



The Board of Governors of the California Community Colleges

PRESENTED TO THE BOARD OF GOVERNORS

DATE: July 8-9, 2013

SUBJECT: White House Recognition of Centers for International Trade Development		Item Number: 4.1	
		Attachment: Yes	
CATEGORY:	Workforce and Economic Development	TYPE OF BOARD CONSIDERATION:	
Recommended By:	 Van Ton-Quinlivan, Vice Chancellor	Consent/Routine	
		First Reading	
Approved for Consideration:	 Brice W. Harris, Chancellor	Action	
		Information	X

ISSUE: The White House has conferred the “E” award onto the Centers for International Trade Development (CITDs) in recognition of the California Community Colleges’ contribution to increasing U.S. exports.

BACKGROUND: The programs of the Chancellor’s Office Workforce and Economic Development Division bridge the skills and jobs mismatch and prepare California’s workforce for the 21st century. The division serves as the administrator for several streams of state and federal funds, including:

- Proposition 98 dollars for economic and workforce development (funded by Senate Bill 1402), apprenticeship, and nursing
- Governor’s Career Technical Education Pathways Initiative, also known as Senate Bill 1070 (formerly known as Senate Bill 70), and
- Carl D. Perkins Career and Technical Education Act of 2006.

The California Community Colleges Chancellor’s Office funds the Centers for International Trade Development under the Senate Bill 1402 economic and workforce development grant program.

RECOMMENDATION: This item is presented for information.

Districts	CITD Director	District CEO
Los Rios CCD	Brooks Ohlson	Dr. Brian King
San Mateo CCD	Richard Soyombo	Mr. Ron Galatolo
Merced CCD	Jeanette Benson	Dr. Ron Taylor
State Center CCD	Alicia Rios	Dr. Deborah G. Blue
Long Beach CCD	Cesar Arellanes	Mr. Eloy Oakley
Santa Clarita CCD	Steve Tanehill	Dr. Dianne Van Hook
El Camino CCD	Bronwen Madden	Mr. Thomas M. Fallo
Rancho Santiago CCD	Jetza Torres	Dr. Raul Rodriguez
Riverside CCD (Statewide leadership)	Jeff Williamson	Dr. Ray Maghroori, Provost and Vice Chancellor (in place of Dr. Gregory Gray who will retire on July 1)
Southwestern CCD	Victor Castillo	Dr. Melinda Nish

ANALYSIS: Centers for International Trade Development continue to advance the global trade and logistics sector, which is one of the 10 industries targeted for investment under the Doing What MATTERS for Jobs and the Economy framework during 2013-14.

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**California Community Colleges Chancellor's Office Gains
White House Award for Export Services**

Centers for International Trade Development program recognized for increasing U.S. exports

SACRAMENTO – The White House today conferred the president's top award for export services to the California Community College Chancellor's Office's Centers for International Trade Development, recognizing the system's contributions to the increase of U.S. exports.

The Department of Commerce's International Trade Administration manages the award program and presented the award in Washington, D.C. to California Community Colleges Board of Governors member Dr. Debbie Malumed and Jeff Williamson, the system's statewide director of the Centers of International Trade Development.

There are nine Centers for International Trade Development across the state that assists thousands of companies each year in conducting international business. The free or low-cost programs and services include one-on-one technical assistance and consulting, market research, training and educational programs, trade leads and access to special events. The centers are supported by grants through the Chancellor's Office's Workforce and Economic Development division. Those investments power California's economy and its global competitiveness through industry-specific education, training and services that contribute to a highly skilled and productive workforce.

"The Center for International Trade Development has been a big part of our workforce training focus for two decades and we're proud of what we have accomplished over that time," Chancellor Brice W. Harris said. "We know that helping businesses get their products to foreign markets means providing them with training and access to funds. I believe we provide that service better than anyone."

The Presidential "E" Award was created by President John F. Kennedy in 1961, to recognize persons, firms, or organizations that contribute significantly to increasing United States exports. The Department of Commerce's International Trade Administration seeks to improve the global business environment and help U.S. firms to compete worldwide. It manages the award program that has recognized more than 2,500 firms since its inception. The "E" Award is the highest U.S. government recognition any American entity may receive for supporting export activity.

"This award recognizes our work over the last several years," said Williamson, who oversees the CITDs from his office at the Riverside Community College District. "One in every four manufacturing jobs in California is dependent upon exports, which combined with service and related industries

support an estimated 1.2 million jobs in the state. So making sure we help those companies is very important to the economy.”

U.S. exports hit an all-time record of \$2.2 trillion in 2012, and supported nearly 10 million American jobs. President Obama’s National Export Initiative, which aims to double U.S. exports by the end of 2014 and support an additional 2 million jobs in the United States, is opening new avenues for U.S. exporters through enhanced export assistance and a strengthened trade agenda that is targeting emerging markets and industry sectors across the globe.

“I am delighted to be recognizing this year’s Presidential ‘E’ Award winners for their outstanding contributions to U.S. exports and congratulate the California Community College Chancellor’s Office’s Centers for International Trade Development on its outstanding export achievement,” said U.S. Acting Secretary of Commerce Rebecca Blank. “It is programs such as the CITD that are strengthening the economies of local communities, creating jobs, and contributing to the worldwide demand for ‘Made in the USA’ goods and services.”

The Governor’s Office of Business and Economic Development (GoBiz) and the California Community College Chancellor’s Office’s Centers for International Trade Development have worked in partnership since the establishment of GoBIZ, Williamson said. GoBIZ and the California Community College CITDs work collaboratively on export promotion activities as well as responding to small business export inquiries and needs, which helps to increase exports and support good-paying jobs.

“The California Community Colleges CITDs have been a valued partner for GoBIZ in implementing its global trade agenda, particularly in supporting small businesses to expand globally,” said GoBiz Director Kish Rajan. “We congratulate them on this national award and look forward to many years of continued mutual support.”

Another partnership that helped earn the Centers for International Trade Development the national award was with the California Department of Food and Agriculture. Much of the exported products from California are in the agricultural sector, Williamson said, and the CITDs and the department work closely to get those ag products to overseas destinations.

The Foothill-DeAnza Community College District won an award for excellence in exports for its international education program. The district began its international education program almost 25 years ago to foster global understanding and build international relationships. The program has students from more than 70 countries.

The [California Community Colleges](#) is the largest system of higher education in the nation. It is composed of 72 districts and 112 colleges serving 2.4 million students per year. Community colleges supply workforce training, basic skills courses in English and math, and prepare students for transfer to four-year colleges and universities. The Chancellor’s Office provides leadership, advocacy and support under the direction of the Board of Governors of the California Community Colleges.

**Application for President’s E-Award for Export Service
California Community Colleges, Centers for International Trade Development (CITD)**

EXECUTIVE SUMMARY

The California Community Colleges Centers for International Trade Development (CITD) were established in 1989 with the primary goal of providing international trade education to small businesses focused on the regulatory, logistics and financial aspects of supporting an export sale. It has evolved into a core component of the State of California’s global trade strategy, and sustained export promotion and education programs during California’s eight-year hiatus (2003-2011) of having an official international trade program in the State.

The CITD network consists of nine (9) regionally based community college centers that serve California’s critical industry clusters and regions. Its mission is to prepare small businesses and job seekers to compete in the global economy by helping them acquire the knowledge sets and connect to opportunities to sell their products and services internationally. California has 60,000 direct exporters and an estimated 100,000 indirect exporters.

With limited resources and the ability to serve only a small share of the total market, the CITDs have deployed a strategy that involves: *1) segmentation and focus; 2) identification of opportunities to create value; and 3) design and integration of partner services to create scale and magnify outcomes*. Leveraging the State’s regional economic clusters, strengths and weaknesses, the CITDs have targeted those clusters that have high pressures to globalize and therefore strong export growth potential, which include:

- Information and Telecommunications technologies (#1 export for California);
- Food and Agricultural products (#2 export);
- Scientific instrumentation (medical and environmental); and
- California lifestyle products and services.

Market plans are developed—with partner input (including the U.S. Commercial Service) —and targets each sector with annual grant applications to the Community Colleges Chancellor’s Office, replete with needs identification, activity measures and targeted outcomes. CITDs then integrate their services with federal, state and local partners. A partial list of the partners is shown in the following table:

Strategic Partner	Partner Contribution	CITD Contribution	Benefits/Outcomes /Funding
SBA – partner since 1990; current State Trade and Export Promotion partner since 2011	\$2.5 million in funding for State Trade and Export Promotion project (STEP)	Expertise, management and network to design and deliver export promotion services	Over 20 export promotion activities serving 700 firms; 172 outbound trade events resulting in \$27 million in exports
U.S. Department of Commerce, ITA – strategic partner since 1989.	Global network; international business services; clients; branding; national/global marketing channels	Focused subject matter expertise, training to prepare firms and employees to export; qualified referrals.	Joint services, joint implementation of export programs and services
Export Import Bank of the United States (EXIM) – City/State partner since 2006	Export financing and export credit insurance; branding	EXIM product knowledge, outreach , training and consulting to provide qualified referrals	Over 30 new clients provided revolving lines of credit of a combined value of over \$5 million
Governor’s Office of Business and Econ Dev (Go-Biz) – <i>CITD Statewide Director has been on loan to Governor’s Office since 2010.</i>	Branding and integration into State response for economic development – including FDI, permitting, major initiatives	Subject matter expertise on small business exports to respond to policy issues, pending legislation that affects trade, and the state’s ability to promote exports	Connection to governor’s office and plans for economic development; support for existing CITD services
California Department of Food and Agriculture (CDFA) – Partner since 2005	Access to WUSATA programs and resources for CA growers and food producers; integration with Foreign Agricultural Service	MOU between Secretary of Agriculture and Community Colleges Chancellor to promote Food and Ag exports and education programming (since 2005).	Leverage branding and marketing channels to reach more clients, combined exports of over \$10 million since 2005.

Over the past 10 years, the CITDs have implemented more than 50 international trade missions, working with the U.S. Commercial Service offices in California, including providing small business exporter support for former Governor, Arnold Schwarzenegger’s trade missions to China (2005), Mexico (2006), Canada (2007), Germany (2009), Korea and Japan (2010).

As a testament to the CITD’s efforts in export promotion for the State of California, in 2011, Governor Jerry Brown designated the Chancellor’s Office of the California Community Colleges as the sole state entity to submit applications for funding to the U.S. Small Business Administration for State Trade and Export Promotion Grant Program. California was subsequently awarded \$2.54 million, the largest SBA STEP grant of any state in the nation.

EXPORT TRAINING AND EDUCATION PROGRAMS

The Centers for International Trade Development is the largest export training program in the State of California and the largest (state-based program) in the nation, in terms of program offerings and companies served, delivering over 70 seminars/workshops that serve 1,200 business and/or individuals annually. This has expanded to include global marketing, legal and regulatory, trade compliance, industry and regionally focused marketing and regulatory seminars and other

advanced topics. These programs are delivered in cooperation with international, federal, state, local and non-profit organizations. In addition to short term education programs (seminars and certificate programs), the ***CITDs have helped develop over sixty-six (66) for-credit courses in international business offered at community colleges throughout California***, and were involved in the design and launch of the NASBITE, Certified Global Business Professional (CGBP), the nation's first recognized international business credential. In May 2012, NASBITE recognized the CITDs as the "State trade program of the Year" for its contributions to the field of export and international business education for small businesses. Following is a list of the on-going training programs that are offered:

- ***CGBP Exam Preparation*** – This course is designed to help participants prepare for and pass the NASBITE Certified Global Business Professional exam. It covers the 4 knowledge domains: business management, marketing, and finance and supply chain management. The CITDs provide CGBP exam preparation courses in multiple locations in California, and proctor the official exam in cooperation with NASBITE. The CGBP designation has been adopted by the U.S. Small Business Administration as the credential of choice for its District International Trade Officers.
- ***Export Training Assistance Partnership (ETAP)*** – The CITD is the local host or partner for the SBA's ETAP program in multiple locations throughout California, providing a venue, speakers and content and promotional efforts to reach small businesses throughout the state. Over 100 companies per year participate in the ETAP program.
- ***Export Readiness Training***– Fresno CITD organizes the "CalAgX" program (California Agricultural Export Program) across the state of California, in partnership with the California Department of Food and Agriculture and the Western United States Agricultural Trade Association. Offered twice annually (spring and fall) at three (3) locations throughout California, the CalAgX program provides export training to small to medium-sized, new-to-export agricultural growers and processors. The CalAgX program delivers a curriculum that result in the preparation and publishing of an international business plan, culminating in funneling companies into their first export experience (i.e. a trade show, a trade mission, an international sale). Fifty (50) companies per year participate in this program.
- ***Developing Skills for International Trade*** – Offered since 1989, this 21-hour training program addresses the technical aspects of completing an export sale, including: procuring logistics services, packaging and packing, preparation of export documentation, and negotiating a letter of credit. Twenty to thirty companies per year participate in this program.
- ***ITAR and EAR seminars*** – CITDs have hosted and co-sponsored public as well as private (individual company) training sessions on International Trade in Arms Regulations as well as Export Administration Regulations with the appropriate federal agencies (Department of State, and Department of Commerce, Bureau of Information and Security).

TRADE MISSIONS SPONSORED BY CENTERS FOR INTERNATIONAL TRADE DEVELOPMENT

California-CeBIT (2006, 2007, 2008 and 2009)

Working with the California Business, Transportation and Housing Agency, Office of International Trade and Investment, the CITD statewide director helped build the California-CeBIT platform that creates a platform for small to medium (SME) sized information and communications technology (ICT) firms to leverage the State's global brands and position to create greater awareness. In 2007 and 2008 the CITD initiative director worked with Undersecretary Garrett Ashley to organize and implement California matchmaking services and networking reception events at CeBIT, the world's largest computer and information technologies trade show, in Hannover Germany. As a result, the show organizer selected California as the featured country for CeBIT 2009, the first time ever and only time since, a "State" was selected. Highlights of the event, included: and featured key notes from Ninety-nine California companies exhibited at CeBIT

- Pre-event marketing campaign to enhance SME participation
- Key-note and trade show opening by Governor Arnold Schwarzenegger, German Chancellor Angela Merkel, and Intel Chairman Craig Barrett.
- Offset the costs of SMEs to exhibit at the CeBIT trade show in March 2009
- Provide value-added services at CeBIT to help SMEs capture export opportunities
- Assist companies in capitalizing on business opportunities – post CeBIT

This effort produced over \$2 million in export successes, and subsequently a state model for trade show participation was created that is being replicated by the State Trade and Export Promotion program.

Eighteen outbound trade missions in 2012

Leveraging State Trade and Export Promotion dollars from the U.S. Small Business Administration, for which the State of California (CITD and partner resources) provides 40% matching resources, over 172 companies were led on eighteen different trade missions in 2012, capturing \$26 million in export outcomes – California's 40% share would equal \$10,400,000 in economic value added.

OTHER EXPORT SERVICES PROVIDED BY CENTERS FOR INTERNATIONAL TRADE DEVELOPMENT

The California Community Colleges Centers for International Trade Development provide flexible and responsive service to facilitate end-to-end export education and export promotion services. The other services below, help to complete the continuum of service from identifying exporters, assessing their training and non-training needs, proposing services (including export promotion) and facilitating referrals to federal and other partners to connect to international buyers and finally finance the sale.

- **Export Readiness Assessments** – The Export Readiness Assessment (ERA) is an interactive, on-line diagnostic tool to assess a company's export readiness, developed by Maurice Kogon, former El Camino College Center for International Trade Development Director. The 23-point assessment (questions listed below) provides immediate feedback in the form of an export readiness test score with a detailed, point by point diagnosis. It is designed for:

Companies that see exporting as a possible new or expanded activity but are uncertain about their export potential or prospects and export counselors who need a fast, user-friendly way to "qualify" new clients for export assistance. Several other States throughout the United States have borrowed this export readiness assessment to be used by their export development offices.

- **Export plan development** – This is a terminal requirement for the Export Training Assistance Partnership and CalAgX training that the CITD provides which is essential to a new-to-export firm's success.
- **Export and Import Assistance** – is provided to California businesses, workers, entrepreneurs, colleges and economic development practitioners to address a range of questions about export and import compliance.
- **Trade Information Database** – Hosted by the Centers for International Trade Development website www.citd.org provides categorized and updated links to: export readiness tools, trade reference tools, economic data and research, foreign market research, trade documentation, trade promotion opportunities, finance, transportation and logistics, and other marketing resources. FedEx and UPS both link to this valuable resource. This site is the most utilized resource for export and import information, research and curriculum development in California.
- **Assistance to colleges in developing international trade courses** – Over sixty-six (66) international business courses have been developed by the CITDs in cooperation with community college faculty that are currently offered at Community Colleges throughout California. This knowledge is essential to inculcate into students' knowledge sets early in their college studies, if not sooner, to enable the next generation of workers and professionals to compete in the global economy.
- **Market Research** – The Centers for International Trade Development (CITD) commissioned the Haas School of Business at University of California, Berkeley to produce the first study of its kind (at the State level) on Service Export Opportunities.
- **Presentations to Industry and Regional Groups to Promote Exports** -CITDs provide regular and frequent presentations to colleges, the business community and the public at large which reach thousands of individuals interested in international trade. Partners include chambers of commerce, consulates, bi-national and ethnic chambers, business associations, federal and other state agencies and partners and the public at large.