

SUPPORTING STATEMENT
Forms ITA-4014P and ITA-4102P
International Buyer Program: Application and Exhibitor Data Form
OMB Number 0625-0151

Section A: Justification

1. Necessity of Information Collection

The U.S. Department of Commerce (DOC), International Trade Administration's (ITA) U.S. and Foreign Commercial Service (US&FCS) conducts the International Buyer Program (IBP) to help bring international buyers together with U.S. firms by promoting U.S. trade shows in industries with high export potential. The IBP emphasizes cooperation between the DOC and trade show organizers to benefit U.S. firms exhibiting at selected events and provides practical, hands-on assistance, such as export counseling and market analysis, to U.S. companies interested in exporting. The assistance provided to show organizers includes worldwide overseas promotion of selected shows to potential international buyers, end-users, representatives and distributors. The worldwide promotion is executed through US&FCS offices in more than 80 countries that among are America's most important trading partners. The number of shows selected to the program has increased from 24 in 1999 to a planned 42 in 2007. The following criteria is used to select these shows:

- **Intellectual Property Rights Protection:** The trade show organizer includes in the terms and conditions of its exhibitor contracts, provisions for the protection of intellectual property rights (IPR); has procedures in place at the trade show to address IPR infringement, which, at a minimum, provides information to help U.S. exhibitors procure legal representation during the trade show; and agrees to assist DOC in reaching and educating U.S. exhibitors on the Strategy Targeting Organized Piracy (STOP!), IPR protection measures available during the show, and the means to protect IPR in overseas markets, as well as in the United States.
- **Export Potential:** The products and services being promoted at the trade show are from U.S. industries that have high export potential, as determined by DOC sources (e.g., best prospects lists and U.S. export statistics).
- **International Interests:** The trade show meets the needs of a significant number of overseas markets covered by the US&FCS and corresponds to marketing opportunities as identified by the posts in their Country Commercial Guides (e.g., best prospects lists).
- **Scope of the Show:** The trade show offers a broad spectrum of U.S.-made products and/or services for the subject industry. Trade shows with a majority of U.S. firms will be given preference.

- **Stature of the Show:** The trade show is clearly recognized by the industry it covers as a leading event for the promotion of that industry's products and services both domestically and internationally and as showplace for the latest technology or services in that industry.
- **Exhibitor Interest:** There is a demonstrated interest on the part of U.S. exhibitors in receiving international business visitors during the trade show. A significant number of these exhibitors should be new-to-export or seeking to expand sales into additional international markets.
- **Overseas Marketing:** There has been a demonstrated effort made to market prior shows overseas. In addition, the applicant should describe in detail the international marketing program to be conducted for the event, explaining how efforts should increase individual and group international attendance.
- **Logistics:** The trade show site, facilities, transportation services and availability of accommodations conform to the expected norms of an international-class trade show.
- **Cooperation:** The applicant demonstrates a willingness to cooperate with the US&FCS to fulfill the program's goal and to adhere to target dates set out in the Memorandum of Agreement and the event timetable, both of which are available from the program office. Past experience in the IBP is taken into account in evaluating current applications to the program.

Description of Forms

Form ITA-4102P contains questions that are general in nature and deal with how many U.S. exhibitors will be exhibiting and the percentage of net paid exhibitor space U.S. companies will be taking vis-à-vis non-U.S. exhibitors. Other questions deal with the experience of the show organizers and their ability to meet the special conditions of the IBP. These conditions and how to apply are published yearly in the *Federal Register*.

Form ITA-4014P is provided to U.S. exhibitors participating in IBP-selected trade shows to determine their interest in meeting foreign visitors and to determine the overseas business interests of the exhibitors. This form is usually mailed by the show organizer seven months prior to the show and is accompanied by a letter to the exhibitor explaining the request for the information. Due to the growing show organizer practice of registering exhibitors on line, IBP has adjusted its Memorandum of Agreement to permit the collection of the information requested by Form ITA-4014P using this method.

In line with one of ITA's main objectives, the IBP seeks to identify small- and medium-sized companies seeking to enter the export market or to expand into new export markets. Many of these companies don't have the knowledge and skill resources to begin exporting. Through the questions asked on Form ITA-4014P, a company's export profile

is identified as well as its international marketing objectives. ITA, through its domestic U.S. Export Assistance Center network, offers free export counseling to those firms that seek it, as well as to companies expanding into new overseas markets.

The International Buyer Program cannot be carried out or evaluated unless the information outlined in Forms ITA-4102P and ITA-4014P can be obtained from the show organizers and the U.S. exhibitors. Legal authority is 15 U.S.C. et. seq. And 15 U.S.C. 171 et. seq.

2. Description and Practical Utility of the Information Collection Activity

Information requested in Form ITA 4102P is very general in nature and gives a “show profile” of the trade event. Application forms usually come from private show organizers and industry trade associations. A notice is placed in *Federal Register* to allow the call for applications to get the broadest possible exposure. Additional promotion is accomplished through notices in the trade press, association publications and websites, and through direct electronic mail notices to lists of show organizers. These notices not only contain a verbatim copy of ITA-4102P, but also list promotional actions to be undertaken by the International Buyer Program on the show organizer’s behalf.

Applications from show organizers are then ranked according to criteria listed in the *Federal Register* with selections announced approximately 45 days after the deadline for applications. For the Fiscal Year 2006, IBP received 53 applications and selected 36 shows.

Our Commercial Officers select events appropriate to their country markets and promote the events with the objective of increasing the number of foreign buyers attending the event. A number of Embassies work in tandem with a travel agency overseas that provides a travel package to attract foreign buyers to the trade event in the U.S. Together with the travel agent, our Commercial Officers often do extensive in-country marketing which would include placing ads in trade journals, general mailings, and making calls to foreign trade association executives.

Approximately 60 days before the trade event, an Export Interest Directory is sent to overseas posts. This directory, which contains information obtained from Form ITA-4014P, shows potential foreign buyers those U.S. exhibitors interested in exporting. Specifically, the directory contains a contact name, booth number, product description, and type of business relationship the U.S. exhibitor is seeking overseas and certification that the products and/or services offered for export have fifty-one percent U.S. content.

3. Minimizing Burden

The type of information required of U.S. exhibitors is non-statistical, therefore, ADP equipment would have limited use. The collection of information is done by mail, fax and e-mail for the convenience of the applicant.

4. Non-Duplication

There is no duplication of existing requirements. The information in the application is not available elsewhere in the government.

5. Minimizing the Burden for Small Business

The amount of information requested has been reduced to the minimum necessary to evaluate viable applications. The information collected is required by US&FCS in the proper performance of its functions, and no undue burden is placed on the public in furnishing the requested information.

6. Consideration of Alternatives

Each applicant voluntarily applies for the program. IBP would be unable to determine an applicant's eligibility if the information was not submitted.

7. Paperwork Reduction Act Guidelines

The information will be collected consistent with the Paperwork Reduction Act guidelines.

8. Consultations

IBP staff regularly consults with U.S. exhibitors and show organizers to provide guidance and identify areas where operational improvements could be made. There are no unresolved substantive or material issues stemming from these consultations.

In addition, a 60-day request for comments from the public was announced in the *Federal Register*, February 16, 2007 (Volume 72, Number 32, pages 7602-7603). No comments were received.

9. Incentives to Respondents

None. ITA makes no payments or gifts to remunerate applicants.

10. Assurance of Confidentiality

None. The information collected will remain confidential and will be used only by ITA staff in assessing the applicant's abilities, experience and performance.

11. Justification for Sensitive Information

No questions of a sensitive nature are asked.

12. Estimate of Government and Respondent's Burden Hours and Costs

It is estimated that 50 Applications (ITA-4102P) will be submitted each year, of which only 36 will be selected for support. It is further estimated that an average of 200 responses to the Exhibitor Data form (ITA-4014P) will be received for each of the 36 events. The average amount of time for the government to process the application is estimated at one hour for Form ITA-4102P, and zero minutes for Form ITA-4014P, as this form is issued by the show organizer to the exhibitors. It is assumed that the average private sector salary for responding persons is \$50.00 per hour and the average public sector salary for persons processing the application is \$45.00 per hour.

13. Estimate of Government Burden (Hours and Cost)

<u>Form Number</u>	<u>Time to Process</u>	<u>IBP Applicants</u>	<u>Total Hours</u>	<u>Average Salary</u>	<u>Government Burden</u>
ITA-4102P	1 Hour	50	50	\$45/hr	\$ 2,250
ITA-4014P	N/A				

Cost to Government: Total Hours (50) * average salary (\$45) = \$2,250

14. Estimate of Respondent Burden (Hours and Cost)

<u>Form Number</u>	<u>Time to Complete</u>	<u>IBP Applicants</u>	<u>Total Hours</u>	<u>Average Salary</u>	<u>Applicant Burden</u>
ITA-4102P	3 Hours	50	150	\$50/hr	\$7,500

<u>Form Number</u>	<u>Time to Complete</u>	<u>Exhibitor Responses</u>	<u>Total Shows</u>	<u>Total Hours</u>	<u>Average Salary</u>	<u>Exhibitor Burden</u>
ITA-4014P	10 Minutes	200	36	1,200	\$50/hr	\$60,000

Cost to Respondents: Total Hours (1,350) * average salary (\$50) = \$67,500

TOTAL COST to both the Government and Respondents is \$ 69,250.00

15. Rationale for Program Changes or Adjustments

Increasing the number of IBP events from 32 to 36 per year.

16. Uses of Analytical Methodology

N/A. The results of the information collected are not tabulated and published.

17. Reasons for not Displaying Expiration Data

The OMB number and expiration date will be displayed on the form.

18. Rationale for Exceptions to Certificate Statement

N/A