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Hawaii firms get help in pursuing foreign trade

by Linda Chiem

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Noni plant juice are a major export for Noni Maui®/Noni Biotech International LLC, which generated 70% of its 2009 revenue by selling to more than 40 foreign countries

Noni Maui bought a new processing facility last year to manufacture its extensive line of noni plant juices, powders and concentrates as international demand for its products skyrocketed.

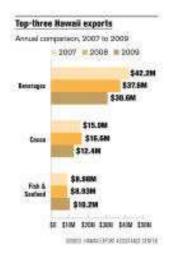
The Haiku-based Nutraceutical company generated more than \$1.4 million in sales in 2009 — 70 percent of it from exports to more than 40 countries in Africa, Asia and Europe.

Today, Noni Maui is in final talks to export to China, Thailand, Chile and Morocco, according to Marie Laure Ankaoua, its vice president and chief operating officer.

As the economy rebounds, government officials are pushing to get more Hawaii companies like Noni Maui and their products into the international market.

President Barack Obama wants to double U.S. exports in the next five years and Gov. Linda Lingle has called for Hawaii to triple its exports by 2020 as part of her Hawaii Innovation Initiative.

Hawaii exported \$562 million in manufactured goods in 2009, according to the U.S. Census Bureau's Foreign Trade Division. That was down 41.4 percent from the \$960 million in exports in 2008.



Leading the state's exporting push is the Hawaii Export Assistance Center and the Hawaii Pacific Export Council. Volunteers mentor up-and-coming businesses on how to manage and meet overseas demand for local products, develop business plans, and connect with distributors and partners in other markets. While the center's most basic consulting services are free, it offers in-depth exporting services such as its Gold Key Service for between \$400 and \$700. Business owners get one-on-one meetings with pre-screened contacts in the market to which they want to export. And, because the center is part of the U.S. Department of Commerce, the network and brand recognition are strong.

"There is a lot of untapped potential out there beyond our borders," John Holman, director of the Hawaii Export Assistance Center, told PBN. "We can help advise companies on what markets to consider, basically the path of least resistance, to promote to and establish relationships with."

Hawaiian Island Shine, a maker of carcleaning products, started exporting last year to the U.S. Virgin Islands and Barbados and now is selling to 12 countries, said company President Douglas Smith.

"I contacted [Holman] before to see what it took to export, and in talking about it he got me interested because basically anything from Hawaii, exporting with a Hawaii name, is a good thing to do and our product was right for that," he said. "I just started by deciding on what country we didn't have to change the label for."

Holman also set Smith up with Hawaii Pacific University, which has a class of MBA students drafting a business and marketing plan to help Hawaiian Island Shine get its products into Australia.

Hawaii's top manufactured export is beverages, led by bottled water, which totaled \$30.6 million in 2009, according to statistics from the U.S. Census Bureau's Foreign Trade Division.

Japan is the largest market for Hawaii exports with \$81 million in 2009, followed by Singapore with \$79 million and South Korea with \$67 million. But Hawaii's exports to Japan and South Korea were down 13.8 percent and 39 percent, respectively, from the previous year.

However, exports to Singapore were up 5.2 percent in 2009.

Other so-called pass-through goods such as aircraft, iron and steel, mineral fuel and oil post far bigger numbers. But they skew the state data because they get counted as a Hawaii export even when they're just passing through the state on their way to the Pacific Rim and Asia, Holman said.

For example, he said, "if Boeing sells three 747s to China and they stop off in Hawaii to refuel, those get counted in customs data as 'Hawaii exports', which we clearly know is not the case."

Also, the data does not include service exports — a significant portion of Hawaii's export economy — such as tourism services, education, architecture, engineering and consulting.

More information on the Hawaii Export Assistance Center is available at www.buyusa.gov/hawaii

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