



REPORT: March 2007 Trade Mission to India

DATE: April 19, 2007

Introduction. On March 10-26, 2007, eleven companies and Bowie State University participated in a business mission traveling to five cities in India with a purpose to expand trade and increase the movement of goods and services between Prince George's County and India and to increase foreign direct investment through the establishment of overseas offices and Indian company operations in Prince George's County. The itinerary of the mission included New Delhi, Mumbai (Bombay), Bangalore, Chennai and Hyderabad, Jaipur, Agra and the suburbs of Gurgaon and Pune.

This delegation, led by David J. Byrd, Deputy Chief Administrative Officer for Environmental Services and Economic Development on behalf of Hon. Jack B. Johnson, County Executive for Prince George's County, traveled at the invitation of His Excellency Dr. A.R. Kidwai, Governor of the State of Haryana, India. The business delegation was supported through the staff efforts of the Prince George's County Economic Development Corporation (EDC) and assisted by the Maryland-India Business Roundtable (MIBRT), with offices located in EDC Headquarters. The trade mission follows the July 2006 International Economic Summit, "Successful Strategies to Meet Opportunities in Asia" held at the University of Maryland University College in Adelphi, Maryland.

One result from this mission is the decision by the Andra Pradesh Chamber of Commerce to sponsor an inbound mission of Indian businesses to visit Prince George's County in early July 2007.

Participation. *During the mission, three major County presentations were given; over fifty business to business meetings were held between Indian company executives, County Trade Mission delegates and EDC staff; 6 company site visits were made to medium and very large Indian companies to talk with them about establishing an overseas headquarters in Prince George's County; and approximately 150 Indian companies presented their companies and capabilities to the delegation.*

The business mission was diverse in market sector involvement. Delegates were attentive to opportunities to collaborate with Indian companies in the IT markets of software development, programming, systems and application integration, fraud management systems, alternative energy technology consulting, cyber security, data privacy, wired and wireless communications, customized IT management training, VOIP services, web design and customization, public safety and law enforcement software solutions and products; biotechnology in the field of genomic services to accelerate drug discovery, genetic predisposition to diseases and pharmacogenomics; worldwide product sourcing; alternative energy solutions; design and manufacturing of diverse products; land development and engineering services; and virtual incubator network support and partnerships.



Bowie State University participated to explore opportunities for the university to collaborate with Indian higher educational institutions to upgrade university curricula in the fields of nursing, communications, management and educational leadership. A list of the delegates is attached.



*Dr. Sawyer
Bowie State Univ.
in discussions.
Hyderabad, IN*

EDC worked with Dr. Granville Sawyer, Director of the Bowie State University Virtual Incubator Network (BSUVIN) to assist EDC in the development of this new trade communication tool. Six of the cyber delegates in the sectors of IT and worldwide product sourcing participated through the use of the BSUVIN easing communication and speeding the partner efforts to establish collaborations without the need for face-to-face communication. This tool proved to be successful and PGC EDC will continue to use it in future missions; although some minor modifications may be needed to make the tool more user-friendly. In the future, the BSUVIN can assist the agency to establish a pipeline of businesses in unexplored markets, enhancing company participation in future trade missions. For example, Genesis Computer Services, LLC of Beltsville, a cyber delegate, established a partnership with an Indian company to expand its product lines.

Potential Economic Benefit. *As a result of the mission, there were 46 specific trade opportunities identified. All of the Indian companies that participated in meetings would be considered by our County as fast-growing medium-size companies and very well capitalized. Very few Indian companies expressed the need for additional capital. These trade opportunities could result in trade deals, the export of goods and services, varying in value from \$250,000 to \$30 million. The largest deal would be in the alternate energy sector that would involve the establishment of a US headquarters for a UK company. The smallest deals would be collaborations established to address back-office requirements of our companies. Therefore, potential economic benefit to the county far outweighs value to India.*

Three Indian companies are interested in establishing their US Offices in Prince George's County. These companies are medium to large companies.

Some of our companies will be able to expand in ways and at a rate that would before have been unimaginable through their collaborations with Indian companies. These expansions would mean the creation of new managerial jobs in the County. Several Indian companies have requested that Prince George's County assist in the identification of County entrepreneurs looking for acquisition and County technology start-up companies that are ready for investment that could be nurtured in EDC's incubator.



Six new distributorships to effect the import of Indian goods into our Foreign Trade Zone at Steeplechase could result.

Four Indian companies are moving forward with applications to locate in EDC's Technology Assistance Center (technology incubator).

Two companies have an interest to collaborate with county companies to offer CMMI training to county IT companies so that our companies could qualify for larger Federal government contracts. This training is extremely expensive in the U.S.

Bowie State University identified thirteen trade opportunities for expansion of the BSUVIN and collaborative work with higher educational institutions in India.

There are an additional 50 collaborations for which EDC staff will work to match County companies ready and interested in India's market.

The 2007 Prince George's County India Trade Mission

Pre-Mission. Four pre-mission events were completed before the mission.

First, in December 2006 EDC staff and the MIBRT completed an advance mission to India. This advance work accomplished four objectives:

- To obtain information needed to determine the best location for the County's new Trade Office
- Scout the best logistical arrangements for the March Trade Mission.
- Develop business deals for County companies working with chambers of commerce in several regions.
- Interview several prospects as trade representatives.

Secondly, a Dinner was held on March 5 in honor of two delegations scheduled to depart shortly for India. These delegations included one from Prince George's County and another from Montgomery County. The delegations were hosted by Mrs. Banashri Bose Harrison, Head of the Commercial Wing at the Indian Embassy in Washington, DC. Mrs. Harrison hosted a splendid party for the delegations at her personal residence in Bethesda, Maryland.

Third, on March 8, the International Council of Asian and American Business Executives (ICAABE) hosted an Awards Ceremony for County Executive Johnson to receive the Tiger Award for his work to promote global trade. During this event in Annapolis, ICAABE formally announced the India Mission and business delegates were presented to the public.

Finally, on March 9, Dr. Abdul Quader Shaikh of the Trade Information Center in the US Department of Commerce (a recognized expert in India country trade information) and M. Alexander Amdur, Commercial Officer at the US Export Assistance Center in Baltimore provided a business and country briefing for the trade mission delegation. Dr. Granville Sawyer, of Bowie State University was on hand to answer any additional questions on using the BSUVIN from the delegates. This briefing took place at EDC Headquarters.



Mission Itinerary. India is the world's largest democratic republic. It is the seventh largest country in the world and the second largest in Asia with a landmass of 3.29 million square km and a population of over one billion people. It is a country with a very diverse population, geography and climate.¹ With this information at hand, EDC organized a mission of advantage for our business delegates with attention to major business centers in the representative sectors of IT, energy and commodities. The Trade Mission scheduled visits to New Delhi (central government center) and its booming suburb of Gurgaon; Mumbai, the financial capital of India; Bangalore, Chennai and Hyderabad – important cities in the IT sector in the south of India.

New Delhi, India. The Trade Mission began on March 10, 2007, traveling to New Delhi where the delegation conducted meetings with H.E. Dr. A.R. Kidwai and his Chief Ministers, Central Government of India Minister for Science Technology, business luncheons hosted by the Electronics and Computer Software Export Promotion Council (ESC) and with the PHD Chamber of Commerce. Hosts for meetings in every location provided a fine sampling of Indian cuisine which further helped our companies to develop an understanding about Indian culture and provided a more relaxed environment for business-to-business discussions.



ESC meeting, New Delhi



Meeting with Gurgaon Chamber of Commerce

The ESC meeting was attended by the US Commercial Service Officer, Ms. Marianne Drain who remained available to our delegation for business matters as needed. This meeting was followed by a meeting with the PHD Chamber of Commerce. On the same evening, a Dinner was hosted by MIBRT/India and the Gurgaon Chamber of Commerce in the rapidly developing suburb of Gurgaon. Over sixty Indian businesses attended the meetings and dinner event, providing extensive opportunity for business-to-business networking. David Byrd (Office of the County Executive) presented information to diverse audiences about Prince George's County, the Prince George's County Economic Development Corporation, the EDC Technical Assistance Center Incubator (TAC), the County's Foreign Trade Zone and EDC's collaboration with MIBRT. Ms. Parker addressed the unique opportunities for Indian companies to lower their costs to US market entry by locating a virtual or physical office in our TAC and the advantages of the County's newly added site, Steeplechase 95 International Business Park in FTZ63 for companies engaged in the distribution of Indian commodities through US ports. Mr. Byrd informed all audiences that County Executive Johnson plans to travel sometime in the Fall 2007 to formally open the County's first overseas Trade Office in India due to the strength of the Indian economy and the number of opportunities for County companies. In July 2006, the County signed a Memorandum Of Agreement with the State of Haryana to jointly promote their jurisdictions and engage in mutually beneficial trade.

¹ P. 152, Doing Business in India: A Country Commercial Guide for US Companies, March 2006.



While in New Delhi, Governor Kidwai negotiated an updated Memorandum of Understanding (MOU) with the County to address specific market sector opportunities of mutual benefit to Indian and Prince George's County companies. This agreement, reviewed by the County's Office of Law, was signed by Governor Kidwai and Mr. David Byrd, our County representative. MIBRT and PGC EDC concurred. An agreement was developed for signature by Bowie State University to engage in continued discussions with the Maharshi Dayanand University and Kurukshetra University in Haryana at the direction of their respective Chancellors. Several business delegates held individual one-on-one meetings in our hotel with Indian CEOs and high-level executive staff while in the cities of New Delhi, Mumbai and Hyderabad. Our delegates met at company sites with 6 Indian companies.



Additionally, the delegation met with H.E. Kapil Sibal, Minister for Science & Technology and Earth Sciences for India while in New Delhi. The Minister had experienced a lack of follow-through with an earlier MIBRT delegation and requested the establishment of a Committee within two weeks to ensure follow-up and follow-through with opportunities to be identified by this Joint Committee in the future. Mr. Byrd has accepted the responsibility to identify committee participants.



Meeting with H.E. Kapil Sibal, Minister, New Delhi



Official Signing Ceremony in New Delhi updating County's MOU with the State of Haryana.

We closed our business sessions in New Delhi with an Official Business Signing Ceremony to update the County's MOU with the State of Haryana to address specific market sector opportunities of mutual interest. The MOU states that we will jointly explore market advantage in Haryana in clean and renewable sources of energy, biotechnology, non-technology, IT and software development, expanded use of the supercomputer at Bowie State University, pharmaceuticals and the testing and development of new drugs; automobile parts; electronic, scientific and medical instruments; leather goods, textiles, hosiery and silk products; food processing; new hybrid seed and plant material; biomedical and clinical research in the production of sera, vaccines and generic drugs; and business management and economics. These opportunities will form the basis of EDC's India Work Program in 2007.



As a part of the itinerary, EDC also offered an opportunity for the delegation to learn and enjoy more of the culture and history of the regions of Jaipur and Agra before flying to Mumbai.

*City Palace
Pink City, Jaipur*



*Taj Mahal
(1631-1653)
Agra*



Mumbai (Bombay), India. While in Mumbai, Bowie State University met with several higher educational institutions such as the Maharaji Educational Trust and Spicer Memorial College in Pune (a suburb of Mumbai) to discuss unique collaborations for these institutions. At the same time, our County IT delegates met with companies that presented opportunities for strategic collaborations to assist in the expansion of their companies. We discussed an opportunity with one company that is rapidly expanding from \$45M to \$100M over the next year for EDC to assist in identifying entrepreneurs in the County that may be interested in buyers for their unique IT solutions. This opportunity requires EDC assistance to identify interested entrepreneurs in the County; and could assist in the capitalization of a County firm to continue their growth in other more focused areas.



*Mr. Byrd hosting a dinner for
a small delegation of Indian
IT companies led by the
Gharpure Group of Mumbai.*



While en route to our meetings, our drivers were able to talk with us about the unique history reflected in the architecture and the Port at Mumbai.

Bangalore, India.



In Bangalore, we visited Wipro. Wipro is one of the most rapidly growing companies in India having reached the \$2 billion mark in less than a decade.

Over the next two days we continued with business-to-business meetings in Bangalore and Chennai. Mr. Byrd led the discussions with Wipro about their overseas location strategies. They have recently acquired a company in Richmond, Virginia; but with increased business in the Washington suburban area, Wipro could be interested in a Capital Beltway location such as Prince George's County. While in Bangalore, EDC staff and one of our companies met with the LG CNSI Global, a part of LG Group. The LG Group is a \$100B technology, chemical and consumer goods multinational company. LG CNSI Global expressed an interest in participating with a county company to offer affordable CMMI training. County IT companies need this training to qualify for consideration for larger procurement opportunities with the Federal government.

Chennai, India.



Our delegation meets with ESC in Chennai.

In Chennai, the delegation again completed a Presentation on Opportunities in Prince George's County and a series of business-to-business meets hosted by ESC, Chennai branch. Over 30 companies engaged in discussions with our IT companies about collaborative opportunities. While in Chennai, on March 23rd, the Honorable David T. Hopper, the new Consul General of the United States, hosted a Reception at the American Consulate General for our delegation. We were informed that a new consulate would be opened in Hyderabad in the very near future.



Hyderabad, India. On to Hyderabad.

On the next day, the Andra Pradesh Chamber of Commerce and The Boston Group hosted a luncheon where we made our final presentation on the County while in India.



We arrived late in the afternoon. There were about 20 companies, mostly from the IT sector, that engaged in business-to-business discussions with our delegates. We also took a moment to travel to HITECH City in Hyderabad – the home of major US IT companies such as Dell Computers, Microsoft, ILABS, Infosys, Infotech, Motorola and IBM. While in Hyderabad, we visited a prime office location for a southern India trade office operations for Prince George’s County.



HITECH City, Hyderabad



Our final destination was a tour of the India lab operations of BioServe.

Bio Serve is a company located in Laurel, Maryland with operations in India. BioServe is engaged in notable genome marker research. We left India on March 26, traveling through Mumbai and Amsterdam to return to the County.



Post Mission. Several post-mission de-briefings are planned. First, EDC staff will meet with companies that participated through cyber to discuss the success and the challenges of the use of the BSUVIN tool. A second briefing will then be held with all companies that participated in the mission. A third de-briefing open to the public will be held at the request of Minister of Commerce Banashri B. Harrison with the delegates and the Indian business community. Before leaving, Minister Harrison requested a de-briefing upon our return to assure that follow-up and follow-through on the part of the Indian government to ultimately move goods and services between India and Prince George's County.

EDC's post mission work will focus on assisting County companies to close the gap with MOUs under discussion; identify a useful circle of services available to Indian companies as they prepare their applications to our TAC; assisting Indian IT companies to complete their applications to open offices in our Technology Assistance Center (IT Incubator); identify county companies in market sectors identified as opportunities in the MOU signed on March 15, 2007 between Prince George's County and the State of Haryana; and follow-up with Indian companies that have indicated their intent to locate in the County's Foreign Trade Zone at Steeplechase 95 International Business Park.

Strategy for County Trade Office Location. As a part of the mission, we considered location opportunities and challenges for a County Trade Office in India. With the assistance of the MIBRT, Prince George's County has developed a strong wholesome relationship with the State of Haryana. The Governor of Haryana feels very strongly that the County should locate its principal office in Haryana to augment the strength of on-going trade relationships between the two jurisdictions. Our visit with the Gurgaon Chamber of Commerce, the support of their Chamber in identifying companies and their support of our trade mission further reinforce the Governor's suggestion that Prince George's County should locate its trade office in Haryana – specifically Gurgaon. International arrivals/departures occur through New Delhi's International Airport. Traffic is less congested in Gurgaon than in New Delhi. Gurgaon is only twenty minutes away from New Delhi and very close to Indira Ghandi International Airport.

The rapid growth and development of IT companies is most noticeable in southern India, specifically Chennai and Hyderabad. Hyderabad is building a new international airport to handle the increased traffic already present in international arrivals/departures through its airport. Chennai suffers from road congestion; while Hyderabad appears to have better land planning in place to handle the rapid pace of development. Hyderabad is home to HITECH City where multinationals have already invested in major new company campus headquarters. We have established an effective liaison with the Andra Pradesh Chamber of Commerce in Hyderabad.



Challenges of India's Market and Next Steps for EDC and County businesses. In summary, EDC faces a significant challenge to follow-up and follow-through as a result of the trade potential identified in this mission. EDC's strategy will be to organize these opportunities within those sectors identified in the County's MOU with the State of Haryana.

Our staff will also follow-up with the attraction of identified Indian companies to the County in our technology incubator, in our Foreign Trade Zone at Steeplechase 95 International Business Park and in our technology corridor along US Route 1. A circle of services of business resource partners will be developed to assist the Indian companies to be ready to establish businesses in the County.

The mission identified challenges in communications, mission logistics and the need for close work with our established on-the-ground partners in language translations, day-to-day communications, working cell phones and a developed understanding of the impact of traffic congestion on meeting scheduling and movement of the delegation among a million or more people during any given time. Most of the IT companies are not in New Delhi; but are located in south India in the cities of Bangalore, Chennai and Hyderabad. During the next mission, EDC must travel to Gurgaon to meet Indian manufacturing companies interested in exporting their products through the county's Foreign Trade Zone. Gurgaon a rapidly developing suburb of New Delhi that offers opportunity for our County to be located near New Delhi without suffering from the congestion of the country's capital.

The use of our cyber opportunity to develop a pipeline for future missions is very plausible. But the effectiveness of this tool can be enhanced with scheduled calls back to the County during the mission to connect these companies with the on-going mission. The use of video conferencing in select cities could be very effective. Videoconferencing would provide an opportunity for our companies to present live to the Indian market. And marketing materials from all delegates, including the cyber companies, should be mailed ahead of the departing date of the mission.

EDC does not have established partners on-the-ground in Bangalore. Cities should not be included on a mission without these established partners. They are crucial to mission success.

Planning for a Trade Mission to India is underway with a target date of September/ October 2007. The Fall Mission is expected to be led by County Executive Johnson (or his designee) and include a ribbon-cutting ceremony for the new India Trade Center. This mission would continue to establish working collaborations of mutual interest to move goods and services between India and Prince George's County.

Attachments: List of Delegates and Mission Participants
Itinerary

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