



PRESS RELEASE

CONTACT: Thomas D. Shorma, ND District Export Council
+1 701-640-2616 / thomas.shorma@wccobelt.com

FOR IMMEDIATE RELEASE

North Dakota District Export Council Commends Senator John Hoeven on New Rural Export Assistance (R.A.I.S.E.) Program with \$500,000 Funding Increase

Fargo, ND – North Dakota District Export Council (DEC) Chairman Thomas Shorma, CEO/President of WCCO Belting of Wahpeton, North Dakota, praised Senator John Hoeven (R-ND) who in mid-December included language in the FY20 Commerce, Justice, Science budget that provides an additional \$500,000 to the International Trade Administration Global Markets Division (the U.S. Commercial is housed in this unit) to further its existing rural export assistance capabilities. The language reads as the follows:

Rural Export Assistance —The Committee encourages the Secretary to continue to prioritize the Department's efforts to support and expand international trade opportunities for rural businesses. An additional \$500,000 is provided within Global Markets to further its existing rural export assistance capabilities, including providing customized market research, analysis, and planning to encourage and assist rural companies to offer their products internationally.

“This legislation is all about helping rural businesses to access international markets and export their products.” said Senator Hoeven. Shorma also commented, “Our DEC members supported the expansion of a service a few years ago called **R.A.I.S.E. (Rural America's Intelligence Service for Exporters)** to help rural firms get the market intelligence they need to target international customers in key countries.” He added, “With all the changes in various trade agreements worldwide, this export assistance is vital for success. We are proud that North Dakota pioneered this rural export assistance program and with this funding, the program can be rolled out nationally.”

More than 50 companies in North Dakota and northwestern Minnesota have received RAISE market intelligence reports. The program leverages U.S. Commercial Service resources to perform research, and with local university student interns providing critical analysis and research assistance the program has seen success. Nearly 30 students have interned in the Fargo office, many of them going on to secure international employment following their internships.

The DEC members agree, RAISE is a triple-bottom line return investment as companies are helped through finding international markets, rural economies are helped with exports revenue, and export talent is developed when college students from rural states gain experience and exposure to international markets.

Testimonials from Local Companies Who Used In-Depth RAISE Research Services

John Hertsgaard, President, SpaceAge Synthetics, Fargo, ND

The report was a great first step to narrow our decision making regarding target countries. We can now sharpen our focus as we prioritize our resources for penetrating these markets in terms of sales representatives, distributors or our own new employees. The most likely outcome is that our ability to penetrate these markets has been accelerated. I estimate the value of this research to be at least five times what we were charged.

Cory Melland, President, PS Industries, Grand Forks, ND

The in-depth research has opened our minds. We appreciated seeing economic data, information on regulations and a landed cost to have a realistic in-country pricing estimate. We decided to take action in three countries after receiving in-depth country and buyer information for those countries.

Jon Engelstad, International Sales Manager, Superior Grain Equipment, Kindred, ND

Superior started marketing our product Internationally in 2009 without a specific plan and soon realized the absolute necessity for a strategic plan. It was with the help of US Commercial Service that we were able develop a plan for systematically and strategically approaching the markets. Being able to turn to a rural based Export Center for customized research and help with strategic planning would be an invaluable resource in helping our company to continue expanding in the international market place. In addition, being able to have a center that is centrally located and staffed with people who understand the needs and issues of rural based companies is a must.

Roger Brazier, Mattracks (Karlstad, MN)

Mattracks is a rural manufacturer of rubber track vehicle conversion systems based in Karlstad, MN. What a great idea to put together a research team to help companies export more. This is long overdue. Mattracks has exported to over 120 countries, but that doesn't mean we don't need help from time to time. When we did our in-depth market research study in 2017, what we learned was eye opening. I went into the project with three countries in mind that I wanted to focus on, but I learned that one of the countries I had picked was not a good fit. Instead of spending thousands of marketing dollars and lots of time finding out it wasn't right, we took another direction. Our international business has now grown by leaps and bounds. We will promote research services to any company that wants to start or expand their export business. It's 100% invaluable! We also strongly believe that a rural research center should be based in a rural area of the United States."

Michael Wagner, JD- CEO, Sea Foam Sales (Eden Prairie), Sea Foam International (Bismarck, ND)

Sea Foam Sales Company is a Minnesota company that has been in existence since 1942. Its flagship product, Sea Foam Motor Treatment, has for many years enjoyed being one of the best selling fuel additives in North America. Sea Foam International, Inc. is a North Dakota corporation based in Bismarck, ND. It was formed and tasked with taking Sea Foam products into foreign markets. It has been a fun, challenging, and sometimes dizzying task. While all of us at Sea Foam-U.S. and Sea Foam International love the Midwest, being here does present unique barriers in accessing international markets. Quality data key to making informed decisions on entering foreign markets is hard to obtain and very expensive. It is extremely time-consuming just figuring out what data sources exist, much less subscribing to them for the time needed to analyze a particular market. The market research program will consolidate all of that into a great resource for rural businesses. And while the services we received from the USCS are great, it would be very helpful to have even more detailed data, customized to exactly what we need. I see the Act provides for that.

Background: The **North Dakota District Export Council (DEC)** is made up of 22 businesspeople who are engaged in exports and international business. Various US Commerce Administrators have visited the Fargo-Moorhead region and pledged their support of RAISE including having the Fargo office be the national demonstration site to help rural exporters. US Commerce Secretary Wilbur Ross indicated his support to Rep. Kevin Cramer while he was visiting in Fargo.

More than 50 companies in North Dakota and NW Minnesota have received RAISE in-depth market intelligence reports. The program leverages U.S. Commercial Service resources to create very specific research reports for companies. These resources include high quality subscription databases and intelligence obtained from the U.S. Commercial Service global staff network located in U.S. Embassies and Consulates around the world. Local university student interns have been integral to the success of the program, providing critical analysis and research assistance. Nearly 30 students have interned in the Fargo, ND office, many of them going on to secure international employment following their internships. RAISE is one of the best programs to help companies de-risk exporting, and get entrepreneurs focused on real customers in targeted countries. Rural companies often do not have as ready access to information sources as do their urban counterparts but provide products and services that are very competitive in global markets.

#