



Ohio

The State of Perfect Balance

Ohio Department of Development Global Markets Division

Global Markets Division

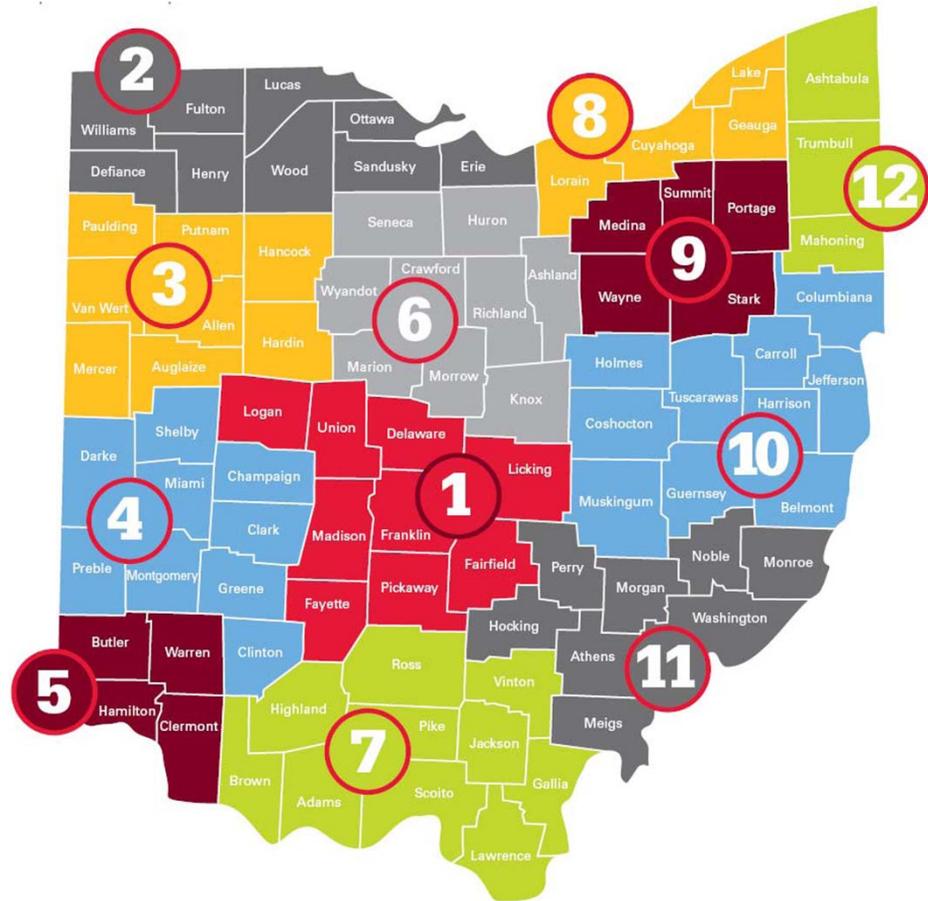
Our Mission Statement:

“To strengthen Ohio’s economy by providing customized consulting services to increase the exports of Ohio companies, and marketing Ohio as a business location to foreign-owned companies.”



Global Markets Division

Columbus Office –
Five Trade Managers
covering Ohio



Global Markets Division



GMD currently has 11 international offices representing the State of Ohio.

Services of the Global Market Division's Export Development Program

- ***Export Counseling****
- ***Agent and Distributor Searches****
- ***Ohio Export Finance Initiative (OEFI)****
- ***Business Missions***
- ***Trade Shows***



* Services are available free of charge to Ohio companies.

GMD Services (continued)

Export Counseling

- GMD's trade advisors visit Ohio companies to consult about export marketing strategies and goals.
- GMD trade advisors answer questions, provide research regarding target markets and work to assess the viability of products or services in various markets.
- “Clearing House” for international services.



GMD Services (continued)

Ohio Export Finance Initiative (OEFI)

- Provides advice on international finance issues, terms, methods of payment, and programs available to your firm.
- Export-Import Bank of the US
 - Export Working Capital
 - Export Credit Insurance
 - Foreign Buyer Credit



GMD Services (continued)

Agent & Distributor Searches

- Working through Ohio's network of 11 international offices, GMD Trade Managers will coordinate customized searches for prospective agents and distributors for your products
- Should good contacts be found in a foreign market, GMD can assist your company by providing value added services for your upcoming visit (e.g. appointment setting, hotels, interpreters, drivers, etc.).



GMD Services (continued)

Business Missions

GMD organizes Business Missions, often led by the Governor or Lt. Governor of Ohio, to initiate and nurture relationships with potential international business partners.

- China June 2010
- Brazil/Chile/Peru (CGLG) April 2010
- ITM Show – Poland June 2007
- South Africa (CGLG) Feb 2007
- Australia (CGLG) April 2006
- Paris Air Show June 2005



GMD Services (continued)

Trade Shows

- GMD helps Ohio companies identify key international trade shows.
- GMD can represent your company at key international trade shows (catalog show).
- The right trade show can provide you with invaluable first-hand market research, facilitate your entry into a new market, or, help you increase your sales in an existing market.



Role and Impact of Exports



Ohio in the Global Economy

- Ohio has the 26th largest economy in the world.
 - Between South Africa and Egypt. Ahead of Sweden, Israel, Denmark, Switzerland, etc.
- Ohio ranked 7th in the U.S. in exports in 2009, exporting more than \$34 billion.
- Ohio is 8th in Gross State Product (\$471.5 Billion).



Key Markets for Ohio

The largest export markets in 2009 include:

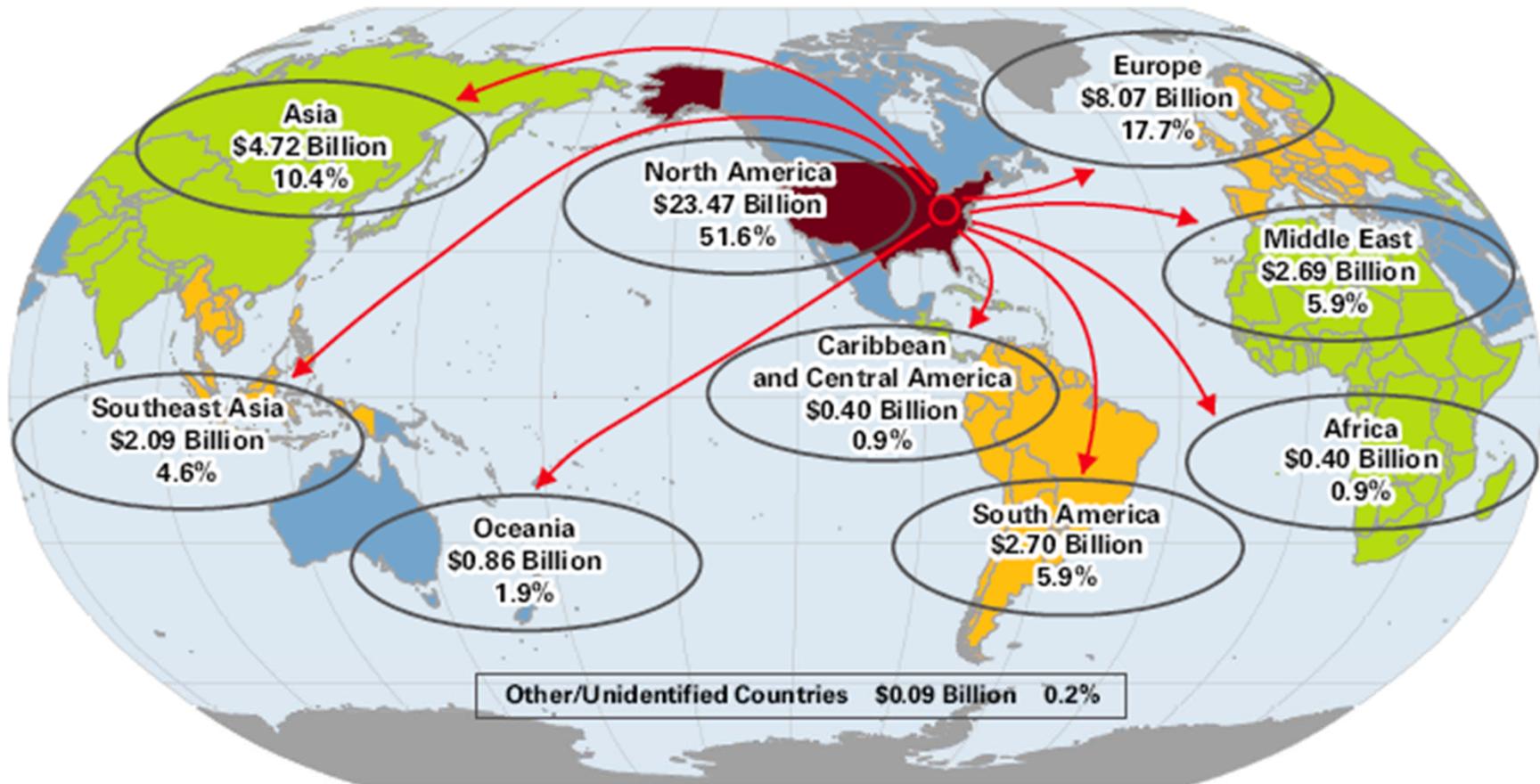
- | | |
|------------------|----------------|
| – Canada | \$14.2 billion |
| – Mexico | \$2.7 billion |
| – China | \$1.9 billion |
| – United Kingdom | \$1.1 billion |
| – Greece | \$1.1 billion |



Ohio Exports By Region 2008



Department of
Development



Why is Exporting Important?

- U.S. exports supported 11.8 million jobs nationally and 7.7 million jobs in the top 100 metro areas in 2008.
- Exporting jobs amounted to 8.3 percent of total employment in the nation and 8.1 percent of all jobs in the largest 100 metropolitan areas in 2008.

Source: Istrate, Emilia and Jonathan Rothwell and Bruce Katz. Export Nation: How U.S. Metros Lead National Export Growth and Boost Competitiveness. Metropolitan Policy Program at Brookings. July 2010.



Facts on Exporting

- Exporting Firms experience 2 percent to 4 percent faster annual growth than non-exporters.
- Currently 25 percent of world production is sold outside of its country of origin, this is up from 7 percent in 1950.
- Exporting extends product life cycles.
- Exporting mitigates product extremes.
- Exporting Firms are 8.5 percent less likely to go out of business.



Facts on Exporting

- US small businesses export one billion dollars per day of goods and services.
- Two thirds of the world's purchasing power is outside of the US.
- 95 percent of the world's populations lives outside of the US.
- More companies are engaged in exporting than any other mode of international business.
- Small firms represent 99.7 percent of all employers, generate 60-80 percent of net new jobs and account for 97 percent of all US exports.



Why is Exporting Important to Ohio?

More than 341,000 Ohio jobs depend on exports. This estimate only considers direct exports of goods. It does not capture the thousands of Ohio jobs that depend on indirect exports of goods and exports of service.

A total of 12,384 companies exported from Ohio locations in 2007. Of these, 88 percent (10,938) firms were small and medium-sized enterprises (SMEs) with fewer than 500 employees.



Ohio Exports to the World (2009 Figures)

- Ohio's two leading exporting commodities are motor vehicles and machinery.
- Ohio is the 5th largest exporter of machinery.
- Ohio's motor vehicle industry produces \$12.6 billion, or 12.8 percent of total U.S. output.
- Export-supported jobs linked to manufacturing account for an estimated 7.9 percent of Ohio's total private-sector employment. More than one-quarter (25.9 percent) of all manufacturing workers in Ohio depend on exports for their jobs, the eighth highest among 50 states. *(2008 data are the latest available.)*



Foreign Direct Investment in Ohio



Ohio Wins Fourth Consecutive Governor's Cup

For the fourth year in a row, Ohio ranked 1st in the United States in the number of major private investments. In addition, five Ohio regions ranked in the top 10 in their tiers in 2009 for capital investment.

Between 2004 and 2008, total venture capital investment in Ohio grew by 13.2 percent per year – more than double the annual growth rate of total U.S. venture capital investment during the same period.



Role of GMD's International Offices in in Foreign Direct Investment

- Prospecting
- Explain various incentive programs
- Market research
- General marketing of Ohio



Why is FDI Important?

- Avoiding foreign government pressure for local production
- Circumventing trade barriers, hidden and otherwise
- Making the move from domestic export sales to a locally-based national sales office
- Capability to increase total production capacity
- Opportunities for co-production, joint ventures with local partners, joint marketing arrangements, licensing, etc



FDI Impact

- In 2009 Foreign Direct Investment (FDI) in Ohio accounted for more than 3,600 facilities employing nearly 194,000 Ohio workers, according to a survey conducted by the Ohio Department of Development's Office of Strategic Research.
- Japan, the United Kingdom, Germany, France, Canada, the Netherlands and Switzerland account for more than 90 percent of this investment.
- The majority of FDI in Ohio is in manufacturing.
- Among the top foreign-owned employers in Ohio are: Honda (Japan), Siemens (Germany), Reed Elsevier (U.K.), Magna International (Canada), Boehringer Ingelheim (Germany) and Nestlé (Switzerland).



Thank you!

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