

International business opportunities thrive in New Mexico

Written by By Damon Scott for Finance New Mexico
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International trade and export opportunities have been a consistent bright spot in the New Mexico economy. Edward Herrera, director of the Office of International Trade at the New Mexico Economic Development Department, would agree.

The longtime trade expert hopes business owners will take advantage of the services his office offers. Finance New Mexico asked Herrera what small businesses can do to boost their bottom line through exporting.

Finance NM (FNM): You head the Office of International Trade at the EDD. Tell us about that.

Edward Herrera (EH): The Legislature created the Office of International Trade in 1990. There had been the EDD, but no division that addressed specific issues related to international trade. I've been in the office now for almost 27 years.

FNM: It seems like Mexico would be a natural for export business in our state.

EH: Actually, a lot of companies limit exports to Mexico or Canada. Not shockingly, many of the exports are made to English-speaking countries — Australia, Canada, U.K. — where there are also cultural similarities. We try to help companies break the ice and not be intimidated by the process. The idea is there is a whole wide world out there to expand to.

FNM: You have trade connections in other countries?

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EH: We've previously had a trade office in Israel and in Taiwan. Under the U.S. Small Business Administration's STEP (State Trade Expansion Program) grant, we now help organize trade missions. More than anything it's navigating cultural barriers and language and the requirements in legal systems and the like.

FNM: What kind of businesses export now or should consider it?

EH: They run the full gamut. We have companies making sophisticated simulators and companies that make protein analyzers used in ultra sophisticated labs. We have companies that export craft beer and nitrogen coffee, and companies that manufacture lip balm. Some have grown their business tremendously. The growth isn't exclusive to the help [offered] through the STEP grant. Some companies are aggressive in pursuing business overseas.

FNM: You help owners understand export options?

EH: Under guidelines, I reach out and embrace companies and engage a conversation in the export process. For example, Old Wood LLC in Las Vegas — they make quality flooring. They've been utilizing the program and have grown and expanded in the market. They've achieved much under the STEP grant.

FNM: Is exporting something every business should consider?

EH: I don't mean to convey that exporting is for everyone. But it's a great opportunity to diversify your market. When there is a slowdown or recessionary periods, it's a way to pull through. When I pitch exporting, many companies say 'I run a lean operation, and if I deviate from the domestic market and if I devote my time [to] other markets, what will happen to my domestic markets?' The company needs to be confident in their posture in the domestic market and needs to be ready to invest time, energy and money for international trade opportunities.

FNM: What's the first step to working with you?

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EH: Once a business expresses some interest, we do a one-on-one consultation. I try and qualify them for the STEP grant program. We might end up picking up the tab on booth space overseas and defray shipping costs, for example. Sometimes we fund an interpreter. We cover about 50 percent of participation in a trade show. We try to help companies avoid the pitfalls. We keep them in the areas in which they have a better opportunity for success.

For more information, visit gonm.biz or contact Herrera at Edward.herrera@state.nm.us and (505)827-0315.

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