


MAINE STATE LEGISLATURE

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L.U.O.



2011 Annual Report

Maine International Trade Center

Global Resources. Local Expertise.



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2011



Portland 511 Congress Street
Bangor 40 Harlow Street
www.mitc.com

MITC Members

Sustaining Roundtable Members

Atlantic Canada Opportunities Agency
Bangor Hydro
Berry Dunn
Consulate General of Canada in Boston
Maine Manufacturing Extension Partnership
Maine DECD
Emera
Fairchild Semiconductor
Key Bank
Oxford Networks
TD Bank
Tex Tech Industries
Unum

President's Roundtable Members

Bangor International Airport
Bangor Savings Bank
Barber Foods, Inc.
Cianbro
Citizens Bank
Delhaize Group – Hannaford Brothers Co.
Diversified Business Communications
Eaton Peabody
flyte new media
Hardwood Products Co./Puritan
Medical Products
Hussey Seating Company
L.L. Bean, Inc.
Maine Maritime Academy
Maine Port Authority
Maine Technology Institute
Nomad Pictures
OCEANAIR Inc.
Pierce Atwood, LLP
Sanford Regional Economic Growth Council
Sappi Fine Paper North America
Sprague Energy Corporation
Verrill Dana, LLP

EXECUTIVE SUMMARY

The Maine International Trade Center (MITC) was created by the legislature in 1996 to increase access to global markets for Maine businesses. MITC is a public-private partnership with state funding through the Maine Department of Economic and Community Development, and private funding provided by the membership dues of its nearly 300 members and business sponsors. MITC is Maine's center for international business assistance. The Trade Center provides technical trade assistance and counseling, import and export leads, discounts on international credit reports, monthly trade education workshops, coordinated trade missions and Maine booths at key international trade shows. With offices in Portland and Bangor, MITC provides trade assistance throughout the state helping Maine businesses navigate the challenging demands and growing opportunities of the global marketplace.

In addition to trade assistance, our organization's goal is to offer global exposure to Maine's small and medium-sized businesses. This is accomplished by leading trade missions to targeted international markets including those in Europe, the Americas, and Asia and participating in world class trade shows such as Gulfood, the Hong Kong Seafood Show, MEDICA, and Vietnamwood.

Exporting is one of the fastest growing areas in the Maine economy with approximately 2000 companies exporting to over 172 countries. In 2010, Maine exports increased 41 percent with \$3.16 billion of Maine goods sold internationally, and 2011 is projected to exceed last year's figures. In 2012, MITC will continue to reach out to Maine businesses to grow the number of companies involved in international trade, expand the reach of those that are internationally active, and develop new opportunities for international business attraction and foreign investment in the state.

MAINE INTERNATIONAL TRADE CENTER STAFF

Janine Bisailon-Cary – *President and State Director of International Trade*

Wade Merritt – *Vice President*

Tory Atwell – *Asia Desk Director and International Trade Specialist*

Jeffrey Bennett – *Bangor Regional Office and Canada Desk Director, Senior Trade Specialist*

Agnieszka Carpenter – *Trade Assistance Specialist*

Patty Davis – *Accounting Manager*

Cheryl Rau – *Communications Manager*

Zeynep Turk – *Senior Trade Specialist and Director of Development*



PRESIDENT'S LETTER

Dear Friends and Members of the Maine International Trade Center,



*Janine Bisailon-Cary
President and State Director
of International Trade*

2011 has been an exciting year for Maine's international business activities. Although the final figures for 2011 exports are not yet out, all indicators show that we will exceed our record 2010 export numbers by double digit growth (October 2011 numbers indicate exports are up 16% over last year). There are very few areas of the economy experiencing such robust growth and it is important to note the key role exports and trade play in terms of maintaining and growing jobs in our manufacturing and service sectors here in the state. According to the Business Roundtable think tank in Washington D.C. trade and investment represent 181,000 jobs in the state and serves as an important growth area.

As you will see in this Annual Report, we at the Maine International Trade Center have been extremely busy in 2011. With a staff of 8 we have serviced over 1200 requests with trade assistance

and trade consulting services, coordinated two trade missions and two international trade show events, and executed 15 trade education workshops and seminars. Much of our success has been due to our strong partnerships throughout the state and the world. Our close working relationship with public and private entities such as DECD, U.S. Dept. of Commerce, MTI, Maine MEP, SBDC, SBA, FAME, Maine Dept. of Agriculture, MAME, FoodExport USA, the Softwood Export Council, and many others all make our programs and delivery of services achievable the Maine way – coordinating limited resources with a lot of hard work.

Our energized and invigorated staff are excited about our work in 2011 and look forward to welcoming even more growth in 2012!

Sincerely,
Janine Bisailon-Cary

Strategic Planning for the Future

Building on Traditional Areas of Focus	<ul style="list-style-type: none"> • Food and Beverage Products • Wood and Forest Products
Continuing Momentum on Emerging Sectors	<ul style="list-style-type: none"> • Biotechnology/Medical Products • Renewable Energy/Biomass • Advanced Materials
Seizing Opportunities through New Initiatives	<ul style="list-style-type: none"> • International Student Attraction • Foreign Direct Investment

Sampling of additional members

1 Group Inc.
Agritec Americas Corporation
AIKO Biotechnology
Albatrans, Inc.
Allagash International, Inc.
ANANIA & Associates Investment Company LLC
Artel, Inc.
Atlantica Group LLC
Auburn Manufacturing, Inc.
Bangor Region Chamber of Commerce
Bernstein, Shur, Sawyer & Nelson
Bigelow Laboratory for Ocean Sciences
Biovation, LLC
Calendar Islands Maine Lobster Company
Carrabassett Valley Academy
CIEE
Clear H2O
Cozy Harbor Seafood, Inc.
DennyMike's 'Cue Stuff Inc.
Eastern Maine Development Corp.
Elmet Technologies
Everborne Consulting Group
Evolutions in Business
Falcon Performance Footwear
Finance Authority of Maine
Fluid Imaging Technologies
Forest Research, LLC
FutureMetrics
GAC Chemical Corporation
Games That Give, Inc.
Greenhead Lobster
Hancock Lumber
Harbor Technologies
Howell Laboratories
Hydro International
Husson University
Insulsafe Textiles, Inc.
iSagacity, Inc.
Jasper Wyman & Son/Wyman's of Maine
John Bapst Memorial HS
Katahdin Forest Products Co.

TRADE ASSISTANCE

At the Trade Center, we assist Maine businesses in researching new markets, trade regulations, tariffs, logistics and product sourcing. Our staff is committed to providing quality information and practical advice in selecting markets for the State's products and services. Trade Specialists work regularly with the Trade Assistance Manager and her team of research specialist interns to provide members and non-members alike with valuable market research reports to enhance our consulting services. Our five trade specialists respond to over 1200 trade assistance requests and consultations each year covering topics that range from visa requirements to international market opportunities.

The trade specialist team has both industry and regional expertise. Each trade specialist holds industry specific knowledge covering a broad range of the industries contributing to the economy of the state of Maine from wood products and information technology to composite materials and biotechnology. To better serve the state's top trading partners both a Canada Desk and an Asia Desk were established. Each of our desk directors have extensive in market experience and language knowledge.

Our trade specialists and trade assistance research team have expertise that spans the globe. The staff is continuously up to date on the latest regulations and business trends. They have lived, studied or worked abroad and have mastery of languages including French, German, Polish, Turkish, Chinese and others.



TRADE EDUCATION PROGRAMS

In addition to MITC's trade assistance and consulting, the Trade Center holds 12 to 16 trade and international business education programs each year. MITC programs are designed to educate Maine companies in all areas of trade. Featuring experts from industry, government and academia, our programs offer up-to-date information on topics of importance to our membership and internationally active companies in Maine.

Each year we hold programs in Southern Maine, Greater Bangor and Central Maine attracting nearly 700 participants from across the State. In 2011 the Trade Center education programs spanned topics from Asia focused global logistics, cooperative opportunities for Maine and Atlantic Canada, an educational program on women working in global leadership, and two back to basics programs, one export focused and one import focused. We also held event relevant programs on the economies of Chile

and Brazil and a program on how businesses can maximize their productivity and output at domestic and international trade shows.

MITC programs are developed with careful planning. The Trade Center staff and board collectively sort through and settle on topics based on membership and attendee feedback, trade assistance request trends and projected market growth interest.

"As we continue to grow our international presence, MITC has been an important resource for us when faced with unique obstacles. Their staff has provided thorough research and otherwise hard to find data that has helped Stonewall Kitchen reach new global markets."

Carol Deeney, Stonewall Kitchen, York

- **566 Trade Assistance requests met**
- **662 Company outreach meetings**
- **677 attendees at MITC Education Programs**



"Exports now represent 25-30% of our annual sales volume, which means I need to have access to the most current and up-to-date export information, data, trends and regulations. Attending the MITC educational programs has proven very helpful, especially with regard to INCOTERMS and issues relating to export documentation."

Abbey Robey, Xuron Corporation, Saco

Sampling of additional members

Kenway Corporation
 Angus King
 LaBree's Bakery
 LaCasse & Weston, Inc.
 Lee International
 Lewiston Auburn Economic Growth Council
 Lighthouse Imaging Corp.
 Linda Bean's Maine Lobster
 Longfellow's Cedar Shingles
 Mad Gab's
 Maine Coast Shellfish
 Maine Line
 MariCal
 Mathews Brothers Co.
 Mega Industries LLC
 Micro Optix Technologies, LLC
 New England Castings
 Northern Maine Development Commission
 Nova Seafood
 Oak Island Seafood
 Packgen
 Christopher Paradis
 Partners Creating Wealth
 Planet Dog
 Portland Regional Chamber
 Portland Shellfish Company
 Preti Flaherty Beliveau and Pachios, LLP
 Priority Group LLC
 Raye's Mustard
 Ready Seafood
 Robbins Lumber
 Rynel, Inc.
 Saunders Electronics
 Savage Safe Handling
 Schlumpf USA, Inc.
 Sea Bags
 SGC Engineering
 Shipyard Brewing Company
 Soleras Ltd.

Sampling of additional members

Songo River Group
SPX Communication Technology
Stonewall Kitchen
Strainrite Companies/Lapoint Industries
SuriPaco, LLC
Syris Scientific
Talon Industries, LCC
Target Technology Center
Tempshield, Inc.
The Landing School
The Ocean Renewable Energy Group
Thornton Academy
Tilson Technology
Timber Resource Group
Tomah Water, LLC
Town of Waterboro
Trillium Diagnostics
Unity College
University of Maine
University of Southern Maine
U.S. Department of Commerce
Volk Packaging Corporation
Walsh Transportation Group, Inc.
Washington County Community College
Xuron Group
Yale Cordage
Yarmouth Research & Technology
Zumsport

TRADE MISSIONS

Each year MITC organizes a large trade mission, often with the governor, as well as smaller industry-based missions. Trade Missions provide one-on-one meetings with potential foreign trade partners and unique networking opportunities. Trade missions are particularly useful for first time exporters or companies that have had difficulty expanding into a particular country or market.

MITC has led trade missions to Europe, Latin America, Canada, and Asia in the past several years and arranges most details of the trips including transportation, translators and pre-qualified business meetings. MITC has a strong relationship with the US Dept. of Commerce's Commercial Services (co-located at most US Embassies), many of the American Chambers of Commerce located abroad, the U.S. Foreign Agricultural Service, and many in-country trade organizations.

During 2011, MITC's staff coordinated and led two State of Maine Trade Missions. The first mission travelled to South Korea in April followed by November's combined mission

to Santiago, Chile and Sao Paulo, Brazil.



The 2011 spring mission to Korea had the dual goals of promoting the state's educational institutions through the StudyMaine program, as well as Maine's renewable energy and advanced materials industries as foreign investment targets. The November Chile-

Brazil mission focused on generating new sales for several mid-sized manufacturers, increasing foreign student enrollment for Maine schools, and bringing more international investment to the state. Trade Missions in 2011 resulted in 153 matchmaking meetings and over \$9.3 million in export sales for Maine businesses.

TRADE MISSIONS 2011:

- 19 Maine companies
- 153 Matchmaking meetings
- Over \$9.3 million in projected sales

TRADE SHOWS 2011:

- 7 Maine companies
- Exposed to over 150 country markets
- 4.5 million in projected export sales

TRADE MISSION SUCCESSES!

Falcon Performance Footwear, an Auburn manufacturer of footwear for the mining industry, found significant potential for their products in South America. Company president Carl



Spang participated in this year's mission to Chile and Brazil, strengthening the company through opening new markets.

"Having a presence at MEDICA made a big difference for a small company like Lighthouse Imaging. We were able to focus on sales and business development without worrying about logistics and other details. It was convenient and cost effective to locate at the Best of New England booth"

Dennis Leiner, Lighthouse Imaging, Portland



2011 MITC Trade Mission and Trade Show Participants:

Artel
Auburn Manufacturing
Bernstein Shur
Bioprocessing Inc.
CIEE
Cozy Harbor Seafood
Falcon Performance Footwear
Global Import-Export Solutions
Halcyon Tidal Hydroelectric
Hebron Academy
Husson University
Hydro International
Invest In Maine
John Bapst Memorial High School
Lee Academy
Lighthouse Imaging
Little Bay Seafood, LLC
The Lobster Company
Maine Central Institute
Mathews Brothers
Mega Industries
Shucks Maine Lobster
Southworth International Group
Tex Tech Industries
University of Southern Maine
Yale Cordage



TRADE SHOWS

In addition to the trade missions, MITC coordinates participation at several industry specific international trade shows. These shows provide an excellent opportunity to meet potential customers and gain valuable market insight. In 2011 MITC and Maine companies jointly participated in two trade shows.

Serving as an activity coordinator with FoodExport USA, MITC staff recruited for and helped to coordinate participation in a focused trade mission to Southeast Asia, culminating with the participation of 4 Maine seafood companies at the Asian Seafood Exposition in Hong Kong.

MITC also brought Maine's growing biotechnology and medical device manufacturers to exhibit at the world's largest medical tradeshow, MEDICA 2011 in Duesseldorf, Germany. From November 16 through 19, several of Maine's top biotechnology and medical device manufacturers were on display to professionals from over 100 countries at the "Best of New England" booth.

MAINE INTERNATIONAL TRADE DAY

The Maine International Trade Center hosted the 31st Annual Maine International Trade Day on May 20, 2011 at the Marriott at Sable Oaks in South Portland, Maine. This year's program, *The World in 2020: Emerging Markets for Growth* featured:

International Trade and Investment Awards for 2011:

Exporter of the Year:

Cozy Harbor Seafood, Portland

International Service Provider of the Year:

CIEE - Council on International Educational Exchange,
Portland

International Innovator of the Year:

Artel, Westbrook

International Investor of the Year:

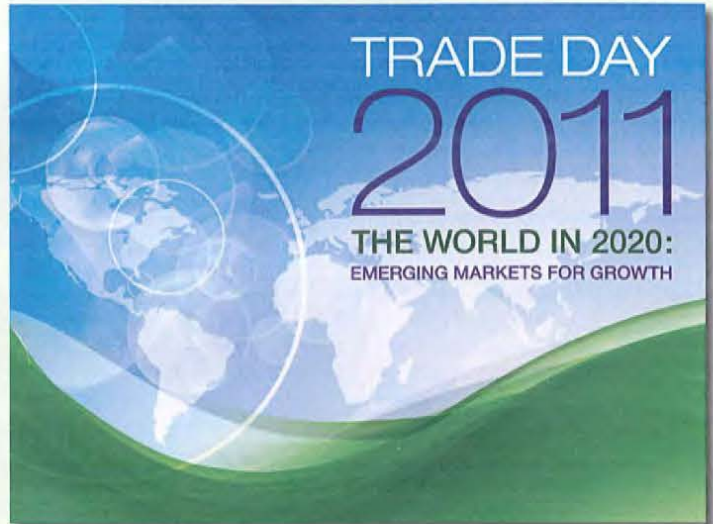
Sappi Fine Paper North America, Skowhegan, Westbrook

President's Award:

John Gulliver, Pierce Atwood, Portland

Future Global Leader Award:

Agnieszka Carpenter



Presentation by Rich Brooks, founder and President of flyte new media

"Successes and Challenges in Emerging Markets"
Panel discussion

Keynote address by Allan Sloan, Senior Editor at Large
for *Fortune Magazine*

Afternoon breakout sessions:

- China Trade and Investment session
- One on one meetings with international consulate and trade offices

LEGISLATIVE AND PUBLIC POLICY OUTREACH

During 2011, MITC held Legislative Roundtables for state legislators in Lewiston and Augusta. These roundtables provided an informal opportunity for internationally active businesses, Trade Center members, and MITC's board and staff to meet with their local legislators and highlight the importance of international trade to the Maine economy as well as Maine's businesses and communities. In all, 33 legislators participated in the roundtables, representing districts all over the state. In addition, MITC remained an active member of the Maine Citizens Trade Policy Commission (MCTPC). Together, these initiatives served to further enhance MITC's commitment to educate the public and policy makers as to the importance of international trade to Maine businesses.



FOREIGN DIRECT INVESTMENT

The Maine International Trade Center has worked throughout 2011 to develop Foreign Direct Investment through its *Invest in Maine* program. The *Invest in Maine* initiative is designed to attract foreign direct investment (FDI) dollars to Maine by attracting capital infusions to growing Maine companies and by increasing industrial capacity by encouraging development of new operations in Maine. Trade Center staff along with Foreign Direct Investment Attaché, Annette Bossler, work continuously to develop and grow this program.



Maine's excellent workforce, natural resources, and creative entrepreneurship has attracted over 100 foreign investors to the state. Maine's geographic location is valued due to its same-day access to a highly concentrated and relatively affluent population of over 55 million throughout the Northeast as well as its proximity to key metropolitan markets such as New York City, Boston, and Montreal. The Invest in Maine program has coordinated 27 overseas meetings with foreign investors throughout Europe, Asia and Latin America in 2011 and hosted nine investor-company visits in Maine in the course of the year. Invest in Maine operations have already resulted in joint venture operations in the composites and advanced materials sectors, as well as trade opportunities.

MITC president Janine B. Cary is working closely with Maine's EB-5 Visa and Permanent Resident Investment international marketing efforts including the USA Lifestyles EB-5 program in Androscoggin County announced in Fall 2011, and other pending programs.

2011 STATISTICS

Export Markets

Description	Annual 2010	Oct 2010 YTD	Oct 2011 YTD	% change 2010 - 11
Total All Partner Countries	\$3,163,991,540	\$2,579,486,889	\$2,990,208,708	15.9%
Canada	\$1,043,224,037	\$872,459,163	\$959,551,521	9.9%
Malaysia	\$849,686,284	\$666,869,325	\$837,597,683	25.6%
China	\$333,297,127	\$283,968,311	\$230,304,702	-18.9%
United Kingdom	\$59,213,034	\$50,886,554	\$115,235,919	126.4%
South Korea	\$98,717,075	\$70,961,577	\$114,177,198	60.9%
Japan	\$87,786,993	\$69,373,414	\$86,034,147	24%
Netherlands	\$109,358,234	\$85,592,515	\$80,745,782	-5.6%
Singapore	\$25,351,423	\$15,953,485	\$63,848,622	300.2%
Belgium	\$46,098,992	\$39,474,385	\$54,859,354	38.9%
Germany	\$57,510,233	\$41,783,430	\$51,124,178	22.3%

Export Commodities:

Description	Annual 2010	Oct 2010 YTD	Oct 2011 YTD	% Change 2010 - 11
Total all commodities	\$3,163,991,540	\$2,579,486,889	\$2,990,208,708	15.9%
Electric Machinery Etc; Sound Equip; TV Equip; Pts	\$926,157,546	\$730,522,451	\$898,010,788	22.9%
Paper & Paperboard & Articles (Inc. Paper Pulp Artl)	\$405,753,766	\$344,614,734	\$342,156,941	-0.7%
Fish, Crustaceans and Aquatic Invertebrates	\$287,852,093	\$237,136,656	\$259,092,645	9.2%
Wood Pulp Etc; Recovd (Waste & Scrap) Paper & Paperboard	\$324,675,757	\$271,241,684	\$254,756,995	-6%
Aircraft, Spacecraft, and Parts Thereof	\$103,690,732	\$58,562,689	\$215,280,015	267.6%
Wood And Articles of Wood; Wood Charcoal	\$221,455,474	\$184,512,415	\$168,269,388	-8.8%
Industrial Machinery, Including Computer	\$150,474,405	\$130,039,103	\$104,671,472	-19.5%
Miscellaneous Chemical Products	\$85,670,963	\$66,971,841	\$63,226,814	-5.5%
Vehicles, Except Railway or Tramway, and Parts Etc	\$73,607,544	\$61,726,881	\$62,731,903	1.6%
Optic, Photo Etc, Medic or Surgical Instruments Etc	\$72,700,114	\$58,463,145	\$57,185,274	-2.1%

2011 Benchmarks

Year Review: Program Stats	FY2009	FY2010	FY2011
Number of programs	16	13	15
Total number of attendees	686	612	677
Year Review: MITC Membership	FY2009	FY2010	FY2011
Members	303	286	278
Year Review: Consulting/Research	FY2009	FY2010	FY2011
Total number of Inquiries	1207	1288	1228
Year Review: Trade Missions & Shows	FY2009	FY2010	2011
Number of trade missions & shows	3	3	4
Participants in trade missions & shows	22	24	26
Total dollars in reported sales	\$9.8 mil	\$23.75 mil	\$13.8 mil

STUDY MAINE

LIBRARY USE ONLY

MITC created the StudyMaine initiative in 2009 to proactively market the state's educational institutions to students worldwide. The consortium consists of fifteen schools from all across Maine, at both the high school and university levels.

International students contributed over \$30 million to Maine's economy last year and international student attraction is a growing economic sector in the state. The consortium markets itself through **StudyMaine.net** which is an interactive web directory of Maine schools and the many programs they offer. MITC channels international interest to the website through its affiliation with **StudyUSA.org**, international advertisements placed through **Facebook.com**, and producing hard-copy multilingual brochures on StudyMaine as part of all its State of Maine trade missions. MITC holds at least one StudyMaine educational program per year to educate Maine's educational institutions about international growth markets, marketing trends, and best practices. MITC also organized an educational trade mission to South Korea in April 2011 with four institutions participating. All educational institutions that participated in the South Korea mission connected with potential agents and partner schools and many secured new South Korean students for the next academic year.



FOREST PRODUCTS

One of the backbones of the state's economy, forest products—including pulp and paper remains a firm focus for the Trade Center. In 2010, Maine's Pulp, Paper and Wood Industries exported over \$730 million of products across the world with Canada, Asia and Europe at the top of the list of export markets.

The Trade Center has established excellent relationships in the industry across the state. Additionally, MITC has a long standing relationship and provides matching funds to the US Softwood Export Council (SEC), a national program that provides marketing grants to support U.S. companies in their

wood products exports. MITC coordinated business development missions for Maine wood products companies in China, the United Arab Emirates, and Japan in 2011. MITC also is an active participant in the Pulp & Paper Foundation's annual meeting at the University of Maine and the Forest Bioproducts Research Institute.

SEAFOOD/FOOD PRODUCTS:

Seafood and food products have been a cornerstone of Maine's exports and will remain so well into the future. Our seafood industry grew exports by 59% in 2010, to \$287 million. Lobsters alone had an export increase of 64%, while other value added food product exports (beverages, blueberries, potatoes, processed foods) continued to rise. Seafood exports have increased nearly 5 times their 2010 levels to mainland China and Hong Kong.

MITC, through an MOU with the Maine Department of Agriculture, acts to promote and to coordinate Food Export's programs and services to companies within the state and serve as the primary day-to-day contact person and the official recipient of Food Export program information and results. These groups' services allow MITC to provide marketing monies and business matchmaking services to food and seafood companies participating in overseas trade shows and missions.



World Map of Maine Businesses' Global Trading Partners



Contact the Maine International Trade Center



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MAINE INTERNATIONAL TRADE CENTER

Global Resources. Local Expertise.