



# INNOVATION & WINE SYMPOSIUM

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# U.S. Commercial Service

*The U.S. Commercial Service is part of the U.S. Department of Commerce, an agency of the United States government.*

## **Our Mission:**

*To maintain and create jobs in the United States by helping small- and medium-sized U.S. companies to expand their export sales.*



- With a focus on small- and medium-sized enterprises, NEI comprises of 3 main pillars
  1. Expansion of trade advocacy and promotion efforts
  2. Improving access to export financing
  3. Improving access to foreign markets for American companies

**“Increasing the export of American products and services to global markets can help revive the fortunes of U.S. companies, spur future economic growth and support jobs here at home,”.**

**Department of Commerce Secretary Gary Locke,  
February 4, 2010**



# Our Network & What it can do for you

- ❑ Trade specialists in over 100 U.S. cities and 80 countries worldwide



We can:

- ❑ Locate international buyers, distributors, and agents
- ❑ Provide expert help at every stage of the export process
- ❑ Help you to enter new markets faster and more profitably



# Trade Counseling and Advocacy

Our trade specialists in the U.S. work directly with our team of experts overseas in getting you all the information and advice that you need

We can help you:

- ❑ Determine the best markets for your products and services
- ❑ Evaluate internal competitors
- ❑ Identify and comply with legal and regulatory issues
- ❑ Settle disputes
- ❑ Learn about cultural issues and business protocol





# Market Research

- ❑ **Country Commercial Guides** ([www.export.gov](http://www.export.gov))
  - Prepared annually by US Embassy Staff, CCG's contain information on the business and economic situation of foreign countries and the political climate as it affects U.S. business and foreign investments
- ❑ **Wine Industry Reports** ([www.fas.usda.gov](http://www.fas.usda.gov))
  - In-depth analysis and information on the wine industry in foreign countries
- ❑ **Trade Statistics/ Custom Tariff Information** ([www.export.gov](http://www.export.gov))
  - Helps companies to find the top 10 export countries for their product in order to identify where to target their exporting efforts



# Market Research for Target Countries



- ❑ Export Statistics/ Top Markets
- ❑ What types of wines are currently in the market and how do consumers obtain them?
- ❑ How are American wines perceived?
- ❑ Is wine produced in the local market?
- ❑ Will your wines be competitively priced?





# Gold Key Service

- ❑ Pre-screened **appointment schedule** arranged for you before you travel overseas
- ❑ Customized **market and industry briefings** with our local trade specialists
- ❑ Timely and relevant **market research**
- ❑ **Post-meeting debriefing** with our trade specialists and assistance in developing appropriate follow-up strategies
- ❑ Help with travel, accommodations, interpreter services, and clerical support







# Single Company Promotions

The Single Company Promotion service offers support and event facilities which will allow you to engage your target audience through:

- ❑ Product launches
- ❑ Sales seminars
- ❑ Staff training
- ❑ Networking receptions



Facilities available include exhibition halls, auditoriums, meeting rooms, hotels, and even the residences of some US ambassadors.



# International Trade Shows

- ❑ SIAL China: International Food and Beverage Exhibition
  - May 9-11, 2012 in Shanghai, PRC
- ❑ 8<sup>th</sup> China International Wine & Spirits Exhibition - Interwine
  - May 25-27, 2012 in Guangzhou, PRC
- ❑ HKTDC Hong Kong International Wine & Spirits Fair
  - November 8-10, 2012 in Hong Kong, SAR
- ❑ 9<sup>th</sup> China International Wine & Spirits Fair - Interwine
  - November, 14-16, 2012 in Guangzhou, PRC



**Food & Wine Pairing at the Hong Kong International Wine & Spirits Fair – November 2011**



# Virtual Wine Tastings

- ❑ Brings Buyers and Sellers Together Via Video Link
- ❑ Use Technology to Explore International Market Opportunities
- ❑ Customized to Meet your Company's Needs
- ❑ Available for all Industries



**"Virtual Wine Tasting" at the  
US Consulate, Hong Kong**



# Due Diligence/ Finance

- ❑ Background Checks; International Company Profile (ICP)
- ❑ EXIM Bank (Export Finance & Insurance)
- ❑ Small Business Administration (SBA)





# Key Players and Partners

## ❑ Wine Institute

A public policy advocacy association of California wineries that bringstogether the resources of 1000 wineries and affiliated businesses.

Contact: Lindsey Gallagher, Director of International Marketing

[lgallagher@wineinstitute.org](mailto:lgallagher@wineinstitute.org)

## ❑ Foreign Agricultural Service

A government agency that works to improve foreign market access and build new markets for U.S. agricultural products.

Contact: [www.fas.usda.gov](http://www.fas.usda.gov)

## ❑ FedEx

The U.S. Commercial Service has a corporate strategic partnership with FedEx to promote exports. <http://export.gov/CSPartners/>

Contact: Todd Acker, FedEx, Regional Manager, International Sales

[tlacker@fedex.com](mailto:tlacker@fedex.com)





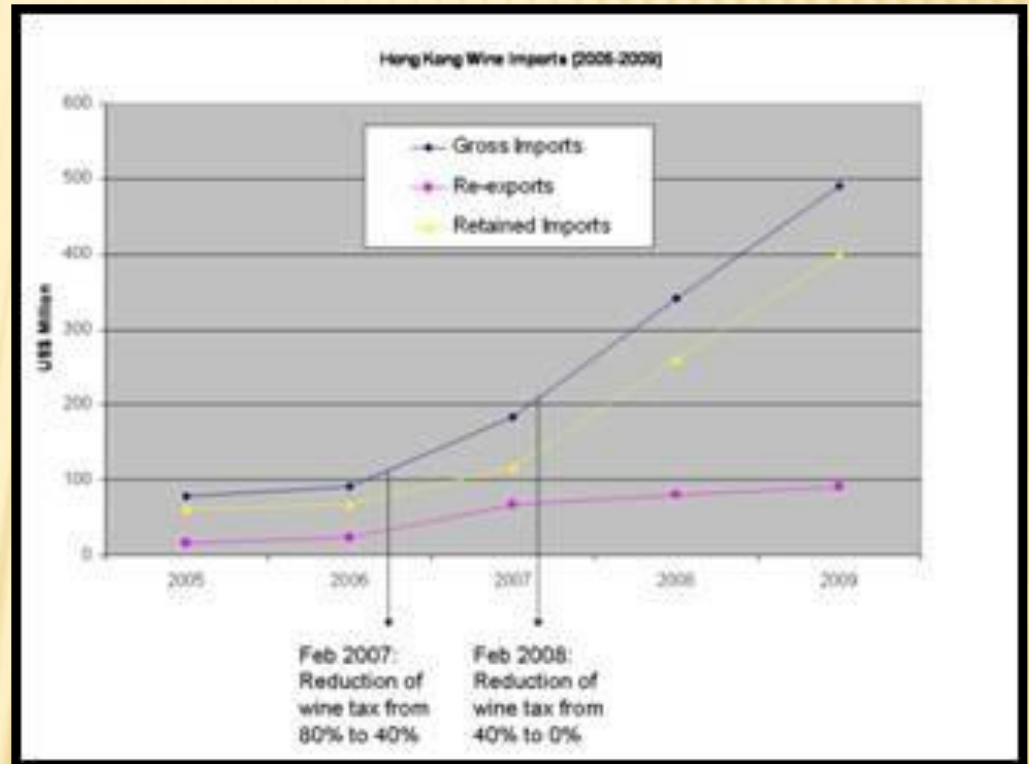
# Hong Kong Wine Market

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# Zero-Tax Policy

- ❑ Abolished its 40% excise tax on wine in February of 2008
  - Makes HK one of the only tax free wine markets in the world
  - Led to a surge of 250% in US wine exports to HK
- ❑ Wine imports:
  - 19% re-exported
  - 81% retained for local consumption



**Graph illustrates the impact of the elimination of the wine tax on HK wine imports**



# Hong Kong Wine Statistics

- ❑ Currently, Hong Kong is the third largest market for US wine export (HS Code 220421), after the UK and Canada
  - HK imports of US wine in 2009 were US\$40 million (up 138% over 2008)
  - For the first 5 months of 2010, these imports reached US\$21.8 million (up 113% over the same period in 2009)
- ❑ Hong Kong consumers prefer red wine to white wine
  - Red wine constituted 94.5% of total wine imports (US\$464 million)
  - Cabernet Sauvignon, Merlot, and Shiraz are the three most popular grape varieties
- ❑ Retail markets, such as supermarkets, specialty stores and convenience stores, account for about 60% of wine sales in terms of volume





# U.S.- Hong Kong MOU on Cooperation in Wine-Related Business

- ❑ To promote:
  - Trade development and investment in the wine industry
  - Business visits, exhibitions, and wine-related trade fairs
  - Related education and training
  - Wine-related tourism
  - Cuisine and wine culture
- ❑ Boosts cooperation in combating trade in counterfeit wine and smuggling of wine



Former Secretary of Commerce and now U.S. Ambassador to China Gary Locke signed the MOU on May 17<sup>th</sup>, 2010 in Hong Kong



# How to Contact Us

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