

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

2369 SCOMM 100 HOUSE SPEC. INTL. TRADE & TOURISM... , 1995-1996

U.S. Congressional
Delegation

Muni. of
Anchorage

Anchorage Int'l
Airport

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

Used	1s	2s	3s
1\64	1		
3\64	1	2	
3\64	3		
2\64	2		
2\64		2	

Used	1s	2s	3s
			1

Used	1s	2s	3s
1\64	1		
1\64		1	

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

Used	1s	2s	3s
1\64		1	
2\64	1	1	
1\64		1	
2\64	1	1	
1\64	1		
1\64		1	
1\64		1	
1\64	1		

Used	1s	2s	3s
			1
		1	
		1	

Used	1s	2s	3s

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

Used	1s	2s	3s
1\64	1		
1\64	1		
2\64	1	2	

Used	1s	2s	3s

Used	1s	2s	3s
1\64		1	
1\64		1	

Overall agency satisfaction:

1s	2s	3s
3		1

1s	2s	3s
		1

1s	2s	3s

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

**Anchorage
ARDOR**

Used	1s	2s	3s
1\64	1		
1\64	1		
2\64	2		
2\64	2		
1\64		1	

**Anch. Convention
and Visitors Bur.**

Used	1s	2s	3s

**Foreign trade
agency**

Used	1s	2s	3s
2\64	1		1
3\64	2		1
3\64	2		1
1\64	2		
1\64	1		

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

Used	1s	2s	3s
2\64	1	1	
2\64	1	1	
1\64		1	
1\64		1	
1\64	1		
1\64		1	
2\64	1	1	
1\64		1	

Used	1s	2s	3s
			1

Used	1s	2s	3s
1\64	1		
2\64	1		1
2\64	1		1
2\64	1		1
2\64			2
2\64		1	1
2\64	1		1
1\64	2		

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

Used	1s	2s	3s

Used	1s	2s	3s

Used	1s	2s	3s
2\64	1		1
2\64	1		1
2\64	1		1
2\64	1		1
2\64	1		1
2\64	1		1

Overall agency satisfaction:

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2		
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PART 2
POTENTIAL EXPORTERS

Question number 1.

Has your company ever considered exporting its goods or services?

SECTOR*:

a. Yes

b. No

			Total by
N.R.	Serv.	Other	response
9	55	4	68
24	85	5	114

Total by industry sector

33	140	9	182
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* See SIC Code appendix for full industry listings

While all of Part II was targeted at potential exporters, it was thought that a company which had never even considered exporting would have comparatively little to say about international business in state. Thus the first question identified potential exporters by this criteria. Potential exports which had considered exporting were asked to answer several specialized questions.

This sector represents one of Alaska's greatest assets. Determining what has kept Alaskan companies from actually entering the international marketplace is very important. State agencies must understand how to respond to the particular needs of potential exporters.

Question number 2.

Please choose your company's single greatest motivation for considering exporting.

SECTOR*:

- a. Unsolicited trade leads
- b. Unsolicited foreign orders
- c. Declining domestic sales or excess inventories
- d. Part of a long-term business development plan
- e. Special knowledge of foreign market opportunity
- f. Other (see other sheet)

	N.R.	Serv.	Other	Total by motivation
a. Unsolicited trade leads	0	4	2	6
b. Unsolicited foreign orders	0	7	3	10
c. Declining domestic sales or excess inventories	0	5	2	7
d. Part of a long-term business development plan	1	11	3	15
e. Special knowledge of foreign market opportunity	5	8	1	14
f. Other (see other sheet)	3	3	0	6
Total by industry sector	9	38	11	58

* See SIC Code appendix for full industry listings

While companies in the section did not have actual exporting experience, it was important to find out what had made them curious. The information gathered can be used for a variety of purposes including:

1) The state can encourage more Alaskan companies to export by studying the stimuli which propelled businesses to consider entering the international marketplace (since all companies were classified within one of three major industry classifications, this information can also be used to complement Governor Knowles' Marketing Alaskan campaign.)

2) Exporting is generally motivated either by offensive or defensive market considerations. Are Alaskan companies considering exporting to compensate for declining domestic opportunities, as a part of a long-term business plan, or in response to sporadic trade leads? Understanding basic motivations can assist ITAAs in planning for future export promotion events (i.e., if a majority of businesses are considering exporting only in response to the emergence of sporadic trade leads, ITAAs can respond by developing strategies to encourage businesses to export on a long term basis.)

3) Exporting is not an one inning event. Effectively promoting a product in a foreign market generally requires a long term commitment and a dedicated reallocation of company resources. To what extent do Alaskan companies consider exporting as an element in a long-term business strategy? If Alaskan companies are not generally interested in establishing long-term export strategies, the state might work to provide more follow up assistance and general export promotion.

While no clear trend could be found in the results, the extent to which service companies considered exporting as part of a long-term business development plan was encouraging. There is clearly a demand by service companies for export assistance. Assisting a service company in the international marketplace is clearly more complicated than assisting a manufacturer or resource producer. However, the state could reap great benefits by promoting such an effort.

Question number 2 (open-ended):

Please suggest any programs or services which would motivate more Alaskan companies to export.

Finance related

- 1. Encourage ASTF to support more large-scale commercial demonstration projects to increase marketability of value added natural resources (such as low rank coal water fuel)
- Export subsidies for a limited period to offset documented incremental extra costs of developing export markets (e.g., extra foreign travel, communications, freight, etc.) (s)
- Federal programs such as USAID or USIA which fund a variety of projects by Alaskans in the Russian Far East. (s)
- 2. Provide funding to support long term testing of products to assist in Asian market assistance (s)
- 0
- Funding, U.S. trade policies, and foreign government cooperation (o)

Information / Promotion / Trade leads

- The development of an awareness that Alaskans have expertise in design and construction in Arctic and Antarctic regions. (s)
- Interpreter services - published lists of foreign needs if available (s)
- As a professional services firm, we think we have special knowledge in Arctic design and have considered the Russian Far East and Canada as possible markets (s)
- The tourism industry needs more support from the state level in bringing people into the state - such as an overseas representative for the industry (s)
- International information provider where we can get reliable information without getting scammed (s)
- How to - Exporting for Dummies (s)
- Many Alaskan companies are small businesses and cannot afford expensive trips and / or conventions. However, our special expertise on Arctic conditions and technology is unique. Training on how to tap cheaper services of leads and contacts would be a great help (s)
- SBA services - contacts in foreign countries - interpreter service - market analysis of foreign countries specific to trade / business (s)
- Improve infrastructure and information systems, continue programs which promote travel and trade shows (s)
- Engineering or specialty services involving Arctic conditions. Arctic (especially high latitude) construction and civil engineering services. (s)
- More information - especially for small businesses (s)
- Demand for product or service (s)
- Information about potential service markets and assistance in making contact with key individuals (s)
- A broader distribution of the UAA newsletter on international developments (s)
- Any type of forum which would initiate contacts with prospective clients. (s)
- Programs or services related to tourism industry. Tourism is our future (o)
- The ability to get valid market data on volumes, prices, competition, etc. on foreign markets from the Office of International Trade or a referral to a source of good information from them. (n)

Laws / other

- Timber processing requirements for F.S. harvests (n)
- An interpreter to overcome language barriers (n)

This question obtained suggestions from the private sector on ways to encourage more companies to consider initiating an export operation. Providing more information to potential exporters on international business opportunities was a commonly encountered theme.

Question number 3.

Please mark the three biggest obstacles which have kept your company from actually exporting.

SECTOR*:

- a. Finding foreign customers
- b. Obtaining background information on foreign companies
- c. Obtaining background information on foreign markets
- d. Finding info. on the market for your company's particular product or service
- e. Foreign relations complications
- f. Finding companies to form joint partnerships with
- g. Shipping, coordinating, or distributing the product or service
- h. Finding and / or utilizing government trade assistance
- i. Obtaining adequate financing
- j. Establishing payment / credit terms with foreign customers
- k. Handling foreign import laws, customs, or export documentation
- l. Lack of in-house expertise
- m. Other significant obstacles (see below):

* See SIC Code appendix for full industry listings

m. (other significant obstacles in no particular order):

- Sorting the substance from the university (s)
- The time to overcome obstacles (s)
- Proposals to other foreign countries (s)
- Most of our products are illegal to export (made from animal parts) (o)
- Lack of marketing skills in a foreign cultural situation (s)
- Finding clients - cost of doing business (s)
- Finding agents in foreign countries who specialize in publications, translation work (s)
- Immigration (s)
- High shipping costs, low unit value of product - foreign material specifications (n)
- Wetlands restriction (s)
- License to operate (s)
- Cost of sharing for long term product testing in Asia (o)
- Our parent company's business plan includes markets other than Russia, Asia, Pacific Rim (s)
- Lack of opportunity (s)
- Currency exchange (s)
- Regulations requiring initial processing prior to exporting to non-U.S. markets (n)
- Market acceptance of coal cf non-typical specifications (n)

This question sought to determine some of the major factors which keep interested Alaskan companies from actually initiating an export operation. The obstacle examples came from Part I and are essentially the same in intended meaning. A short description of each follows:

a) Finding foreign customers: (see hypothetical situation) Many different products and services are exportable. However, finding foreign customers to buy these products and services is no easy task. To what extent are Alaskan companies capable of finding foreign customers for their product or service?

b) Background information on foreign companies: Once a foreign customer, agent, or trading partner is found, how does an Alaskan company establish the legitimacy of the foreign player?

c) Background information on foreign countries: How difficult has it been for Alaskan companies to get information on foreign markets?

d) Product - market matching: Have Alaskan companies found it difficult to get international market information on their particular product or service?

Totals by			
N.R.	Serv.	Other	response
0	24	2	26
0	7	0	7
0	11	1	12
3	25	1	29
2	9	0	11
1	11	0	12
2	2	1	5
1	3	1	5
2	4	1	7
0	16	0	16
4	6	1	11
2	11	1	14
4	16	1	21

- e) *Foreign relations: To what extent are Alaskan companies facing foreign relation complications?*
- f) *Joint partnerships: (see joint ventures) How difficult has it been for interested Alaskan companies to form joint partnerships?*
- g) *Shipping, distributing: Are Alaskan companies having freight forwarding problems?*
- h) *Government assistance: How difficult has been for Alaskan companies to procure government assistance?*
- i) *Financing: How difficult has it been for Alaskan companies to obtain adequate financing?*
- j) *Payment / credit terms: Establishing payment terms with foreign customers can be a very difficult task. To what extent have Alaskan companies been successful establishing payment systems.*
- k) *Paperwork and legal concerns: Are Alaskan companies having a tough time with paperwork complications?*
- l) *In-house expertise: To what extent is in-house expertise a consideration.*

Many companies reported that they simply did not have enough information on international trade. While exporting requires substantial time and commitment, businesses should still have informal access to reliable market information -- especially in the case of service industries where business stems from obtaining chunks of a project opportunities. An enhanced effort by state agencies to provide more basic export viability analyses, product (and service)-market matches, and export fundamentals information would be beneficial to potential exporters.

Question number 3 (open-ended question):

Please suggest any programs or services which would ease the complications associated with starting an export operation.

Small business related

- Small business exporting education (s)
- Some kind of clearing house we can advertise in which would be distributed to large U.S. companies looking for expertise (s)
- More accessible assistance by UAA for small John Doe businesses. Maybe I just don't know how to ask for the right help. I get the feeling that if I worked for VECO or Marathon, that I would get more coaching on how to access available assistance. I understand the difference between big and small businesses and am prepared to accept (s)
- SBA services - contacts in foreign countries - interpreter service - market analysis of foreign countries specific to trade / business (s)
- Japanese Export Trade Organization (JETRO) offers an eight day study program for Alaskans interested in learning about business in Japan - all expenses are paid! More programs like this would be helpful - especially for small businesses like mine. Also, the state university could sponsor more "road shows" in which international exporters do presentations around the state - not just in Anchorage or Juneau (s)

Information / Promotion / Trade leads

- Companies to contact that would be interested in my product, getting over the language barrier, assistance in starting the process of exporting (n)
- Better market information (n)
- To organize and offer an Anchorage trade show for Alaska artists and foreign companies interested (o)
- Have resident experts on staff - State of Alaska International Business - to assist import / export to specific economic regions in several countries at the local and regional level (o)
- Alaska has many sole proprietors that should be involved with the Pacific Rim - Russia, Japan, Korea (s)
- It would be best to make visits as part of trade organizations geared to design and construction (s)
- 1. Retain (on an as-needed basis), an Alaskan office of international trade representatives who can facilitate trade in the Middle East (Arabic speaking countries) and another in Europe (s)
- 2. Have semi-annual workshops in Anchorage in which ALL representatives come, give overviews of their region, and then provide time for one-on-one meetings with Alaskan businessmen to plan a strategy for exporting to that region (s)
- Assistance in locating those firms that require our services (s)

Laws

- I'm not sure it is the government's business to assist in opening foreign markets. It comes close to becoming a business subsidy (s)
- Information kits on (for instance) Russian import laws and customs regulations (s)
- General information on laws, regulations, tariffs, taxes and other impediments to importing goods and services would help. In Canada, the government often takes a much more proactive role in primary exports assisting with finances or payment methods, etc. (s)
- Eliminate export bans (s)
- More information on NAFTA (o)

Other

- It would be best if one department could handle financing, trade regulations and foreign laws in one location to better serve the business community (o)
- Within the construction industry, concerns are skilled workers, funding and adequate materials (s)
- I am an author and would like to see my books translated into Japanese and perhaps other languages and markets abroad. I do not have an agency but would like assistance in developing contacts abroad and connecting them with my business (s)

This question gathered suggestions from the private sector on ways to get more potential exporters into the international marketplace. Because of the range of responses, it was difficult to identify central themes. However, several concepts are noted in the response pool. Among the more interesting comments were the outcries by small businesses who claimed that the state's current system neglects their needs.

Question number 4.

Hypothetical situation (Your company is given a trade lead, what would they do with it?)

SECTOR*:

- a. The same priority as domestic business leads
- b. Secondary priority to any domestic leads
- c1. Our intermediary handles exports
- c2. We already have all of the business we can handle
- c3. We are concerned about international business risk
- c4. Product or service does not lend itself to exporting
- c5. Other (not specified)
- d. Does not apply (we only do international)

* See SIC Code appendix for full industry listings

			Totals by response
N.R.	Serv.	Other	
5	29	2	36
3	20	1	24
0	0	0	0
0	1	0	1
0	1	0	1
0	0	0	0
0	1	0	1
0	1	0	1

The hypothetical situation obtained two pieces of information:

1. Exporting is not necessarily contagious. If every company in Alaska was given a foreign trade lead, what would they do with it? The importance of establishing contacts with potential foreign trading customers is well documented. According to the Kenan Institute's 1994 Report Card on Trade (3-3), seven out of ten small and midsize firms that used assistance for making international buyer contacts reported that these services had a positive impact on their export operation. In another Kenan Institute study conducted in 1995, small environmental technology exporters frequently cited finding foreign customers as a major problem in the initial stages of exporting (Kenan).

2. As well, the decision to export can have as much to do with managerial philosophy as profits. The presence of export intermediaries, reliability (or unreliability) of certain international customers, or managerial perceptions of doing business in foreign countries all affect the extent to which a company takes an interest in exporting. How hungry for international opportunities are Alaskan companies?

Response choices to the hypothetical situation were staggered to reflect three basic levels of exporting interest (and / or aversions to international business risk):

- Part (a) identified companies which would probably treat an international trade lead with the same priority as a domestic trade lead (i.e., companies which recognize the immediate benefits associated with international trade.)
- Part (b) identified companies which recognize the benefits associated with international trade, but would prefer dealing domestically.
- Part (c) identified companies with little or no interest in new international trade leads. The sub-choices tried to determine why an Alaskan company would have no interest in an international trade lead. The sub-choices reflected some possible major factors.

c1) Intermediaries: Sales are the bottom-line in international trade -- and private intermediaries generate international sales. If Alaskan companies are leaving international marketing matters to export intermediaries, are assistance agencies needed?

c2) Operating capacity:

- What factors are keeping Alaskan companies from increasing production to meet foreign demand?
- In international competition, economies of scale reduce the costs associated with marginal production increases. Do Alaskan companies have adequate access to resources (especially financial) which would allow for business expansion and the development of economies of scale?

c3) International business risk: Company concerns over international business risk need to be met with information. If Alaskan companies are refusing to export because of fear of the unknown, the state has to do more to educate businesses on the reality of international business risk.

c4) Product doesn't lend itself to exporting: Adapting a product or service to foreign market specifications or shipping requirements can be difficult. However, even companies with no interest in international trade cannot avoid international competition (as the United States is already a major import center). If Alaskan companies are reporting difficulty dealing with foreign market specifications, the state should address this problem.

Companies generally indicated an interest in international trade. The number of companies which said that they would give an international trade lead secondary priority to a domestic lead is reasonably considering the vast uncertainty associated with global commerce.

Question number 4b.

Your company decides to investigate the foreign sales opportunity.

Based upon your company's current knowledge of information providers in Alaska, where would your company go to obtain more information?

Private source

- I would contact long-time media sources with expertise in specific countries and then follow up on their leads. (s)
- To the principals involved (s)
- To the source of the lead and then a long trail of phone calls (s)
- The customers are connected to the petroleum industry and leads come from U.S. and Western country contacts. (s)
- Start at library and Chamber of Commerce - also with business associates that have provided foreign services. (s)
- Try to contact client (and interpreter service in Anchorage) (s)
- We have had international advertising agencies contact us to advertise overseas (s)
- We would go to other businesses who are providing services or supplies to foreign markets. We are not aware of where else to turn for information (s)
- To the U.S. company involved or associated, the appropriate international division and finally to project management (s)
- The foreign market (s)
- Other business acquaintances (s)
- Rotary members with contacts in target area (s)
- To the source (o)
- Local fish dealers (n)

Chuck Becker

- Chuck Becker (s)
- Chuck Becker, U.S. Department of Commerce (s)
- U.S. Department of Commerce - Chuck Becker (n)

Government / other responses

- Thomas Register, Alaska Center for International Business (s)
- World Trade Center, Office of International Trade (s)
- U.S. State Department, U.S. Department of Commerce, Small Business Administration - UAS or UAF (s)
- U.S. Department of Commerce (s)
- Office of International Trade - especially Tokyo office (s)
- International Trade Center, UAA, Expats (s)
- Office of International Trade - they have been very helpful in the past (s)
- World Trade Center (s)
- Not sure. Would depend upon the lead and type or project(s) involved. I am aware we have some ties with Japan and Korea but am unsure as to what assistance these would provide (s)
- Unknown - need help here (s)
- International Trade Commission or area legislature representative (s)
- Economic Development Corporation (s)
- UAA Alaska Center for International Business or the U.S. Department of Commerce (Foreign Commercial Service) (s)
- University of Alaska Trade Center (s)
- American Russian Center, Anchorage Center for International Business, UAA (s)
- Embassy of the foreign country and their information institute (s)
- World Trade Center (s)
- State Office of International Trade (s)
- UAA (s)
- U.S. Department of Commerce, American Petroleum Institute, potential clients in the international location. (s)
- World Trade Center and UAA (s)
- World Trade Center (s)
- State of Alaska - Department of Commerce and Economic Development, federal government mission or foreign offices (s)
- Department of Commerce (s)
- Alaska Division of Economic Development (s)
- State of Alaska - Department of Commerce (s)
- Customer, Parent company resource, World Trade Center, U.S. Department of Commerce International Trade Administration, private research (s)

- University of Alaska, Fairbanks (s)
- Back to that book - Exporting for Dummies (s)
- Local international trade organization, MOA, AEDC (s)
- Governor's Office and L.I.O. (s)
- Commerce Department (U.S. government), Alaska Department of Foreign Relations (o)
- Alaska Office of International Trade (o)
- UAA (n)
- State legislative personnel (n)
- Office of International Trade, U.S. Department of Commerce and World Trade Center (n)
- State of Alaska agencies, UAF Business School, other businesses conducting import-export operations in that country (n)

If an Alaskan company learned about the demand for their product or service in an obscure foreign market, where would they turn for more information? This open-ended question sought to determine what international sources Alaskan companies are familiar with. Responses to this question provide an indicator of the sources of international assistance known and trusted by Alaskan companies.

Potential exporter responses to this question were generally divided between private sources and government agencies. The most interesting theme in this section was the repeated reference made to Mr. Chuck Becker of the U.S. Commercial Service in Anchorage. Because Alaska is small, it has a special opportunity to reach out to companies.

Question number 5.

Please estimate your company's gross sales last fiscal year.

SECTOR*:

- a. \$ 0 - \$ 250,000
- b. \$ 250,001 - \$ 5,000,000
- c. \$ 5,000,001+

* See SIC Code appendix for full industry listings

N.R.	Serv.	Other	Total by response
23	74	7	104
5	42	2	49
2	19	0	21

This question was placed to provide a general indicator of the size of companies responding. This question can also be used as a variable in any future examinations of the statistics.

Because there are so many different definitions of a "small business", the three sales ranges were generalized -- none of the sales ranges are based on Small Business Administration definitions for small business in any particular industry.

- 1) \$ 0 - \$ 250,000: An infant business
- 2) \$ 250,001 - \$ 5,000,000: A small business
- 3) \$ 5,000,001 +: Medium to large businesses

Question number 6.

Please suggest any ways the state could enhance international business activity within Alaska.

Promotion efforts

- Support international business that will require more local support (buildings, jobs, etc.) (s)
- Help Alaskan businesses (not companies doing business in Alaska) with knowledge and advice on foreign markets. More substance and less networking. (s)
- Establish a freeport (s)
- Cut government spending / encourage private business (s)
- Sponsorship / attraction of international trade fairs (s)
- Fairbanks, Alaska may be the closest mobilizations point to many potential construction, mining or oil field projects in the high Arctic altitudes. As an example, Thule Air Force Base, Greenland is much closer to Fairbanks, Alaska than it is to New York. (s)
- Encourage the growth of local enterprise by not buying outside the state (s)
- Possible free trade zone in Anchorage (s)
- Wood product value added business support (milling, composite, creations, etc.). Quit selling raw materials to the Japanese. consider possibly utilizing native wood for construction purposes (yellow cedar, red cedar, spruce) (s)
- By having an international trade center in Alaska (s)
- Make learning / travel opportunities more available and publicize them better (s)
- Encourage and promote more information on air travel through Anchorage or other Alaskan locations (s)
- This survey is a useful start - it stirs up ideas. (s)
- 1. Open free trade zone
- 2. Provide tax incentives (s)
- Create a condition in Alaska where businesses can operate successfully in Alaska - then those companies will be stable enough to accept the risks of international business (s)
- Have a single, thoughtful, realistic, comprehensive policy that includes the state and individual municipalities / cities - working together to promote business activity (s)
- Conference / seminar similar to the Soviet development one held at Alyeska by DOE) (s)
- Open ANWR, provide more information on foreign investment opportunities, and make loans available for competing with the international market (o)
- Promote more foreign tourism and possibly a trade magazine. (o)
- Perhaps hosting an international trade conference here in Alaska. After all, we are the hub (o)
- Promotion (n)
- 1. Raise the public's awareness of business opportunities and potential benefits statewide from increased import / export activities. Example: the many entrepreneurial opportunities - especially in retailing and manufacturing that are attractive to the sole proprietor / small business person.
- 2. Encourage the statewide media to increase coverage of business in Alaska.
- 3. Rather than concentrate on the few largest products being shipped from Alaska (primarily oil and fish) develop incentive / information / assistance programs for individuals wishing to start an import / export business. (n)

Law related

- We import handicrafts from a foreign country. We bring the goods with us and have hassles in Seattle as we prefer to clear customs ("goods in bond") locally with Alaska brokers. Getting Northwest Airlines and United to fly directly from Asia to Anchorage would help increase international trade here (n)
- Get rid of processing requirements for USDA - FS logging sales - timber (n)
- Grant import-export companies tax breaks to encourage more companies to risk import-export operations (n)
- Get D.E.C. off of business' back (excessive regulation). Improve port infrastructure. Support basic industries - i.e., mining, logging, fishing (against unreasonable federal agencies - USFS, EPA, BLM, Corp Engineers, etc.) Adopt a pro-business attitude and don't apologize about it. (n)
- By getting a grip on competent use of tax dollars (n)
- Don't pay ANY attention to Mulder and his boss Bob Penny. Allow the biologists to control the state's fisheries. It shouldn't be political. try to get our product (fish) back into the European market (n)
- Create a supply of timber through a sale program where the successful bidder must commit to constructing and operating a value-added secondary breakdown facility within Alaska (n)
- Should the state do anything? Cut the budget! We can use the taxes not paid to fund foreign expansion (s)
- For our business, relaxing exploration and environmental controls and standards to reasonable levels to encourage foreign investment and processing and value added in this country (s)

- Perform a service for all comers (s)
- I'm not sure it is the state's business to provide business opportunities (s)
- Encourage the U.S. Forest Service to adopt common mineral leases acceptable to private businesses. Present regulations do not work. The Kenai Peninsula is full of AL, K, CA, Tin, Silicon, and other minerals. Maybe there is a problem in state lands too (o)

Leads / export assistance

- Legitimate small business loans - also, legitimate exploration loans for geological and geophysical prospecting on state mineral land for the small miners (n)
- Railroad from Delta to Canada, Railroad from Delta to Fairbanks (n)
- By looking to other markets for our salmon products. India is an especially good candidate (n)
- Investigate and identify the resources / services available in Alaska. Publish the information for businesses (n)
- Give companies, with products which utilize resources unique to Alaska, special assistance to move product (n)
- Should have a center for international trade in Anchorage similar to New York City's World Trade Center but on a smaller scale (s)
- Encourage businesses to use a buddy system to move new organizations into the export market. For example, a timber exporter gets a tax credit for getting an Alaska engineering firm involved in exporting service to Russia (s)
- Publish the Alaskans willing to provide products and services to foreign countries (s)
- The market needs to become more available before we can approach it (s)
- Continued support of agencies like the Office of International Trade - assistance with finding foreign agents / contacts (s)
- It may not be possible to do a credible job given the diversity and far flung nature and language problems involved. We once had a very frustrating experience attempting to locate manufacturers of certain equipment in Japan (s)
- Advertise in business journals / weeklies in the Russian Far East and Siberia (s)
- Provide introductions, open doors (s)
- "How to" help (s)
- Foster more dialogue between foreign governments and foreign industries with those of us in Alaska who have services or products needed in those foreign markets (s)
- Semi-annual meetings in Anchorage at the Office of International Trade including overseas trade representatives
- DAY 1: Presentation of overviews of foreign country situations
- DAY 2 and 3: One-on-one meetings between office trade representatives and Alaskan businesspeople. (s)
- Interpreter services, databases with information specific to industry, contacts, newsletter updating current demands on the international marketplace (s)
- Coat tail on federal program to promote the state, assist financially by having physical presence markets, and distribute more widely information gathered and available (s)
- Ask small businesses to participate more - so far, only big firms are involved.(s)
- Provide a central clearing house which answers questions and assists businesses to identify markets (s)
- Provide needs assessments in international countries. Provide a central document in which international bids / needs can be published for prospective service providers (s)
- Market research into foreign economies (s)
- Businesses need to know clearly whether it is feasible to export services to Russia, Japan, China. There are too many requirements for making initial investments in trips, travel, marketing, etc. (s)
- Guarantee foreign payment (s)
- Do we really desire increased activity regardless of cost to us? We provide professional services and do not need more competition (s)
- Have a good educational system that includes foreign languages starting in the early grades including Chinese (Mandarin), Korean, Russia and Japanese (s)
- Transportation and communication enhancements (s)
- Provide a comprehensive list of those services which are needed and a program on how to proceed with the marketing of those services (s)
- Seek to develop markets for metals and minerals which are already being mined. Make Alaska's mineralogical potential known to foreign investors (s)
- 1. Research into business opportunities in remote locations
- 2. Further trade based trips to make contacts (s)
- Aggressive marketing of Alaska as a good place to invest (s)
- 24 year round maintenance for Klondike Highway (s)
- 1. Identify contacts
- 2. Conduct workshops
- 3. Provide financial incentives (s)

Other

- Interpreters, company names, import laws, finance info (n)

- Improve infrastructure, especially road system and ports and harbors. Motivate Alaska railroad to negotiate reasonable rates for back hauls from interior to Seward (major blockade to bringing interior timber to market) (n)
- Keep in touch with businesses - like this survey (s)

As in Part I, responses ranged from foreign investment promotion ideas to export enhancement initiatives -- excellent background information for state international policy makers.

PART III - potential exporters

Part III sought to determine the extent to which Alaskan companies had utilized government services for international trade. The question was set up in a grid format with government agencies listed on the X-axis (virtually every organization with some interest in promoting international trade in Alaska was included) and a list of nineteen common export services on the Y-axis. The list of export services was a generic list of commonly sought services.

Part III was specifically designed to gather five pieces of information:

- *To what extent have Alaskan companies utilized government assistance?*
- *Where are Alaskan companies go most often to obtain government service assistance for international trade?*
- *What kinds of services are Alaskan companies looking for?*
- *How satisfied are Alaskan companies with the specific services they are receiving?*
- *How satisfied are Alaskan companies with the government agencies offering international trade assistance?*

The agency and service scale was staggered to reflect three different levels of company satisfaction:

- *1 : Very beneficial and / or a major contributor to export sales success.*
- *2 : Moderately beneficial / a moderate contributor to export sales success.*
- *3 : Not beneficial / a minor contributor to export sales success.*

A very small percentage of potential exporters in all sectors had used any sort of government assistance. An effective export promotion strategy must contain two critical elements: help for the experienced exporter and help for the rookie. The very low number of potential exporters which had previously contacted an ITAA is very discouraging. It is clear from the results of this section that the state is not doing enough to make quality export assistance accessible to all Alaskan companies.

- 3 out of 31 potential natural resource exporters reported having used an ITAA.
- Only 14 out of 126 potential service exporters reported having contacted an ITAA.
- 0 "other category" potential exporters reported being in touch with an ITAA.

Part III, number 21.

If you have not used any of the services listed above, please explain why.

Company / product not suited

- Not focused on international trade (s)
- I spend 100 % of time on professional mechanical engineering in U.S.A. (s)
- There is very limited opportunity for our services abroad and in the Pacific Rim. Because we are a small business, we would work as a sub-contractor to large U.S. companies or agencies with contacts abroad (s)
- We have not considered international trade, although with improved telecommunications we might be able to do so in the future (computer technical support and desktop publishing - computer publishing) (s)
- Export of pipe prepared in Fairbanks is not encouraged (s)
- Exporting sand / gravel / crushed stone is not a feasible venture (s)
- I am a small sole proprietor of a company that is less than two years old and have all the business I can handle within the state without looking to outside markets (s)
- I have not seen a great demand for engineering services in other countries. applicable to my firm (s)
- We have not used the services listed above in the last five years, but we have recently become aware of potential high Arctic latitude projects which may be within our potential market area. (s)
- These services are not readily known - small businesses have been ignored. As a small sole proprietor consulting engineer, I have not been provided any information. I think this is an area that needs improvement (s)
- My company is too small and localized (s)
- Have not yet ventured into international trade but want to. Need help please (s)
- The above (agencies and services) are fine if you have the time or resources to devote. General with small businesses, this isn't the case.(s)
- My product is engineering design, evaluation, investigation or reports. I am a sole proprietor - independent consulting engineer. Export could be worth investigating, but I have just not looked into - except in response to another company's inquiry (s)
- No specific situation has required these services (s)
- I'm too small at present (moderate capital) (s)
- Have not exported services yet (s)

- We have seen enough opportunity here, but we have not had the incentive to divert energy elsewhere - but we have given it thought and not ruled it out (s)
- Just have not taken this step yet - need to resolved internal questions before getting into the international market (s)
- I am a legitimate (but small time) mineral resource developed. If my mining operation gets if the ground, then possibilities for international trade exist (n)
- This is our first year of business - international trade is our long term business plan - 5 year (n)
- Sole proprietorship - too busy (n)

Don't need / prefer private sources

- Not interested (s)
- Government services are not advertised in professional industry bulletins / periodicals I receive. (s)
- Our (international business) attempts have been through projects of U.S. companies involved in overseas resource development. Our company president did attend the Department of Energy Seminar for the Russian ministers held at Alyeska Resort (s)
- Have not done international work - I have used several of these agencies for Alaskan business information (s)
- Because I believe that the role of business is to do business and the role of government is to stay out of business as much as possible (s)
- We have been working on our own contacts (s)
- Our own contacts showed that the particular international venture was not feasible (s)
- No government assistance required (s)
- No need for any if the services (n)

Unaware / not offered services

- Don't know what they are (n)
- I didn't know that these services were available. I'm interested in many of these services (n)
- Generally unaware of their (agency's) existence or use as a resource (s)
- Did not know these services were available (s)
- Was unaware that these services were available (s)
- Not aware that they were available and not aware of how to obtain them (s)
- Did not know what was available (s)
- Unaware of where to get the help (s)
- Have not investigated to know that such assistance was available (s)
- I did not know that these agencies were available and not familiar with the types of services they provide (s)
- Did not know any existed (s)
- They were never offered to us! (o)
- Most small businesses are unaware of the services provided by the agencies listed above. More outreach by these agencies to small businesses would be helpful (o)

Other

- We have just been contacted from a foreign market regarding export out of Alaska. At some point we will use the above services if necessary (s)
- Currently, mineral processing (i.e., zinc) is not done in North America because environmental requirements make it cost prohibitive when compared to other parts of the world. We ship raw materials out, they are processed and then we have to pay import duties to bring them back in for use (s)
- Why does Alaska:
 - 1) duplicate federal agency services
 - 2) try to have a foreign policy - we are a state (s)
- We receive BISNIS which rates as 3 (s)
- So much for reduced government waste (s)
- A proposal I sent to the American Russian Center was rejected because I am a private company. Allow individuals to compete for federal funds allocated to the American Russian Center in Anchorage - I have requested and been denied funds. (s)
- We are busy establishing our local and national ties (s).
- Looking at Russian opportunities, but waiting for better conditions, -- stability (in Russia) (s)

This question sought to determine why companies were not going to government agencies for assistance with international business matters. Responses ranged from a general "lack of faith" in the government's ability to help to a dependence on private sources to companies which simply did not know what was offered. The comments are very candid and should be reviewed closely by state policy makers.

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

World Trade Center
Alaska
Used 1s 2s 3s

3\182		1	
1\182			1
1\182		1	
1\182			1

Alaska Center for
Int'l Business
Used 1s 2s 3s

2\182			2
1\182		1	
1\182		1	

American Russian
Center
Used 1s 2s 3s

1\182			
2\182	1		
1\182	1		

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

1\182			1
1\182		2	
2\182		1	1
3\182		2	1
3\182		2	1
2\182		1	1
2\182			2
2\182		1	1

2\182		1	1
1\182	1		
2\182	1		1
1\182		1	
1\182	1		

1\182	1		
2\182	1		
1\182			

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

1\182			1
1\182			1
1\182			1
1\182			1
1\182			1

1\182			1
1\182		1	

1\182	1		

Overall agency satisfaction:

	1	
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	1	
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2		
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Agencies not marked: UAF School of Management, UAF Arctic Research, UAA School of Business, Circumpolar Health Studies, Kenai College, Division of Tourism, Division of Investments, Division of Banking, Anchorage, Kenai Peninsula Borough, Fairbanks North Star Borough, Fairbanks Int'l Airport, Anchorage Int'l Airport, Fairbanks ARDOR, Anchorage ARDOR, Southwest ARDOR, Southeast ARDOR, Kenai ARDOR, Prince William Sound ARDOR, Bering Straits ARDOR, Arctic ARDOR

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

Small Business
Development Cntr.
Used 1s 2s 3s

1\182			1
1\182			1
1\182		1	

Alaska Science and
Tech. Foundation
Used 1s 2s 3s

1\182			1
1\182		1	

Alaska Industrial
and Export Auth.
Used 1s 2s 3s

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

1\182		1	
1\182		1	
1\182		1	
1\182		1	
1\182		1	

1\182		1	
1\182		1	

1\182		1	
1\182	1		

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

1\182			1

Overall agency satisfaction:

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General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

Alaska State
Legislature
Used 1s 2s 3s

1\182			1
1\182			1
1\182		1	
1\182			1

Alaska Seafood
Marketing Institute
Used 1s 2s 3s

1\182	1		
1\182		1	
1\182	1		
1\182	1		

(AK) Dept. of
Commerce
Used 1s 2s 3s

2\182	1		1
2\182	1		1
1\182	1		
1\182	1		

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

1\182			1
1\182		1	
1\182		1	
1\182			1
1\182		1	
1\182			1
1\182			1
1\182			1

1\182	1		
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1\182	1		
1\182		1	

1\182	1		
1\182	1		
1\182	1		
1\182		1	
1\182		1	
1\182			1
1\182			1
1\182		1	

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

Overall agency satisfaction:

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General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

Office of Int'l
Trade
Used 1s 2s 3s

3\182		1	1
5\182	1	2	2
4\182	1	2	1
3\182	2	1	
1\182	2	1	

Northern Forum
Used 1s 2s 3s

1\182	1		
1\182	1		
1\182	1		
1\182	1		

(AK) Div. of
Natural Resources
Used 1s 2s 3s

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

4\182	1	2	1
4\182	2	1	1
3\182	2		1
3\182	1	1	1
2\182		1	1
3\182	1		2
3\182	1		2
4\182	1	2	1

1\182	1		
1\182			

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

1\182	1		

1\182	1		

Overall agency satisfaction:

3

2

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

U.S. Commercial
Service (US & FCS)

Used	1s	2s	3s
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1\182	1	3	
5\182	1	2	3
4\182	1	3	
3\182	1	2	
1\182		1	

National Marine
Fisheries Service

Used	1s	2s	3s
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1\182		2	
1\182	1		
1\182	1		

Small Business
Administration

Used	1s	2s	3s
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2\182		1	1
2\182		1	1
3\182		1	2
2\182			3
1\182			1

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

3\182		1	2
2\182	1	1	
1\182		1	
1\182		1	1
1\182		1	1
1\182			1
1\182			1
1\182			1

			1
1\182	1		1

2\182		1	1
2\182			3
2\182			3
2\182		1	1
2\182		1	1
2\182			2
2\182			2
1\182		1	1

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

1\182	1		
1\182	1		

1\182		1	
1\182			1
1\182			1
1\182			1
1\182			1

Overall agency satisfaction:

	1	
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	1	
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	1	
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General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

U.S. Congressional
Delegation
Used 1s 2s 3s

1\182	1		
2\182	1	1	
1\182	1		
1\182	1		

Anchorage Convention
and Visitors Bur.
Used 1s 2s 3s

AK Fisheries Dev.
Foundation
Used 1s 2s 3s

1\18	1		
1\18	1		
1\18	1		

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

1\182	1		
1\182	1		
1\182		1	

1\182			1

1\18	1		
1\18	1		
1\18	1		
1\18	1		
1\18	1		

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

Overall agency satisfaction:

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Foreign trade
agency
Used 1s 2s 3s

General Information (including seminars, publications, etc.)

1. Information on exporting fundamentals
2. Background information on a foreign market (culture, language, etc.)
3. Information on markets for your company's product or service
4. Personalized export counseling session (question and answer)
5. Referrals to other sources of assistance (public or private)

2\182		1	1
2\182		1	1
1\182			1
1\182			1

Business Contacts

6. Assistance finding partners for joint ventures
7. Trade leads
8. Assistance finding a foreign representative, distributor, or agent
9. Assistance with foreign relations
10. Opportunity to attend a trade mission / show
11. Overseas advertising assistance
12. Customized trade missions
13. Background information on foreign businesses

2\182			2
2\182			2
1\182			1
1\182			1
2\182	1		1
1\182			1
2\182	1		1
1\182			1

Running the export operation

14. Assistance with export documentation
15. Export financing (export loans, etc.)
16. Assistance altering a product or service to foreign market specifications
17. Logistics, shipping, or distribution assistance
18. Assistance establishing credit / payment terms
19. Other international services

Overall agency satisfaction:

	1	
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APPENDIX

APPENDIX D.

Government agency service providers listed in Part III of the survey

University of Alaska

UAF. School of Management: The primary business education unit of the University of Alaska Fairbanks.

UAF. Office of Arctic Research: The primary coordination office for Arctic research at the University of Alaska Fairbanks.

UAA. School of Business: The primary business education unit of the University of Alaska Anchorage.

World Trade Center Alaska & TROIKA Alaska: World Trade Center Alaska is a membership supported organization which provides international business services to its members.

TROIKA Alaska is an University of Alaska program operating on a grant from the Commerce Department CABNIS program. The purpose of the program is to increase U.S. exports to the Russian Far East.

Alaska Center for International Business: An international business research and education organization located at the University of Alaska Anchorage.

American Russian Center: A Commerce Department funded program designed to train Russian business people in American management practices. Located at the University of Alaska Anchorage.

(UAA) Small Business Development Centers: Provides a range of small business assistance to Alaskan companies. Offices are located in Anchorage, Juneau, Fairbanks, and Mat-Su (a Rural Outreach Director provides services throughout rural Alaska).

Kenai Peninsula College: Provides various international activities in the Kenai Peninsula area.

Institute for Circumpolar Health Studies: An Arctic research branch of the University of Alaska Anchorage.

State of Alaska

Alaska Science and Technology Foundation: Makes public funds available for long-term investment in economic development and technological innovation within the state. Awards grants for basic and applied research.

Alaska Industrial Development and Export Authority: (AIDEA) Provides export finance assistance to Alaskan companies.

Alaska State Legislature: The Senate and House branches of the Alaska State Legislature.

Alaska Seafood Marketing Institute: (ASMI) Promotes the sale of Alaskan seafood in domestic and international markets.

Alaska Department of Commerce and Economic Development: (Alaska Division of Economic Development) Seeks to strengthen Alaska's economy through the development of the private sector.

(Governor's) Office of International Trade: Serves as a commercial liaison for the state and for private sector businesses which trade in international markets.

Northern Forum: An international organization of leaders from northern and Arctic regions of the world.

Division of Natural Resources: The branch of the Alaska Department of Commerce concerned with natural resources in the state.

Division of Tourism: The branch of the Alaska Department of Commerce concerned with tourism in the state.

Division of Investments: The branch of the Alaska Department of Commerce concerned with investments in the state.

Division of Banking: The branch of the Alaska Department of Commerce concerned with banking in the state.

United States Federal Government

U.S. Foreign Commercial Service: (U.S. Commercial Service) An unit of the International Trade Administration of the Department of Commerce. Provides numerous services to companies preparing to export to virtually any market in the world.

U.S. National Marine Fisheries Service: Conducts trade research and supports the development of marine life including fish.

U.S. Small Business Administration: A small business support organization which offers export assistance services.

Alaska Congressional Delegation: The Alaskan representatives to the federal legislature.

Local

Municipality of Anchorage Office of International Affairs: The international affairs office for the Municipality of Anchorage.

Kenai Peninsula Borough: The local government of the Kenai Peninsula. The Kenai Peninsula Borough has a particular interest in international commerce (particularly Russia).

Anchorage International Airport: The airport authority of the Anchorage International Airport.

Fairbanks International Airport: The airport authority of the Fairbanks International Airport.

Alaska Regional Development Organizations (ARDORS)

ARDORS: Organizations throughout the state which promote regional economic development programs. ARDORS include:

Fairbanks Industrial Development Corporation, Anchorage Economic Development Corporation, Southwest Alaska Municipal Conference, Southeast Alaska Conference, Kenai Peninsula Economic Development District, Prince William Sound Economic Development District, Bering Strait Economic Council, and the Arctic Development Council.

Other

Anchorage Convention and Visitors Bureau: Promotes and coordinates conventions and tourism activity in Anchorage.

Alaska Fisheries Development Foundation: Established to develop new seafood related products and new markets for Alaskan seafood (e.g., surimi)

Foreign Trade Agency: Refers to any foreign government trade agency (e.g., JETRO, KOTRA, CETRA, etc.).

APPENDIX

Potential exporter respondents by SIC Code

Natural resource related:

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
811	Timber tracts	1
851	Forestry services	6
910-911	Commercial fishing	5
1040-1041	Gold ore mining	5
1099	Miscellaneous metal ores mining NEC	1
1300	Oil and gas extraction	2
1420	Crushed and broken stone	1
1440	Sand and gravel	5
1499	Miscellaneous nonmetallic minerals NEC	2
2411	Logging	5
<u>Natural resource related total</u>		<u>33</u>

Service sector related:

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
1081	Metal mining services	2
1381	Drilling oil and gas wells	2
1382	Oil and gas field exploration services	2
1389	Oil and gas services NEC	1
1500-1574	Building contraction - general contractors and operative builders	24
1629	Heavy construction NEC	1
1799	Special trade contractors NEC	1
4512	Air transportation, scheduled	1
4581	Airports, flying fields, and airport terminal services	1
4789	Transportation services NEC	1
4899	Communications services NEC	3
4920	Gas production and distribution	1
4941	Water supply	2
5080-5199	Wholesale trade	5
6512	Operators of non-residential buildings	1
6519	Lessors of real property NEC	2
7311	Advertising agencies	1
7335	Commercial photography	1
7379	Computer related services NEC	3
7389	Business services NEC	1
8711	Engineering services	61
8712	Architectural services	15
8713	Surveying services	2
8721	Accounting, auditing, and bookkeeping services	1
8732	Commercial economic, sociological, and educational research	2
8734	Testing laboratories	1
8741	Management services	2
<u>Service sector total</u>		<u>140</u>

Other categories:

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
2740	Miscellaneous publishing	4
3400	Fabricated metal products	1
3910	Jewelry, silverware, and plated ware	1
5399-5999	Miscellaneous retail trade	3
<u>Other categories total:</u>		<u>9</u>

Total potential exporter respondent total: 182

Current exporter respondents by SIC Code

Natural resource related:

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
811	Timber tracts	1
851	Forestry services	2
911	Commercial fishing	3
1030	Lead and zinc ore metal mining	1
1099	Miscellaneous metal ores NEC	1
1440	Sand and gravel	1
2411	Logging	3
<u>Natural resource related total:</u>		<u>11</u>

Service sector related:

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
723	Crop preparation services for market except cotton ginning	1
1382	Oil and gas field exploration services	1
1389	Oil and Gas Field Services NEC	1
1500	Building construction - general contractors and operative builders	1
4210	Trucking and courier services except air	1
4212	Local trucking without storage	1
4469	Water transportation of freight NEC	1
4491	Marine cargo handling	1
4512	Air transportation, scheduled	2
4581	Airports, flying fields, and airport terminal services	1
4725	Tour operators	1
4730	Arrangement of transportation of freight and cargo	1
4899	Communications services NEC	1
5080-5999	Wholesale trade	4
5999	Miscellaneous retail trade	2
6512	Operators of non-residential buildings	1
7311	Advertising agencies	1
7335	Commercial photography	1
7349	Building cleaning and maintenance services NEC	1
7370	Computer programming, data processing, and other computer related services	1
7381	Detective, guard, and armored car services	1
7389	Business services NEC	4

8711	Engineering services	11
Service sector total:		41

Other categories

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of responses</u>
2082	Malt beverages	1
2087	Flavoring extracts and flavoring syrups NEC	1
2399	Women's misses', and juniors' outerwear NEC	1
2731	Books: publishing, or publishing and printing	1
2740	Miscellaneous publishing	1
2890	Miscellaneous chemical products	1
2910-2911	Petroleum refining	2
3533	Oil and gas field machinery and equipment	1
3692	Primary batteries, dry and wet	1
3990	Miscellaneous manufacturing industries	1
5199	Nondurable goods NEC	1
5999	Miscellaneous retail stores NEC	1
Other categories total		13

Total current exporter respondents: 64

Total tabulated surveys: 246

Response rate percentage* .12%

NEC = Not elsewhere classified

* Based on initial mass mailing of 1,998 surveys. Does not include considerations for possible subsidiary duplicates, undeliverable surveys, and companies which have gone out of business.

APPENDIX

Total number of registered Alaskan companies within targeted industries (by SIC Code) -- natural resource sector related

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of companies</u>
0800-0831	Forestry	48
0900-0921	Commercial fishing	301
0970-0971	Hunting and trapping, and game propagation	35
1000-1061, 1094-1099	Metal mining	104
1220-1231	Coal mining	2
1300-1321	Oil and gas extraction	15
1400-1479	Non-metallic mineral mining and quarrying (except fuels)	56
1490-1499	Miscellaneous nonmetallic minerals, except fuels	6
2400-2411	Logging	246
2421-2429	Sawmills	115
2077	Animal and marine fats / oils	4
2091-2092	Canned and cured fish seafoods, Prepared fresh or frozen fish seafoods	34
5146	Wholesale fish and seafood trade	5

APPENDIX

Total number of registered Alaskan companies within targeted industries (by SIC Code) -- miscellaneous sectors

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of companies</u>
2082-2399, 2431-3999	Manufacturing	3,443
5200-5999	Retail Trade	14,038

APPENDIX C:

Total number of registered Alaskan companies within targeted industries (by SIC Code) -- service sector related

<u>SIC Codes</u>	<u>Industry description</u>	<u>Number of companies</u>
0710-0723	Crop and soil preparation services	3
0850-0851	Forestry services	78
1080-1081	Metal mining services	43
1241	Coal mining services	1
1380-1381	Drilling oil and gas wells	24
1382	Oil and gas field exploration services	23
1389	Oil and gas field services not elsewhere classified	47
1500-1542	Building construction - general contractors and operative builders	1,855
1610-1629	Heavy construction other than building construction - contractors	90
1731	Electrical work (including telecommunication equipment installation)	139
1799	Special trade contractors not elsewhere classified	510
3730-3731	Ship building and repair	201
4210-4214	Local trucking without storage	1,272
4400-4412, 4449-4479	Water transportation	194
4491	Marine cargo handling	26
4500-4512	Air transportation, scheduled	100
4513	Air Courier services	18
4580-4581	Airports, flying fields, and airport terminal services	296
4725	Tour operators	266
4730-4731	Arrangement of transportation of freight and cargo	43
4789	Transportation services not elsewhere classified	4

4899	Communication services, not elsewhere classified	132
4920-4925	Gas production and distribution	14
4940-4941	Water supply	29
4953	Refuse systems	70
5000-5145, 5147-5199	Miscellaneous wholesale trade	2,053
6020-6029	Commercial banks	8
6512	Operators of nonresidential buildings	599
6519	Lessors of real property not elsewhere classified	449
7300-7399	Business services (except computer services)	8,397
7371-7379	Computer related services	326
8711	Engineering	495
8712	Architectural services	106
8713	Surveying services	184
8731	Commercial, physical and, biological research	1
8732	Commercial economic, sociological, and educational research	37
8734	Testing labs	3
8740-8799	Management consulting and public relations services	2,209

Project Oversight Committee

- **Joe Beedle**

Juneau Small Business Development Center

- **Sherry Biggs**

Kenai Economic Development District / Chamber

- **Steve Borrell**

Alaska Miners Association

- **Chris Gates**

Alaska Forestry Association

- **David Haugen**

The Alliance

- **Carol Heyman**

Anchorage Chamber of Commerce

- **Tom Jensen**

Alaska State Chamber of Commerce

- **Jim Martin**

Alaska Business Monthly

- **Chris Mitchell**

Alaska Fisheries Development Foundation

- **Kevin Krauklis**

Fairbanks Economic Corporation and Chamber of Commerce

- **Dale Wade**

Alaska Air Cargo Association

APPENDIX:

PARTICIPATING COMPANIES (current exporters)

Aeromap U.S., Inc.
Alaska Battery Manufacturing
Alaska Incentive and Expedition
Alaska Mountaintop Spirits
Alaska Pacific Transport, Inc.
Alaska Russia Company
Alaska Sausage Company, Inc.
Alaska Water Exports
Alaska Wholesale
Ander, Bjorn; Kane; Jac, Inc.
Anson L. Renshaw, Jr., P.E.
Apocalypse Design, Inc.
Avtech-Alaska
Bird Creek Brewery
Brogen Services
Cameron Company
Cold Sea International, Inc.
Cominco Alaska, Inc.
D S Fuelwood and House Logs, Inc.
David C. Lanning, P.E.
DHL Airways
Dowland Bach Corporation
ERA Aviation
Erwin L. Long, P.E.
F.R.B., Inc.
F/V Alexandra, Inc.
FPE Roen Engineers
Golder Associates, Inc.
H.C. Price Co.
Hasz Consulting Co.
Husky Wood and Forestry Services
Imlach Consulting Engineer
Interior Timber Tramp
Kachemak Bay Seafoods
Lukes Mining Company
Mapco Alaska Petroleum, Inc.
McDonald Industries of Alaska
Microcom Communications, Inc.
Nip and Tuck Logging
Nixon Fork Mining, Inc.
Northern Air Cargo
Northern Hemisphere, Inc.
Oilfield Transport, Inc.
Pelican Seafoods
Prince William Sounds BK
RLM, Inc.
Salvage Ocean Log
Seeds of Alaska
Seischk

Software North
Southern Air Transport
Superior Log Products
The Surveyor's Exchange
Taku Smokeries
Tesoro Alaska Petroleum
The Mapmakers
Timber Too, Inc.
Turbo North Aviation
The Ulu Factory, Inc.
Veco, Inc.
West Coast Stevedoring Corp.
Western Alaska Fisheries
Woodward-Clyde Consultants

APPENDIX:

PARTICIPATING COMPANIES (potential exporters)

Adams, Morgenthaller, and Company
AE Rogers Architects
Al-Can Adventure Marketing
Alaska Central Express
Alaska Datatronics
Alaska Environmental Control
Alaska Extinguisher Company
Alaska Fish Factor
Alaska Lands and Resources
Alaska National Corporation
Alaska Native Arts and Crafts
Alaska Pacific Powder Company
Alaska Paper Company
Alaska Post Cards
Alaska Standard Mining Company
Alaska Village Environmental
Alcan Builders, Inc.
Alexander Ace
Ambler Exploration
Anchorage Sand and Gravel
Arctic Contractors
Arctic Minerals Company
Arctic Outfitters, Ltd.
Bear Garden Fisheries
Ben A. Thomas Incorporation
Besse, Epps & Potts
Bezek Durst Seiser
Bishop and Associates
Boehne Resource Development
Brooks and Associates
Bruce H. Mattson Electrical
Bush Cons't Surveys Inc. / AK Rim
C T I Alaska
Calais Company, Inc.
Caribou Enterprises
Carl E. Grundberg Architect
Carroll-Vondra
CET Engineering Support Service
Charles Bettisworth and Company
Chugach Engineering
Chugach Rock Corporation
Circumpolar Research Associates
Coal Water Fuel Services
Concrete Cutters / De Loraine
Consultec
Contracting Ventures, Inc.
Cooper Consulting Engineer
Copper River Telecom
Crowley All Terrain Corp.
Crowther Associates
D and E Ventures
D L B Wellsite
David M. Bear, R.L.S.
David P. Williams, P.E.
Davis Constructors and Engineers
De Lapp Consulting
Deborah Holmes, CPA
Denali Drilling
Denali Mechanical, Inc.
Dent, Donald R. - P.E. and LS
Dick Lowman, P.E.
Digital Stock, Inc.
Dollerhide Engineering
Doyon Drilling, Inc.
DRven Corporation
E and R Mining Company
E H S Alaska, Inc.
Eagle River Engineering Services
Earl Fullingim, AIA Architect
Earthscape
East Road Fish Products
Ed's Electric, Inc.
Edwin Stryker, P.E.
EMCON Alaska, Inc.
Engineering Consultants of Alaska
Equipment Engineering
Ernst Siemoneit, P.E.
Ester Drilling Company
Fairbanks Excavating and Trucking
Fairweather Prints
Financial Services, Inc.
Flappin Fresh Fillets
Fritz Creek Fish
Ghemm Company, Inc.
G N McDonald and Associates
Goentzel Builders, Inc.
Gold Coast Builders
Gorman Engineers
Green Engineering
Hall Industries
Hansen Engineering
Hawkinson Construction
Herndon and Thompson, Inc.
Humphrey Computer Graphics
Hunz and Hunz Enterprises
Industrial Electronics
Interlocken Design Company
International Aviation Service, Inc.
Interpac Forest Corporation
J H C
Jeanne M. Funatake, Architect
Jensen / Douglas Architects, Inc.

John Earl Simpson, P.E.	Sandra Ramsey Associates
Joseph A. Durrenberger	Scott Johnson and Associates
Ke Mell Architects	Sivuqaq, Inc.
Kenneth L. Larson	Southeast Alaska Resources
Koskovich Custom Goldsmith	Spring Alaska
L and M Douglas Company	Steven R. Rowland, P.E.
Lake and Boswell Consulting	Stewart Petroleum
Lawrence E. Wilkinson	Strand Hunt Corporation
Loftus and Dailey	Superior Engineering
Long Shot Mining Company	Systech
Longstaff Engineers and Construction	Technical Field Services
Lowell LP and Associates	Ted J. Forsi - Consulting Engineer
Mangus, Marvin D.	Tesch Logging
MBA Consulting Engineers, Inc.	The G. Eddy Company
Mendenhall Aerial Surveys	Udelhoven Oilfield Systems
Mills Construction and Supply	Ukpeagvik Arctic Slope (UAS)
Minch Ritter Voelckers	Unitec Construction
Morrison Communications	Vining and Associates
Mountain Engineering	W J R, Ltd.
Murphy and Associates	Walsh A / C Services
Nana Test, Inc.	Wellenstein Architect Consultant
Natural Resources Conslt.	Whaletree
Nelson Electrical Engineering	White Construction Limited
Nistler Enterprises	Wild Rose Timber
Northern Services	William M. Sackinger Electrical Engineer
Nugget Nevada, Inc.	Wintec Construction, Inc.
P and HR Processing and Refine	Yukon Construction
Pacific General, Inc.	
Parsons and Associates, Inc.	
Paul Davis Systems of Alaska	
Pegasus Engineering	
Petro Star, Inc.	
Philip M. Dillon, P.E.	
Phillips Bolt Manufacturing	
Piquini Management Corporation	
Power and Control Engineering	
Pralle Aviation Services	
Quick Draw H2O Service	
R S H Company	
Rader Econometrics and Engineering	
Raj Bhargava Associates	
Regional Architects	
Remy G. Williams, P.E.	
Resource Technical Services	
RG Williams	
Robert Dawson	
Robert W. Retherford, Electrical Engineer	
Rodney P. Kinney Associates, Inc.	
Rooney Engineers	
Rozak Engineering	
S K Tech	

SPECIAL LETTERS

Alaska State Legislature:

My letter concerns the state's involvement in foreign trade and specifically trade missions.

I feel that trade missions, which seem to be ongoing, are totally worthless. The majority of these trips are vacations at the state's expense for people who don't have the knowledge required to make a business venture viable. We have followed a lot of this activity over the past years and have a good chuckle whenever we hear who is going.

The first questionable trip which I noted was back in the days of the Cowper administration. A group of state employees traveled to Finland to observe the manufacture of birch plywood. Note that someone had informed that Alaska has large quantities of birch forests which normally mature, rot, and become windfalls or fuel for fires. Nevertheless, the state group traveled to Scandinavia to look at mills. Note that included in the trip were several side trips to Norway, Sweden, and Denmark. Of course, the press specified that the state trips would be personally financed. However, we all know how that really worked. Anyway, Cowper, his wife, and a LARGE group made the trip.

What never did come out was the fact that various domestic locations manufacture plywood from numerous types of wood. I personally have been involved with plywood manufacture in the Upper Peninsula of Michigan. Wood types include maple, oak, spruce, and birch. One mill was making plywood in the 1930s when plywood was used for PT boats, LCM landing craft, minesweepers, and a great deal of spruce and plywood was sent to Canada where it was used in the manufacture of DeHavilland Mosquitoes.

Naturally, these same mills have been updated to state of the art, computerized, electro-hydraulic machinery. The first motor upgrade was in the 1950s with the subsequent changes are taking place even today. The difference between the mills in the Upper Peninsula of Michigan and the mills in Finland -- who wants to make a trip to the Upper Peninsula of Michigan?

I hope that example is worthwhile -- I could go on about the low value of these missions. The participants are not the correct choices, but usually friends on vacation. Another example is the recent Magadan trip. There are a multitude of Alaskans who have already financed such a trip on their own and have shared their knowledge. The political trip is more individuals becoming educated at government's expense to better their own interests. I defy any one of them to convince the public that they have no intention of trying to better themselves or a relative (i.e., set their wife up as an importer, make a relative a liaison person (government expense) or some other betterment.)

In conclusion, the majority of these state or local government trips are of little or no value for the following:

1. Participants are usually not informed or inexperienced in what the mission is.
2. Usually not beneficial to ALASKANS -- results are more beneficial to other states or the mission location.
3. Participants are usually being educated in activities that others have already done.
4. Expenses are on the Alaskan people -- the value is questionable and the politicians should be more focused on home.
5. Most of the participants are seeking personal gain at state expense (or for their company.)
6. Many of the missions are for reasons other than benefiting the Alaska economy -- i.e., vacations, business trips, etc.
7. Most of the participants have no idea as to how their trip will create jobs here -- i.e., extol birch plywood manufacturing but vote against logging issues.

Thank you for your time and consideration.

Roger Mechon

Memo

To: Alaska State Legislature President Drue Pearce & Speaker Gail Phillips
From: Northern Hemisphere Incorporated Hilmer Johnson
Date: September 21, 1995 Phone 907-258-1963
Re: International Trade (Why it turn in to a BUST in Alaska)

Dear Legislatures

This is the first time in my life time that I have sent a letter to the Legislatures and the woman are in charge and it makes me nervous as hell, as a man born in Juneau in 1937 I have a lot of intrust in Alaska but I will tell you the way it is from my point of view and I hope it will not offend you.

I first went to Russia in 1991 and with 40 years of bad talk about Russia I did not have a lot if intrust in Russia and on this tour there was Americans criticizing the Russians the way they was doing things and had the attitude that they know all and this was a mistake on the Americans part and it give the Russians a bad attitude of Americans but the longer I was in Russia the more intrusting it was to me when I got to go to there homes and find that the Russians Government did take care of the people and it was not as bad as the US Government told us it was.

As the Owner of Northern Hemisphere Trucking and intrusted in shipping I made a joint venture with Aeroflot Airlines and start Northern Hemisphere Express shipping from Anchorage to Russia I also had to make a joint venture with Aero services in Russia to delver in Russia so I had all the expenses and had to divided the money in 3 ways so there was little profit at times. and the Russians made the most money and no expense I had 55 Offices in Russia.

With owing a express company I got to know a lot of Alaska's and persons from the lower 48 from Florida California and Washington Canada shipping to Russia and there was about 80 from Alaska most of them from Anchorage and they told me a lot about there problems they had. The most common complaint they all had THE RUSSIANS WORD IS LESS THEN TRUTHFUL that is the only problem there is working in Russia and I agree.

American Businessman and the FEDERAL Government

There was a lot of small American Businessman that did not have a lot of money and went to Russia and they Also sponsored Russian to Alaska with the understanding this person would help them build there business and only to find out they just wanted to come to America and when reported to Immigrations they did nothing and Frank H. Murkowski say what about the Russians Rights in America word got back to Russia saying if American Businessman tell you they will ship you back to Russia if you misrepresent your self to them it is a lye, it makes Americans Businessman word no good in Russia, if the Federal Government will not back you up, The American Businessman can not and will not do Business in Russia it is that simple.

Local Government

In Russia they work with Cash only and if you are going to the Airport and you are STOP by the police and you have \$5,000.00 Dollars cash on you, the police will have 3 police Officers on you and a 200 pound man with his knee on your head grinding it in the blacktop it dont make a man happy to go to Russia and you can not tell a policeman you are not a drug dealer for every Policeman will say you are a drug dealer it is not worth the hassle to do Business in Russia. I am much safer in Russia then America

when it comes to Cash Money, In Yuzhno Sakhalinsk about the size of Anchorage there was 3 Killings in 1991 and in Anchorage we have 3 Month something to think about but one Russian told me we will catch up to you Americans in killings I promise you just give us time.

State of Alaska and International Business

I find that Alaska is spending to much money on International trade and a lot of it is nothing but waste money the only thing we need is the World Trade Center, All the Rest can go

Take a good look at Northern Form or American Russian Center or Office of International Trade is a joke and if you look at Alaska Center for International Business they are all a waste of tax payers money remember Alaska we have no Factories in Alaska and the small Anchorage Businessman are in trouble now with all the big stores coming in to Anchorage the small Businessman are going under and they can not compete with the big stores in Anchorage and the last thing on there mind is doing business in Russia and remember there are about 80 Businessman in Anchorage that went BUST in Russia that is allot for Anchorage and the word is out wait tell the Government will back you up and your word is good on tell that time do nothing for now , you will not find Businessman willing to invest in Russia today we drop the ball the first time around.

The State of Alaska should only Back the World Trade Center and the UAA should have a place for Alaskens to learn Russian and Japanese and Korean Language and this is the best way to go keep it on a low profile but I think this is good for now.

I think I have a good understanding of Russia and I like the country allot I have a friend that been to Russia 34 times and we have grate intrust in Russia and we plan to retire in Russia.

The World Trade Center is the most honest and they understand the Businessman most of all.

What Americans do not like in Russia

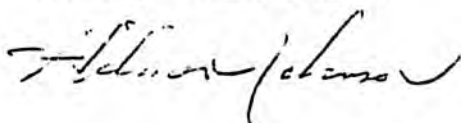
It is upsetting to Americans when Russians will not keep a Agreement also when you go to a restaurants and they charge Russians \$1.50 for a meal and charge Americans \$10.00 for the same meal it dont cost more to feed a American to charge Americans 70.00 Dollars for a Hotel and a Russian \$7.00 for the same room tell the Russians treat the Americans the same as Russians there will not be much trade with Russia

What Russians do not like about Americans and free enterprise

The Russians think money is the root of all evil and to think money is more important then your comrade is wrong to see a homeless person in Russia is devastating to them when they tell you about the senior citizens with no money food or a place to live, with tears coming down there face it can be upsetting to a American and I think this is why they charge a American so much they will tell you we let the Berlin wall come down and now Germany is all one country but you have not united Korea like you told us and never put it in writing your word is no good ether so you can not complain about the Russian word and Remember that also WW2 we won the war more then you did you only fight little boys 11 12 years old and old men over 55 years old, we made mistakes sure but we was fighting the real Germany Army if you had to fight them you would have lost you know that dont you ?

The Russians do not like Americans but remember they had 40 years of the cold war also they complained about Americans just like we complained about Russians 40 years, I do Thank you and I hope you cut lot of programs and I hope my letter is not upsetting to you.

Scenically Hilmer Johnson



Memo

To: Alaska State Legislature President Drue Pearce & Speaker Gall Phillips
From: Northern Hemisphere Incorporated Hilmer Johnson
Date: SEPTEMBER 28, 1995 Phone 907-258-1863
Re: International Trade (Why we lost in Alaska)

Dear Legislatures

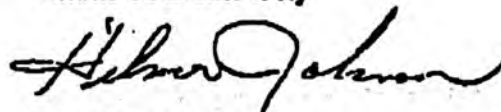
In my previous Memo I forgot to tell you one important subject that no one has notice the Russians have only used Americans Businessmen to get to America and now there are a lot of Russians in Alaska and they are the ones that have replace the American Businessman and there is no way that is going to change for Russians like doing business with Russians and trade will grow for the time being but only between Russians in Alaska and Russians in Russia not Americans and Russians

Did you ever notice that Russians are very good listeners just like the Japanese do you think that is telling you something about the future with Russia ?

Alaska Businessmen complained about money stolen from us with Russians and the felonies they committed and the laws they broken; theres was over 50 complains filled, all we wanted was the Government to just enforce the law that was all we ask nothing else, and federal Government and State did nothing there was millions of dollars lost by Alaskans but thanks to Frank Murkowski our Senator he did not care about the Alaskan Businessman he was concern about the Russians rights in Alaska not the laws they broke, It was devastating to the Alaska businessmen and one by one we all quite for it was ridiculous and preposterous to go on but now the Russians are in Alaska now and they are in charge of all the Business in Alaska with Russia , and the out come, we have lost but we must go on and say we have learn from this, there is nothing we can do now it over with now.

It is extremely important that we cut our spending for all states not only Alaska and have a balance budget is the only way we will come out in world trade for Russia is getting there budget balance and there is talk of Russia Germany France Italy China and North Korea all going back to the Gold standard in the World and if this happens America will be a third class country if the budget is not balance in America

Thank You Sincerely



Hilmer Johnson

FPE Roen

Civil Electrical Environmental Mechanical Survey

E N G I N E E R S

560 E. 34th Ave., Suite 300, Anchorage, AK 99503

Anchorage
Fairbanks

September 6, 1995

Alaska State Legislature
Suite 500
716 West 4th Avenue
Anchorage, Alaska 99501-2133

Reference: *International Business Needs Assessment*

Attention: Ms. Drue Pearce, President of the Senate
Ms. Gail Phillips, Speaker of the House

I had a little difficulty answering the attached questionnaire. As is the case with most questionnaires, the document does not quite fit all circumstances. Let me explain:

- We have had foreign work in the past: 1981 through 1982 and 1986 through 1993;
- our work abroad during 1990 through 1993 was minor;
- we have not had contracts to work abroad over the past three years, and;
- all of our work abroad has been for U.S. clients.

While reviewing our response to the survey questions please bear in mind that, although we are one of the larger home grown engineering firms (we employ about 50 Alaskans), we are a relatively small firm. My perspective is therefore, that of "small business".

Question #1: *Please suggest any programs or services the State could provide which would motivate more Alaskan companies to export.*

Typically, Alaskan businesses are comparatively small. The owners of these businesses are focused on the day-to-day problems of running a company in a vigorously competitive environment they are familiar with. Exporting offers new risks; risks that have not typically confronted by the small Alaskan business. Unlike European business people who have a tradition of international trade, such trade is not "in our blood".

- The typical Alaskan businessman needs a lot of education before he or she could feel comfortable making the investment required of participation in international trade.

The University of Alaska's programs in this area could be of a lot of help. Particularly if such programs were structured in evening short course and seminar format.

- If the Alaska businessman sees others successfully participating in international trade, they will feel assured that they can also compete; they know something about their competition's talents. If they see their competition successfully exporting goods or services they are more likely to give it a try themselves.

An image building program would help Alaskans feel more confident in taking the time and effort required to tailor their product to the foreign marketplace (i.e. the Alaska Seafood Marketing Institute program of the quality of Alaskan fish).

- Capital is always a problem for the small business. If the State could insure a portion of an export market development loan, money might be made available.

Not a give-a-way. Rather, a program similar to the old SBA loans where the government insured 60%, 70% or 80% of the loan amount, thus reducing the bank's risk. The borrower still remains responsible for paying the debt, however, the lender's risk is mitigated.

Question #2: *Approximately what percentage of your company's annual gross sales are derived from exports or other international business activities?*

During the last fiscal year we had no export business.

Question #9: *Please rate the relative difficulty your company had with each of the following export considerations while starting its export operation. Also, please rate the operational difficulties your company is currently having.*

The problem I have answering this question is that we do not have any current export business. Thus, we are more like a start-up company than an established company. Our basic problem is finding work in the foreign marketplace.

Question #11: *Please suggest any programs or services which would ease operational export complications for Alaskan Companies:*

Our reputation as "the last frontier", peopled with rough tough simpletons, may be great for the tourist business, but its not good for exporting brains. Our potential clients harbor a stereotype of Alaskans which creates the greatest barrier to marketing cerebral services overseas. Our stereotype is that of big dumb guys

standing around next to a piece of "yellow iron", a gun on our hip and a drink in their hands. In the background we can see thousands of acres of clear cut, while in the foreground we see a big pool of oil. Right next to us is a beat up pick-up truck with the bumper sticker; "I don't give a damn how they do it outside"!

Now picture in your mind's eye the Swedish Engineer; the people who manufacture the SABB and Volvo automobiles.

Develop a program, paid for by Alaskans who export, that would develop positive images of Alaskans, their services and their products.

Question #12: *Please suggest ways the State could enhance international business activities within Alaska:*

As suggested earlier:

- *A business loan program. Not a subsidized program; only a program where loan maintenance is partially insured by public funds (like the Federal SBA program of past years).*
- *An Alaskan image building program. Not a subsidized program; a program paid for by those who export goods or services from Alaska (like the Alaska Seafood Marketing Institute Program).*
- *A "continuing education" program offered in seminar and evening short course format. The program should be offered by the University of Alaska to insure it would contain materials of real value (as contrasted with the get-rich-quick-by-exporting scams offered by flight-by-night hustlers). Not a subsidized program; rather the people who take the offerings pay for the service through tuition fees.*
- *Assist businesses by organizing trade fairs both in Alaska and in foreign countries. These activities need not be subsidized with public money. Rather, Alaskan exporters could pay for the service. The government's role would be to focus and organize the activity and provide an "official" element to the event.*
- *Assist businesses by organizing trade missions to foreign marketplaces. These activities need not be subsidized with public money. Rather, Alaskan travelers could pay for the service. The government's role would be to focus and organized the activity and provide an "official" element to the event.*

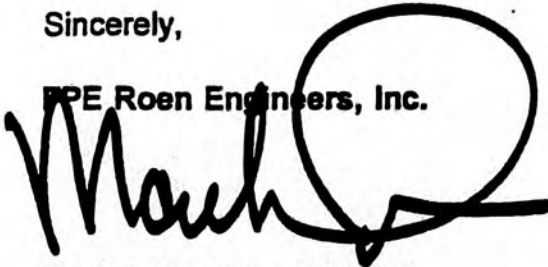
Drue Pearce & Gail Phillips
September 6, 1995
Page 4

- *Develop rules in the legislature, and policies within the Administrative branch, that would require "Officials" of the State to plan and conduct "Official" visits to foreign places in ways that recognize basic rules of protocol (i.e. Alaskan's are "professionals").*
- *Organize, through Administrative policy, University policy and funding criteria, a requirement for the elements of government (Federal and State) to cooperate, coordinate and/or combine program elements with private trade groups (i.e. the World Trade Center, Sea Food Marketing Institute, etc.).*

I hope the foregoing, as well as the attached, will be of assistance to you. If you have questions regarding information contained herein, please do not hesitate to give me a call.

Sincerely,

P.E. Roen Engineers, Inc.

A large, stylized handwritten signature in black ink, appearing to read 'Mark Fryer', with a large circular flourish at the end.

Mark Fryer, P.E., Principal

TERRY BRADY

NORTH AMERICAN FOREST LANDS AT LATITUDES NORTH OF 60 DEGREES

Proceedings of a Symposium
Held at the University of Alaska, Fairbanks
September 19, 20, 21 and 22, 1977

Thank you for the opportunity to comment - attached is an eighteen year old speech I made in Fairbanks. Nothing has changed - please change it.





NORTHERN FOREST RESOURCES: CHALLENGE AND OPPORTUNITY

by

Terry T. Brady, Forester
Forests North, Ltd., Anchorage, Alaska

Northern latitude forests offer mankind both a challenge and an opportunity. The opportunity is to use forest resources for the social and economic benefits of northern peoples, and for making up expected deficits in future world needs of wood, water, open space, and certain wildlife habitats. The challenge is to develop and manage these forests without destroying the base from which they originate.

I have worked with and about forest and other natural resources in the Pacific Northwest and Alaska for more than 25 years, and all my instincts and intellect tell me this challenge can be met--and the opportunity changed into assets.

However, this can only happen if we go about the work at hand with a positive attitude. The challenge is not one for fainthearted individuals, corporations, or governments. Negative thinking has no place in this endeavor--and neither do preconceived notions about economic or other values of northern forest resources. I refer particularly to those notions that assign low economic values to forest resources based on little understood biologic site production ratings for forests that either have not been managed or have been mismanaged by man in the past.

Any forester knows that the site productivity of forest lands in Alaska, much of Canada, and eastern Siberia is going to be less than that of the best sites in the Pacific Northwest or California. But determining that northern forests are uneconomic to manage, based on site productivity alone, overlooks other advantages that may accrue to the northern forest manager. Species, quality, market location, lack of other competing uses of land, and many other considerations must be weighed.

Northern forest values are, and will continue to be, subject partly to the effort we in the North put into enhancing these forest resources and partly to economic demand pressures imposed by other areas of the world.

For example, using the northern forest wood resources, whether coniferous or deciduous, to make up expected shortfalls in the world supply, in both the short and long-term future, will benefit both the market and the producing regions. Softwood framing lumber from Alaska could aid in meeting the demand for single and multi-family housing units in Japan, Korea, Taiwan, or conceivably even China. Trade funds generated by such transactions would in turn aid Alaskans and Canadians in their quest for a higher standard of living.



Yet such trade may not occur, at least on a large enough scale, in a short enough time frame, to benefit this generation of Alaskans. It will not occur until some very basic attitudes and policies emanating from some persons and agencies of our state and federal government and "citizen experts," some far removed from the actual Alaskan social and economic scene, are changed.

To be specific, I know of a 10-year effort by a major Far Eastern construction consortium to purchase, at prevailing market prices, 250 million feet board measure, per year, of rough sawn, air dried, Alaskan spruce lumber. They have received nothing from Alaska, except a governmental "run around," some private discouragement, and a few samples of 4-by-4s for testing purposes.

This buyer's problem does not stem from lack of resource. The resource is here, and research has shown it is here in volumes required to meet this market and more. With modern harvesting equipment, state-of-the-art milling techniques, imaginative transportation systems, and the seller taking advantage of marketing organizational structure and exporter tax breaks sanctioned by the U.S. Government, the project could be profitable.

However, because of land ownership and control controversies, lack of basic forestry policies, poor and monopolistic transportation systems, and most of all, negative reactions from state and federal authorities, some corporate leaders, and a vocal minority of the American public bent on keeping an interior Alaska forest products industry from becoming established, this project so far has been discouraged.

To those who state there are not markets for high-latitude Alaskan timber products, I ask: What is a market if it is not a buyer able and willing to pay the going price?

Put yourself in the buyer's position when visiting Alaska, funds in hand, to begin what he feels is a simple "buy-sell" transaction. He sees forests where natural mortality exceeds growth. He views coastal beaches and river bars piled high with deteriorating logs. He witnesses poor, wasteful harvesting operations, and antiquated sawmilling methods. He asks to discuss forest management policies for public and private land, and finds there is nothing to discuss because there are few, if any, policies.

His confusion is compounded by viewing feverish nonrenewable resource exploitation--a proliferation of new government buildings, and banks and office buildings under construction. And then he witnesses people living in village and urban hovels, people faced with the highest cost of living and the highest unemployment rate in the United States.



It is incomprehensible to the buyer to find waste, extravagance and poverty all operating side by side in Alaska. Common sense tells him that the renewable resource he wishes to purchase, on a long-term basis, could be the basis for an economic endeavor that could solve some of the problems he has witnessed.

I personally share the buyer's confusion, especially when I am aware of some of the factors that make it impossible for him to purchase the resource he seeks. These factors include the tardiness of Alaskan Native and State of Alaska land conveyances from the federal government, as provided by the Alaska Statehood Act and the Alaska Native Claims Settlement Act, and the total asininity and excessiveness of the potential of having 100 to 150 million acres, much of it forested, removed from multiple use classification. This is federal land that belongs to all the people of the nation, including the people of Alaska, who must depend on this land for their livelihood. The use of this land could aid Alaskans in "paying their own way" and lessening dependence on the federal government and other U.S. citizens.

I have described one project with which I am familiar. I would like to continue discussing the Alaskan situation a bit longer before venturing into the broader realm of world demand for wood.

In describing the potential project, I stated the buyer wished to purchase 250 million feet board measure of lumber per year. By applying conversion factors, rules of thumb, and assuming 50% of logs harvested for the project would be converted to lumber, I have determined approximately 41 million cubic feet of logs would be harvested for the project each year.

This would mean only taking approximately 12% of interior Alaska's preliminarily determined annual allowable cut of 358 million cubic feet (10.1 million cubic meters), as reported yesterday by Professor Zivnuska in his remarks opening this symposium.

This means that at least eight such projects, or others harvesting similar timber volumes, could be absorbed in Alaska's high-latitude forests before the preliminary and, in my view, conservative preliminarily determined sustained yield harvest is reached.

Allowing for realistic classification of some land as wilderness, national parks, wild and scenic rivers, and ecological study areas, it seems reasonable to expect six such projects could be in operation. At today's values, and assuming lumber was the major product, 1.5 billion feet board measure lumber could be sold, with a value exceeding \$300 million per year. Other forest products would also be involved, increasing this value.

Such income, from a now unused and by some definitions "wasted" resource, would go a long way in mellowing interior Alaska's cyclical



"boom and bust" economy. Other product potentials from Alaska's interior forests are veneer from softwoods and hardwoods, chips and flakes for pulp and composition board, fuel, and chemicals.

I would now like to comment on future world wood needs, and this demand in relationship to high-latitude forests.

J. L. Keays of the Department of the Environment, Canadian Forestry Service, in a 1975 paper, "Projection of World Demand and Supply for Wood Fiber to the Year 2000," noted that the conservative total world demand for wood by the year 2000 will be 4,000 million cubic meters per year, compared with a total cut of 2,400 million cubic meters in 1972. (This can be further compared to Alaska's projected annual sustained cut from high-latitude forests of 10.1 million cubic meters, or .25% of the world demand projected for 2000.)

Keays further stated that of the increased requirement of 1,600 million cubic meters, some 650 million cubic meters of wood per year could come from the use of unexploited coniferous forests. It should not take a trained forester or economic geographer to determine that the only large unexploited coniferous forests in the world are predominately in mid-high and high latitudes of Siberia, Alaska, and Canada.

Keays adds nine other categories from which the increased wood yield could come. These include: closer utilization of the world's forests; additional conversion of mill wastes; increased plantations; shorter rotation cycle; improved silvicultural practices; increased use of hardwoods (which would come heavily from northern forests); development of stronger pulps; increased yields across the digester; and reduction in loss through fire, decay, alienation of forest lands, and other miscellaneous causes. The ten category sources of increased wood production, all bearing on northern forests to one degree or another, would result in a total increased harvest of 1,400 million cubic meters by the year 2000, according to Keays.

This, predicts Keays, would result in a shortfall of 200 million cubic meters of wood per year by 2000 A.D. Keays further states, "To place this [shortfall] value in perspective, it is approximately equal to Canada's present cut of industrial wood." (To put it in further perspective, it would be 1,900% of interior Alaska's projected annual sustained yield.) Keays points out in his paper that his demand estimates, taken heavily from reports of the Food and Agriculture Organization of the United Nations, are conservative.

Keays is not alone in predicting increased wood fiber demand. The study, "The Pulp, Paper and Paperboard Industry: Its Profits, Future Development and Investment Risk," compiled by Euro-Data Analysts of England and completed September 1976, made similar findings. The study concludes



that world demand for paper and board will rise by 30.6 million tons between 1975 and 1985 followed by an additional 104 million tons demand beyond 1985 to 1995.

Another key finding, quoted in the "Proceedings of the World Consultation on Wood Based Panels," held in New Delhi, India, February 1975, came up with future world demand figures similar to those published in Keays' report. This report states the world total consumption of roundwood in 1973 was 2,500 million cubic meters. This included about 1,200 million cubic meters of fuel wood and 1,300 million cubic meters of industrial roundwood, the latter being made up of 800 million cubic meters of saw and veneer logs, 300 million cubic meters of pulpwood and 200 million cubic meters of other roundwood. The growth in total wood consumption over the past 10 years (prior to 1975) was at the rate of 1.5% per annum. The report concludes, "It is estimated that total world consumption will continue to increase by 1.5% to 3,060 million cubic meters by 1985."

Another publication, "European Timber Trends and Prospects, 1950 to 2000" available from the Food and Agriculture Organization, makes an important comment concerning future prices of forest products. Though the comment is addressed to Europe, it seems appropriate to apply it to other regions, as the world forest products industry is becoming more and more intertwined. The publication states, "The evidence suggests that in the next quarter century prices for forest products, relative to prices in general, may tend to rise, marking a change from the more or less stable trend during the two decades before the violent cyclical movements in 1973-75."

Yesterday Professor Zivnuska said he and a group of associates take the view that Food and Agriculture Organization (and other) predictions of world wood demand are high. Assuming this is correct, and further assuming that demand only rises 1,000 million cubic meters per year, as opposed to Keays' prediction of 1,600 million cubic meters, it would seem logical that Alaskan and other high-latitude suppliers need not be worried about marketing products. Most of this lesser rise would still come from undeveloped coniferous forests and hardwoods, both of which are found in high latitudes.

High-latitude woods are unique. Northern slow grown softwoods, with tight annual ring structure, make superior building materials, easily worked by machines, with high nail-holding ability and excellent weight-to-strength ratios. Northern hardwoods make excellent veneers and are prized for their light colors.

Scandinavians do not domestically consume all the wood they produce. They export, because they can sell a good product. There is a lesson in this for Alaska and Canada.



SOCIOECONOMIC ASPECTS OF HIGH-LATITUDE FORESTRY

It would seem Alaska, with its favorable Pacific Rim geographic location and with a comparatively small annual cut potential, will be asked to contribute its fair share to the needs of other parts of the world that have even less forest resource.

Will Alaska be able to meet the challenge? Or will it still be wallowing in the present atmosphere of conflict over land use, whether the conflict is real or imagined? I suspect, after watching the preservationist versus developers antics of the last year, which have peaked in testimony before Congress on classification of the so-called 17(d)(2) lands, that a rational land use policy, allowing management for the sake of increasing economic return from land resources, will not be formulated without further conflict.

The great, and oftentimes righteous, public demand for protection of natural resources is nowhere felt stronger than in forested areas. To many persons forests, with green trees, fresh water, fish, and animals, epitomize all that is right with nature and all that is wrong with man and his works. This is a simplified and dangerous view of the role of forests in the scheme of things, that if carried to extremes, as it now is from some elements of society, can result in harm to both forests and mankind.

True understanding and concern for forests will result in use of the forest systems for many varied needs and desires of man, while still providing needed food and shelter for the creatures with which we share this planet.

A great deal of the conflict now springing from attempts to classify Alaskan land for various uses, many of them considered single purpose, comes from ignorance. Our Scandinavian neighbors have demonstrated at this symposium that recreation and harvesting, and basic land resource husbandry, do not have to be mutually exclusive on the same tracts of land. The principle of multiple use is still valid.

We need more education and less ignorant confrontation if we, as professional land managers and interested citizens, are to aid our northern forests in meeting our demands and expectations.

We have room for dedicated wilderness, in areas that have true wilderness values. But believe me, a small amount of wilderness can go a long way when one must really live with it. We must be careful we do not confuse desires for legitimate wilderness experiences with overreaction to real or imagined past exploitation, and use the excuse for the former to punish ourselves for the latter.

We have room for dedicated ecological study areas, as suggested today by Dr. Viereck. Such areas, in representative places, will give us baseline data material to measure our success and failures in managing forests. We have room in Alaska, and a need, for dedicated wildlife



habitat, where the wildlife needs of the area are truly unique and necessary for the survival or betterment of the species.

And we certainly have room, and the need, for more land under various stages of management, where we can utilize resources in a continuing manner.

What a challenge. And if we meet it, what an opportunity.

Alaska State Legislature:

My letter concerns the state's involvement in foreign trade and specifically trade missions.

I feel that trade missions, which seem to be ongoing, are totally worthless. The majority of these trips are vacations at the state's expense for people who don't have the knowledge required to make a business venture viable. We have followed a lot of this activity over the past years and have a good chuckle whenever we hear who is going.

The first questionable trip which I noted was back in the days of the Cowper administration. A group of state employees traveled to Finland to observe the manufacture of birch plywood. Note that someone had informed that Alaska has large quantities of birch forests which normally mature, rot, and become windfalls or fuel for fires. Nevertheless, the state group traveled to Scandinavia to look at mills. Note that included in the trip were several side trips to Norway, Sweden, and Denmark. Of course, the press specified that the state trips would be personally financed. However, we all know how that really worked. Anyway, Cowper, his wife, and a LARGE group made the trip.

What never did never did come out was the fact that various domestic locations manufacture plywood from numerous types of wood. I personally have been involved with plywood manufacture in the Upper Peninsula of Michigan. Wood types include maple, oak, spruce, and birch. One mill was making plywood in the 1930s when plywood was used for PT boats, LCM landing craft, minesweepers, and a great deal of spruce and plywood was sent to Canada where it was used in the manufacture of DeHavilland Mosquitoes.

Naturally, these same mills have been updated to state of the art, computerized, electro-hydraulic machinery. The first motor upgrade was in the 1950s with the subsequent changes ~~are~~ taking place even today. The difference between the mills in the Upper Peninsula of Michigan and the mills in Finland -- who wants to make a trip to the Upper Peninsula of Michigan?

I hope that example is worthwhile -- I could go on about the low value of these missions. The participants are not the correct choices, but usually friends on vacation. Another example is the recent Magadan trip. There are a multitude of Alaskans who have already financed such a trip on their own and have shared their knowledge. The political trip is more individuals becoming educated at government's expense to better their own interests. I defy any one of them to convince the public that they have no intention of trying to better themselves or a relative (i.e., set their wife up as an importer, make a relative a liaison person (government expense) or some other betterment.)

In conclusion, the majority of these state or local government trips are of little or no value for the following:

1. Participants are usually not informed or inexperienced in what the mission is.
2. Usually not beneficial to ALASKANS -- results are more beneficial to other states or the mission location.
3. Participants are usually being educated in activities that others have already done.
4. Expenses are on the Alaskan people -- the value is questionable and the politicians should be more focused on home.
5. Most of the participants are seeking personal gain at state expense (or for their company.)
6. Many of the missions are for reasons other than benefiting the Alaska economy -- i.e., vacations, business trips, etc.
7. Most of the participants have no idea as to how their trip will create jobs here -- i.e., extol birch plywood manufacturing but vote against logging issues.

Thank you for your time and consideration.

Roger Mechon

SCOMM

100:8

ALASKA
CENTER FOR
INTERNATIONAL
BUSINESS

PLEASE LIST YOUR ORGANIZATION'S NAME, ADDRESS, PHONE, FAX AND E-MAIL ADDRESS.

1013

Alaska Center for International Business
University of Alaska Anchorage
3211 Providence Drive
Anchorage, AK 99508
Tel: 786-4300
Fax: 786-4319
Email ANEBD@orion.alaska.edu

SECTION I, Programmatic Review

1. What is your organization's international mission?

ACIB Mission Statement

The mission of the Alaska Center for International Business is to facilitate the development of business relations between Alaska and other nations of the world, with an emphasis on Pacific Rim and circumpolar nations, thus helping to diversify and expand the economic base of Alaska through international trade. The Center accomplishes this mission through research, instruction, and service to the public. The Center may operate other organizations whose activities are consistent with the international goals of the University of Alaska Statewide System. The following objectives have been identified that allow ACIB to fulfill its mission.

1. Conduct and disseminate applied economic and business research on Alaska's industries, their markets, relevant policies, and international trade flows to increase the competitiveness of Alaskan companies in global markets.
2. Provide information on Alaska's industries, their markets, relevant policies, and international trade flows to create a more informed climate for making business and policy decisions relating to Alaska's international trade.
3. Provide information-related services to the public to facilitate the development of Alaska's role in international trade and business within the Pacific Rim and circumpolar regions.
4. Assist in the development of knowledge in the field of international business through the delivery of courses, seminars, and other instructional mediums.
5. Contribute to the advancement of curriculum in Pacific Rim trade, business, politics, and cultures at educational institutions within Alaska, particularly the University of Alaska Anchorage and other branches of the University of Alaska System.

Major functions of ACIB include teaching international business courses in the degree programs of the UAA School of Business; operating a fisheries program that monitors market developments worldwide; operating a data base and distributing information to the public on Alaska's key natural resources, airfreight activity, and business trends and opportunities in the Russian Far East; investigating new markets for Alaska service companies; providing seminars and counseling on international business topics.

2. How does this mission benefit Alaskans?

The mission provides businesses and agencies with information that is central to their business plans, loan proposals and decisions influenced by global competition. It helps individuals, firms and organizations to operate effectively and profitably in the global marketplace by educating them about global business, and by providing them with information about opportunities and barriers.

The mission also helps UA to develop the institutional capabilities needed to teach students about global issues and business practices.

3. Is your organization established in statute or created administratively?

Please list here or attach your enabling statute or administrative order or document establishing your organization?

AS 14.40.087

CSSB 219 (I.T.)

4. What is your parent organization? (Department of Commerce, University, etc.)

University of Alaska

5. Please describe any types of international activities your organization conducts which are not directly reflected in your mandate or mission.

None

6. Which of your organization's employee positions are political or board appointments (exempt or PX) and which are classified (permanent) employees ?

There are no political or board appointments at ACIB.

7. List the three most unique international activities your organization conducts which distinguishes it from other organizations in the state?

A. ACIB conducts targeted research on specific marketing and business problems and opportunities.

B. ACIB monitors Alaska's overall export performance (as measured by \$ and by quantity of units exported) and monitors Alaska's market share in key markets for key products. ACIB's database also maintains trade statistics for key partner countries, giving a complete picture of the global market.

C. ACIB works to increase the international capabilities of UA by attracting grants and serving as a catalyst for cooperative activities.

7. Are there other organizations in the state which conduct similar international activities? List all that apply.

The Alaska House Research Agency occasionally conducts market research on topics under consideration by the Legislature. The Alaska DCED and DCRA contract out research but they typically do not conduct research.

The US Department of Commerce supplies standardized market research conducted by its foreign offices. This research is rarely conducted from an Alaska perspective, which limits its utility by Alaska organizations.

The Alaska Office of International Trade purchases an annual quantitative profile of Alaska's exports. The data in this profile is not as detailed as ACIB's (e.g. fish exports vs. red salmon fillet

exports), which limits its usefulness. Also the OIT profile is updated annually while ACIB's is updated monthly.

Through ACIB's contract with the UAA World Trade Center Alaska, the WTC conducts information services and seminars for the public. This is not a duplication because these activities are coordinated with, and paid by, ACIB.

8. Has your organization, over the last five years, filed any type of official report detailing your international activities? Please identify here and attach to your response.

ACIB is required by statute to report annually to the Legislature on financial and program activities. Two such reports are attached.

Additionally, as part of UA's Program Assessment, ACIB was required to report for a comprehensive program audit. A copy of ACIB's assessment is attached. (UA Program Assessment was conducted to help UA focus its activities and in declining budget environment. The UAA Chancellor recommended that ACIB receive a \$94,000 budget enhancement.)

ACIB Activity Report FY'94	Attachment 1
ACIB Activity Report FY'93	Attachment 2
UAA Program Assessment Report:	
ACIB Self-Assessment Report	Attachment 3
UAA Program Assessment Report:	
Centers & Institutes Assessment of ACIB	Attachment 4
UAA Program Assessment Report:	
Centers & Institutes Final Report	Attachment 5

9. List the top five organizations (in order of importance) which your organization works with on a regular basis to promote the international goals of Alaska.

1. UAA World Trade Center of Alaska, through coordination and an annual \$120,000 contract to the WTC to have them perform some of ACIB's Public Service and Education activities.

2. Alaska Seafood Marketing Institute, as part of the Salmon Market Information Service.

3. National Marine Fisheries Service, USDC

4. UAA School of Business and other UA Departments

5. Consuls General of Japan and Korea

10. Is your organization a partner in a coordinated international trade effort aimed at benefiting Alaska? (e.g. Marketing Alaska, etc)

Yes. ACIB is a partner in the ASMI-funded Salmon Market Information Service (SMIS).

ACIB provides significant funding for UAA World Trade Center Alaska operations. By extension, ACIB participates in WTC's coordinated activities.

If yes, describe the program and its intended benefits to Alaskans. How is it being conducted in conjunction with other local, domestic, or international organizations?

The SMIS is a program developed by the Legislature and carried out by the Alaska Seafood Marketing Institute to increase the competitiveness of Alaska salmon. About five percent of the raw fish tax collected from salmon permit holders is used to deliver market information to salmon fishermen. ACIB provides global market and world supply information, and distributes literature.

The UAA Institute of Social and Economic Research and the Sea Fare Group are the other partners in this \$200,000 per year grant.

Please refer to the UAA World Trade Center Alaska response to this question.

11. Does your organization concentrate more on attracting foreign investment to Alaska or supporting the international activities of Alaskans and Alaskan businesses?

- Foreign investment
☒ Supporting the international activities of Alaskan businesses
☒ Supporting other international activities of Alaskans (educational, cultural, etc.)

12. Does your organization operate international offices or employ overseas representatives

No.

If yes, list the location of each office or representative, their purpose, and amount it cost to maintain them over the last three years.

13. Does your organization send representatives abroad?

Yes.

If yes, list the travel destinations, what the purpose of each trip was, and what amount was spent on overseas travel for the last three years.

Faculty and staff have traveled to Asia, Russia and (in one case) Europe to conduct market and business research. Most of this travel was funded by grants, contracts or other source of restricted funding.

Please refer to the detailed budget information contained in Attachment 3 (ACIB Program Assessment) for specific financial information.

14. List any trade missions or product promotion campaigns conducted over the last three years. Include where and what the purpose of the trade missions were. What were the benefits to Alaska from this trade mission or campaign?

ACIB does not conduct promotions of Alaska products or services.

15. What recommendations does your organization have for formulating a coordinated international policy in Alaska?

N/A

16. Please attach or paste in here an organization chart for your organization. List each of your staff members directly involved in international activities.

Please refer to the ACIB Program Assessment for an organizational chart and complete list of employees and their duties and accomplishments over the past three years. A simplified organizational chart is on the back page of ACIB's Activity Reports, also attached.

17. Who are your clients and how do they benefit from your activities?

Individuals who are interested in exporting use our reference materials, information and advice to test their ideas, assess their potential for success and learn the fundamentals of exporting.

Native Corporations have used our information to document Net Operating Losses during legal proceedings with the IRS.

Firms use our research, information and advice to complete their marketing sections of their business plans and loan proposals. They also use our information to price products, test business ideas and become more aware of other cultures. We provide information that many small firms would not be able to afford.

Students use our information to complete class projects and gain information about international trade.

Faculty use our information and our grant activities to expand their coursework to include international topics. They also use our information to focus their research and public service activities.

The UA administration uses faculty time-buyouts and overhead from grants to offer additional courses, stretch the funding for department activities, and use our opportunities for professional development of faculty.

Teachers of K-12 classes have used our Pacific Rim Summer Institute to gain credit and gather lesson plans for teaching about international cultures and trade.

18. Has your organization ever conducted a needs assessment of your constituent clients in order to confirm the usefulness of your international activities.

If so, please describe here or attach to your response.

ACIB conducted a series of focus groups in different industries to determine information needs. ACIB also conducted a survey of readers of our Russian Far East News to determine needs.

In our strategic planning efforts, ACIB's Advisory Board recommended that ACIB use financial leverage as a measure of value to constituents. Please refer to the non-general fund activities in the revenue section of ACIB's budget information included in Attachments 1, 2, and 3.

19. Has there ever been an external or internal management audit of your organization? If so, please attach it to your response.

Please see the attached ACIB Program Assessment (Attachment 3), and the official auditing team's evaluation of ACIB's performance (Attachments 4 and 5).

20. Describe any ways your organization could be enhanced in order to serve Alaska better.

N/A

21. What are the barriers to achieving these enhancements?

N/A

22. Do you have an advisory board, board of directors, or other committee which provided input on your activities? If so please list the members.

Yes. A list of Advisory Board members is included in the attached ACIB's Activity Reports (Attachments 1 and 2).

SECTION II, FISCAL REVIEW

1. What is your organization's total budget?

Please refer to the detailed budget information contained in Attachment 3 (ACIB Program Assessment) for specific financial information.

FY 1993

FY 1994

FY 1995

2. Estimate of the amount of state general fund dollars your organization has spent on international activities during the past three years.

Please refer to the detailed budget information contained in Attachment 3 (ACIB Program Assessment) for specific financial information.

FY 1993:

FY 1994:

FY 1995:

2. Estimate the amount of private or other public sector money your organization has spent on international activities during the past three years.

Please refer to the detailed budget information contained in Attachment 3 (ACIB Program Assessment) for specific financial information.

FY 1993:

Amount:

Source:

Purpose:

Sub-contractors hired:

FY 1994:

Amount:

Source:

Purpose:

Sub-contractors hired:

FY 1995:

Amount:

Source:

Purpose:

Sub-contractors hired:

3. How has your organization leveraged general fund dollars with other agencies for international activities?

Please refer to the detailed budget information contained in Attachment 3 (ACIB Program Assessment) for specific financial information. Revenue categories are broken out by funding type, showing significant leverage of general funds.

4. Is your organization sufficiently funded to meet all of its responsibilities and goals?

☐ Yes

☒ No

SECTION III, Activity / Programs Review

INSTRUCTIONS:

- Each of the following questions have six parts.
- Please use examples of organizational activities or programs for completing this section. Include things like seminars, trade shows, special community events, etc.
- Use specific examples for clarity when necessary.
- Please skip any questions which do not apply to your organization.
- Question F of this section deals with organizations which offer or provide personalized counseling or other ad-hoc (unplanned) assistance to Alaskans. Make all responses concerning counseling and ad-hoc activities in Question F only.

SECTION III, Question A: International Trade Services

1. List and describe all activities your organization conducts to *promote international trade opportunities for Alaskan companies.*

Please see Attachments 1 - 5.

2. *List other organizations in Alaska that provide similar services..*
3. *Describe your organization's role in some specific international trade successes of Alaskan businesses.*
4. *Define your targeted constituency for this activity.*
5. *Is this activity part of a coordinated effort to benefit Alaska.*
6. *Describe how these activities reflect your original mandate.*

SECTION III, Question B: Education Component

1. List and describe all activities your organization conducts to *promote the international awareness or education level of the constituency.*

Please see Attachments 1 - 5.

2. *List any similar activities conducted by other organizations in Alaska.*
3. *Briefly explain how each of these activities contribute to promoting international educational opportunities for Alaskans.*
4. *Define your targeted constituency for this activity.*
5. *Is this activity is part of a coordinated effort to benefit Alaska.*
6. *Describe how this activity reflects your original mandate.*

SECTION III, Question C: Creation of Jobs

1. Please list and describe all of your organization's international activities which *directly promote job creation in the state.*

N/A

2. *List any similar activities conducted by other organizations in Alaska.*
3. *Briefly explain how each of these activities contributes to promoting job opportunities for Alaskans.*
4. *Define your targeted constituency for this activity.*
5. *Is this activity is part of a coordinated effort to benefit Alaska.*
6. *Describe how this activity reflects your original mandate.*

SECTION III, Question D: Foreign Investment

1. Please list and describe all activities your organization conducts to *promote foreign investment in the state*.

N/A

2. *List any similar activities conducted by other organizations in Alaska.*

3. *Briefly explain how each of these activities contributes to promoting foreign investment in Alaska*

4. *Define your targeted constituency for this activity.*

5. *Is this activity is part of a coordinated effort to benefit Alaska.*

6. *Describe how this activity reflects your original mandate.*

SECTION III, Question E: Other International Activities

1. Please briefly describe *any other international activities your organization conducts* (cultural, sports, etc).

Please see Attachments 1 - 5.

2. *List any similar activities conducted by other organizations in Alaska.*

3. *Briefly explain how each of these activities goes about benefiting Alaska.*

4. *Define your targeted constituency for this activity.*

5. *Is this activity is part of a coordinated effort to benefit Alaska.*

6. *Describe how this activity reflects your original mandate.*

SECTION III, Question F

For organizations which offer or conduct personalized counseling or ad-hoc (unplanned) assistance to Alaskans.

1. Please estimate of the number of companies or individuals you would typically serve in a year.

ACIB does not have a formal information request monitoring system. In discussions with key staff the following estimate was generated.

Seafood	2 per day * 200 days =	400
Miscellaneous	3 per day * 200 days =	600
Data-related	3 per day * 200 days =	<u>600</u>
Total estimated ad-hoc requests		1,600

2. Please list the types of services you would provide to companies (i.e., personalized counseling sessions on exporting in general, literature on specific markets or trade opportunities, referrals to other private or public sources, etc.).

Please see Attachments 1 - 5.

3. Do your counseling or ad-hoc activity efforts focus more on assisting companies which are already exporting (or experienced and knowledgeable in exporting fundamentals) or companies which have never exported before or have limited experience and knowledge in exporting? Explain.

By volume of inquiries, new-to-export firms are greater although the time spent with each is limited. We typically identify the needs, and then refer them to literature or other organizations. In terms of time spent with clients, exporting companies occupy more of our resources. Our willingness to assist exporting companies is greater because the potential for

Is personalized international counseling or ad-hoc international business assistance a direct part of your mission or mandate?

1. ☒ Yes
2. ☐ No

THANK YOU FOR YOUR COOPERATION IN RESPONDING TO THIS QUESTIONNAIRE.

DIVISION OF
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COMM.+ EC. DEV.

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SECTION I, Programmatic Review

On September 5, 1995, the Governor's Office of International Trade and the Division of Economic Development were merged to form the Division of Trade and Development. We will answer many of the questions referring to both OIT/DTD to reflect both our past structure and the current reorganization.

1. What is your organization's international mission?

The mission of the trade staff of the Division of Trade and Development is to develop, promote, and expand Alaska's international trade. The efforts of OIT/DTD are part of the State of Alaska's overall economic development strategy to increase employment and to diversify its economic base. The development specialist staff take sector specific initiative and provide sector specific support to the trade specialists in accomplishing this mission.

2. How does this mission benefit Alaskans?

International trade is a significant factor of all resource development in Alaska. The State of Alaska is competing in an intense global environment. OIT/DTD works to ensure that Alaska's industries are in the strongest position to succeed in an increasingly cost-competitive, quality-conscious global market.

**3. Is your organization established in statute or created administratively?
Please list here or attach your enabling statute or administrative order or
document establishing your organization?**

The OIT was established by statute AS 44.33.800.

**4. What is your parent organization? (Department of Commerce, University,
etc.)**

The Department of Commerce and Economic Development.

**5. Please describe any types of international activities your organization
conducts which are not directly reflected in your mandate or mission.**

Often OIT/DTD is asked to serve as the international protocol office for the state regardless of whether there is a direct trade link.

**6. Which of your organization's employee positions are political or board
appointments (exempt or PX) and which are classified (permanent) employees ?**

Regarding the trade portion of DTD, the receptionist and administrative assistant positions are classified. The director's position and the four trade specialist positions are exempt positions. In Korea, OIT/DTD has three contractual employees; one trade representative, one trade specialist and one receptionist. In Taiwan, OIT/DTD has had a contract with an honorary trade representative. In Japan, OIT/DTD has two contractual positions; one trade specialist and one receptionist.

**7. List the three most unique international activities your organization conducts
which distinguishes it from other organizations in the state?**

- A. **Government to Government Contacts:**
OIT/DTD works to maintain relationships with international governments, to establish trade agreements, and acts as a clearing house for contacts.
- B. **Advocacy :**
OIT/DTD works as a liaison between Alaskan small businesses and foreign governments, finding information on various trade policies and procedures and working toward resolution of trade barriers. In addition, trade and development specialist staff respond to calls from foreign buyers seeking suppliers.
- C. **Overseas Representation & Market Intelligence:**
Through OIT/DTD's overseas offices in Japan, Korea and its Honorary Trade Representative in Taiwan, OIT/DTD is able to provide Alaskan businesses with up-to-date contact information and targeted market information. These markets are selected because they represent substantial markets for Alaskan goods and services, and information tailored to Alaska's industry needs.

7. Are there other organizations in the state which conduct similar international activities? List all that apply.

World Trade Center Alaska (membership organization)

International Trade Administration - U.S. Foreign and Commercial Service District Office (U.S. Government)

Troika Alaska (U.S. Government)

8. Has your organization, over the last five years, filed any type of official report detailing your international activities? Please identify here and attach to your response.

Please find attached the Governor's Office of International Trade "Annual Report, FY'94."
(Attachment A)

9. List the top five organizations (in order of importance) which your organization works with on a regular basis to promote the international goals of Alaska.

1. World Trade Center Alaska (WTCA)
2. International Trade Administration - U.S. Foreign and Commercial Service District Office (ITA)
3. Alaska Seafood Marketing Institute (ASMI)
4. [Division of Economic Development (DED)]
5. Division of Tourism (DoT)

10. Is your organization a partner in a coordinated international trade effort aimed at benefiting Alaska? (e.g. Marketing Alaska, etc.)

Yes - our trade and development specialists have staffed the Tourism, Seafood, Forest Products, Technical Services and Mining Marketing Alaska Subcommittees. Additionally, OIT/DTD work closely with the DoT, ASMI, WTCA, and ITA.

If yes, describe the program and its intended benefits to Alaskans. How is it being conducted in conjunction with other local, domestic, or international organizations?

The mission of the Marketing Alaska program is to create quality jobs for Alaskans and encourage

doing business with Alaskan businesses, while protecting the environmental and cultural resources. The Marketing Alaska Teams bring together members of the private sector and government who offer local, domestic and international perspective on issues.

OIT/DTD works closely with ASMI on seafood promotion development.

OIT/DTD works with DoT on international tourism development in Taiwan and Korea.

OIT/DTD maintains an ongoing working relationship with WTCA and ITA in the form of referrals, sponsorship programs and trade mission support.

11. Does your organization concentrate more on attracting foreign investment to Alaska or supporting the international activities of Alaskans and Alaskan businesses?

- ☐ Foreign investment
☒ Supporting the international activities of Alaskan businesses
☐ Supporting other international activities of Alaskans (educational, cultural, etc.)

12. Does your organization operate international offices or employ overseas representatives

If yes, list the location of each office or representative, their purpose, and amount it cost to maintain them over the last three years. See Attachment B and this outline below:

FY 1993:

Japan Office:	\$468,900
Korea Office:	\$263,400
Taiwan Honorary Trade Representative:	<u>\$ 20,000</u>
Total Foreign Office Expenditures:	\$752,300

FY 1994:

Japan Office:	\$516,000
Korea Office:	\$242,000
Taiwan Honorary Trade Representative:	<u>\$ 30,000</u>
Total Foreign Office Expenditures:	\$788,000

FY 1995:

Japan Office:	\$442,000
Korea Office:	\$212,000
Taiwan Honorary Trade Representative:	<u>\$ 25,000</u>
Total Foreign Office Expenditures:	\$679,000

FY 1996:

Japan Office:	\$324,000
Korea Office:	\$218,000
Taiwan Honorary Trade Representative:	<u>\$ 50,000</u>
Total Foreign Office Expenditures:	\$592,000

13. Does your organization send representatives abroad?

If yes, list the travel destinations, what the purpose of each trip was, and what amount was spent on overseas travel for the last three years.

See the attached listing.

14. List any trade missions or product promotion campaigns conducted over the

last three years. Include where and what the purpose of the trade missions were. What were the benefits to Alaska from this trade mission or campaign?

Each year, the OIT/DTD is involved in either leading or contributing to both trade missions and product promotion campaigns. In FY'94, OIT/DTD assisted in 25 missions into Alaska and 13 missions out of Alaska. See Attachment A, the Governor's Office of International Trade "Annual Report FY'94," Section A - Trade Promotion Activities and Section G - Missions in and Missions out. The attached information demonstrates that OIT/DTD is committed to its mission of promoting, developing and expanding Alaska's International Trade which ultimately will benefit Alaskans through the creation of jobs. The export of businesses and services was generated as a result of OIT/DTD's contributions to promotional and trade activities.

15. What recommendations does your organization have for formulating a coordinated international policy in Alaska?

OIT/DTD has begun coordinated program meetings such as the Russian Agency Work Group and has plans to coordinate a program of international trade agencies. Additionally, the melding of DED, DoT and OIT is an effort to further coordinate state programs.

In formulating a coordinated international policy for Alaska, it will be essential to develop an overall international trade strategy, maintain strong and stable leadership in the international trade arena, providing consistency and continuity within development programs, and increase coordination and communication among international trade agencies.

16. Please attach or paste in here an organization chart for your organization. List each of your staff members directly involved in international activities

See Attachment C.

17. Who are your clients and how do they benefit from your activities?

Alaskan companies.

18. Has your organization ever conducted a needs assessment of your constituent clients in order to confirm the usefulness of your international activities. If so, please describe here or attach to your response.

Yes. In the past, OIT/DTD has surveyed companies who have participated in trade missions. These post-mission assessments specifically focused on the company's perceptions of the trade mission, its success in terms of economic benefit to the company and the potential for new or increased business as a result of the trade mission. Recently, OIT/DTD decided to take this assessment one step further by undertaking a survey with other agencies providing services to clients who are interested in working in the Russia Far East. This survey assessed each agency's mission, services provided to clients, gaps in services and usefulness or duplication of services.

19. Has there ever been an external or internal management audit of your organization? If so, please attach it to your response.

No.

20. Describe any ways your organization could be enhanced in order to serve Alaska better.

The recent melding of the OIT and the DED into the DTD will enhance our ability to better serve the Alaskan community providing better services with greater efficiency and cost effectiveness.

Increased coordination among public services providers will enhance DTD's ability to serve Alaska.

21. What are the barriers to achieving these enhancements?

Specific barriers to achieving these enhancements include limited promotional program dollars and a lack of a cohesive strategy among services providers.

22. Do you have an advisory board, board of directors, or other committee which provided input on your activities? If so please list the members.

No.

SECTION II, FISCAL REVIEW

1. What is your organization's total (international trade) budget?

FY 1993 \$1,453,000

FY 1994 \$1,532,800

FY 1995 \$1,260,000

FY 1996 \$1,145,000

2. Estimate of the amount of state general fund dollars your organization has spent on international activities during the past three years.

FY 1993 \$1,453,000

FY 1994 \$1,532,800

FY 1995 \$1,260,000

FY 1996 \$1,145,000

2. Estimate the amount of private or other public sector money your organization has spent on international activities during the past three years.

FY 1993: Not available

FY 1994:

Amount: \$14,024 (Private Funds- used to support OIT travel)
\$1,532,800 (General funds)

Source: Private and General Funds

Purpose: International trade promotion

Sub-contractors
hired: n/a

FY 1995: No private funding as yet.

3. How has your organization leveraged general fund dollars with other agencies for international activities?

OIT/DTD have teamed up with the DoT, WTCA and the ITA to leverage general fund dollars to promote trade opportunities for Alaskan businesses. Each team member brings something different to the trade mix. Historically, OIT/DTD has concentrated its efforts on developing relationships with foreign buyers in markets that are economically important to Alaskan

businesses. WTCA, on the other hand, works as a liaison to private industry working closely with OIT/DTD to match-make Alaska companies with foreign buyers. Strengthening this mix is ITA bringing a federal perspective, providing market intelligence and contacts in markets where OIT/DTD cannot maintain a presence and producing publications that are used by OIT/DTD Trade Specialist and Alaskan businesses such as the National Trade Databank. These agencies work diligently to make certain that trade trips are coordinated giving Alaskan businesses the greatest amount of exposure to potential buyers possible.

OIT/DTD has teamed up with DoT in foreign markets such as Korea and Taiwan to use existing people and resources. In the past, OIT and the DoT shared the expense of maintaining an employee in the Korean market and an honorary trade representative in the Taiwanese market.

4. Is your organization sufficiently funded to meet all of its responsibilities and goals?

☐ Yes

☒ No

SECTION III, Activity / Programs Review

INSTRUCTIONS:

- Each of the following questions have six parts.
- Please use examples of organizational activities or programs for completing this section. Include things like seminars, trade shows, special community events, etc.
- Use specific examples for clarity when necessary.
- Please skip any questions which do not apply to your organization.
- Question F of this section deals with organizations which offer or provide personalized counseling or other ad-hoc (unplanned) assistance to Alaskans.

Make all responses concerning counseling and ad-hoc activities in Question F only.

SECTION III, Question A: International Trade Services

1. List and describe all activities your organization conducts to *promote international trade opportunities for Alaskan companies*.

See the Attachment D for a list of OIT/DTD services and Governor's Office of International Trade "Annual Report FY'94," Attachment A; please notice the following sections:

Section A - Trade Promotion Activities
Section C - Advocacy and Policy Development
Section D - Business Assistance
Section G - Missions in and Missions out

2. List other organizations in Alaska that provide similar services..

International Trade Administration - U.S. Foreign and Commercial Service District Office

World Trade Center Alaska

3. Describe your organization's role in some specific international trade successes of Alaskan businesses.

• **Flowline Alaska (Fairbanks)** Using contacts made at an OIT-sponsored booth at MIOGE, a Russian trade show, Flowline Alaska won an \$8 million dollar contract to upgrade heat and water delivery systems for the City of Moscow.

• **PSP Contamination in Crab:** OIT worked with Department of Environmental Conservation and the Japanese Consulate General to convince the Japanese government to lift the ban on importation of whole dungeness and tanner crab from Alaska. Through these efforts, Alaskans benefited by being able to export these products which are worth millions of dollars and provide numerous jobs for Alaskans.

• **Arctic Camps & Equipment (Palmer):** Negotiated contracts for services, technical support, and joint ventures in Sakhalin and Khabarovsk Territories as a direct result of OIT/DTD's first Alaskan trade mission to the Russian Far East. The contracts were projected to create approximately 150 jobs for Alaskans over the next five years and profits are estimated to exceed \$5 million. Arctic Camps and Equipment have participated in three OIT-lead trade missions to the Russian Far East.

• **Kachemak Seafood's (Homer).** Over a two-year period, OIT worked to identify market potential, provide key intelligence on prices, customs and transportation, and locate possible buyers. The first is now selling regularly into Korea, resulting in jobs for 10 or 12 people in Homer.

• **Taiwan Salmon Market Development.** OIT arranged and led two seafood missions to increase exports from Alaska to Taiwan. Missions focused primarily on salmon. During this period, salmon exports from the U.S. (primarily Alaska) to Taiwan have increased from \$97,000 (January-June 1994) to \$1.3 million (January-June 1995). Several Alaskan exporters involved with the two missions have reported sales totaling hundreds of thousand dollars.

• **Apocalypse Design Succeeding in Japan.** Apocalypse Design, the Fairbanks clothing maker that OIT worked with for more than one year, won numerous orders in Japan. Apocalypse Design attended a Hokkaido trade show and received advice from Tokyo. Apocalypse Design now has several regular clients in Japan.

• **USA-ROC Economic Council:** OIT worked with other agencies and businesses to win the USA-ROC Economic Council's 1995 annual meeting to Anchorage. This meeting brought over 500 leading industrialists from the U.S. and Taiwan into Alaska. OIT also worked with team members to coordinate the conference, to provide networking opportunities for Alaskan businesses

and to organize an investment seminar profiling investment opportunities in Alaska.

•**Maintaining Alaska's High Visibility.** OIT/DTD works to maintain and expand contacts with our counterparts to ensure Alaska and its opportunities are well-known to decision makers in our key markets. Some examples of these effort include coordinating visits of high level diplomats, foreign governors and officials, and country leaders.

•**Assisting Indian Valley Meats in Exporting Jerky to Korea** Worked with Indian Valley Meats to convince the federal government to provide a document certifying that IVM's reindeer jerky is made according to U.S. standards. IVM's importer -- Chung Juk -- needs the certification in order to convince the Korean Government that the product can be considered shelf-stable for six months. Without such certification, the product can only be sold for three months from the date of production.

4. Define your targeted constituency for this activity.

Alaskan businesses.

5. Is this activity part of a coordinated effort to benefit Alaska.

Yes.

6. Describe how these activities reflect your original mandate.

Through trade promotion activities, advocacy and policy development, assistance to Alaskan businesses and missions in/out of Alaska, OIT/DTD works to raise the visibility of Alaskan businesses, develop and maintain relationships between Alaskan businesses and key foreign buyers, and maintain and develop easy avenues for trade through policy and advocacy.

SECTION III, Question B: Education Component

1. List and describe all activities your organization conducts to *promote the international awareness or education level of the constituency.*

Section B - Government to Government Relations

Section C - Advocacy and Policy Development

Section E - Publications, Information Dissemination and Outreach

Section F - Research Analysis

2. List any similar activities conducted by other organizations in Alaska.

World Trade Center Alaska

International Trade Administration - U.S. Foreign and Commercial Service District Office

3. Briefly explain how each of these activities contribute to promoting international educational opportunities for Alaskans.

Through government to government relations and advocacy and policy development, OIT/DTD is able to educate and create an awareness in both the private and public sector about issues influencing trade. Similarly, through publications, information dissemination, outreach and research analysis, OIT/DTD is able to provide a wide-range of information from the basics of exporting to detailed market intelligence.

Some specific examples include the following publications which are designed to educate Alaska fishers on international fisheries markets: Cost Trends in Farmed Salmon Productions; The Japanese Salmon Market: An Introduction for Alaskans; and A Comparison of Salmon Prices in Alaska and Canada.

4. Define your targeted constituency for this activity.

Alaskan businesses, public sector entities, public schools, universities and government officials.

5. Is this activity part of a coordinated effort to benefit Alaska.

Yes.

6. Describe how this activity reflects your original mandate.

Education and information sharing are an essential component in the process of developing, promoting and expanding Alaska's international trade.

SECTION III, Question C: Creation of Jobs

1. Please list and describe all of your organization's international activities which *directly promote job creation in the state*.

See the Governor's Office of International Trade "Annual Report FY'94." The following section apply:

Section A - Trade Promotion Activities

Section D - Businesses Assistance

2. List any similar activities conducted by other organizations in Alaska.

World Trade Center Alaska

International Trade Administration - U.S. Foreign and Commercial Service District Office

3. Briefly explain how each of these activities contributes to promoting job opportunities for Alaskans.

There is a direct correlation between the export of Alaska's products and services and the creation of Alaskan jobs.

4. Define your targeted constituency for this activity.

Alaskan businesses, industry associations and regional development corporations.

5. Is this activity part of a coordinated effort to benefit Alaska.

Yes.

6. Describe how this activity reflects your original mandate.

International marketing promotes the sale of Alaskan products to foreign buyers. Through OIT/DTD's trade promotion activities and assistance to export-ready businesses, Alaskan companies are able to secure new business, broaden their market and ultimately employ more Alaskans.

SECTION III, Question D: Foreign Investment

1. Please list and describe all activities your organization conducts to *promote foreign investment in the state*.

OIT/DTD works primarily with local governments to help them promote investment projects in their regions. Some examples include: Bristol Bay's efforts to attract direct investment from Taiwan into the fisheries and the Anchorage Economic Development Council's efforts to attract direct investment from Japan and Korea into Anchorage's cargo warehousing distribution project.

OIT/DTD staff also participate in mining trade fairs which attract major international companies.

2. List any similar activities conducted by other organizations in Alaska.

Division of Economic Development

Local regional economic development organizations

AIDEA

3. Briefly explain how each of these activities contributes to promoting foreign investment in Alaska

These activities are essential in gathering information on prospective investors, publicizing opportunities abroad, coordinating visits and identifying investment incentives and issues.

4. Define your targeted constituency for this activity.

In general, OIT/DTD works with local area development organizations. OIT/DTD also works with individual firms on private investment projects.

5. Is this activity part of a coordinated effort to benefit Alaska.

Foreign investment is a part of OIT/DTD's work focus. However, investment efforts are not generally the major focus of this office due to limited funding for investment promotion.

6. Describe how this activity reflects your original mandate.

Through OIT/DTD's international investment promotions, Alaska may be able to develop and attract investment dollars to Alaska resulting in job opportunities for Alaskans.

SECTION III, Question E: Other International Activities

1. Please briefly describe *any other international activities your organization conducts* (cultural, sports, etc.).

Often OIT/DTD is asked to serve as the international protocol office for the state regardless of whether there is a direct trade link. (refer to section I, question 5)

2. List any similar activities conducted by other organizations in Alaska.

n/a

3. Briefly explain how each of these activities goes about benefiting Alaska.

n/a

4. Define your targeted constituency for this activity.

n/a

5. Is this activity is part of a coordinated effort to benefit Alaska.

n/a

6. Describe how this activity reflects your original mandate.

SECTION III, Question F

For organizations which offer or conduct personalized counseling or ad-hoc (unplanned) assistance to Alaskans.

1. Please estimate the number of companies or individuals you would typically serve in a year.

OIT/DTD serves many companies and individuals interested in exporting products. In 1994, OIT/DTD responded to 1084 general trade inquiries, provided access to resources for 189 library users and distributed 200 plus copies of its weekly seafood report to Alaska businesses and fishers. In terms of extensive trade counseling, OIT/DTD serves on an on-going basis approximately 100 export-ready companies.

2. Please list the types of services you would provide to companies (i.e., personalized counseling sessions on exporting in general, literature on specific markets or trade opportunities, referrals to other private or public sources, etc.)

OIT/DTD provides information about specific markets and/or programs to anyone who writes or calls the office. When appropriate, OIT/DTD will refer individuals or companies to other agencies for business or export assistance. Here are some specific services OIT/DTD provides to companies:

- Provide seminars and training (always in conjunction with the WTCA, ITA and the municipality)
- Provides export statistics and market research
- Provides information on standards of compliance and export/import restrictions
- Provides trade leads
- Identifies local representatives
- Leads trade missions/shows
- Accompanies business on sales calls
- Identifies distributors
- Maintains library of trade-related materials

3. Do your counseling or ad-hoc activity efforts focus more on assisting companies which are already exporting (or experienced and knowledgeable in exporting fundamentals) or companies which have never exported before or have limited experience and knowledge in exporting? Explain.

OIT/DTD focuses on companies that are export ready. To get companies or individuals to the export-ready stage, OIT/DTD will refer these clients to the Small Businesses Development Center and to the WTCA.

Is personalized international counseling or ad-hoc international business assistance a direct part of your mission or mandate?

1. X Yes (ad-hoc)
2. X No (personalized)

THANK YOU FOR YOUR COOPERATION IN RESPONDING TO THIS QUESTIONNAIRE.