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China trade benefits port, business

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JACKSONVILLE -- Knocking down the Great Wall -- of business, that is -- just got a whole lot easier for Northeast Florida entrepreneurs.

Jacksonville's **World Trade Group**, a private trade-promotions company, has opened an office in Shenzhen, a major port city in China's Guangdong province, where half of China's exports originate.

WTG, founded four years ago by Rogers Towers attorney Jim Valenti and Sasha Yang, a native of China, helps U.S. companies establish business relationships abroad. China's admission into the World Trade Organization in 2000 and its growing acceptance of capitalist business practices allows greater access to a market of 1.3 billion consumers and cost savings for manufacturers.

Large Chinese businesses have traded internationally for decades, primarily with European companies introduced by the governments. Today, privatization is allowing small and medium-sized Chinese companies to form international business dealings, Yang said.

American entrepreneurs often travel to China alone to meet with potential Chinese partners; European companies often send large delegations. The American penchant for one-on-one meetings makes it easier for Chinese businesspeople to strike deals, she said.

Trade between Northeast Florida and Chinese companies could be two-way, Valenti said. Not only is China undertaking an ambitious effort to improve its infrastructure, it's opening up new sales and distribution opportunities. Chinese consumers often see American products as high-quality symbols of prestige.

But for the moment, two Jacksonville entrepreneurs are looking to bring products from China to Northeast Florida. Tim Wedel, president and founder of TRx Integrations Inc., said a WTG-negotiated deal with a Chinese manufacturer will allow him to launch a new product -- he won't say what it is -- six months earlier than he expected. **TRx Integrations is a customer of World Trade Group**

"We expected to go to market the first of [next] year," Wedel said. "It will gain us a six-month jump on the market and could represent as much as \$500,000 in sales."

Phil Axt, president of Audio Images on the Southside, had planned to carry the "Made in America" banner on a new product until he realized he could make it in China for 20 percent of the cost to manufacture in America. **Audio Images is a customer of World Trade Group.**

The new product -- a plastic tower that allows customers to mount telephones in a wall position on their desks -- will be introduced in 90 days, he said. American companies were asking for \$25,000 to \$30,000 to make two cavity molds needed to manufacture the towers. But Valenti and Yang are wrapping up negotiations with a Chinese company willing to do the job for less than \$6,000.

Trade officials are delighted at the possibility of more trade with China and other Asian countries. "Historically, we have had a north-south sort of focus on our trade lanes that run between Jacksonville and the Americas," said John Freeman, executive director of the World Trade Center Jacksonville. "Just as you would not have all your investments in any one financial instrument, we naturally want to look at other markets to trade with."

Jaxport spokesman Robert Peek agrees, noting recent economic troubles in South America, which is a major trading partner.

Jaxport officials are surveying area companies that trade with or might consider trading with partners to the east and west if more shipping lines offered service. They want to convince shippers there's enough potential cargo to warrant regular east-west trips to Jaxport, he said.

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