



INTERNATIONAL TRADE ANNUAL SURVEY RESULTS

Virginia International Gateway,
Portsmouth

VEDP'S INTERNATIONAL TRADE DIVISION SENDS A SURVEY TO EACH COMPANY ENROLLED IN ITS PROGRAMS AND SERVICES

At the end of each fiscal year, a survey is sent to each company enrolled in International Trade's programs and services. This data is used to calculate the division's annual performance metrics.

FY2020 Survey Statistics

- Surveys sent: 321
- Responses received: 206
- Response rate: 64%
- Companies that provided qualitative comments: 89%

COMPANIES ENROLLED (100% OF GOAL) ATTRIBUTED \$553 MILLION IN EXPORT SALES TO VEDP TRADE PROGRAMS IN 2020

Performance Metric	Description	Goal	Actual
Companies enrolled in programs	Number of companies enrolled in VEDP Trade programs	320	321
International sales ¹	<u>Existing</u> international sales attributed to VEDP Trade programs	n/a	\$378M
	<u>New or increased</u> international sales attributed to VEDP Trade programs	n/a	\$175M
	<u>Total</u> international sales attributed to VEDP Trade programs	\$600M	\$553M
Trade-supported jobs	Trade-supported jobs from companies enrolled in VEDP Trade programs	5,400	4,977

¹See Appendix for details on the international sales calculations.

COMPANIES ATTRIBUTED \$378 MILLION IN EXISTING INTERNATIONAL SALES TO VEDP TRADE PROGRAMS IN 2020

\$378M

Existing international sales supported by Virginia's trade programs and services¹

\$5.3M

Average estimated international sales per company¹

\$1.1B

Total estimated international sales¹

¹These figures exclude one outlier company with international sales over \$1B.



The PBE Group, North Tazewell

COMPANIES ATTRIBUTED A \$175 MILLION INCREASE IN INTERNATIONAL SALES TO VEDP TRADE PROGRAMS IN 2020

\$175M

Companies attributed \$175M in new or increased international sales due to the support of VEDP's International Trade programs and services

\$850K

Average increase in international sales per company attributed to VEDP's International Trade programs and services



Fulcrum Concepts, Mattaponi

INTERNATIONAL TRADE ACHIEVED EXCEPTIONALLY HIGH SCORES FOR THE QUALITY OF ITS PROGRAMS AND SERVICES

100%

Companies that were “extremely likely” or “likely” to recommend VEDP’s export assistance programs to other Virginia companies

99%

Companies that rated the quality of VEDP-International Trade’s export assistance as “excellent” or “above average”

98%

Companies that were “extremely likely” or “likely” to use VEDP-International Trade for export assistance in the future

98%

Companies that say VEDP-International Trade helped their company work toward achieving its strategic international goals



Strongwell Corporation, Bristol

COMPANIES IN TRADE PROGRAMS SHARED POSITIVE FEEDBACK THROUGH TRADE'S ANNUAL SURVEY

Selected Comments

- “VEDP (specifically the Global Defense Program) was absolutely essential to standing up our international sales activities. They provide huge leverage and value-add far beyond their grant support. Their support, training, and trade missions were, without exaggeration, transformative to our firm. They are a gem: extremely competent, focused, and effective. Please send the true thanks and appreciation of me and all my firm's staff to both to the staff of the VEDP program and those responsible for starting it and continuing to sustain and expand it.”
- “We were able to do three product launches for a new line of products in the Netherlands, Italy, and France thanks to VEDP's export assistance services. This was absolutely critical to get this product line noticed by international customers and end users and we are extremely thankful for this partnership.”
- “The VALET program forced us to think about international growth in a more structured way. We're leaving the program with a well-honed template about how to enter international markets. The VALET program was exactly what we needed to reenergize and rethink our international strategy. The grant money, networking, educational sessions, market research, and consulting were extremely helpful in framing a targeted, sustainable plan for international growth. We're seeing a huge increase in international inquiries and quotes which we expect will result in almost 100% growth in our international business by the end of this year.”
- “[VEDP] connected me with partners/clients whose requirements were perfectly aligned with our technology. Their in-country teams arranged about 10 high quality, high interest meetings with funded buyers and/or contract holders. I could not have imagined a more professional, targeted call plan.”
- “VEDP's services let us safely venture into export markets that we otherwise would not explore.”

COMPANIES IN TRADE PROGRAMS SHARED POSITIVE FEEDBACK THROUGH TRADE'S ANNUAL SURVEY (CONTINUED)

Selected Comments (Continued)

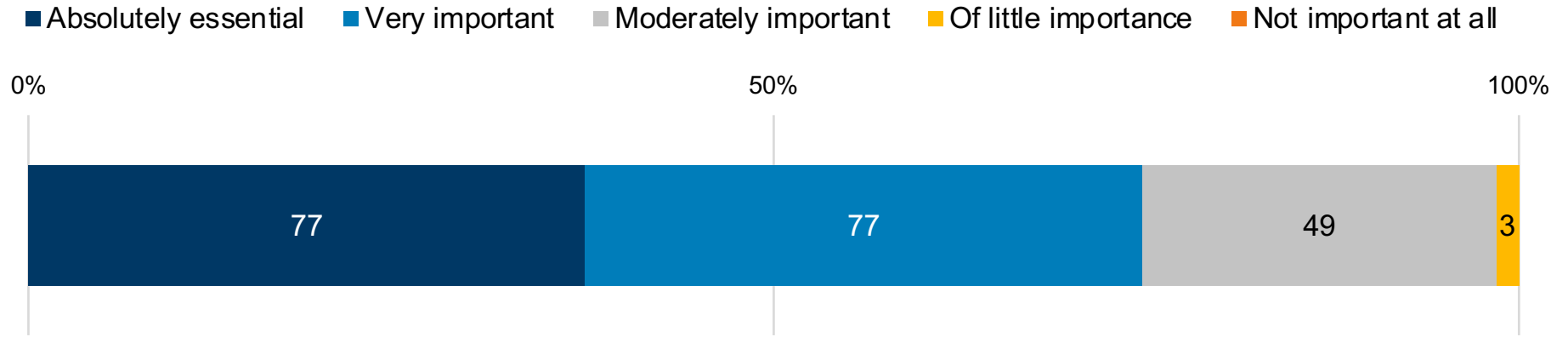
- “We are grateful to VEDP for their continued support. I highly recommend VEDP to my internal and external contacts and network as being one of the best managed state export divisions. I believe the programs, classes, virtual webinars, and exchanging of ideas are invaluable. With your support, we have been able to create unique tools to better serve our international clients. Thank you for being a valued partner and supporter of our international sales division and our growth overseas.”
- “VEDP's export assistance services have been critical in establishing and increasing our international sales. Through international market research provided by VEDP, we have received valuable market information specific to our products and services, helping us to develop successful strategies for expanding into new international markets. VEDP's trade show assistance program allowed us to exhibit at an international show and we were able to directly network, establish contacts, and penetrate international markets that have proven to be very beneficial. VEDP's export assistance services have been extremely helpful in navigating complex international markets and securing sales that may have not been possible otherwise.”
- “Through VEDP trade missions, we have entered into two new countries and have a plan to add four more countries later in the year. Without the VEDP's support, we would have not been able to enter a market with ready meetings and prospects for our technology.”
- “We can easily measure the impact on leads generated after a trade mission. For example, after our trip to Colombia, we now have 464 leads from January to July (compared to 39 leads for the same time period in 2019 - and 95 leads all of 2019). After our Dubai trade mission, we have been working on a potential project with the Ministry of Education in UAE. We are in the process of signing a new distributor in China with the help of VEDP's research. With the help of VEDP, we have reached out to new markets with online meetings: South Africa being at the top of the list right now.”

IMPACT OF COVID-19

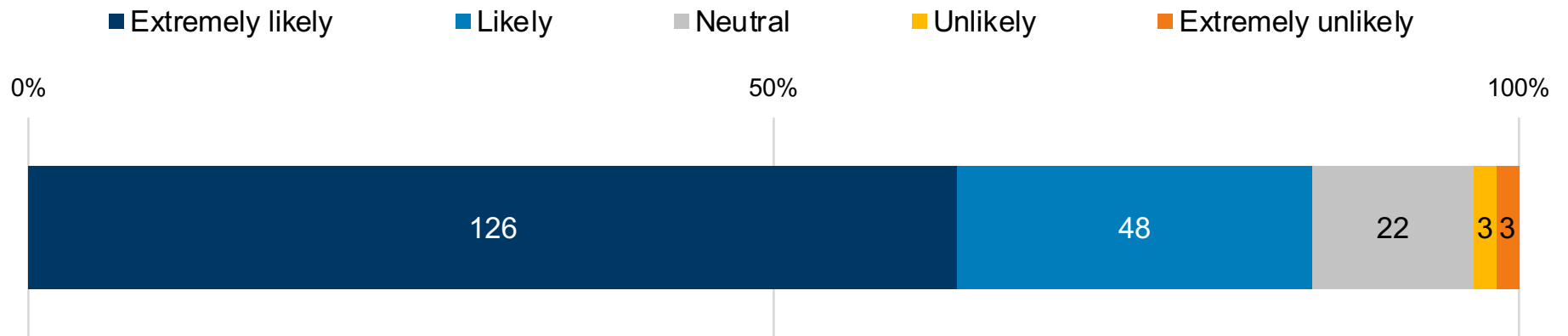
Optical Cable Corp., Roanoke

INTERNATIONAL SALES REMAIN AN IMPORTANT COMPONENT OF COMPANY STRATEGIES

How important are international sales to your company?
Number of responses

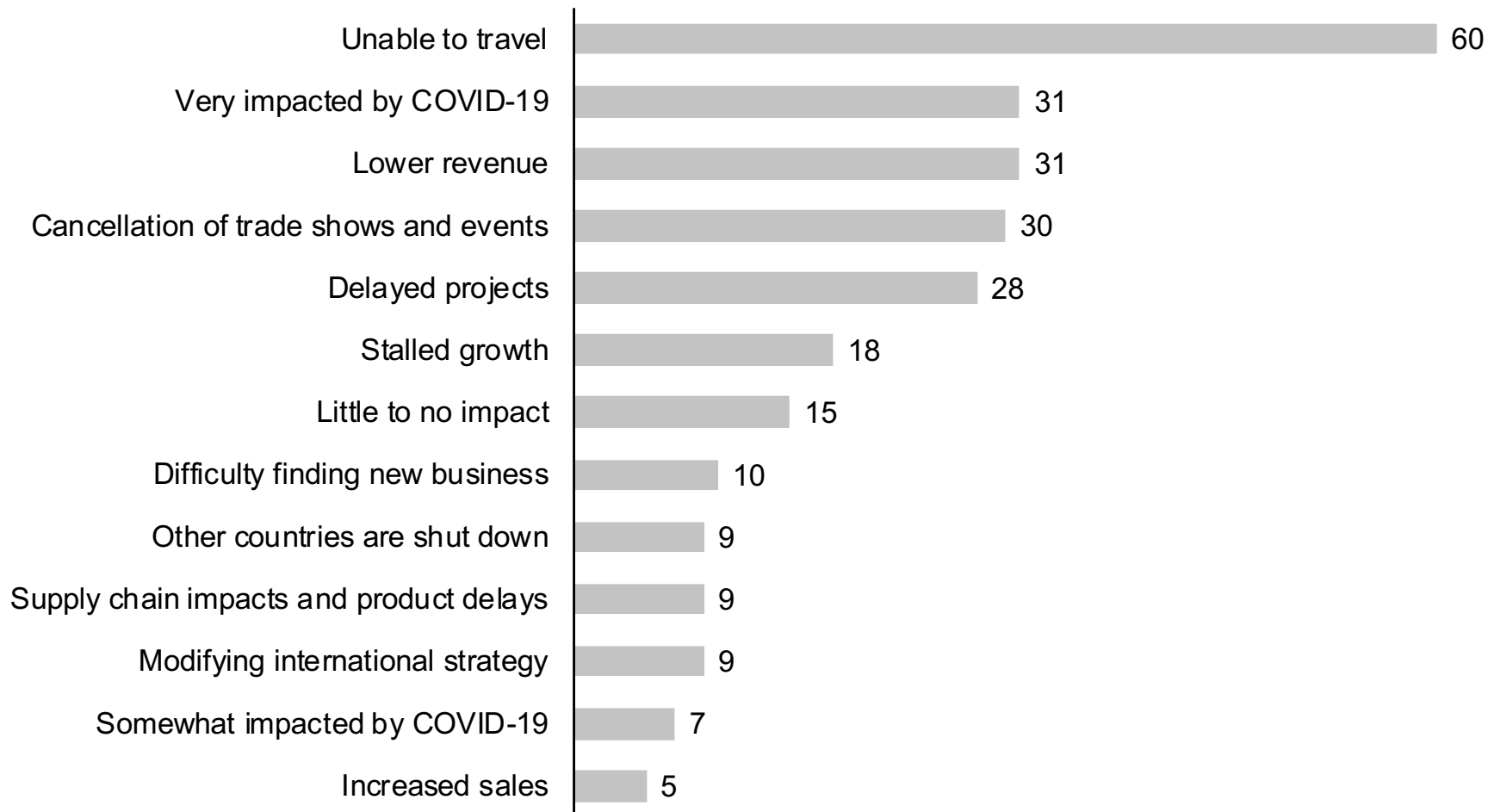


How likely are you to pursue international business in the next year?
Number of responses



COMPANIES REPORTED HOW THEIR INTERNATIONAL BUSINESS ACTIVITIES HAVE BEEN IMPACTED BY COVID-19

Key themes cited by companies in survey responses
Number of responses



COMPANIES SHARED COMMENTS ON HOW THEIR INTERNATIONAL BUSINESS ACTIVITIES HAVE BEEN IMPACTED BY COVID-19

Selected Comments

- “Business overall has slowed. Without our international business ... in the Middle East, we would be out of business.”
- “The single biggest issue is travel. Our business relies on travel and face-to-face meetings. It has affected our bottom-line as so much of our work is based on activities outside the country where our presence is required.”
- “First, our international sales have slowed due to procurement processes taking longer or being canceled. Second, our ability to deliver services to clients and execute of projects has been constrained due to travel restrictions and the client's inability to operate normally, with several clients deciding to pause projects until the situation normalizes.”
- “We lost several the opportunity to get to several trade shows, and our ability to reach new customers has been all but shut off.”
- “COVID-19 has hugely impacted our ability to meet with potential clients and gain access to the required contacts. VEDP representatives have been stellar in their guidance, assistance, and support through this pandemic.”
- “The biggest impact to our international business has been our inability to travel to the markets we are trying to expand into. In the markets where we are established, our distribution partners have done a good job of maintaining our business and sales. However, in new markets, where being able to physically travel to in order to meet customers, government officials, etc. is essential, everything has been put on an indefinite hold.”

THE MOST REQUESTED TYPES OF ASSISTANCE WERE REIMBURSEMENT FUNDS, MARKET RESEARCH, AND CONNECTIONS

Which types of assistance would be most valuable to your company in the next year?
Number of responses





THANK YOU

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APPENDIX: INTERNATIONAL SALES CALCULATIONS

Performance metric	Percentage of sales attributed to VEDP (%)	Number of responses	Average international sales per company (\$)	Total (\$)²
<u>Existing</u> international sales attributed to VEDP International Trade programs¹	75 - 100	36	5,276,361	166,205,369
	50 - 75	19	5,276,361	62,656,786
	25 - 50	38	5,276,361	75,188,143
	0 - 25	112	5,276,361	73,869,053
	Total			377,919,350
<u>New or increased</u> international sales attributed to VEDP Trade programs	100	206	849,723	175,042,895

¹ These figures exclude one outlier company with international sales over \$1B.

² Totals are obtained by multiplying the percentage of sales attributed to VEDP, the number of responses, and the average sales per company. When a percentage range is listed, the calculation uses the midpoint between both percentages. For example, the calculation for “75 - 100%” is 87.5% x 36 x 5,276,361.