

# Wall Street Journal

## Teaching Americans to Export

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By HANNAH KARP



Dan Krauss for The Wall Street Journal

Vladimir Maskov is selling U.S.-brand jeans in Russia after attending workshops sponsored by the Port of Los Angeles.

LOS ANGELES—A year ago, Vladimir Maskov was hoping to start a business selling American goods in his native Russia but was overwhelmed by the red tape he faced.

Then he attended workshops organized by the Port of Los Angeles. The classes helped him make contacts at local trade and commerce organizations, who gave him advice about navigating Russian trade obstacles. Now, the 48-year-old entrepreneur, who is a U.S. citizen, is preparing to send a second shipment of U.S.-brand jeans to St. Petersburg.

"They're ready to pay," said Mr. Maskov of Russian women, who, he says, are hard-pressed to find reasonably priced U.S.-brand clothes in the right size.

The Port of Los Angeles hopes to inspire more people like Mr. Maskov. Since 2007, the port has organized 61 free seminars to teach companies the basics of exporting. The classes target Southern California's manufacturers, which employ nearly 400,000 in Los Angeles County alone, but have begun to attract people from a wide range of professions, who are considering career changes or looking for supplemental income.

Since 2007, the volume of exports leaving the Port of Los Angeles has jumped 31%. That outpaced the average export growth of all major U.S. ports, which rose 10% over the past five years.

Still, the port's traffic remains unbalanced: Each week, some 47 container ships arrive full at the port—and leave nearly two-thirds empty on average. Only 15% of California's manufacturers export, according to the port's research.

Port officials say the workshops likely contributed to a small chunk of the export increase. Exports are thriving around the country thanks to a weaker dollar and growing middle-class markets overseas.

Encouraged by the results of the classes, the port has doubled their frequency and now hosts about one a week, including one in Spanish. "There are so many businesses that could be exporting and they're not," said Geraldine Knatz, the port's executive director.



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Joeann Valle, of Harbor City Chamber of Commerce, helped Vladimir Maskov navigate red tape while starting his jeans-export business.

West Coast ports aim to boost business ahead of a planned widening and deepening of the Panama Canal in 2014, which could divert trade by allowing bigger ships from Asia to deliver directly to the East Coast.

Seattle and San Diego are working with the Los Angeles port to design similar classes and workshops. (Neither is a major competitor with L.A. because they handle different types of cargo.) Four other ports are taking advantage of federal money available under an initiative to launch export-promotion training.

The Los Angeles port's four-hour workshops cover basics ranging from loans to cultural etiquette. At a recent workshop, Mark Hirzel, a logistics-company representative, cautioned the 37 attendees to check the U.S. Department of Commerce's "Denied Persons" list before shipping off anything. And he recommended businesses steer clear of countries that might support terrorist activities.

"There are places that you can't even send toilet paper to," Mr. Hirzel said, naming Iran as an example.

Index Fresh, an avocado company in Bloomington, Calif., had long been focused on the U.S. But Brian Gomez, the company's newly hired export director, learned at a port event how to package the produce in a way that appeals to consumers in Asia, where fancy packaging and lack of blemishes are mandatory. Now Index Fresh has a contract to supply a Hong Kong distributor with "cosmetically perfect" avocados.

Leaf Brands, a candy maker in Newport Beach, Calif., expects to sell about eight million of its Astro Pops lollipops in China next year, after Chief Executive Ellia Kassoff attended a workshop and trade show organized by the port.

Mr. Kassoff learned to be careful about choosing a Chinese distributor with a good track record. He also was told that his goods could command a higher price in China than the U.S. This month, the family-owned company got an order from Taiwan for 1,600 pounds of another type of candy.

Mr. Maskov, the clothing exporter, said he got the idea to sell U.S. products in Russia when he visited his cousin in St. Petersburg five years ago. There, women "screamed" with delight as they tried on American-brand clothes he had brought with him.

But exporting proved to be more complicated than he expected and Mr. Maskov gave up.

Last fall, he heard about the port's workshops. At one, he connected with the director of the nearby Harbor City/Harbor Gateway Chamber of Commerce, who later spent months helping him sift through the requirements of the Russian customs office over cheesecake and brownies.

"The list got longer and longer," recalled Joeann Valle, the chamber of commerce director. Some of the certificates the Russians asked for, she said, don't exist in the U.S., so she designed her own. "We tried to make them look so official," she said.

Mr. Maskov received a permit earlier this month october to export \$5 million in apparel to Russia's customs union. A few weeks ago he shipped off his first container, loaded with about \$300,000 of jeans. Now he's looking to rent a bigger warehouse space and hire some employees.

"The only thing that slows me down is my ability to fill the containers," he said.

Write to Hannah Karp at [hannah.karp@dowjones.com](mailto:hannah.karp@dowjones.com)