

# Risk, Relationships, Rewards

## Success in the Three R's of the Global Economy

By Joseph Hornett

When I read in late November that Toyota Motor Corp. could produce up to 100,000 vehicles a year in Lafayette within the next couple of years, my mind both flashed back and raced forward.

It flashed back to Aug. 5, when an apparently rare visit from a revered Japanese businessman spoke volumes about the relationship between Indiana and Toyota; it raced forward to the bright economic future Hoosiers will have if we seize our place in the global economy by taking a few risks and working to develop long-term relationships.

The Aug. 5 incident occurred during "Indiana Day" at the World Expo in Aichi, Japan. Honored to be there as a member of Gov. Mitch Daniels' economic development delegation to Asia, I was impressed to hear Japanese businesspeople praise our state and its people. But the most impressive moment came when Shoichiro Toyoda, honorary chairman of Toyota Motor Corp. and son of the company's founder, told the audience how important the state of Indiana is to Toyota.

Hearing that Indiana is important to Toyota might surprise some of you; however, it shouldn't surprise you to learn that Toyota and its international corporate peers are important to Indiana. Countless Indiana residents work for firms that sell products and services on the worldwide market, and thousands of Hoosiers draw paychecks from companies that, like Toyota, are based beyond our shores. In fact, Japanese companies alone employ more than 44,000 Indiana workers, giving us the nation's third-highest concentration of Japanese companies and delivering to us all the benefits of those companies' \$9 billion investment in our state.

### Endless possibilities

As impressive as such figures are, however, they only scratch the surface of the potential that exists in the world marketplace – potential that we must tap if we are to develop our statewide economy.

How do we do that? First, we must support our state's efforts to put Indiana and its people and companies more fully into the world marketplace. For example, we can take advantage of the various grants and incentives available to firms that want to do business internationally, or use Trade Show Assistance Program funds to participate in trade shows overseas.

Secondly, we must act boldly, foregoing our usual Hoosier conservatism to take a few risks. Waiting or acting slowly will give other states' businesses the chance to enter the world markets ahead of us, leaving us to play a high-stakes game of catch-up. If you're a business owner, investigate opportunities abroad by visiting the Indiana Economic Development Corp.'s international trade Web site at [www.indianacommerce.com/DoingBusiness/InternationalTrade.asp](http://www.indianacommerce.com/DoingBusiness/InternationalTrade.asp), or contact your trade association, professional organization or peers to get industry-specific information.

Seize the opportunities you find, understanding that the global marketplace is not reserved for corporate behemoths or government economic development types. We all can play a role – from the entrepreneur finding a foreign market for his or her products to the researcher collaborating with foreign counterparts.

For examples, I simply need to look around me at Purdue Research Park, where a number of small firms are taking advantage of the global economy. One such company, LifePlus LLC, helps businesses from around the world clear regulatory hurdles to enter the burgeoning Chinese market. LifePlus Chairman and COO Mark Cisneros says that since his company opened the door to international business, it sometimes has had a hard time keeping up with demand.



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### Be prepared

Even as I encourage businesspeople to embrace such opportunities, I don't advocate a blind, headlong rush into the world marketplace. Prepare before making this leap. For example, because intellectual property will be a key commodity in the world economy – and protecting it can be difficult beyond our borders – you should secure intellectual property protections before venturing outside U.S. boundaries. Work with an attorney familiar with international intellectual property rights, seeking protection not only through U.S. courts but also in the countries where you intend to do business.

You also should be prepared not just to send your business out into the world, but also to go there yourself. A lot of business can be conducted via high-tech communications, but no phone line or Internet connection can substitute for a face-to-face meeting. Global commerce is a contact sport, so you should expect to visit your potential partners and, when possible, invite them to visit you here in Indiana.

Finally, you will need to be patient. Building the relationships required to conduct business around the world takes time. But, as we've seen in our relationship with Toyota, it's an investment that can pay considerable dividends. Certainly, not many relationships will yield 100,000 jobs, but then again, it wouldn't take many relationships like that to have a powerful impact on our state's economy.

### INFORMATION LINK

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