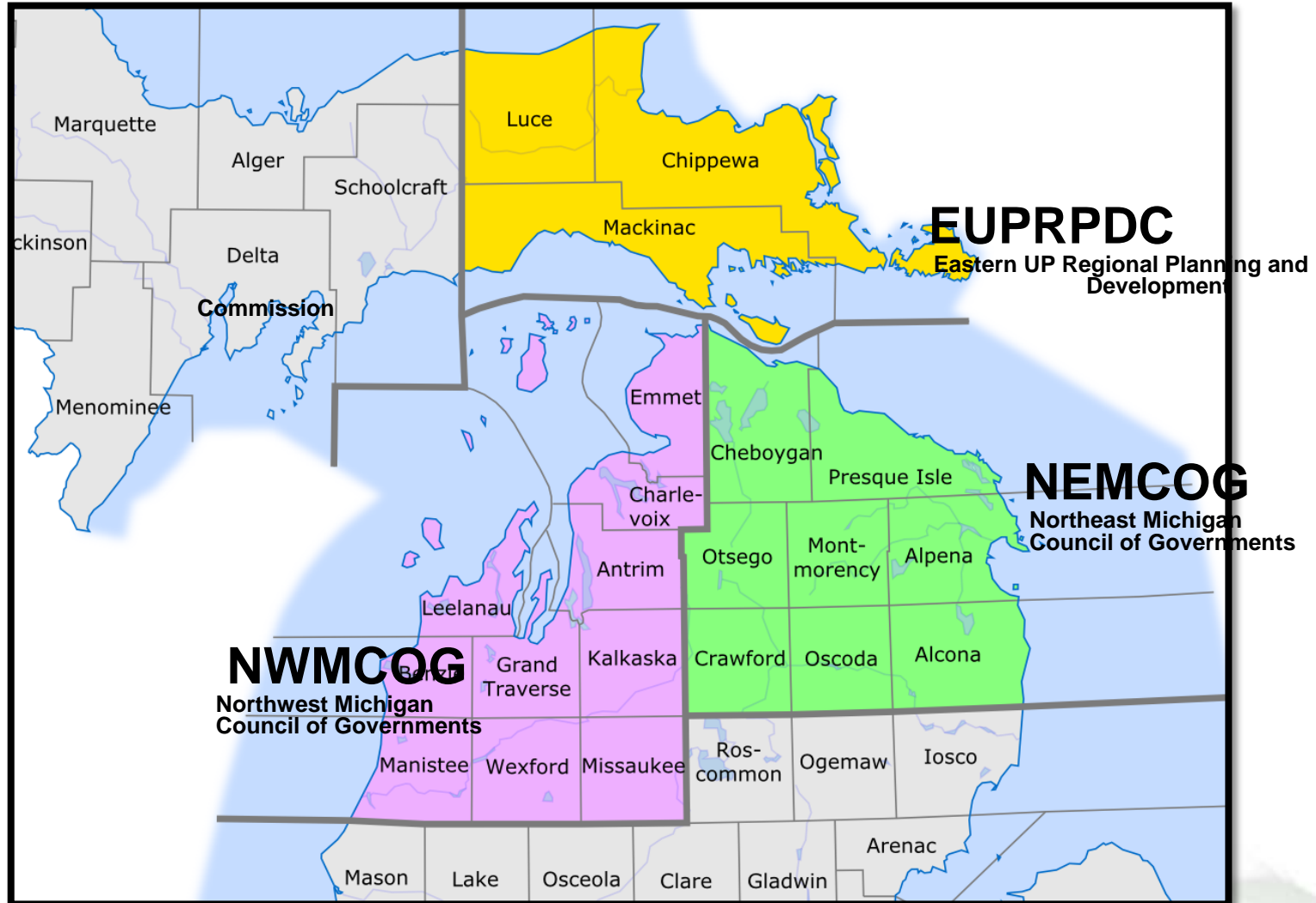


Think Global: Exporting 101 Workshop

**University Center
Gaylord, MI
May 24, 2010**

Michigan State University
Center for Community and Economic Development

Partner Regions



Stubborn Unemployment Rates

2009 Unemployment Rates

- EUP (Chippewa, Mackinac, Luce counties): 13.4% (up 3.1% from 2008)
- NEMCOG (Alcona, Alpena, Cheboygan, Crawford, Montmorency, Oscoda, Otsego, Presque Isle): 17% (up 5.8% from 2008)
- NWMCOG (Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, Wexford): 13.9% (up 4.9% from 2008)

March 2010 Snapshot (Northern Initiatives)

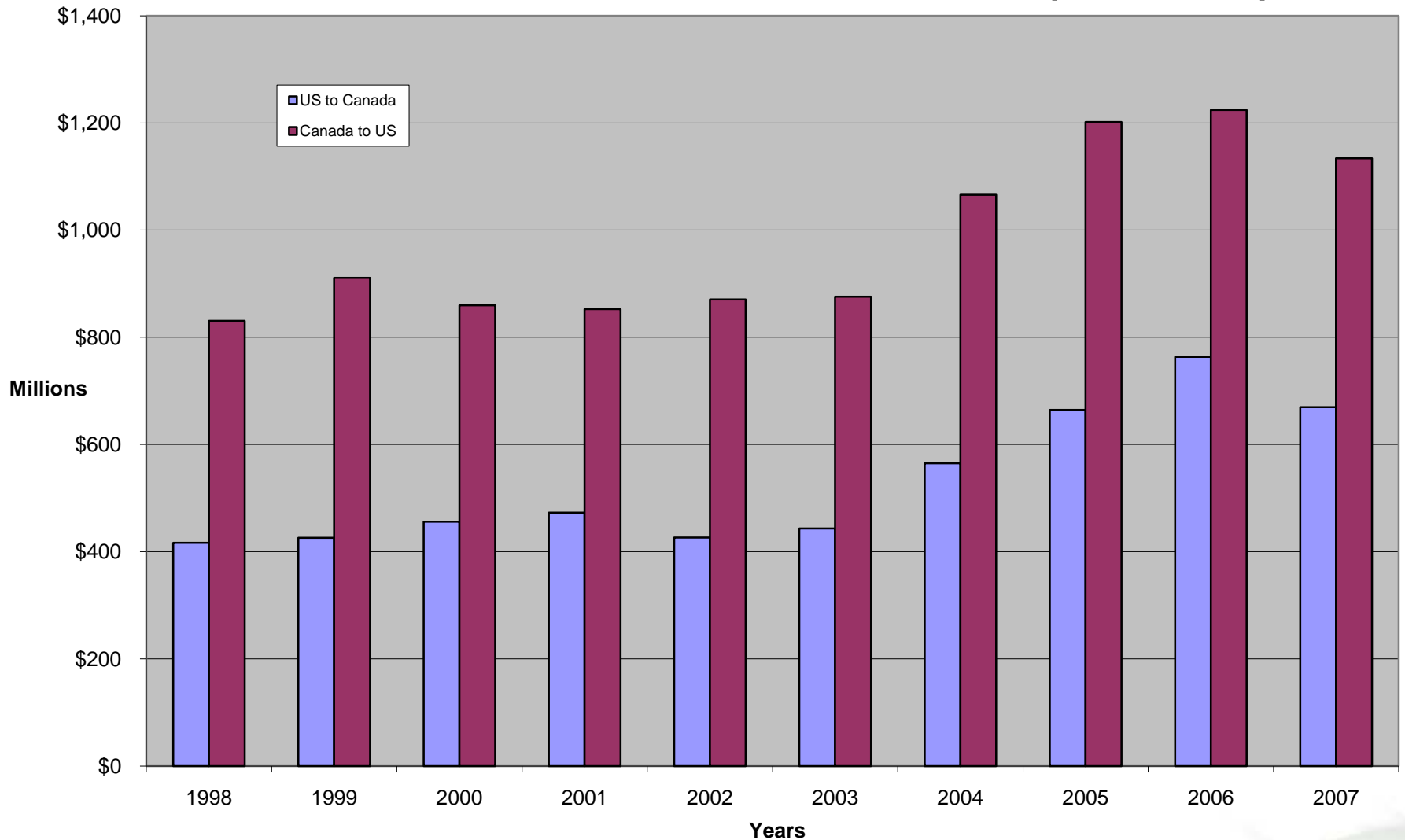
- EUP: Chippewa 16.6%; Luce 16.3%; Mackinac 30.7%
- NEMCOG: Alcona 23.8%; Alpena 16.5%; Cheboygan 22.9%; Crawford 15.8%; Mont 26.4%; Oscoda 26%; Otsego 17.8%; PI 26%
- NWMCOG: Antrim 19.5%; Benzie 18.9%; Charlevoix 18.9%; Emmet 20%; Grand Traverse 15.3%; Kalkaska 17.8%; Leelanau 13.7%; Manistee 16%; Missaukee 20%; Wexford 19.3%.

Importance of Exporting

- By going beyond domestic markets, companies can increase their production, sales, and jobs.
- Exporting companies have higher productivity, so they're more competitive and prosperous.
- But only 4% of U.S. companies export
- U.S. exports make up about 10% of GDP
 - In Europe and China, it's 40%
 - In Canada, it's 36%.
 - In Japan, it's 16%.
- President set goal to double exports by 2015.

Howard F. Rosen, Visiting Fellow, Testimony to Senate Finance Subcommittee on International Trade, Peterson Institute for International Economics, December 9, 2009.

International Bridge Value of Trade Cross Border (1998-2007)



Value of Trade by Truck US to Canada, 2005-2009

Location	Bridge	2005	2006	2007	2008	2009
Sault Ste. Marie, MI & ON	International Bridge	\$664	\$764	\$670	\$787	\$597
Port Huron, MI/Sarnia, ON	Blue Water Bridge	\$18,122	\$18,636	\$22,759	\$26,256	\$21,919
Detroit, MI/Windsor, ON	Ambassador Bridge	\$60,552	\$64,138	\$63,832	\$57,450	\$42,431

Values in millions of \$US

Provided by the International Bridge Authority/U.S. DOT Research and Innovative Technology Administration (2010)

2009 EUP Exporting Survey

Background

- 10,000 Michigan companies export \$45 billion of goods (2007).
- Top MI export market is Canada, over \$25 billion.
- Second largest is Mexico, over \$5 billion.
- Need to increase SME exporting.

2009 EUP Exporting Survey

Methods

- Obtained 2006 data from Michigan Economic Development Corporation (MEDC); too old and incomplete.
- EUPRPDC provided list of 19 manufacturing companies in Sault Ste. Marie and Chippewa and Luce Counties.
- Project team designed simple survey questionnaire (7 questions).
- 17 of 19 companies participated in survey.

2009 EUP Exporting Survey

Findings

- 9 of 19 mfg. companies currently export products.
- 5 companies interested in exporting.
- 3 companies were uncertain.
- 2 companies not interested in exporting.
- Avg. co. size: 36.6 employees
 - 3 > 100; 4 < 10; 10 between 11-99
- Surveyed companies included:
 - Surgical/medical equipment (2 companies)
 - Wood products (4 companies); 1 mining co.

2009 EUP Exporting Survey

Results

- Co-sponsoring Exporting 101 workshop today with the U.S. Export Assistance Center.
 - Support new exporting.
- EUP collaborative strategic initiatives with Sault Ste. Marie, Ontario EDC.
 - CCED and EUPRPDC submitted a pre-proposal to USDA to develop a transportation/logistics strategy in a collaboration with Sault Ste. Marie, Ontario EDC.

Panelists

- Richard Corson, U.S. Export Assistance Center
- John O’Gara, U.S. Small Business Administration
- Bruce Brogan, Fifth-Third Bank
- Bruce Strapp, Sault Ontario EDC
- Larry Boog, Pine River Inc.