



Trading with the World:
2004 Sonoma County International Trade Report



*A report developed, researched and written by
the Sonoma County Economic Development Board*

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1 Executive Summary

International trade may provide the first boost to economic recovery. Exports — which account for six percent of the county's economy — could rebound soon, sparked by economic growth in Asia.¹

1.1 Key Findings

- The majority of respondents (82%) in Sonoma County involved in international trade are small businesses with fewer than 100 employees.
- Exporting is the predominant international business practice (60%), as compared with importing, joint ventures, and foreign direct investment.
- Europe remains the most important trading region for survey participants. Approximately 44% of the respondents state that they are involved in some form of international trade with Europe. Interestingly, 16% of the responding businesses believe that China will be a major player in the future.
- Respondents from the High Tech sector declare that more than 80% of their annual revenues derive from international trade. A majority (52%) of the respondents characterize their international trade activities as growing, by an average 16% increase.
- An average of 12% of positions in respondents' businesses are directly tied to international trade. In-house education is still the most-used method (43%) for building an international trade workforce.
- A total of 57% of the respondents report the Internet plays an important and critical role. The importance of the Internet increased by 35% from 2000.

1.2 Opportunities for Action

To be successful in international trade, Sonoma County businesses depend on a workforce capable of operating in the increasingly competitive global business environment. Understanding other cultures and business practices is a key factor to success. The EDB can partner with the Workforce Investment Board (WIB) to address international trade manpower/training issues.

Providing concrete information for businesses in international trade that wish to improve efficiency as well as those considering expansion into new overseas markets facilitates further growth in this market segment. Workshops would be an effective way to disseminate this information to business owners. The EDB will pursue workshops in co-operation with the North Bay World Trade Association, the United States Department of Commerce and other groups.

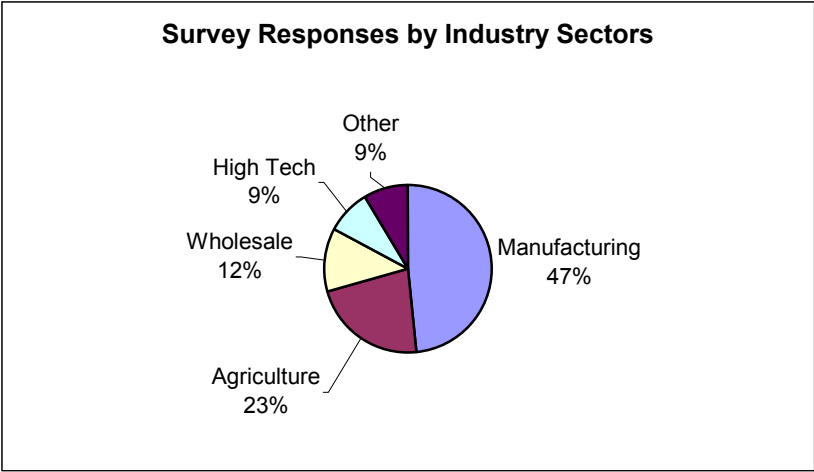
¹ Local Economic Report, Winter 2003, Economic Development Board of Sonoma County

2 Survey Findings

The 2003 International Trade Survey was sent to about 300 company executives in Summer 2003. The responding businesses, are believed to be involved in international trade activities. Sixty-five business leaders filled out the survey, a response rate of 23%.

2.1 Demographics

The manufacturing sector reported the most involvement in international trade; 47% of the respondents were in the manufacturing sector. Agriculture and wholesale sectors follow with 23% and 12%, respectively. Only 9% of the respondents operate in the high tech industry. Another 9% are considered as "other" and include tourism and services.

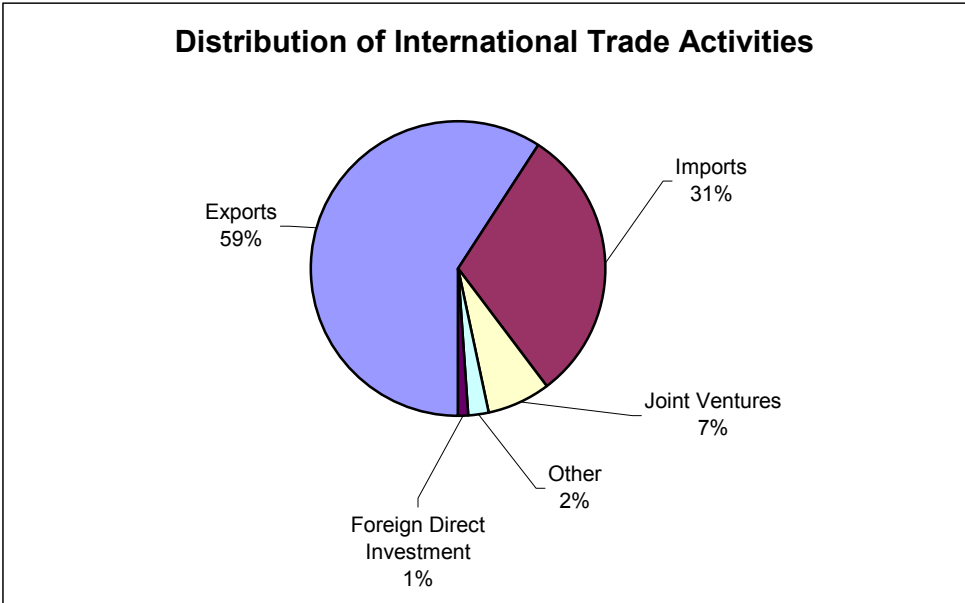


The majority of companies answering the survey (82%) are small businesses. Mid-sized and large companies account for 9% each. In addition, 78% reported they were operating in the business-to-business sector. Only 17% are selling to the end-consumer, and 5% to the government.

2.2 Allocation of International Trade Activities

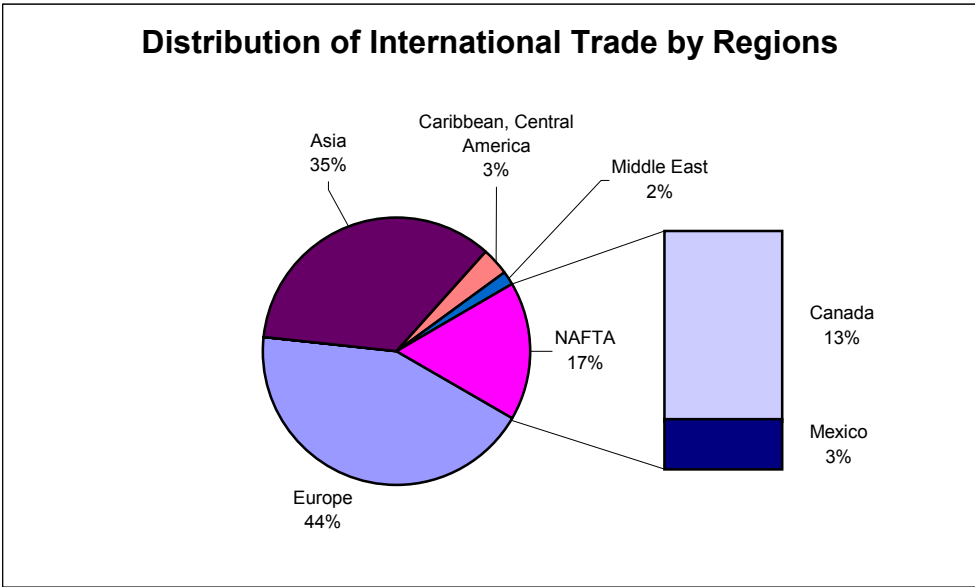
Considering the various types of international trade activity, exporting is still the predominant international business practice in Sonoma County. Sixty percent of respondents indicated they are involved in exporting. This number reflects no change from the survey conducted in 2000. Imports slightly increased from 27% in 2000 to 30% this year. Joint Ventures (7%) and Foreign Direct Investments (1%) are still a minority of reported international trade activities in Sonoma County.

Sonoma County's reported international trade activity differs from trade activity in the nation as a whole. More businesses report that they are involved in exporting (59%) than importing (31%) in Sonoma County, whereas in the United States, more of the trade activity is importing (60%) than exporting (40%).



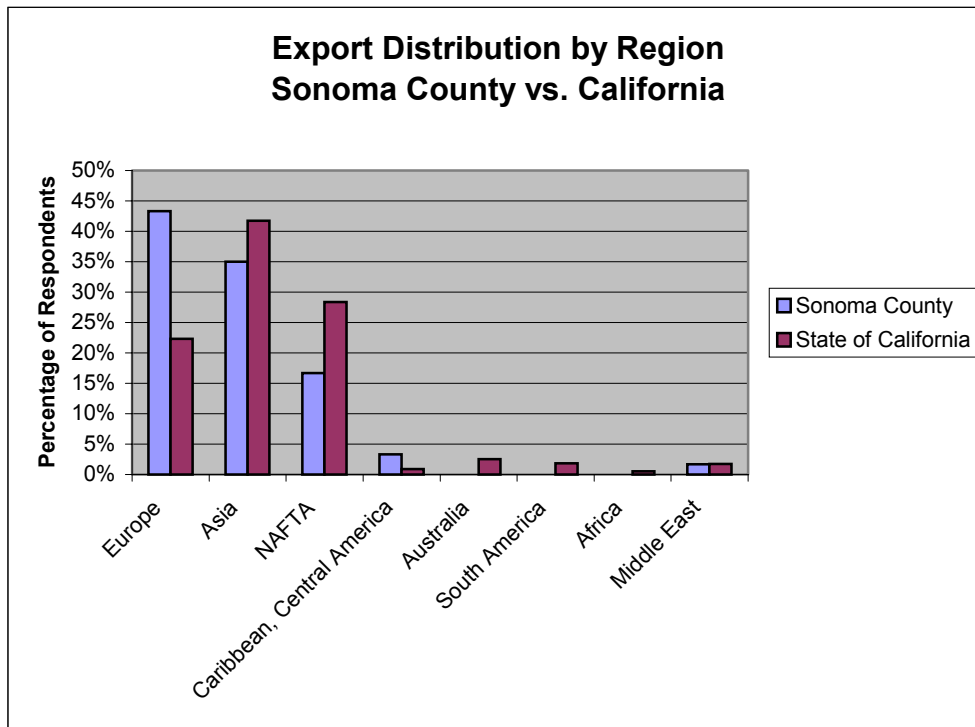
The most export-driven sector is Agriculture with a 4:1 ratio of exports to imports. The other industry sectors are more balanced: High Tech (1:1), Manufacturing (2:1), Wholesale (7:5), and Other (3:2)

The most important trading region for respondents remains Europe, with 44% of the respondents stating that they are involved in some form of international trade with Europe. Asia and the North American Free Trade Agreement (NAFTA) partners, Mexico and Canada, follow with 35% and 17%, respectively.



Interestingly, the largest export market for the State of California is not Europe, but Asia. The “Asian 10” (Japan, Korea, China, Taiwan, Hong Kong, Singapore, Thailand, Indonesia, the Philippines and Malaysia) bought approximately 40% of all California exports in 2002. Exports to Europe accounted for only 22% of total California export sales the same year, falling behind NAFTA.²

² California's International Trade 2002; The California Technology, Trade and Commerce Agency - Global Economic Development Division; Nelson, Chan (Deputy Secretary) and Lon, Hatamiya (Secretary); April 2003



The regions of Australia, South America, Caribbean & Central America, Middle East, and Africa have almost no influence on Sonoma County international trade; the same holds true throughout California.

The following reasons could explain the significant difference in the export allocation between Sonoma County and the rest of California:

- Sonoma County contains a very high number of wineries compared to the rest of California.³ Approximately 70% of the wineries said that Europe is their most important export market.
- Many of Sonoma County's businesses are operating in the high-end product field. High-end products are often exported to Europe.

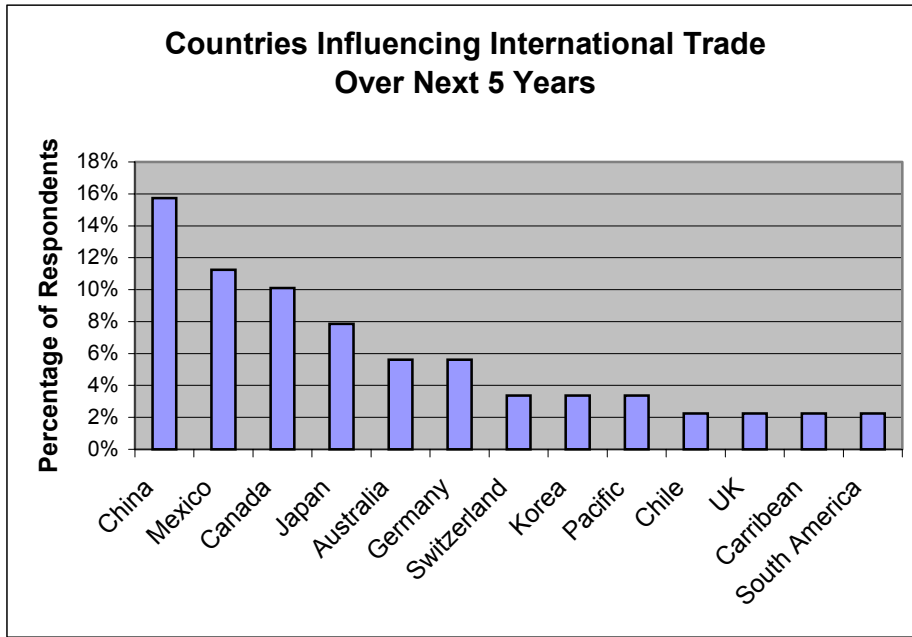
In comparison, when considering individual countries rather than regions, Mexico and Canada are California's first and third largest export markets. Exports to both have grown significantly since NAFTA came into effect in 1995.⁴ In comparison, Canada is the third most important trading partner for Sonoma County, behind Europe (44%) and Asia (35%).

13% of respondents said that Canada is their most important trading partner, while only 3% of responding Sonoma County businesses export to Mexico. For the State of California, the allocation is the opposite, with Mexico as the major trading partner.

In determining important trading partners for Sonoma County businesses over the next five years, 16% of the respondents see China as the most crucial partner. In particular, the manufacturing sector views the Chinese market as very important for future international trade activities. Other countries expected to have a significant influence on Sonoma County businesses are Japan (8%), Australia (6%) and Germany (6%).

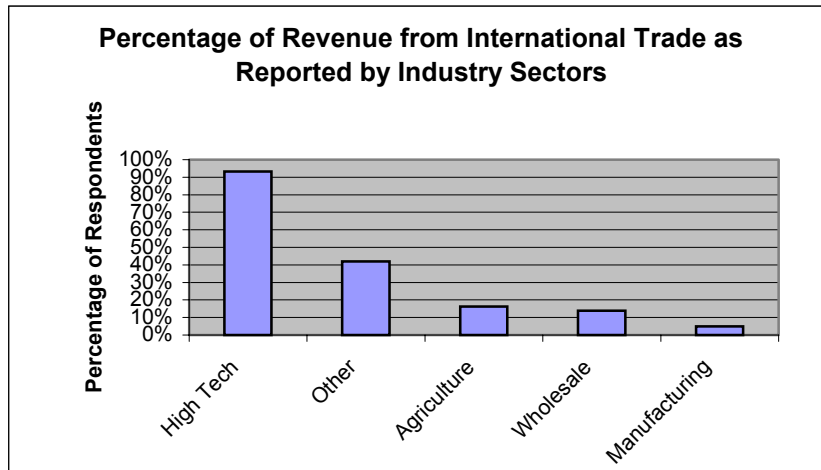
³ 23% of the businesses surveyed are wineries.

⁴ California's International Trade 2001 released by the California Technology, Trade and Commerce Agency



2.3 International Trade Development in Sonoma County

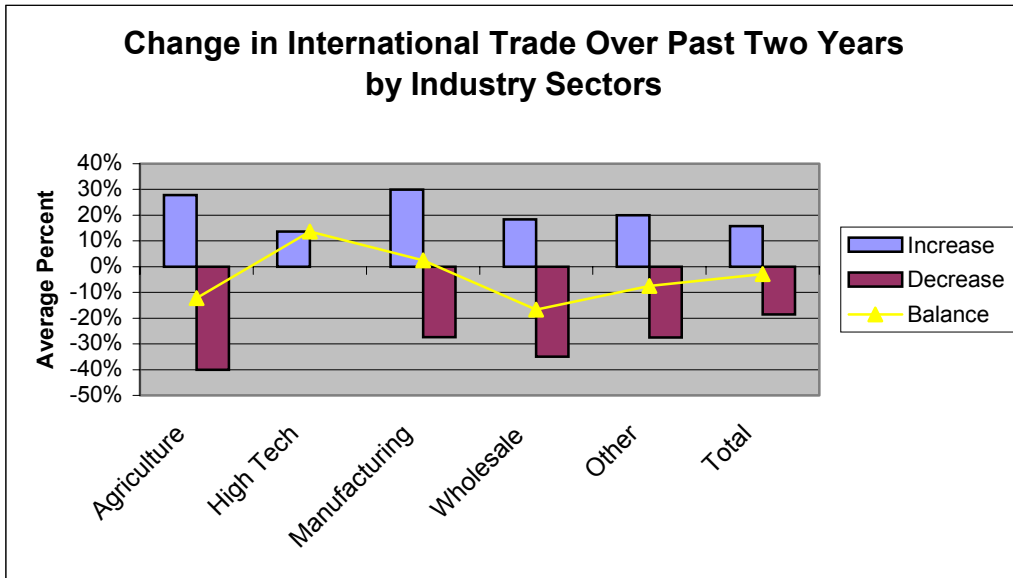
Survey respondents from the High Tech sector indicate that more than 90% of their revenues are derived from international trade. The high percentage of earned revenues from international trade of Sonoma County business in the High Tech industry is comparable to the numbers for the State of California. Computer and electronic products were the State's top exports in 2002 with \$38.9 billion.⁵



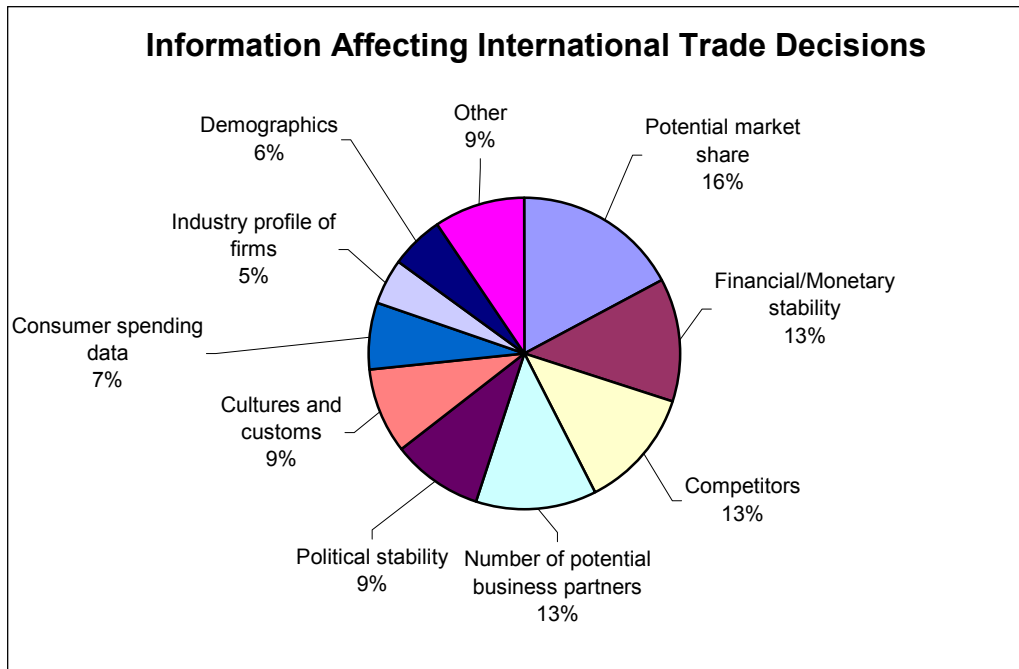
Approximately 52% of the respondents characterize their international trade activities as increasing by an average of 16% over the past two years. Only 25% of executives responded that they experienced a decrease, on average a 25% decline. The fact that so many businesses reported an increase does not conform to the pattern seen in California or the United States. In 2002, exports experienced an overall decline in the United States, falling 5% from 2001. Exports in the State of California dropped 14% during the same period. This decrease in exports over the past two years is attributable to the overall global economic slow-down.⁶

⁵ California's International Trade 2002; The California Technology, Trade and Commerce Agency - Global Economic Development Division; Nelson, Chan (Deputy Secretary) and Lon, Hatamiya (Secretary); April 2003

⁶ California's International Trade 2002; The California Technology, Trade and Commerce Agency - Global Economic Development Division; Nelson, Chan (Deputy Secretary) and Lon, Hatamiya (Secretary); April 2003



Survey results show that businesses decide whether to trade with a country based on a wide range of informational sources. The most decisive information, say respondents (16%), is the potential market share a company estimates to achieve in a future market. In addition, the number of potential business partners, the financial/monetary stability of a given country, and the number of competitors in the country are vital in developing new markets.

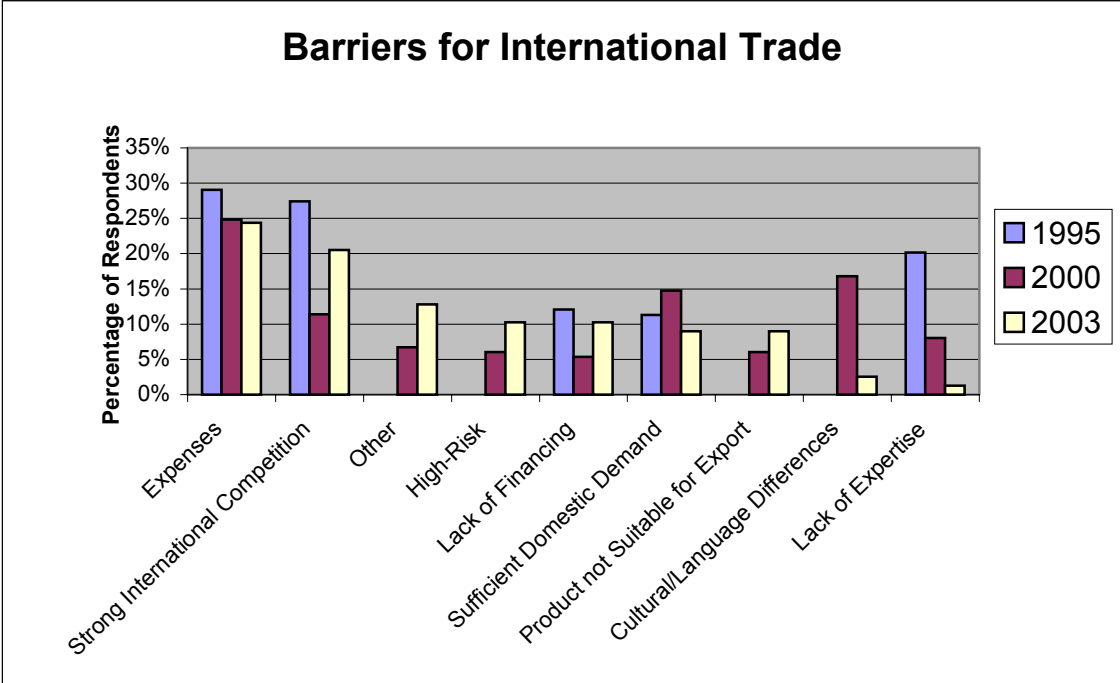


When asked if international trade assistance offered by various organizations was used, approximately 42% of the respondents answered yes. About 12% obtain information from the U.S. Department of Commerce. Many in the agricultural sector are working with the Wine Institute. Increased collaboration among local international trade associations, world affairs/diplomacy groups, education providers, and cultural groups is seen as unnecessary by 59% of respondents.

Though international trade is still performing slightly above average, some Sonoma County exporters feel they have not been able to expand into new markets. When asked about barriers to further expansion of international trade, most exporters listed "expense" as the number one obstacle. This is in accordance with the 1995 and 2000 survey results. In addition, increasing globalization and new

technologies, which facilitate international trade, have led to fierce competition in international markets.

Interestingly, almost none of the respondents see a lack of expertise as a reason for not being involved in international trade, whereas in 1995, approximately 20% of the respondents cited this as an obstacle. A similar percentage drop is seen with cultural/language difference as a perceived obstacle; this may be due to an increase in the use of English worldwide.



2.4 Employment and International Trade

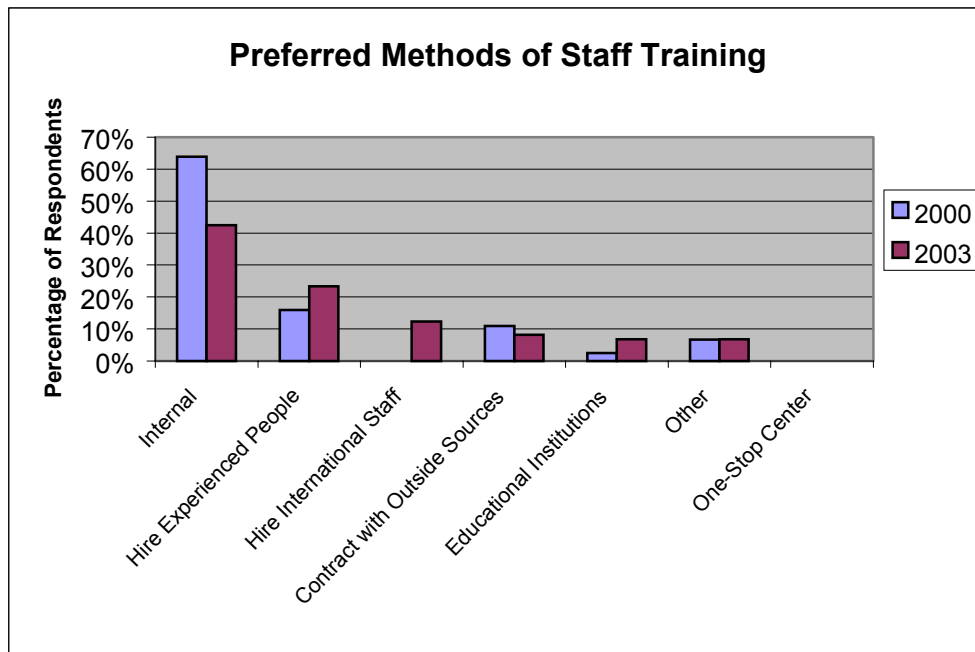
International trade and exports translate into high-paying jobs.⁷ Generally speaking, exporting leads to the following benefits:⁸

- Workers in exporting companies earn 15% more than workers in non-exporting companies.
- Worker benefits are one-third higher at exporting firms than at non-exporting firms.
- These workers enjoy greater job stability.
- Employment, output and productivity growth are 3% to 11% higher at exporting companies.
- Exporting companies are 30% to 50% more productive than non-exporting companies.
- The failure rate for firms that export is one-third less than for firms that do not export.
- Sales per employee are 150% higher at firms that export than at non-exporting firms.

Export-supported jobs account for more than 10% of California's total private sector employment — about one in ten jobs. This number coincides closely with the 12% of positions directly tied to international trade in Sonoma County businesses answering the survey.

Responding companies (43%) provide in-house education for their international trade workforce. Although a decrease compared to the 2000 survey, the majority still provide employees with internal training in order to develop international trade skills. However, respondents increased the number of experienced and international staff hired for international trade divisions. This is a clear reaction to the weak economy. Businesses appear no longer able to afford and are not willing to provide expensive training. In addition, many experienced people can be found in today's job market.

Prospects for the currently unemployed workforce are not very promising. Most respondents (82%) are not planning to hire over the next 12 months. Those who are hiring report that they are not willing to hire more than five employees in the trade sector.

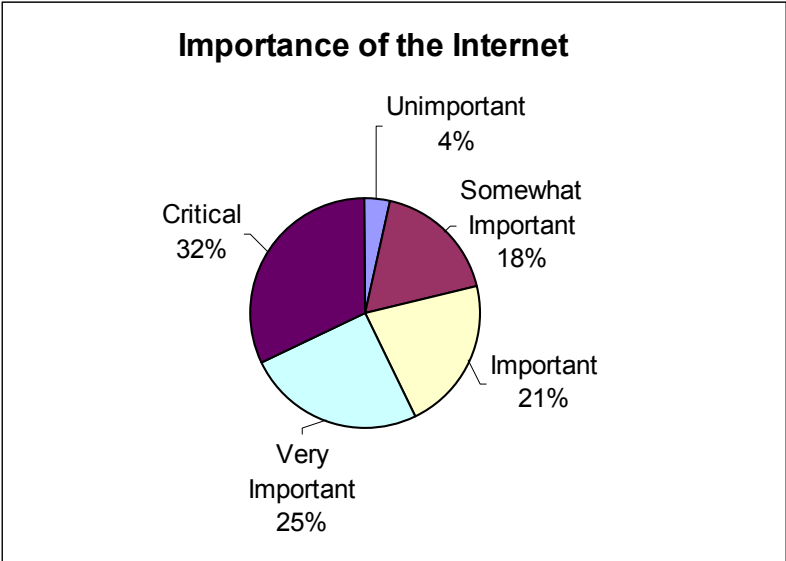


⁷ California's International Trade 2002; The California Technology, Trade and Commerce Agency - Global Economic Development Division; Nelson, Chan (Deputy Secretary) and Lon, Hatamiya (Secretary); April 2003

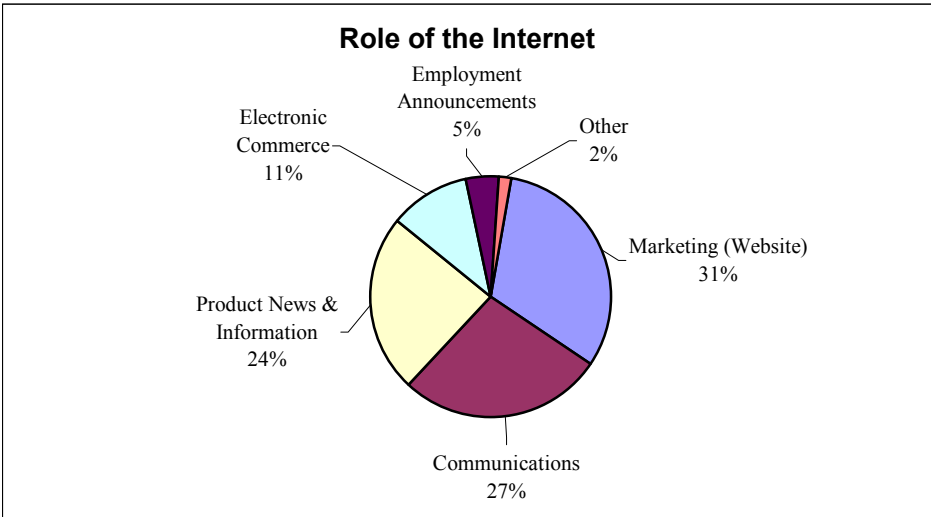
⁸ <http://commerce.ca.gov/state> (international business: exporting)

2.5 Impact of the Internet

When asked how important the Internet is to business, more than half of respondents consider it very important (25%) or critical (32%). Only 4% cite that the Internet is unimportant to their international trade activities. Compared to the results in 2000, the importance of the Internet in international trade increased, from an average importance of 2.6 index points in 2000 to 3.6 index points in 2003 on a scale of 1 (unimportant) to 5 (critical). This trend indicates that the Internet is incorporated in today's businesses more and more. The industry sectors that have most adopted the Internet are high tech, with an average importance of 4.2 index points, and manufacturing with 3.7. The weakest utilization of the Internet (3.1 index points) across surveyed industries is found in the agricultural sector.



The role that the Internet plays in Sonoma County's businesses did not change significantly compared to the 2000 survey. It is still used mostly as a marketing, communications and informational tool. Marketing activities via the Internet increased slightly by 4 percentage points. In addition, the importance of electronic commerce has been growing, but through direct sales as opposed to the Internet marketplace. When asked about participation in Internet-based marketplaces, 79% said no.



2.6 Impact of Various Trends: Air Service, 9/11, and the Euro

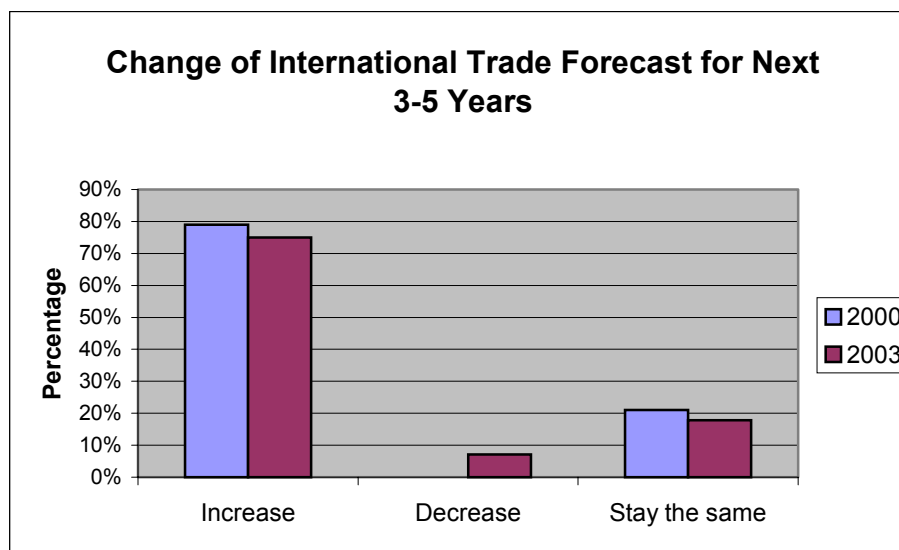
The 2003 International Trade Survey asked whether resuming air service at the Sonoma County airport in Santa Rosa would facilitate international trade activities. A majority (72%) see no impact; 28% said air service would positively influence international trade.

The attacks of 9/11, it was often stated that the tragic incident had a negative influence on the economy. This is true for 38% of the respondents, who state that since this incident, business has decreased. However, the majority of the respondents (58%) do not believe that they experienced a direct effect.

In 2002, the European Union introduced the euro as its currency vehicle. A preliminary study by the Department of Commerce, U.S. Commercial Service division, predicted that U.S. firms exporting to Europe would most likely benefit from the conversion to a single currency. Most significantly, the study predicted that companies would see efficiency gains from dealing in one currency instead of twelve. In addition, the euro was expected to increase price transparency. Now, after almost three years since the introduction of the euro, Sonoma County businesses report on their experience with the new currency. Interestingly, 75% of the respondents state that they have not been affected by the introduction of the euro. Of the businesses that have been affected, the majority report positive experiences. Corresponding to the prediction of the Department of Commerce, most companies see a simplification in their international trade activities due to the elimination of the multiple currencies. However, some businesses have been confronted with increased competition and higher costs of imported goods.

2.7 The Future

A very high percentage of respondents (75%) expect their international trade activities to increase over the next 3 to 5 years. In a cross-sector comparison, the Agriculture and Manufacturing sectors especially expect international trade to increase.



The short-term outlook points toward weak recoveries in Japan and Germany. Many South American economies continue to battle the fallout from financial crises as well. Just a handful of the United State's major trading partners — namely, Canada, South Korea, and China — have economies that are growing at healthy rates.⁹

Due to weaker foreign growth last year and the relatively high exchange value of the dollar at the beginning of 2002, the U.S. current-account balance fell sharply.

⁹ The Budget and Economic Outlook: Fiscal Years 2004-2013: <http://www.cbo.gov/>

3. Opportunities for Action

In order to stay competitive in international markets, it is important for businesses to have accurate, usable information regarding international trade. From the results of our survey it is clear that businesses could benefit from greater information about ways to improve their efficiency, find new markets for expansion, and what methods are most effective for expanding into these new international markets. In addition to information provided by the EDB, businesses can find information from the North Bay World Trade Association (www.nbwta.org) and the US Department of Commerce (www.commerce.gov).

In addition, workshops can be held to help disseminate information to two groups, those with experience and those who are interested.

- **Those *Involved* in International Trade**
 - Although the effects of various barriers to international trade are being felt less and less by local businesses, they are still an issue, playing a strong role in decisions about how invested a business is in international markets.
 - A workshop addressing various ways to overcome the aforementioned barriers would be beneficial to businesses. Some sample topics could include ways to reduce expenses, forming partnerships with existing overseas businesses to reduce the cost of entering new markets, etc.
- **Those *Interested* in International Trade**
 - These workshops would highlight the benefits of entering into international trade for businesses that do not have existing programs, as well as new market opportunities for companies wishing to expand their programs. Up and coming markets would be highlighted, such as Singapore and Malaysia.
 - The cost of entering into international trade can be prohibitively expensive for businesses. The workshops would provide information on ways to minimize these costs and the most effective methods for breaking into new markets.

To be successful in international trade, Sonoma County businesses depend on a workforce that is capable of operating in the increasingly competitive global business environment. In order to prepare Sonoma County's workforce for this challenging global economy, it is important that the local community's international business and cultural comprehension is broad based. Student and professional exchange programs are both effective ways to do this. The EDB will work with the Workforce Investment Board and other groups to encourage education for the local workforce.

4. Acknowledgements

Many people contributed to the success of this survey and the subsequent report. Without these contributions, this project would have been impossible to complete.

Much of the credit for this report belongs to the businesses that took the time to participate in the survey. With 23% of businesses responding, the private sector of Sonoma County has shown its interest in, and excitement about, international trade.

EDB staff contributed a significant amount of time on this project. Colette Thomas and Catherine Harper deserve much gratitude for their help in the data gathering and processing of this report. Much appreciation is also given to Joseph Horak who offered his advice and insight throughout the survey and report process, and to Nikhila Raj and Adam Grosch, Research Project Coordinators, and Zander Mackie, Summer intern, of the Sonoma County Economic Development Board for their contributions to the survey and report.

Finally, this report is a testament to the deep interests and motivation of Mirjam Lutz. As the Swiss-California Foundation Fellow in the Sonoma County Economic Development Board, and as an international enthusiast, she drafted the survey, analyzed the collected research, developed the recommendations, and wrote the report.

Ben Stone

Executive Director

Sonoma County Economic Development Board

Appendix A: Survey Methodology

This report is the newest edition in the International Trade Report Series of the Sonoma County Economic Development Board. The 2003 Sonoma County International Trade Survey is an update and extension of similar surveys conducted in 1995 and 2000. It contains many additions and detailed clarifications.

The 2003 International Trade Survey was sent to about 300 companies chosen by the Sonoma County Economic Development Board in the Summer of 2003. Surveyed businesses are located in Sonoma County and believed to be involved in some sort of international trade. For the sake of comparison, the survey was sent to as many of the same companies as the previous surveys as possible. However, due to the weak economy, many of the companies that were surveyed are no longer in business, and therefore, could not be considered. But new companies, that have arisen and are trading internationally, were included.

In addition, many questions asked in the 1995 and 2000 polls were included in this recent survey in order to create consistency. More up-to-date questions were added to the 2003 survey taking into account major events such as 9/11 and the introduction of the euro.

The cross-section of companies is believed to be representative of their sectors and have provided a large enough sample for a fairly accurate survey. The response rate is 23%.

Wherever possible, survey answers were converted to the corresponding percentage of respondents in order to present the findings in a more uniform format. Percentages were then rounded off to a full percentage number.

Please note that all data contained in this report is based on the information self-reported by survey respondents, which was not factually verified by the EDB. The responses were then gathered into a database for analysis. Due to the fact that survey respondents may provide no responses to some questions, the category percentages indicated in the graphs for those questions may not sum up to 100%. Where replies are mutually exclusive, percentages may be slightly off due to rounding. Where replies are not mutually exclusive, percentages may total more than 100%.

As mentioned above, it was our intention to obtain averages that provide a general "snapshot" of various issues for the international trade in Sonoma County. Accordingly, the averages have not been weighted by any factor or interest.

Appendix B: Research Objectives

The following objectives were addressed through conducting the Sonoma County International Trade Survey 2003:

- Reflect on the changes made on the international trade front since the last two International Trade Reports (1995 and 2000).
- Determine the demographics of the Sonoma County businesses involved in international trade.
- Discover the new obstacles and barriers faced by businesses engaged in trade overseas, and by those businesses looking to expand their international trade activities.
- Determine which regions of the world have strengthened trading ties to Sonoma County, and which countries are seen as playing a more important role in international trade activities of Sonoma County business in the near future.
- Determine the impact of recent incidents such as 9/11 and the introduction of the euro.
- Clarify the expectations of international trade development in the near future.

Appendix C: International Trade Resources

The following list provides links to helpful resources for international trade support. However, this list is not complete.

International

- United Nations Commission on International Trade Law (UNCITRAL)
www.uncitral.org
- World Trade Organization (WTO)
www.wto.org

National

- United States International Trade Commission (USITC)
www.utisc.gov
- United States Department of Commerce (U.S. DoC)
www.commerce.gov
- International Trade Administration (ITA)
www.ita.doc.gov

State

- California Technology, Trade and Commerce Agency
www.commerce.ca.gov
- California Council on International Trade (CCIT)
www.ccit.net

Local

- North Bay World Trade Association (NBWTA)
www.nbwta.org
- United States Department of Commerce (U.S. DoC)
www.commerce.gov
- Sonoma County Economic Development Board (EDB)
www.sonoma-county.org/edb

Appendix D - Sonoma County International Trade Survey

Please complete survey only if you engage in international trade

Name & Title: _____ Company: _____
 Address: _____ E-mail: _____
 Telephone: _____ Fax: _____

First year of operation in Sonoma County: _____

Location of company's headquarters: _____

- 1) In what sector does your company operate? (Please check only one)

<input type="checkbox"/> Agriculture	<input type="checkbox"/> Retail	<input type="checkbox"/> High Tech	<input type="checkbox"/> Tourism	<input type="checkbox"/> Transportation
<input type="checkbox"/> Manufacturing	<input type="checkbox"/> Wholesale	<input type="checkbox"/> Financial Services	<input type="checkbox"/> Services	<input type="checkbox"/> Other _____

- 2) In terms of your workforce, what is the size of your company?

Worldwide:	<input type="checkbox"/> Small (<100)	<input type="checkbox"/> Medium (100-499)	<input type="checkbox"/> Large (>500)
County of Sonoma:	<input type="checkbox"/> Small (<100)	<input type="checkbox"/> Medium (100-499)	<input type="checkbox"/> Large (>500)

- 3) In which of the following activities does your firm engage? (Please check all that apply)

<input type="checkbox"/> Exports	<input type="checkbox"/> Foreign direct investment	<input type="checkbox"/> Joint ventures w/ foreign partner
<input type="checkbox"/> Imports	<input type="checkbox"/> Other: _____	

- 4) What are the top three regions you trade with? (I=Import, E=Export:)

I	E	I	E	I	E
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Canada	<input type="checkbox"/> Mexico	<input type="checkbox"/> Asia	<input type="checkbox"/> Europe	<input type="checkbox"/> South America	<input type="checkbox"/> Africa
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- 5) Which of the above regions is the most important to your business? _____

- 6) Which countries do you see influencing your trading business over the next five years?

- 7) What percentage of revenues for your Sonoma County location is derived from international trade? _____%

- 8) How would you characterize your international trade activities over the past 2 years?

<input type="checkbox"/> Increased by _____%	<input type="checkbox"/> Decreased by _____%	<input type="checkbox"/> No Change	<input type="checkbox"/> Unsure
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- 9) What are the primary reasons your firm conducts international business? (Please check all that apply)

<input type="checkbox"/> Unique marketing opportunities	<input type="checkbox"/> Offsets increasing competition	<input type="checkbox"/> Offsets saturated domestic market
<input type="checkbox"/> Offsets stagnant domestic markets	<input type="checkbox"/> Offsets seasonal markets at home	<input type="checkbox"/> Growth reasons
<input type="checkbox"/> Address needs of a consumer base	<input type="checkbox"/> Other _____	

- 10) What are your main reasons for not expanding your international trade business? (Please check all that apply)

<input type="checkbox"/> Sufficient domestic demand	<input type="checkbox"/> Cultural/language differences	<input type="checkbox"/> Expense
<input type="checkbox"/> Lack of expertise	<input type="checkbox"/> Product not suitable for export	<input type="checkbox"/> High-Risk
<input type="checkbox"/> Lack of financing	<input type="checkbox"/> Strong international competition	<input type="checkbox"/> Other: _____

- 11) What is the principal focus of your business? (Please check only one)

<input type="checkbox"/> Business-to-Business	<input type="checkbox"/> Business-to-Consumer	<input type="checkbox"/> Business-to-Government
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- 12) Have you established international long-term partnerships with any of the following? (Please check all that apply)

<input type="checkbox"/> Suppliers	<input type="checkbox"/> Customers	<input type="checkbox"/> Industry counterparts
<input type="checkbox"/> Across sectors	<input type="checkbox"/> Trade organizations	<input type="checkbox"/> N/A

- 13) Which information affects your decision to trade with a country? (Please check all that apply)

<input type="checkbox"/> Cultures and customs	<input type="checkbox"/> Industry profile of firms	<input type="checkbox"/> Financial/Monetary stability
<input type="checkbox"/> Competitors'	<input type="checkbox"/> Potential market share	<input type="checkbox"/> Political stability

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- Consumer spending data Demographics Number of potential business partners
 Other: _____
- 14) Have you obtained international trade assistance from any of the following organizations? (Please check all that apply)
 U.S. Dept. of Commerce North Bay Export Assistance Center Economic Development Board
 U.S. Dept. of Agriculture Chambers of Commerce/Trade Groups North Bay World Trade Assoc.
 Local cultural organizations Foreign Consulates Other: _____
- 15) Would increased collaboration among local international trade associations, world affairs/diplomacy groups, education providers, and cultural groups be of service to your trading? No Yes
- 16) How many people does your company employ in Sonoma County? _____
- 17) What percentage of positions in your company is directly tied to international trade? _____%
- 18) What staff training do you utilize to develop international trade skills? (Please check all that apply)
 Internal Educational institutions One-stop center Hire experienced people
 Hire international staff Contract with outside source Other: _____
- 19) How many international trade staff do you plan to hire in the next twelve months?
 None < 5 5-15 > 15
- 20) How important is the Internet to your business? (Please circle one; 1= unimportant, 5 = critical)
1 2 3 4 5
- 21) What role does the Internet play in your international business? (Please check all that apply)
 Marketing (Website) Communications Electronic Commerce
 Employment Announcements Product News & Information Other: _____
- 22) Do you participate in Internet-based marketplaces? No Yes, please list: _____

a) What is the approximate percentage of total revenue you gain through these marketplaces _____%
a) What percentage of your international trade activities is finalized over the Internet? _____%
- 23) If air service at Santa Rosa were resumed, would it facilitate your international trade activities? No Yes
- 24) Did the introduction of the Euro currency in January 2002 affect your business? No Yes, please explain:

- 25) How did September 11, 2001 affect your firm's international trading?
 Increased Decreased Stayed the same
- 26) Which facets of your international trading activities will be affected by the conflict in Iraq?

- 27) How do you expect your firm's net sales from international trade to develop over the next 3-5 years?
 Increase Decrease Stay the same

Thank you