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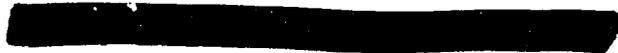
ISN 91481

Concept Paper

**EXPORT DEVELOPMENT AND MANAGEMENT
CONSULTATION PROGRAM**

Prepared by:

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BACKGROUND

Many entrepreneurs from aid-assisted countries would like to do business with the United States; yet they are constrained by a lack of information and access to services pertinent to conducting successful business. Information is not yet available in these economies and gaining the requisite information may be difficult. In the words of Harvey Leibenstein, less developed countries are "obstructed, incomplete, and 'relatively dark' economic systems" (1968).

To the best of our knowledge, there does not yet exist an international export development and information program for the small-to-medium sized business firm in less developed countries. Although the World Trade Institute at the World Trade Center in New York offers a limited number of marketing workshops for participants from the above countries, these relatively expensive courses are structured more for international marketing executives than for small-to-medium scale managers and proprietors, particularly from Asia and the Pacific.

In partial response to the above need, Action Research International, a research and management consulting firm, assisted USAID in organizing a regional conference on Pacific Islands--United States Trade Through Private Sector Development. This conference was held in Honolulu, Hawaii, from March 18-24, 1984. It brought together representatives of the U.S. and Pacific Islands private sectors to identify and discuss export and trade-oriented strategies aimed at helping participants develop solutions to their specific export management problems. Entrepreneurs endeavoring to initiate or promote the sale of their products in the U.S. market were assisted in developing and implementing appropriate managerial, marketing and production strategies.

The objectives of the conference were consistent with USAID's initiative of engaging the assistance of small-to-medium sized U.S. firms to promote growth of the private sector in aid-assisted countries. Most of the conference workshops were led by such firms and they helped facilitate the flow of technical information and cooperation between the developing Pacific Island nations and the United States.

The conference demonstrated that a profitable market for Pacific products exists in the United States, and Pacific entrepreneurs are willing to take advantage of it. Close to a million dollars worth of sales, contracts, and agreements were generated during the five-day period.

The proposed Export Development and Management Consultation Program builds on the positive experiences gained from the above conference. It is designed for entrepreneurs of small-to-medium sized firms in less developed countries to assist them in increasing their exports and management capabilities, with the ultimate goal of generating employment through development of labor-intensive industry.

PROJECT

The Sponsoring Organization

Action Research International has combined its staff, expertise, and resources with those of another unit involved in the Hawaii project to take on the proposed export development and management consultation program. The new unit is a non-profit organization called the **Asia Pacific Group**, and its resources and capabilities are outlined in detail in the attachment to this concept paper.

Program Features

There are several unique features in the proposed training and consultation program. Prior to enrolling in the program each qualified participant will submit to the sponsoring organization written details of specific problems his or her firm faces in exporting to the United States, including background material on the firm's history and product/s. These materials will be analyzed by APG staff and marketing development consultants in San Francisco to ensure that each training session is tailored to the needs of individual participants.

A maximum of 25 participants will be selected for enrollment in one of three training programs to be offered each year. Each program will last for four weeks and will consist of three (3) weeks of classroom consultation and training, and one (1) week of on-site visitations to public and private organizations capable of importing the participant's product/s.

To facilitate establishment in the U.S. market, management and trade consultation services will be available to all participants for three (3) months following completion of training. These services will be provided primarily through APG's private sector integrated computer program (see attachment).

Each training session will focus on the following topics:

- export management
- product development
- buyer identification
- distribution, pricing, and payment

Skills to be developed in the proposed courses are typically those of modern business management and production techniques from the U.S., modified to fit the local cultural environment. Marketing knowledge to be conveyed by the courses will include a number of "how to" topics: identifying sources of information; conducting marketing research; utilizing marketing channels; developing an export marketing plan; developing financial and managerial responsibilities; preparing business plans; assessing deals; understanding legal banking and pricing concepts; and projecting how added capital investment could create jobs for the target groups.

At the end of training, each participant will have completed a marketing plan for his or her product. Following classroom training, participants will meet and exchange views with actual or potential importers of the former's goods and services, and will receive on-hand assessments of their products potential.

Location

All sessions will be held at the APG's training facilities located on the first floor of the Far West Laboratory, Center for Educational Development, 1855 Folsom Street, San Francisco, California. Facilities include a well-stocked library, audio-visual equipment, training and seminar rooms, and access to computer services. The training center is easily accessible and previous training activities have been successfully conducted here.

Faculty

APG faculty members are drawn primarily from the small-to-medium sized U.S. firms involved in the Hawaii project, and from part-time faculty members of Golden Gate University, offering a combination of practical and applied management, consulting, and teaching experience.

Participants

Entrepreneurs from both the public and private sectors of less developed countries who have the institutional capacity to carry-out an export program and who wish to initiate or expand distribution of their products in the U.S. market may request enrollment in the program. However, all applicants from AID-assisted countries must first be approved by the AID Mission.

Cost of Participation

The full tuition cost is \$3,000 per participant, and includes all course materials and a three (3) month period of management consultation services. The amount does not include international and local transportation or per diem estimated at \$1,680 for 28 days.

It is anticipated that tuition will be paid by AID for all participants selected from AID-assisted countries, and travel and per diem will be paid by local government, employer, participant, or AID Mission.

Language of Instruction

The courses will be conducted in English, and participants should have the ability to understand, speak and write English.

Certificate

A Certificate of Completion will be awarded to each participant upon successful completion of a four-week session.

Project Costs

The total cost of this project is estimated at \$225,000 for one year.

OBJECTIVES	VERIFIABLE INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>Goal: To increase foreign exchange earnings and employment in less developed countries by increasing the trading volume of small-to-medium sized businesses in these countries.</p>	<p>Export trade in participating countries, and export-related employment are increased</p>	<p>IBRD Country Reports</p>	<p>Favorable world environment for trade. Absence of natural disasters. National policies continue to favor trade.</p>
<p>Purpose: To develop and operate a training and management consultation program designed to increase the export and management capabilities of small-to-medium sized firms in less developed countries.</p>	<p>Increases in employment and trade directly attributable to the training program.</p>	<p>Independent evaluation</p>	<p>Absence of natural disasters.</p>
<p>Outputs: Curriculum developed and utilized. Individuals trained.</p>	<p>Curriculum developed and taught; 75 individuals trained per year.</p>	<p>Evaluation instrument. AID reports; quarterly reports.</p>	<p>Absence of language and cultural barriers.</p>
<p>Inputs: Technical assistance/operating costs</p>	<p>Financial records</p>	<p>Contractor and AID records</p>	<p>Timely provision of inputs</p>

ATTACHMENT A

APG's PRIVATE SECTOR INTEGRATED COMPUTER PROGRAM

The Asia Pacific Group will aggressively support the objectives of the proposed training program by developing a private sector integrated computer service (PIC).

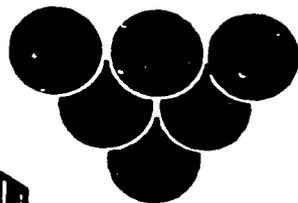
The purpose of PIC is to provide participants who have completed the training program with additional information and supportive services they may need to successfully complete an export development/investment project. The best U.S. technical expertise related to the content of the training program will be made available via computer networks.

The Asia Pacific Group is currently developing a file listing specific information and services that will complement the skills and knowledge acquired from the export development program and that can be provided through computer links. We will also establish and maintain data files on selected experts in American universities and corporations who are willing to provide the above information and services over the computer networks. These individuals will be provided with general information about the participants and the countries they will be helping.

Participants will be provided with tutoring on how to use the integrated computer services as part of their overall training. APG will publish and distribute a quarterly newsletter which will describe the availability of services.

ATTACHMENT B

The Asia Pacific Group - Corporate Overview



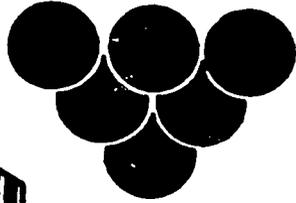
BACKGROUND

The Asia Pacific Group is a non-profit, private organization established solely for scientific and educational purposes.

Emphasis upon major social and economic issues.

Current program areas include children and families, health, aging, youth, education, economic development, training and technical assistance.

ASIA PACIFIC GROUP

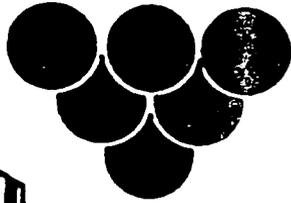


PURPOSES AND OBJECTIVES

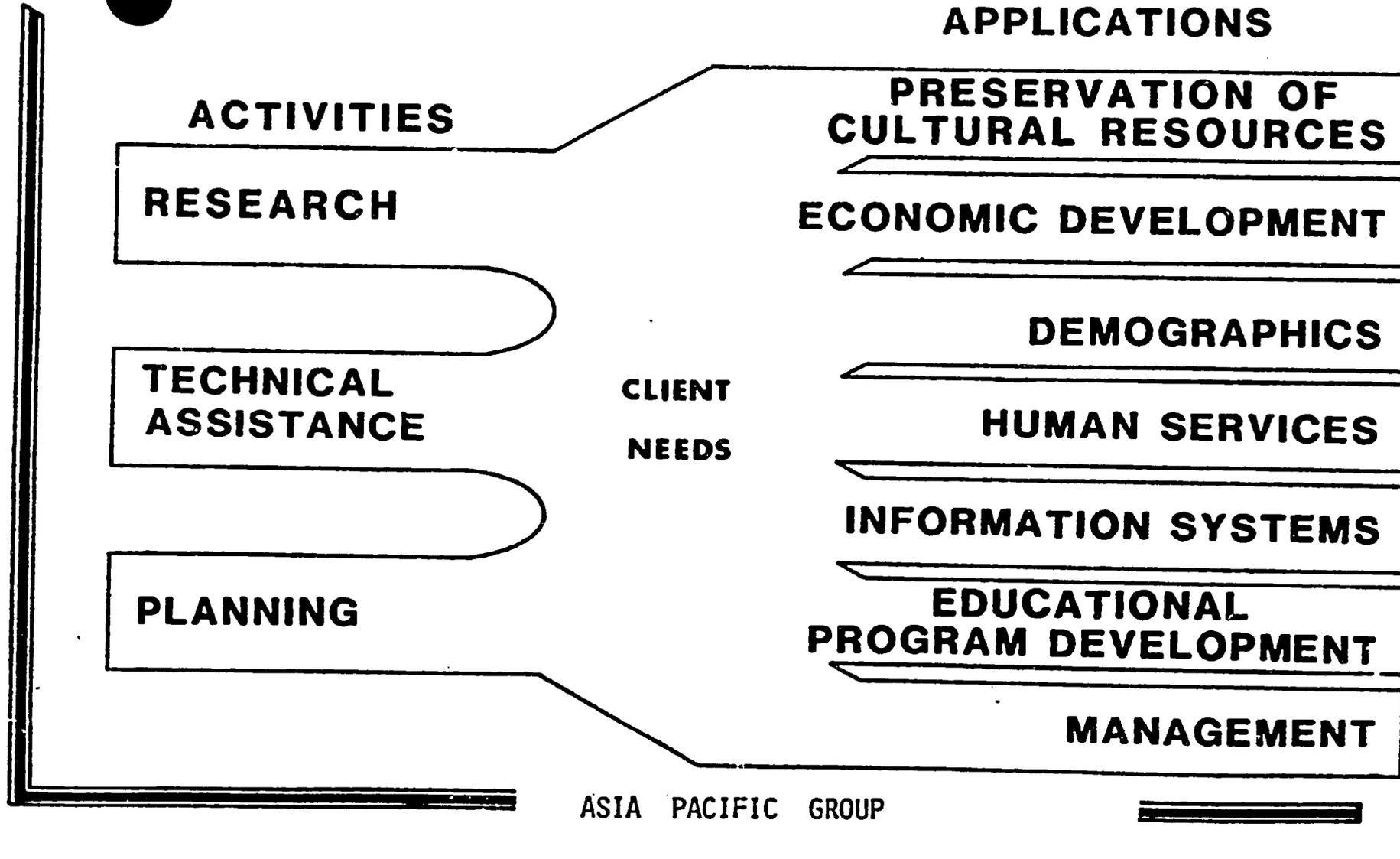
The Asia Pacific Group cooperates with Third World countries to establish practical approaches to solving problems.

The Asia Pacific Group directs its studies toward planning efforts that arise from local needs and which can be of use in the decision-making process at the local level.

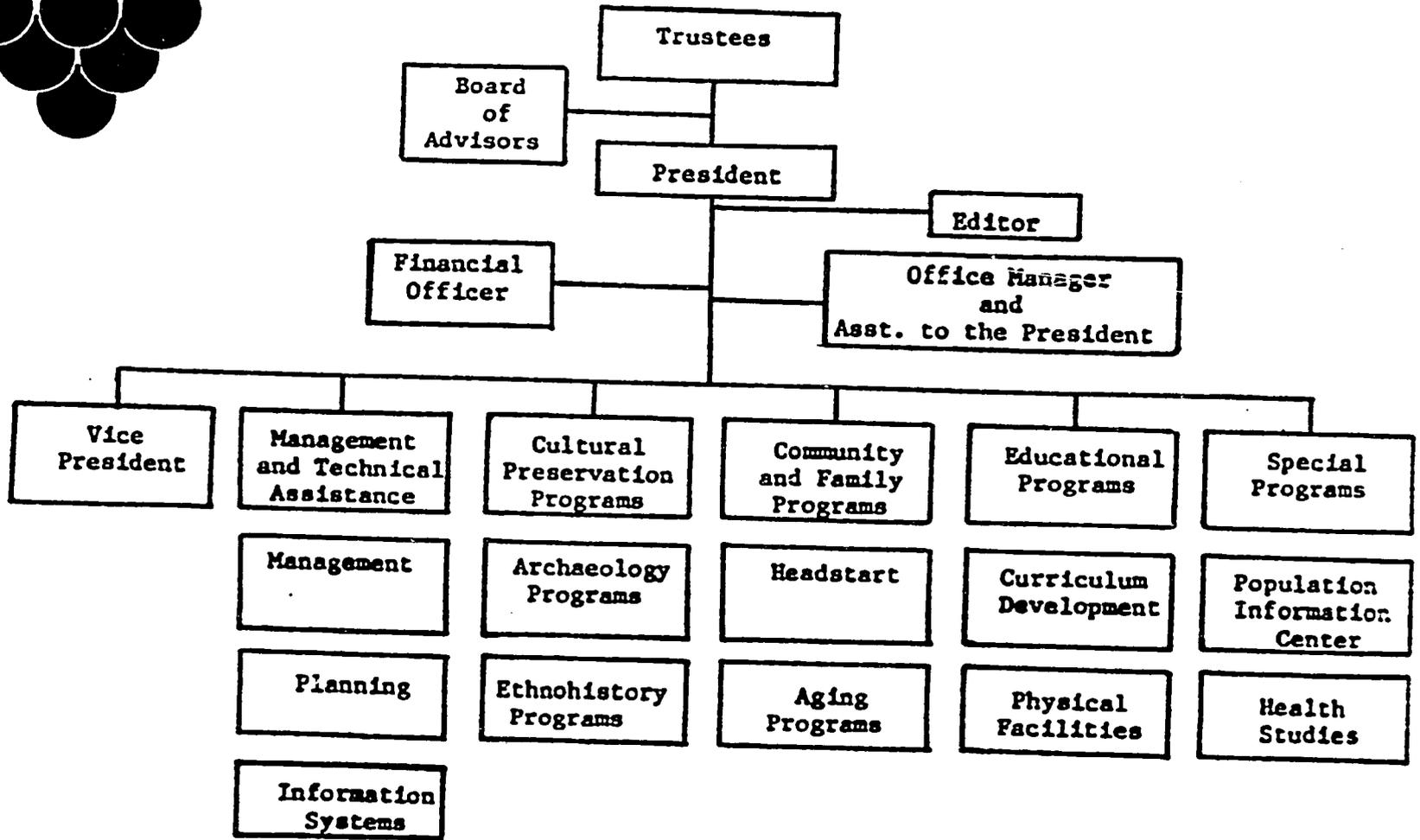
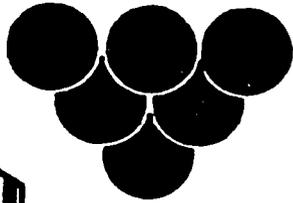
The over-all goal of the Asia Pacific Group is to assist Third World countries in meeting the demands of the 21st Century by offering practical solutions to today's social, economic, and environmental problems.



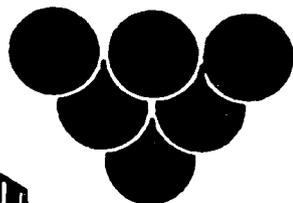
OPERATIONAL AREAS



ORGANIZATIONAL STRUCTURE



ASIA PACIFIC GROUP



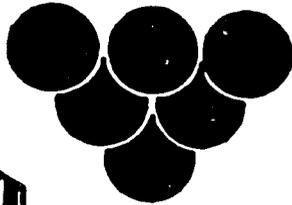
TRUSTEES

Samuel T. Price, Arline Mayer, Joyce Torres, Maxine Igarta

OFFICERS AND STAFF

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Arline Mayer, Corporate Secretary and Assistant to the President
Joyce Torres, Treasurer
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David Straley, Program Director, Economic Development Programs
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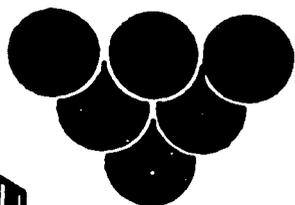
FINANCIAL REVIEW

GRANTS AND CONTRACTS

<u>YEAR</u>	<u>AMOUNT</u>
1977	\$ 44,000
1978	\$108,000
1979	\$210,000
1980	\$200,000
1981	\$180,000
1982	\$325,000
1983	\$750,000*

These figures are estimates
*Anticipated

ASIA PACIFIC GROUP



LOCATION AND CORPORATE SUPPORT

CORPORATE HEADQUARTERS

301 Corn Trading House
Agana, Guam 96910
(671) 477-8954

REGIONAL OFFICES

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Saipan, Mariana Islands 96950
San Francisco, California 94103

FINANCIAL COUNSEL

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Agana, Guam 96910

LEGAL COUNSEL

Klemm, Dear & Lawrence
Agana, Guam 96910

PRIMARY BANKS

Bank of America, Agana, Guam
Bank of Hawaii, Agana, Guam
Bank of New York, New York City

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