

BISNIS ANNUAL REPORT

FY 00

BISNIS ... Guiding and Informing U.S. Companies for Success in the NIS



Objectives

Facilitate U.S.-NIS commercial success by:

- Meeting U.S. company desire for information and guidance across countries, regions, industry sectors, and about practical aspects of doing business with the NIS;
- Exposing NIS businesses, organizations and officials to the U.S. business community and its interests;
- Effectively using technology to provide access to market information and resources;
- Maximizing the achievements of BISNIS and other USG/multilateral programs and offices through proactive collaboration; and
- Innovation of products/services, methods, and approaches for achieving success.

“BISNIS is much more than an information resource... It has transmuted over time into the touchstone for U.S. businessmen doing business in Russia and the Independent States.”

<Small research firm in Illinois>

Broad Sketch of Achievements and Results in FY00

In FY00, BISNIS operated under certain conditions that posed a **challenge** to its ability to produce results. These were:

- **Fallout from Russia’s Financial Crisis** At the start of FY00, U.S. export levels were less than 50% of pre-crisis levels and interest in the NIS waned. Russia’s crisis also had a spillover effect into the rest of the NIS, broadly impacting BISNIS efforts.
- **Staffing**—BISNIS was temporarily without 8 of its 18 NIS representatives and operated at reduced U.S. staff levels in FY00 due to natural turnover and other personnel situations.

Despite these challenges, BISNIS continued to energetically support the U.S.-NIS business community—companies as well as NGOs and other government programs—through coverage and support of opportunities and issues across NIS countries, Russian regions, and industry sectors. In addition, broad achievements in FY00 include that BISNIS:

- ✓ **Leveraged technology** and available resources in new ways to improve BISNIS’ performance and favorably impact U.S.–NIS trade and investment,
- ✓ **Piloted new services and products**, and introduced existing services into new areas,
- ✓ **Focused on key interest areas** to serve emerging U.S. company needs, and
- ✓ **Fine-tuned and enhanced existing offerings.**

Observable results so far include that BISNIS:

- ✓ **Increased the number of export and investment activities** sourced and facilitated,
- ✓ **Heightened utilization of BISNIS** and other USG and NGO **resources**,
- ✓ **Enhanced the impact of other USG efforts** at market development, and
- ✓ **Supported U.S. policy interests in the NIS.**

Examples of Specific Achievements and Developments

Leveraging Technology and Resources

- ✓ Introduced **web-based registration** of and access to *Search for Partners* leads (internal).
- ✓ Established channels to network **alumni** of existing USG programs with BISNIS, BISNIS clients, and other USG programs and resources, resulting in new opportunities for U.S. firms.
- ✓ Moving beyond government resources, BISNIS began to more actively enlist top **experts** on the NIS to share knowledge and expertise with the U.S.-NIS business community.
- ✓ Vigorously promoted a full spectrum of **USG programs** and resources—especially SABIT, Ecolinks, and the International Buyer Program—among BISNIS clients through the *BISNIS Bulletin*, e-mail, and at events.

Introduction of New Services and Launch of Existing Services in New Areas

- ✓ Launched a **Russian-language web page** (www.bisnis.doc.gov/nis), a new tool to familiarize the NIS business community with U.S. practices, resources, and opportunities, to reach new regions, and to broaden the reach and quality of BISNIS leads.
- ✓ **Held the first U.S. catalog show in Moldova** (Food and Packaging Exhibition in May 2000).

Focus on Key Client Interest Areas

- ✓ E-Commerce (an area of dramatic growth)
- ✓ Credit Card Fraud (to help U.S. companies combat a spike in attempted fraud)
- ✓ Legal Infrastructure
- ✓ Opportunities in processing and manufacturing (reflecting a shift in NIS interests after Russia's 1998 financial crisis).
- ✓ Visas for business travel to the U.S. (BISNIS received many calls from frustrated U.S. companies whose attempts to bring business partners to the U.S. were thwarted at the visa stage).
- ✓ Caucasus (A special edition of the *BISNIS Bulletin* supported the U.S. Government's bilateral discussions with Caucasus countries in FY00).
- ✓ Mortgage development—In FY00, BISNIS briefed a high number of NIS delegations in this area.

Recent Client Feedback:

"BISNIS is good for globalization of business and for U.S. firms needing insight into these new markets."

<Business development manager for a major Midwest-based manufacturer>

Fine-Tuning BISNIS Products, Services, and Performance

- ✓ Redesigned **BISNIS Online**, the BISNIS English-language web page, and established faster, easier access to BISNIS information via new features (an improved search engine and more).
- ✓ Reformatted **Trades & Tenders** leads to better integrate market reporting on relevant topics.
- ✓ Initiated phase-out of the hard copy publication of **Search for Partners** (Internet remains)

The Numbers...

(Please see separate sheet for a breakdown of leads, articles, and results by country/region.)

BISNIS registered 3,000 new clients in FY00, including 1,000 new email clients.

In addition to what is provided separately, in FY00:

- ✓ BISNIS **directly served more than 30,000 members of the U.S. and NIS business communities** via publications mailed monthly.
- ✓ BISNIS directly reached on an almost daily basis by **e-mail** more than 9,000 members of the U.S.-NIS business community, providing timely market leads and reports.
- ✓ Provided U.S. companies with 409 *Trades & Tenders* leads and 336 *Search for Partners* **leads**.

- ✓ 24 hours a day, 7 days a week, BISNIS provided U.S. companies with access to the latest NIS market information via the approximately 14,000 documents available at **BISNIS Online**.
- ✓ **Counseled** thousands of U.S. companies via phone, e-mail, meetings, and at events. BISNIS organized several **industry events** outside the Washington, D.C. area, bringing over 150 NIS buyers directly into contact with over 1,000 potential U.S. suppliers of goods and services.

Impact and Results

U.S. Companies

- ✓ **Helped U.S. companies generate revenues** (details available on separate chart) →
- ✓ **Protected U.S. companies against financial losses**—For example, BISNIS helped seven companies save over \$250,000 in sales involving attempted credit card scams.
- ✓ **Facilitated more SME transactions**—BISNIS generated a greater number of transactions in FY00 than in FY99 (77 in FY00 vs. 40 in FY99). Additionally, the dollar volume of individual transactions was generally lower, indicating that BISNIS widened the reach of its impact, particularly on small and medium enterprises (SMEs).

Concrete Results

BISNIS facilitated more than \$238 million worth of U.S.-NIS trade and investment transactions in FY 00.

(See separate chart for a breakdown of results by country and region.)

U.S. policy interests in the NIS and NIS interests in the United States

- ✓ **Fostered familiarity with and openness to Western business practices**—BISNIS lead programs, the BISNIS Russian-language web page, and also direct interaction—counseling by NIS representatives, work with USG program alumni, and briefings of visiting delegations—familiarized several hundred NIS officials and companies with U.S. business practices, resources, and opportunities in FY00.
- ✓ **Increased the impact of other USG programs**—BISNIS' active promotion of and coordination with a variety of USG programs, including SABIT, Community Connections, EcoLinks, and the International Buyer Program, has use of such resources, established valuable linkages between programs and the business community, and resulted in more qualified participants.
- ✓ **Contributed to positive policy change in the NIS**—For example, two weeks after visiting BISNIS, the chairman of the Russian State Committee on Construction sent 13 proposed laws and acts to the Russian government for approval.
- ✓ **Saved on costs for other USG agencies and NGOs**—BISNIS information, referrals, and support have helped many offices minimize the resources devoted to fulfilling their mission. BISNIS representatives in the U.S. and the NIS regularly support a range of USG needs in major and small ways, including helping to identify participants for NIS delegations and programs, as well as contributing to the Department of Commerce's bilateral discussions.

Client Comments about BISNIS:

“(BISNIS provides) information very difficult or impossible to obtain from other sources.”

<Small business owner in North Carolina>

“You are serving the U.S. business sector by helping U.S. firms avoid poor investments...One bad or unprofitable experience...may take decades to forget.”

<Medium-sized medical firm in Wisconsin>

Internal Indicators

- ✓ **Improved performance, accountability, and client service**—BISNIS shortened lead processing times, standardized and significantly expanded the information presented to U.S. companies, and strengthened follow-up activities.

- ✓ The number of **unique visitors** per month to *BISNIS Online* grew **six-fold** in FY00, to nearly 28,000, and **total use** of *BISNIS Online* grew **82 percent** (measured in total visitor-minutes).
- ✓ If you measure BISNIS' performance on the basis of its contribution to U.S.-NIS business results per tax dollar of expenses incurred, **BISNIS returned \$126 for each dollar of funding in FY00** (\$238,857,077 in results/ \$1.9 million in funding).

Customer Service and Satisfaction

BISNIS continues to work hard to build on its reputation for professional, timely, and competent service within the U.S.-NIS business community.

“If other government-supported projects were even 10 percent as efficient as BISNIS, I wouldn’t worry so much about where my tax \$\$\$s are going.”

<Entrepreneur and small business association manager in Massachusetts>

“As a small business person who has gone out on his own, your agency has treated me with a level of service that usually is afforded to large companies.”

<Small business owner in Washington, D.C.>

FY01—Program Targets

- Increase the results achieved by U.S. companies through BISNIS leads.
- Expand BISNIS clientele 10-15 percent (e-mail and traditional clients).
- Broaden and strengthen the community of NIS individuals who are familiar with U.S. business practices and working with or supporting U.S. companies.
- Strengthen our ability to identify factors contributing to creating results for U.S. companies.

In order to achieve these targets, BISNIS will:

- Increase the number of top-quality leads BISNIS identifies.
- Improve mechanisms for accessing and filtering BISNIS leads and strengthen the supporting information provided with leads.
- Leverage available technology to new BISNIS uses (multimedia, databases, etc.).
- Continue to innovate, improve, and expand *BISNIS Online*.
- Enhance the information available via the BISNIS Russian-language website.
- Bring promising regional leaders and businesses into direct contact with U.S. businesses and interests during visits to the U.S. using the proven model developed by BISNIS.
- Create stronger ties with the U.S. Government’s NIS program alumni and networks.
- Tap and support key matchmaking events and opportunities in the United States and NIS (including IBP events).
- Pursue additional areas of potential for U.S. companies, including technology commercialization and multilateral resources.
- Revise and republish the BISNIS guide to U.S. Government programs and resources.

Recent Client Feedback:

“When I first arrived in Russia, I eagerly asked which market reports were the best to read to get a good idea of upcoming opportunities in Russia and (the NIS). I assumed my Russian colleagues would list some up-to-date Russian business journal, but instead, a handful of my Russian sales colleagues told me to check BISNIS.”

<Business Development Director of a major U.S. telecommunications equipment firm>

