

## DateLine Calendar

Upcoming Global Events are subject to change. Please visit [susta.org/events](http://susta.org/events) for the most up-to-date list:

### [Central American Outbound Trade Mission](#)

Guatemala & El Salvador  
July 27- 31, 2020

### [Mexico Inbound Trade Mission to Texas & Georgia](#)

San Antonio, Texas  
& Atlanta, Georgia  
August 10-13, 2020

### [Colombia Outbound Trade Mission](#)

Bogota & Medellin  
August 24 - 27, 2020

### [Fine Food Australia Melbourne, Australia](#)

September 7-10, 2020

### [USDA Outbound Trade Mission to United Kingdom](#)

United Kingdom  
September 14-17, 2020

### [Espacio Food & Service Trade Show](#)

Santiago, Chile  
September 29-October 1, 2020

### [SIAL Paris](#)

Paris, France  
October 18-22, 2020

### [USDA Outbound Trade Mission to Australia and New Zealand](#)

Australia & New Zealand  
October 19-23, 2020

### [Europe Beer, Wine & Spirits Inbound Mission to North Carolina & Maryland](#)

October 27-30, 2020

# InSight

**SUSTA**  
Southern United States Trade Association

Global News, Perspectives & Updates  
for the International Agribusiness Trade

A Publication of the Southern  
United States Trade Association

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*InSight, SUSTA's quarterly newsletter, is usually mailed to businesses in our database. However, this Spring it seems more beneficial to email a PDF instead. We hope you are staying healthy and safe.*

## SUSTA Foreign Trade Shows and Missions

# Making a Go or No-Go Decision

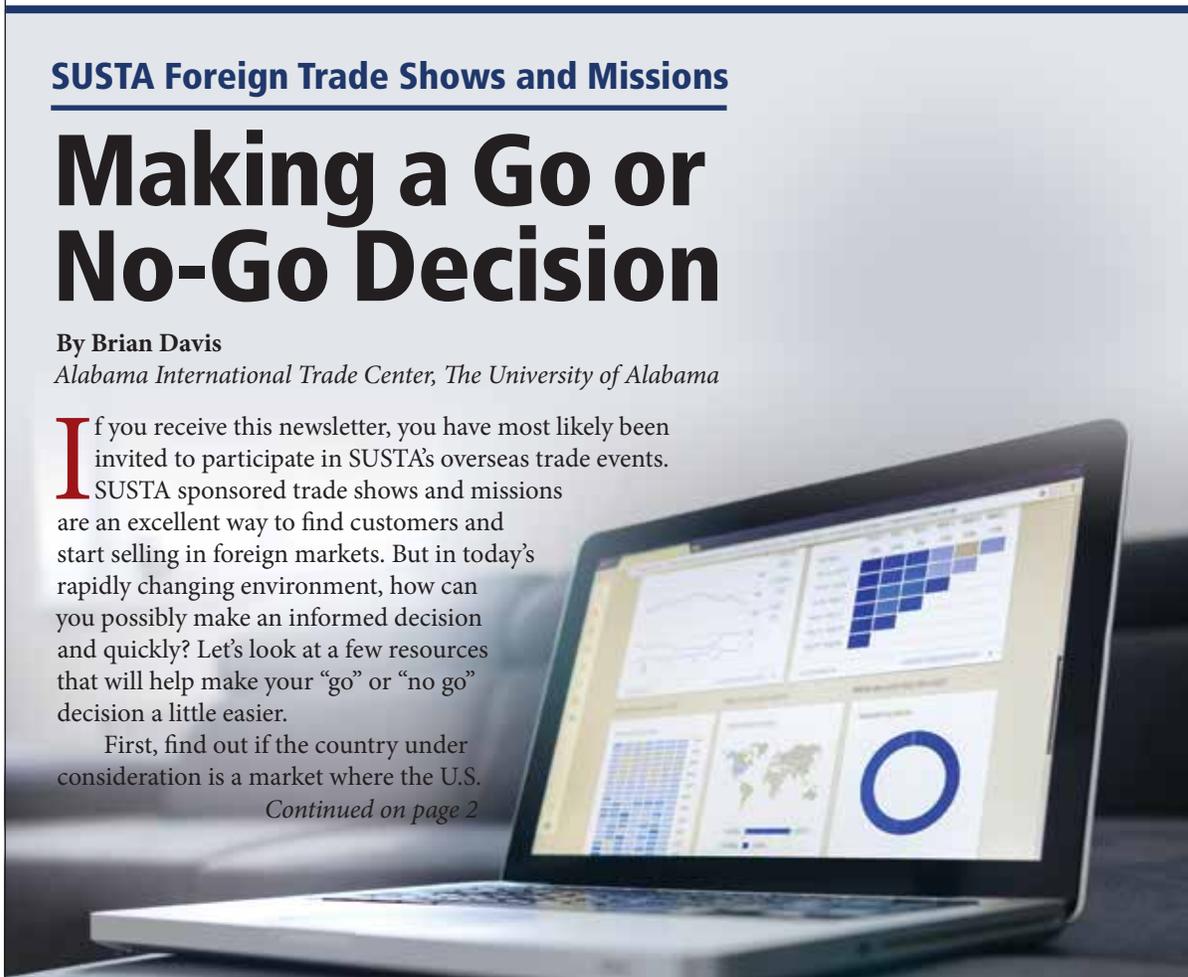
By **Brian Davis**

*Alabama International Trade Center, The University of Alabama*

If you receive this newsletter, you have most likely been invited to participate in SUSTA's overseas trade events. SUSTA sponsored trade shows and missions are an excellent way to find customers and start selling in foreign markets. But in today's rapidly changing environment, how can you possibly make an informed decision and quickly? Let's look at a few resources that will help make your "go" or "no go" decision a little easier.

First, find out if the country under consideration is a market where the U.S.

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# Making a Go or No-Go Decision

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already has a Free Trade Agreement (FTA). If so, this means your products will likely enter that foreign market duty free. The U.S. Office of the Trade Representative maintains a current list of the U.S. trade agreements that are in force with 20 countries. Watch for the implementation of the new agreement with Japan and put the potential FTA with the United Kingdom on the radar as well.

If your target country of interest is not on the FTA list, you can easily find out the applicable tariff rate on your product by using one of the many tariff lookup websites. (See resource list.) Plug in your product's Harmonized System (HS) product code and find the tariff and other taxes

that will apply. Will the tariff and other taxes applied to the product be a deterrent to sales?

Cookies, for example, are classified as HS 190531 and exports to the Dominican Republic are duty free. Exports of cookies to Brazil, on the other hand, require the importer to pay an 18% tariff and another 85% plus in various other taxes and fees to move the product through the distribution system. The U.S. does not have a trade agreement with Brazil.

Next, find out how much of your product category is currently being exported to that market. Use the USDA Foreign Agricultural Service's GATS database to search by

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## USDA Trade Finance Programs

**D**id you know USDA's Foreign Agricultural Service (FAS) provides trade finance solutions for exporters of U.S. agricultural products to developing markets? International sales can pose financing challenges into these markets as U.S. banks may be reluctant to assume the associated credit risk. FAS administers two programs to help overcome some of these challenges and encourage expansion of U.S. agricultural exports.

The GSM-102 program provides credit guarantees to encourage commercial financing of exports of

U.S. agricultural products. Under this program, FAS guarantees payments due from foreign banks under letters of credit (LCs). Because payment is guaranteed, U.S. banks or exporters can offer competitive credit terms to the foreign bank that issue the LC for the importers of U.S. agricultural products. The U.S. exporter must apply for the guarantee and pay a risk-based fee. FAS covers up to 98 percent of the loan principal and a portion of interest for terms up to 18 months. The U.S. exporter can be paid at export by assigning the guarantee to an approved U.S. bank. Most agricultural products are eligible for coverage, including bulk commodities, intermediate goods and consumer-oriented products.

The Facility Guarantee Program (FGP) provides guarantees to finance

commercial exports of manufactured goods and U.S. services that will be used to establish or improve agriculture-related facilities in emerging countries. Inadequate storage, processing or handling capacity can limit trade potential. FGP provides a way to finance these goods and services if FAS determines there is a downstream benefit to U.S. agricultural exports. Some examples of potential FGP-eligible projects include: construction of a soybean crushing facility for U.S. soybeans; construction of a corn silo for imported U.S. corn; cold storage for U.S. seafood products.

Every fiscal year, USDA makes \$5.5 billion in guarantees available for over 130 destinations. To find out more about GSM-102 or FGP, including eligibility requirements, visit <https://www.fas.usda.gov/topics/export-financing>, call 202-720-5711, or email [gsm\\_registrations@usda.gov](mailto:gsm_registrations@usda.gov). ■





# Central America Outbound Trade Mission

**G**uatemala has the largest economy and the largest population at around 17 million people in Central America. The U.S. is Guatemala's largest trading partner, additionally U.S. products have no import tariffs, and all remaining tariffs will be removed within the next few years. Around 31% of consumer-oriented products imported into the country come from the U.S. Guatemalans have adopted much of the U.S. culture, and local food tastes are changing, and more high-value foods are preferred. Most Guatemalans are familiar with and prefer U.S. products to other imported or domestic products, as they are perceived as safer and of higher quality. With the preference for U.S. products and Guatemala's geographic location providing for lower cost exporting, Southern U.S. exporters have an advantage in this market.

**E**l Salvador is the smallest country in Central America, but has the fourth largest economy. It is a densely populated country with a population that has had great exposure to U.S. culture and influence. With a push from the middle- and upper-income consumers, demands for innovated products, specifically with new

flavors and health benefits are in demand. U.S. foods are also well received as being both safe and high quality. Importers in the country are frequently searing for new-to-market products to remain competitive in the retail landscape. As with Guatemala, the U.S. has lower import duties and compared to competitors, and with the country's close proximity to the Southern U.S., Southern exporters have an advantage in this market as well.



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## Guatemala & El Salvador July 27-31, 2020

**Participation Fee: \$300**

### Fee Includes

- Reimbursement of airfare OR lodging for the nights of the mission within the Federal per diem rate for one company representative with submittal of required supporting documentation
- Interpreter services as needed
- Includes reimbursement of up to \$500 in sample shipping costs, with proper documentation

**\* Please note that companies must participate in all activities for the duration of the mission to be reimbursed**

### Registration Deadline

**May 27, 2020**

*(No refunds for cancellation after this date)*

### Industry Focus

Food Service Products, Ingredient, Natural/Health, Organic, Retail Products

### Product Description

Juices and non-alcoholic beverages, Tree nuts, Prepared foods, Seafood and meat, Beverages, Health products, Condiments & Sauces, Specialty foods, Breakfast cereals, Poultry, Wine

### 50% CostShare

**Apply now** for **50% CostShare** to request 50% reimbursement of participation fee, travel costs for up to two company representatives (flight, hotel, meals and incidentals), promotional giveaway items, point of sale materials and more!



# Mexico Inbound Trade Mission to Georgia and Texas

The US is Mexico's largest supplier of consumer oriented agricultural products, accounting for 50% of total imports within that respective category. The business climate has improved in the Mexican market as consumers are spending more on food and beverage. As more women continue to enter the workforce and double income households becoming the norm, in addition to growing concerns for food safety and nutrition, there is going to be an increase in demand for consumer ready and convenience food items. According to USDA's experts the Mexican market is experiencing an expansion and these are some of the products with the best sales potential: meat and meat products, and dairy products.

The Mexican Inbound Trade Mission to Georgia and Texas offers the unique opportunity to meet pre qualified Mexican retail and food service buyers in an inexpensive way for SUSTA region suppliers. SUSTA registered companies will have one on one meetings with buyers. Both established exporters and new to export companies can get a glimpse of the Mexican market in a more accessible way by signing up for this inbound trade mission.

**Atlanta, Georgia & San Antonio, Texas  
August 10-13, 2020**

### Participation Fee

**\$25.00**

One on one meetings with Mexican Buyers in San Antonio, TX | August 10-11

**\$25.00**

One on one meetings with Mexican Buyers in Atlanta, GA | August 12-13

### Fee Includes

- Pre arranged matched one on one meetings with key buyers, importers, distributors, and/or brokers from Mexico

### Registration Deadline

**June 10, 2020**

*(No refunds for cancellation after this date)*

### Industry Focus

Food Service Products, Ingredient, Natural/Health, Organic, Produce, Retail Products

### Product Description

Suitable products include, but are not limited to: Meat, Snack Foods, Dairy, Tree Nuts, Fresh and Processed Fruits and Vegetables, Prepared Foods, Condiments and Sauces, Pet food



### Activity Managers

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# Fine Food Australia 2020

**A**ustralia is the world's 14th largest economy, with nominal GDP of US\$1.2 trillion in 2017 and one of the highest levels of per capita GDP in the world. The market for food grocery sales in Australia is concentrated in areas where population and disposable income is the greatest. It is estimated that over 85 percent of the products on Australian supermarket shelves are imported, made from imported ingredients or produced locally by foreign owned companies. The United States is the second largest supplier of imported consumer-oriented food products after New Zealand. Consumer-oriented food products represent more than 76 percent of all U.S. agricultural exports to Australia.

Consumers are increasingly demanding foods that are healthy but also convenient, with organic, gluten-free and functional foods growing in popularity. SUSTA companies that have products fitting into these categories have potential in a marketplace that has room for expanded US growth. Best prospects in this market include organic, healthy and natural products, wholegrain chips, energy drinks, mineral and non-sweetened water, functional foods and ethnic based trends particularly Mexican food, spice blends, and marinades.



Recognition of market structure and trends require exporters to understand that the Australian market is well educated, willing to try new product and is committed to healthy, green trends. Innovative packaging has an advantage and is becoming increasingly important to consumers as well. The healthy segment spills over to convenience foods including microwave and fast food options demonstrating a market potential in the food service and frozen food sectors.

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## Melbourne, Australia September 7-10, 2020

### Participation Fee

**Corner Booth: \$2,032**  
**Early Bird Special: \$1,832**  
*(if you register and pay before April 7, 2020)*

**In-Line Booth: \$1,824**  
**Early Bird Special: \$1,624**  
*(if you register and pay before April 7, 2020)*

### Fee Includes

- 9m<sup>2</sup> booth and standard furniture package
- Allowance of up to 100 lbs. of samples shipped to the show through SUSTA's designated freight forwarder\*

\* Please note that chargeable weight is based on actual or dimensional weight (in inches, length x width x height/166, whichever is greater.)

\*\* Fresh/frozen/chilled products may be subject to separate allowances

### Registration Deadline

**June 7, 2020**  
*(No refunds for cancellation after this date)*

### Industry Focus

Food Service Products, Ingredient, Natural/Health, Retail Products

### Product Description

Meat, Poultry, Seafood, Dairy, Fresh and Processed Fruits and Vegetables, Non-Alcoholic & Alcoholic Beverages, Prepared Foods, Condiments and Sauces, Snack Foods, Bakery Products, Tree Nuts, Breakfast cereals, Baby foods

### 50% CostShare

**Apply now** for **SUSTA's 50% CostShare** to request 50% reimbursement of participation fee, travel costs for up to two company representatives (flight, hotel, meals and incidentals), promotional giveaway items, point of sale materials and more!



# USDA Outbound Trade Mission to United Kingdom

**S**USTA is partnering with the U.S. Department of Agriculture on a trade mission to the United Kingdom in September 2020. Participants will engage in personalized business-to-business meetings arranged by local staff from USDA's Foreign Agricultural Service. U.S. government and industry trade experts will guide you through in-depth briefings and site visits where you will gain an understanding of the intricacies of the market.

The UK, a leading trading power and financial center, is the third largest economy in Europe, after Germany and France, and has one of the highest income levels in the world. The UK has strong social and cultural ties to the United States, demonstrated by the similarities in consumer trends in the retail and food-service markets. The UK presents strong market opportunities for many U.S. consumer-orientated products, including specialty food products, "healthy" food items, wine, sauces, fruit, nuts, and juices. "Health" and convenience foods are the main driving forces in the UK value-added food and beverage market. Consumers in this country are looking for variety in high quality food products, especially those perceived to have health benefits.



## United Kingdom September 14-17, 2020

**Participation Fee: \$400**

### Fee Includes

- Reimbursement of airfare OR lodging within the Federal per diem rate for one company representative with submittal of required supporting documentation
- One-on-one meetings with qualified buyers
- Market briefing by local USDA, Foreign Agricultural Service
- Retail tour

### Complete the Following:

**Step 1:** Complete the registration on SUSTA's website and pay \$400 participation fee

**Step 2:** We will follow up with you to complete the USDA registration form

**Step 3:** You will be notified if USDA approves your company for the event (If not approved by USDA, a refund will be given)

### Registration Deadline

**July 13, 2020**

*(No refunds for cancellation after this date)*

### Industry Focus

Food Service Products, Ingredient, Natural/Health, Organic, Produce, Retail Products

### Product Description

Suitable items include but are not limited to prepared foods, beef and beef products, pork and pork products, fresh fruits and vegetables, processed fruits and vegetables, snack foods, confectionery, organic products, wine, condiments & sauces, spirits, tree nuts, live animals, feeds & fodders, and fish products.

\*Companies that participate in the trade mission to the United Kingdom can apply for SUSTA's 50% CostShare program to request 50% reimbursement of participation fee and other expenses. Please contact [CostShare@susta.org](mailto:CostShare@susta.org) for more information.

***Itinerary details to follow once provided by USDA***

# Making a Go or No-Go Decision

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the product's HS code and find out the top export destinations. A search for U.S. exports of cookies showed that \$200 million were shipped overseas in 2019, a 5% growth over 2018 figures. Top markets for shipments of U.S. cookies in 2019 were Canada and Mexico. With a few clicks, you can quickly see if shipments increased or declined over the last 2-3 years and in which countries.

Don't forget about the excellent market reports published by the USDA Foreign Agricultural Service (FAS), the same organization that sponsors SUSTA's Global Events and Cost-Share programs. Most FAS posts overseas publish reports on a regular basis that provide insights into the opportunities for U.S. food products. The reports are available on a FAS database system called GAINS. See the resource list for details.

The FAS report called Food and Agriculture Import Regulations and Standards (FAIRS) is a favorite because it outlines the regulations that apply to US food products – labeling, ingredients, certificates, import licenses – that the foreign country imposes, and what local agencies are responsible. This helps you identify potential barriers, ingredient prohibitions, labeling and packaging requirements, and notices on claims made for non-GMO or organic certifications.

Separate FAS reports are also published on the retail, foodservice, and ingredients market segments in most of the major countries around the world. The reports identify the top product prospects, describe the distribution structure, and highlight the top players in the market. The reports are updated regularly by FAS officials and knowledgeable staff located in country. On a query for the Caribbean, I found reports published in 2019 on the retail and foodservice segments and a FAIRS report.

Use these resources to guide your decision-making and seek advice from SUSTA staff and their State Agricultural Marketing representatives that manage each trade event. SUSTA preselects promising markets and trade events for products made in the Southern states. An informed decision to participate will help jump-start you on the road to export sales. ■

### Fact Finder: Sources of Foreign Market Information

**U.S. Free Trade Agreements are in force with 20 countries**

<https://ustr.gov/trade-agreements/free-trade-agreements>

<https://www.fas.usda.gov/topics/trade-agreements>

**U.S. Food Product Export Statistics. This is an easy to use look-up system: FAS Global Agricultural Trade System (GATS)**

<https://apps.fas.usda.gov/gats/default.aspx>

**Tariff Rates applied on U.S. food products shipped to foreign markets. This is a free service but requires registration:**

<https://Export.CustomsInfo.com>

**FAS Global Agricultural Information Network (GAIN) Reports**

<https://gain.fas.usda.gov/#/search>

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## Ham Farms Feeds International Growth with SUSTA Assistance

**I**n February 2020, representatives from Ham Farms traveled from North Carolina to Berlin to promote their Ham's Yams and Prime Organics branded sweet potatoes, as well as other sweet potato products, in SUSTA's pavilion at Fruit Logistica. This was their fifth year exhibiting at this show with SUSTA. They met nine new quality leads and had the opportunity to meet with existing customers in the region.

One potential new customer hails from Hungary and is interested in Ham Farms' dehydrated sweet potato flour. Following the show, Ham Farms sent product samples and

is waiting to see if sales, which could top \$1 million, materialize. Ham Farms introduced their puree to an existing Dutch customer who typically buys their fresh sweet potatoes. Samples have also been sent to this company, and if met with favor could result in sales of over \$300,000.

"Fruit Logistica is always beneficial for us. It allows us to meet with our current client base in one location saving us money from having to fly all over the EU seeing each one. Each year we come away with stronger relationships with our current client base and has led to new business for us

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**InSight** is a publication of the Southern United States Trade Association. SUSTA is headquartered in New Orleans and works to promote the export of agricultural and food products from 14 southern states and Puerto Rico. The organization helps food and agricultural producers and distributors target potential overseas markets and assists their marketing efforts by administering federal funds for international market development.

**SUSTA Member States**

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## Ham Farms Feeds International Growth with SUSTA Assistance

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each year. Our company is diversified and we also offer puree and dehydrated fruit and vegetable products. Although Fruit Logistica is geared towards the Fresh Fruit and Vegetable Industry, this year we have made contacts looking for our products from our puree and dehydration facilities.

SUSTA has and is a great partner with Ham Farms and always delivers on getting buyers to our booth, giving insight on companies looking for our products and serving as a liaison between the buyers and ourselves.

The inbound and outbound missions provided by SUSTA along with the hand in hand approach to growing our export business has led to increased sales, increased market penetration and provided information and guidance that has helped Ham Farms to grow year over year.

Our export business has increased consistently year over year and we would not be where we are today with exports without the help and guidance given by SUSTA,” said a company representative. This success is due to the Foreign Agricultural Service’s Market Access Program. ■