

THE ROUNDTABLE: INTERNATIONAL BUSINESS AND KC



The Roundtable: Going Global

Kansas City companies are exporting more than ever, with exports share of the metro output growing from 7.1 to 11.7 percent in the ten years between 2003 and 2012.

The Chamber's World Trade Center - Kansas City is a key resource for local businesses looking to expand the markets for their products. Recently a group of men and women heavily involved in international trade sat down for a discussion about the growing importance of international business to K.C.

Participants included:

- Brian Gordon, Senior Vice-President/International, Commerce Bank
- Mark Johnson, Partner, Dentons
- Ike Nwabuonwu, Chairman & CEO, Alpha Energy & Electric
- Patsy O'Connor, Manager, World Trade Center Kansas City
- Paul Weida, Vice-President/Government Affairs, Black & Veatch

Moderator: First of all, tell us a little about your company and your involvement in international business.

Paul: Black & Veatch is an employee-owned, global leader in building critical human infrastructure in energy, water, telecommunications and government services since 1915. We've helped improve the lives of people in over 100 countries through consulting, engineering, construction operations, and program management. We entered the international market space in the early 1960s with our first international project in Thailand.

Moderator: Brian, I know that Commerce was one of the first banks in the Midwest to get involved in international business. Tell me about the role Commerce Bank plays.

Brian: Next year is actually our 150th anniversary - which we think is kind of a big deal - and Commerce Bank has been doing international for about a hundred years of that. We got our start in the international space in the early grain trade, with early transactions to Eastern Europe and to Russia for the export of U.S. grain - Kansas wheat,

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actually - to Eastern Europe. So, for a long time, we've been helping companies that do importing and exporting in our footprint, and what has happened is that our footprint has grown. As Commerce Bank has grown, we've ventured out into a few more Midwestern states, but we're still very much a super-regional bank with a big community market presence, serving companies and retail customers and consumers in the locations that we have. We have 350 branches, with retail presence in about seven states, reaching from Cincinnati to Denver and from Nebraska/Iowa down into the Dallas market. And we serve all kinds of industries, including ag and manufacturing and industrial space.

Moderator: And, Mark, when I look at the map of Dentons' locations on your website, it seems as though you have offices everywhere...

Mark: It's hard for me to follow it...

Moderator: What sort of international work is Dentons involved in?

Mark: Well, Dentons is a successor to a firm that was founded in Chicago in 1906, the Sonnenschein law firm. About 10 to 15 years ago, we decided that it was important that we have a truly international presence. At the time, we had one non-U.S. office in London. Today, Dentons is an amalgam of actually four different large law firms: a Canadian firm, an American firm, one that is based in London, and then, finally, a firm that was largely a European-based firm. So we're four different law firms all practicing together now with upwards of 80 or 90 offices in 50 or 60 countries. We seem to be adding countries at about three or four a year. As a consequence of that, for a law firm in this part of the country, we have a truly international footprint, and we're seeing our business mushroom as a consequence of that.

Moderator: And, Ike, congratulations on being named the KC Chamber's 2014 Diverse Small Business of the Year! Tell us about Alpha Energy & Electric.

Ike: Thank you! Alpha Energy and Electric is an energy and electrical engineering/construction company with our corporate office based here in Kansas City, providing our expertise for commercial, institutional, and industrial structures. We've been in business now for about ten years. Some of the work we've done in the Kansas City metropolitan area includes the Sprint Arena, Kauffman Stadium and the Chiefs Stadium, and we just completed JE Dunn corporate headquarters in Kansas City. We were

awarded the new Kansas City Police Department East Patrol Campus/Crime Lab Project contract. The \$74 million project is planned for Prospect Avenue and 27th Street and will have a significant economic impact on Kansas City eastside citizens and businesses. It's expected to be completed in 2015.

Moderator: So do you cheer a little harder when you see the Chiefs and the Royals play?

Ike: Indeed. Indeed. Especially this year when the Kansas City Royals went to the World Series.

Moderator: And, Patsy, why don't you describe the services provided by the World Trade Center?

Patsy: Sure. The main goal of the World Trade Center is to build trade relationships in Kansas City and to help Kansas City's economy grow, both in job creation and through international trade, teaching Kansas City companies the nuts and bolts for exporting and connecting them to the right people in the process. Alongside our role as a convener, the services we provide play a large role, too.

I think our most valuable service to businesses is called E-Certify. A few years ago, we saw a gap. Most people wouldn't believe this, but as short as five years ago, all export documentation was paper. In this age of technology, people have a hard time believing that, in the mid-2000s, that everything was still paper-based. So we saw that export documentation could be really cumbersome for businesses and we are early adapters of the electronic processing system E-Certify. This year alone, we will have processed 5600 trade documents for our regional businesses. It saves time, it saves money, it's cost-effective, and has really been a value-add for increasing both compliance and productivity for our local businesses. The process of export documentation can be tedious and the World Trade Center removes this burden from KC companies through E-Certify.

Moderator: I'd like to ask you all evaluate Kansas City in terms of international trade? What's the landscape look like?

Paul: Well, I think it's a great place for trade and, back to what Patsy said, I think that one of the problems we have is that the international community in Kansas City is not very connected. The World Trade Center has done a very good job over the last few years of bringing together the business community involved in international trade, and also the different organizations in Kansas City that are supporting trade. They all have a different function,

but I think there needs to be a point of contact with the business community and I think the World Trade Center has done an excellent job with that. The ultimate result is that we'll be a more coordinated region, we'll be able to collaborate where it's optimal for companies to collaborate, with the ultimate goal of increasing all of our business in the international markets.

Moderator: As a super-regional lender, what sorts of activities do you see going on, Brian?

Brian: As you talk about small businesses who are looking at international as a way to grow their company, as a way to expand, and to sort of insulate against economic downturns or slower growth in U.S. domestic market, they need a lot of training, a lot of networking to connect up with others who are doing it already. You don't need to learn everything yourself, you don't need to go through the school of hard knocks. You can learn from others. But getting training, having a network of folks you can lean on...

I think anybody who's involved in exporting would agree, you've got to have a good logistics partner, you've got to have a good legal partner, you've got to have a bank that has some expertise in international. Those partners will help you, and you don't need to know everything that they know, but you need to know who to lean on. Similar to the Chamber, the World Trade Center convenes those people together to create opportunities so that people can learn about it and take away something. I think that everybody who comes to a World Trade Center event has either learned something, or has shared some knowledge with someone else.

Mark: To follow what Brian said, a lot of our clients, and I think this is reflective of industry in our region, don't know very much about the international market. They know the domestic market - that's their bread and butter, that's the house they've grown up in, they don't necessarily need help doing business there. But the international market is essentially unknown for a lot of these companies and fear of the unknown, I think, deters a lot of small companies here in our region - and when I say 'region,' I mean Kansas, Missouri, Nebraska, Iowa, and the like.

To follow on to what Brian is saying, what a lot of small companies who are our clients do when they come talk to us, is they say, 'We hear you have an office in such-and-such place. Can you get us in touch with somebody there so maybe they can give me the lay of the land.' They're not necessarily looking for sophisticated legal advice or export advice, they first want to know, 'Can we do business over

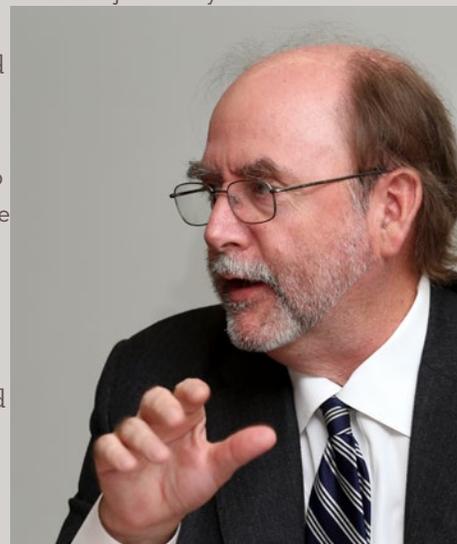
there? And, if so, what do we have to do? The qualifications we have to obtain, certifications, authorizations, and so forth.'

The World Trade Center is a great resource for that, and the folks who do business with us here are great resources for that information. But what we've found is a lot of our clients like knowing there is someone in Baku or Qatar or Singapore or Kiev, that they can pick up the phone and call them, and they speak English, and they're sophisticated. So they know that, if they need help, practical help, they can get it. Finding a bank. Finding an accountant in Ukraine. It can be invaluable and I just think a lot of businesses don't know where to start.

Ike: As a small business, I can testify to what everyone has just said, because I know, with my involvement with the World Trade Center, they were able to make connections, especially to Black & Veatch, introducing me to Paul. And another thing they do and do very well is if you are, for instance, going into Ghana. If you talk to the World Trade Center, they can make a connection for you before you get to Ghana. Again, making the activities you're going to do in Ghana easier, and when you get out of your plane, you have people you can visit, and they can introduce you to potential partners.

Paul: I do want to point out that what we're talking about here is not just for small business. It's for large businesses, too. In fact, and Ike mentioned this, it's the global reach and the World Trade Center is not just Patsy and her staff. They're connected to a network of over 330 World Trade Centers around the globe. So they have tentacles around the world that will help large and small businesses here in Kansas City.

As an example, recently, they helped us arrange a one-on-one meeting with the Consul General of Canada and then, not too long ago, they helped us with a large-scale





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event involving the Botswana Ambassador to the U.S. So it's not just small company help, it's big business help also.

In addition to connecting with the World Trade Center KC companies, regardless of size, thinking about exporting, or increasing exports, should make one of their first stops, the Kansas City Export Assistance Center which is part of the U.S. Commercial

Service. They are the trade promotion arm of the Department of Commerce's International Trade Administration. They have trade professionals located in nearly 80 countries and across the United States.

We use them as our access point to connect to U.S. Embassies around the globe; just three weeks ago they arranged for one of our Business Development professionals to meet with Ambassador Schultz in the U.S. Embassy in Zambia to discuss a potential project opportunity there. A few months ago they connected us to the Senior U.S. Commercial Service Officer in the U.S. Embassy in Malaysia. We were seeking advocacy help from the U.S. Government on a project pursuit there.

Moderator: And, Ike, I know you recently went on a trade mission to Africa. How did that happen, and what happened?

Ike: Again, as Paul mentioned, the connection started with the World Trade Center and Department of Commerce. We applied, and we were given appropriate recommendations, and we were one of twenty companies selected to travel with the U.S. Secretary of Commerce on a trade mission to West Africa. We went to Ghana, Nigeria, and Portugal. It was a very, very successful trade mission.

While we were there, we were introduced to the heads of state of those countries, and also to those in areas in which we want to do business, which is power. So we met the ministers of power in each of those countries. As a result of that trade mission, we have since signed an MOU to build up to 850 megawatts of multiple power plants in eastern Nigeria. So, I'm leaving tomorrow to start working with people on that project.

Moderator: What advice would you all give to small businesses that are already thinking about exporting or those who haven't realized the possibilities.

Brian: Statistically, 95 percent of the world's population is outside the United States. So if you've already recognized that as the potential, and you currently have a product that you are selling to five people domestically, why not the other 95 that could benefit from what you make. That's the kind of hook that gets people excited and interested and curious about the potential, and then just that networking with the local and federal agencies that help support. Ex-Im Bank is another one we haven't talked about yet, but will get to it at some point here.

Just to tap into the stories that you hear about people who have gone to certain markets and been successful. I met with a company recently who, eight years ago, their business was 30 percent international, 70 percent domestic. And today, it's flipped. It's 70 percent international and 30 percent domestic. So hearing about that and hearing people who have gone out and had success, and that's not just in one market. It's also realizing only one percent of U.S. companies actually export, so your competition is not here, your competition is everywhere else. And how do you collaborate and get your product known in other places.

I think there's a lot of good support through the U.S. Commercial Service Offices, trade shows, and the conferences they go to and get involved in. Made in America matters, and that's what I think people are realizing. Quality matters and there's a lot of innovation and technology that happens here that is transferable to other parts of the world. So, advances in agriculture, advances in power generation, advances in desalination, all the kinds of things that are happening here that translate to opportunities everywhere else.

Mark: It may seem, to a company that's never done it before, a daunting task and most people, when confronted with something like that, end up doing nothing. All I would suggest is to start with the first step, and I think a good first step is to call somebody like Patsy and talk with them. Let them know what you're thinking about doing, and through the World Trade Center, they can connect you to folks who have basically done this before. "Here's what you need to do. Here's who you need to talk to. Here are the authorizations you need to get and here's how you do it."

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So, simply by making a phone call, somebody who's never been in the international market can find connections to people on the ground here in Kansas City who've done it, and can assure you that, yes, you can do it.

Moderator: If I'm a small business, Patsy, coming to you saying that I want to export but have no idea how to do it, how can the World Trade Center help?

Patsy: The World Trade Center has a few different databases that can really go in depth in terms of identifying new markets, not just for small businesses that are new to exporting, but also large businesses or seasoned veterans who export all the time and just need the lay of the land. So we have analysis that goes everywhere from a SWOT analysis to political climate to multi-national intelligence, the companies that are currently there, the regulations they have, and so on.

We can do a deep dive for companies to make sure they're making the right decision. They know exactly what they're getting into on multiple levels, and we guide them through that process. So our analysis is one way we can help, but also, as Mark mentioned, our global connections as well. We're a great first resource and we can provide that data for businesses as a starting point, and then, with our affiliation with the World Trade Center Association - the largest trade network in the world - and our strategic partnership with the U.S. Commercial Service, we can help build the critical relationships necessary, too. Everything comes together and it's all intertwined and it's a process that we can help them through.

Paul: To add to what Patsy is saying, World Trade Centers and U.S. Embassies, have lists of vetted potential partners and also potential clients business can tap into. The Commercial Service staff located in the U.S. Embassies will help you get connected to actual buyers of your products, or local manufacturers or service providers that you can partner with.

Moderator: And, Ike, with the wealth of resources that has been described, during the last ten years of building your small business, what sorts of resources have you used along the way?

Ike: One of them is the World Trade Center, as everyone's been talking about, but also the Commerce Department. They've been very, very helpful. When you take advantage of those resources that are available for you, success is very possible. As the others mentioned, the

world needs American goods. The world needs American services. It's second to none.

A typical example is in Africa. The Chinese try to manipulate markets in that region. The Africans have now seen that most of the goods the Chinese are bringing into their country are inferior products. When they see American goods, especially in power or infrastructure coming into Africa, they are built to last 50 years or more, just like infrastructure is supposed to be. So I would encourage every small company that does business in Kansas City or in the U.S. to reach out overseas because they really need what we have - high quality goods and services.

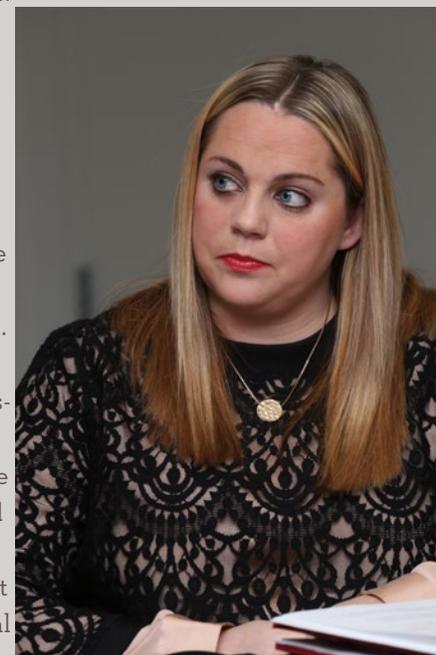
Moderator: Speaking of Africa, the CFO of Black & Veatch (and Vice Chair of the Chamber) Karen Daniel has recently been selected to a very prestigious group...

Paul

Yes, our CFO Karen Daniel has been selected to serve on President Obama's Advisory Council on Doing Business in Africa. Selection to the President's Advisory Council is a great honor and privilege. The United States and Africa have significant opportunities to build strong economic partnerships in the coming years.

It you look at the make-up of this newly formed 15 member council, you see it has representation from a wide variety of industries, large and small companies, and it is regionally diverse. We are representing the Engineering and Construction industry and the Midwest region. It's our intent to be the voice of both on this council with the mission of collaborating on new and innovative ways to increase trade with Africa, for our industry, and our region.

It's an exciting time to be part of Africa as it plays such a crucial



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role in the world's affairs.

Moderator: What sort of macro impact will there be for our region, do you think?

Paul: We will use KC resources, the World Trade Center as an example, to support Karen's work on the Council. They already have their first assignment, and it's a pretty big one... provide us data on the current level of exports between Africa and the Greater Kansas City area, which companies are currently exporting to Africa, and then work with those companies to generate a list of innovative ideas to increase trade that we can bring to the council. I suspect that will be the first of a long list of assignments. We are hopeful our work on the Council will help all KC companies increase exports to Africa.

I think it's that voice and having that voice goes back to some of the groundwork we're laying right now. We're taking this as an engineering firm and a systematic approach, where we've engaged organizations in D.C. to reach out to the large and small exporters to Africa, asking where they see things that need to be enhanced, innovative solutions to increase trade on a national level. We've reached out to our engineering associations to do the same with our engineering firms that are trading with Africa.

One of the things that we can bring to the table that will enhance trade, and we've asked Patsy now to do that through the World Trade Center with the region, is to reach out to first identify what trade is happening between the Kansas City region and Africa, who are the companies doing that trade, and what are their lists of priorities and suggestions on things that can be enhanced, policies between the U.S. and Africa, and maybe some of the specific countries, with the objective of lowering barriers so trade can increase. That will absolutely have a positive effect on our region.

Mark: Let me change the dynamic a little - and that's the import side, foreign companies doing business in our region. What we've found is that a lot of sophisticated foreign companies that have done business in the United States are getting tired of dealing with the highly-regulatory, comparatively speaking, environment on the East Coast and the West Coast.

First, when they come to the United States, they don't understand this 'state' thing. I mean, when you want to do business in Nigeria, for example, you're talking about dealing with the federal government in Nigeria - you don't have to worry about each individual state. Of course, that's

entirely different in the United States, and what a lot of our clients are finding is that it is much easier to do business here, in our part of the country, than in California or New York or in Florida, which have been the traditional places for them to go. And so we see great opportunities for foreign companies locating here in our part of the country, and those will be great opportunities for businesses here to connect up with those foreign companies locating here.

Moderator: Brian, you were telling us about a recent experience you had...

Brian: I have a friend who works with the Ag extension office for the Department of Agriculture in Nebraska and they travel around the state to the various ag extension offices and meet the county economic development people. This friend had commented that, for several of the meetings he's been to recently, he's just asked the question, 'Have any of you been approached by any foreign individuals looking to buy farmland or to invest in your county?' And in a lot of these meetings, every hand goes up.

It's remarkable to think that people see that as a tremendous value, that the U.S. is a safe market in which to invest both your money and your concept or your company or your brand and to partner with somebody who maybe is already doing something similar and you sort of come alongside them and enhance both what they're doing and what you're doing with an expansion of product lines. So foreign direct investment in the U.S. is going to be a pretty substantial and significant growth model for both employment for companies that come here and say 'we want to put a flour milling operation in the middle of Kansas to use all that wheat and we're going to make pasta' but it's an Italian company ... or those kinds of opportunities and those kinds of examples.

Patsy: I just want to jump in there and point out that KC SmartPort and the Kansas City Area Development Council had a record year in 2014 in terms of foreign direct investment, which is very advantageous to our region. They garnered business from about 8 countries and will continue to - they have a lot in the pipeline for 2015 as well. Along with SmartPort, the City of Kansas City, Missouri, is housing an international position within the Economic Development Corporation and they are also going to be looking at foreign direct investment as an opportunity on that side of the state line. So there are many balls rolling right now and I think that foreign direct investment is an area that Kansas City really wants to see increase.

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Ike: And Kansas City being in the middle of the country is also an advantage. When you invite people to Kansas City, and they come and they see Kansas City, they know that we have something special here. So I encourage everybody who is doing business here to reach out. Because Kansas City is an attractive place.

Moderator: People are often surprised, I think, when they visit for the first time. Do you find that with your foreign customers?

Brian: The brand names that are known from here are remarkable. You mention a Black & Veatch, you mention a Russell Stover, you mention Hallmark Cards, people from almost anywhere in the world are going to know those names. And now Cerner, and now Sporting KC, because soccer's a global sport, and so it catches hold. 'Oh, you're in Kansas City, that's the MLS Soccer Champion from a year ago...'

Moderator: You mentioned the Export-Import Bank earlier, which comes up for reauthorization yet again in June. What impact does the Ex-Im Bank have on the Kansas City region?

Brian: Ex-Im's been doing what they've been doing for 80 years. What I think is unfortunate is that everyone focuses on the size of the transactions they do for some very large companies like Boeing. People think the U.S. government is just lending to Boeing, but really what's happening is, they're lending the money to someone else who's buying those aircraft and they're just doing term financing for Ethiopian Airlines to be able to buy from Boeing. That is a competitive tool we have to have, because Airbus in France will do the exact same thing and we'll lose out on opportunity.

What's important to remember is that Boeing designs aircraft and then hires a lot of contractors and vendors who manufacture parts for them. So the jobs that would actually go away from not having the support of an Ex-Im Bank, would be significant. A lot of people in Congress would say, 'Oh, the private sector will do that. The private sector will pick up the slack.' I can tell you, from our perspective and as a banker in the private sector, we would not do that because we don't have the leverage. And we don't have the Seal of the U.S. government saying, 'We are supporting this, and you'd better pay over that 15 or 20 year aircraft loan, and if you don't, we, the U.S. government, are coming after you.' If I were to say Commerce

Bank is coming after you, Ethiopian Airlines, as soon as they stopped laughing...right? It's a totally different picture.

It appears that there's support in the Senate (for reauthorization). We've been talking to lots of Congressional staffers trying to educate them because all they do is read the media and they think that's the only story. So we've been trying to get with lots of Congressional staffers and tell them stories of companies we work with who use Ex-Im Bank programs, who use their insurance, who use the working capital program. And if we don't have those programs to support exports, then there will be a pending downturn in exports.

Paul: I have to jump in here. The Ex-Im Bank is an important partner with a key role in supporting the development of global infrastructure projects. In addition to its record of supporting U.S. job growth, the Bank helps maintain a level playing field for U.S. companies in competition with sovereign-backed, international firms.

We currently have three project pursuits underway, one in Guinea, one in Kazakhstan, and one in Jordan, that require (by the client) Ex-Im financing. Our competitors for two of these projects are Chinese engineering companies and their China Ex-Im Bank. If our Bank goes away so does our chance at winning these projects. I suspect the China Ex-Im Bank is not going away anytime soon.

Also, in addition to the three projects I just mentioned, we currently have over 300 professionals working for a client in South Africa who received a loan from the U.S. EX-IM Bank to help them with a major energy project.

Mark: To follow onto that, you can debate the philosophical merits of government support for private business till the cows come home. The reality is, our competitors are supported - and have been, probably, since the day they were founded - by their governments. If we're not in that market, if we don't have the Export-Import Bank, we lose. That's just the reality...

Brian: We'd be the only industrialized country on the planet without that kind of support mechanism for U.S. business.

Ike: Absolutely. In Africa, for instance, the Chinese have been successful because when they come in, they come in with the financing. The project we're doing in Nigeria now, we need Ex-Im financing to be able to com-

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plete it. Without it, we wouldn't be creating jobs, jobs that we need in Kansas City. Without it, our presence in those countries would not be felt. So we really, really need the bank.

Patsy: Ninety percent of the business Ex-Im does is with small business...

Brian: That's in terms of number of transactions, 90 percent to small business, but everybody gets focused on the other 10 percent because it's such a huge number.

Patsy: I think the bottom line here is that there's a lot of misinformation out there. I think that there's an idea that it's an obscure government agency somewhere. Well, for being an obscure government agency, it gave more than a billion dollars to the U.S. Treasury last year and has supported our government for the last eight decades in a positive way.

There is a lot at stake. We would lose hundreds of jobs here in Kansas City, over 200,000 jobs nationally. It's a topic that will continue through 2015. The World Trade Center and the KC Chamber have been spearheading that effort since July through roundtables - Congressman Cleaver came here to talk with a lot of private sector business leaders in the region, and everyone around this table will continue to support the reauthorization.

Moderator: Any odds on what will happen?

Paul: There is a business coalition that's working for reauthorization for all the reasons we've been talking about. We're moving forward with a fact-based conversation and trying to keep it out of the politics, but the politics are hard.

Brian: There's compromise to be had, though. So, I'm optimistic. My cup is half full.

Moderator: A final question for each of you. How important will international trade be to Kansas City in the next decade?

Paul: I think international trade is absolutely important to everyone. The customer base for the services we provide continues to grow in the U.S. but it is growing exponentially outside the U.S. It is absolutely a great time to be thinking about international business. And I think, with that, it's the companies at this table, the other great exporters here in Kansas City, I think we'll continue to have these conversations year in and year out and I think it will always be more positive and more positive.

Brian: I think the companies that are growing and adding jobs are the ones that are seeing those opportuni-

ties and seizing on them. The potential, in my mind, is just spectacular. It's a matter of how do we harness that potential, build a coalition and a collaborative environment and a network of people who support each other - Ike and Paul are a great example of that.

Moderator: Because you two are now working together...

Paul: Yes, first, it was our involvement with the World Trade Center that introduced us to Ike and Alpha. We are always looking for local partnerships, in KC, in our other US office locations, and in the countries we work in. For us, it's not all about the projects we build, it's also about improving the lives of the people in the communities we live and work in. The B&V and Alpha relationship is developing and has the potential to make us both stronger exporters of our services to several countries on the African Continent.

Brian: On my team, I tell everybody, don't keep your contacts close to your chest. You've got to share. When you're meeting with a company, who else they could collaborate with, what other companies? We work with a company out of Wichita that does lighting and floor matting and stuff for airports, so we've tried to match them with every engineering, architectural, and construction firm we know so that they can collaborate and be part of projects that the bigger people are bidding on. Just trying to make sure that, if you see an opportunity and it's not you, you at least introduce somebody to the opportunity. It's that collaborative environment, that networking, the power of the 'together.' And if we do that well, I think the Global Cities Initiative and the Brookings Institute will help us build on what's already here, but make it more cohesive and make it easier to access.

Moderator: Explain the Global Cities Initiative, Patsy...

Patsy: It's a project that was started by the Brookings Institute and J.P. Morgan Chase. Within the initiative, there's something called the Exchange, which is a peer networking opportunity, supported by Brookings, that allows 28 cities in the United States to develop strategic metropolitan export and foreign direct investment plans. Twenty cities have been selected; the last cohort of 8 cities is left to be chosen, and in the last six months, the World Trade Center has led our region, along with the support of everyone around this table, in that effort. It's an all hands on deck effort to rally our region behind the need for such a plan.

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If selected, this will be the first of its kind for Kansas City. As Brian noted, it's very important. The World Trade Center has been working for years to bring the international community together and this Brookings designation would allow us to leverage what other cities are doing, leverage Brookings data, to further refine our plan and really have a strategic vision for the next 10, 20 plus years.

If selected for the GCI, it would become part of the larger initiative that was recently rolled out by private business leaders called "KC Rising," which is a larger, overall regional business plan, also the first of its kind in Kansas City, so we would fit into that as the international component for the globally-competitive sector's portion of that plan. We are turning in the application tomorrow,

The main takeaway here is that, while Kansas City is growing alongside the national average in terms of export growth, we're not growing fast enough. We are behind all of our peer cities but one, including Minneapolis, San Antonio, Portland, St. Louis, to name a few, in terms of the rate of export growth. So what we're going to have to do in developing this plan is to figure out how we leverage our current key industry clusters and our emerging industries to increase the density of exports. Because, right now, we have thin clusters which means that we have a relatively small number of large firms exporting, making up a large percentage of our overall exports. And so what we need to do is diversify that breadth of exporters, to be able to garner the talent, the human capital, from areas in the Midwest.

So the international landscape is positive, but there's work to be done and a major opportunity because, as everyone has said, we have so many assets here in Kansas City in terms of not only being a transportation and logistics hub, but also because of all the major firms we have here.

Mark: From our point of view, we think that, though some people might disagree, the domestic market is pretty mature. GDP grows a percent or two every year, maybe it drops, but you don't see exponential growth. And so I think a business here in Kansas City, if it really wants to see exponential growth in its revenues, has to look overseas, has to look internationally.

As everybody here has said, people want to buy American. They like the quality of the goods we produce. They're willing to pay a little bit more for that quality, durability. And so we have to take advantage of the oppor-

tunities that are available. It's going to take hard work, it takes some research, it takes working with the World Trade Center, but it's worth it. And 10 to 15 years from now, I think people who decide 'okay, I'm gonna do this,' are going to say it's one of the best decisions they ever made.

Ike: Here's a perfect example in our field, which is electricity, power, and engineering. There was an article in the Wall Street Journal a few months ago that said Nigeria produces 50 percent of the electricity that North Dakota generates. Now, North Dakota is less than one million people, while Nigeria has nearly 174 million people, so that tells you the potential.

I would encourage every business to look beyond its locale and engage with the World Trade Center, the Department of Commerce and other large companies like Black & Veatch, for mentoring and for collaborative opportunities around the world.

Moderator: So international business has been good for you, huh?

Ike: Absolutely.