



TradeView

A Kentucky World Trade Center Publication

Volume 13 Number 4
June 2002

World Trade Day 2002 Highlights International Trade Strength in Kentucky

WTCA Executive Gives Memorable Keynote Address



Herb Ouida, Executive Vice President with the World Trade Centers Association (WTCA) in New York City, speaks at a press conference during the World Trade Day event.

More than 30 international dignitaries representing 13 nations joined government and business leaders from throughout the Commonwealth to celebrate World Trade Day 2002 on April 25th at the Radisson Hotel in downtown Lexington.

A special highlight of the event was the compelling and moving keynote address, given by Herb Ouida, Executive Vice President of the New York-based World Trade Centers Association (WTCA), which promotes international trade through 302 World Trade Centers in 91 countries. Mr. Ouida shared both personal and professional perspectives about the impact of the September 11th tragedy and the renewed resolve of the WTCA to promote peace and stability through trade. His heartfelt words brought the entire luncheon audience to a standing ovation.

The delegation of visiting dignitaries from foreign Embassies, Consulates and Trade Commissions throughout the United States traveled to Kentucky to promote trade and investment opportunities with their countries. A 'Tour the World' Trade Fair allowed international businesses in Kentucky to discuss trade issues specific to their company with each of the foreign officials. The previous day, the visiting trade representatives were treated to an afternoon of thoroughbred horse racing at Keeneland.

Among the countries represented at World Trade Day 2002 were Austria, Czech Republic, France, Germany, Hong Kong, Japan, Korea, Mexico, Netherlands, Spain, Switzerland, Taiwan and the United Kingdom.

For ten consecutive years, the Kentucky World Trade Center (KWTC) has recognized firms for outstanding success in international trade at the 'World Trade Success' awards luncheon. As the central event of World Trade Day, the awards luncheon has become Kentucky's largest annual gathering of international trade professionals. Over 460 executives and government officials from Kentucky and the surrounding states attended the luncheon this year.

WORLD TRADE SUCCESS AWARDS

The awards competition recognized thirteen finalists in four categories - manu-

facturing, agriculture, services and international trade services - in addition to the Thoroughbred Award, recognizing firms for exceptional innovative and entrepreneurial achievements. All were selected from a pool of nominations and entries by a panel of business professionals.

Seven Kentucky businesses were recognized for their outstanding successes and contributions to international trade in the state:

The award in the manufacturing category was given to Advanced ChemTech (www.peptide.com) who established new high tech chemistry customers in both China and India in 2001, continuing an aggressive growth path that has seen exports achieve 51% of total sales.

In the agricultural category, the award went to Anderson Lumber (www.andersonlumberco.com) who was able to maintain a steady volume of exports during the economic downturn in 2001 by creatively focusing on specialty products.

The service category award was presented to APB Financial (www.apbfinancial.com) who acquired a leading Norwegian energy brokerage firm in 2001 (leading to the opening of a new office in Amsterdam in 2002), positioning the company as a leader in the North American, Norwegian, Dutch and German energy brokerage markets.

The award for international trade services was presented to the Kentucky Agricultural & Commercial Trade Office (www.kentucky.org.mx/i_index.html) in Guadalajara, Mexico, whose recent successes include the Kentucky Thor-

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JOIN US FOR WTCA DAY!

A Unique Global Celebration
Of Peace & Stability Through Trade



WTCA Day in Kentucky
Cocktail Reception
Wednesday June 12, 2002, 5:30 - 7:30 p.m.
Glassworks
815 West Market Street, Downtown Louisville
(corner of 9th and Market Streets)

On June 12, the Kentucky World Trade Center (KWTC) will be joining hundreds of other World Trade Centers around the world in a very special global celebration of peace and stability through trade. World Trade Centers will be passing the torch of global peace and stability through commerce around the world from one time zone to the next.

Help us pay tribute to Kentucky's first Book of Honor recipient, Former Governor Martha Layne Collins, to be honored for her outstanding commitment and contribution to promoting global peace and stability through trade. Enjoy special entertainment and a glassblowing demonstration at Glassworks galleries.

For reservations or further information,
please call (502) 574-2400 or e-mail kwtc@louky.org.

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Event Showcases Business Opportunities with former Russian States

In March, the Kentucky Export Assistance Centers (USDOC) and the KWTC co-sponsored two events highlighting business opportunities with Russia and the Newly Independent States (NIS) of the former Soviet Union. Events were held in Lexington and Louisville between March 18-20th. Additional support for the events was provided by the Kentucky District Export Council and by National City Bank.

On March 18-19th, Lexington hosted five business development experts from the USDOC's BISNIS (Business Information Service for the Newly Independent States) offices in Washington, D.C., Russia and the Kyrgyz Republic. Twenty-five people attended a seminar where the visiting delegation detailed current commercial opportunities in Moscow, Southern Russia, Far Eastern Russia and the Kyrgyz Republic in a broad range of industries, including food processing, food franchising, healthcare, forestry, tourism, environmental technologies, agriculture and mining. Members of the audience then met privately with BISNIS officers to discuss specific business prospects.

Following the formal program, BISNIS visitors were escorted on tours of the University of Kentucky's Markey Cancer Research Center and Rood & Riddle Equine Hospital. On March 19th, tours of Lane's End and Winstar horse farms were a special treat, followed by a

tour of the Wild Turkey Bourbon Distillery. In Louisville, the group visited Raque Food Systems, a manufacturer and exporter of food packaging equipment.

On March 20th, the formal seminar was repeated in Louisville for an audience of nearly 40 local manufacturers and exporters. Marty Snyder, an international attorney with Wyatt Tarrant & Combs' Louisville office and an expert on business practices in Russia and the NIS, added his perspective to that of the BISNIS officials.

The BISNIS delegation consisted of Polina Belkina, Moscow; Marina Nechaeva, Samara; Andrei Vasenyov, Khabarovsk; and Erkin Nusurov, Bishkek, Kyrgyzstan. The group was ably led by Judith Robinson, an International Trade Specialist with USDOC's BISNIS office in Washington, D.C.

Of particular interest to the Bluegrass region, Ms. Robinson has been responsible for helping to develop the thoroughbred horse market in Russia. She is currently working with the Lexington Export Assistance Center and the Kentucky Department of Agriculture to bring a delegation of buyers, breeders and veterinarians to Kentucky later this year.

The programs held in Kentucky were part of a nationwide tour of business specialists who work inside the NIS to link U.S. companies with real-time business opportunities in the region. The tour was organized by BISNIS, a



Polina Belkina, Marty Snyder, Sara Moreno, Andrei Vasenyov, Judith Robinson, Marina Nechaeva, and Erkin Nusurov

U.S. government agency created to help American companies profit from emerging opportunities in the NIS. Since opening in 1992, BISNIS has facilitated more than \$3 billion in new U.S. exports and overseas investment.

For more information on business opportunities in the region, BISNIS offers a trade opportunities bulletin board on their website at www.bisnis.doc.gov/bisnis/leads1.cfm.

World Is Your Market

EU PLANS TO TAX INTERNET SALES

The European Union (EU) has decided to impose a new tax on products downloaded from the Internet beginning July 1, 2003 - including software, videos and music - aiming to help Europe's web-based businesses compete with U.S. companies.

Current tax rules permit EU residents to buy from non-EU based companies without paying sales tax, however, sales tax is required for purchases from EU based companies. The effect of this sales tax loophole for European buyers, who find cheaper-priced goods on U.S.-based sites, has been detrimental to EU companies.

The new tax affects all non-European Internet businesses selling digital products. A separate measure that taxes "hard" shipped goods, such as books, could be considered in the future.

BXA CHANGES ITS NAME

The Bureau of Export Administration (BXA) will from now on be known as the Bureau of Industry and Security (BIS) and has changed its web address to www.bis.doc.gov. The agency has only changed its name, not its function, personnel or duties, in order to reflect more accurately the broad scope of the agency's responsibilities.

Commerce Under Secretary Kenneth I. Juster, who heads the Bureau, explained: "The Bureau of Industry and Security serves the public in many ways where industry and national security intersect, including not just export licensing and enforcement, but also defense trade advocacy and critical infrastructure protection. The new name better reflects the breadth of the Bureau's activities in the spheres of national, homeland, economic, and cyber security."

TANZANIA GAINS TEXTILE FREE TRADE WITH U.S.

Tanzania has secured the right to export textile products to the U.S. market duty-free under the African Growth and Opportunity Act (AGOA). Under the AGOA scheme, participating African countries can export unlimited quantities of apparel made of U.S. fabric, yarn and thread to the U.S. without duties or quotas.

U.S., SINGAPORE AGREEMENT TO RESHAPE COMMERCE IN ASIA

The U.S. and Singapore plan to complete negotiations this year on a bilateral free-trade area; the first of its kind with an Asian country. The impact is expected to reshape investment in the electronics and services sectors in the region, with funds heading for Singapore ahead of other destinations.

Singapore believes the bilateral agreement will have substantial benefits for its electronics industry and role as a regional commercial hub, while the U.S. anticipates improved access to Singapore's services sectors, including finance.

CHILE-CENTRAL AMERICAN FTAS GO INTO EFFECT

Two free-trade pacts negotiated by Chile, one with El Salvador, Honduras, Guatemala and Nicaragua, and the other with Costa Rica, went into effect February 14th. The agreements aim for the free trade of goods and services and encourage multilateral investments.

BALKAN COUNTRIES COMMIT TO TRADE PACT

Seven Balkan countries have signed an agreement to create a network of bilateral free trade agreements by the end of 2002, which would allow at least 90% of their goods to be exchanged duty-free. The Stability Pact was created to promote regional cooperation and quell any hostilities that may continue to simmer from previous confrontations. The signatory countries included Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Romania, FYR Macedonia and Yugoslavia.

Source: www.tradecompass.com/daily_brief/index.asp

WTCA Update

World Trade Centers in Japan

'World Trade Center Japan Trade Leads' at www.wtcjapan.ne.jp, is a free trade bulletin board focusing on the Japanese market, and a joint program of the four World Trade Centers located in Japan: Tokyo, Osaka, Sapporo, and Okinawa.

The website offers those interested in doing business with Japan the opportunity to promote their products or services throughout Japan and the world. The site also offers Japanese market news, summarizing more than 100 commodity and service markets - a useful tool for analyzing Japanese market trends in your industry.



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World Trade Day 2002

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Herb Ouida, Executive Vice President with the World Trade Centers Association in New York City, gives the keynote address at the World Trade Success Awards luncheon.



Alice Tasman (CL) and Norman Tasman (R) accept the Thoroughbred Award on behalf of Tasman Industries from KWTC Chairman Jay Tannon (L) and WTCA Executive VP Herb Ouida (CR).



(L to R) Holley Groshek, KWTC Executive Director, Herb Ouida, WTCA Executive VP, Ying Juan Rogers, KWTC Trade Specialist, Jay Tannon, KWTC Chairman.



KWTC Chairman Jay Tannon speaks at the World Trade Day press conference also attended by WTCA Executive VP Herb Ouida (3rd from right) and country trade representatives from (L to R) Taiwan, Mexico, United Kingdom and Hong Kong.



oughbred Horse Initiative through which over 100 horses have been sold to Mexican breeders, exceeding sales of \$1 million.

The special Thoroughbred Award was presented to three companies:

The Kentucky Horse Park (www.imh.org/khp), whose exclusive exhibition Imperial China: The Art of the Horse in Chinese History, served as a catalyst for the successful Kentucky-China Trade Conference of June 2000.

Sargeant & Greenleaf (www.sglocks.com), who exports to all major industrial countries in Europe, Asia & Latin America, with recent success in developing the Brazilian market for their security products.

Tasman Industries (www.tasmanhide.com), whose dramatically successful shift from domestic to global markets in 1995 has continued, with exports now accounting for over 95% of total sales, making the company the largest and fastest growing exporter in the U.S. hide industry.

The 13 finalist companies received plaques in recognition of their achievements in international trade. They included, in addition to the overall winners, Creekstone Farm, Crowe Chizek, Emery Customs Brokers & Forwarding, PNC Bank, Rocket Man and Western Kentucky University.

INTERNATIONAL EDUCATION SUCCESS AWARD

This year's awards luncheon also saw the introduction of a new award recognizing International Economic Education in Kentucky schools. Jointly sponsored by the KWTC and the Kentucky Council on Economic Education, this award honors and encourages creative approaches to global economic education in the classroom,



Representatives from the Korea Trade Center in Chicago meets with company representatives during the dignitary trade fair during the World Trade Day event.



Roy Anderson (C) accepts the World Trade Success Award in the Agricultural category on behalf of Roy Anderson Lumber Company from KWTC Chairman Jay Tannon (L) and WTCA Executive VP Herb Ouida (R).

Left: Beth Whitfield (L), VP with Papa John's International, takes part in the one-on-one country representative meetings held during World Trade Day.

and calls attention to the importance of a global perspective for all students, kindergarten through college.

Two schools were selected to receive the International Education Success Award:

Glendover Global Studies School in Lexington was recognized for its integrative studies of the French market, which offers students a simulated experience of being in France, communicating in the French language, and buying products using the Euro currency.

Hopkins County Schools and their partner, Madisonville Community and Technical College, received an award for their innovative "Project T.I.E. - Teachers Institute on Economics", which focused on experiential training, equipping educators to better prepare students to successfully transfer into an increasingly globally oriented workforce.

Congratulations to all of the awards finalists and winners for their contribution to Kentucky's international business success!



WORLD TRADE DAY

A World of Thanks to our Sponsors

GLOBAL

- Delta Air Lines
- KY Cabinet for Economic Development

MULTI-NATIONAL

- Bluegrass International Trade Association
- Brown-Forman Corporation
- Fifth Third Bank
- Frost Brown Todd, PLLC
- Greenebaum Doll & McDonald
- United Parcel Service

CONTINENTAL

- Associated Industries of Kentucky
- L G & E Energy Corp.

NATIONAL

- APB Financial LLC
- BAX Global
- Business First
- Meridian Communications
- Toyota Motor Manufacturing Kentucky, Inc.
- The Valvoline Company

REGIONAL

- Accumetric, Inc.
- Elan Home Systems LLC
- Tricon Global Restaurants, Inc.



Representatives from Hopkins County Schools (foreground) and Madisonville Community College (background) accept the International Education Success Award from KWTC Chairman Jay Tannon and WTCA Executive VP Herb Ouida.

MARK YOUR CALENDAR!

E-Mail Your Upcoming Events to Susan Cook at scook@louky.org!

DATE	LOCATION	EVENT	SPONSORED BY	VENUE	CONTACT
June 12	Louisville	World Trade Centers Association Day Celebration! Join us as we celebrate the global network of World Trade Centers and highlight the achievements of former Governor Martha Layne Collins, chosen for the 'Book of Honor' award.	Kentucky World Trade Center	Glassworks 5:30 - 7:30 p.m.	Kentucky World Trade Center at 502-574-2400
June 18		Seminar: Foreign-Trade Zones: Creating Profits Through Savings	Organized By: Braumiller & Rodriguez, L.L.C., Dallas, Texas	Online, 10:30 - 11:30 a.m. CST	Adrienne Braumiller at 800-256-2013 or register online at www.exportimportlaw.com
June 28	Louisville & Lexington	International Update Series: Doing Business In Brazil	Frost Brown Todd	Frost Brown Todd Offices in Louisville & Lexington, 12:00pm - 1:30pm	Julie Tutt at 502-589-5400
July 26	Louisville & Lexington	International Update Series: Transfer Pricing	Frost Brown Todd	Frost Brown Todd Offices in Louisville & Lexington, 12:00pm - 1:30pm	Julie Tutt at 502-589-5400
September 25-27	Mexico City, Mexico	Enviro-Pro 2002 Trade Fair: Environmental Products	Ky Delegation Organized By: Kentucky Agricultural & Commercial Trade Office in Guadalajara, Mexico		Marcos Castillo or Blanca Ramirez at 011-52-33-3122-8105 or by e-mail at kymexico@infosel.net.mx
October 4-28	Guadalajara, Mexico	Jalisco Livestock Expo 2002	Ky Delegation Organized By: Kentucky Agricultural & Commercial Trade Office in Guadalajara, Mexico		Marcos Castillo or Denise Sepulveda at 011-52-33-3122-8105 or via e-mail at kymexico@infosel.net.mx
December 2-6	Mexico City and Monterrey, Mexico	Appalachian Region Trade Mission to Mexico	Ky Delegation Organized By: Kentucky Cabinet for Economic Development International Trade Division		Stephanie Wheeler at 800-626-2930
March 6 - 8, 2003	Guadalajara, México	AFIA - AGRO Trade Fair 2003 Products Covered: feed, livestock and agricultural equipment, services and products			Marcos Castillo or Denise Sepulveda at 011-52-33-3122-8105 or via e-mail at kymexico@infosel.net.mx

Member News

BAX GLOBAL

Microsoft Corp and BAX Global have launched a global logistics and distribution program for Microsoft's products in five hubs across three geographic regions. The hubs are located in Sydney, Hong Kong, Singapore, Dallas-Ft. Worth and Ridderkirk, Netherlands.

Due to the scale of the launch and the contract terms, Microsoft has named BAX as one of its global Distribution Turnkey Logistics Vendors for its OEM Hardware Operations Group. Before the award of the contract, BAX had already handled several software distribution programs, including the launch of Microsoft's latest OfficeXP release. BAX Global's Louisville office recently joined the KWTC.

DEUTSCHE POST GLOBAL MAIL

In 2001, despite a year marked by global economic difficulties, Deutsche Post World Net, a member of the KWTC since 1999, achieved profits that surpassed the records achieved in 2000. Revenue rose 2.1% to \$29.7 billion, while profit from operating activities increased by 7.3% to some \$2.3 billion.

A rise in foreign revenues reflects the Group's increasing international outlook - in fiscal year 2001 the Group generated 33% of its revenues abroad (2000: 29%). Among the DAX companies, it has the eleventh highest revenue and the seventh highest consolidated net profit, while its net financial debt is among the lowest. In comparison to its competitors, Deutsche Post World Net, with the largest international infrastructure, is the best-performing logistics group.

ERNST & YOUNG

Ernst & Young LLP has acquired the local office of Arthur Andersen LLP. The combined office will have 130 employees and 300-350 clients. Arthur Andersen's Louisville operations are relocating to Ernst & Young's space in the Aegon Center at 400 W. Market St., Suite 2100. The Louisville office is one of seven being acquired by Ernst & Young.

GRINDMASTER CRATHCO

Grindmaster Crathco Systems, Inc. (GCS), a member of the KWTC since 1995, announced the grand opening of their new manufacturing facility in Monterrey, Mexico. GCS Mexico S.A. de C.V. began manufacturing in early April. The new 15,000 sq. ft. facility, located in the heart of Monterrey's high tech industrial park, is now the North American - South American manufacturing hub for pre-mix dispensers, Genesis brewers and both the food service and retail grinder lines.

This realignment and global manufacturing strategy will allow GCS to take advantage of the attractive business climate that exists in Mexico and the opportunities afforded by the North America Free Trade Agreement (NAFTA). It will also generate economies in labor, raw materials and facility operating costs, without sacrificing quality and/or delivery. It also provides GCS with a new gateway to South American markets through lower tariff rates between Mexico and their neighboring countries.

E-Mail Your Member News to Susan Cook at scook@louky.org!



KWTC NEW & RENEWING MEMBERS

NEW MEMBERS

Regular Memberships

Blendex Co.
Creekstone Farms, Inc.
Industrial Electrical Equipment Co., Inc.

RENEWING MEMBERS

Regular Memberships

Fifth Third Bank
BET Reproductive Labs, Inc.
Lexington Public Library
Accumetric, Inc.
Capistrano Associates, Inc.
The Freeman Corporation

Non-Profit Memberships

Kentucky Cabinet for Economic Development

Club Memberships

Louisville Ladder Group LLC
Simtechs.com, LLC