

NEW MEXICO

ECONOMIC DEVELOPMENT

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EDD Helps N.M. Businesses Go Global

upcoming trade shows in Hong Kong, Paris

SANTA FE, N.M. – New Mexico is recruiting small businesses who want to go global and attend upcoming trade shows.

From food and beverages to outdoor equipment and electronics, the New Mexico Economic Development Department has been successful in connecting small and medium-sized businesses with buyers in many countries in the Americas, Asia, Europe, the Middle East and Africa through organized international trade missions and participation in trade exhibitions.

There is more to come with four trade shows later in 2019 for companies who want to market their products and network with foreign buyers.

Global Trade is one of the industries identified by Gov. Michelle Lujan Grisham as a path to economic diversification in New Mexico. New statistics indicate that Global Trade supports 212,000 jobs in the state with trade-related industries growing four times faster than the rest of the economy, according to the Business Roundtable.

Cabinet Secretary Alicia J. Keyes of the Economic Development Department said the International Trade Office can offer expertise and connections to help small business owners who have a product that might be appealing globally.

“Global trade can no longer be ignored,” said Alicia J. Keyes. “Even small family owned businesses can benefit from these markets. We have the tools and the expertise to help those who want to take their products and expand their reach outside the United States.”

As one example, the [Office of International Trade](#) Director, [Edward Herrera](#) helped three small companies -- Ergo, Wicked Edge and Santa Fe Stoneworks -- bring their unique merchandise to the Outdoor Classics Show in Nuremberg, Germany, one of the most attended in the world for outdoor products.

The Moriarity-based Ergo has developed a specialized small-arms grip for military and

law enforcement uses. Wicked Edge of Santa Fe is marketing a lasting-edge knife sharpening system that has also been adapted by reed musicians. Santa Fe Stoneworks is known for its hand-made stone-inlay knives sought by collectors, chefs and outdoor enthusiasts.

All the firms are family owned and were able to find foreign customers at the Nuremberg show, said Herrera. "The results have been stunning and have come as a direct result of their continued presence at the major outdoor recreation exhibitions in Las Vegas and Nuremberg, Germany."

The New Mexico Economic Development Department has received an award from the U.S. Small Business Administration under the State Trade Expansion Program (STEP) to assist eligible small businesses in New Mexico export overseas.

Herrera said the Economic Development Department can assist businesses through the SBA STEP Grant with the cost of a trade booth as well as with the shipping of merchandise for the shows. Airfare, meals and lodging are not covered by the grant and are therefore at the exhibiting company's expense.

Herrera said the SBA STEP Grant can also pay for matchmaking meetings organized by the U.S. Department of Commerce under the Gold Key Service. The service organizes meetings on behalf of U.S. companies with qualified overseas importers and distributors.

Sometimes marketing abroad takes a little bit of courage, and Herrera points to issues over currency, trademarking, licensing, language and customs. Herrera has served as a liaison on these issues, connecting businesses in New Mexico with translators and service providers as well as distributors in foreign countries.

Other success stories from the state are Private Label Select in Taos, which manufactures natural and organic lip balm, salves and baby products, and has been able to partner with a company in China for distribution throughout Asia. Old Wood, based in San Miguel County, now sells wood-flooring products in Japan, Kuwait, Dubai and Singapore.

The main advice Herrera tells business owners wanting to export is to be patient. Most cultures rely on individual relationships and an owner or representative may have to return to a country more than once in order to prove to buyers they have a commitment to the market.

"There are always cultural issues. My job is to meet with companies to help them navigate linguistic, cultural, commercial and potential legal barriers," said Herrera, who speaks French, Spanish, Portuguese, German, Italian, Greek, Arabic and Japanese.

Part of the administration's efforts in the area of global trade include upcoming trips by Cabinet Secretary Keyes to Taiwan and Germany to meet with those seeking direct investment in New Mexico.

With uncertainty in Europe over Brexit, the United States is looking more appealing to Asian and European investors seeking to diversify and grow their global footprint.

Upcoming opportunities for businesses include:

- The Hong Kong Food Show, August 15 -19 at the Hong Kong Trade Convention and Exhibition Centre with a focus on food and beverage products unique to New

Mexico.

- The Access Asia Trade Mission, August 19-28, to Jakarta, Indonesia, Singapore, Kuala Lumpur and Malaysia to promote environmental, wood flooring materials, and high technology products.
- The Access Asia II Trade Mission Oct. 1-9 to Taipei, Taiwan and Tokyo and Osaka, Japan to showcase aviation, high technology and scientific instrumentation products.
- The Access Latin America Trade Mission, Oct 21-30 to Lima, Peru; Santiago, Chile and Buenos Aires, Argentina with a focus on environmental products, mining equipment, tools, electronics and software.
- European Utility Week, Nov. 12-14, in Paris, France to promote renewable energy technologies, solar arrays, wind, energy storage and smart grids.

Eligible small business concerns in New Mexico whose products consist of at least 51% domestic content can receive assistance under the U.S. Small Business Administration's STEP Grant program. The assistance grants go to the Department of Commerce Gold Key Service matchmaking services so company participants can meet with screened and qualified distributors in the targeted markets. New Mexico companies will also receive assistance with logistics and planning for the trade missions as well as marketing advice.

For more information on these events contact Edward Herrera of the [New Mexico Economic Development Department International Trade Office](#), Edward.herrera@state.nm.us or 505-827-0315

New Mexico Trade Facts – from Business Roundtable

- N.M.'s top market for export goods are Mexico, China and Saudi Arabia with its top market for services in the United Kingdom.
- In 2017, N.M. sold products to 159 countries and territories and exports accounted for 6.4 percent of NM GDP.
- Top exports of goods are semiconductors and components; computer equipment; fabricated metal; medical equipment and supplies; and communications equipment. The top services are travel; R&D testing services; film and television distribution.
- Foreign-owned companies in N.M. employed about 18,000 workers in the state with the most firms based in Canada, Germany, France, the United Kingdom and Japan.

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