



Virginia International Gateway, Portsmouth

ADVISORY COMMITTEE ON INTERNATIONAL TRADE

February 4, 2025



Virginia International Gateway, Portsmouth

AGENDA

Welcome, Chairman's Comments, and Review Minutes

Congresswoman Jennifer Kiggans

The Economic Impact of Virginia Exports

International Trade Communication Strategy

International Trade Update and Virginia Export/Import Data



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Economic Impact of Virginia Exports – 2022

Prepared for
Virginia Chamber of Commerce
and
Virginia Economic Development Partnership

Scott Swan

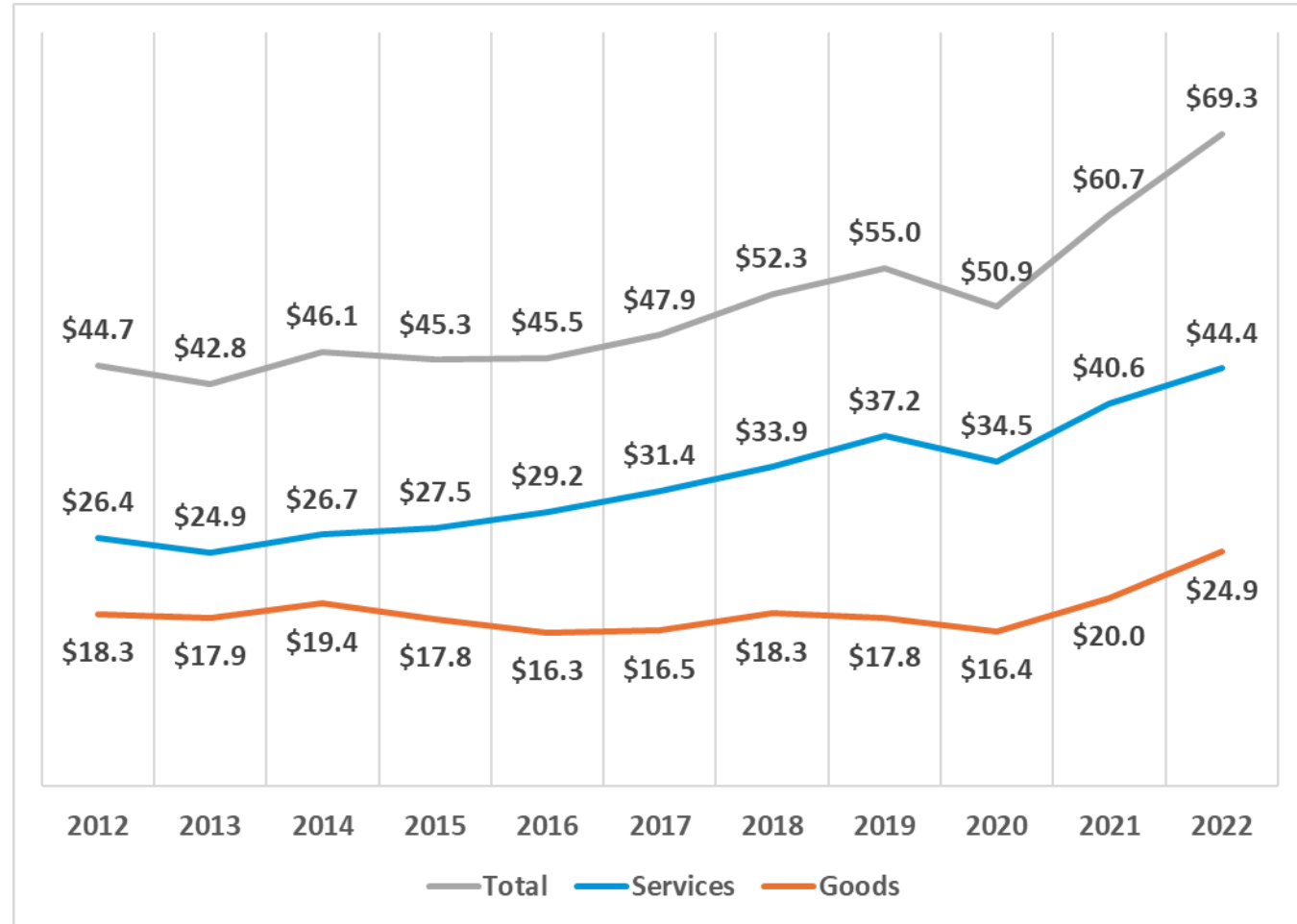


Raymond A. Mason
School of Business
WILLIAM & MARY

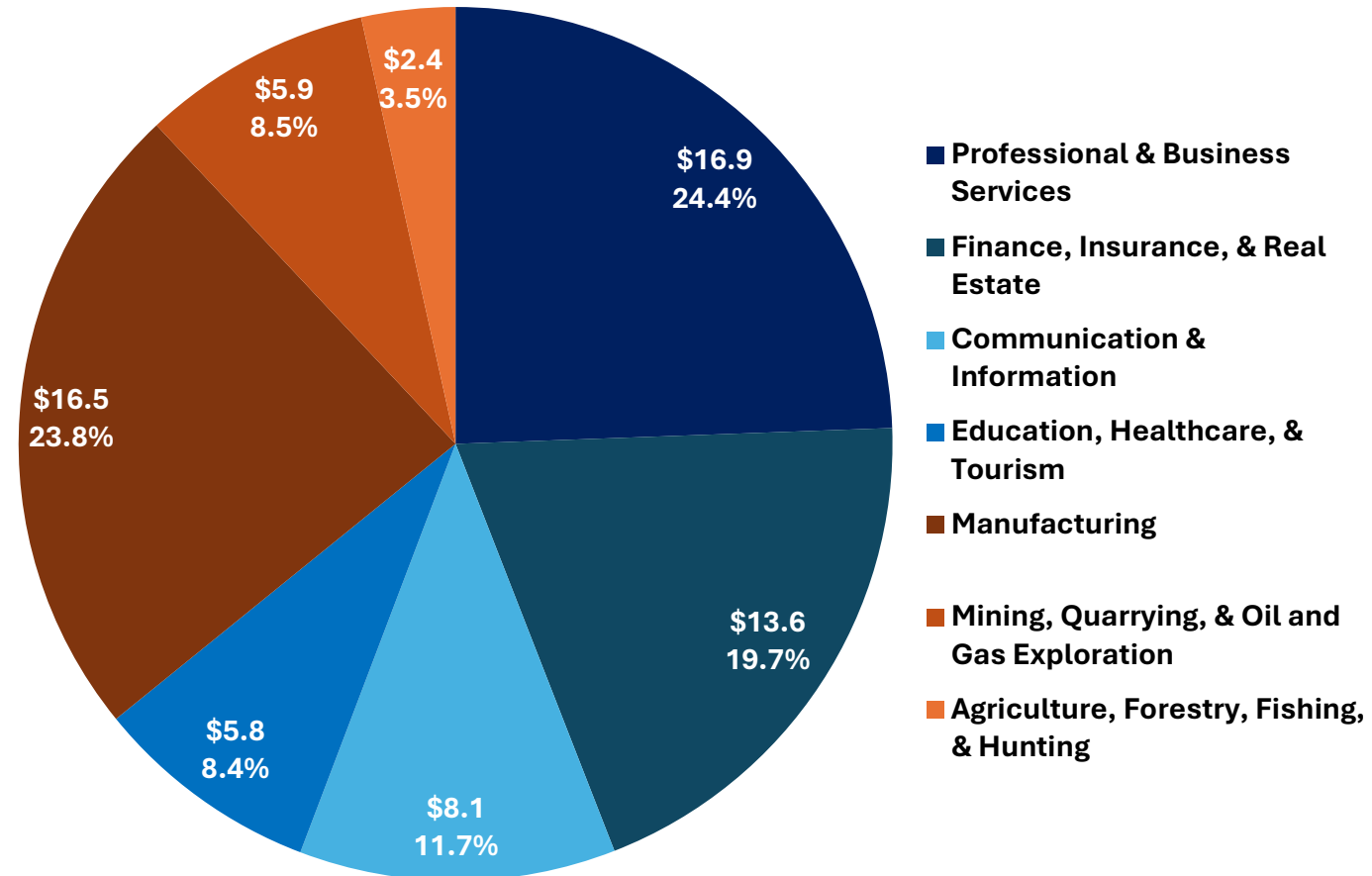
David Zorn



Virginia Exports (billions)



Exports by Sector (billions)



Top-Ten Export Categories (billions)

Description	Exports	% of Total
Management, Scientific, and Technical Consulting Services	\$13.9	20.1%
Licensing of Intellectual Property	\$9.4	13.6%
Coal Mining	\$6.5	9.4%
Software Publishers	\$5.1	7.4%
Non-depository Credit Intermediation	\$3.2	4.6%
Computing Infrastructure Providers, Data Processing, Web Hosting, and Related Services	\$2.6	3.8%
Resin, Synthetic Rubber, and Artificial and Synthetic Fibers Manufacturing	\$1.2	1.7%
Pulp, Paper, and Paperboard Mills	\$1.1	1.6%
Architectural, Engineering, and Related Services	\$1.1	1.6%
Semiconductor and Other Electronic Component Manufacturing	\$1.0	1.4%
Top-Ten Exports	\$45.1	65.1%

Blue = Services

Orange = Goods

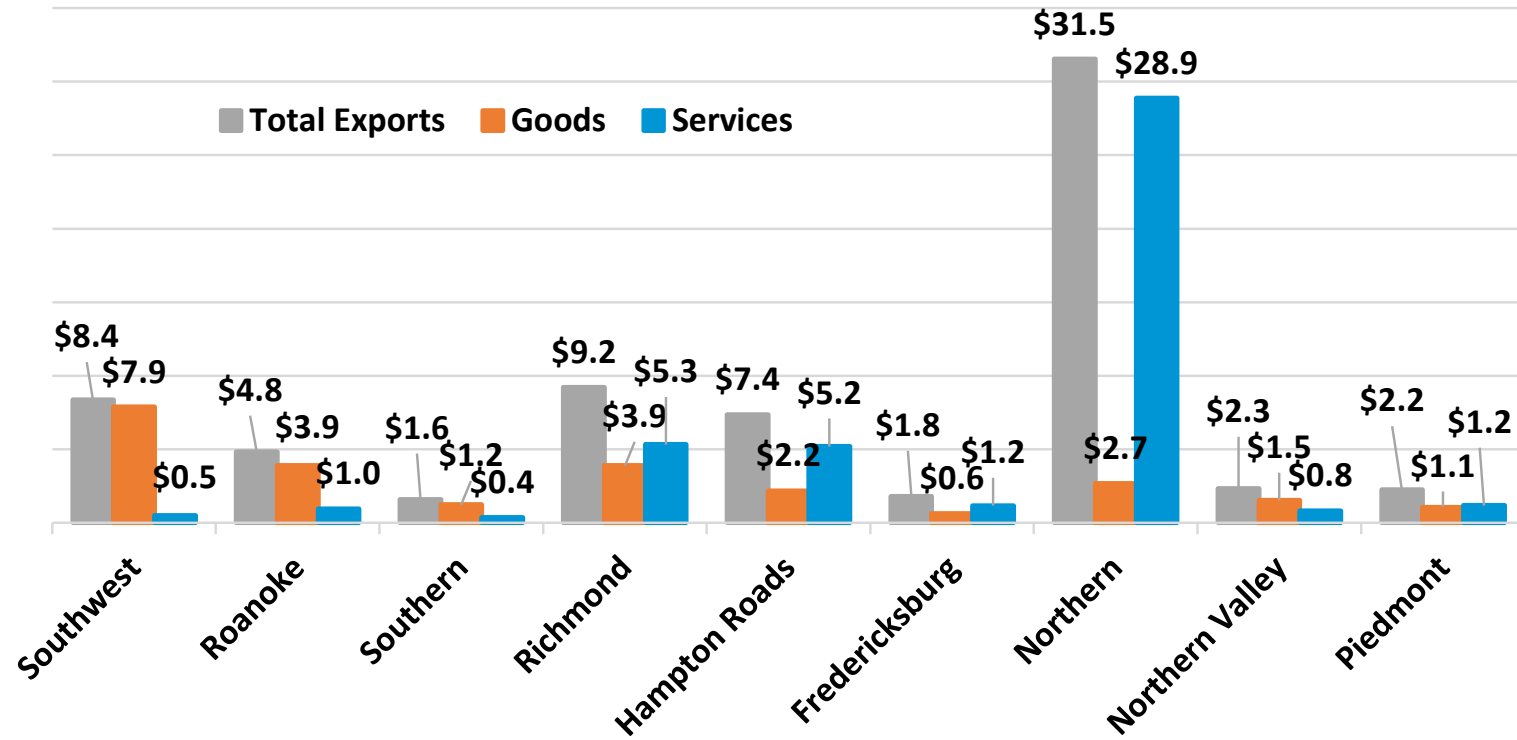
Virginia's State Ranking

- Total Exports – 14th
- Goods Exports – 24th
- Services Exports – 5th
- Exports % GDP – 15th
- 10-Year Growth in Exports – 10th

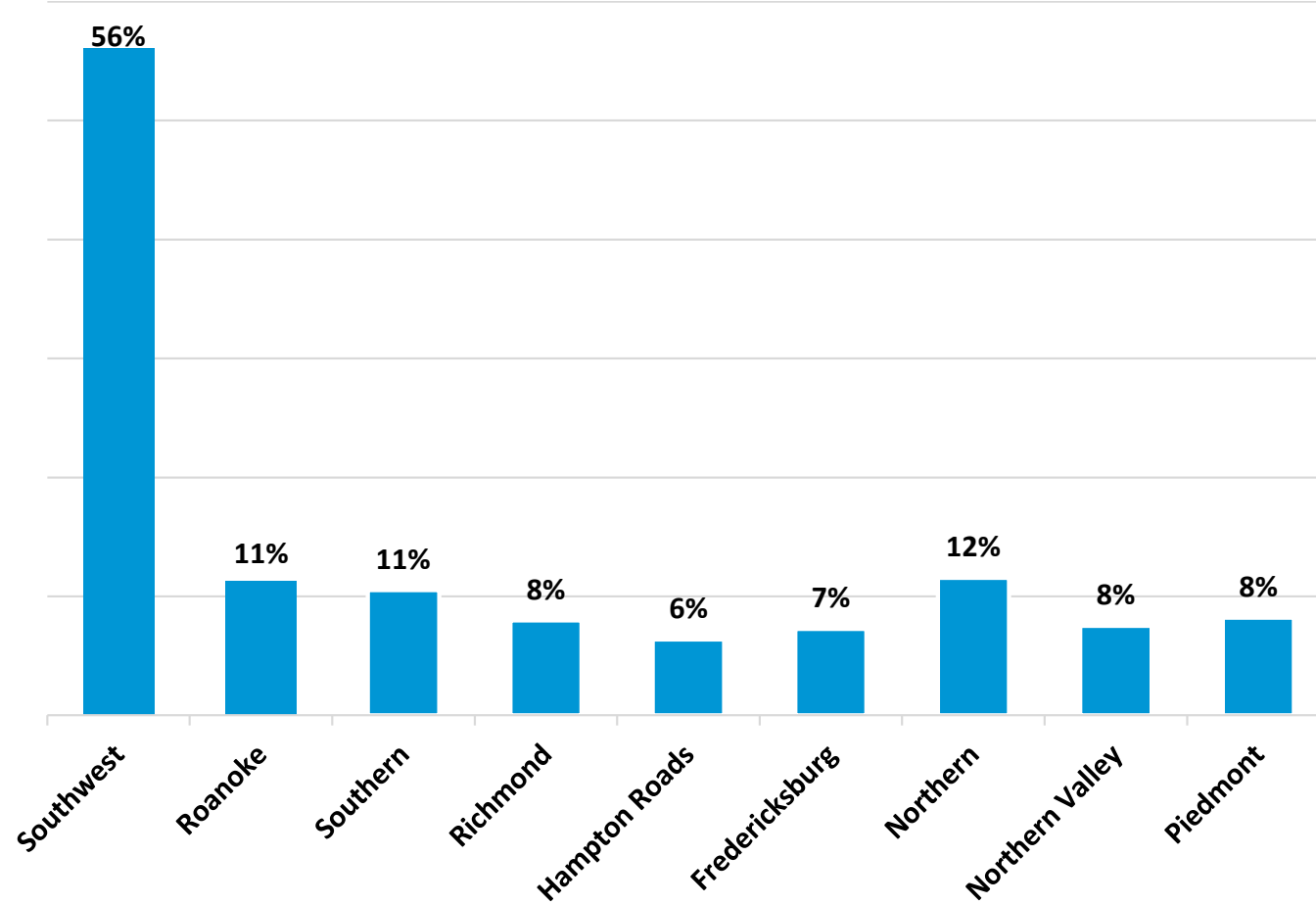
GO Virginia Regions



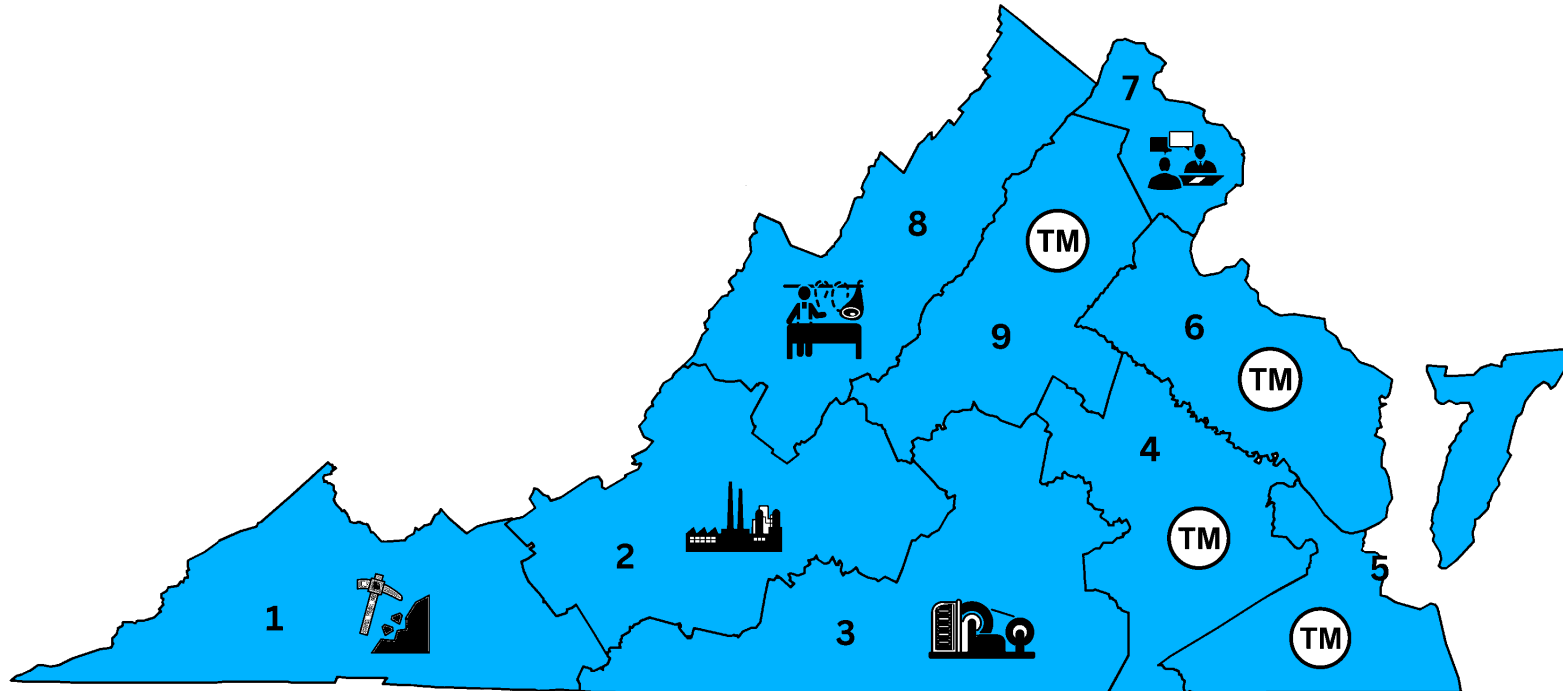
GO Virginia Regional Exports (billions)



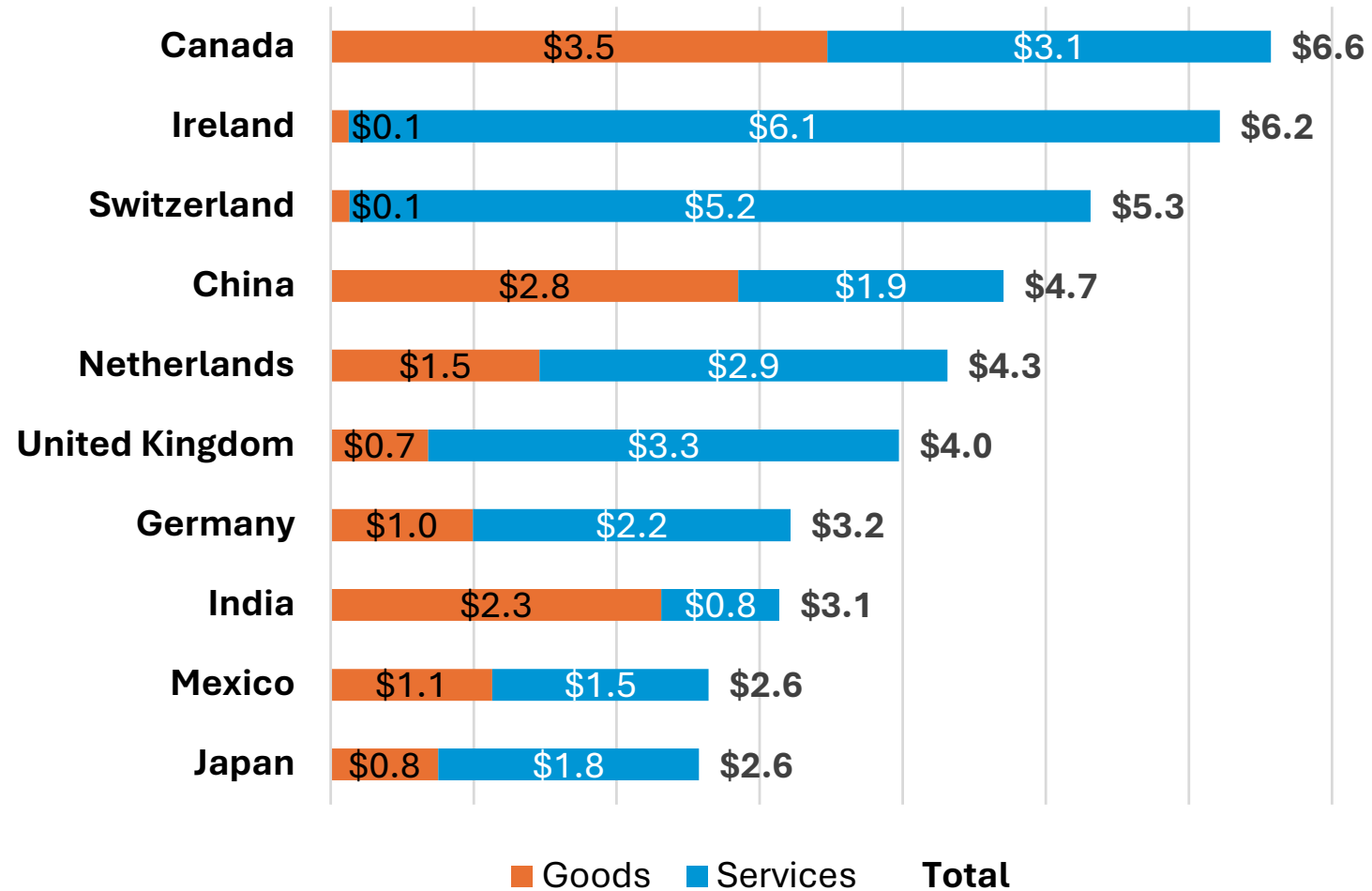
Regional Export Intensity (% regional output)



Primary Regional Exports



Virginia's Export Markets (billions)



Economic Impact of Exports

- 316,000 total supported jobs
- \$88 billion total supported economic output
- 10.5% of gross state product
- \$1.5 billion local tax revenue
- \$2.0 billion state tax revenue

Interviews

- “One of our strengths was an ability to experiment, to test opportunities versus seeing only risks. VEDP was very helpful in this.”
- “...VEDP’s connections through trade shows and trade missions was critical.”
- “VEDP has helped us find the relevant, successful contacts and distributors...difficult to crack on our own. We lacked in-country distributors, which is a better model.”
- “...VEDP’s partnership is critical to finding (international) partners, contacting foreign officials, visiting countries, and changing attitudes through training. We would have had limited growth outside the US without VEDP.”
- “We now better understand the opportunities ...through things like Virginia Chamber of Commerce forums, and a partnership with VEDP. It has been valuable.”
- “...VEDP helped us manage these fears, create a plan, and move forward with solid partners.”

Summary Analysis

- **VEDP is a significant resource** with their many programs that were extremely valuable to small businesses who desire to export...they would not have attempted exporting without “essential” VEDP help. This view is so positive that several companies mentioned **paying to have further assistance** in exporting after their two years in the VALET program are completed.
- There is a real concern with their **lack of resources and time** that translate into their **fear in taking necessary risks**...there is a feeling among the firms that two years of experienced help may not be enough to launch a small company as a strong exporter. Many are still **overwhelmed by the challenges and threats**...suppressing the overall success of small exporters.



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COMMUNICATIONS STRATEGY: INCREASE AWARENESS OF VIRGINIA'S EXPORT IMPACT

Objective:

Incorporate awareness of Virginia's trade program into VEDP's communications channels and target key stakeholders, including business leaders, policymakers, and media.

Target Audiences:

- Business Leaders: C-level executives, Site selectors, Virginia-based exporters, and Virginia-based companies interested in going global.
- Government & Policy Leaders: State and local officials who influence trade policy and economic development.
- Media & Thought Leaders: Journalists and economic analysts who can amplify the message.

TACTICS

1

CONTENT MARKETING

- Create collateral and content for *Virginia Economic Review*
- Develop case studies focused on trade

2

PUBLIC RELATIONS & MEDIA OUTREACH

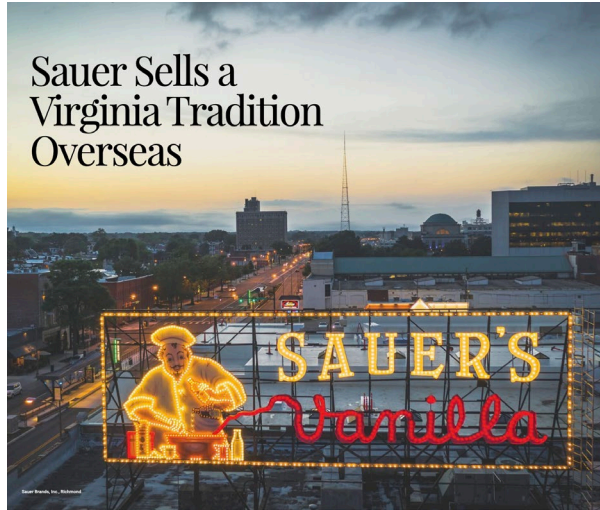
- Cultivate trade and industry media to encourage coverage of Virginia's advantages for business
- Distribute VEDP-owned news releases, including VALET announcements

3

DIGITAL & SOCIAL MEDIA

- Create content on LinkedIn and amplify *Virginia Economic Review* articles, regional highlights from "The Economic Impact of Virginia Exports" report, and export testimonials and case studies
- Continue the #TradeTuesday social media campaign every other Tuesday

HIGHLIGHTING TRADE IN VIRGINIA ECONOMIC REVIEW



Sauer Sells a Virginia Tradition Overseas

Photo courtesy of Sauer

From its humble 1887 beginnings selling food flavoring extracts and spices from a peddler on Richmond's Broad Street, the company formerly known as C.F. Sauer Company serves the world through its Sauer Brands, Inc., a leading packaged food manufacturer. Acquired in August 2019 by Chatham, N.C.-based Edgewater Capital Partners, the privately held, family-owned company is proud for international business expansion with its former Dade's® operations, in large part due to access to the Commonwealth's international trade development resources and export services.

"Approximately 90-95% of the world's population lives outside the U.S., and about 35% of the world's trading ports is outside the U.S. as well. Maximizing the trade opportunities internationally, said Rich Thompson, vice manager for business development at Sauer Brands, Inc. "We make sure that our company's focus is on export — and with that purpose."

In 1986, Sauer created the export business with the acquisition of Alabama's regional BAKK brand. However, Sauer's export regional executive product, Dade's®, has supported the new growth outside the Southeastern section of the U.S. As demand demand grew for Dade's, so did international appetite, shifting it as the company's highly focused and paying a path for export expansion.

With increased overseas product demand came challenges, including issues with professional export insight and assistance, as well as financial resources for global expansion.

AN EXTENSION OF A COMPANY'S BUSINESS AIM
In 2017 the company found export help from the state, once awarded VEDP, Virginia Leads to Export Trade (VLEET) international business expansion program. VLEET assists companies throughout Virginia in achieving their international marketing activities and expanding worldwide business.



MPREI America, Chesapeake City

SOLVING SUPPLY CHAIN ISSUES AT THE SOURCE

ONE IS A TINY COMPANY
with its eye on the future. MPREI America pioneered high-tech design and components with help from VEDP.

The other company is global leader that does to work beneath the surface: DURETI builds sustainable fibers that end users, and its technology is dominant in Europe.

The companies share this to connect. To reach their potential, each Virginia company was selected in 2017 to participate in the Supply Chain Optimization Program (SCOP), an initiative run by

VEDP's International Trade Division and its first annual supply chain assistance program in the country.

The International Trade Division, which has recently formed with the U.S. Department of Commerce's "E Star" brand for the second time, helps Virginia companies expand exports to drive company growth in the Commonwealth. To increase exports, companies need that assistance, access to import and export and compliance and to the goods they manufacture.

SCOP launched in September 2017,

where 29 companies each selected year to support with funding and export right chain guidance. These companies have employed an average of 730 people and a few in the. But by the end, all benefit.

BIG RESULTS IN A TINY PACKAGE
Representatives from Mero Harmonics, with just 15 employees, has the most of plants when the company joined SCOP in 2017. "I walked to the plant and thought I don't really fit. And then I thought, 'What a mistake, we are all trying to do the same thing' [The company's small size] just means more problems on a 100-ft

office," said Mero Harmonics Chief Operating Officer Steve Krew. The SCOP team "was wonderful at getting and setting us right where we were. It had a huge impact on us. We've not only been able to grow and grow smoothly."

That growth has been recognized by others. For the chief executive, said Mero Harmonics, head in Florida, was on the list. 2018 Breakthrough of fastest growing private companies.

Mero Harmonics is proud that big possibilities overseas come in the number of partners. Founded in 2008 by four British electrical engineers, David Portwell, the company creates the world of the two electromagnetic components that make high-frequency systems to other specialty ready-made data faster than conventional accessories and in wireless, GPS, and flight recorder.

That potential, though, comes with challenges. The electromagnetic waves produced are so tiny, the distance between each peak is measured in millimeters. The error the construction partners are allowed each precision is one-tenth of an inch. The tiny parts must then be aligned a precise angle to figure digital information using powerful microscopes. The final components of components might fit into a tissue box, then from Mero Harmonics to its customers.

It's a similar challenge. Because the parts are so small and power density is high, localized heating can destroy the tiny parts. To control that heat, Portwell invented design for ultra-soft materials, including diamond grown in a lab, to electrically channel heat away from the tiny parts. The result is that Mero Harmonics components are smaller than other technologies, are more efficient and able to handle significantly higher power levels.

"We had to come up with a whole different world, something

SECOND QUARTER 2021

VIRGINIA ECONOMIC REVIEW

Business Without Borders

Virginia connects companies to international trade opportunities

PERSPECTIVES FROM INTERNATIONAL TRADE LEADERS:

Stephen Edwards, The Port of Virginia | John Keppler, Enviva
Edward Alden, Council on Foreign Relations | Craig Allen, US-China Business Council
John Murphy, U.S. Chamber of Commerce | William Reinsch, Center for Strategic and International Studies

HIGHLIGHTING TRADE IN CASE STUDIES

Case Studies



International Sales Help Dilon Technologies Weather Domestic Downturn

Dilon Technologies, Inc., in Newport News has developed and manufactured medical devices for **more than 20 years**. Its devices and systems are used for early disease diagnosis and surgical applications, primarily in the treatment of breast cancer. Dilon's groundbreaking products include the Navigator® Gamma Probe, one of the most widely used gamma probes for cancer surgery, and the CoPilot VL®, an innovative, affordable, portable video laryngoscope designed for ease in use in intubation and airway management. Its MarginProbe® technology helps identify tumors and provide more accurate margin assessment in surgeries, allowing surgeons to assess tissue in the operating room and reduce the need for follow-up procedures.

Dilon **grew out** of the Thomas Jefferson National Accelerator Facility, a U.S. Department of Energy National Laboratory in Newport News, also known as the Jefferson Lab. The company sells its products in 76 countries, with its largest markets in Canada, Japan, Australia, and Europe. Dilon has been expanding into Latin America and Central and Eastern Europe in recent years and uses VEDP trade services to overcome its biggest export challenge: identifying local partners.

Dilon's equipment is quite specialized, and many potential partners are smaller companies, some without a substantial online presence. Finding these partners can be difficult without physical local representation. Furthermore, the company's products must pass regulatory hurdles in each new country, necessitating the presence of a representative who understands local requirements and can translate reports into the local language and format. VEDP's local representation in key markets, with consultants in more than 85 countries, was a major help in navigating those steps.

To help identify these local partners, Dilon engaged VEDP's market research capabilities and used VEDP's Trade Show Program to fund participation in shows in Mexico and the United Arab Emirates. At Arab Health in Dubai, company representatives met with current and potential partners from the Middle East and Southeast Asia, while the shows in Mexico helped the company prove the market potential for its products in Latin America. Virtual trade shows offered a wealth of information on how Dilon could better differentiate itself in the marketplace.

Case Studies



Ceres Nanosciences Takes its Diagnostic Technology Global With VEDP's Help

Ceres Nanosciences, Inc., is a privately held company based in Prince William County's Innovation Park. The company's proprietary Nanotrap® particle technology improves diagnostic testing by enabling the capture, concentration, and preservation of low-abundance analytes from complex biological samples. In short, Nanotrap particles enable earlier, more accurate detection of diseases.

Ceres' technology has proven useful in an area that was in the news during the COVID-19 pandemic – monitoring wastewater for pathogens. In addition to the often-cited use cases of monitoring wastewater from dorms, correctional facilities, or wastewater treatment plants, Ceres' technology is used to monitor wastewater samples from airplanes to help trace the movement of diseases from country to country.



Ceres Nanosciences, Prince William County

LEVERAGING EARNED MEDIA



Virginia Companies Expand into Global Markets through Commonwealth's Trade Accelerator Program

RICHMOND, VA — Governor Glenn Youngkin today announced that 10 companies across the Commonwealth of Virginia are graduating from the Virginia Economic Development Partnership's Virginia Leaders in Export Trade (VALET) program, and 17 companies have joined the two-year program. VALET, which now has 412 graduated companies, assists Virginia exporters that have firmly established domestic operations and are committed to international exporting as a growth strategy.

"The VALET program provides an integral framework for Virginia businesses seeking growth into the global marketplace," said **Governor Glenn Youngkin**. "Congratulations to these organizations that recognize international trade is invaluable to Virginia's economy and are participating in this program to expand internationally."

TOTAL REACH: 10,200

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Press Releases

Virginia Companies Expand into Global Markets through Commonwealth's Trade Accelerator Program

January 22, 2025


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The graduating companies are:

- Conflict Kinetics (Fairfax County)
- Diamondback Toolbelts (Albermarle County)
- Enterprise Knowledge (Arlington County)
- Euro-Composites Corporation (Culpeper County)
- HUB Corporation (City of Roanoke)
- MATBOCK (City of Virginia Beach)
- Morcom International, Inc. (Loudoun County)
- Tax Analysts (City of Falls Church)
- TECHLAB, Inc. (Montgomery County)
- Turman Sawmill (Carroll County)

VEDP'S SOCIAL MEDIA PRESENCE HAS GROWN SINCE FY18

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	% Increase (FY18-24)
Followers	2,600	3,800	6,600	9,000	11,700	15,630	16,740	545%
Clicks ¹	360	2,400	3,000	5,200	9,000	18,146	5,300	1,372%
Interactions ²	790	4,000	8,300	13,000	16,000	18,469	20,150	2,450%

VEDP MAIN'S SOCIAL MEDIA METRICS FY2025 VS. FY2024

	Q1 & Q2 FY24	Q1 & Q2 FY25	% Increase
Followers	17,560	22,650	29%
Clicks ¹	1,970	3,150	60%
Interactions ²	10,610	12,650	19%

¹Clicks indicate the number of clicks on a link in a social post

²Interactions indicate the number of mentions, replies, likes, comments, and retweets/shares on a social post

³Source: HubSpot, December 31, 2024

PROPOSED CONTENT CALENDAR: EVERY 1ST AND 3RD TUESDAY FOR #TRADETUESDAY

Month	Content
January	VALET Graduation
	<i>Virginia Economic Review</i> Trade Highlight
February	Company Highlight: Babylon Micro-Farms
	Testimonial Video: Turman Group
March	Company Highlight: Trex
	Regional Highlights from the Export Economics Study
April	<i>Virginia Economic Review</i> Trade Highlight
	Testimonial Video: Aeroprobe & MELD
May	World Trade Month – Benefits of Exporting
	Economic Development Week highlighting VEDP International Trade
June	Company Highlight: Sumitomo Machinery Corporation of America
	Regional Highlights from the Export Economics Study

SOCIAL MEDIA POST EXAMPLES

Virginia Economic Review #TradeTuesday Highlight

VEDP Virginia Economic Development Partnership
22,998 followers
1w · 🌐

#TradeTuesday: From Amherst County to the Olympic podiums, **T.R.U. Ball® / AXCEL® Archery** has hit the bullseye in global markets! With support from **VEDP International Trade**, this Virginia company broke barriers in South Korea, securing elite sponsorships and global recognition. Read how smart strategy, family perseverance, and Virginia's trade programs helped AXCEL grow into a global leader in archery equipment. <https://hubs.ly/Q031LTTM0>
Lynchburg Regional Business Alliance




T.R.U. Ball/AXCEL Archery, Amherst County

🌐 Killen Wells and 36 others 2 comments · 7 reposts

Company Highlight: Babylon Micro-Farms

VEDP · You
22,356 Followers
now · 🧑‍🤝‍🧑

At **Babylon Micro-Farms** in Richmond, innovation meets sustainability with their cutting-edge hydroponic micro-farms, allowing businesses, schools, and communities to grow fresh produce year-round. With the help of **VEDP International Trade**, Babylon has expanded its reach to international markets including Canada, France, Ireland, Italy, and Switzerland. By exporting, Babylon Micro-Farms not only empowers communities to grow their own food, but also strengthens Virginia's economy and company growth. Are you ready to take your business global? Learn more about Virginia International Trade: <https://lnkd.in/eEhWmFuP>



👍 Like 💬 Comment



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VEDP IS HOSTING VIRGINIA COMPANIES ON TRADE MISSIONS & TRADE SHOWS IN A WIDE VARIETY OF COUNTRIES AROUND THE WORLD IN 2025 AND 2026

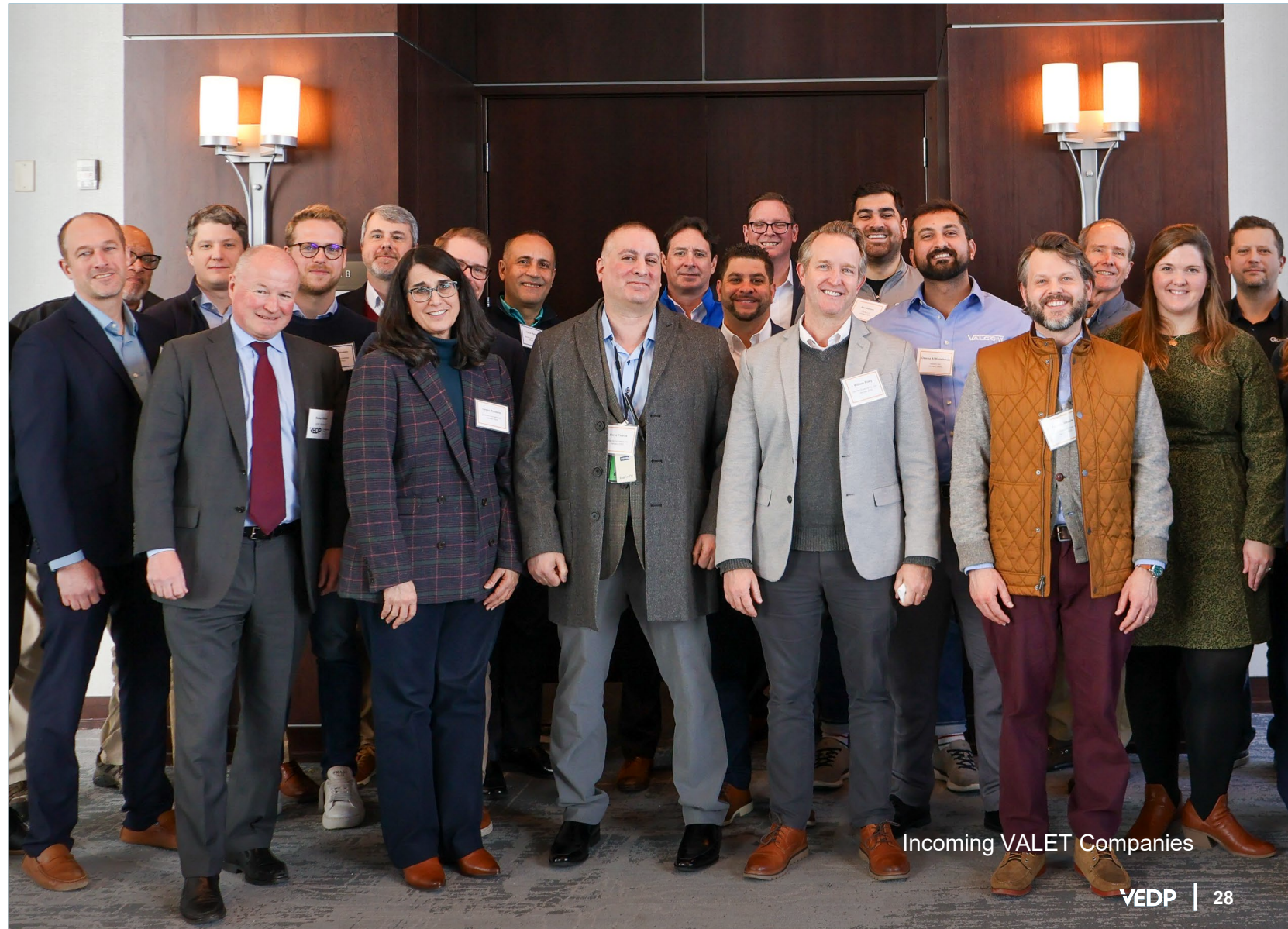
Trade Mission ¹	Dates
Saudi Arabia & UAE	Feb. 9–14, 2025
Colombia	Mar. 10–14, 2025
Australia	Mar. 24–28, 2025
Brazil	Apr. 7–11, 2025
Turkey	Apr. 14–18, 2025
Sweden & Finland	May 12–16, 2025
Mexico	Sep. 22–26, 2025
Colombia	Oct. 20–24, 2025
Romania & Poland	Oct. 27–31, 2025
Australia	Nov. 10–14, 2025
Malaysia & Philippines	Nov. 12–18, 2025
Saudi Arabia & UAE	Feb. 1–6, 2026
India	Feb. 23–27, 2026
Sweden & the Baltics	Apr. 20–24, 2026
Chile & Peru	May 6–13, 2026
Kenya & Tanzania	Jun. 3–10, 2026

Trade Show ¹	Dates
IDEX (UAE)	Feb. 17–21, 2025
Winter Germany 2025	Feb. 24–28, 2025
LAAD (Brazil)	Apr. 1–4, 2025
GISEC (UAE)	May 6–8, 2025
Infosecurity Europe 2025 (UK)	Jun. 3–5, 2025
Paris Air Show (France)	Jun. 16–22, 2025
DSEI (UK)	Sep. 9–12, 2025
it-sa (Germany)	Oct. 7–9, 2025
AUSA (Washington, DC)	Oct. 13–15, 2025
Indo Pacific (Australia)	Nov. 4–6, 2025
Expodefensa (Colombia)	Dec. 1–3, 2025
Singapore Air Show	Feb. 3–8, 2026
Arab Health (UAE)	Feb. 9–12, 2026
Winter Germany 2026	Feb. 2026
Infosecurity Europe 2026 (UK)	Jun. 2–4, 2026
Eurosatory (France)	Jun. 15–19, 2026
Farnborough Air Show (UK)	Jul. 20–24, 2026

¹Virginia businesses pay a \$2,500 fee to VEDP to participate and are responsible for their own travel expenses.

IN JANUARY, 17 COMPANIES JOINED THE TWO-YEAR VIRGINIA LEADERS IN EXPORT TRADE (VALET) PROGRAM

- Air-Tite Products Co., Inc.
- Caretaker Medical
- Ceres Nanosciences
- CMP Global, Inc.
- Electronic Development Labs
- Exotic Nutrition Pet Supply
- Fulcrum Concepts, LLC
- InBio
- Jody's Popcorn
- Kaléo
- MAG Aerospace
- Marine Acoustics
- Nedia Enterprises, Inc.
- Oransi
- Porvair Filtration Group
- Quokka
- Valcom



EXPORTS FROM VIRGINIA ARE DOWN 2% FROM THIS POINT LAST YEAR

Rank	Commodity	Export Value, Jan-Nov 2024 (\$)	Change 2023-2024 ¹ (%)
1	Mineral Fuels	3.6B	-6
2	Plastics	2.0B	18
3	Mechanical Appliances	1.8B	-14
4	Electrical Machinery	1.7B	-17
5	Vehicles	1.3B	-3
6	Aircraft	930M	51
7	Scientific Instruments	784M	9
8	Oil Seeds	669M	-46
9	Wood	435M	7
10	Food Industries Waste	386M	-6
Total Exports		20.1B	-2

¹This measure calculates the change in exports from January – November 2023 compared to January – November 2024.

Source: IHS Markit, Global Trade Analytics Suite, 2-digit level

EXPORTS FROM VIRGINIA IN A MORE DETAILED VIEW

Rank	Commodity	Export Value, Jan-Nov 2024 (\$)	Change 2023-2024 ¹ (%)
1	Coal Briquettes	3.6B	-6
2	Soybeans	580M	-49
3	Integrated Circuits	482M	-31
4	Tractors	472M	9
5	Polyamides	431M	20
6	Self-Adhesive Plastics	396M	17
7	Motor Vehicle Parts	395M	-10
8	Planes, Helicopters, and/or Spacecraft	388M	252,891
9	Civilian Aircraft, Engines	381M	-23
10	Military Wearing Apparel and Equipment	319M	136
Total Exports		20.1B	-2

¹This measure calculates the change in exports from January – November 2023 compared to January – November 2024.

Source: IHS Markit, Global Trade Analytics Suite, 4-digit level

IMPORTS INTO VIRGINIA ARE UP 20% FROM THIS TIME LAST YEAR

Rank	Commodity	Import Value, Jan-Nov 2024 (\$)	Change 2023-2024 ¹ (%)
1	Mechanical Appliances	9.7B	33
2	Electrical Machinery	4.1B	25
3	Aircraft	3.1B	136
4	Special Classification Provisions	1.8B	242
5	Vehicles	1.7B	-28
6	Furniture	1.7B	13
7	Plastics	1.4B	7
8	Steel	1.1B	44
9	Scientific Instruments	950M	27
10	Toys, Games, and Sports Equipment	907M	-3
Total Imports		37.5B	20

¹This measure calculates the change in imports from January – November 2023 compared to January – November 2024.

VIRGINIA'S TOP EXPORT DESTINATION IS CANADA AND TOP SOURCE FOR IMPORTS IS CHINA

Top Export Destinations

Rank	Country	Export Value, Jan-Nov 2024 (\$)	Change 2023-2024 (%)
1	Canada	3.2B	-4
2	China	1.4B	-28
3	India	1.3B	-18
4	Mexico	1.2B	7
5	Germany	1.1B	18
6	Netherlands	884M	1
7	Brazil	811M	4
8	Belgium	673M	4
9	Japan	647M	10
10	United Kingdom	601M	-16

Top Import Sources

Rank	Country	Import Value, Jan-Nov 2024 (\$)	Change 2023-2024 (%)
1	China	5.3B	0
2	Mexico	3.5B	36
3	Canada	3.0B	18
4	Germany	2.6B	5
5	United Kingdom	2.0B	85
6	Japan	1.9B	120
7	Malaysia	1.9B	45
8	India	1.7B	3
9	Vietnam	1.7M	19
10	Italy	1.2B	1