

Exporters look to Pacific Rim

By TOM HOWARD
Gazette Cody Bureau

MONTANA and Wyoming are looking across international boundaries to boost their share of international trade.

Advanced communication and transportation systems are shrinking the world, while developing economies in the Pacific Rim and other areas are opening potential markets for U.S. goods, trade officials say.

Efforts to increase exports of home-produced products, attract foreign investment and lure foreign tourists have been under way for several years in Wyoming and Montana. Trade with Canada, Pacific Rim countries and Australia are being emphasized.

Last June Montana became the 39th U.S. state to open a foreign-trade office in Tokyo and the 14th state to open a trade office in Taipei, capital city of Taiwan. Wyoming has a foreign-trade office in Australia, and a trade office in Taiwan is under consideration.

"We're hoping to develop markets for Montana products — to identify what's over there and who the people are that we need to deal with," said Matthew Cohn, Pacific Rim trade officer for the Montana Department of Commerce.

"The future is bright. The foreign markets are big, and, with telecommunications making the world shrink, there's potential for even small companies with three or four employees," to find markets overseas, said Richard Lindsey, international-trade director for Wyoming.



The Orient and Australia were unlikely trading partners in Montana's early days, but transportation advances continue to open new markets there.

Montana's trade experts have concentrated on expanding markets for the mainstays of the state's economy — agricultural products, tourism, minerals and wood products. Small-business owners are also trying to make inroads into markets in the Far East. That's where the state's foreign-trade offices can help, says Cohn.

"If you're a Montana producer and have a product that you want to sell in the Pacific Rim, we can save you two years of aggravation," Cohn said.

Using a fax machine and telephone calls, the trade office can locate potential markets and distribution networks, saving the business owner the cost of an expensive business trip, Cohn said.

Montana and Wyoming's share of foreign trade makes up a small fraction of the national total, considering that the United States spent \$135 billion more on imports than it exported during 1988.

Wyoming exported \$80 million worth of goods to Pacific Rim countries in 1987. Japan was the biggest customer, buying \$35 million worth of goods, followed by the People's Republic of China, \$18 million; Hong Kong, \$16 million; Taiwan, \$6.2 million; and South Korea, \$3.8 million, Lindsey said.

Non-metallic chemicals — particularly soda ash and bentonite — made up the bulk of Wyoming ex-

ports. Other items include hay, beef and other agricultural products, while some sporting goods and clothing were also shipped, Lindsey said.

Montana exports to the Pacific Rim resemble Wyoming's, although specific dollar amounts weren't available.

Agriculture products are well-represented in Montana's exports to Pacific Rim countries. The Treasure State exported 5,000 metric tons of hay to Pacific Rim countries last year, but exports could grow to 125,000 tons annually, Cohn said.

Beef exports to Japan and other countries are also likely to increase as quotas on imported beef are relaxed, he said.

Officials for both states see a bright future in exporting log-home kits to Japan and other Pacific Rim countries. Last year Montana companies exported about 30 percent of the approximately 550 log structures built in Japan. That total market is expected to expand to about 1,000 structures this year, Cohn said.

One Wyoming company, Authentic Homes of Laramie, has been exporting log-home kits to Japan for at least five years. The Japanese like the look of a log structure, according to a company spokesman.

Overseas sales of bentonite — a clay that swells when wet — are also picking up for Wyo-Ben Industries of Billings. Bentonite is widely used in

oil exploration and in the foundry process.

While domestic markets for bentonite have been flat with the slowdown of oil exploration, bentonite producers have concentrated their efforts overseas in recent years, said David Brown, executive vice president for Wyo-Ben Industries.

Bentonite exports often head to countries whose lower drilling costs keep them exploring for oil. Another growth market is in developing countries, where bentonite is being used for pollution control and to stabilize building foundations in congested cities, Brown said.

Cohn, who is fluent in Japanese, also spends part of his time dealing with Japanese businessmen who are interested in investing in Montana projects. Montana hay-processing plants and packing plants aimed at overseas markets are a possibility, Cohn said.

SHIRTS.

Washed, ironed and starched to order. On hangers or folded — you decide.



Wetzels

QUALITY CLEANERS

International Exports Grow

Clipped By:



seabix1

Thu, Apr 23, 2020