it-yourself, you may try:

The **Export Business Planner** is a free, customizable tool for small business owners who are exploring exporting. Using the planner, you can work through the critical processes of export readiness and planning.

[http://bit.ly/SBA\\_Planner](http://bit.ly/SBA_Planner)

**Wisconsin Economic Development Corporation Exporting 101** is a series of well-organized, easy-to-understand documents that will help answer basic questions you have about exporting terminology, documentation, regulations and more.

[http://bit.ly/WEDC\\_Exporting101](http://bit.ly/WEDC_Exporting101)

The **Export.gov Questionnaire** highlights characteristics common to successful exporters. Many of the questions will guide you into areas of the homepage where you can obtain more information on exporting that will help you to assess your export readiness.

[http://bit.ly/Export\\_Questionnaire](http://bit.ly/Export_Questionnaire)

## Step #3

### How do I get help?

**Milwaukee 7 (M7)** One phone call to **(414) 287-4118** can put you in touch with all the right exporting resources to make it easier for you to get started. The M7 has strong links into the broad community and it maintains an online directory of private service providers. <http://bit.ly/M7Export>

**ExporTech™** is a three session training and strategy development program providing proven methods to develop or expand an export program. It offers: targeted training focused on your company's specific needs; individual support provided by a team of export specialists; increased speed-to-market. [http://bit.ly/WMEP\\_Export](http://bit.ly/WMEP_Export)

**MMAC World Trade Association (WTA)** provides a broad spectrum of trade education programs. As the region's largest trade association, its membership includes leading trade service providers such as banks, law firms, freight forwarders, customs brokers, export consultants, etc.



**US Export Assistance Center (USEAC)** provides local trade counseling, market intelligence, business matchmaking and advocacy for U.S. business commercial diplomacy with representatives in nearly 80 countries. The region's local USEAC office helps Wisconsin exporters assess the market potential of their products/services; develop and implement a market entry/expansion strategy; identify and evaluate potential international business partners; complete export transactions.

[http://bit.ly/Wisconsin\\_USEAC](http://bit.ly/Wisconsin_USEAC)

**Wisconsin Economic Development Corporation (WEDC)** offers customized training using a team of export specialists to provide targeted support designed to increase speed-to-market. They offer the following support:

- **Global Business Development Grant Program;** accelerate international sales development
- **WEDC Trade Ventures;** help build the relationships necessary for increased international sales
- **WEDC Global Network;** has market development directors in 54 countries to help you make connections and complete transactions.

[http://bit.ly/WEDC\\_Online](http://bit.ly/WEDC_Online)

**Waukesha County Technical College (WCTC)** provides the WCTC Global Business program; teaches skills relevant to importing and exporting products and services; and explores the potential for global expansion through e-commerce and emerging technologies.

[http://bit.ly/WCTC\\_Global](http://bit.ly/WCTC_Global)

Sponsored by the **MILWAUKEE 7**



*Preserving Yesterday's Heritage for Tomorrow.*

The Town of Cedarburg is open for business and eager to work with business owners. The heart of the Town's business community is the Five Corners business district along State Road 60. Over 20,000 vehicles travel through this area daily and is ideally situated between Interstate 43 and Highway 45. Commercial, residential and mixed-use developments are well-suited for this area.

The Town offers excellent opportunities to start or expand a business. The Town recognizes that each development project has its own unique challenges. To help solve these challenges, the Town offers a toolbox approach whereby one or more of the following incentives may be offered:

- Below-market land prices for Town-owned property
- Low or no interest loans (see below)
- Zoning and Town Code adjustments
- Refund of property taxes
- Construct or financially support infrastructure
- Expedited development/plan review and approval process
- Utility assistance
- Access & use of offsite storm water facilities
- Town staff assistance with regulatory agencies
- Town staff assistance with common area maintenance
- Grant for facade improvements or signage
- Shared parking on Town-owned property
- Ozaukee County Revolving Loan Fund

One of our most successful economic development efforts is our business development loan program. The Town created this program in 2013 with Port Washington State Bank to support and promote business growth. This program provides below market rates and favorable terms for new and existing businesses. Contact Jim Culotta, Town Administrator, if you are interested in this loan program: **(262) 377-4509**.

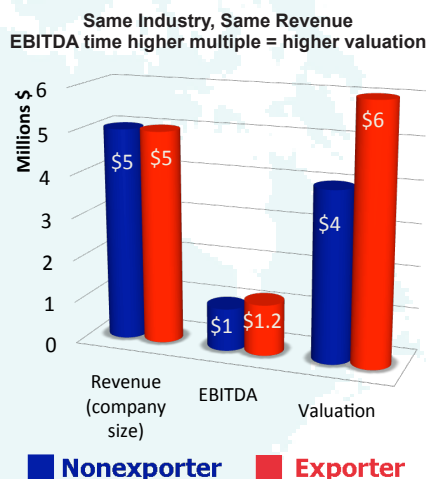
To learn more about the town, including a list of available properties, visit [www.town.cedarburg.wi.us](http://www.town.cedarburg.wi.us)

OLD ASSUMPTION	NEW REALITY
Exporting is too risky.	Exporting to some markets, such as Canada, is no more risky than selling in the United States. Any risk can be identified and reduced thru affordable export assistance now available.
Getting paid is cumbersome and I'll lose my shirt.	Trade finance and banking have evolved to the point where selling things internationally is routine, safe, and efficient.
Exporting is too complicated.	Most exporting requires minimal paperwork. Researching markets and finding buyers can be done right here.
My domestic market is very good. I don't need to export.	Few markets remain static. To remain truly viable most companies must recognize it's a global marketplace.
I'm too small to go global.	Not true. Even 10 years ago, nearly 42 percent of all U.S. exporters had fewer than 19 employees.
My product or service probably won't sell outside the U.S.	If it sells here then chances are it sells elsewhere. Plus, help is available to test its acceptance in more than 100 countries.
I won't be successful because I don't speak another language and have never been abroad.	Cultural knowledge is always helpful, but you can learn as you go. English usually is enough and help is readily available for situations in which interpreters and translators are necessary.

# Why Exporting Makes Sense For Cedarburg Companies

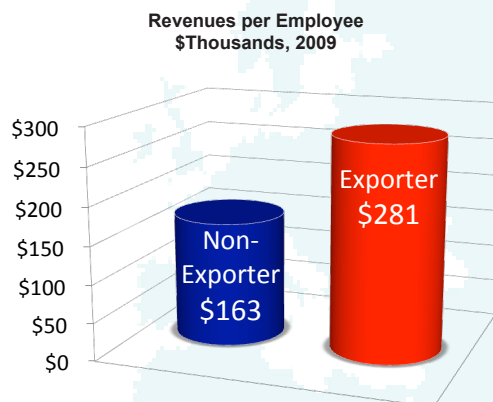
## Exporting Can Accelerate Company Valuation.

Exporters enjoy higher valuations than their nonexporting peers. One of the key factors that determines the Valuation Multiple is market risk. Because exporting companies operate in more than one economy, they spread their market risk, and thereby reduce it. This causes the Multiple to go up. Additionally, the majority of exporters enjoy higher margins and that raises their earning before interest, taxes, depreciation and amortization (EBITDA). Thus, a higher Multiple (5X for the exporter, 4X for the nonexporter in our example) applied to a slightly higher EBITDA results in a 50% lift in valuation.



## Exporters Enjoy Higher Productivity.

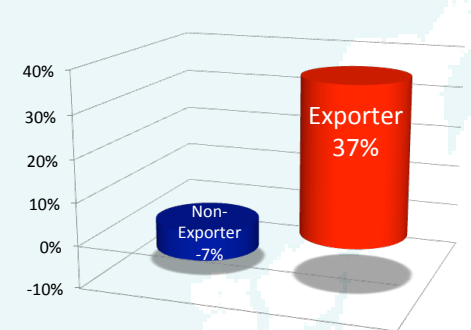
Exporting plants with less than 250 employees had 1.9 times more revenue than nonexporting plants according to the U.S. Census. The U.S. International Trade Commission found that U.S. small and medium-sized enterprises (SMEs) manufacturing exporters earned more per firm than nonexporters. Also, labor productivity as measured by revenue per employee was over 70% greater for manufacturing SMEs that exported than for nonexporting manufacturing SMEs.



## Exporters Grow Faster.

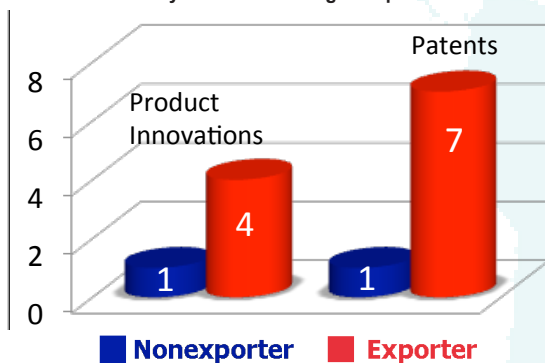
The U.S. International Trade Commission, in examining the domestic and global operations of SMEs, found that U.S. exporting SMEs outperform their nonexporting SME counterparts by several measures. Whether they deal in services or manufacturing, exporting SMEs show higher total revenues, faster total revenue growth, and higher labor productivity than their nonexporting SME counterparts.

Growth Rate 2005-2009



## Exporters Become More Innovative 2 Years After Starting To Export.

Competitive Advantage for Exporters  
2 years after starting to export.



A study done by professors at USC and the University of Minnesota found that two years after exporting, exporters file seven times more patents and deliver four times more product innovations than their non exporting peers. That's because exporters can often access diverse knowledge not available in the domestic market.

## Exporters Enjoy Stronger Workforce.

In an analysis of 94 of the largest 100 metropolitan areas, for every \$1 billion in exports of a metro area industry, workers in that industry earn roughly 1 to 2 percent higher wages, including employees without high school diplomas. This wage effect can be seen even adjusting for worker characteristics, occupation, or the characteristics of the metropolitan area. Firms that export have been shown to be more skill and capital-intensive, more productive, and pay higher wages than nonexporting firms, regardless of their size.



**TOWN of CEDARBURG**

Preserving Yesterday's Heritage for Tomorrow.

## The Scale Of The Export Opportunity Is Huge.

95% of consumers and 84% of spending power resides outside the U.S. As the middle class grows around the world, an increasing share of spending power will be outside the U.S. Just 6% of SMEs in our region export at all. Twice as many more SMEs could export but don't.

The majority of the SMEs who do export are reactive or passive exporters rather than strategic exporters. Even the largest companies in the region export to less than nine countries on average.

Canada and Mexico make up 42% of the region's exports. Canada ranks 11th in the world and Mexico 66th in spending power. There are over 100 viable country markets around the world.

