

CENTRAL NEW YORK

# BUSINESS JOURNAL

## The Year in Review: How did we fare in 2011 and what lies ahead for 2012

In the Jan. 28, 2011, issue of *The Central New York Business Journal*, Peter Koveos, professor and director of the Kiebach Center for International Business Studies at the Whitman School of Management at Syracuse University and an advisory board member of the Central New York International Business Alliance (CNYIBA), wrote about what we could expect to transpire in the coming year from business, government, and the economy. Now that 2011 has drawn to a close, I wanted to take an opportunity to review some of Peter's predictions and provide perspective on the year that wasn't.



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GOING GLOBAL

While some businesses fared a little better in 2011, the year, for many, was a repeat of 2010 and even 2009. Unemployment continues to hover near 9 percent nationally, the budget deficit continues to grow, and the legislative branch of government had to pass emergency provisions not once but twice last year to keep the doors of government open.

Bottom line, the domestic market is not looking much better. Globally, things have turned for the worse as well in light of the collapse of the Greek economy.

Peter touched on five issues that would be important to businesses and consumers in 2011. They were the global economy; government; China, India, and emerging markets; unemployment; and entitlements.

International markets and international opportunities continue to be an untapped area for local businesses. While the local economy has been hit hard, those companies that have engaged in international business to help grow their bottom line have continued to excel. At the CNYIBA, we recognize that many companies may feel challenged or intimidated about exploring international trade opportunities, which is why we formed the organization in the first place.

At the CNYIBA, we have seasoned, experienced professionals covering both industry and services (i.e., banks, insurance, logistics, etc.) who have a wealth of international experience and are here to help any business large or small engage in international trade. We aren't talking just about export opportunities for local companies but also strategic partnering with international firms who are looking to gain entry to the U.S. with their product line.

Government will continue to disappoint. Peter referenced some alarming statistics about New York State. Almost all of them had to do with taxes. That being said, the Cuomo Administration has made an effort to make New York State a more attractive place for companies to do business in, but it will take time before we see significant change that will have a positive effect on local businesses.

On the bright side, we have access to a local representative of the U.S. Department of Commerce and its international trade office ([john.tracy@trade.gov](mailto:john.tracy@trade.gov)), which offers free advice and access to inexpensive resources for companies who want to explore international business opportunities.

China, India, and emerging markets will not only be around for a long time but they will also grow in importance. Newsflash: China will be the next economic and military super power. This should motivate local businesses to identify opportunities to sell their products in China. Perhaps, we can follow the example of a Georgia-based company who is producing 2 million chopsticks a day and exporting them to China. Now that's what I call being innovative and creative. China is known for poor air quality, indoors and out. Central New York is home to so many HVAC companies and specialists. Maybe someone has an indoor air-quality solution that would do well in China.

Unfortunately, unemployment continues to be high nationally and globally. The situation in Greece has not helped matters, and from the looks of things, Italy, Spain (national unemployment at 22 percent), Ireland, and Portugal are not far behind. The good news in all of this is that locally, we have seen some change for the



positive. The work of CenterState CEO with the Brookings Institute and the ensuing Metropolitan Export Initiative (MEI) look promising. At last, we will have benchmarks of where we stand locally on growth opportunities outside the area that can lead to more job creation.

Entitlement and the "Two Ds." In Peter's article he referenced how public-sector deficits and debt were not going away. He went on to write about how those who feel entitled will be seriously questioned. What Peter could not predict is the "Occupy Wall Street" movement, and also how protestors in Europe are taking to the streets to share their discontent about the top 1 percent.

As we prepare for a national election, the economy will continue to be front and center for everyone looking to be elected and re-elected. A lot of promises will be made, and it will be our responsibility to make sure those elected officials keep their promises this time. After all, we the people hold the power to elect those officials we believe can implement change that will benefit the majority. If things don't turn out the way we were hoping, then we can only blame ourselves.

We at the CNYIBA are committed to helping your business grow internationally and are here to let you know that you don't have to take that leap of faith by yourself. In 2012, we will continue to provide international business forums educating local businesses on international topics that they might find valuable. We will also explore international trade missions to help stimulate new business. For more information on the CNYIBA, please visit us at [www.cnyiba.net](http://www.cnyiba.net).

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