



'If I can make it there, I'll make it anywhere'

Frank Sinatra

New York is open to do business with Puerto Rico companies This story tells you how to break into that market

By Alexander López pages 16-22

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Hispanic businesses in Puerto Rico that qualify to handle big projects have an advantage in New York as minority owned businesses



BY ALEXANDER LÓPEZ
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There are billions of dollars in government contracts in New York City and New York State available to minorities that could be readily awarded to Puerto Rico companies with the right contacts and the right effort. Government projects successfully executed by Puerto Rico companies doing business in New York City and New York State would eventually be leveraged into doing work for the private sector throughout the state.

The New York State government and private firms are actually obligated by federal and state law to award projects to minority firms from New York, or from Puerto Rico if the firms can perform and deliver. The big problem is that there are very few minority firms

in New York that have the experience and credentials to handle big projects.

With a population of 19 million, New York State has more than five times the population of Puerto Rico and is only a three-and-a-half-hour plane ride away. There are abundant shipping routes by air and sea for the export of products to New York, and in this digital age many services can be exported via Internet and teleconference. It is also easier for Puerto Rico companies to deal in dollars than with volatile and unpredictable foreign currencies.

There are a variety of government agencies available to help, such as the Minority Business Development Agency, the U.S. Small Business Administration and the Puerto Rico Economic Development & Commerce Department (DDEC by its Spanish acronym), among others.

In New York City, the Metropolitan Transportation Authority (MTA), which gives out billions of dollars in contracts, has launched an aggressive initiative to attract minority contractors, and the DDEC has presented some extremely aggressive tax incentives for companies in Puerto Rico that derive income from goods, contracts and services delivered abroad.

In the private sector, there are companies such as Puerto Rico U.S. Imports and others that are ready and willing to receive local products to distribute in the States.

“Our Puerto Rico firms have the experience, the capital and the bonding capacity,” said Manuel A. Casiano, chairman of the board & chief executive of Casiano Communications. “What Puerto Rico companies need are the contacts in New York to open doors for them

and give them an opportunity to bid for the contracts.

“Every year, New York City and New York State agencies give out billions of dollars in contracts. However, only the small \$30,000 or \$40,000 contracts are given out to Hispanic firms, because the Hispanic firms in New York don’t have the experience to handle contracts in the hundreds of millions or billions of dollars.”

In an effort to make these connections, CARIBBEAN BUSINESS, the New York City Hispanic Chamber of Commerce Inc. (NYCHCC) and the DDEC recently held the Exploring Avenues of Economic Development in the Caribbean and New York conference at the Intercontinental Hotel in Isla Verde. The event involved the participation of

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numerous key players, including Nick Lugo, president of the NYCHCC; José Pérez-Riera, Puerto Rico Economic Development & Commerce secretary; Michael J. Garner, chief diversity officer of the New York MTA; Fernando Ferrer, former Bronx borough president and candidate for mayor of New York City; Juan F. Woodroffe, former president of the Puerto Rico Industrial Development Co. (Pridco) and currently a business consultant; and Bobby García, former New York State senator and U.S. congressman.

New York City is the most populous city in the U.S., with a population of 8,175,133, according to the 2010 U.S. Census. The Hispanic population in New York City is 29% or 2,370,789, almost one out of every three residents. The New York-Northeastern N.J. Statistical Metropolitan Area (SMA) includes 17 counties, nine in New York (the five boroughs of New York City, and Nassau, Suffolk, Westchester and Rockland counties) and eight in New Jersey (Bergen, Hudson, Passaic, Essex, Union, Morris, Somerset and Middlesex). This area has a population of more than 22 million, of which 21.7%, or 4,790,542, are Hispanic.

Thus the SMA represents a huge potential market for the export of goods and services to this population as a start. From there, expansion to the rest of New York State is a natural step. Identifying the right contacts and teaming up with Hispanic companies with good contacts can open the doors for Puerto Rico's experienced companies.

The Hispanic population in the U.S. mainland overall has experienced and will continue to experience meteoric growth in the years to come. In the next 20 years, citizens of Hispanic descent will represent one out of every four stateside residents. In 1990, there were only four states with Hispanic populations of more than one million—these were New York, Florida, California and Texas—and now there are twice as many such states. The Hispanics in those states haven't yet developed the experience and portfolios that Hispanic companies in Puerto Rico have, but the New York minority companies have the political clout



Small construction companies can now participate in this dynamic market by learning about the many requirements and needed skill sets for MTA construction and infrastructure projects.

and connections to open doors for joint ventures or affiliations.

The Hispanic population in the mainland U.S. will reach 86 million by 2030 and Hispanic purchasing power, which is currently at \$1.4 trillion, will reach \$2 trillion in the next 10 years. (Incidentally, those U.S. Census figures don't include Puerto Rico's 3.7 million residents.)

According to the 2010 U.S. Census, the population of Puerto Rico dropped to 3.7 million from 3.8 million in 2000. By contrast, in the 50 U.S. states and the District of Columbia, the population of Hispanics of Puerto Rican origin grew from 3.4 million in 2000 to almost 4.7 million in 2010. Hispanic families are becoming wealthier as well. In the 2000 census, 31% of Hispanic households had income of more than \$50,000. In the 2010 census, that percentage had risen to 40%.

Hispanics are also rapidly becoming a sought-after voting bloc that is gaining political power across the country.

Every year for the next 20 years, 500,000 Hispanics will turn 18.

TRAILBLAZING EXPORTERS

A pioneer in the field of exporting Puerto Rican products to the tri-state (New York, New Jersey and Connecticut) market is Ray Águila of Puerto Rico U.S. Imports, a privately held corporation with more than 60 years of experience serving the U.S. in the wholesale and retail business. For 15 years, P.R. U.S. Imports has been working with some of the leading companies in Puerto Rico, helping them export their products, and just added the Coloso brand, which controls over 45% of the preserved line of seafood on the island, and Borincana Dulzura in Moca, one of the island's fastest-growing tropical candy companies, to its list of suppliers for export to the States. The cookie line from Borinquen includes Sultana, Rich, Little Flower, Sunland and Borinquen Real.

Meanwhile, Carmela, one of the

top Vienna sausage and chicken sausage brands in Puerto Rico, is gaining tremendous acceptance in the mainland U.S.

"Our company is committed to bringing the best-quality products from the island of Puerto Rico to the mainland, with the best retail prices," Águila said. "We have distribution in New York, New Jersey, Connecticut, Chicago, Boston, Rochester, N.Y., Cleveland, and Florida and North Carolina, and are always looking to expand our distribution and our product line."

MYRIAD OPPORTUNITIES IN MASS TRANSIT

The MTA is among the largest public transportation providers in the world. Over the past two decades, the MTA has committed more than \$64 billion to restore and improve its network of subways and rail lines.

The MTA Small Business Development Program (SBDP) offers a comprehensive menu of services designed to help small contractors, including minorities, women and disadvantaged business enterprises, enter and compete for MTA construction contracts. Under MTA's policy, a "small business" has annual revenue not exceeding \$3 million averaged over three years. A business admitted into the program will have the opportunity to learn how to work with the MTA and compete for public works projects designated for SBDP contractors.

"The MTA's ultimate goal is to increase the pool of qualified contractors, including minority companies that aren't small businesses, that can complete much bigger projects for the MTA professionally, in a timely fashion and within budget," Garner said.

The MTA has expanded its SBDP for the second year in a row.

"Our programs are comprehensive and aimed at providing small business construction contractors with myriad opportunities to learn, earn and grow their firms within the transportation industry," Garner said. "We have developed a strategic training program that is targeted at providing participants with the key knowledge they will need to bid for and complete MTA construction contracts."

The program is based on helping minority firms overcome the barriers



The Exploring Avenues of Economic Development in the Caribbean and New York Conference panel: Bobby García, former New York senator & congressman; Nick Lugo, N.Y.C. Hispanic Chamber of Commerce president; Manuel A. Casiano, chairman & chief executive of Casiano Communications Inc.; Michael J. Garner, MTA chief diversity officer; José Pérez-Riera, secretary of the Puerto Rico Economic Development & Commerce Department; Juan F. Woodroffe, government affairs consultant; and Fernando Ferrer, former three-term Bronx borough president

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to entry that have historically prevented emerging small business enterprises, and larger minority companies, from gaining access to the construction industry in New York State. To contract with the MTA, a small business must complete a 10-course program. The courses are one day long and begin March 1, 2012 and continue through May 3, 2012.

Upon completion of the courses, each successful firm will receive a Certificate of Completion from the MTA and will be eligible to bid on MTA projects. The program is free of charge and the MTA has established an internal bond program, making surety bonding for small businesses accessible. Up to now, most of the contracts awarded to minority firms have been in the \$40,000-to-\$50,000 range. However, the desire of the MTA is for big minority companies to also bid for contracts.

One of the keys to facilitating the procurement of government contracts is obtaining a minority business certification. Minority businesses are defined as those with

51% ownership by a minority; the size of the company isn't one of the qualifications.

In Puerto Rico, the Minority Business Development Agency (MBDA) is operated by the Association of Puerto Rican Products (known locally as "Hecho en Puerto Rico"). MBDA's reach includes the island municipalities of Vieques and Culebra, under a cooperative agreement with the U.S. Department of Commerce and the National Minority Supplier Development Council.

The main objective of the program is to provide technical assistance to businesses so they can achieve greater participation in the local and global market using growth strategies such as mergers, acquisitions and/or joint ventures. As a direct result of their services, businesses have been able to create and retain jobs, access capital and identify new business opportunities.

"We are the strategic alliance for the growth of your business," said Harold Acevedo Márquez, a business consultant at the local MBDA.

Identifying all of the requests for bids and requests for proposals

published in newspapers and online is a daunting and time-consuming task. Once the MBDA begins working with a company to identify its development goals, the agency can inform that company of business opportunities published in the multiple forums.

The MBDA provides access to the following forums and registries:

- Identification and notification of business opportunities with the federal, state and municipal government and private sector procurement through independent forums
- Central Contractors Register (CCR-Pro Net)
- Online Representation and Certification Application (ORCA)
- Phoenix Database (MBDA Database)
- Bidders Registry of the General Services Administration (GSA)
- Opportunities to participate in local and national business-to-business (b-to-b) summits with government contractors and private sector participants
- Opportunities to participate in promotional export events with the U.S. Department of Commerce and

the Commerce and Export Commission of Puerto Rico.

With respect to the pharmaceutical industry, the MBDA serves as the link between suppliers and the industry by facilitating the certifications required to become qualified vendors.

The agency also offers specialized technical assistance to improve a company's profile. It facilitates the acquisition of certifications that can make the difference when bidding for government and multinational contracts.

The MBDA helps in the processing of the following certifications:

- Small Business Concern
- Small Disadvantaged Business
- HUBZone
- SBA-8^a
- Woman-Owned Business
- Veteran-Owned Business
- Disabled Service Veteran-Owned Small Business
- GSA Schedule
- Minority-Owned Business.

"At the MBDA, we understand that the basic principal behind the growth of any business is the identification of opportunities," Acevedo said. ■

Puerto Rico companies have the expertise to compete in New York market

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The Exploring Avenues of Economic Development in the Caribbean and New York conference recently held at the Intercontinental Hotel in Isla Verde provided key insight into commercial opportunities in New York for companies from Puerto Rico. The presenters at the event have a wealth of experience in business development, both on the island and on the U.S. mainland.



INTRODUCTION BY MANUEL A. CASIANO

Manuel A. Casiano, chairman & chief executive of Casiano Communications, recounted his experiences as a successful businessman both on the U.S. mainland and in Puerto Rico. He outlined the economic development of the island from a poor agricultural society to an industrialized manufacturing society, and the subsequent evolution of support industries.

This latter period of Puerto Rico's history included the mentoring of locals by U.S. professionals in the fields of accounting, advertising, architecture, banking, construction and engineering. Puerto Rico firms are now in a position of maturity and economic stability whereby they are capable of competing for contracts in the aforementioned areas beyond the island's shores.



PRESENTATION BY SECRETARY JOSÉ PÉREZ-RIERA

Following Casiano came a presentation by the Puerto Rico Economic Development & Commerce (DDEC by its Spanish acronym) Secretary **José Pérez-Riera**, who highlighted another recent initiative by the administration of Gov. Luis Fortuño now in the final stages of development. This is the Economic Incentives for the Development of Puerto Rico (EIDPR) Act, which provides attractive tax and other incentives to foster investment in key sectors of Puerto Rico's economy. The EIDPR Act is a result of the efforts of the Strategic Model for a New Economy (MENE by its Spanish acronym) developed by the DDEC.

"I don't know of any jurisdiction that has this type of incentive," Pérez-Riera said, adding that Puerto Rico is a natural fit because of its geographical location and its cultural affinities with both the U.S. and Latin America.

Export services such as financial services, insurance and consulting are eligible for some of the incentives provided under the law. These include investment banking, portfolio management, trust administration and hedge fund management.

Research & development, marketing & public relations, graphic arts, legal & accounting services, and architecture & engineering consulting services are included as well.

Exported services include those provided to individuals or organizations

that have no link to Puerto Rico as defined by the law. The legislation provides for a fixed tax of 4% on income generated from eligible exported services. This rate could be reduced to 3% if 90% of all gross income is generated by the provision of services and these services can be considered strategic. There is a 0% tax rate on the payment of dividends and a 90% exemption on the payment of property taxes on call centers, corporate headquarters and warehouse & distribution centers.

"We have to look beyond the island's shores and see the world as our marketplace," added Pérez-Riera.

An example of exported services is the collaboration between U.S. mainland law firms and local law firms. Because many lawyers in Puerto Rico are members of the federal bar association and/or are licensed to practice in one or more states, a law firm on the U.S. mainland could contract a lawyer on the island to perform legal work for its mainland clients and would be eligible to benefit from lower taxes.

Another example involves foreign architectural firms contracting local firms to design and engineer buildings that are to be constructed outside of Puerto Rico.



PRESENTATION BY MTA CHIEF DIVERSITY OFFICER MICHAEL J. GARNER

Metropolitan Transportation Authority (MTA) Chief Diversity Officer **Michael J. Garner** continued with a presentation about opportunities in

the New York metro area for minority-owned small and large businesses. These include laws that require the MTA to contract at least 10% of its procurement with minority and women-owned businesses.

Garner highlighted a relatively new small business development program available for free to small businesses seeking mentoring and guidance through the process of bidding on MTA contracts.



PRESENTATION BY FERNANDO FERRER, FORMER THREE-TERM BRONX BOROUGH PRESIDENT

Former Bronx borough president and candidate for mayor of New York City **Fernando Ferrer** provided an in-depth discussion of the dramatic demographic changes taking place in New York and the rest of the U.S. mainland.

"Within 20 years, there will be 86 million people of Hispanic descent living in the U.S.—that's one in four Americans," Ferrer said. "By the year 2020, Hispanics will have more than \$2 trillion in purchasing power."

Ferrer is a partner at Mercury, a high-stakes public strategy firm that uses its expertise and reach to gain competitive advantage for clients, and has more than 25 years of innovative and accomplished leadership in New York City government. He is nationally recognized as an architect for revitalizing American cities.

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**PRESENTATION BY
NICK LUGO, PRESIDENT OF THE
N.Y.C. HISPANIC CHAMBER OF
COMMERCE**

Nick Lugo, the New York City Hispanic Chamber of Commerce president, stressed the importance for businesses of seeking out minority certification. This somewhat bureaucratic process can open many doors to Puerto Rico businesses in the mainland U.S. The members of the panel can be an asset in obtaining certification.



**PRESENTATION BY
JUAN F. WOODROFFE,
GOVERNMENT AFFAIRS
CONSULTANT**

Juan F. Woodroffe, a well-known leader among Hispanics throughout the mainland U.S., was one of the founders of the U.S. Hispanic Chamber of Commerce in 1979. Woodroffe served as a member of the governor of Puerto Rico's cabinet from 1993 to 1996, heading up the Puerto Rico

Industrial Development Co. (Pridco). During his four-year tenure at Pridco, the island achieved its lowest unemployment rate in 20 years.

Woodroffe stressed the myriad opportunities available for Puerto Rico companies as minorities in the mainland U.S.

"In Puerto Rico we don't consider ourselves minorities because, well, we're all Puerto Rican," he said. "But in the mainland U.S., this can be a huge advantage due to many laws requiring government agencies to procure from minority-owned companies."



**PRESENTATION BY
BOBBY GARCÍA, FORMER
NEW YORK STATE SENATOR
AND CONGRESSMAN**

Bobby García, the former New York State Senate minority leader and former congressman, was one of the first proponents of earmarked procurement for minorities. During his time in the New York legislature, he passed legislation requiring the state government to make 10% of their purchases from minority and women-owned business.

**PRESENTATION BY
TONIO BURGOS, TRI-STATE
GOVERNMENT CONSULTANT**

Tonio Burgos has almost four decades of government, civic involvement and legislative affairs experience. As a top-rated consulting firm in the tri-state region (New York, New Jersey and Connecticut) Tonio Burgos & Associates Inc., along with its affiliates, has worked successfully with clients on a wide range of projects in both the public and private sectors.



Burgos brings unique insight and a comprehensive understanding of how to get results on behalf of his clients.

**THE EVOLUTION OF
COMPANIES IN PUERTO RICO**

Economic reforms led to the island's evolution from a simple agricultural society to a complex, industrialized one, mainly concentrated on manufacturing.

Under Operation Bootstrap, the island became the recipient of foreign capital investment and imported raw materials, and began exporting finished products to U.S. markets. Agricultural income declined from more than 30% in 1940 to less than 1% today.

The global recession and energy crisis of the 1970s led to the stagnation of the economy and prompted Congress to add Section 936 to the federal Internal Revenue Code as part of the Tax Reform Act of 1986. This provided a tax credit to offset the federal income tax on certain business and passive investments derived from operations in Puerto Rico. In the 1980s, pharmaceutical firms represented 46% of total manufacturing, chemical manufacturing represented 37% and electronics accounted for nearly 20%. Section 936 was repealed in the 1990s and by 2005 it had been phased out.

The arrival of nonlocal manufacturing firms, garment factories, pharmaceutical companies, computer, electronic, chemical, plastics, banking, legal and mortgage firms, among others, by the hundreds to the island prompted demand by these firms for goods and services that hadn't been previously available on the island. To obtain these goods and services,

firms from the U.S. mainland established operations on the island with smaller local firms (if they existed). The mainland firms, in conjunction with locals who had knowledge of the markets and other connections, started building and supplying the needs of the larger companies that had come here.

One only need look at the legal profession to find examples of this practice. Most of the major law firms on the island followed this practice. Examples include McConnell Valdés, Fiddler González, and O'Neill Borges, just to name a few.

The past two decades were witness to a massive construction boom on the island that included iconic projects like the Puerto Rico Convention Center, Tren Urbano (Urban Train), Puerto Rico Coliseum José Miguel Agrelot, highways, bridges, hotels, condominiums, office buildings and other projects. These projects have given local construction, engineering and other contracting companies the expertise to compete in infrastructure projects abroad. Furthermore, local professionals in law, banking, engineering, architecture, insurance and others developed the expertise from these projects to provide these services in other jurisdictions.

Unfortunately, the local economy is now entering its sixth year of recession leaving behind a scarcity of projects in Puerto Rico.

**LOCAL COMPANIES SHOULD LOOK
TO NEW YORK FOR EXPANSION**

"Why look to Costa Rica, Panama or China? The New York City government, New York State and private companies in New York have billions of dollars in projects and service needs and in product needs," Casiano said. "There are plenty of opportunities for Puerto Rico companies to find markets for their goods and services outside of Puerto Rico, particularly in markets where there is already a population of expatriates from the island and other Hispanics with the same skills, but not the experience, capital or bonding ability for big projects. What these smaller Hispanic companies in New York have are the political clout and connections to reach the people that give out these big contracts.

"The Puerto Rico companies just have to use the contacts that open doors in New York." ■

Promoexport reaching out to small and midsize businesses

Agency betting on new advertising campaign to promote its services, help increase exports

BY ALEXANDER LÓPEZ AND
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Observers of the local economy have noted that one of the activities considered crucial to Puerto Rico's recovery from its five-year economic slump is the exportation of local products and services, and the Economic Development & Commerce Department (DDEC by its Spanish acronym) is betting on that.

"Our administration recognized that strengthening exports is an economic growth strategy that positively impacts all segments of our economy," DDEC Secretary José Pérez-Riera told CARIBBEAN BUSINESS. "Along with the promotion of foreign investments, it is the principal source of productive capital that we need to create new jobs in our economy."

For the first time, the DDEC has implemented a new advertising campaign to educate entrepreneurs on the menu of services it has to offer and the new incentives available to stimulate new local export activity among small and midsize businesses.

Some of the new incentives are:

- **Access to incentives for international markets:** The DDEC will reimburse 100% of any expenditures incurred while using any of the services offered by the U.S. Commercial Service, a division of the U.S. Commerce Department (CB, April 28, Sept. 8).
- **PYMEExporta:** Gives preferential access to credit lines of up to \$750,000 to established companies in Puerto Rico to finance their operations.



Promoexport participates in numerous local events to encourage local companies to look past Puerto Rico's shores for new clients.

- **Special maritime transportation incentive for exported goods:** Reimburses part of the maritime transportation costs to Jacksonville, Fla.; Manzanillo, Panama; and Santo Domingo, Dominican Republic with participating maritime shipping companies.

"In the last few years, we have identified the obstacles that have traditionally hindered local exports and have come up with these incentives that should help fuel this

important segment of our economy," Pérez-Riera said. "With them, Puerto Rico aligns itself with the Federal National Export Initiative that looks to double national exports by 2014."

Along with the new incentives, Promoexport, a division of the DDEC through its Puerto Rico Export (PRE) program, offers the aspiring exporter a vast array of programs and services.

PRE consists of four stages of

training that helps businesses begin and then develop their export activity.

The first stage is a diagnosis of the export capacity of a business. So far, 166 companies have undergone the diagnostic phase, and an additional 538 have received international commerce consulting. The second stage involves the development and execution of an export plan. The third—most important

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and often least addressed—phase is the follow-up on the implementation of the plan. Finally, Promoexport provides companies with continued consulting by international commerce experts.

Promoexport has organized 11 international trade missions in the past year. The Capac Expo Habitat 2010 held in Panama last year was attended by more than 35,000 people and included the participation of five local construction companies and various other exhibitors. The event generated 37 business appointments, leading to projected sales of \$1.4 million for local concerns.

One of those companies, Caribbean Project Management, has opened offices in Panama and Chile. The 19-year-old construction consulting firm's 144 professionals assist clients in the planning, design, construction and maintenance of projects. The support of the DDEC's Commerce & Export Co. (CCE by its Spanish initials) has yielded the creation of 18 direct and indirect jobs.

Subsequently, Promoexport coordinated the attendance of 13 local companies to the Expocomer 2011 in Panama, resulting in projected sales of \$3.96 million in one year. In its eight missions to date this year, Promoexport has been instrumental in \$11.7 million in export sales.

Promoexport participates in numerous local events to encourage local companies to look past Puerto Rico's shores for new clients. These include the Chamber of Commerce convention, First E3 Summit, MIDA (Chamber of Food Marketing, Industry & Distribution) convention, Florida Caribbean Cruise Association Fair and Economic Development Summit.

Promoexport has conducted economic and market analyses of the countries and regions it has targeted. More than 20 studies have been conducted, including market studies of Peru, Costa Rica, El Salvador, Guatemala, Spain, Brazil, Bolivia, the Dominican Republic, Mexico, Switzerland and Germany. In addition, targeted market segment analyses have been conducted on local export potential with respect to Brazil, Costa Rica and Chile.

As of May 2010, Expo Partners, another Promoexport program,



“We have to look beyond the island’s shores and see the world as our marketplace.”

—Puerto Rico Economic Development & Commerce Secretary
José Pérez-Riera

began as an additional service provided by the CCE. Expo Partners provides participating companies access to experienced professionals to help them export their goods and services. To participate in the program, companies must be established in Puerto Rico, have a desire to professionalize their export process, and have an exportable product or service and the capacity to enter into international markets. Participating companies receive a variety of benefits, including the preparation of an export plan and assistance in its implementation, information about opportunities for the export of their product or service to foreign markets, mentoring and international commerce training provided by the CCE.

Companies receiving these

services include Air Green Corp., Dreyfous & Associates, Infomedika Inc., Pharma-Bio Serv P.R. Inc., Caribbean Office Chairs Manufacturers Inc., Square Knot Corp., California Closets, Glasstra Manufacturing Inc., Quesos del País La Esperanza and Von Kupferschen Industries Corp.

EXPORT OPPORTUNITIES IN AGRICULTURE

Although agriculture represents less than 1% of Puerto Rico's gross domestic product, with \$533 million of production, it has been one of the fastest-growing export segments and has added hundreds of local jobs. Martex Farms, a family company founded in 1989, produces, processes, packs and exports tropical fruits such as mangoes, bananas,

avocados and lemons.

Martex Farms began exporting in the 1990s and currently exports 70% of its production. It produces 18 million pounds of mangoes a year, of which 93% are exported to the U.S. mainland, Canada, England, France, Belgium, Spain, Holland and Japan under the brands Pango Mango and Tropi Mango.

The success of Martex Farms is largely due to the high quality of its products, knowledge of the market and careful monitoring of its products from start to finish. This has resulted in the creation of 231 direct and indirect jobs for the local economy.

“They aren't doing old-style agriculture that is dependent on massive amounts of incentives, they are doing the type of activities in agriculture that put you in the position of being on the cutting edge of the next wave,” Pérez-Riera said.

Another agricultural export success story is Sucesión Serallés Second Inc. (SSS), founded in 1996 and whose products include a variety of fruits, ornamental plants and trees. Its mango crop is a registered trademark under the name Mango Fino and is certified by the U.S. Department of Agriculture. Its products are exported to Europe, Canada, the U.S. Virgin Islands and the U.S. mainland.

SSS has also benefited from CCE efforts, including food fairs in Spain in 2006 and 2008. Its exports have resulted in the creation of 52 jobs thus far.

Metzgermeister & Research Corp. in Ciales is a private meat processor. It was established in 2003 and current estimates show the company has annual revenue of \$11 million and employs a staff of about 160.

“Companies like Metzgermeister are using the resources of the government, such as the incentives it provides, but are also being aggressive in terms of being able to do what they do and start looking to outside markets and exporting,” Pérez-Riera said. “They are talking to the federal government and understand they can't just produce things for local consumption.

“We approved three loans for three expansions in three consecutive years of this administration, and they are looking to new markets.” ■