



State of Wisconsin  
Governor Scott Walker

**Department of Agriculture, Trade and Consumer Protection**  
Ben Brancel, Secretary

**Date:** November 29, 2016

**To:** Board of Agriculture, Trade and Consumer Protection

**From:** Ben Brancel, Secretary, *Ben Brancel*  
Dan Smith, Administrator, Division of Agricultural Development *Paul M. Smith*

**Subject:** International Agribusiness Center – Trade Team Activities and Export Update

**Presented By:** Jen Pino-Gallagher, Bureau Director, Division of Agricultural Development  
International trade team staff: Enrique Gandara, Jennifer Lu, Ashwini Rao, Lisa Stout

**Recommendation/ Requested Action:** Information only

**Summary/Background:** The International Agribusiness Center is housed within the Agricultural Market Development Bureau at the Department of Agriculture, Trade and Consumer Protection (DATCP). The International Agribusiness Center was established by the legislature in 1985 and its role is described in Chapter 93.

93.42 Center for International Agribusiness Marketing. (1) The department shall establish and operate a center for international agribusiness marketing. The center shall promote the export of the state's agricultural and agribusiness products in foreign markets.

Although the IABC was officially established in 1985 – the Department has been offering international trade services since the 1960s. Services include:

- Exporter education
- Market research
- Market development

**Team:** The trade team helps Wisconsin's agricultural companies and producers succeed by identifying export opportunities around the world. The trade team provides technical expertise and market development initiatives to aid in the growth of Wisconsin agriculture through increased exports and development of trade enhancing partnerships. The team analyzes client feedback, global trends, market and export data to establish criteria for identifying target markets and activities.

The four-member trade team, led by Jen Pino-Gallagher, enjoys credibility and a strong record of excellent customer service among its stakeholders, largely attributed to the expertise and knowledge base of the multi-lingual and multi-cultural staff. The consultants focus on diverse product sectors and geographies.

*Agriculture generates \$88 billion for Wisconsin*

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**Services:** Wisconsin companies - whether new to exporting or a seasoned international business - can benefit from the trade team's extensive knowledge and trade expertise. Below is a listing of services benefiting companies in every stage of a business' life cycle.

- *Exporter Education, Business Counseling, Education and Funding*
  - Evaluate a firm's export potential
  - Guidance on the mechanics of the export process
  - Identify resources and develop potential strategies for new/ expanding markets
  - Provide referrals to federal agencies and other organizations as needed
  - Educational workshops around the state cover a wide-range of topics from exporter basics to detailed sessions
- *Market Research/ market overview studies*
  - Customized market research and competitive analysis
- *Market Development*
  - Agent/ Distributor Search
  - Buyers Mission
  - Trade Missions
  - Food Show PLUS!™
  - Branded Program™ and other grant funding

**2015 Agriculture Export Highlights:**

- From January to December 2015, Wisconsin exported more than \$3.2 billion worth of agricultural products to 144 countries. This is a decrease of 12.3% percent compared to the same time period in 2014.
- Overall, US exports of agricultural products totaled almost \$155 billion, a decrease of 10.7% percent compared to the same in time period in 2014.
- Wisconsin is ranked 12th overall for agricultural exports, up from 13<sup>th</sup> place in 2014 and 19<sup>th</sup> place in 2005.
- Exports of dairy, eggs and honey in 2015 were valued at \$273 million, a 33 percent decrease compared to the same period last year. Wisconsin continues to rank fourth among U.S. states in the export of these products. The top importing countries for these products were: Mexico, Canada, Japan, China, and Korea.

- Wisconsin ranked first in the U.S. for exports of sausages, bovine semen, prepared and preserved cranberries, ginseng roots, mustard flour and sweet corn. Wisconsin ranked second in the export of cheese and curd, raw whole mink fur skins, and whey.
- All Midwestern states, except North Dakota, saw a decrease in their agricultural exports including the following neighboring states: Iowa (-13.5%), Minnesota (-12.9%), Illinois (-12.1%) and Michigan (-11.9%).

- **Top Five Markets for Wisconsin Exports - Agricultural Products:**

<b>Country</b>	<b>\$ Value</b>	<b>Export % Growth</b>
Canada	\$1.5 billion	(-9.7%)
Mexico	\$289 million	(-12.8%)
China	\$222 million	(-19.4%)
Korea	\$169 million	(-15.7%)
Japan	\$129 million	(-9.6%)

- **Top Five Products - Agricultural Exports:**

<b>Product</b>	<b>\$ Value</b>	<b>Export % Growth</b>	<b>Product Details</b>
Miscellaneous Food	\$327 million	(-11.3%)	Ingredients, sauces, yeasts, etc.
Beverages	\$322 million	(-6.8%)	Denatured ethanol, beer
Preserved Food	\$285 million	15.6%	Prep Vegetables, Fruit, Nuts, etc.
Dairy, eggs and honey	\$273 million	(-33.1%)	Cheese, milk, whey, butter, lactose, etc.
Cereal grains	\$248 million	(-0.6%)	Corn, wheat, barley

#### **FY 2016 Results:**

- Participation in International Events: 17
- Coordination of International Delegations: 24
- Outreach Events: 13
- Companies receiving Export Development Services: 268
- Export Sales generated by Wisconsin Companies: \$16.6 Million
- Anticipated jobs added or sustained: 139.4
- Anticipated Increase in Export Sales Generated by Wisconsin Companies: \$38.9 Million
- Additional Economic Activity: \$21.5 Million

#### **2016 Trade Activities and Services:**

It is during challenging international trade times that the support of the trade team is of the greatest value. The trade team helps companies strategically focus on the markets that have greatest opportunity; introduces companies to new buyers and distributors and educates new-to-export companies on how to execute their first export sale.

A snap shot of the trade building activities conducted by the trade team in Calendar Year 2016 include:

#### *Exporter Education Seminars/Presentations*

- Lakes State Lumber Association export education seminar
- ExporTech Export Strategy Development sessions
- Global Dairy Symposium at World Dairy Expo

### *Trade Missions/Buyers Missions*

- Asia
  - o Vietwood - Trade Mission for Forestry Products to Vietnam
  - o China Dairy Expo - Trade Mission to China World Dairy Expo
  - o SIAL China – Food Show Plus in China
  - o Food and Hotel China/ Hong Kong Wine & Spirits Show
- Mexico
  - o CIGAL - Governor led trade mission to Mexico’s premier purebred dairy cattle conference
  - o Focused Trade Mission to Mexico for Private Label, Retail and Food Service products
  - o FSP! ANTAD – Food Show Plus at Mexico’s largest retail trade show
  - o FIGAP - Leading trade event for animal breeding and animal processing
- Europe
  - o EuroTier - Multi Sector trade event in Germany
- Middle East
  - o VIV Middle East?
- Others:
  - o National Restaurant Association Show – Trade show in Chicago
  - o Buyers Mission to World Dairy Expo
  - o Mink Buyers mission
  - o Midwest Buyers mission