



exportfocus

December 2009 #9

Ariunaa: A lot to celebrate!

Congratulations to our very own Ariunaa Mendtsoo on completing her Migrant Internship with the New Zealand School of Export.

The internship is an initiative of the Manawatu Ethnic Council, aimed at placing qualified migrants with Manawatu businesses in order to give them experience of the kiwi workplace.



Ariunaa, who has a Degree in Construction Engineering and Public Management, worked in Mongolia for a Joint Venture - GTZ.

She is fluent in Mongolian, English, Russian and German and has been working on a part-time basis with the School.

On completing the required number of hours, Ariunaa was presented with her Certificate by Employment Facilitator Axel de Maupeou d'Ableiges (pictured here with Rom).

We are also delighted to take this opportunity to confirm Ariunaa as the 2009 recipient of the *Dr Robin W. N. Smith Memorial Scholarship*.

The Scholarship will enable Ariunaa to study for the Diploma of International Trade at no cost to her. We wish her well in her studies and will keep you posted on her progress.

THANK YOU!

The School has received a donation from Eastern & Central Community Trust to support the provision of our free information portal on the website and our continued website development. We are most grateful to them.



Export Library Information Service goes International

Our Export Library and Information Service (ELIS) is going from strength to strength and is now being used by the Institute of Export in the UK.



Mathias Man Runs Marathon

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Our exporters continue to amaze us.

Not only are they high achievers in the workplace and in their course-work, but in other walks of life too.

With no training and not enough sleep, Dehua Pan who is Business Development Manager - China with Mathias Meats NZ Ltd - completed the 21 km Auckland Adidas Marathon in just 3hrs 10 minutes!

Well done Dehua - you put the rest of us to shame!

What's next?

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Spot the Difference ...

Confusion abounded at the recently held IATTO 2009 Global Forum when our normally clean-shaven Director - Dr Romuald Rudzki - was mistaken for a reincarnation of King George V of Britain.

The beard took up residence during a very heavy cold and remained in place for the duration of the conference which was held in autumnal Cannes in the South of France - he gets to go to all the awful places!



Whilst in Cannes, Rom managed to take in a few of the sights and do a bit of shopping.

He was tempted by this gold sink, but refused on principle to pay the excess baggage costs.



Christmas Letter from the Director



Putting the Christ back into Christmas

As a seasoned traveller I have been fortunate to enjoy the hospitality of people in many countries but never, ever have I seen the nonsense that passes for mental confusion about 'Christmas' in the West.

Clearly, several factions are at work here - the anti-Christians who believe that all mention of Christianity should be erased from everywhere (including European history and the EU Lisbon Treaty) by renaming Christmas as 'Winterfest' or some other such lame duck.

Then there are the loonies (or devil-worshippers) who cannot even bear to spell (or think) about 'Christ' and end up with 'Xmas'. I may be wrong here, but I don't know of any deity - especially the Son of God - who was known as 'X' as I always thought it was a signature reserved for use by the illiterate. What next 'Xadan' for Ramadan? 'Xali' for Divali? 'Xover' for Passover? No-one would dare and yet every year we have the same old gibberish plastered over shops, cards and TV.

What is the usual line to any protest about such historical revisionism and stupidity? 'We are a secular society and we should not offend people from other religions or people without faith.'

To which my reply is: What about the people with faith who find all this tinkering with 'Christmas' deeply upsetting and offensive as it is a direct attack on their beliefs? (Oh they don't count in our freedom-loving, egalitarian utopia of woolly-mindedness.)

As for me I will (God-willing) be enjoying a Peaceful and Happy Christmas and a Blessed New Year and I wish you and your family the same (irrespective of which religion or none you follow).

Rom.

School opening hours over Christmas



The New Zealand School of Export will be closing at 3pm on Friday 18th December.

We will re-open at 8.30am on Tuesday 5th January 2010.

In the meantime, you can send e-mails and leave telephone messages, but these will not be answered until 5th January.

If you need to talk to us urgently, call Alison on + 27 387 3137

From all the team at the School - take care and stay safe over this holiday season and may you have a peaceful Christmas and prosperous 2010.



Meri Kirihemete me ngā mihi o te tau hou ki a koutou katoa

The Money Merchant Writes...

What is up (or down) with our kiwi currency?

In response to 'Ask the Doc', we have received some feedback from one of our graduates

Similar to the looney (CAD/USD) and the ozzie (AUD/USD), our kiwi (NZD/USD) is classed under the commodity group, as opposed to the majors or minors. With the looney loosely following the oil price and the ozzie and kiwi the price of gold, the currencies are all interdependently connected to the trials and tribulations of the greenback (USD).

During the extraordinary events of the recent global financial crises, investors are rushing in droves to the safety of the greenback.

Following the momentum of the various international stimulus packages which have run into trillions of US\$, commodity currencies such as the NZ\$ have appreciated annually in excess of 20%, so reducing export revenue for New Zealand.

With the global financial crisis slowing, but then the recent Dubai request for debt repayment extension of double digit billions, we can forget about green shoots and prepare for similar surprise announcements during 2010.

The strength of the kiwi is also strongly determined, amongst many other influences, by the carry trade, mainly Asian investors e.g. Japan, where the Central Bank Rates are 25 times lower compared to the rate set by the Reserve Bank of New Zealand - see below:

Central Bank Rates			
CURRENCY	RATES	CURRENCY	RATES
 NZD	2.50%	 AUD	3.75%
 GBP	0.50%	 USD	0.25%
 CAD	0.25%	 EUR	1.00%
 CHF	0.25%	 JPY	0.10%

So what should we expect from the kiwi dollar in 2010?

As long as the greenback is seen as a safehaven, (the US is the largest global GDP economy by country - USD14.2T, 2008 List by the World Bank), and with oil traded in the greenback, investors will always flock to the greenback in times of high volatility and uncertainty.

This means there are conflicting market signals, one where the gold price is on the rise (exceeding USD1,200/oz) and the carry trade is strong, leading to a bullish sentiment; and one where further market shocks could lead to a bearish sentiment with large support for the greenback. Only time will tell.

At least we have the All Whites to support next year!

The Money Merchant

Check out our promotional video ...



The mobile video production crew from 'Made from New Zealand' was in Palmerston North last month to film the New Zealand School of Export promotional video.



The two-person crew, comprising Megan - producer and interviewer, and Turei behind the camera - made sure the entire process went smoothly and was also a lot of fun.

The script was worked out beforehand via email, and despite the fact we were a little worried that there wouldn't be anything interesting to film because the School offers the Diploma through distance learning, this wasn't a problem as Turei worked his magic.

Megan put a lot of effort into making us feel relaxed in front of the camera and had endless patience as we 'went blank' (in the case of Alison) and 'expanded on the script' (in the case of Rom).

We were most surprised to receive a low resolution version of the video within just a couple of days and once approved, it was available via You Tube and the New Zealand School of Export profile on <http://www.madefromnewzealand.com/businesses/new-zealand-school-of-export> only a week after filming.



You can check out the final result for yourself on our website: <http://www.export.ac.nz> and don't forget that if you are a graduate, or currently enrolled on the Diploma of International Trade and would like a video of your business then contact Alison at the School and we'll get you a very reasonable quote.

Remember, a 'New Zealand School of Export Network' has been established on the Made from New Zealand site so please consider adding your business profile and join our network - who knows, you could soon be making some new deals:

<http://www.madefromnewzealand.com/businesses/new-zealand-school-of-export>



Quotes of the month - Courtesy of Jeremy Clarkson (Top Gear)

"Speed has never killed anyone. Suddenly becoming stationery – that's what gets you."

"This is a Renault Espace, probably the best of the people carriers. Not that that's much to shout about. That's like saying 'Oh Good, I've got syphilis, the best of the sexually transmitted diseases.' "

"I don't understand bus lanes – why do poor people have to get to places quicker than I do?"

Alumni can you help spread the word?

Please consider adding a link to the School from your website. In return, we will include your organisational logo and a brief bio of your company on the School's Alumni page.

Contact: alison@export.ac.nz

Stories from our globetrotters

Richard Smart is an Assistant Trader at Mathias International in Auckland

Richard was born on Auckland's North Shore and attended Murrays Bay Primary, then Rangitoto College. He completed a Bachelor of Business, majoring in marketing and international business, at Massey University.

On graduation, Richard got a job at produce trading company Mathias International where he started in export documentation and shipping, and now works as an assistant trader. He works alongside David Penman, who has experience in trading seafood and beef into Asian, African, Australian and European markets, which provides a very stimulating environment for Richard whose aspirations are to work offshore in international trade and in the longer term, to own his own business - preferably something connected with his life's passion - snowboarding.

So what is it about International Trade that interests Richard?

"The diversity of people that you speak to here, and overseas. You definitely come across some interesting characters. I like how there are so many factors contributing to trade. It's not as straightforward as one may think. Since Mathias trades a variety of produce, meat, seafood, vegetables etc the range and specification varies between trade and the share quantities which get traded are mind blowing."

"Another factor which makes it interesting, is that Mathias does not produce its own products, we have to source suppliers and work deals with them, then have to work deals with customers. It's great to see marketing working in two different directions, but seeing this has shown me that trading is very challenging especially with the effect the US dollar has on us, this is why I like working in international trade."

In your current business, what are the key issues/challenges?

"For me personally it is getting to know the product specs and which part of the animal the meat comes from. Another challenge is knowing the right market value and what the product should be bought and sold at."

You were awarded the 2009 New Zealand School of Export "SME Export Scholarship" - how has this helped you?

"I was lucky enough to have my employer Mathias International sponsor my tuition however, gaining the scholarship really made the decision for the directors a lot easier, so the scholarship helped me secure a sponsor."

You are now over half way through the Diploma of International Trade, in what ways has this helped?

"It has helped me prepare for entering a trading role, and getting a better insight of Mathias and how other departments relate to everything. The Diploma is effective as it makes you aware of potential problems that may not have been seen, if jumping straight into exporting, for example the use of market research and the way to go about research and avoid the rubbish, this allows me to make the most of my study time and really see where our customers are."

What advice do you have for anyone starting out in the field of international trade?

"If you're coming in with no experience, the best thing to do is listen to what's been talked about around you and to talk to as many people in the industry as you can to hear their stories - you can always learn from other people's mistakes. A piece of advice which was given to me is to be patient, it takes time to build."



So what would Richard (still in his early 20's) like to be doing in 10 years time?

"Enjoying retirement. If not retired I would like be working nine months of the year and having three months off (we have to have dreams), so I can spend some time travelling and doing the stuff I want or with my family - if I get to that stage in 10 years time. Life changes and so do your priorities."

Best/worst hotel you have ever stayed in?

"It wasn't even a bad hotel but this creepy stay-over hotel in Malaysia reminded me of that movie - *The Shining* - I have been more comfortable in backpackers through the gold coast with extreme heat, rats and cockroaches.

"Best hotel was definitely this place in Maui when I was a kid, I never wanted to leave it. It was a full on adventure, the pool was like a river and you could follow it around and there would be waterfalls, slides and other features that me and my younger brother would get told off constantly for jumping off into the water."

Best/worst destination?

"I've never been to a worst destination, but Vietnam was the best purely because of the history and culture I was exposed to, just stuff I had never seen before. I was fortunate to go with my girlfriend who had been brought up in NZ but her family was over there, so I got to go see heaps of crazy stuff that a lot of tourists would miss out on. In particular, these temples up the mountains where from a distance, you can see so many people up them that it looks like a swarm of ants."

Richard, have you got any packing tips or tips for international travel?

"Passport and credit card! And if you can't speak the language, grab business cards of every place you go, so if you need a taxi, it's easy to get back. A simple idea, but a must."

If you didn't live in NZ where would you live?

"That is tough. I couldn't pin-point exactly, but there has to be snow and good mountains to board."

... Warning - paragraph below definitely not for the faint-hearted ...

Best/worst travel experience?

"While I was in north Vietnam I was getting meals cooked for me in these dingy holes they used as kitchens in remote villages. They used a coal burner to cook meat bought at the local market - meat which was not covered with anything to protect it from flies and other dirt - which there's lots of. I managed to make it through the whole trip without getting any stomach problems, until the last day when we were staying in Hanoi. We went on a mission and I found a BBQ chicken - a Korean fast-food joint similar to KFC. Anyway, I got a tube of hot and spicy chicken, deep fried of course and didn't think much of it.

The next day on the way to the airport, I did some horrible smelling farts and thought 'wow those are bad'. By the time I was on the plane I had no confidence in farting and thought I was going to crap my pants. It got to the point where I had to go NOW - I made it to the toilet and spent 1.5 hours on the bog while flaming hot diarrhoea was erratically being fired out, even when I thought it had come to an end - no - more would come. It was easily the worst travel and life experience. Well - you did ask!"

Yuck - thanks for your honesty Richard. Much appreciated...

Ask the Doc

Why do governments around the world reward failure and penalise success?

This goes from the obscene sight of billions of dollars of tax-payer's money being paid to bankrupt banks, to New Zealand MP's rorting as if there is no tomorrow with trips to Paris (at taxpayer's expense) when they should be working.

Does anybody out there have any thoughts on how to reward successful individuals and businesses so as to get them to do more of what they do well, rather than using them as a cash cow to subsidise all the individuals and businesses who have lost the plot?

Please send in some answers and we will print them in the next Newsletter - possible prize is a day in Paris with the MP's wife of your choice (Yeah Right).

Dr Romuald Rudzki, Director of the School wants to hear from you. Send questions/comments to: info@export.ac.nz .



New Scholarships for 2010

A new Scholarship valued at **NZ\$5000** has been introduced for 2010. Named after the School's founder - the **Dr Romuald Rudzki Export Scholarship** is specifically for "short poppies with ambition".

Many relatively new and often smaller companies struggle to gain a foothold in the international marketplace because they don't have the luxury of big budgets to train key staff to international levels; and they are ineligible for government funding because they have failed to reach the prescribed level of turnover.

Rom is fully aware of the implications of this "catch 22" situation, indeed, the School is ineligible for government funding because it is a distance learning provider, restricts entry to importers/exporters and it offers internationally accredited, rather than NZQA accredited qualifications.

The Scholarship will be awarded to the applicant who can prove they have a great business idea/product; is unable to gain the assistance required to cover tuition fees; and has the commitment to complete the Diploma of International Trade.

In addition to the **Dr Romuald Rudzki Export Scholarship**, the School is once again offering Scholarships, each valued at NZ\$1200 in the following categories; so if you know someone who is eligible, please let them know!

- ⇒ Business start-up
- ⇒ Māori exporter
- ⇒ Migrant exporter
- ⇒ Pacific Island exporter
- ⇒ Rural exporter
- ⇒ Sole trader
- ⇒ Dr Robin W.N. Smith Memorial Scholarship
- ⇒ Sustainable Exporter Award sponsored by

RICOH

Latest news from Graeme in ELIS

I've been thinking about ELIS and what I would like to achieve in 2010. The best thing would be to increase our unique visitors to the website by 100%. If there are any enhancements you would like to see, send an email to: library@export.ac.nz.

In the library world a conversation has started about the way catalogues should be organised to best serve the needs of you, our users and supporters. One of the suggestions that is being explored is the use of subject maps to help you better find what you are looking for – I think I'll be looking to create my own versions for ELIS catalogue next year. Watch this space.

Information gathering never stops and holiday time is one of the best times for reading and digesting the newspaper, or that book that you have always wanted to finish.

So, enjoy your holidays and stop by our blog to check what's happening:
<http://www.exportersblog.blogspot.com/>

Happy Christmas to you all



The Quiz - The United Arab Emirates

Now it's time for our monthly quiz - try doing this with your colleagues during the lunch break and see just how good your knowledge of this very profitable export market is, answers on back.

1. How many Emirates make up the UAE?
2. What is the capital?
3. What is the largest city?
4. To within half a million, what is the size of the population?
5. What is the currency called?
6. What is the collective name for people from the UAE?
7. What is the white ankle-length gown of cotton or wool worn by men called?
8. What is the principal port?
9. What is the favourite meat?
10. On what date is the major annual public holiday of 'National Day'?
11. On what two days does the week-end fall?
12. To within 5%, what percentage of the population are Muslim?
13. When did the UAE get its independence from Britain?
14. Which two countries share a land border with the UAE?
15. What is the official language?
16. What is the International Direct Dialing code for the UAE?
17. What was the main source of foreign earnings in the 19th and early 20th century?
18. Trade in what commodity commenced about 3000 BC from the Hajar Mountains?
19. Which side of the road do they drive on?
20. What were the UAE known as before independence?



Off Topic

NIGEL JOHNSON-HILL, PARKFARM, MILLAND, LIPHOOK GU30 7JT, UK

Rt Hon David Miliband MP
Secretary of State.
Department for Environment, Food and Rural Affairs (DEFRA),
Nobel House
17 Smith Square
London
SW1P 3JR

16 July 2009

Dear Secretary of State,

My friend, who is in farming at the moment, recently received a cheque for £3,000 from the Rural Payments Agency for not rearing pigs.. I would now like to join the "not rearing pigs" business.

In your opinion, what is the best kind of farm not to rear pigs on, and which is the best breed of pigs not to rear? I want to be sure I approach this endeavour in keeping with all government policies, as dictated by the EU under the Common Agricultural Policy.

I would prefer not to rear bacon pigs, but if this is not the type you want not rearing, I will just as gladly not rear porkers. Are there any advantages in not rearing rare breeds such as Saddlebacks or Gloucester Old Spots, or are there too many people already not rearing these?

As I see it, the hardest part of this programme will be keeping an accurate record of how many pigs I haven't reared. Are there any Government or Local Authority courses on this?

My friend is very satisfied with this business. He has been rearing pigs for forty years or so, and the best he ever made on them was £1,422 in 1968. That is - until this year, when he received a cheque for not rearing any.

If I get £3,000 for not rearing 50 pigs, will I get £6,000 for not rearing 100? I plan to operate on a small scale at first, holding myself down to about 4,000 pigs not raised, which will mean about £240,000 for the first year. As I become more expert in not rearing pigs, I plan to be more ambitious, perhaps increasing to, say, 40,000 pigs not reared in my second year, for which I should expect about £2.4 million from your department. Incidentally, I wonder if I would be eligible to receive tradable carbon credits for all these pigs not producing harmful and polluting methane gases?

Another point: These pigs that I plan not to rear will not eat 2,000 tonnes of cereals. I understand that you also pay farmers for not growing crops. Will I qualify for payments for not growing cereals to not feed the pigs I don't rear?

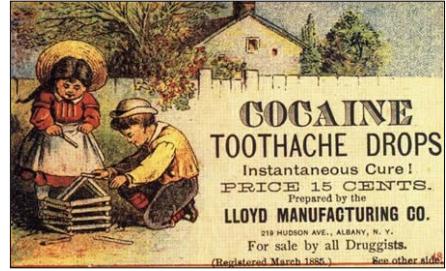
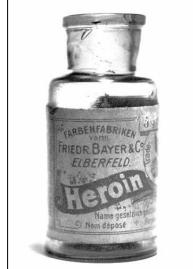
I am also considering the "not milking cows" business, so please send any information you have on that too? Please could you also include the current DEFRA advice on set aside fields? Can this be done on an e-commerce basis with virtual fields (of which I seem to have several thousand hectares)?

In view of the above you will realise that I will be totally unemployed, and will therefore qualify for unemployment benefits. I shall of course be voting for your party at the next general election.

Yours faithfully,

Nigel Johnson-Hill

The Good Old Days?



The ingredients in these genuine childhood medicines from 1850's are cocaine, opium and alcohol! Between 1890 and 1910, heroin was sold as a non-addictive substitute for morphine. It was also used to treat children with a cough.

And you thought YOU were having a bad day...

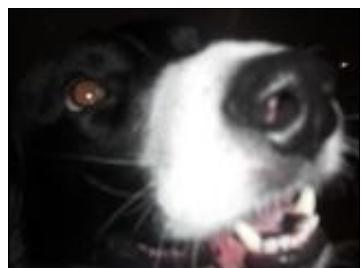


A dog's purpose

A vet was called to examine an old Irish Wolfhound dying of cancer. He told the family he could not do anything for the dog and offered to put him out of his misery. The owners were very upset and thought it would be good for their six-year-old to be with his pet at the end. The next day, the family petted the old dog for the last time and the little boy seemed to accept this without any difficulty or confusion. Wondering aloud why animal lives are shorter than human lives, the boy piped up, *"I know why - people are born so that they can learn how to live a good life -- like loving everybody all the time and being nice, right?" Well, dogs already know how to do that, so they don't have to stay as long."*

If a dog was the teacher you would learn things like:

*When loved ones come home, always run to greet them.
Never pass up the opportunity to go for a joyride.
Allow the experience of fresh air and the wind in your face.
Take naps.
Run, romp, and play daily.
Thrive on attention and let people touch you.
Avoid biting when a simple growl will do.
On warm days, stop to lie on your back on the grass.
When you're happy, dance around and wag your entire body.
Delight in the simple joy of a long walk.
Be loyal.
Never pretend to be something you're not.*



Barkley Dog Howlett Rudzki

Quiz answers

1. Seven
2. Abu Dhabi
3. Dubai
4. 6 million
5. UAE dirham (AED)
6. Emirati
7. Kandura
8. Jebel Ali (it is the largest in the Middle East and seventh busiest in the world)
9. Lamb and mutton
10. December 2nd
11. Friday and Saturday
12. 96% (80% Sunni Muslim and 16% Shia Muslim)
13. 1971
14. Saudi Arabia and Oman
15. Arabic
16. 971
17. Pearl fishing
18. Copper
19. Right
20. The Trucial States or Trucial Oman



Be a better exporter Diploma of International Trade

The professional qualification

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