The Global Market Development Program

Harness the synergism of a $7.2 trillion global marketplace and the world's most readily accessible mass communication medium!

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A Strategic Paradigm for 21st Century Commerce…

Based on the latest US economic statistics and the *World Economic Outlook* database (a global economic survey published by the International Monetary Fund); in 1998, the United States represented 20.9 percent of the world's economic power and just 4.6 percent of its population. These statistics are supported by the Central Intelligence Agency's annual assessment of global economies and the US Census Bureau's world population projections for 1999. Inverting this data reveals that 79.1 percent of global economic power and 95.4 percent of the world's inhabitants are based outside of the United States. There is no more effective way, from the vantage of US business – and, relative to economic power, the figure is considerably higher from the business perspective of any other country – to present the significance of international commerce. Stated simply, we are hurtling toward a future in which nearly all business will be affected by global trade to a far greater extent than ever before experienced. Although a vision the evolution of electronic commerce is destined to fulfill, the transition period during which eCommerce develops to achieve its ultimate potential represents an extraordinary opportunity for your company to gain unparalleled advantages over its competition while securing unprecedented growth and prosperity well into the 21st century.

If you could expand your company's markets, increase earnings by margins ranging from 7.7 to 9.6 percent on the net profit of exported merchandise (US companies only), assure increased growth, enhance future security and much more all in one fell swoop – would you be interested? You can! …imagine gaining access to the global marketplace [having an aggregate value exceeding $7.2 trillion (UK billion) in 1999!], while possessing an unrivaled awareness of the markets most receptive to your company's products, the industry or product sector activity of those markets, the distributors handling imports for that sector within the market, and a level of insight into the most current market data and latest market trends superior to that available to the market's domestic suppliers. This is neither a scam nor flight of fantasy, and I make no allusion that such things will occur overnight; but they are possible and can open, yet unimagined, doors to your company's future expansion into new markets!

I have worked diligently for over five years developing the most powerful business paradigm possible – **the Global Market Development program.** In essence, it's a strategic marketing program incorporating a diverse array of highly specialized tools and strategies implemented to enable companies, primarily non-monolithic manufacturers and wholesalers of general merchandise (durable and nondurable goods) – it's ideal for any company not paralyzed by its own size, making it perfect for small to medium-sized enterprises (SMEs, companies with fewer than 500 employees), and not exclusive to US companies – to harness the enormous marketing potential created through the synergism of information technology, the world's most readily accessible mass communication medium and international commerce.

The key is synergism, the interaction of two or more forces so that the combined effect is greater than the sum of their individual potential. Consider being empowered to consolidate extraordinary insight into international markets with the $7.2 plus trillion annual marketing potential of global commerce and a mass communication medium accessed by 179 million worldwide users (based on Nua Ltd.'s projections as of June '99) – in total, a synergism representing market potential beyond the cognizance, let alone marketing strategies and access, of any and all competitors!

The Global Market Development program is ahead of its time, and represents a new marketing paradigm leading the direction in which 21st century business will evolve. It's the result of inspiration and intense effort on three distinctly different fronts; information technology, electronic commerce and international trade – each of which provide the potential to implement highly innovative strategies in place of what are typically voids in the marketing efforts and expertise of most companies. While the development associated with each arena is extraordinary on its own merit, combined into a cohesive multichannel strategy capable of seamlessly integrating global and electronic marketing, it's incomparable to any previously existing business model.

If more than $7.2 trillion in global trade opportunities are too abstract to be viewed in the context of the future goals of your company, accept that perspective as the macrocosm of international commerce; viewed in this way it's easier to understand that global market data can be peeled away layer-by-layer to reveal the specifics of market activity most relevant to a particular company's goals. This information ranges from an overview of trade activity involving entire geographic regions or multilateral trade alliances (e.g., South America, Asia-Pacific Economic Cooperation, or European Union, etc.) to details on the activity of a particular country (or even port); and from a broad perspective of related industry or product sectors to a detailed analysis of a particular commodity, specific company, or any combination of these elements. Doing this requires culling from the millions of documents supporting and facilitating the entire spectrum of global commerce, those best able to provide a solid base for the market or product-specific analysis and insight necessary to establish the parameters of the microcosm in which a company is able to execute its international marketing strategies – the more thoroughly and precisely that microcosm is defined, the more effective (and successful) a company will be in executing those strategies in international markets. These many elements of data can be thought of as puzzle pieces, some representing a considerable investment of resources (e.g., securing conformance certification to ISO 9000 series standards for better access to markets of the European Union); once they are sorted, they can be carefully matched and precisely fit together to construct extraordinary windows of opportunity that are often without parallel in more conventional marketing.

The increasing economic interdependence of global markets is shaping a future in which the GDP data of individual countries analyzed in conjunction with import statistics will prove an effective barometer of the total product or industry-specific potential of markets. The Global Market Development program provides access to a marketing perspective incorporating that all-inclusive view of world markets. The Gross World Product projected for 1999 is $43.6 trillion; those projections indicate that the major industrial countries, often called the Group of Seven (G-7 consists of Canada, France, Germany, Italy, Japan, United Kingdom, and the United States) will account for 45.4 percent of the GWP. Based on midyear projections for 1999, the 686.7 million inhabitants of G-7 countries will represent just 11.5 percent of the world's population.

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In addition to empowering a company to tap into a current market potential measured in trillions of dollars, among the more pragmatic program advantages is providing a viable means of consolidating real world and cyberspace marketing strategies/efforts. When few companies are realizing substantial returns on resources invested in online marketing, this intrinsic program benefit can improve the bottom line for many enterprises harboring expectations that eCommerce will drive future company growth.

Another important factor to consider is that archivists estimate the collective body of human knowledge is doubling every two to four years; while such estimates vary from twelve months to seven years, they consistently indicate the cumulative growth of knowledge is accelerating at the most dramatic rate in the history of humankind. In view of the difficulty of maintaining a presence at the forefront of technology as related to industry-specific or company goals (for the vast majority of firms); to avoid being swept away by obsolescence in the wave of progress it is a survival imperative to effectively integrate the advantages of information technology to enhance a company's strategic knowledge base and overall market posture. The advantages of assimilating new technology in manufacturing are firmly established; as the majority of that newly acquired knowledge originates beyond US borders (of 111,984 US patents granted in 1997, 44.9 percent, or 50,277 were awarded to residents of foreign countries – in 1996, the 174,843 first filings in the US accounted for only 25.5 percent of the 683,874 filed worldwide), one effective strategy for keeping the competitive edge honed is through the technology transfer initiatives of foreign companies, institutions and governments. While competition has assured the application of specialized knowledge to the entire spectrum of marketing strategies, the GMD program raises the bar on that standard. While it may seem an unnecessary abstraction to think of knowledge as a commodity that must be effectively integrated into the company psyche to assure success – a failure to incorporate that strategy into company culture sacrifices the most powerful competitive edge an enterprise can strive to secure for the future.

What companies are most able to benefit from this program?

Of the $8,511.0 billion (UK milliard) US Gross Domestic Product in 1998, 10.8 percent left the economy for merchandise imports, while merchandise exports contributed less than 7.9 percent to the economy. Of 1998's $671.1 billion merchandise export total, 88.7 percent were manufactured goods! As impressive as that may seem, US manufacturers are losing the trade war – the aggregate value of exports of manufactured goods for 1998 was $595.453 billion, the value of manufactured goods imported for US consumption during the same period was $803.384 billion.

The exporter profile developed in the 1997 US Economic Survey revealed that only 17.8 percent of 364,377 manufacturing firms and 14.8 percent of 453,184 wholesale companies exported. Though manufacturers represented only 31 percent of the 209,455 exporting companies, they accounted for 69 percent or $388.5 of the $563 billion in 1997 exports; while wholesalers, representing 33 percent of exporting firms, accounted for only 14 percent of exports by value. Although 202,185 of US exporters (96.5 percent) were SMEs, they accounted for only 31 percent of exports by value.

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In recent years SMEs have taken a lead role in the US economy; they account for over 99 percent of employer firms, employ 52 percent of the private sector work force, account for 51 percent of the private sector output, and generate 47 percent of all sales in the US. However, because they represent over 96.5 percent of all exporters and account for less than one-third (31 percent) of exports by value – the *export gap* they've generated is one of enormous potential. Viewed from that perspective, it's clear that the vast majority of US companies currently exporting are far from maximizing foreign market penetration and could benefit from a decisive edge in achieving that end.

Considering the export gap of SMEs from the perspective that businesses involved in export activities experience 20 percent faster employment growth rates, pay on average 15 percent higher wages, provide 11 percent higher benefits, are 9 percent less likely to go out of business, and are significantly more productive than their non-exporting counterparts (in 1992, the 15.4 percent of US companies that exported accounted for over 39.7 percent of total merchandise sales based on value of shipment!); it becomes clear the necessity of expanding into markets beyond our borders has not yet worked its way into the psyche of US business. Not only is it vital for US companies to become involved in international markets, but due to increasing pressure in both foreign and domestic markets from non-US companies, it's essential that they become more aggressive than the competition – and that they do it smarter!

No companies are better positioned than the small to medium-sized enterprise to exploit the Internet to its fullest potential (one remaining almost totally unrecognized!) in marketing their products; and no other companies are likely to feel greater pressure from international competition. It's time to recognize the importance of taking this conflict to other shores, the Global Market Development program provides the tools for companies to accomplish that while prospering in the process.

The 1997 Economic Survey indicated there were approximately 299,446 manufacturers and 386,158 wholesalers in the United States that did not export! When increasing global competitiveness, opening markets and lowering trade barriers make it a survival imperative to enter the international arena, why are such an overwhelming majority of businesses reluctant to do so?

Other businesses that could benefit substantially from the Global Market Development program are non-US companies. It is essential for companies outside the US to fully assess the potential the United States represents to their strategic marketing goals; done properly, it's one far exceeding the 16.3 percent of the global market value defined by US imports in 1998. As the world's largest market and number one exporter, US 1998 bilateral trade totaled over $2.03 trillion, making American companies a participant in 30.2 percent of all global trade transactions for the year; while Germany, the closest competition accounted for 19.6 percent, other English speaking markets raise the total to over 50 percent. As a result, the US gains access to far more international trade data than any other country in the world; assuring that the Global Market Development program can open doors to markets throughout the world as easily for non-US companies as for domestic firms.

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Export Barriers Faced by SMEs

On September 29, 1998, Secretary of Commerce William Daley presented to a Senate Banking subcommittee *The National Export Strategy* (sixth annual) developed by the interagency Trade Promotion Coordinating Committee (TPCC, comprised of twenty US government agencies tasked with planning and implementing the nation's export expansion efforts), which he heads. In Section II: *Crosscutting Issues* of the report, the subsection *Small Business: A Government-Wide Strategy* summarized export barriers for small businesses (companies with fewer than 500 employees) as follows:

> "There are two principal barriers that prevent small businesses from exporting: **lack of information and lack of access to reasonably priced financing**."

Since providing credit to qualified foreign buyers can be the decisive competitive edge (particularly for small companies), planning to extend credit options is an essential element of any well-considered export strategy. Depending on the type of credit extended, the process can be initiated before being contacted by a potential buyer. It is also vital to recognize the need for, and plan to thoroughly qualify prospective buyers regardless of the type of credit involved. The Global Market Development program incorporates these elements and can provide assistance in securing capital from a wide range of resources including: the Small Business Association, Ex-Im Bank, factoring and forfaiting services, angel networks, counter trade exchanges and non-domestic credit providers that few financial advisors would have the insight to recommend.

eCommerce: Defining Market Potential…

For several years we've seen projections for electronic commerce, I pay these little heed, because from my perspective such projections are based on unsubstantiated speculation. The market potential (both domestic and foreign) is so much greater than what is forecast for eCommerce as to make such projections pale to insignificance. Is that rash? No, not when based on an informed awareness of global commerce.

It's as though proponents of electronic commerce perceive an impenetrable barrier between cyberspace and 3D-space commerce; and while continually referencing the globalization theme, they fail to make any real connection between online commerce and international trade. Well, there are no such barriers (this is not intended to suggest that real trade barriers do not exist), and the connection between domestic economies and international commerce in most markets is nearly seamless – and that applies to eCommerce, as well. In the US that veil was pierced in 1998 through an expanding trade deficit caused by increasing pressures on domestic manufacturers resulting from the lowering prices of goods imported from economically burdened Asian markets and the associated 13.56 percent decline in US exports to Pacific Rim markets.

To demonstrate the transparency of these market barriers, let us suppose that instead of one-week visits to the Colorado Rockies and Disneyworld, an American family opted for a two-week trip to Australia (a recent popular destination). Provided the arrangements were made via the Internet, through an online Australian travel service, all expenses related to the family's vacation would be moneys leaving the US economy.

Below I've provided a breakout of the US Gross Domestic Product for 1997 and 1998 (estimates are based on the final release of fourth quarter 1998 data), the table's detail clearly indicates how money the family above would have spent for services (transportation, housing and other – entertainment, etc.) and nondurable goods (food, clothing and other – gifts, etc.) domestically while on vacation, would instead be divided under imports (hence, leaving the US economy). The concept is the same for any goods or services sold to buyers anywhere in the world provided they're outside of the seller's domestic market. The only difference is that instead of the $8.51 trillion market represented by the US GDP, that of any other country will be smaller; however, the Gross World Product (aggregate GDP for all of the world's markets) for 1998 was estimated at $40.7 trillion by the International Monetary Fund – a figure that defined the market opportunity for any and all products and services.

Gross Domestic Product and Related Measures

Billions of Current Dollars	1997	1998
Gross Domestic Product (GDP)	**$8,110.9**	**$8,511.0**
Personal consumption expenditures	**$5,493.7**	**$5,807.9**
Durable goods	$673.0	$724.7
Motor vehicles and parts	$269.5	$290.5
Furniture and household equipment	$271.4	$292.2
Other	$132.1	$141.9
Nondurable goods	$1,600.6	$1,662.4
Food	$780.9	$815.3
Clothing and shoes	$278.0	$293.8
Gasoline and oil	$126.5	$112.1
Fuel oil and coal	$11.2	$9.6
Other	$403.9	$431.6
Services	$3,220.1	$3,420.8
Housing	$829.8	$877.9
Household operation	$327.3	$338.6
Electricity and gas	$126.2	$122.1
Other household operation	$201.1	$216.5
Transportation	$240.3	$252.7
Medical care	$843.4	$888.2
Other	$979.3	$1,063.5
Gross private domestic investment	**$1,256.0**	**$1,367.1**
Fixed investment	$1,188.6	$1,307.8
Nonresidential	$860.7	$938.2
Structures	$240.2	$246.9
Nonresidential buildings, including farm	$177.3	$184.1
Utilities	$33.5	$34.7
Mining exploration, shafts, and wells	$22.7	$21.3
Other structures	$6.7	$6.8
Producers' durable equipment	$620.5	$691.3
Information processing and related equipment	$206.6	$233.3
Computers and peripheral equipment	$8.1	$95.1
Other	$125.5	$138.3
Industrial equipment	$138.6	$147.0

Transportation and related equipment	$152.0	$175.1
Other	$123.3	$135.9
Residential	$327.9	$369.6
Structures	$319.9	$361.1
Single family	$164.4	$187.3
Multifamily	$22.6	$24.4
Other	$132.8	$149.4
Producers’ durable equipment	$8.0	$8.5
Change in business inventories (CBI)	$67.4	$59.3
Farm	$4.3	$6.7
Nonfarm	$63.1	$52.7
Manufacturing	$21.4	$20.9
Wholesale trade	$23.3	$20.1
Retail trade	$7.3	$3.0
Other	$11.0	$8.7
Net exports of goods and services	**($93.4)**	**($151.2)**
Exports	$965.4	$959.0
Goods	$688.3	$680.8
Foods, feeds, and beverages	$51.5	$46.1
Industrial supplies and materials	$152.5	$142.5
Capital goods, except automotive	$295.3	$301.2
Automotive vehicles, engines, and parts	$74.0	$72.3
Consumer goods, except automotive	$77.4	$79.6
Other	$37.5	$39.1
Services	$277.1	$278.2
Imports	$1,058.8	$1,110.2
Goods	$888.3	$932.4
Foods, feeds, and beverages	$39.7	$41.3
Industrial supplies and materials, except petroleum and products	$135.4	$142.7
Petroleum and products	$71.8	$51.2
Capital goods, except automotive	$254.2	$270.4
Automotive vehicles, engines, and parts	$140.8	$150.3
Consumer goods, except automotive	$193.0	$215.6
Other	$53.4	$61.0
Services	$170.4	$177.8
Government consumption expenditures and gross investment	**$1,454.6**	**$1,487.1**
Federal	$520.2	$520.6
National defense	$346.0	$340.4
Consumption expenditures	$306.3	$301.5
Gross investment	$39.7	$38.9
Nondefense	$174.3	$180.2
Consumption expenditures	$154.2	$159.6
Gross investment	$20.1	$20.7
State and local	$934.4	$966.5
Consumption expenditures	$758.8	$789.1
Gross investment	$175.6	$177.4

Source: US Bureau of Economic Analysis, Gross Domestic Product: Fourth Quarter 1998 (Final), March 31, 1999

A problematic aspect of electronic commerce is its inability to be quantified, measured or tracked in any meaningful way (that is, in a manner able to be exploited by companies intent on gaining a significant marketing advantage). While there is nothing to be done about that, recognizing the more highly detailed perspective and far greater potential of markets accessible through the Global Market Development program provides your company a viable means of overcoming the vagaries of eCommerce.

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The following table provides an overview of 1998 bilateral US merchandise trade (exports and imports) at the two-digit (chapter level) Harmonized System commodity designations. As we are continually confronted with statistics, it's sometimes difficult to recognize those most relevant to our goals; however this table provides what amounts to a product/industry sector breakout of over $1.6 trillion in commerce relative to the US market! Although among the most basic tools of international commerce, to date it has no counterpart in electronic commerce; so unlike online marketing, international trade requires no leap of faith because trade transactions (imports and exports) of every country are closely monitored and tracked by various government agencies on either side of those transactions.

US Merchandise Trade 1998: World

HS Chapter	Commodity Description	Exports FAS Value ($1,000)	Imports C.i.f. Value ($1,000)
	All commodities	$680,474,248	$944,642,402
01	Live Animals	$683,089	$1,765,203
02	Meat And Edible Meat Offal	$5,907,317	$2,544,238
03	Fish And Crustaceans, Molluscs And Other Aquatic I	$2,001,627	$7,092,970
04	Dairy Produce; Birds' Eggs; Natural Honey; Edible	$723,540	$1,031,064
05	Products Of Animal Origin, Nesoi	$386,029	$481,344
06	Live Trees And Other Plants; Bulbs, Roots And The	$305,020	$1,262,353
07	Edible Vegetables And Certain Roots And Tubers	$1,879,286	$2,905,834
08	Edible Fruit And Nuts; Peel Of Citrus Fruit Or Mel	$3,804,647	$4,078,379
09	Coffee, Tea, Mate And Spices	$502,996	$3,992,480
10	Cereals	$10,213,142	$985,871
11	Milling Industry Products; Malt; Starches; Inulin;	$456,703	$285,076
12	Oil Seeds And Oleaginous Fruits; Miscellaneous Gra	$6,371,653	$941,834
13	Lac; Gums; Resins And Other Vegetable Saps And Ext	$230,649	$664,508
14	Vegetable Plaiting Materials And Vegetable Product	$28,407	$52,143
15	Animal Or Vegetable Fats And Oils And Their Cleava	$2,782,790	$1,607,201
16	Edible Preparations Of Meat, Fish, Crustaceans, Mo	$804,312	$1,902,941
17	Sugars And Sugar Confectionary	$652,555	$1,696,908
18	Cocoa And Cocoa Preparations	$466,087	$1,754,913
19	Preparations Of Cereals, Flour, Starch Or Milk; Ba	$1,335,074	$1,572,535
20	Preparations Of Vegetables, Fruit, Nuts, Or Other	$2,196,764	$2,555,121
21	Miscellaneous Edible Preparations	$2,326,620	$1,087,641
22	Beverages, Spirits And Vinegar	$1,701,236	$7,081,340
23	Residues And Waste From The Food Industries; Prepa	$3,989,198	$675,239
24	Tobacco And Manufactured Tobacco Substitutes	$6,309,453	$1,304,109
25	Salt; Sulfur; Earths And Stone; Plastering Materia	$1,536,271	$2,427,331
26	Ores, Slag And Ash	$1,106,222	$2,268,185
27	Mineral Fuels, Mineral Oils And Products Of Their	$10,108,212	$62,266,779
28	Inorganic Chemicals; Organic Or Inorganic Compound	$5,293,924	$6,326,805
29	Organic Chemicals	$16,820,309	$20,336,038
30	Pharmaceutical Products	$7,552,891	$8,990,659
31	Fertilizers	$3,282,071	$1,755,171
32	Tanning Or Dyeing Extracts; Tannins And Derivative	$3,611,876	$2,575,973
33	Essential Oils And Resinoids; Perfumery, Cosmetic	$3,492,183	$2,316,376
34	Soap Etc.; Lubricating Products; Waxes, Polishing	$1,993,275	$1,210,511
35	Albuminoidal Substances; Modified Starches; Glues;	$1,195,332	$1,153,814
36	Explosives; Pyrotechnic Products; Matches; Pyropho	$309,537	$272,467
37	Photographic Or Cenimatographic Goods	$2,670,053	$2,520,369
38	Miscellaneous Chemical Products	$9,500,546	$3,676,730
39	Plastics And Articles Thereof	$22,661,283	$15,785,221
40	Rubber And Articles Thereof	$6,163,151	$9,634,829
41	Raw Hides And Skins (Other Than Furskins) And Leat	$1,992,832	$1,162,914
42	Articles Of Leather; Saddlery And Harness; Travel	$573,167	$6,117,478

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43	Furskins And Artificial Fur; Manufactures Thereof	$260,664	$252,244
44	Wood And Articles Of Wood; Wood Charcoal	$5,864,214	$14,018,493
45	Cork And Articles Of Cork	$69,199	$174,830
46	Manufactures Of Straw, Esparto Or Other Plaiting M	$19,825	$319,819
47	Pulp Of Wood Or Other Fibrous Cellulosic Material;	$3,484,775	$2,579,099
48	Paper And Paperboard; Articles Of Paper Pulp, Pape	$10,447,652	$13,554,100
49	Printed Books, Newspapers, Pictures And Other Prin	$4,430,803	$3,048,261
50	Silk, Including Yarns And Woven Fabrics Thereof	$25,144	$304,007
51	Wool And Fine Or Coarse Animal Hair, Including Yar	$130,872	$489,862
52	Cotton, Including Yarns And Woven Fabrics Thereof	$3,857,343	$2,051,659
53	Vegetable Textile Fibers Nesoi; Yarns And Woven Fa	$22,969	$223,152
54	Manmade Filaments, Including Yarns And Woven Fabri	$2,014,521	$2,076,354
55	Manmade Staple Fibers, Including Yarns And Woven F	$1,446,042	$1,269,675
56	Wadding, Felt And Nonwovens; Special Yarns; Twine,	$1,017,004	$755,878
57	Carpets And Other Textile Floor Coverings	$859,552	$1,167,755
58	Special Woven Fabrics; Tufted Textile Fabrics; Lac	$619,689	$557,630
59	Impregnated, Coated, Covered Or Laminated Textile	$1,152,591	$689,767
60	Knitted Or Crocheted Fabrics	$608,575	$834,954
61	Articles Of Apparel And Clothing Accessories, Knit	$3,674,757	$22,423,952
62	Articles Of Apparel And Clothing Accessories, Not	$4,645,513	$29,185,204
63	Made-Up Textile Articles Nesoi; Needlecraft Sets;	$1,079,931	$3,609,994
64	Footwear, Gaiters And The Like; Parts Of Such Arti	$850,744	$14,424,977
65	Headgear And Parts Thereof	$101,255	$1,009,646
66	Umbrellas, Sun Umbrellas, Walking-Sticks, Seat-Sti	$13,257	$265,038
67	Prepared Feathers And Down And Articles Thereof; A	$45,031	$1,012,776
68	Articles Of Stone, Plaster, Cement, Asbestos, Mica	$1,180,809	$2,748,605
69	Ceramic Products	$938,392	$3,700,487
70	Glass And Glassware	$3,064,982	$3,726,587
71	Natural Or Cultured Pearls, Precious Or Semiprecio	$11,981,634	$22,690,057
72	Iron And Steel	$4,334,689	$17,588,605
73	Articles Of Iron Or Steel	$8,399,345	$12,465,163
74	Copper And Articles Thereof	$2,024,682	$3,823,874
75	Nickel And Articles Thereof	$533,785	$968,928
76	Aluminum And Articles Thereof	$5,477,081	$8,136,674
78	Lead And Articles Thereof	$161,117	$196,011
79	Zinc And Articles Thereof	$106,585	$1,184,002
80	Tin And Articles Thereof	$89,554	$305,900
81	Base Metals Nesoi; Cermets; Articles Thereof	$953,003	$1,286,030
82	Tools, Implements, Cutlery, Spoons And Forks, Of B	$2,687,923	$4,110,805
83	Miscellaneous Articles Of Base Metal	$2,485,275	$3,926,384
84	Nuclear Reactors, Boilers, Machinery And Mechanica	$136,117,674	$157,140,791
85	Electrical Machinery And Equipment And Parts There	$108,494,865	$129,110,706
86	Railway Or Tramway Locomotives, Rolling Stock, Tra	$1,726,591	$2,188,285
87	Vehicles, Other Than Railway Or Tramway Rolling St	$59,086,498	$126,111,796
88	Aircraft, Spacecraft, And Parts Thereof	$52,384,987	$13,112,605
89	Ships, Boats And Floating Structures	$1,772,972	$1,174,249
90	Optical, Photographic, Cinematographic, Measuring,	$35,796,094	$28,854,620
91	Clocks And Watches And Parts Thereof	$453,534	$3,293,886
92	Musical Instruments; Parts And Accessories Thereof	$429,431	$1,240,903
93	Arms And Ammunition; Parts And Accessories Thereof	$2,528,803	$639,799
94	Furniture; Bedding, Cushions Etc.; Lamps And Light	$5,934,448	$17,766,811
95	Toys, Games And Sports Equipment; Parts And Access	$3,904,625	$18,746,842
96	Miscellaneous Manufactured Articles	$1,190,516	$2,492,560
97	Works Of Art, Collectors' Pieces And Antiques	$2,737,083	$4,031,400
98	Special Classification Provisions, Nesoi	$20,834,022	$26,934,556
99	Special Import Reporting Provisions, Nesoi	NA	$8,526,458

Source: US Bureau of the Census TRADCX 0000 (2/23/99) and TRADCM 0000 (2/24/99)

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The New Electronic Frontier: A Global Perspective

On the cusp of the new millennium no market issues take on a role of greater significance to the future of global economies than those of information technology and electronic commerce. On November 30, 1998 the US Government Working Group on Electronic Commerce *First Annual Report* was released; its most telling finding is implicit in the ultimate acceptance by governments throughout the world of the lead role taken on by the US in developing and implementing the technologies, strategies, principles and policies that establish the infrastructure upon which the futures of communication and commerce are to be based. The US positions on information technology and electronic commerce have been adopted in major international agreements by multilateral and regional organizations throughout the world, including: the World Trade Organization (on May 21, 1999, Estonia received approval to become the 135th member country, official status is pending); Organization of Economic Cooperation and Development (whose 29 members accounted for 57.2 percent of the Gross World Product in 1998); Asia-Pacific Economic Cooperation (18 members); Association of Southeast Asian Nations (after admitting Cambodia on April 30, 1999 – 10 members; European Union (15 members); and Free Trade Area of the Americas (34 members).

As we race toward a future in which information becomes increasingly important, the report on Electronic Commerce portends the enormous economic impact of the coming information age. Between 1995 and 1997, IT industries and electronic commerce accounted for 34.6 percent of real economic growth in the United States. Harnessing information technology is recognized, by leaders and economists throughout the world, an essential element in bringing about significant economic growth in developing nations – even so, the IT gap is ever-widening.

The *1999 IDC/World Times Information Society Index* (released April 5, 1999), a global survey of countries' capacity to access information and effectively utilize Information Technology, reveals that IT growth increased by more than 8 percent worldwide from 1996 to 1997. While the United States remains the world IT leader, a 10 percent growth rate of information infrastructure in Asia-Pacific countries has placed them ahead of Europe in the third annual survey. The top ten 1998 rankings were: the US, Sweden, Finland, Singapore (moving up from the 13th place it held in the previous two years!), Norway, Denmark, the Netherlands, Australia, Japan, and Canada. European countries did not fare as well; the UK dropped from 10th to 14th; Germany remained at 15th; France went from 17th to 19th; and Italy held its position at 23rd.

The ISI examines 55 countries accounting for 77 percent of the world's population, 96 percent of global GDP, and more than 99 percent of world expenditures on information technology. The ISI measures 23 variables associated with the information, Internet, computer and social infrastructures of each country to measure its progress toward developing an economy driven by information technology. ISI findings solidly establish that information technologies are among the most important universally exploitable commodities through which US companies are able to secure a highly significant competitive edge in global markets of the 21st century.

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The Stability of Current US Trade

The third week of each month we hear the latest US trade statistics reported on the evening news, throughout 1998 attention invariably seemed to focus on the expanding trade deficit (the net difference between the value of goods imported and value of those exported). As bad as this is for the world's number one supplier; have you ever wondered how stable global trade actually is? While a difficult question to answer, the fact is that world markets never stop consuming.

In an attempt to quantify this, let's examine the troubled Asian economies we've heard so much about for over a year. We know that Japan, our third largest (by value) export market in 1998, is struggling to recover from its worst recession since World War II; but the recent economic woes have plagued most of the Pacific Rim. First, which countries[1] comprise the Pacific Rim? Australia, Brunei, China, Hong Kong, Indonesia, Japan, Korea, Macao, Malaysia, New Zealand, Papua New Guinea, Philippines, Singapore, and Taiwan.

Note 1:
Hong Kong and Taiwan are officially recognized as dependencies of China by the US Department of State.

In 1997, over 28.5 percent (by value) of all US merchandise exports were shipped to the Pacific Rim. US foreign trade statistics for January-December '98 (revised figures released March 18, 1999) indicate that merchandise exports to Pacific Rim countries were down 13.56 percent as compared to 1997 figures for the same period; remarkably, overall merchandise exports were down only 1.28 percent for the year. However, when total US exports (merchandise and services) are considered, the January-December 1998 total was down just 0.70 percent from 1997.

The Future of Commerce and the New World Order: Free Trade Tips the Balance

Adding even greater significance to the recent realignment of world economic and political powers and continuing evolution of a new world order, are the current and planned development of regional free trade alliances. On January 1, 1999, eleven of the European Union's 15 members (Britain, Denmark, Greece and Sweden are not yet participating in the Economic and Monetary Union), in a bold and decisive step creating the world's second-largest economy and establishing the future implications of that new order, adopted a single monetary unit, the euro, as the official currency of its members (on Monday, January 4, 1999, the euro made its official debut in the Sydney market at a US$1.1747 and closed its first day in New York at US$1.1829). Expansion of the North American Free Trade Agreement into the Free Trade Area of the Americas (34 members), the trade ministers of the western hemisphere plan to have negotiations concluded by 2005 and "agree that concrete progress toward the attainment of this objective will be made by the end of this century". The Asia-Pacific Economic

Cooperation (18 members, including 4 non-regional members) is planned to be implemented among the region's industrialized economies by the year 2005 and for developing economies by 2010.

The synergistic impact of the 63 entities involved in these independent regional free trade alliances will redefine the dynamics of global commerce in the 21st century. For perspective, these 63 markets represented 63.5 percent of the Gross World Product in 1998 and 50.6 percent of world population projected for midyear 1999. It's worth noting that the United States, along with Canada, Chile, and Mexico, as members of both APEC and the future FTAA, are each poised to participate in multilateral free trade agreements with 47 of the 62 (mutually exclusive) trade partners involved in regional alliances – these 47 markets accounted for over 68.6 percent of US exports of merchandise in 1998.

To illustrate the growth potential of regional trade alliances, while US merchandise exports to the rest of the world increased at an average annual growth rate of 6.96 percent between 1993 and 1998 (the NAFTA went into effect on January 1,1994); exports to Canada increased at an average annual rate of 9.0 percent and those to Mexico by 13.67 percent (despite the December 1994 peso devaluation!) – growth rates 33.7 percent higher and more than double the average of other trade partners! Canada and Mexico, our top two export markets, accounted for over one-third (34.3 percent) of US merchandise exports in 1998 – they had represented only 30.6 percent in 1993.

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While the following section on the New Orleans/Louisiana trade scene may otherwise be of little interest, it provides the most effective available way of enabling readers to evaluate my knowledge and views of real trade issues. Of course, the views presented here are but a cursory analysis; yet provide enough insight to shake one's faith in those commissioned to care for the greater interests of a community. Whenever practical, links to online source data are provided to substantiate all conclusions presented.

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The local trade outlook is somewhat dubious…

New Orleans is home to the very first World Trade Center, its origins date back to 1943 and ultimately led to founding the World Trade Centers Association, an organization of more than 300 World Trade Centers in 90 countries throughout the world. The greater New Orleans region (metropolitan statistical area) is extremely fortunate to have three of the nation's top ten ports (ranked by tonnage in 1996: South Louisiana ranked #1, New Orleans at #4, and Plaquemines at #8). These were a likely reason the New Orleans metro area accounted for 63.4 percent of Louisiana's merchandise exports in 1997 (Location of Exporter data series) – despite this it ranked 45th among metropolitan areas by value of export sales! The state perspective is even worse, Louisiana has four of the nation's busiest ports (Baton Rouge was #5) and ranked 30th in 1998 exports of merchandise by value; representing less than seven-tenths of one percent (0.65%) of all US merchandise exports – the District of Columbia, not a state and only 70 square miles (181.3 sq. km.) in area, was 29th!

Unfortunately, for the past decade community leaders and local commerce officials working in conjunction with federal agencies have set a course that is in most ways counterproductive to substantial trade growth. This is most evident in light of efforts to establish a much needed premier trade event in New Orleans; work that has been plagued by a notable lack of vision (a matter of public record). This conclusion is not based on 20-20 hindsight, but rather an evaluation of market potential and the awareness that it's unrealistic to anticipate that any amount of trade growth in Central America and the Caribbean is able to justify directing concerted trade expansion efforts toward those regions while neglecting Mexico and our major trade partners of South America. Let's not forget Canada, Louisiana's number two export market (behind Japan), and top market in the western hemisphere by a factor of more than 3.75 over Mexico, its next largest regional market (based on 1998 Exporter Location Series data). While it could be argued that a nearly as much of Louisiana's trade is conducted with Central American and Caribbean markets as those of South America; that could be the result of long term trade promotion efforts based on a distorted view of market potential. Emphasis on trade growth is best placed where the greatest growth potential exists, a strategy completely ignored in the recent past – unfortunate, because it's just good business sense!

In a city that assures a fundamental awareness of intermodal transportation, local trade experts have embarrassingly overestimated the significance of proximity in relation to international commerce. This was demonstrated by directing trade expansion efforts towards only six of Mexico's thirty-one states – those situated along the Gulf of Mexico (Campeche, Quintana Roo, Tabasco, Tamaulipas, Veracruz, and Yucatan). This was actually a double-barreled blunder, because for Mexico, a country that's politically, culturally, economically and commercially centered in and around Mexico City (which is located approximately 170 miles west of the coast); it also demonstrated a sophomoric awareness of one of our nation's most important trade partners.

Based on Gross Domestic Product by state (1993, latest available data), those six states accounted for less than 11.8 percent of Mexico's GDP; while the Federal District (Mexico City) and surrounding state of Mexico accounted for 37.4 percent of the country's GDP. As indicated in the table below, that strategy was equally flawed from the perspective of both population and number of business establishments. How is it that such a fundamental strategy managed to elude local trade experts?

Comparative View of Mexico City vs. Mexico's Six Gulf States

	Six Gulf States		**Federal District & State of Mexico**	
	1,000 pesos (% of Mexico's 1993 GDP)			
Gross Domestic Product	190,036,378	(11.77%)	604,007,970	(37.40%)
Population	13,916,095		20,196,971	
Business Establishments	215,253		361,866	

Source: Mexico's National Institute of Statistics and Geographic Information (INEGI)

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A forward looking trade promotion perspective developed for the New Orleans metropolitan area should encompass an awareness of both the potential and dynamics of the Free Trade Area of the Americas (planned to be implemented by 2005). However, it should also incorporate a thorough (and realistic) assessment of market potential – in summary, South American markets represent a current aggregate population (midyear 1999) of 343.3 million and a 1998 GDP of $1,501.8 billion; in comparison, Central American and Caribbean markets represent a population of 59.6 million and a 1998 GDP of $105.8 billion.

New Orleans Merchandise Exports to Select Markets, 1997

World	**$2,770,835,259**	**100.00%**
NAFTA Countries	**$259,394,536**	**9.36%**
Canada	$204,769,204	7.39%
Mexico	$54,625,332	1.97%
Caribbean & Cen. Am.	**$159,137,953**	**5.74%**
South America	**$181,477,015**	**6.55%**
Europe	**$535,333,753**	**19.32%**
Asia	**$1,389,792,221**	**50.16%**
Japan	$916,919,952	33.09%
Africa	**$74,457,918**	**2.69%**
Middle East	**$129,602,818**	**4.68%**

Source: Exporter Location Series, Census Bureau

Another important aspect of international marketing is the ability to objectively assess product attributes (even when that *product* is a market region) relative to targeted markets; this is yet another example of the flawed vision associated with local trade efforts. As a state that is neither highly industrialized nor economically developed, Louisiana is a second rate market within the US; to motivate the most desirable (i.e., highly qualified based on size, resources and willingness to trade) international companies to attend a trade promotion event here requires much more than trade-related seminars (business conferences). To host the type of premier event needed by the local area demands that efforts be centered on the dynamics of establishing potentially lucrative trade contacts, while assuring the event is adequately promoted and has the draw (domestically and internationally) to achieve that goal. However, that cannot happen through a halfhearted effort predisposed to failure – it must be organized on a solidly conceptualized plan of action that does not change from year-to-year except to allow for further expansion to accommodate the participation of additional members of the Organization of American States. Funding for such an event must not be based on the trepidation of past failures, but on a clear vision of future direction and the certainty that investments will reap greater opportunities for the local community, the state and all participants, while also establishing the equity associated with a tradition of success throughout the international community to assure the event's future growth.

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For those unfamiliar with the New Orleans trade efforts, the following links will allow verification of the information presented here, or provide facts to substantiate the conclusions presented:

The World Trade Center of New Orleans
http://www.wtc-no.org/wtc/default.htm

International Trade Administration – State Merchandise Export Totals, 1993-98, Ranked by 1998 Value
http://www.ita.doc.gov/industry/otea/state/merchandise/Worldtot2a.txt

International Trade Administration – Louisiana Export Markets Ranked by 1998 Dollar Value
http://www.ita.doc.gov/industry/otea/state/exportmarkets/Louisian.txt

International Trade Administration – Export Sales of US Metropolitan Areas, 1993-97
http://www.ita.doc.gov/industry/otea/metro/ttl93-97f.txt

International Trade Administration – New Orleans Merchandise Exports to Select Destinations, 1993-97
http://www.ita.doc.gov/industry/otea/metro/destinations/NewOrLA.txt

The Chamber/New Orleans and the River Region
Table: Total Value of Foreign Trade by World Region: New Orleans Customs District
http://chamber.gnofn.org/metrovsn/tables.html#table4-7

Encuentro 1996 – http://chamber.gnofn.org/encuentro

AKA Incorporated (ENCUENTROLASAMERICAS-DOM), 814 Baronne St., New Orleans, LA 70113
Encuentro 1997 – http://www.EncuentroLasAmericas.com

1999 Country Commercial Guides: Mexico
http://www.state.gov/www/about_state/business/com_guides/1999/wha/mexico99.html

Mexico's National Institute of Statistics and Geographic Information, 1994 Economic Census Data
Table: Mexico, Employment in the Industrial, Commercial and Service Sectors by State, 1993
http://www.inegi.gob.mx/homeing/estadistica/economia/censosecon/eco-2.html

The Evolution of the GMD Program:
Phase One: The Birth of a New World Order Heralds the Death of a Career

The end of the Cold War (the Berlin Wall was toppled in November 1989) and concurrent collapse of the mainframe computer industry prematurely ended any hopes of a lucrative post-military career as an intelligence-oriented computer systems project manager or senior engineer for a major defense contractor – in a civilian incarnation, at any rate, as I had been a member of the US Air Force from October 1974 until July 1990 (my computer maintenance training began in August 1978). That ultimately began a quest to discover the business opportunity best suited to the application of highly specialized experience gained while associated with information technology within the US intelligence community [as manager of computer maintenance in two intelligence units in (pre-unification) West Germany during my last seven years in the Air Force]. In early 1994 I recognized that the most rewarding business opportunity involved empowering other businesses to achieve their full potential in global markets – a domain many businesses desire to enter, but have little to no expertise in accomplishing. I gradually discovered that not only were those unique qualifications ideally suited to international commerce, but once adapted to the task, the nontraditional methodologies (from a trade perspective) proved able to augment the process by providing levels of valuable market insight significantly beyond what could be accessed through more conventional channels.

We've all heard the tenet, *Knowledge is power*; it's a truism valid to the extreme as it relates to international business dealings. Knowledge in this case is a product of the data and information acquired through market research; it is also the commodity upon which the future goals of corporations are dependent. It is in this area that the advantages of an intelligence background have inspired the development of a program applying data fusion to the trade process.

Data fusion is the art of gathering information from multiple and diversified resources, then *fusing* – processing and distilling that information to extract that which is most pertinent, in this instance to furthering a company's international marketing goals. Most of the statistics and conclusions presented in this document (the marketing power of the English language is a prime example) are original, were generated from raw trade data, and are examples of market intelligence extracted through data fusion. The power inherent in this methodology rests in its ability to provide complete and intuitive market perspectives that are products of a wide variety of resources selected on the basis of accuracy, reliability, diversity, relevance and timeliness. These resources range from the obvious, various agencies operating under the aegis of the Department of Commerce (although even the most common data elements are approached with a degree of expertise able to extract surprising amounts of market insight), to the obscure, sources not traditionally associated with international commerce and therefore able to provide unique insight not found elsewhere (nor employed by competitors).

The methodologies developed are applicable to providing highly in-depth insight into a range of market data extending from macrocosmic perspectives including global, regional, trade alliance based, or country specific, and relative to all, covering a specific industry, product, or service sector; to the microcosmic perspective encompassing the universe of market data necessary for a company to develop and execute its marketing strategies for a specific market or global operations. Data fusion can empower a company to base all international marketing decisions on the most reliable, accurate, current, and diversified information pertinent to company goals – in the long-term, the cumulative value of such powerful market data is immeasurable.

While making significant improvements to the market research underlying any international marketing program is no small feat in itself, that represents only one facet of the support companies often require when entering new markets, a function traditionally filled by trade intermediaries. These enterprises, Export Trading Companies and Export Management Companies assist manufacturers and wholesalers in locating and securing distributorship agreements in international markets. However, existing models are relatively few in number and simplistic in function; most are highly transaction oriented, specialize within a limited range of industry and often limit their operation within specific market regions. The vast majority have been in business far too long to intuitively integrate (to any significant degree) the dynamic changes brought about by advances in computer and communication technologies – in particular the evolution of the Internet. Furthermore, certain measures implemented in the export process by many trade intermediaries are counterproductive to the profits and competitiveness of the US manufacturers they represent. This is of utmost importance because beyond basic product design and quality, pricing is the most important product attribute over which a company can maintain limited control in international markets – participating in the GMD program does not require a company to surrender that control. In light of this, there were many ways in which export support services could be modified to more readily meet the needs of companies seeking market expansion; the resulting improvements implemented in the Global Market Development program provide a more harmonious relationship and lower the cost of services while simultaneously increasing the competitiveness of a manufacturer's products in foreign markets.

Phase Two:
The Information Superhighway: High Tech Road to the Future of Commerce…

By the third quarter of 1995, I had gained considerable ground in attempting to reinvent the trade process; then like many others I realized it was time to begin exploring the new electronic frontier, the Internet. It was natural that my investigations would be guided by the global perspective in which I had immersed myself for the previous 18 months; what surprised even me is the incredible potential of Internet commerce that I have come to recognize based solely on that awareness. It has inspired a singular vision of Internet potential so powerful that conventional eCommerce projections pale in comparison.

One of the definitive questions of our time – what can I do to increase my company's sales? – is typically answered by those presumed Internet-savvy in terms of website development, site implementation and online site promotion. But if significant increases in product sales instead of site traffic is a company's primary goal, that answer becomes qualified with the realistic expectation that online marketing yield results commensurate with the world's most powerful communication medium. In that regard, for the vast majority of companies, the standard responses are woefully inadequate.

Internet marketing, is there a better way?

Now several years into the marketing revolution heralded by the commercial sector's takeover of the Internet and World Wide Web, most companies are still losing money in their efforts to tame this new frontier. The problems most commonly associated with conventional online marketing, as implemented by most companies, include:

- Difficulty in identifying and effectively targeting online prospects
- Problems converting online effort into real world response
- Inability to accurately measure return on investment of online marketing efforts
- Failure to integrate cyberspace and 3D-space marketing strategies

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The perceived potential…

Nua Ltd.'s projections for Internet use, as of May 1999, indicate that there are 179 million people online throughout the world. The latest projections for eCommerce range from $950 billion to $3.2 trillion for the 2002-2003 time frame.

Conventional online marketing reduced to its fundamental components involves five elements:

1. **Identifying and targeting potential consumers**
2. **Making browsers aware of your company and its website**
3. **Enticing prospects to visit your company's website**
4. **Motivating site visitors to buy your company's products**
5. **Having them revisit the company website and become a repeat buyer**

Among the strategies considered essential to facilitate marketing as it's currently implemented on the Internet are the continual quest to provide quality Web site content that's updated regularly, making efforts to satisfy a wide variety of search engine parameters to assure increased site visibility, analyzing page hits/impressions and visitor logs to glean as much demographic data on site visitors as possible, developing company mailing lists and attempting to maintain the delicate balance of effectively targeted e-mail and opt-in mailing list use, planning strategic placement of banner ads, continuously pursuing ezine exposure, translating/localizing the company website and orchestrating a myriad of other online promotional activities.

In addition to being a major distraction from a company's primary reason for being on the Internet (i.e., selling its products), these activities are time, labor, and resource intensive – and generally difficult to measure in absolute terms of cost effectiveness and return on investment.

Is there a way for companies to achieve sales levels able to have a significant and measurable impact on company growth rates through a relatively modest Internet presence and almost none of the previously mentioned support efforts typically associated with Internet commerce?

Yes! …the Basics

The online community is almost universally viewed, by business, as a consumer base. Unfortunately, this self-limiting view is shared by the multitudes of cyber-cottage industry service providers intent on attempting to make the *Field of Dreams* Internet paradigm work for your company. That's odd, it still doesn't work for AMAZON.COM, INC. – incorporated in July 1994, despite revenues of $293.6 million for the first quarter of 1999, net losses totaled $61.7 million; as of March 31, 1999, AMAZON.COM had an accumulated deficit of $223.7 million! Considering market capitalization of $18.2 billion (as of June 2, 1999) and the substantial capital poured into its online efforts, that's neither encouraging nor a model suitable for traditional businesses!

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While the 179 million online represent only 2.99 percent of the world's population, they have far greater potential as a resource through which it's possible to gain real world access (via distribution channels) to the 5.99 billion consumers throughout the world's markets. Though representing only a small percentage of the total population, according to a survey released by Andersen Consulting (May 1999), Internet users are a group to which 92% of the senior executives (CEO's, CFO's and CIO's) of some of the world's largest companies and government organizations belong. Of more than 1,700 senior executives involved in the survey, half reported feeling comfortable online and 83 percent reported using the Internet at least weekly. The Study of Senior Executive Web Usage included executives at Fortune 1000 companies (or their equivalent) as well as leading government entities in 24 countries.

Understanding that business-to-business sales account for over 75 percent of current eCommerce activity will enable a more clear perception of the potential represented by the Internet and online community. The extent to which eCommerce mirrors real world economic activity is revealed through an awareness of US mercantile sectors, which accounted for 32.7 percent of the US GDP in 1997. The following table establishes that manufacturers and wholesalers account for over 70.7 percent of all US sales.

Profile of US Mercantile Business

	Establishments 1997 (NAICS)	Percentage of '97 Establishments	Sales 1998 (millions)	Percentage of '98 Sales
Total US mercantile businesses	**1,859,781**	**100.00%**	**$9,362,754**	**100.00%**
Manufacturers	364,377	19.59%	$4,054,066	43.30%
Wholesalers	375,155	20.17%	$2,568,435	27.43%
Retailers	1,120,249	60.24%	$2,740,253	29.27%
Manufacturers and Wholesalers	739,532	39.76%	$6,622,501	70.73%

Relative to international trade there is much more to consider, in any market regional commerce activity is a vital factor; as an example US Exports by State (released May 28,1999) indicates that the top seven states (California, Texas, New York, Michigan, Washington, Illinois and Ohio) accounted for over 50.3 percent of US exports in 1998. Those same states represented 42.27 percent of the US GDP in 1996, and 40.46 percent of the US population in July of 1998. As output (GDP and exports) represent consumption, any foreign supplier could benefit from a selective regional approach to the US market – with few exceptions, most of the world's markets can be approached in this manner.

Exploiting this awareness can empower a company to transcend the boundaries of cyberspace by securing a real world presence in global markets, while concurrently gaining exposure to the vast majority of consumers that neither speak English (or native language of any supplier) nor have Internet access – not bad for a day's work! There is no marketing strategy more powerful, nor more able to secure a company's future well into the 21st century!

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Following is a comparative view of the Global Market Development program and conventional Internet marketing:

1. Targeting potential consumers:
Within the parameters of the new paradigm, it's much easier to geographically target markets proven receptive to specific products than to identify prospective consumers in cyberspace (for those unfamiliar with international trade statistics, the data is universally indexed by commodity and country). In fact, this program can be applied to selectively gain access to as many or as few international markets as are deemed appropriate for and most receptive to a company's products. This single unique aspect provides major strategic advantages for a medium in which effective targeting of potential consumers is highly problematic.

2. Making distributors aware of your company, its products and website:
To be most effective this is an area differing considerably from traditional online marketing and first involves targeting markets appropriate for your company's products. Depending on the nature of the product it could involve extensive preparation, definitely involves extensive market research[2], and implementation dependent on specialized strategies and channels. However, it can be accomplished independent of the elements traditionally considered essential to online marketing – when high volume sales are effectively targeted, hits, impressions, click-throughs and visitor statistics soon become irrelevant.

> **Note 2:**
> The majority of market research conducted would be secondary; however, primary market research, like recommendations to attend major trade shows in a given market may be suggested on a situational basis (depending on company experience, in some cases attendance would be recommended prior to participation). When appropriate, in-country marketing surveys can be conducted in markets (scores of countries and dependencies) accounting for over 97.5 percent of US exports by value in 1998.

3. Enticing prospects to visit your company's website, and
4. Motivating site visitors to buy your company's products:
The strategic business plan I've developed introduces an important factor to the marketing process that does not exist in conventional online marketing; the profit motive, as a result the obstacles associated with the most difficult aspects of online marketing become obsolete. Any international distributor having access to channels appropriate for your company's products, recognizes and is driven by the profit potential of those goods; that provides incentive and motivation able to be exploited to significant advantage through the proper strategies – inducements that are unparalleled in more conventional Internet marketing.

5. Having them revisit the company website and become a repeat buyer:
The Global Market Development program incorporates numerous elements intended to increase a manufacturer's overall competitive posture in foreign markets, these will contribute to making long-term distribution agreements attractive to prospective buyers.

Such agreements will secure market access that can be cultivated to reap millions of consumers in new markets – satisfied customers are repeat buyers.

The doubts…

Question: Web marketing experts maintain that the best way to expand into international markets is by translating the company website and localizing it with culturally appropriate content?

Answer: That is what the *experts* tell us; however, most know little about international commerce and possess no awareness of the power of the English language relative to global markets. This is not conjecture, it's fact – in 1997, English speaking markets (listed further on) accounted for approximately 45.3 percent of the Gross World Product, 45.7 percent of world exports and 49.95 percent of world imports – that translates into $3.596 trillion in 1999 imports!

The GMD program enables your company to incorporate into the marketing process a much more expansive view of localization; one including levels of cultural and market awareness significantly beyond that held by competitors. An accurate cultural perspective of a market is best derived from a basic understanding of social, political and economic ideologies and stratification, religious affiliations, regional traditions and histories, and ethnicity (which is perhaps most effectively defined by identifying which of the world's 6,703 languages are used in a given market). Related, but of more obvious value, is making an effort to instill an awareness of a region's personal, social and business customs into all market expansion efforts. Even products themselves often require localization; it's estimated that 780,000 national standards exist in the world – about 43 percent are identical to, technically equivalent to, or based on international standards.

Though it's vital for real world in-market product promotion to be conducted in the language(s) most appropriate to the indigenous population of a given market; there are more than enough English-speaking people involved in international commerce to establish market entry contacts throughout the world based on an English-only Internet presence. Effectively exploiting this fact is a strategy that will not only outperform more traditional Internet marketing, but one that does not have to be capital intensive!

The following list and tables represent my attempt to quantify the potential (relative to US trade) of the English language in international markets. Though somewhat subjective; it contains the United States, its five territories and the 84 US export markets in which the English language is either an official language, an associate language, or is widely spoken throughout governmental/educational institutions, or in business and commercial communications (based on an analysis of US Department of State, Department of Commerce and CIA publications):

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American Samoa*, Anguilla, Antigua and Barbuda, Australia, Bahamas, Bahrain, Bangladesh, Barbados, Belize, Bermuda, Botswana, Brazil, British Virgin Islands, Brunei, Cameroon, Canada, Cayman Islands, Colombia, Cook Islands, Costa Rica, Cyprus, Denmark, Dominica, Dominican Republic, Egypt, Ethiopia, Fiji, Finland, Gambia, Gibraltar, Grenada, Guam*, Guyana, Hong Kong, India, Ireland, Israel, Jamaica, Jordan, Kenya, Kiribati, Korea (Republic of), Kuwait, Lesotho, Liberia, Malawi, Malaysia, Malta & Gozo, Marshall Islands, Mauritius, Micronesia, Montserrat, Namibia, Nauru, New Zealand, Nigeria, Northern Mariana Islands*, Norway, Oman, Pakistan, Palau, Panama, Philippines, Puerto Rico*, Qatar, Samoa, Seychelles, Sierra Leone, Singapore, South Africa, Sri Lanka, St. Helena, St. Kitts-Nevis, St. Lucia, St. Vincent and Grenadines, Suriname, Swaziland, Tanzania, Thailand, Tonga, Trinidad and Tobago, Turks and Caicos Islands, Uganda, United Arab Emirates, United Kingdom, United States, Virgin Islands*, Vanuatu, Zambia, and Zimbabwe.

* Indicates a territory of, or commonwealth associated with, the United States.

Midyear 1999 Population Projections of *English Appropriate* Markets

World Population	5,996,215,340
Aggregate Population of *EA* Markets	2,596,069,197
Percentage of World Population in *EA* Markets	43.30%

***EA* Markets (excluding the United States and US Territories)**

Aggregate Population of *EA* Markets	2,319,137,210
Percentage of World Population in *EA* Markets	38.68%

The Value of *EA* Markets Relative to US 1998 Merchandise Exports

	FAS Value ($1,000)
Total 1998 US Exports of Merchandise	$694,229,865
US Exports to *EA* Markets in 1998	$357,740,233
Percentage of 1998 US Exports of Merchandise to *EA* Markets	51.53%

Source: US Bureau of the Census

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The Realities of Trade…

It should be noted that there exists many potential obstacles facing any company aspiring to expand into international markets. These include, but are not limited to:

- Overcoming a wide variety of trade barriers
- Meeting the regulatory requirements of targeted market(s)
- Potential need for design modifications
- Potential need to secure standards conformance certification
- Metrication of products
- Sizing issues (for products ranging from lingerie to prefabricated structures)
- Packaging and labeling requirements
- Ingredient restrictions and listing requirements
- Aesthetic considerations for market(s)
- Translation of product literature and marketing materials
- Regional, cultural and linguistic considerations
- Credit and payment issues

While a somewhat daunting list (particularly for new-to-export companies), this is precisely what makes the services of expert guidance invaluable. While it's impossible to know all of the answers, knowing where the answers can be found is the key in providing the support necessary to enable a company to overcome the nonobvious and unexpected obstacles that will sometimes be encountered when expanding into new markets. It is the preparedness to address such real world issues that should establish (for those believing otherwise) that the GMD program is not exclusively directed at online marketing; on the contrary, the spin-off advantages relative to online commerce revealed themselves while researching real world global marketing strategies. The efforts put forth in surmounting these obstacles will prove substantially more rewarding (from the perspective of sales, growth, productivity, and future security) than any other marketing efforts that can be implemented by a company.

Securing the Future

A recent survey conducted by the Yankee Group (a subsidiary of the Massachusetts based Primark Corporation) revealed that only 30 percent of participating SMEs view the Internet as important to achieving company goals. The survey also indicated that approximately 55 percent of the small (2-99 employees) and 66 percent of the medium (100-499) businesses without Internet access, have no plans to add it in the foreseeable future. These findings can be attributed to the widely held perception that electronic commerce, as currently implemented, has only proven effective – when many of the more *successful* firms are absorbing sizable losses online, I use the term "effective" with trepidation – for companies offering a limited range of products (computer hardware/software, books, music, videos, flowers, gifts, etc.) and services (Internet and travel related). However, allowing the current state of online commerce to obscure future potential based on alternative implementation strategies is a mistake of enormous magnitude. This is particularly true as viewed from the perspective of these findings, which reinforce the premise that a successful implementation of online marketing would represent a significant competitive advantage.

Defining the potential of Internet marketing is like the poem *The Blind Men and the Elephant* by John Godfrey Saxe, in which six blind men respectively describe an elephant as a wall, spear, snake, tree, fan and rope. In much the same way, a company's perception of what the Internet represents as a marketing medium establishes the parameters of its ability to maximize that potential in fulfilling future strategic marketing goals. In 1998, projections for electronic commerce ranged from $4.8 billion (Forrester Research) to $75 billion (ActivMedia, Inc.); such estimates were absurdly conservative in view of a Gross World Product of $40.685 trillion (at Purchasing Power Parity levels) and an aggregate global marketplace valued at $6.731 trillion for the year! It's insufficient to adopt the most conventionally held view of Internet marketing potential, the medium is young, extremely dynamic and evolving far too quickly for most (including those with job titles indicating they're qualified to do so) to define that potential in such limited terms – it is worth noting that I was predisposed to thinking globally before joining the online community, even so, tremendous efforts were required to develop this paradigm. Consider, that the ultimate potential of a readily accessible global communication medium – relative to the marketing goals of a specific company – effectively exploited, can be nothing short of facilitating that company's entry (via distribution channels) into international markets. That the Internet ultimately assures the globalization of commerce is an absolute; foremost among the variables will be the difference between companies possessing the foresight to embrace the technology and incorporate a global perspective into their consolidated (online/real world) marketing strategies at an early stage and those caught unaware and subsequently forced to accept the most current incarnation of boilerplate Internet marketing implementation. If, after reading this document, your perspective of Internet commerce's potential hasn't increased substantially I would advise sticking to more traditional (brick and mortar) marketing methods!

On November 5, 1998, Forrester Research released projections indicating electronic commerce has the potential to generate in excess of $3.2 trillion globally by 2003 (in a December 17 follow-up, the company forecast that US business trade on the Internet would reach $1.3 trillion in 2003); and, on September 15, 1998, International Data Corporation announced that by 2002 the global Internet economy will total upwards of $950 billion. It should be noted that the projected growth of Internet users cannot account for such exponential increases in electronic commerce – what factors then might exist to account for such growth, that could not be currently exploited by companies employing the right strategies? None at all! …meaning that this greater potential has existed since the Internet was first opened to commercial enterprise! While still significantly underestimating the potential of electronic commerce now accessible, it's refreshing to finally see the *experts* in IT market research begin applying the word "trillion" (which I've been using since early 1997) to estimate the medium's potential marketing power – of course, it's used with trepidation and they're not able to justify (explain) its use; but that may be expecting too much.

The Global Market Development Program

Now we know more, on June 10, 1999, the University of Texas released the first major study providing hard data on the scope of the Internet economy relative to the US market. Sponsored by Cisco Systems, the study titled *The Internet Economy Indicators*, revealed that the Internet economy generated $301,393 million in revenue and accounted for 1,203,799 US jobs in 1998. More relevant to the GMD program are revenues attributable to commerce, roughly defined as the sale of products and services unaffiliated with Internet infrastructure and/or applications, or involvement in processes through which they are applied to facilitate online business transactions. The study indicates that US eCommerce generated $101,893.2 million and supported 481,990 jobs in 1998. Even more significant is the remarkable growth of the Internet economy, from the report: "The U.S. Internet Economy grew at an estimated CAGR of 174.5% from 1995 to 1998, compared to the overall world-wide average economic growth rate (which includes the U.S. Internet Economy) of 3.8% in the same period."

The marketing program I've developed is the end result of five years of effort, it's completely original and based on a profound awareness of global commerce and a singular vision of Internet implementation and its potential in strategic international marketing. Despite the seemingly apparent nature of this business paradigm, it's more than sufficiently intricate to assure that very few possessing either international trade or Internet marketing experience would be able to implement it with any reasonable probability of achieving significant levels of comparative success.

The Global Market Development program is not based on unsubstantiated theory, but on the continuous commercial activity occurring in all corners of the world. The magnitude of international commerce is incomparable to that of eCommerce and its activity can be defined far more precisely through both current and historical data, thus eliminating the uncertainty of online marketing. They are, at some point in the not-too-distant future, destined to be one and the same – is not global commerce the ultimate logical extension of marketing via a mass communication medium that's readily accessible throughout the world? That fact establishes the GMD program as the most powerful marketing paradigm ever developed; there is no larger market, no means (other than information technology) of gaining greater insight into that market, and while advances in communication technologies assure that the medium will become more powerful, faster, more easily accessible and more interactive – it's here to stay! In this document I have established a thorough awareness of global commerce, profound sense of its future direction, and a grasp of local efforts beyond that of the community members empowered to plan and implement them (while providing links allowing non-locals to substantiate that fact). In addition, I've presented a unique[3] view of Internet commerce having far greater potential than anything envisioned by those considered eCommerce experts – a potential that's accessible as you read this!

A Business Paradigm Like No Other

During a time in which the terms *eCommerce* and *globalization* are among the most frequently used in the lexicon of business; except as benchmarks of market potential captured by competition, they remain inapplicable to most companies. For that reason the Global Market Development program represents the most unique and extraordinary opportunity available to many businesses. Before dismissing that as marketing hyperbole, consider that the relationship between electronic commerce, international trade and Information Technology – presented here as integral elements of a synergism unparalleled for power and potential by any other business paradigm – represents an aggregation of commerce that has eluded those in business and industry; including major market research companies, Internet and eCommerce consulting firms, and trade intermediaries.

If viewing this document on a computer with Internet access, this assertion can be substantiated through the three dynamic links on the next page. By enabling a comparison between a search for all related Web sites and those in which all terms are inclusive parameters, the AltaVista™ search engine can provide a graphic demonstration of the exclusivity of the concepts presented in these pages. Basing an Internet search on the following parameters (click bold text to activate the online searches):

ecommerce trade IT

…the GMD program Web site, *A Strategic Paradigm for 21st Century Commerce…*, is ranked first among over 900 thousand Web pages returned by AltaVista.

AltaVista's Help page offers the following advice for searching the Web: "To make sure that a specific word is always included in your search topic, place the plus (+) symbol before the key word in the search box." Using plus symbols to qualify the same search parameters begins to reveal a distinctly different perspective:

+ecommerce +trade +IT

…this search returns over 6,200 Web pages with the GMD Web site again ranked in the first position. However, by adding **+synergism** to the above search parameters only the Global Market Development program Web page is returned. Think about that… among more than 150 million Web sites on the Internet, not one other site or page references (or recognizes) the greatest potential of commerce in its content – there is no more definitive way to establish the singularity of this business paradigm! Supporting the original nature of these concepts is this novel application of technology, have you ever before encountered a document enabling a reader to independently and instantaneously determine its veracity? This is not a secured verification of its authenticity, mind you, rather an objective and comparative measure of its substance.

In Closing…

A central theme of the Global Market Development program is the acquisition and exploitation of highly specialized information to secure, for participating companies, strategic marketing advantages throughout the world. In its 21st annual *World Development Report 1998/99: Knowledge for Development* (October 1998), the World

The Global Market Development Program

Bank examines the indispensable role of knowledge in advancing economic growth and social development throughout the world. The acquisition and exploitation of available knowledge to its greatest advantage will prove the ultimate competitive edge in the 21st century – the time to begin implementing that advantage is NOW!

Has your company implemented extraordinary measures to effectively exploit the most valuable and transient of available resources? While that may seem a presumptuous query; unless your company, relative to international markets, routinely orchestrates strategies securing opportunities unknown to all competitors or implements campaigns culminating in coups de grâce undermining their efforts – the underlying assumption is essentially correct. There are significant advantages (and absolutely no disadvantages) to integrating a consolidated process-oriented approach to international market expansion into the future strategic planning of your company.

Implementing a multifaceted international marketing strategy, targeted precisely, yet incorporating elements anticipated to facilitate the sometimes serendipitous nature of marketing, is the best and most thorough way to pursue established goals while assuring exposure to new and potentially lucrative market opportunities.

The potential of commerce via a global communication medium through which real-time direct access to three percent of the world's population is possible has exponentially increased the strategic value of information technology, and established a new benchmark by which the economic competitive edge of the 21st century is to be measured. The Global Market Development program was conceived to bridge the expansive chasm separating the ultimate potential of online commerce from the reality of economic success.

The GMD program was developed to empower your company to capitalize on an extensive range of unfamiliar strategies and resources enabling it to tap into future global opportunity. The services I offer are a blend of international marketing director, Internet strategist, commerce manager, Export Trading (or Management) Company, marketing research analyst and alchemist …one possessing the ability to transform common elements into something quite extraordinary. I seek long-term business relationships, in a consultative capacity, with a limited number of companies desiring to secure substantial business growth well into the 21st century – the program I've developed will assure attaining that goal.

To broadening horizons,

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