



INTERNATIONAL TRADE COUNCIL *of Greater Kansas City*



THE ITC REPORTER

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October 8th, 2010

Calendar of Events:

"International Payment and Finance"
Wednesday, Nov. 17, 2010

"Import Compliance"
Thursday, Dec. 2, 2010

"HOLIDAY GALA"
Friday, Dec. 10, 2010

"NAFTA Compliance"
Thursday, Dec. 16, 2010

"Doing Business in Africa"
Wednesday, Jan. 12, 2011

"Export Documentation"
Wednesday, Feb. 9, 2010

Check our website for updates and
details: www.itckc.org

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Welcome Message to New and Renewing Members

Paul Warfield, Treasurer, International Trade Council of Greater Kansas City

The International Trade Council of Greater Kansas City wants to thank our new and renewing members for 2010-2011. We are grateful for your support of our organization. The International Trade Council has been a consistent voice in the international trade community for more than 65 years.

The International Trade Council continues to grow and flourish with the help of many dedicated and knowledgeable volunteers. We

strive to keep our costs affordable so all can participate.

Besides your membership we invite you to consider becoming a sponsor for our events. Sponsorships are available in all price ranges with attractive benefits.

Your sponsorship dollars help us offer informative and international trade specific programs comparable with any trade program in the U.S. It is a great way to directly support international trade education and advertise your company in the international trade community.



ITC President Tina Roth with keynote speaker Dennis Moore.

As a longtime provider of valued international trade education in the Greater Kansas City area, the ITC provides a marketing opportunity of your company's success, products and/or services to a target market audience. Please give

us a call or email us at 816-235-6654, info@itckc.org

Honorary Advisory Board Members

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Former Mayor of Kansas City, MO

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Senior Vice President
Meridian International Center



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Country Focus: India

Regina D. Heise, Director, U.S. Commercial Service-Kansas City

“Whether it is consumer goods and services, high technology and industrial goods, healthcare, or infrastructure development, Indian firms are bullish about their economy...”

India is a story of growth and opportunity. India’s sustained growth of around 7.2% in 2009 and growing dynamism in several of its regional markets have created wide and diverse business prospects for U.S. exporters and investors. With 2010 growth estimates hovering at around 8%, India remains one of the fastest growing, dynamic economies in the world. The current economic downturn has not affected India to the same extent as the United States, though most Indian companies remain apprehensive and are extremely cautious with large expenditures. Worldwide economic difficulties notwithstanding, U.S. multinationals are sold on India and are expanding and deepening their market penetration. U.S. firms with advanced and niche-market products and services are entering the market for the first time, or are replacing legacy distributors appointed in the slow-growth past with more capable and aggressive representatives. Many smaller American firms have begun to view India as a top anchor market for their products and services as well.



Mumbai, the financial and commercial capital of India

The marked rise of U.S. exports to India, the daily business press announcements, the rapidly expanding demand for Commercial Service India matchmaking programs and due diligence services, and the many business development trade missions visiting India all point to India being open for business. Economic growth in India today is being rewritten by India’s highly entrepreneurial and rapidly globalizing private sector. Indian firms are investing in infrastructure projects, growing their advanced manufacturing capa-

bilities, and investing in new volume-based business models that tap into rising incomes and consumption in towns and rural economies across the country. Whether it is consumer goods and services, high technology and industrial goods, healthcare, or infrastructure development, Indian firms are bullish about their economy and are eager for U.S. commercial and joint venture partnerships, technologies, brands, services, and know-how. In fact, the pace of the America’s trade and investment relationship with India is accelerating. In 2009, U.S. exports to India amounted to \$16.4 billion. Advanced technologies, including aerospace, specialized materials, information and communications technologies, electronics and flexible manufacturing systems underpinned this growth. Indian exports to the United States slowed, falling by 17% in 2009. As a result, America’s overall trade deficit with India dropped by 41% (from 2008 to 2009) to \$4.7 billion.

Market Challenges

Infrastructure

Problems with the country's roads, railroads, ports, airports, education, power grid, and telecommunications may be the toughest obstacles for India’s economy to grow to its full potential. Nonetheless, a process of liberalization in these areas has been underway, led by a more liberal environment in the information technology, airline, and telecom sectors, with increasing roles for the private sector in ports, roads and other key sectors. However, the absence of a clear policy framework has hindered critical private investment in infrastructure overall.

Slow Reform Process

As India gradually opens up its markets, many tariff and non-tariff barriers remain. Multiparty coalition governments since the mid-1990s have made some progress in this regard. However, the duties continue to be comparatively high which hamper India’s efforts to achieve its potential as a global economic power. In addition, India's customs tariff and excise tax system remains confusing and laden with exemptions.



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While poor infrastructure and high tariffs present the biggest obstacles to foreign investment and growth, India's infrastructure requirements also present trade and investment opportunities for American companies. Strategic planning, due diligence, consistent follow-up, and perhaps most importantly, patience and commitment are all prerequisites to successful business. The Indian sub-continent necessitates multiple marketing efforts that address differing regional opportunities, standards, languages, cultural differences, and levels of economic development. Gaining access to India's markets requires careful analysis of consumer preferences, existing sales channels, and changes in distribution and marketing practices, all of which are continually evolving.

Market Opportunities

Best export opportunities for U.S. exports include airport and ground handling equipment, education services, electric power generation, distribution and transmission equipment, food processing & cold storage equipment, industrial textiles, machine tools, mining and mineral processing equipment, oil and gas field machinery, pollution control equipment, homeland security equipment, franchising, telecommunication equipment, water. Specific information on these sectors can be found in the 2010 India Country Commercial Guide, Chapter 4: Leading Sectors for U.S. Export and Investment. In addition to these best prospect sectors there are niche opportunities in the field of scrap metal, defense equipment, and clean energy.

Market Entry

Finding partners and agents. New business must address issues of sales channels, distribution and marketing practices, pricing and labeling, and protection of intellectual property. Relationships and personal meetings with potential agents are extremely important. Due diligence is strongly recommended to ensure that partners are credible and reliable.

Geographic diversity. U.S. companies, particularly small and medium-sized enterprises, should consider approaching India's markets on a local level. Good localized information is a key to success in such a large and diverse country. The U.S. Commercial Service posts in New Delhi, Mumbai, Chennai, Ahmedabad, Bangalore, Hyderabad and Kolkata provide indispensable local information and advice and are well plugged in with local business and economic leaders. Multiple agents are often required to serve each geographic market in the country.

Market entry options. Options include using a subsidiary relationship, a joint venture with an Indian partner, or using a liaison, project, or branch office. It is strongly urged that U.S. companies consider a regional plan, focusing on multiple locations and markets within India and finding the appropriate partners and agents within each region.

The U.S. Commercial Service is present in 107 U.S. cities and in more than 80 countries. The U.S. Commercial Service offices in New Delhi, Mumbai, Chennai, Hyderabad, Kolkata, Bangalore, and Ahmedabad offer valuable assistance to help U.S. businesses export goods and services to India. The Commercial Service team works with your company to help you start exporting or to increase your sales to new global markets. Services include: world class market research, trade event services, introductions to qualified buyers and distributors, and counseling and advocacy through every step of the export process. To learn more about how the U.S. Commercial Service can help your company export, contact the office in Kansas City at (816) 421-1876 or visit us online at www.buyusa.gov/kansascity.



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Company Profile: Scarbrough International, Ltd.

Kim Dalzell, Scarbrough International, Ltd.

Scarbrough International Ltd. is a professional services company specializing in supply chain management, design, consulting, and compliance in the global environment. The secret to our success is providing "Simply the Best" customer service while listening to what our customers really need and want. Our ability to custom design solutions, maximize efficiency, and keep our customers compliant, adds tremendous value to a company's global supply chain.

As a Midwest based company with traditional morals and values, we help Midwest companies deliver competitively priced products around the world. As a global logistics provider with partners in more than 85 countries, we help companies of all sizes deliver products to Missouri and the rest of the United States. From Fortune 500 companies to Mom and Pop shops, Scarbrough International Ltd. helps companies deliver their products to market on time and within budget. That is the commitment from our highly trained and dedicated associates.

We use our expertise to provide transporta-

tion services both domestically and internationally. We provide a variety of specialty services. From our international LCL and airfreight consolidations to our warehouses and domestic distribution, to US Customs clearance and import compliance consulting, we help companies compete and understand the challenges as the world gets smaller.

One area of expertise that we pride ourselves on is our professional NAFTA Team. Our NAFTA Team unravels the difficulty of North American borders. Our NAFTA Team offers flawless freight transportation and documentation between USA, Canada and Mexico. We would especially like to introduce our direct service between Toronto and Chicago. Scarbrough's Toronto-Chicago program helps our customers throughout the Midwest to receive and ship goods in a timely and affordable fashion. Moreover, we also have freight programs very similar to this for the Montreal metropolitan area, as well as throughout Mexico. Don't hesitate to email nafta@scarbrough-intl.com to find out more.

ITC's Global Research Initiative

GRI is a great opportunity for university students and companies. Students gain the experience of doing an actual research project in international business. In some cases the students also receive college credit for completing the project. Universities can develop their programs to include this real-world exercise. The client company typically receives 1,000 hours of research over the span of two semesters. This can be useful for the client whether they are a new-to-export company or an experienced international business.

If you are a student, a business person or a faculty member at a university and are interested in participating in next year's GRI program contact the ITC. You can reach Irina Kobzeva at the ITC office by email at info@itckc.org or by phone at 816-235-6654.



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Better Person; Better Professional - Scarbrough Intl. Ltd.

Kim Dalzell, Scarbrough International, Ltd.



Kansas City EDP Graduates in 2010

Better People; Better Professionals! That is what Roger and Jeannie Scarbrough teach and strive for from their employees. To talk the talk and walk the walk, they have opened up the Employee Development Program to everyone in the company that would like to join. The Employee Development Program was originally developed in 2006, and has grown into a very popular one amongst the Scarbrough Team. The program increases professional and personal knowledge in areas such as customer service, trust, understanding others, industry and management knowledge, among many other areas. The EDP participants are able to do this through reading books and journals, participating in group discussions, as well as developing and contributing to team projects that improve the individual and company as a whole. These projects help the participants understand the process of projects, including how to create a project charter, how to create a project timeline or GANTT chart, and how to work with other team members to present their findings and new developed projects.

The EDP Teams contain subject matter experts for each project. Many times these group members are in different offices. This allows for the members to experience teleconferencing and/or webinars, as well as get to know other Scarbrough members in separate offices better. Each project has a Team Leader and an Executive Sponsor. The groups have weekly meetings to get their projects moving along and to see the status of the project. The Team Leader brings the EDP Team's progress to the Executive Sponsor for final approval and/or adjustments. The teams are originally given an end result that needs to be achieved, but they have to

figure out the means or the path to accomplish it. This allows creativity to flourish and results that may never have occurred had they been micromanaged. These projects are helping Scarbrough to become a more efficient company that will lead to better professionals, which in hand leads to even better customer service for our customers.

Where are these EDP Programs and when do they happen?

EDP sessions take place in Kansas City, Chicago and St. Louis.

Jeannie Scarbrough travels to each office once a month to meet with the EDP members in each city. EDP 2010 began in January, and the EDP participants graduated in April 2010. During these meetings they go over the reading material and discuss how this can make them a better person and better professional. This ensures that all EDP members are on the same page and are like-minded, as well as motivates them to work harder to achieve these goals. The EDP sessions also provide an opportunity for one-on-one interaction with an owner of the company. This allows the participants to have their ideas heard firsthand and to receive feedback immediately. The owners, Roger and Jeannie are continually available with open doors & open arms to the Scarbrough Team, and these EDP sessions only reinforce their commitment to each and every employee.



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MEMBERSHIP APPLICATION/RENEWAL

You may join the International Trade Council by visiting our website at www.itckc.org. **The 2010-2011 business year starts September 1, 2010. Dues will be pro-rated by quarter.** If you are a member, please renew your membership and mark your payment "2010-2011."

New Member Renewal

Former Member/New Company

Name: _____

Title: _____

Company: _____

Address: _____

City/State/Zip: _____

Tel: _____

Fax: _____

Email: _____

Business Description: _____

Industry: _____

Corporate \$300*

* Up to 5 individual members; \$150 increments for additional five members.

Individual: \$80 Diamond Patron - \$5,000

Educational \$65 Platinum Patron - \$5,000

Retired \$30 Gold Patron - \$1,000

Student \$30

Total: \$ _____ Date: _____

Payment Method

Check MasterCard VISA AMEX

Credit Card Information

Account No. _____

Expiration Date: _____

Security Code: _____

Billing Address: _____

Authorizing Signature: _____

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