

NEWS YOU CAN USE

Follow Us on LinkedIn

The Iowa Economic Development Authority's (IEDA) [International Trade Office](#) now has a LinkedIn. Search for and follow Iowa International Trade Office for updates on activities, resources and services for Iowa companies. Find it here: www.linkedin.com/showcase/international-trade-office.



New ETAP/DTAP Funding Available

The International Trade Office has State funds available through the Export Trade Assistance Program (ETAP) and Domestic Trade Assistance Program (DTAP). Both programs help eligible Iowa companies to exhibit at foreign and domestic international trade shows for the purpose of international marketing and obtaining international sales. Each approved grant may reimburse up to \$4,000 with up to three grants in a funding period. Applications are being accepted for events taking place through June 2020, and applications must be received at least 45 days prior to the event. Details and application instructions are available at iowaeconomicdevelopment.com/IFA. Contact Lisa Longman with questions at lisa.longman@iowaeda.com or 515.348.6243.

UPCOMING EVENTS

IEDA International Trade – International Offices Roadshow

July 22-25, 2019 - Fort Dodge, Pella, Clinton

The IEDA International Trade Office works with international offices and consultants across the globe to help support global exports for Iowa companies. These organizations work with IEDA and Iowa companies to provide general market information, industry analysis, distributor and sales associate identification and searches, trade show marketing and support, customized business appointments, and assist with trade missions.

Europe

European Office, Frankfurt, Germany
Iowa Economic Development Authority

Southeast Asia

Representative Office, Singapore
Orissa International Pte. Ltd.

Mexico

Representative Office, Mexico City
Business Development Partners, S.A. de C.V.

China

Representative Office, Beijing, China
Phoenix Consulting, LLC

IEDA International Trade Office staff and representatives from its international offices will be in Iowa the week of July 22, providing an opportunity to hear and learn about all the resources available to Iowa companies.

Find the nearest seminar and register today! Three communities will host these events, including:

City of Fort Dodge & Greater Fort Dodge Growth Alliance

8:30 a.m. Tuesday, July 23

Iowa Central Community College

Email dlarson@fortdodgeiowa.org

to register.

Marion County Development Commission (MCDC)

8:30 a.m. Wednesday, July 24

Vermeer facilities, Pella

Email ceysink@co.marion.ia.us

to register.

Clinton Regional Development Corporation

8:30 a.m. Thursday, July 25

Location TBD

Email ecole@clintondevelopment.com

for more information.



UPCOMING EVENTS, CONTINUED

NASCO Update**August 13, 2019 – Des Moines**

Tiffany Melvin, president, North American Strategy for Competitiveness will provide an update on North American Relations and Trade during a luncheon Tuesday, August 13, at the Des Moines MPO - 420 Watson Powell, Jr., Way, Suite 200 Des Moines. Details and registration will be available at www.dsmpartnership.com/calendars/partnership-events.

FTZ Seminar**August 15, 2019 – Des Moines**

Scott Taylor, partner, Miller & Company P.C., will present a morning seminar on Thursday, August 15. He will provide an overview of Foreign Trade Zones (FTZ), including how companies benefit, potential financial savings, types of zone operations, Alternative Site Framework and the activation process for a FTZ. The seminar will be held at the Greater Des Moines Partnership, 700 Locust, Suite 100, Des Moines. Details and registration will be available at www.dsmpartnership.com/calendars/partnership-events.

International Documentation Training**September 10, 2019 – West Des Moines**

Registration is open for the International Documentation Seminar presented by Mr. Mike Allocca. Allocca is an internationally recognized trainer on the topics of export operations, compliance and more. The event will be held at the Iowa Farm Bureau Auditorium in West Des Moines. If you're involved in international exports, this training is for you! Register soon as seating is limited and will fill up quickly.

Topics include understanding how to correctly fill out commercial invoices, packing lists, bills of lading, dock receipts and Electronic Export Information, why to use a DCS statement, legalization of documents, pre-shipment inspections, NAFTA Certificates of Origins, and more. See the full agenda, details and register today at regonline.com/19intltrain

**Meet the Mexican Meat Buyers in Iowa
September 2019**

The Iowa Economic Development Authority, in cooperation with the Iowa Pork Producers Association, Iowa Beef Industry Council, Iowa Corn and Business Development Partners (Iowa's Mexican contractor), are planning to bring a team of meat buyers from Mexico to Iowa in September. A "Meet the Buyers" session will be held for Iowa suppliers of pork, beef and meat processing equipment. Contact Mark Fischer at mark.fischer@iowaeda.com, 515.348.6241 or Andrea Smith at andrea.smith@iowaeda.com, 515.348.6240, to discuss your interest and receive more information when available.

Legal Duty Avoidance & Recovery Strategies**October 10, 2019 – Des Moines**

Join U.S. Customs and International Trade Expert Mr. Adam Hill of Scarbrough International as he presents "Duty Avoidance & Recovery Strategies". This exciting training event will be hosted in downtown Des Moines at the Greater Des Moines Partnership. Mr. Hill will discuss duty drawback, product exclusion and exemptions, foreign trade zones, free trade agreements, the generalized system of preference, and Section 232, 301 or any other future tariffs. Registration is available at members.dsmpartnership.com/events/details/u-s-customs-training-57680

INCOTERMS® 2020**October 17, 2019 – Cedar Rapids**

The International Trade Office and the Cedar Rapids Metro Economic Alliance will host Mr. Frank Reynolds to present a timely and informative update on the new INCOTERMS® 2020 that will be rolled out this year. Mr. Reynolds is a leading authority on the subject and has represented the United States during the 2000, 2010 and 2020 revisions. Full details will be shared when information is released by INCOTERMS® publisher, the International Chamber of Commerce. Save the date for this important seminar in Cedar Rapids! Registration will be available at www.incoterms-for-americans.com

UPCOMING EVENTS, CONTINUED

Japan Meat Mission**November 9 – 13, 2019**

Governor Kim Reynolds will lead this agriculture trade mission to one of Iowa's important export markets. Japan is the top export market for Iowa beef and pork suppliers. In 2018, Iowa exporters shipped \$393 million in pork products and \$156 million in beef products to Japan. High disposable income, embracement of technology, desire to improve the diet, and an appreciation for high quality, safe products creates demand for Iowa meat products in Japan. Iowa has strong recognition in Japan, but maintaining a presence is important. IEDA will work with USMEF to organize a meat focused mission, which is open to Iowa pork and beef exporters and Iowa agriculture groups. For more information, contact Mark Fischer at mark.fischer@iowaeda.com, 515.348.6241.

Trade Mission to China**November 13-17, 2019**

Register now to join Governor Reynold's Trade Mission to China this November. Participate in high-level meetings in Beijing and Hebei to learn and prepare a better China strategy. Hear first-hand from senior leaders at the U.S. Embassy, successful business leaders and expert speakers who provide practical assessment of the risks and opportunities of doing business in China. With more than 1.3 billion consumers, the market is complicated but is simply too large to ignore. This trip will help participants make an informed assessment of opportunities available to his/her organization.

*Tentative Itinerary***Day 1** – Private reception at the U.S. Embassy**Day 2** – Workshop on strategies to succeed in China**Day 3** – High-level government meetings**Day 4** – Company visits

Contact Joseph Rude at joseph.rude@iowaeda.com, 515.348.6244, to learn more about this trade mission. Register today, limited space is available.

**Mexico Trade Mission****February 16-22, 2020**

Join this horizontal mission that is open to all Iowa companies in all sectors. This mission will help participants expand into the Mexican market with a stop in Monterrey, including an option for Mexico City. IEDA will work with its contractor, Business Development Partners, to arrange one-on-one meetings for Iowa manufacturing companies with prospective customers and potential partners. Iowa companies exported \$2.1 billion in goods to Mexico in 2018, making Mexico Iowa's second-largest export destination. This is a great way to jump start your business in Mexico.

An Iowa meat group will travel to Monterrey, a major meat processing region in Mexico and entry point for U.S. meat imports. In 2018, Iowa companies exported \$115 million in pork and slightly over \$1 million in beef products. The Iowa meat team will work with USDA to organize a tour of the Laredo border crossing and customs clearance for U.S. meat products. The meat team will also meet with Mexican importers, processors and retailers to learn more about business opportunities. For more information, manufacturing and service companies should contact Andrea Smith at andrea.smith@iowaeda.com, 515.348.6240, and meat companies and agriculture groups contact Mark Fischer at mark.fischer@iowaeda.com, 515.348.6241.

Find More Events atiowaeconomicdevelopment.com/intlevents**and Educational Opportunities at**iowaeconomicdevelopment.com/intlcalendar

RECENT HIGHLIGHTS

Indonesia Ambassador Siregar Visits Iowa

Des Moines recently hosted Indonesia's Ambassador Mahendra Siregar who visited Iowa to highlight business opportunities between the U.S. and Indonesia. The Ambassador spoke to 65 business and government leaders during a lunch meeting. With a population of 264 million people, Indonesia is the fourth-most populous country and the largest economy in Southeast Asia. Iowa exports to Indonesia grew by 35 percent in 2018 and have increased by a whopping 95 percent this year (March YTD – according to WiserTrade stats). A wide variety of Iowa-made goods are sold in Indonesia.

IEDA provides a limited number of Market Research Reports for companies interested in entering Indonesia and other SE Asian markets. For more information, contact Joseph Rude at joseph.rude@iowaeda.com or 515.348.6244.



AGRO-2019

The 31st International Agricultural Exhibition AGRO 2019 was held June 4-7 in Kyiv, Ukraine. AGRO is the leading exhibition for agriculture, agricultural machinery, livestock farming, alternative energy, organic agriculture and food industry in Ukraine and the largest agricultural exhibition of the CIS and Eastern Europe. The IEDA collaborated with the U.S. Commercial Service with an Iowa company exhibiting in its U.S. Pavilion, several top-of-the-line Iowa companies exhibiting on the grounds, and other Iowa exporters walking the exhibition. Ukraine is one of the most fertile places on the planet with 25-30 percent of the world's reserves of black earth. In 2018, Ukraine's agriculture sector, including the processing industry, generated approximately 17 percent of GDP. With 102.5 million acres of agricultural land, covering 70 percent of the country, agriculture is Ukraine's largest export industry. From 2017 to 2018, agricultural product exports grew by five percent. The total value, \$18.6 billion, beat the historic 2012 record of \$17.9 billion. Crop farming dominates Ukrainian agriculture accounting for 73 percent of agricultural output. Grain production leads the sector with major crops of wheat, corn, barley and rye. Contact IEDA to learn more about opportunities in this region.



Ron Dermer, Ambassador of Israel

In early April, Ambassador Dermer became the first Israeli Ambassador to the U.S. to visit Iowa. The Greater Des Moines Partnership, America's Cultivation Corridor and the IEDA sponsored a business luncheon. The Ambassador shared his perspective on Israel's status as the Innovation Nation and developing partnerships with Iowa in fields including agriculture, financial and insurance technologies. Dermer, a Florida native, moved to Israel in 1996. He was a senior advisor to Israel's prime minister before becoming Ambassador to the United States in 2013. Dermer said the U.S. and Israel have "shared values" that will bring the two countries closer together in the years to come.



TRADE SHOW & MISSION CALENDAR

Japan Meat Mission

November 9 – 13, 2019

Mark Fischer

mark.fischer@iowaeda.com, 515.348.6241



ANTAD & Alimentaria

March 2020

Andrea Smith

andrea.smith@iowaeda.com, 515.348.6240



Trade Mission to China

November 13 – 17, 2019

Joseph Rude

joseph.rude@iowaeda.com, 515.348.6244



Eastern European Trade Mission

Spring 2020

Peggy Kerr

peggy.kerr@iowaeda.com, 515.348.6242



Agritechnica

November 10 – 16, 2019

Andrea Smith

andrea.smith@iowaeda.com, 515.348.6240



India Trade Mission

April 2020

Joseph Rude

joseph.rude@iowaeda.com, 515.348.6244



Korea Taiwan Meat Mission

December 14 – 21, 2019

Mark Fischer

mark.fischer@iowaeda.com, 515.348.6241



SIAL Montreal

April 15-17, 2020

Andrea Smith

andrea.smith@iowaeda.com, 515.348.6240



Mexico Trade Mission

February 16 – 22, 2020

Andrea Smith

andrea.smith@iowaeda.com, 515.348.6240



Africa Trade Mission

May 2020

Andrea Smith

andrea.smith@iowaeda.com, 515.348.6240



OTHER EVENTS CALENDAR

NASCO Update

August 13, 2019 – Des Moines

dsmpartnership.com/calendars/partnership-events

FTZ Seminar

August 15, 2019 – Des Moines

dsmpartnership.com/calendars/partnership-events

International Documentation Seminar by Mike Allocca

September 10, 2019 – West Des Moines

regonline.com/19intltrain

Meet the Mexican Meat Buyers in Iowa

September 2019

Mark Fischer, mark.fischer@iowaeda.com, 515.348.6241

Legal Duty Avoidance & Recovery Strategies

October 10, 2019 – Des Moines

members.dsmpartnership.com/events/details/u-s-customs-training-57680

INCOTERMS® 2020

October 17, 2019 – Cedar Rapids

www.incoterms-for-americans.com

GUEST ARTICLES

Europe Update

Submitted by Heike Zoellner, Business Development Manager, IEDA European Office

European economy and transatlantic trade

The European Commission predicts real GDP growth in all member states in their Spring 2019 Economic Forecast. Overall, the commission expects GDP growth in the EU of 1.4 percent in 2019 and 1.6 percent in 2020. Strongest GDP growth is expected in Malta, Poland and Ireland. The United States remained the most important trading partner for Europe in 2018.

According to the Transatlantic Economy 2019 report by Daniel S. Hamilton and Joseph P. Quinlan recently released by the American Chamber of Commerce to the European Union (AmCham EU), the European Union imported U.S. products worth USD 283.3 billion in 2017. The number one export destination for U.S. products in Europe was the U.K. [USD 56.3 billion] followed by Germany [USD 53.9 billion] and the Netherlands [USD 41.5 billion]. The top four product categories included transportation equipment, chemical manufacturers, computer and electronic products, and machinery manufacturers.

The number one export market for Iowa products in the European Union in 2017 remained Germany [USD 471 million]. The U.K. outpaced France as second-largest export destination in 2017 with USD 331 million. This also represents the largest increase [USD 88 million] compared to 2016. The total value of Iowa goods exported to France was USD 320 million. Total exports from Iowa to Europe accounted for USD 2.5 billion in 2017. The largest product share represented machinery manufacturers followed by chemical manufacturers, computer and electronic products and transportation equipment.

[Sources: European Commission; Transatlantic Economy 2019 report; Eurostat]

BREXIT update

Although the United Kingdom was scheduled to leave the European Union on March 29, 2019, both parties agreed to extend the Article 50 procedure for six more

months until October 3. The reason for this agreement was to avoid the risk of a ‘no-deal’ BREXIT after Prime Minister Theresa May failed to get approval for her withdrawal agreement by the U.K. parliament. Theresa May stepped down as U.K. Prime Minister on June 7. A number of politicians have already expressed interest in succeeding her. The multi-level process of selecting a candidate is expected to be finalized by the end of July.

As a result of the postponement, the U.K. had to participate in the European Parliament elections in May 2019. The U.K. BREXIT party, recently formed by Nigel Farage, came in first place followed by the Liberal democrats that are pro-European.

It is still unclear whether Theresa May’s successor will negotiate an agreement with the European Union or leave without a deal and no transition period. The latter could result in new tariffs and trade regulations that would negatively affect businesses in the U.K. and Europe. Therefore, uncertainty for businesses in the U.K. remains high and investments are likely to remain on hold.

During his recent visit to the U.K., President Trump met with then U.K. Prime Minister Theresa May. Both confirmed a strong interest in negotiating a U.S. – U.K. trade agreement after the U.K. leaves the European Union.

E.U. soybean imports from the U.S. have increased

The United States is the major soybean supplier to the European Union based on the latest numbers released by the E.U. Crops Market Observatory in April 2019. In fact, U.S. soybean imports increased by 121 percent to 8,244,594 metric tons during the first 42 weeks of the marketing year 2018/19 compared to 3,731,008 metric tons in 2017/2018. The main importing countries have been the Netherlands (27 percent), Spain (21 percent), Germany (16 percent) and Italy (11 percent).

In July 2018, the E.U. and the U.S. agreed to increase trade in soybeans. Market opportunities have grown further after the European Union approved U.S. soybeans for biodiesel production in January 2019.

[Source: Eurostat, EU Crops Market Observatory]

GUEST ARTICLES, CONTINUED

Opportunity for Global Expansion in the Alcohol Industry

Submitted by: Food Export Association of the Midwest

Export opportunities are growing for U.S. beer, wine and spirits producers. Around the world, consumers are drinking less in volume but spending more on higher-value alcohol products. This is due to the premiumization trend, which encourages expending more, and health trend, which encourages drinking less. The overall industry has not been hurt by the reduction in volume purchased because of the increase in value purchased.

There is considerable room for future growth in U.S. alcohol exports as unique alcohol experience opportunities expand globally, such as craft beer festivals, brewery/winery/distillery tours or tasting rooms. Additionally, foreign markets will grow as they learn more about and are exposed to unfamiliar alcohols, such as craft beer or flavored liquors. Countries with the most promising growth outlook include India, China, Indonesia, Nigeria and Brazil.

Interested in exporting these products? The Food Export Association of the Midwest works with any beer, spirit, or wine producer to identify and explore potential export markets and opportunities. Services include customized market research and marketing and financial assistance programs. The cornerstone of Food Export's services is the Branded Program, which provides 50 percent cost reimbursement for an international marketing package designed to expand small companies' market presence abroad. Other relevant opportunities include the Buyers Missions at domestic trade shows, such as Brew Expo and BAR, which are organized so companies can meet several international buyers in one-on-one meetings to better understand the market, make connections and generate sales. Check www.foodexport.org for next year's opportunities.

In addition to Food Export, the Iowa International Trade Office provides individual consultations and financial assistance. Contact international@iowaeda.com for more information.

Global Mindset for Global Business Success: Cultural Factors Affect Your Business More Than You Might Think!

Submitted by: Tom Morgan, Principal Consultant, Morgan Intercultural, tom@morganintercultural.com

"The single greatest barrier to business success is the one erected by culture."

— Edward T. Hall, author and anthropologist

Whether you're heading off on a trade mission to South America or Vietnam with Iowa and IEDA officials, manning a booth at a European trade show, welcoming a visiting German engineer to your Iowa manufacturing plant, providing financial services to customers in India, seeking to expand into Chinese, Mexican, Japanese or German markets with your agricultural products — or simply sitting at your desk in Des Moines and trying to decipher a baffling email you received from a colleague in another country — chances are, cultural differences are a much bigger factor in your level of business success than you may realize.

We live in a rapidly changing, ever-more globalized and interconnected world. And — given that Iowa exported over \$14 billion in goods to 185 countries in 2018 — Iowa is part of the global economy in a big way. It's not just the larger companies; the global marketplace is more accessible to small and medium-sized businesses than ever before. Virtually all business now is global in one way or another. But along with global opportunities comes a world of cross-cultural miscalculations and conundrums.

Businesspeople everywhere increasingly find themselves working in multicultural environments, encountering differences in everything from communication and negotiation styles to time perception to business etiquette to conflicting values about the meaning and purpose of life itself. What is easy and intuitive within one's own culture can be clumsy, ineffective or incomprehensible in another. The costs of operating without what we call a "global mindset" are incalculable: Intercultural incompetence slows us down, destroys trust, damages reputations, kills deals, ends international assignments prematurely, even causes entire ventures to fail.

GUEST ARTICLES, CONTINUED

To have a global mindset means something much more than knowing how to present your business card properly in Japan or when to kiss, bow or shake hands. To operate with a global mindset is to be well prepared to deal with cultural differences on more than just a superficial level. Globally-minded businesspeople — let's call them “global leaders” — are capable of shifting perspectives, empathizing, and decoding culturally diverse situations accurately. More than that, global leaders are able to exhibit culturally appropriate behavior in many different cultural contexts.

Most of us are only marginally aware of the deep, implicit cultural rules that guide what we think and do, and that people from other cultural backgrounds are driven by a different underlying cultural logic. Intercultural consultants help business clients navigate the cultural labyrinth by breaking down complex cultural differences into clarifying “dimensions of culture.” These dimensions work like keys that can unlock the hidden logic of different cultures. Once we deeply understand these cultural dimensions, we're much better equipped to make sense out of the confounding differences.

As an example, let's look at one of the important dimensions: direct vs. indirect communication style. Imagine a scenario in which a U.S. salesperson — let's call her Ms. Jones — has just made a sales presentation to her Japanese counterpart, Mr. Takahashi. Ms. Jones states her price. Takahashi responds: “That's a good price.” Ms. Jones thinks he has accepted the price, but checks to make sure: “So you find that price acceptable?” Takahashi says, “It's very good.” Ms. Jones now believes that they have a deal and starts talking to Takahashi about a delivery schedule. She may even call her supervisor back in the U.S. to report the good news.

But do they have a deal? Probably not! Ms. Jones comes from a culture that is generally more direct in communication style. Compared to many other cultures, we in the U.S. tend to “mean what we say and say what we mean,” but perhaps are not as adept at “reading between the lines” in ways that are expected in many other cultures.

Takahashi, on the other hand, comes from a culture that is generally more indirect, nuanced and circuitous in how things are stated than what is the norm in the U.S. Because of the differences, Takahashi's statement that “it's a good price” sounds to Ms. Jones' ears like he has accepted the deal. But what Takahashi is actually saying — in a polite, indirect way that would be clearly understood by other Japanese people — is that he is not accepting the deal. Ms. Jones lacks the intercultural savvy that would enable her to “shift frames of reference” and understand the communication in the context of Japanese culture. She misses the information conveyed in the more subtle communication style of her Japanese counterpart.

Misunderstandings like the one between Jones and Takahashi take many forms and are much more common than many people realize. Understanding the importance of communication-style differences between cultures can be crucial in doing international business successfully. But direct vs. indirect communication style is only one of dozens of highly consequential cultural dimensions that lead to daily misunderstandings. Other crucially important dimensions highlight different ways of seeing power, hierarchy, identity, time, space, formality, context and relationships.

Businesspeople functioning with a global mindset are still a rarity. Increasingly, it will be the real global leaders — those who can move comfortably from one cultural context to another while conducting business — who will help their organizations thrive in the global marketplace.

Many Iowa companies wisely take advantage of educational seminars and training related to exporting success, such as those provided by IEDA and their affiliated organizations. But effective preparation for dealing with cultural differences is all too often neglected. Here's what's being missed: Overlooking cultural differences can be the costliest mistake you will ever make. High-quality intercultural training and consulting can empower your personnel to be culturally competent global leaders — and can play a vitally important role in building your business soundly in international markets.

CONTACT INFORMATION

EUROPE, NORTHERN AFRICA & MIDDLE EAST

Peggy Kerr, Team Leader
+1.515.348.6242 | peggy.kerr@iowaeda.com

AMERICAS & SUB-SAHARAN AFRICA

Andrea Smith, Marketing Manager
+1.515.348.6240 | andrea.smith@iowaeda.com

ASIA/PACIFIC

Joseph Rude, Marketing Manager
+1.515.348.6244 | joseph.rude@iowaeda.com

AGRICULTURAL PRODUCTS - WORLDWIDE

Mark Fischer, Marketing Manager
+1.515.348.6241 | mark.fischer@iowaeda.com

FINANCIAL ASSISTANCE

Lisa Longman, Financial Assistance Administrator
+1.515.348.6243 | lisa.longman@iowaeda.com

IOWA ECONOMIC DEVELOPMENT AUTHORITY

200 East Grand Avenue
Des Moines, IA 50309 USA

International: +1.515.348.6200
Domestic: 1.800.245.4692

international@iowaeda.com

iowaeconomicdevelopment.com/exports



[Iowa's International Trade Office](#)



[iowaeconomicdevelopment](#)



[businessiowa](#)