

DEPARTMENT OF COMMERCE**International Trade Administration**

[Docket No. 980903230-8230-01]

RIN 0625-ZA08

Support Desired From the International Trade Administration (ITA) for Overseas Air/Defense Trade Shows**AGENCY:** International Trade Administration, Commerce.**ACTION:** Notice; request for comments.

SUMMARY: This notice seeks comments from U.S. firms, professional show organizers, trade associations, and any other entities or persons to help ITA formulate a uniform, equitable program for supporting U.S. exhibitors at overseas air/defense shows. These shows entail unique elements such as government-to-government sales support, regulatory considerations, assistance with foreign military/buyer delegations, multi agency coordination, high level advocacy support, costly space requirements, and working with multiple private organizers in dispersed U.S. pavilions. Consequently, ITA is requesting information on the best mix of services, representation, and promotional activities that can be provided by ITA and show organizers at these events. Under applicable legal principles, ITA may be required to charge organizers or exhibitors a fee for some of the services provided. The notice provides specific lists of fee and non-fee services for consideration. Respondents are asked to comment on the lists and also on the need for a unified, centralized, or official American identity at air/defense shows, as well as how ITA can best achieve this where needed.

DATES: Written comments should be received on or before cob October 30, 1998.

ADDRESSES: Direct all written comments to Export Promotion Services, "Air/Defense Show RFI," Room 2116, U.S. Department of Commerce, 14th & Constitution Ave., N.W., Washington, D.C. 20230. Faxed comments should be sent to (202) 482-0115. E-mail comments to dhuber@cs.doc.gov.

FOR FURTHER INFORMATION CONTACT: Donald Huber, U.S. Department of Commerce, 14th & Constitution Ave., N.W., Washington, D.C. 20230. Telephone: (202) 482-2525. Fax: (202) 482-0115. E-mail: dhuber@cs.doc.gov.

SUPPLEMENTARY INFORMATION: The International Trade Administration (ITA), a U.S. Department of Commerce (USDOC) agency responsible for trade

promotion and development, is requesting information and comments from U.S. companies, exhibitors, show organizers, trade associations and other interested parties concerning appropriate ITA support at major international air and defense shows. This information will be used to formulate a policy of how to provide support that will meet the objectives of exhibitors, the trade show and aerospace/defense industry, and ITA in an equitable, consistent, and cost-effective manner.

ITA has privatized the recruitment, organization, and management of most U.S. pavilions at international trade shows. However, overseas sales in the air/defense industry still require government involvement at these shows to provide appropriate officials, market/regulatory knowledge, key contacts, agency coordination, exhibitor counseling, equipment support, etc. With fewer resources, ITA must provide government support within limited appropriated funding and cost-recovery requirements. Consequently, ITA is seeking to identify what functions and activities industry places the highest priority on, bearing in mind that applicable legal principles may require exhibitors or organizers to pay for such activities from ITA on a cost recovery or contributory basis. ITA also seeks comments on the activities that should be undertaken by organizers.

List A outlines those activities/functions that ITA believes are basic government support activities, are important, and likely could be provided at no direct additional cost to exhibitors/organizers. List B outlines those government support services/activities that likely would be provided on a cost recovery basis. List C outlines items that ITA believes are appropriate for show organizers to provide. ITA seeks comments on the content of lists A, B, and C; the priority rankings of the items on the lists; and which items should go into a standard package of ITA support services for air/defense shows.

ITA support and services for these shows are currently handled through the Trade Fair Certification (TFC) program for certified shows, or for the Paris Air Show, via a Request For Proposal (RFP). Air/defense shows are unique in various aspects and can entail extensive government support. They are large, complex operations involving government-to-government product sales, regulatory and licensing considerations, interaction and coordination with many foreign military/buyer delegations, multi agency interaction, host government

coordination, advocacy support from high level government officials, operational government space requirements, complex logistical efforts, and multiple private organizers in several dispersed U.S. pavilions, with each organizer often requesting different services. Consequently, the expense for ITA support at these shows can be more than the Trade Fair Certification fee (\$1,500) provides. It is estimated that providing list B services can entail direct costs to ITA of \$5,000 to \$20,000 per show, exclusive of the official reception. These costs would be recovered through fees from an air/defense show support program under consideration by ITA. The fee for this program would vary for each show depending on the cost and amount of support required.

Comments are also requested on the need for, if any, of a more centralized or unified USA presence at these events, as well as how best to achieve this. Whereas many countries have a single, official national pavilion at air/defense shows, U.S. companies can exhibit at any one of several privately organized "USA" pavilions in various exhibit halls, or independently. Though these privately organized groupings of U.S. companies often use some form of USA identification, they have no official status or connection with the U.S. Government (USG) or foreign governments. ITA's certification of a private exhibit manager to organize and manage a United States pavilion and the RFP process do provide an official status and government partnership recognized by foreign buyers, but do not provide any certainty of a unified American presence or identity, especially if all of the pavilions are not certified or are widely dispersed. We would like comments on the value, if any, and the feasibility of providing a more unified, centralized, or official United States identity at air/defense shows.

ITA is looking to develop a uniform, but flexible, package of services, policies, and fees that can be adapted to each air/defense show depending on U.S. national interest, size, attendance, support needed, number of organizers, etc. We feel there should be an appropriate, balanced role for exhibitors, organizers, ITA, associations, and other parties that fosters the best combination of support for increasing the success of U.S. exhibitors at these shows.

In conclusion, ITA would appreciate your comments concerning—

1. ITA's proposed lists (see A,B,C following) of services for these shows.

2. What additional services, functions, and support you feel ITA should provide.

3. What policies, procedures, official recognition, and funding arrangements ITA should follow to best serve U.S. exhibitors at air/defense shows.

4. If needed, how to provide a more unified, centralized, or official U.S. identity at these shows.

Information submitted in response to this RFI may be subject to public disclosure. Any information that you believe is business confidential, the disclosure of which would cause substantial competitive harm to your firm, should be so marked.

(Authority: 15 U.S.C. 4721.)

List A: Basic ITA Air/Defense Show Support Activities

Since the organization and management of most U.S. pavilions in overseas trade shows has been privatized, overseas USDOC Commercial Sections in local U.S. Embassies do not have appropriated budget funds for extensive support of trade shows. The level or amount of basic support activities shown below will vary depending on resources available and what the USG feels is necessary and appropriate support for each show. The list below outlines show support that may be provided without cost recovery fees to exhibitors/organizers. However, for any of these activities to be carried out on-site, organizer(s) must provide adequate operational space at no cost.

1. A level of official government representation appropriate for the show. Representation may range from numerous high-level officials to no representation at all. Includes officials from DOC, ITA, Bureau of Export Administration (BXA), the embassy, other agencies, the White House, etc., for activities such as an opening ceremony, obtaining industry/product information, representing U.S. interests at official functions/events, industry discussions, etc.

2. Official advocacy—at the show or follow-up company/project support where appropriate.

3. Basic foreign delegation facilitation—providing officially available information on foreign delegations and their schedules to exhibitors. (Does not include providing pre-show identification of individual exhibitor products/interests to delegations, obtaining delegation member identification/interests, delegation matchmaking, coordination of delegation visits, delegation escorting, introductions, etc.)

4. Information concerning any official events, ceremonies, or meetings in connection with the show. Includes U.S. Information Agency press information.

5. Briefing/coordination/scheduling/hosting for visiting high level USG officials.

6. Invitations to appropriate local foreign government officials for official functions.

7. Coordination of government operations/messages, distribution of USG event information, inter/intra agency communications/coordination, etc. (Space for these operations would be donated by organizers/exhibitors.)

8. Facilitation requests to fair authorities, host government, or other official agencies as appropriate.

List B: Value-Added, Cost-Recovery Air/Defense Show Services

1. Individual matchmaking with local firms/buyers for exhibitors prior to/at the show.

2. Pre-show and at-show customized foreign delegation facilitation, matching, and support—includes pre-show identification and distribution of individual exhibitor's products/interests to delegations, identification of delegation members and their interests, delegation information gathering/support from U.S. commercial sections in other countries, at-show tracking/coordination of delegation visits, language facilitation, delegation briefings, meeting arrangements with individual delegation members, escorting delegations through U.S. pavilions, delegation introductions to U.S. exhibitors, regional/worldwide pre-show marketing/letters and promotion, follow-up contacts with local/regional governments/buyers, etc.

3. Counseling and Information services—

- Operation of a full Business Information Office (BIO) booth in the organizers' pavilion to provide ITA services/program information, staff assistance, expert country/market/company counseling, official ITA presence and endorsement of the organizer; collect results data; etc. The BIO will be staffed a reasonable number of hours each day by professional U.S. Embassy representatives knowledgeable about the industry, market, and business practices in the region, as well as knowledgeable about all ITA services.

- Business counseling/assistance—Visits to exhibitor booths/meetings by post staff to provide specific company counseling, exchange information, advise on specific contacts, etc.

4. Expanded Operational Support/Meeting Space—

- For government/industry group meetings/discussions, agency briefings, government-industry information exchanges, etc.

- For individual company matchmaking, delegation member meetings, and private meetings with government officials.

- For private counseling appointments with post, ITA/Trade Development (TD), and other government experts.

- For USG operations/coordination, inter/intra agency support, delegation coordination, etc.

- For industry/market briefing

- For specially arranged social events

Meeting space may be combined where appropriate.

5. Pre-show *local host-country* promotion/publicity to local industry buyers/distributors, calls, mailings, ads—general or highlighting U.S. exhibitors.

6. Organizer use of Trade Fair Certification logo or other official air/defense show emblem as an endorsement or indication of an official qualifying/U.S. pavilion status.

7. Embassy industry/market briefing for exhibitors on local regulations, business practices, market situation, etc.

8. General or customized market research/trade data for exhibitor/organizer use.

9. Promotional/marketing support letters to potential exhibitors; Presidential/Secretarial letters for the organizer.

10. Official reception or other government hospitality/introduction functions for exhibitors. (Funded by ticket sales and managed by post.)

11. Embassy pre-show press releases; notice in post commercial newsletter to local industry and other official venues in-country or regionally.

12. Official invitations to specified attendees for government/organizer/exhibitor events, seminars, meetings, receptions, etc.,

13. US&FCS domestic office network promotion/event information distribution.

14. Pre-show notification to domestic offices to arrange counseling for exhibitors.

15. US&FCS Washington based U.S. pre-show publicity—press releases; notices in Business America; to the National Association of State Development Agencies and National League of Cities; ITA Websites, STAT-USA, etc.

16. Pre-show and at-show publicity/support from other regional U.S. embassies.

17. Special briefings on standards, consortiums, regional regulations, etc.

18. ITA industry mailing lists to organizers.

19. TD Aerospace Product Literature Center operations (funded by participant fees through the Trade Events Deposit Fund).

20. Unified catalog/directory of all U.S. exhibitors with welcoming letters.

21. Additional staffing (interns, translators, hosts) and overtime.

22. Official identification/signage—emblems, flags, banners, agency logos, passes/tickets, badges, for ceremonies, meetings, etc., for reproduction or use when necessary.

23. Travel beyond local commuting by staff or other government experts/officials.

24. Locator service.

25. Arranging U.S. sponsorship support/courtesy services; fair service facilitation.

26. Post-show marketing follow-up activities—buyer matchmaking meetings with exhibitors, small group matchmaking tour to other cities in the region, or other specially arranged events.

27. Assistance for firms/organizers with commercial show-related problems normally handled by private firms such as customs clearance, etc. if needed.

List C: What U.S. Show Organizers Should Provide

1. The capability and experience to fully advertise, market, and recruit U.S. exhibitors and foreign visitors/buyers to air/defense trade shows.

2. Ability to provide an attractive, high-quality U.S. Pavilion area (inside and outside.) —includes the capability and experience to organize/manage a U.S. Pavilion, contract for space, construct exhibit booths/stands, and provide related signage, decorations, utilities, services, etc.

3. Adequate promotional plan that also targets New-To-Market and Small/Medium size firms.

4. Cost-recovery fees, as appropriate.

5. Space/booth for U.S. Government Business Information Office.

6. Recruitment of at least 10 U.S. firms.

7. A reliable contact to coordinate with the U.S. Government.

8. Valid contract/agreement/letter for space with the fair authority/owner.

9. Professional promotional literature

10. Exhibitor directory.

11. End of show surveys/data.

12. Reasonable booth/stand pricing.

13. Regular contact with local ITA program and U.S. Embassy staff

13. Coordination with fair authority.

14. Coordination with other U.S. show organizers when necessary.

15. Reproduction of government logos and sponsorship identification when appropriate.

Mary Fran Kirchner,

Chairman, Air/Defense Show Review Committee, Deputy Assistant Secretary, Export Promotion Services, International Trade Administration.

Ellis R. Mottur,

Member, Air/Defense Show Review Committee, Deputy Assistant Secretary, for Technology & Aerospace Industries, International Trade Administration.

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