South Africa/Maine Synergies and Opportunities

The exercise is based on the thought that S. Africa and Maine have potential economic growth synergies and that clusters in each economy should be examined to find and develop those growth relationships.

A wide array of topics from previous discussion, remain on the table for triage. In broad areas the topics range from business interests of specific companies in Maine and S. Africa, through specific economic development clusters, human resource development, and cultural and educational exchange.

It was suggested that four methods of operation, in terms of the planning work, should be foremost in the process: 1) compression of time to reach tangible project work; 2) desire to work with a limited number of business sectors; 3) consonance of needs and opportunities; 4) project identification that can be categorized in short, medium, and long-term efforts.

Business Sectors were identified in both economies from existing studies done by governmental and non-governmental organizations. A series of triage exercises based on time-to-possible-implementation, areas of overlap in terms of basic support needs for cluster growth, and consonance within both economies were used to reduce the list to a 10 to 15 category list and those categories were further reduced to three that appear to be a match to criteria and suitable for further feasibility study.

These categories were: automotive parts, clothing and textiles, and information technology. Further brief review of sub-sectors developed an outline of topic areas that have relevance for further examination. In addition it was suggested that the sectors require a background of support in education/human resource development, technology transfer, and, perhaps, assistance in the development of community finance options and equity investment vehicles.

It was also agreed that assistance and facilitation in developing high velocity business relationships that allow small firms to access available assistance and partners should move ahead immediately, regardless of the sector, or position in the developed plan. Currently companies in Maine have invested in, or are examining business options in areas from automotive parts, environmental engineering, resource mapping, radio frequency technologies, and development of business assistance mechanisms. Among areas that consul staff wished to remain in active file are retail sales opportunities for S. African products, and tourism.

The three sectors chosen for in depth examination are: automotive parts, information technology, and clothing and textiles. The work of the studies will develop several levels of data pertinent to understanding the marketplace. Pre-feasibility work will be an examination of the immediate viability of companies in
both economies coming together with something meaningful to say to each other. For Maine the real question is can the scale of the economy have real and meaningful partnerships with S. Africa in these three industries. If pre-feasibility seems positive then an extended feasibility study with financial, technical, and market analyses will be completed as basis for further development of a working relationship. Prior to that point there may be meaningful reason to bring companies together both here and in S. Africa for discussion, test of viability of relations, and first steps in an ongoing process.

The pre-feasibility must resolve several questions, not the least of which is global restructuring in two of the sectors, as well as high cost of market entry for competitors at either end of the trade link. Clearly, the sector most amenable to discussion and further development is information technology. Costs of entry are low, market entry is often accomplished on a project-by-project basis and is therefore less expensive, and returns on investment are very high versus cost of entry.

The biggest questions, for S. Africa and Maine, remain human resources to develop project work. This would most likely be done in market clusters that have high use value at both ends of the trade link, such as Geographic Information Systems, and data analysis for labor market characterization to name two areas in which Maine companies and the University have national reputations.

**Timeline**

Below is a very fast track schedule for the completion of early phases of this work. The most difficult feature of this timeline is putting together a trade delegation in May and it may be necessary to push the last five tasks in chart off by two or more months to accommodate reality.

<table>
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<tr>
<th>TASKS</th>
<th>March</th>
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PROGRAMME
MEETING WITH MEMBERS OF ALANA

Wednesday, 3 March 1999

10:00am-10:15am  Tea/Coffee
10:15am-10:35am  Introduction/Finalize process
10:35am-10:55am  Presentation: Maine delegation
10:55am-11:05am  Presentation: Mission delegation
                   - Political
11:15am-12:00pm  Brainstorm/Discussion
12:01pm-1:00pm   Identification

1:00pm-2:30pm     Lunch
                  Venue: El Pote
                  2nd Avenue, between 38th & 39th Streets

2:30pm-4:00pm     Continuation of meeting
4:00pm-4:15pm     Tea/Coffee
4:20pm-5:00pm     Next steps
5:00pm            Closure
7:00pm            Dinner
                  Venue: Consul-General's residence
                  66 West 87th Street
                  New York, NY 10024

F.D. Proposal
Late April S. African proposal in D.C. Ambassador
Tent lobbying of multilateral
Wed 3/3/19

Synergy / Research

I'd a proposal - two phases - April later. So African embassy in DC, rest of stuff here. Could do a lot of live / Susan 
and our Dept of Commerce mutual interest

Can present them through DC

MUST find Synergy

2-4 pilot projects this work

API - day sessions in the - They wanting school from ago

- also look them in one of 9 provinces

- get them back

ARIZ - Volunteer to come to Main

- invite us to South Africa

- find the business clusters

- develop strategies

- opportunities for local sourcing & SEEF Phase

- general preferential systems & products for own makers/textiles

- bring together for provincial minister for a DC purpose

- U & D Sector

- info & feasibility

- Joint Venture

- R & D needs Univ. S S

- Career in Science Research in SA

- Tech Shang / patterns in database

- bilateral visits

- Eastern Cape - twin w/ Mass

- Teacher Student exchange K-12

- people to people relations / cultural exchange
S. Africa
- Information Technology
- Auto Component
- Capital Equipment
- Chemicals
- Clothing
- Textiles
- Dairy
- Electrical
- Footwear
- Stainless Steel

Many
- Marine Sciences / Aquaculture
- Bio Technology
- Composite Materials (tissue, wood)
- Precision Manufacturing (metal)
- Info Services Technology
- Geographical Survey System
- Sensor Technology
- Telecommunications
- Environmental Science & Technology
- Retail & J (Walmart)
- Shipyard
Short Term

Tech

Chemicals

Clothing / Textiles

Auto Components

Steel

Infrastructure

Long Term

Infra-Steel

Tech

Chemicals (Envir.)

Clothing / Textiles

Auto Components

Infra-Structured (Airports)
1. Sympathy with priority of my new business
   A. GTS
   B. Environment
   C. Box office pricing
   D. Spring Applications

   Human Resources
   - Equity capital & two key individuals

2. Auto Components
   LT Equity transfer
   - Market access, impact issue
   - Supply chain and performance
   - Outsourcing more and more pieces, etc.
   - Maintaining small firms
   - American manufacturers for Chrysler & Mercedes
   - German owned - market access needs research
   - Joint venture credit usage
   - Test in top vehicles
   - Next step: Look at Auto Components industry

   SAP: new idea of using supplies to where opportunities are.

   Nick Karvounides - his factory in St. Pete
   by the Thames - best way to take a trade delegation to St. Ames

   Return: Find some piece in SAP. It was used old value to train product line.
   EX: BMW well with in SAP
   - Add manufacturing or large component for SAP
Clothing/textiles

3T

Retail First, LL Bean and Wall Mart

Upholstery

Blankets - products copying @ 90% of wool + poly

Electric blankets for Seniors

3 mills: Claiburn - good buy, used equipment

L T

Market access

S. AF sell here / LL Bean has own labels

Test and new products in S. AF

LL Bean - loss carrying people

Then present to wider purchasing groups

- Have some cake for Benn to eat in S. AF

- Well sold/gross profit, money

L. M. Liberty takes a Group in S. AF

- Market test products

- Bentonville area / more than equity in Co.

Upholstery/fabrics -

Auto seats, upholstery, fabric, wool, material in S. AF

Steel frame -

Synthetic fibers -

Room dividers
Education K - 12

Small Consortium of Me & SAAS Schools
Link deep together (add money)
Me = UNICEF vs. The Waller Continuity Do

Consortium

[Featuring NARM Schools in Maine]

2 more tables + 3 school colateg and Ed / how to use distance Ed resources

- NARM Plus School
  cultural preservation & dev
  models on both sides & suck culture &
  link together.

Designate people on Main Side; to insure it will happen.

- A212

[Common issues constitute a project]
- developing programs / concepts
- need to fund people & manage project
Covender - Commitment by Ambassador &
Governor to Togo, the project though.
College education

Need to get province involved then test about
links + projects
Use & CET to support eco projects  
Could be a box pq

Equity Investment

Infrastructure div (funded here)
- Support Tourism Delivery
- D2 y INTL air port (wife is South African)
- Outreach networks - gov model of AIR port operator
- Shoppi facilities all over the world
- ARB: events may need funding for process

- Consolidate &
- Study delegations
- Dev of project plans w/ clearer concepts
- Responsibilities of K-12 Ed Process
- Kinds of hires being explored w/ Don Watson
- Gen forum discussion w/ NAM & Su Afr
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Info Technology ST

1. Software Dec
2. Spatio use
   a. Statistical analysis
   b. In situ mobility
3. Telemedicine
   eMMC

CT

1. Equity: expertise
2. Technology
3. Human Resource Dec
4. Market & Class