

Homeruns in the Global Game: Colorado Gets you On base

By Dick Clark

Over the past 25 years advising companies on international business issues, I have heard all of the excuses most of which are purely emotional concerns with little or no knowledge of global markets.

"Since 9-11 there are too many regulatory obstacles to go global."

"Foreign markets are for the big companies, we're not big enough."

"The alphabet soup (OEAC, BIS, ENC, ITAR, etc.) is too thick for us to think global."

It is not as difficult for a company to go global as many may think. You cannot hit a homerun in the world marketplace unless you take a swing! A thoughtful global business strategy gives you that opportunity, especially if Colorado is your base.

There is a direct relationship between Colorado's many successes in attracting direct investment from foreign companies to our state and your opportunities to engage in international business from Colorado. Why? The many foreign businesses who have invested in our state have educated business networks and governments in their countries about the strengths of Colorado. When you approach a foreign market which has several businesses already investing in Colorado, it improves your chances for success. The high regard foreign businesses have for Colorado increases the regard your business will have in their country.

Foreign owned companies operating in Colorado employ more than 72,000 Coloradans, own nearly \$16.1 billion in gross property, plant and equipment, and own \$2.4 billion in commercial property, based on statistics from Colorado's Office of Economic Development and International Trade. According to the Milken Institute, Colorado ranks third in the U.S. in science and technol-

ogy assets. Just as Colorado's business friendly environment, highly educated workforce, central U.S. location, bountiful resources, wonderful climate, low crime rate and reasonable cost of living are important to you, they help us attract foreign companies.

A thoughtful global business plan should focus on only one or two foreign markets, at least initially. When you select a foreign market, among other things, consider the countries that have already invested in Colorado. Ranked by number of employees in Colorado, the major sources from outside North America invested in Colorado include the United Kingdom, Switzerland, France, Japan, Netherlands and Germany (data from Colorado's Office of Economic Development and International Trade).

Just as foreign companies are interested in Colorado, many Colorado companies are interested in foreign markets. Business seems to be booming in Asia in particular. Fortunately, Colorado has always been held in high esteem in Japan and we have many successful Japanese companies conducting operations in North America from Colorado. For example, RJ&L International Consulting LLC (www.rjglobalsolutions.com) serves as the U.S. agent for Nissen Co., Ltd., the large Japanese mail order company which seeks to sell products manufactured in the United States to their 30 million members in Japan. Nissen chose Colorado for their future operations for many of the same reasons that other Japanese companies have already located in Colorado such as PENTAX, Sumitomo Corporation, NTT Data, Okura Hotels and Resorts, and Itoham, just to name a few. Japan is a prime example of a country where the high esteem for Colorado will help Colorado based companies enter the Japanese market.

Simply stated, using Colorado as a springboard to one or two foreign markets gets you on base in the game of global business. To score runs, consider these simple steps:

- Investigate and analyze the foreign market including its regulation, distribution network and supply chain challenges; each country is different.
- Interview companies from the foreign market doing business in Colorado; typically they will assist a company considering their country as a new market.
- Make sure your product or service is tailored to and competitive in that foreign market.
- Decide on the business model and identify trustworthy, successful and highly respected partners/agents in the foreign market.
- Respect the foreign culture.
- Use resources in Colorado to assist in your evaluation of the foreign market, such as:

World Trade Center Denver, 303-592-5760;
www.wtcdenver.com.

Colorado's Office of Economic Development and International Trade, 303-892-3840; www.colorado.gov.

U.S. Export Assistance Center (Denver), World Trade Center, 303-844-6622; www.buyusa.gov.

- For exports, develop an export administration group and adopt a thorough export administration policy.
- Retain qualified and knowledgeable professionals to consult on business issues and advise on legal issues.
- Be patient, but stick to your budget.

Now more than ever is a great time to get into the game of global business.

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