



World Trader

A quarterly publication of the Midwest Global Trade Association

October 2008 • Volume 5, Issue 4

In this issue:

- [From the president](#)
- [New tools for MGTA members](#)
- [Volunteer spotlight: Kevin Palmstein](#)
- [International diplomatic contingent visits Medtronic](#)
- [Doing business with Japan](#)
- [BIS seminar recap](#)
- [2008 Golf Tournament recap](#)
- [Welcome, new members!](#)
- [Upcoming events](#)

From the president

CHRISTINE NELSON, MANHATTAN TOY
MGTA PRESIDENT



As October arrives, I once again have many exciting things to share with you concerning the accomplishments and opportunities for the Midwest Global Trade Association and its members!

The [6th Annual MGTA Golf Tournament](#) was held on August 18th. Many thanks to our sponsors! Please help us in thanking them directly. Without their support, this event would not be the success it is. I would also like to thank **Whitney Docken** (Target; pictured at right) for overseeing the event. As a member of the board of directors, her diligence in managing all aspects of this event is greatly appreciated!



The Education Committee published their [2008-2009 calendar](#). On September 16th, they kicked things off with a [seminar concerning "10+2"](#). Thank you to MGTA member and volunteer **Jack Ryan** (Jack Ryan & Associates) for chairing this seminar.

The topic for the [October seminar](#) is "The Automated Export Statement and Electronic Export Information: Understanding the New Rules." If you haven't [signed up](#) to attend this event, please take a moment to do so. The session will be very informative and provide lots of practical information.

2009 President-Elect **Sandy Taylor** (Hyundai) has put forth her goals for 2009. One of these goals includes the use of webinars and other techno-savvy tools. To help with the success of this initiative in 2009, the board of directors has begun testing various opportunities. Here are a few of the new initiatives that are underway:

- MGTA is now a group on [Facebook](#). Many thanks to board member **Mark Toth** (DB Schenker) for setting this up. If you already have a Facebook account, please join the group "MGTA.ORG". If you don't already have a Facebook account, consider setting one up so you can participate in our group.

- MGTA hosted its first [webinar](#) on September 23. Many thanks to board member **Mari McClafferty** (Medtronic) for leading the webinar and sharing the best practices of Medtronic concerning AES. The PowerPoint presentation has been [posted on the MGTA website](#). Questions that were asked during the webinar will be incorporated into the [October 14th education seminar](#).
- If you've visited the [MGTA website](#) recently, you might have noticed a "newsletter question" on the home page. The Communications Committee is experimenting with a blog type feature that will allow our members to contribute their thoughts concerning posted topics. Thank you to all who participated in the question "What does global mean to you?" We look forward to even more responses when the next topic is posted.

In September, a new cooperating organization relationship was formed between MGTA and the [US-China Business Connections](#) (UCBC). Thanks to board member **Brooks Pavilack** (Polaris Industries) for putting forth this opportunity. Information on all MGTA cooperating organizations is [on the MGTA website](#).

October 13th is [Port of Seattle Night](#). The Port of Seattle is hosting this informal reception, which will provide excellent networking opportunities with fellow MGTA members and the opportunity to learn about the Port of Seattle. Hors d'oeuvres, dinner, and drinks will be served. The cost is \$10 for members and \$20 for nonmembers. [Read more about the event and register today](#). Hope to see you there!

October 31st is the deadline for nominations to the MGTA board of directors for the 2009-2011 term. Being on the board is an excellent way to lead MGTA towards continued strength and growth. If you're interested in learning more about running for a board position, please contact me or Sandy Taylor (president-elect 2009). All nominations should be sent to christine.nelson@mgta.org.

The Midwest Global Trade Association is many things to many people. To the more than 550 individual members, it's a solid and vibrant organization that provides networking, educational, and international business opportunities. To its cooperating organizations, it's a channel to offer access to a broad range of academic and government resources, as well as assistance to international business professionals. To the board of directors, committee members, and volunteers, it's a place to make a difference within the international trade community.

Thank you for your participation and your support. It's a pleasure to be the sixth president of the MGTA!



New tools for MGTA members

[» back to top](#)

MARK TOTH, DB SCHENKER
MGTA COMMUNICATIONS COMMITTEE CHAIR

We're happy to announce that MGTA is stepping up into the electronic age! Behind the scenes, we've set up some modern communication tools for MGTA members.

Social networks on the Internet are gaining tremendous popularity. Here are some great new ways to communicate with fellow volunteer members:

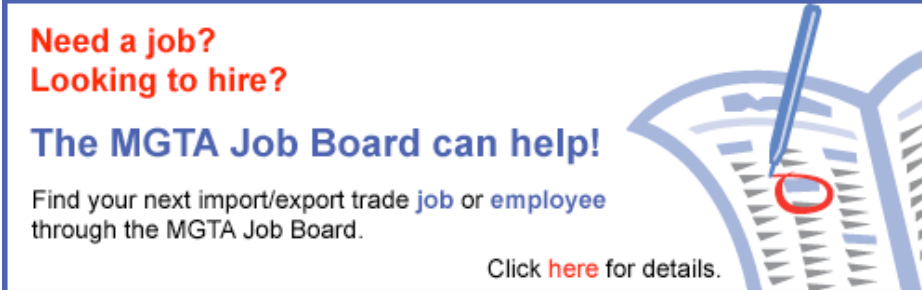
- A [Facebook](#) page has been created by MGTA member **Mark Toth** (DB Schenker) to have more "real-time" MGTA member involvement. To participate, you will need to set up a Facebook account (if you don't already have one). It's fast, easy, and free. To get started, visit

www.facebook.com. Once you're logged in, visit www.new.facebook.com/group.php?gid=24090529766 or search for "MGTA.org", then join the group.

Photos from the 2008 Golf Outing have been posted to the group. Check them out and help us identify who's in them by tagging the photos!

- A blog has been created on the [MGTA homepage](#) for discussing topics from time to time. Visit the site and reply to "What does global mean to you?"
- MGTA made history with our first [webinar](#) on Tuesday, September 23, presented by **Mari McClafferty** (Medtronic) on the topic of on AES filing. Approximately 30 members were in attendance. The presentation has been posted on the [members-only section of the MGTA website](#).

If you have import/export topics you would like to share as a member volunteer via a webinar, or if you have other ideas on how to improve communications among MGTA members, please contact Communication Committee liasons [Mark Toth](#) or [Mari McClafferty](#).



**Need a job?
Looking to hire?**

The MGTA Job Board can help!

Find your next import/export trade **job** or **employee** through the MGTA Job Board.

Click [here](#) for details.

The advertisement features a blue border and a graphic on the right showing a blue pen pointing to a red circle on a document.

Volunteer spotlight: Kevin Palmstein

[» back to top](#)

JOHN NOVAK, BREMER BANK N.A.
MGTA PAST PRESIDENT

Why did you choose to volunteer for the Membership Committee, and when did you start?

I joined the Membership Committee in April of 2007. I was introduced to the committee when I attended the volunteer networking event in hopes of finding a place within MGTA where I could make an impact and use my skills. Christine Nelson suggested that I join the Membership Committee because it was starting back up and it was a place within the organization where I could provide some momentum to and help grow the association.

As the marketing manager at [Zepol Corporation](#), my role within the Membership Committee allows me to expand my sales and networking skills. I also get to use my expertise in B2B marketing to find and attract new members.

I continue volunteering for the committee because it's great to talk to members about their experiences within MGTA. Not a month goes by that I don't hear a story about the old days or how much someone learned during an education event.

What have you done for the committee?

I've worked on calling our members to remind

Kevin Palmstein

Manager, Marketing and Product Support

Zepol Corporation
7455 France Ave S, #409
Edina, MN 55435

them to renew their memberships, and asked attendees of education and special events to join MGTA. This helps MGTA both preserve our membership base and grow as an organization.

I also get to work on our messaging and membership documents to improve how we advertise MGTA at events. We're currently working on launching some campaigns to boost membership and grow our presence within the Midwest trade community.

As a committee, we're developing ways to boost membership involvement and recognize those who have dedicated their time to MGTA. We want to both build membership and ensure that our current members receive value for their dues.

What are your thoughts for the future?

For the future, I see MGTA needing to embrace new technologies and social media to continue to grow and attract the next generation of trade professionals. We've already made progress on this front, creating a [LinkedIn](#) group (search for Midwest Global Trade Association within the Groups section to join) and a [Facebook](#) group (search for MGTA.ORG).

As our members' lives meld on- and offline, building exists in both. As a Membership Committee member, this will hopefully make it easier to engage our members and develop events (on- and offline) that provide value. I encourage everyone to join these social network groups and begin to discuss the issues we face every day.

Give us a one-line "quotable quote."

Joining MGTA and taking the time to volunteer have paid dividends professionally, and I encourage you to get involved to see how to receive even more value from our association.

If someone would like to assist the Membership Committee, what can or should s/he do?

To join the MGTA Membership Committee, all you need to do is contact our committee chairs, Kathy Carlson (kkcarlson@fedex.com) or Megan Wolle (mewolle@bremer.com). We meet on a monthly basis and have a number of items that members can help us with. Otherwise, visit www.mgta.org to see the other volunteer opportunities available.

Tel: (612) 435-2191
www.zepol.com

Zepol Corporation provides U.S. Import Trade Data from the United States government. Our product TradeIQ provides the most comprehensive information about your competitors, suppliers, prospects, and the products your company uses, markets, or imports at a Bill of Lading level of detail.

International diplomatic contingent visits Medtronic

[» back to top](#)

More than 50 members of the Foreign Diplomatic Corps, including 36 ambassadors from around the world, participated in a business networking event at the Mounds View facility on Wednesday, September 3. Pictured with chairman and CEO **Bill Hawkins** are Ambassadors **Anthony Johnson** and **Nancy G. Brinker**. Johnson is ambassador to Jamaica. Brinker is Chief of Protocol, serving the role of advising and assisting the President, Vice President, and the Secretary of State on official matters of diplomatic procedure. [Read the full news release here.](#)



Doing business with Japan

[» back to top](#)

MARK S. MCNEIL, LINDQUIST & VENNUM PLLP
MGTA LEGAL COUNSEL

My first experiences with Japanese businesspeople were during law school. The experiences were very pleasantly positive ones, emphasizing integrity and reliability. In my legal career, I have worked with single-member Japanese companies, the Japanese government, and the largest Japanese corporation, as well as many of the large and well-known companies in the Japanese electronics, chemical, and automotive industries.

After more than 25 years of trading with Japan and Japanese businessmen, including close to two years living in Japan and about fifty visits to the country, some principles have become clear to me. They confirm my original experiences. As I think about them, I see that these principles were really clear from the beginning.

1. **Business culture.** I'm not the first to report that the Japanese business culture is not contentious; it's built on long-term relationships. But be clear: business is fiercely competitive. The long-term relationships are among those who are on the same side, not competitors. Among those, the general rule of doing business is harmony. Companies are expected to say what they will do and to do what they say. Many of the other characteristics of doing business in Japan come from this principle of harmony.
2. **Negotiation.** Negotiation may be difficult. Each side will try to get its best deal. However, the tendency of the Japanese is not to see each question as a win for one side and a loss for the others, then count up the wins and losses to see who "won" the negotiation. If certain factors are important to the Japanese side, they will be argued hard. If they are not important, they are likely to be agreed to—IF the American side is taking the same sort of cooperative approach. Pricing, delivery, and the like will always be hard points for any negotiation. If the American side is abrasive and looking for concessions that are not really necessary, the Japanese company is quite able to respond with the same.
3. **Reliability.** While some unscrupulous businesspeople can be found in any culture, my general experience in Japan is that if the parties agree on something during contract discussions or business negotiations, the item is agreed. Are there exceptions? Of course. The biggest one is that the parties have had different understandings of what the agreement was. In fact, this may be the biggest reason for discord between Japanese companies and their trading partners. It is essential to be clear, and then to write down the resulting agreement at the time. Once we agree on wording and figures at a meeting, I don't worry if the Japanese party is the one that produces the next draft of the business plan, the contract, or the project outline.
4. **Speaking clearly.** In working with Japanese counterparts (and here I assume that the discussions are in English), Americans need to speak clearly and avoid cultural idiom to the extent possible. "The whole nine yards," "the whole enchilada," or "thinking outside the box" will not mean a lot in Japanese business discussions. Also, the rule in Japanese business meetings is not that the louder party wins, and it's good to remember that if you say something that isn't understood, speaking louder is not the best response. Your trading partners may have difficulty from time to time with English (how good is your Japanese?), but they aren't hard of hearing.
5. **Indirectness.** It's often reported that Japanese business partners will not say a direct "no." Culturally, that is usually true—not just in dealings with foreigners. And the "yes" is indeed sometimes just the equivalent of "we hear you." Similarly, silence is not necessarily agreement. A minute of silence here and there in a meeting is not necessarily a bad thing,

either. An American way of considering silence is that something is wrong, and so it has to be discussed and fixed; whereas a Japanese way of considering the silence may be that it is good to consider the matter fully before responding. Both versions have their cultural settings, but neither translates well for the other side. Just keep in mind that avoiding “no” is not being sneaky, but is more likely avoiding a breach of harmony. You might get farther by asking “So then, what are your thoughts on the subject? Are there some other points we should consider?” Use this approach all the time, though, and you will be locked in a perpetual lecture.

6. **The hard messages.** Your Japanese trading partner may express difficult messages—and even anger—with some restraint. It doesn’t mean the difficulty or anger isn’t real. Americans in particular need to pay attention to how their trading partners normally act and notice differences that may indicate problems. This is not a matter of the Japanese hiding their message; they’re expressing the message very clearly within their own context. It’s up to you to clarify what’s being said if you’re not sure of it.
7. **The long term.** It’s true that most Japanese businesses engage with others for the long term. This often means that, when difficulties arise (such as when costs go up or supplies shrink), the Japanese party will want to talk about the problem and ask for assistance. Americans often react with “They’re trying to get out of (or renegotiate) the contract!” What’s actually going on may be an effort at a deeper (rather than shallower) level of partnership. On the other side of the coin, when the American company experiences hardship, it should consider talking things over with the Japanese party before simply cutting off contact and ending the contract or relationship. Americans may be surprised by Japanese willingness to work toward a shared goal by sharing the unexpected burden in some way.
8. **Overall comments.** I have two very general closing thoughts. First: the more a Japanese company and its representatives are accustomed to dealing with foreigners, the less the “uniquely Japanese” approaches and above observations will apply. Being good businesspeople, the Japanese are highly adaptable to the methods of others. Second: the companies that do best in Japan (in negotiation as well as long-term business relationships) are those that approach and maintain the relationship as friends—as the stereotypical Midwestern “nice” people rather than those looking for an advantage at every turn.

Please note that this article does not constitute legal advice or advice from the author’s firm. The information herein are the personal, general observations of the author.

World Trader is looking for your experiences traveling to foreign countries. Please send your travel experiences to office@mgta.org.

BIS seminar recap

[» back to top](#)

MELISSA COLLINS, MEDTRONIC

The Bureau of Industry and Security (BIS) held a seminar in Bloomington from September 9th through the 11th focusing on complying with U.S. export and technology controls. There were 165 participants of diverse backgrounds from industries all over the globe, including a few folks from Israel and Germany.

It was an intensive three days, with BIS providing a variety of speakers and topics. The task of export compliance can appear daunting, but the audience was eager to learn and BIS disseminated the information in a manner that was helpful to everyone. There were many opportunities to ask questions, and the speakers made themselves available whenever possible.

Amelia Goeppinger (U.S. Department of Commerce) noted that it was “a very comprehensive seminar.” She also commented that the materials provided were easy to follow, and the case studies offered excellent practice to many real business situations.

2008 Golf Tournament recap

[» back to top](#)

WHITNEY DOCKEN, TARGET
MGTA SECRETARY

Thank you to our golfers and sponsors for making the [6th Annual MGTA Golf Event](#) a success!

The golf event was held on August 18th at Rush Creek Golf Course in Maple Grove. 116 golfers enjoyed a fun and competitive round of golf on a warm summer day. After the tournament, dinner was enjoyed by 140 members and guests.

A special thank you to our sponsors for making this event possible.

BarOle Trucking, Inc. • Bremer Bank N.A. • C.H. Robinson Worldwide, Inc.
Expeditors • Global Transportation Services, Inc. • Hamburg Sud North America
Hellmann Worldwide Logistics • Hyundai Merchant Marine • Katolight Corporation
Medtronic, Inc. • Midwest Consolidators Import, Corp. • MOL America
Multi-Modal Transport, Inc. • Neville Peterson LLC • North Star International Inc.
NYK Line • Port of Seattle • Roanoke Trade • Services, Inc.
Schenker • Superior Freight Services, Inc • Target Corporation
Trade Acceptance Group, Ltd. • US Bank • Williams Mullen

[Check out photos from the event.](#) If you missed out on the fun, we hope you'll join us next year!

Welcome, new members!

[» back to top](#)

The following individuals have joined MGTA since July 24, 2008.
Welcome!

- **Bill Chesney**, *VP Sales*, Multi-Tech Systems, Inc
 - **Martha Fitzloff**, *Freight Coordinator*, Saunatec
 - **Kathleen Johnson**, *Universite Jean Moulin Lyon 3*
 - **Wade Lind**, *Technical Services Supervisor*, Medtronic
 - **Anjil Peltier**, *Sales Support Specialist*, World Data Products, Inc.
 - **John Robinson**, *Sr. International Sales Executive*, FedEx Services
 - **Adeline Rosember**, *Account Analysis*
 - **Ginny Tourville**, *Shipping Electronics Material Handler*, Medtronic
 - **Jessie Verding**, *Key Accounts Manager*, Red Wing Shoe Company
-

Upcoming events

[» back to top](#)

Mark your calendar and plan to attend our upcoming MGTA events. For more information about MGTA programs and meetings, [click here](#).

Port of Seattle Night

Find out what makes Seattle a major Port of Choice for importers and exporters in the Upper Midwest. Top executives and staff members from the Port will be on hand.

Reception

October 13, 2008
5:30-8:00pm
Doubletree

[» Details & registration](#)

The Automated Export Statement and Electronic Export Information: Understanding the New Rules

Understanding the new Bureau of Census Foreign Trade Regulations will be critical to the exporting community. John Peterson (Neville Peterson, LLP) will discuss the new foreign trade regulations. Joe Cortez (US Census Bureau, Washington, DC) will answer questions regarding export AES filing.

Seminar

October 14, 2008
8:30-11:30am
Doubletree

Joe Cortez is coming!

Sign up now:

[» Details & registration](#)

ABOUT *WORLD TRADER*

World Trader is a quarterly publication of the Midwest Global Trade Association. Content is gathered via our membership and volunteers through news and media sources. While we make every attempt to insure the accuracy of materials, we provide no warranty or guarantee of accuracy. Specific information relating to trade and trade regulations offered is for informational purposes only and is not intended to replace the professional advice of an attorney, Licensed Customs Broker or other trade professional.

Articles submitted by our membership do not express the views of MGTA or the Board of Directors.

If you would like to submit an article for publication in the *World Trader*, please contact the MGTA office at office@mgta.org. Articles should not be of the nature of a commercial solicitation of products or services; rather, they should be informative on topics of interest to MGTA membership at large.

Midwest Global Trade Association
1821 University Ave W, Ste S256 • St. Paul, MN 55104-2897
(651) 917-6257 • office@mgta.org • www.mgta.org