

PORT CONNECTICUT

International Trade Newsfolio™
Fourth Quarter 2003

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**The Peruvian
Consulate:
Open for Business
in Hartford**

Sponsored by:



International Agenda

January

8 Westconn International Trade Association's monthly meeting will be at Giovanni's II, Darien, 6 p.m. For more information, contact Mark Bishop at 516-608-7352, or visit www.westconn.org

14 Robert Kapp, president of the US-China Business Council, will discuss "Doing Business in China: Easy, Hard, or Impossible?" during a breakfast program. The event, sponsored by the World Affairs Forum, will be held at 7:30 a.m. at the Stamford Marriott, Two Stamford Forum, Stamford. For more information, visit www.worldaffairs-htfid.org.

8-11 The U.S. Commercial Service will host an International Business Center at the International CES - Consumer Electronic Technology and Products trade show in Las Vegas. For more information about participating, contact Andy Bihun, 202-482-3663, Andy.Bihun@mail.doc.gov

11-13 The Outreach 2004 -- Rebuilding Iraq, Trade Fair will be held in Amman, Jordan. For more information about participating, contact Elizabeth Ausberry, an International Trade Specialist with U.S. Commercial Service, 202-482-4908, Elizabeth.Ausberry@mail.doc.gov

19-22 The U.S. Commercial Service will have an International Business Center at the International Builders' Show - Building Products/Construction Equipment trade show in Las Vegas. For more information about participating, contact Joseph English, 202-482-3334, Joseph.English@mail.doc.gov

February

9-13 A U.S. Commerce Department Healthcare Technologies Trade Mission, focusing on Medical Equipment and Services, will visit Belgium and The Netherlands. For more information about participating, Bill Kutson, 202-482-2839, William.Kutson@mail.doc.gov

On the Cover: Copper from a mine in southern Peru (top) is unloaded at the Port of New London (bottom).

Port Connecticut International Trade Newsfolio™

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Port Connecticut is also available online at portconnecticut.com

10-13 The EXPO COMM Mexico 2004 - Computer Software/Electronics Industry/Telecommunications Equipment & Services trade fair will be held in Mexico City. For more information about participating, contact Wake Margo, U.S. Commercial Service, 202-482-2026, Wake.Margo@mail.doc.gov

27 Deputy Assistant Secretary of Commerce Joe Bogosian will lead a Food Processing and Packaging Trade Mission to Vietnam, Thailand and the Philippines, February 27-March 2. For more information about participating, contact Monica McFarlane 202-482-3364, Monica.Mcfarlane@mail.doc.gov

March

10 Westconn Int'l Trade Association's monthly meeting will be at Giovanni's II, Darien, 6 p.m. For more information, contact Mark Bishop at 516-608-7352, or visit www.westconn.org

16 Former President of Mexico and Current Director for the Yale Center for the Study of Globalization, Ernesto Zedillo, will speak at a forum sponsored by the Hartford World Affairs Council. The event will be held from 6 to 8 p.m. at a location to be announced. To register, call 860-594-4100. For more information, visit www.worldaffairs-htfid.org

22-24 The Connecticut Maritime Association will host Shipping 2004, the 19th annual Shipping Conference and Exhibition, where experts from around the world will discuss the many issues that will shape the future of the international maritime industry. The exhibition will take place at the Westin Hotel, One Stamford Place, Stamford. For more information, visit www.shipping2004.com or e-mail Lorraine Parsons at conferences@cmconnect.com

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WorldWideWeb

The World Customs Organization

The World Customs Organization (WCO), established in 1952 as the Customs Co-operation Council, is an independent intergovernmental body whose mission is to enhance the effectiveness and efficiency of customs administration. With



159 member governments, it is the only worldwide intergovernmental organization competent in customs matters. The council establishes, maintains, supports and pro-

motes international instruments for the harmonization and uniform application of simplified and effective customs systems and procedures that govern the movement of commodities, people and conveyances across customs frontiers. More information is available online at www.wcoomd.org

International Chamber of Commerce

The International Chamber of Commerce (ICC) is a business group that supports the global economy as a force for economic growth, job creation and prosperity. ICC activities cover a broad spectrum, from arbitration and dispute resolution to making the case for open trade and the market economy system, business self-regulation, and fighting corruption or commercial crime. Through its national committees, the IOC has direct access to national governments all over the world. The organization's Paris-based international secretariat feeds to intergovernmental organizations business views on issues that directly affect business operations. For more information, visit www.iccwbo.org

Organisation for Economic Co-operation and Development

The Organisation for Economic Co-operation and Development (OECD) includes 30 member countries that share a commitment to democratic government and the market economy. In active relationships with 70 other countries, and the private sector, the OECD has a global reach. Best known for its publications and statistics, OECD's

work covers economic and social issues from macroeconomics to trade, education, development and science and innovation. It also produces internationally agreed upon instruments, decisions and recommendations to promote trade rules in areas where multilateral agreement is necessary for individual countries to make progress in a global economy. More information is available at www.oecd.org

The World Economic Forum

The World Economic Forum (WEF) is an independent international organization committed to improving the state of the world. The forum provides a collaborative framework for the world's leaders to address global issues, in particular, engaging its corporate members in global citizenship. Among the group's other goals are: to promote entrepreneurship in the global public interest and to maintain a non-partisan and independent position on world issues. The WEF is funded by membership fees from 1,000 global companies. More information is available online at www.weforum.org

The International Trade Data Network

The International Trade Data Network (ITDN) is a nonprofit organization that provides the business community with market intelligence about the global economy. The primary mission of the ITDN is to facilitate the dissemination of trade information through resource sharing as opposed to resource ownership. This has been achieved by establishing partnership arrangements with both the public and private sectors and by taking advantage of technological advances in data processing, networking and communications. The ITDN hub is located in the Rhode Island Export Assistance Center within the John H. Chafee Center for International Business in Smithfield, R.I., at Bryant College. It is here that all data collection, entry, processing and distribution take place. Along with ITDN software and database development, this site houses and maintains the primary hardware that updates replication servers in the distribution network. More information is available online at www.itdn.net

South American Connection: Hartford's Peruvian Consulate Helps Facilitate International Trade

The government of Peru decided last year to open a consulate office in Hartford in order to serve a growing community of Peruvian immigrants, now totaling more than 25,000, in Connecticut and Rhode Island.

The Consulado General de Peru, the only foreign consulate in Connecticut, opened last November with a staff of three in office space on Main Street. The consulate's mission is to provide assistance to Peruvian nationals, facilitate business and political connections, and promote Peruvian culture.

"It's a very important mission for the Peruvian Consulate to work here," said José Benzaquen, the Consul General del Peru. "We have a significant Peruvian community here. We can give them direct support and put them in touch with people in the business community, and in government."

As more Peruvians migrate to Connecticut, trade with the South American country is increasing. According to the Massachusetts Institute for Social and Economic Research, Peru exported more than \$315 million worth of product to Connecticut in 2002. Connecticut exports to Peru in 2002 totaled approximately \$8.2 million.

The number one Peruvian import to Connecticut is copper. More than 200,000 tons of it were imported through ports of New London and New Haven in 2003, according to Logistec USA, which operates port facilities in those cities, as well as Bridgeport.

The leading copper importer in Connecticut is Phelps Dodge Corporation, a global mining and manufacturing company with a copper wire rod mill in Norwich. Phelps Dodge last year imported more than 72,000 tons of copper for the mill, one of four the company operates in the United States.

Much of the copper imported to Connecticut by Phelps Dodge is extracted from the Cerro Verde mine in Arequipa, a city located near Lake Titicaca in southern Peru. "Shipping product through the ports of New Haven and New London provides for quick, convenient transportation to the Norwich mill," said Peter Faur, a company spokesman.

In addition to imports by companies such as Phelps Dodge, a number of small, independently owned companies keep the trade routes busy with their own imports from Peru.

For example, Columbus International Foods, a produce wholesaler in Hartford, regularly imports fruits and vegetables — including

sweet onions, rice, asparagus, plantains and popcorn — from Peru. All of this produce is shipped from Lima to the Port of New York/New Jersey, and then trucked to Hartford.

Miguel Colombo, owner and operator of Columbus, said the company also imports foods from Ecuador, Mexico and the Dominican Republic. Colombo, a Peruvian national, said his company has benefited from the opening of the Peruvian Consulate in Hartford.

"Consul Benzaquen has helped us out with marketing, advertising, helping us let people know about our business, and making connections with the business community," Colombo said.

One way Benzaquen has been promoting business connections is by facilitating communication between the Hartford and Lima chambers of commerce. He also is in regular contact with Connecticut Gov. John Rowland's office, and next year hopes to coordinate a visit to Lima by U.S. Sen. Christopher Dodd, D-Conn.

"It's a constant challenge to work here, to promote my country to universities, to corporations, to the government and to the communities," said Benzaquen.

Benzaquen, who is originally from the San Martine region of Peru, worked at the Peruvian Consulate in New York City in the late 1980s, before moving on to posts in Russia, Greece and Germany. Previously an attorney in Peru, he completed diplomatic studies at the Academy of Diplomacy in Lima.

In his current capacity, Benzaquen said one of his priorities is to help Peruvians in the state open businesses and find jobs. Toward that end, he recently worked directly with officials at Mohegan Sun, the Uncasville casino, in making sure that several-dozen Peruvians hired by the casino had the proper documentation for employment.

Benzaquen also has worked with Peruvian businesses such as Peru Express, a Hartford travel agency; Rego Corp., a Hartford-based real estate company; and others. "We help promote the hiring of Peruvians by Connecticut businesses," he said. "That's a large part of what we do. It's very important for us to put people and business together. All our work is related to business, to jobs. All of our services overlap with business."

For more information on the Peruvian Consulate, visit www.conperhartford.com.



Consul General José Benzaquen

Q&A: Ex-Im Bank's John McAdams

John McAdams, senior vice president for credit and risk management at the The Export-Import Bank of the United States (Ex-Im Bank) discusses the bank's products and services. The Ex-Im Bank is the official export credit agency of the United States. The bank is mandated by Congress to carry out one mission — financing U.S. exports. McAdams was the keynote speaker during a September International Trade Day event sponsored by the Stamford Chamber of Commerce.

What is the Export-Import Bank's role in the U.S. economy?

Ex-Im Bank does not compete with private sector lenders but provides export financing products that fill gaps in trade financing. We assume credit and country risks that the private sector is unable or unwilling to accept. We also help to level the playing field for U.S. exporters by matching the financing that other governments provide to their exporters.

Does the bank make loans directly to American companies?

While the vast majority of what Ex-Im Bank does is the support of trade, the bank does very little in the way of direct loans. Rather, we fill a critical trade finance gap by supporting exports to markets where commercial bank financing is unavailable or insufficient. There is about \$6.6 billion of direct loans on the bank's balance sheet compared to \$44 billion in loan guarantees and insurance.

What types of companies benefit from bank programs?

Ex-Im Bank finances every type of export, from commercial aircraft, machinery, and power projects to school textbooks, food products, engineering and other services. Virtually no transaction is too small.

What are the bank's primary products?

We offer a variety of financing products, including export credit insurance, working capital guarantees, commercial loan guarantees, direct loans and limited recourse project financing.

How active is Ex-Im Bank in Connecticut?

Over the past five years, we've helped 105 Connecticut companies in 57 communities export \$2.1 billion in goods and services. The loans that Ex-Im Bank guarantees or insures are made by commercial banks.

More information about the Ex-Im Bank — including links to lenders — is available online at www.exim.gov



John McAdams

TRADE DATA Connecticut Imports By Commodity (2002)

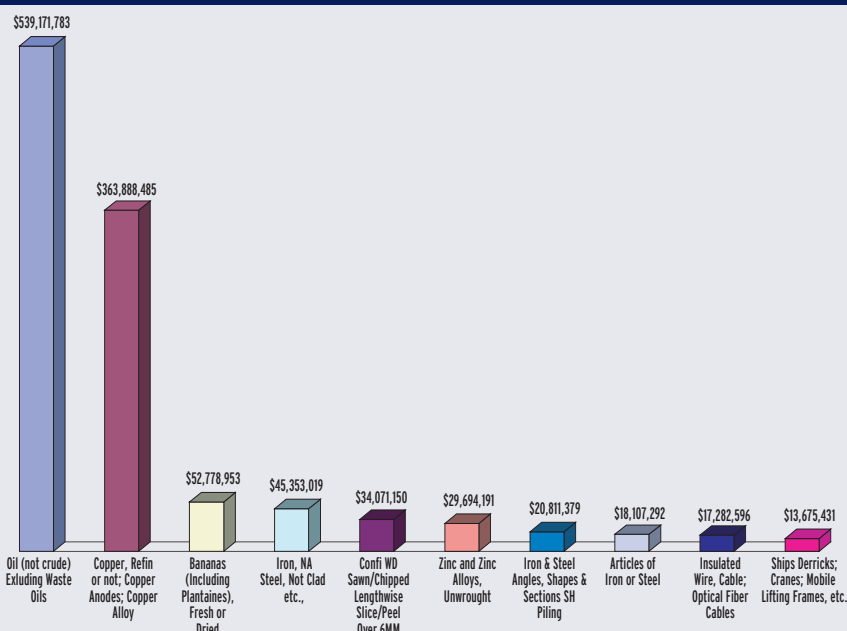
Oil Tops List of Imports Through Connecticut's Ports

Oil topped the list of imports, based on vessel value, moving through Connecticut's three deep-water ports in 2002.

According to data from the Massachusetts Institute of Social and Economic Research, \$552.5 million worth of fuel—including gasoline and home heating oil—was imported through the ports of Bridgeport, New Haven and New London. Refined oil products accounted for approximately \$539 million of that total.

Copper was the second leading import (see related story on this page). Copper imports increased by 59.4% between 2001 and 2002 and totaled nearly \$364 million. Other leading imports included bananas, steel and lumber.

Connecticut imports through the maritime ports totaled about \$1.2 billion in 2002, a 6.8% increase from the previous year.



More information is available online at www.misertrade.org

Global Business BRIEFS

GE To Buy British Health Care Company

General Electric Corp., based in Fairfield, has announced plans to acquire the British company Amersham for \$9.5 billion and merge it with GE Medical Systems to make a new division called GE Healthcare Technologies. Headquartered in England, Amersham is a world leader in diagnostic imaging agents and life sciences. The acquisition will enable GE to gain expertise in imaging and diagnostic pharmaceuticals and to increase the development of molecular imaging and personalized medicine.

Shanghai Airlines Chooses Pratt & Whitney Engines

Shanghai Airlines has placed an order for 10 Pratt & Whitney PW2037 engines to be placed into five recently purchased Boeing 757 passenger jets. The 10 engines are worth approximately \$80 million at list price. Purchased as part of Shanghai Airlines' expansion, the jets will be added to its fleet of seven Pratt-powered 757s. Shanghai Airlines, the first independently run airline in China, flies more than 100 routes and is one of China's top 500 companies. Pratt & Whitney is a United Technologies company, based in Hartford.

Otis To Provide Elevators for the Kremlin

Otis Elevator Co. of Farmington will provide new elevators for the renovation of the Kremlin Palace in Moscow, replacing the Soviet-era escalators installed between 1959 and 1961. The company also has been chosen to supply escalators, elevators, and moving walkways for a shopping mall in St. Petersburg, Russia, as well as high-speed elevator systems for the Elsbury Plaza in Ukraine's capital city of Kiev. Elsbury Plaza will be the tallest building in Kiev. Otis, one of the world's largest manufacturers of elevators and escalators, is also a subsidiary of Hartford-based United Technologies Corp.

Praxair Signs Deal with Bao Steel of China

Praxair Inc. of Danbury will provide the CoJet gas injection system to China's Bao Steel, one of the world's largest steel makers. The CoJet system is designed to deliver a laser-like jet of oxygen into the molten steel bath in steel mill furnaces. The CoJet system will be installed in Bao Steel's 150-ton twin-shell electric arc furnace. Praxair Metal Technologies, the Praxair business unit responsible for the transaction, is a leader in the supply of metal production technology.

Le Monde To Use Baldwin Technology System

Le Monde, France's largest national newspaper, has chosen Baldwin Technology Co. of Shelton to install its IMPACT Global automatic blanket cleaning system on Le Monde's new Wifag press. Due to recent French government changes in environmental regulations, Le Monde has had to improve its waste management. The purchase of the IMPACT cleaning system, one of the most environmentally efficient systems available, is part of the company's effort to follow the new regulations. Baldwin Technology is a leading manufacturer of printing-press accessories for the commercial and newspaper printing industries.

Arch Chemicals Consolidates Chinese Operations

Arch Chemicals, based in Norwalk, a leading global specialty-chemicals company, is consolidating its offices in China under Arch International Trading (Shanghai) Co. Ltd. The new trading company will provide support services to Arch businesses in China, including Arch Microelectronic Materials, a supplier of semiconductor chemicals and materials.

EU Trade Regulations Topic of Program

More than 50 people attended a program on doing business in Europe held Oct. 31 at Quinnipiac University in Hamden. A panel of experts discussed European Union trade regulations and plans for the addition of 10 new members to the EU next May. The expanded European Union will include 25 nations with a combined population of more than 450 million. Speakers included Robert Engle, professor of international business and assistant director of the European Union business studies program at Quinnipiac University and Stephen Arlinghaus, a retired Foreign Service officer and former minister-counselor for Commercial Affairs at the U.S. Mission to the EU in Brussels. The program was sponsored by Quinnipiac University, the World Affairs Council of Hartford, and the University of Connecticut Center for International Business Research in conjunction with the U.S. Department of Commerce, Connecticut Department of Economic and Community Development, Connecticut World Trade Association, MetroHartford Alliance, Yale Center for International and Area Studies and Connecticut District Export Council.

Connecticut Exports Show Modest Decline

Connecticut exports declined 1.75% through the first eight months of 2003 compared to a 2.36% increase nationally. According to data from the Massachusetts Institute for Social and Economic Research, export volume through the end of August 2003 totaled \$5.33 billion compared to \$5.42 billion for the same period in 2002. Leading exports from Connecticut include turbojet and turbo propeller parts, jet engines, airplane or helicopter parts, medical/surgical instruments and medicaments (therapeutic drugs). More information about state export trends is available online at www.misertrade.org

Have a story idea or news brief?
E-mail: news@portconnecticut.com

UPS Is a Perfect Fit for an Apparel Firm

UPS Helps Kudzu Continue Growing Globally

Growing companies face challenges they never imagined when they were smaller, like how to coordinate manufacturing and retail sales that are half a world apart. Kudzu, Inc. discovered they can conquer most any supply chain problem – as long as they have the right partner: UPS.

Kudzu's specialty is souvenir clothing – caps, jackets, T-shirts – for NASCAR® fans. And their sales were growing like, well, a weed. Kudzu's headquarters is in Phenix City, Alabama. Most of their manufacturing takes place in Qingdao and Shanghai, China. And their customers are wherever people love racing. Which, these days, is just about everywhere.

Kudzu's relationship with UPS dates back to June 2001, soon after UPS began direct service from the United States to China. Since then the company has discovered that UPS can solve a range of transportation, supply chain and customs problems. In fact, the results of that service are pretty impressive. Since teaming up with UPS, Kudzu has reduced their supply chain costs by 40% and slashed delivery time, from twelve to fourteen days down to two to four days. As Kudzu purchasing manager Larry Laska put it, "BrownSM asks us what we need and then they make it happen."

Today, Kudzu ships apparel from China almost daily. So they take full advantage of UPS's six weekly direct flights between China and the U.S. And when they need to get an urgent document or a sample from headquarters to Shanghai, UPS takes care of that, too.

Another thing Kudzu needs is flexibility. And with UPS, they get it. There's a UPS international delivery

service for every shipping need they have.

The result that matters most? Customers are getting what they want, exactly when they want it. Kudzu knows that when you take advantage of the entire UPS system, amazing things can happen.



For more information about UPS shipping solutions, visit UPS.com® or call 1-800-PICK-UPS®.

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