



# WOMEN IN INTERNATIONAL TRADE LOS ANGELES

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Vol. 2 Issue I 2002

Editor: Lilia Navarrete

## WIT-LA Begins 2002 with the Annual State of the Port Address

By Lilia Navarrete

**O**n January 16, 2002, we were very pleased to have Vera Adams, Port Director, of the U.S. customs Service, LA-LB Seaport and Ed Webb, Assistant Port Director, U.S. Customs Service, at LAX at our Annual State of the Port Address. They gave us a general briefing of what we could expect from U.S. Customs during this coming year.

We greatly appreciate both of them addressing our organization at this crucial time. The primary mission for both ports and LAX in 2002 is to continue to maintain our ports safe and allow international trade to flow freely without disruption. Since the events of September 11<sup>th</sup>, U.S. Customs at all ports has been concentrating on the detection of terrorist activity.

Both Ms. Adams and Mr. Webb emphasized the importance of the trade community working together with U.S. Customs to accomplish this goal.

Ms. Adams also discussed the detection technology that we currently have in place at L.A./L.B. ports as well as what we can expect for this year. \*



See page 4 for more on security measures!

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## Upcoming Events

March 20, 2002

***Creating A Competitive Edge  
Through 3<sup>rd</sup> and 4<sup>th</sup> Party Logistics  
Providers***

Keynote speaker  
Mr. Dan Kuzdzal, Director,  
KPMG LLP

LAX Westin  
5400 W. Century Blvd.  
6:00 pm – 8:30 pm

April 17, 2002

***International Dimensions  
of the  
Textile & Apparel Industry***

*Including a tour of the costumes from the  
motion pictures nominated for Academy  
Awards*

**Fashion Institute of Design and  
Merchandising**

919 South Grand Avenue  
Los Angeles

*Be sure to make your reservations  
early!!*

***For additional information or to  
register for any of these events,  
you can***

- Visit our website, [wit-la.org](http://wit-la.org)
- Call WIT- (310) 535-0127
- Send an e-mail to [wit.la@verizon.net](mailto:wit.la@verizon.net)

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# President's Letter

By Anne Blackwood

Thank you all for your support at our annual Holiday WITmas Party. Despite the uncertainties of the time, we had an outstanding turnout and were able to once again make a sizable donation to Clothes the Deal, a very worthwhile charitable organization. We also had a great time!



I look forward to a second exciting year as WIT-LA's President. We have a full slate of programs lined up for the year covering logistics, customs classification, duty drawback, overseas sourcing, international

trade, and technology.

We look forward to seeing you there!

## OWIT CORNER

There's a new OWIT website! [www.owit.org](http://www.owit.org) Check it out!

Are you a member and need the password?

Members will be given their password to the *Members Only areas* (Job Bank) upon renewal of their WIT-LA membership.

**2002 OWIT Annual Conference** will be held in Dallas, TX this coming October 2002. Watch this space for details of the specific date.

Questions about **OWIT**? Contact:  
Lanie Denslow ([Ldenslow@fidm.com](mailto:Ldenslow@fidm.com)) or by phone at 213.624.1200.

# WIT-LA's First Scholarship Recipient

**"W**IT-LA presented its first scholarship award at the Annual Holiday Celebration and Charity Benefit held on Wednesday, December 12, 2001. This year's recipient of the Marjorie M. Shostak Scholarship Award is Jonathan Matthew Hurst.

Jonathan is a student at UCLA studying Business Economics with a Specialization in Computers. He is very active in the political and religious community both on and off campus. His efforts include involvement with the California State Assembly and UCLA's Student Council. Jonathan has an extensive list of achievements, including the UCLA Economics Department Honors Program, Chancellorial Appointment to the Student Judicial Board of UCLA, and is a National Merit Scholar.



Applicants were asked to share how they view their role in international trade for the next 5 years.




The following is an excerpt from his essay: "The future of international trade has become uncertain, with much hope for unity and a strong fear of increased conflict. The world continues to look for international leaders who will take a positive role in promoting peace and cooperation. My goal is to become such a leader. I intend to impact my world as a change agent, a catalyst for prosperity and a strong voice for freedom and tolerance in the international community....."

\*

His plans are to further his education as a graduate student in International Law.

Something new coming soon...

Visit the WIT-LA web site at  
[www.wit-la.org](http://www.wit-la.org):

-  Check on upcoming events
-  Obtain access to the OWIT Job Bank (members can e-mail [witla@verizon.net](mailto:witla@verizon.net) to obtain an ID and password)
-  Membership information.

WIT-LA's web site will  
have a new look!!



Do you have any questions, comments or suggestions about our newsletter?

Contact Lilia Navarrete, editor WIT-LA at 626-353-3725 or at [Lcnavarrete@yahoo.com](mailto:Lcnavarrete@yahoo.com)

# Security Initiatives & Detection Technology

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*“Push the border outwards,”*

*Commissioner Robert Bonner states, “We must expand our perimeter of security away from our national boundaries and towards foreign points of departure.”*

The ultimate goal of “pushing the border outward” is to give U.S. Customs more time to react to potential terrorist threats, stop threats before they reach the U.S. and to expedite the flow of low-risk commerce across our borders. Initiatives that will maximize the international trade community’s efforts include C-TPAT, CSI, and APIS compliance. Let us examine the C-TPAT closer.



## C-TPAT -- Customs-Trade Partnership Against Terrorism

The Customs-Trade Partnership Against Terrorism is a joint government-business initiative to build cooperative relationships that strengthen the overall supply chain and border security. This initiative is asking businesses to ensure the integrity of their security practices and communicate their security guidelines to their business partners within the supply chain. This includes importers, carriers, brokers, ware-house operators and manufactures.

### **Requirements to Participate**

Businesses must apply by signing an agreement that commits them to following a set of guidelines. These include, conducting a comprehensive self-assessment of supply chain security; submit a supply chain security questionnaire to Customs; develop and implement a program to enhance security throughout the supply chain in accordance with C-TPAT guidelines.

### **Benefits of Participation**

Participation will ensure companies a more secure supply chain for their employees, suppliers and customers. Also, a reduced number of inspections, which translates into reduced border times. An additional benefit is eligibility for account-based processes.

### **Acceptance into C-TPAT**

For Low-Risk importers acceptance into C-TPAT is upon submission of a signed C-TPAT agreement. For other companies, benefits will begin once Customs has completed a company risk assessment of security and trade compliance within 30-60 days after a security questionnaire has been submitted. \*

# Detection Technology

By Lilia Navarrete

Maximizing the use of detection technology to pre-screen high-risk containers is vital to the uninterrupted flow of international trade. U.S. Customs already has mobile VACIS available across the country and more will be put in place this year.

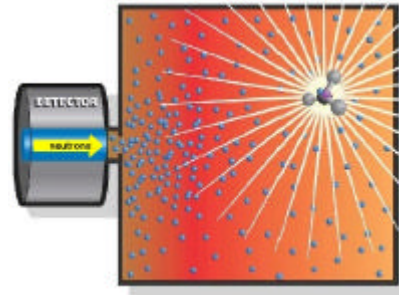
The Mobile Vehicle and Cargo Inspection System (VACIS™) is a truck-mounted gamma-ray imaging system designed to non-intrusively inspect the contents of trucks, containers, cargo and passenger vehicles for explosive devices and/or contraband.



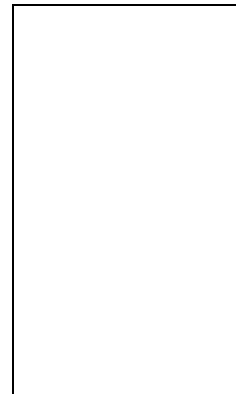
Other detection technology that may be used includes Thermal Neutron Analysis (TNA) and the Pulsed Fast Neutron Analysis (PFNA™) by Ancore Corporation. TNA Technology can detect bulk quantities of explosives and drugs concealed in trucks or cargo containers.

The TNA process uses a small radioisotopic neutron source or an electronic neutron generator to produce neutrons. During the inspection process, these neutrons bathe the inspected object and interact with its elemental content. These interactions result in strong and unique gamma ray signals from nitrogen,

which is a key ingredient in modern high explosives.



Also, developed by Ancore is the PFNA technology, which is an automated non-intrusive, material-sensitive technology for the inspection of full-size shipping containers, trucks, air-cargo and other containerized cargo.



This technology gives security workers three-dimensional maps of cargo composition and identifies specific substances. High-resolution images display the position and extent of contraband in cargo pallets, or large containers.

With over 5 million TEUs, a record amount of containers going through the Port of Los Angeles in 2001, an increase of 6% over 2000, it is vital to maximize the use of all possible detection technology for 2002 and beyond to maintain our ports and international trade safe.

\*



# International Trade Recap for 2001

## 2001 International Trade Balance

### Goods and Services

Exports: \$1,003.7 billion  
Imports: \$1,350.0 billion  
Trade Deficit: \$ 346.3 billion

### Goods

Exports: \$ 720.8 billion  
Imports: \$1,147.4 billion  
Trade Deficit: \$ 426.6 billion

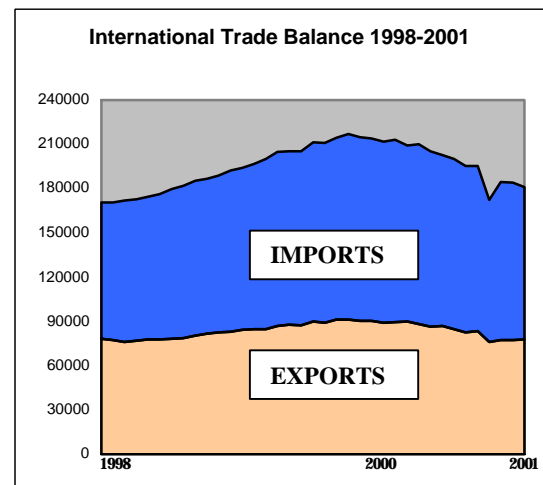
### Services

Exports: \$ 282.9 billion  
Imports: \$ 202.6 billion  
Trade Deficit: \$ 80.3 billion

Source: U.S. Department of Commerce February 2002

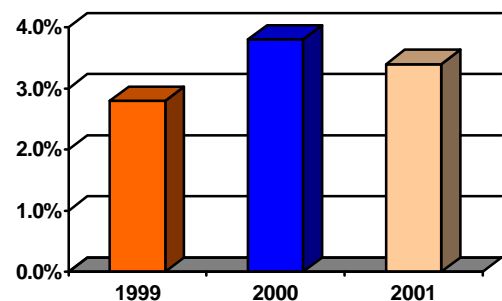
## Trade Highlights YE 2001

- Exports were down 5.8 percent in 2001 from 2000, while imports were down 6.3 percent. The goods and services deficit was over \$346 billion.



- In 2001, the U.S. trade deficit was 3.4 percent of the gross domestic product (GDP). Last year, the trade deficit was 3.8 percent of GDP, and in 1999, it was 2.8 percent.

### U.S. Trade Deficit as % of GDP



- For 2001, exports of goods were down \$51.0 billion from 2000 and exports of services were \$282.9 billion, down \$10.6 billion from 2000.
- The trade deficit narrowed in December of 2001 as U.S. exports of goods and services rose \$0.1 billion to \$77.9 billion and imports fell \$3.1 billion to \$103.2 billion. \*

# International Trade and the textile and apparel industry

## Many Textile And Apparel Categories Quota-Free / Visa-Free

According to the Office of Textiles and Apparel, effective on and after January 1, 2002, the following textile and apparel articles produced or manufactured in a WTO member country (including China and Taiwan) for exports are quota and visa free.

222, 223, 350, 431, 464, 600, 606, 607, 621, 622, 649, 650, 670, 800, 810, 831, 833, 834, 835, 836, 838, 840, 842, 843, 844, 847, 850, 851, 858, 870, 871.

Additionally, *certain* tariff numbers in the following categories are similarly quota-free and visa-free:

331, 369, 469, 659, 669, 359, 459, 631, 666, 859.



## U.S. Customs to Begin Collecting Duties on Imported Costumes

As of March 2, 2002, the U.S. Customs Service, began collecting duties on foreign-made costumes that previously entered the U.S. duty-free. For costumes (formerly classified under HTS Heading 9505) exported prior to April 1, 2002, and entered into the U.S. prior to June 1, 2002, a grace period has been established which exempts such costumes from quota visa requirements.

This U.S. Customs action is the result of a ruling made on February 19, 2002, by the United States Court of International Trade (CIT) in Rubie's Costume Company, Inc. v. United States. The court ruled that

imported costumes are textile products and should be classified as wearing apparel. ✚

## The Textile Working Group

*Will It Ensure The Textile And Apparel Industry Competitiveness In Global Markets?*

On January 25<sup>th</sup>, 2002, Commerce Secretary Don Evans announced the formation of an interagency textile working group. This group will consist of several subgroups.

The Textile Working Group held its first meeting last February 1, 2002 to begin discussing the following issues:

- ✚ Trade agreement negotiating objectives in existing and future free trade negotiations;
- ✚ Compliance and enforcement;
- ✚ The implementation of the Agreement on Textiles and Clothing integration schedule;
- ✚ Tariff preference programs;
- ✚ Export expansion for textiles and apparel;
- ✚ Transshipment and supporting trade adjustment assistance;
- ✚ Ensuring full access to trade remedy laws consistent with international rights and obligations. ✚

## Special Textile Negotiator

USTR announced last week the selection of *David Spooner* as Special Textile Negotiator. He will assist this industry to expand their access to overseas markets.



# Trade Agreement Update

*The strategic importance of pursuing FTAs with our trading partners is tantamount to promoting economic growth and development, encouraging free trade and at the same time promoting U.S. interests in these regions.*

Here is an update of the negotiations that are underway for FTAs between the U.S. and Central America, the U.S. and Singapore, and the U.S. and Chile.

## **Proposed U.S. – Central America**

Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua have expressed interest in pursuing a FTA as a group with the United States.

In January, President Bush announced that the United States will explore a free trade agreement with the countries of Central America that would build on the \$4B U.S. investment in the region and ensure that U.S. companies are not disadvantaged.

## **U.S. - Singapore**

The seventh Round of the U.S. – Singapore FTA will be held the week of March 11, 2002 and the eighth Round is scheduled for the week of April 22, 2002. The successful conclusion of the negotiations will also have a beneficial impact for the 10 ASEAN countries.

## **U.S. - Chile**

During the week of April 8, 2002, the U.S. and Chile will hold the 11<sup>th</sup> Round of negotiations for a U.S. Chile FTA. A 12<sup>th</sup> Round will be held the week of May 6<sup>th</sup>, 2002. \*

## ***Women Gain from Free Trade and AGOA***

*In less than two years from its inception, AGOA has proven successful for U.S. investors in the textiles and apparel industry, as well as for the economy of sub-Saharan Africa.*

*AGOA offers duty-free access for nearly all goods produced in 35 nations of sub-Saharan Africa. AGOA has benefited U.S. investors as well as the textile and apparel industry in the U.S. and in Africa.*

*Apparel plants in Africa export finished apparel made with U.S. fabric. At the same time, U.S. investments in spinning mills in Uganda and Lesotho have generated thousands of jobs. Thousands more jobs are expected to be generated with additional U.S. investments.*

*What is so extraordinary about the success of this agreement is the direct effect on women. Women, in this sector have gained tremendously from free trade and AGOA. The success of AGOA is crucial to this sector of the workforce as 70% of the apparel workforce in Africa, are women.*

*As African women gain employment, they increase their opportunity of pulling out of the poverty level that prohibits them from a self-sustaining stature.*



# WIT-LA — A Key Player

**W**IT-LA, an organization that plays a vital role of education and networking in the international trade community of Los Angeles, increases membership to record highs.

- ✦ In 1985, a small group of women met in Michelle Rodenborn's living room founding WIT-LA.
- ✦ Founding WIT-LA members Marianne Duntley and Michelle Rodenborn continue to form a very important part of our organization. Marian and Michelle are both on our Board of Advisors today.
- ✦ Today, WIT-LA is over 160 members strong!

## Welcome To Our New Members!

### Scholarship Circle Members

Citizen Watch Company of America  
Transfer Pricing, Inc.  
Toyota Motor Sales USA, Inc.

### New Members

#### Boeing Satellite Systems

*Linda Kong*  
*Anne Young*  
*Ivonne Ruffoni*

#### Barthco International

*Kellie Chao*  
*Sandra Langford*

*Cheryl Hollander – Service By Air*  
*Adilia Koch – 3Com*  
*Debbie Pasienski – Young's Market Company*  
*Barbara Clarke – Williams Clarke Company*

# Are You Going To Be Doing Business With A Client Of A Different Culture?

- ✦ Do you know how to greet him/her?
- ✦ Do you know if your client prefers to get to know you before speaking business?
- ✦ Do you know the intercultural implications of global negotiations?

**Stay tuned for tips on intercultural negotiation in our next issue !**



✦  
Would you like to advertise on WIT -LA's newsletter?

Space is limited, so take advantage of the increased readership and reserve your space now !

Contact Lilia Navarrete at 626.353.3725 or [Lcnavarrete@yahoo.com](mailto:Lcnavarrete@yahoo.com) for further information.

## Send us Your news!

If you have changed jobs, moved, received a promotion or would like to share other noteworthy developments with the WIT community, please contact:

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