

Global Trade 2022+: Innovation, Implications, and the Path Forward

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The Association of
Accountants and
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in Business

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Q&A

Asking Questions



Help



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- ☐ Number of Completed Polls required: 3

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Moderator

V. Marcine Johnson, CPA

President and CEO

Accounting & Tax Advisory Services, Inc.

Former Dean

IMA Leadership Academy



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in Business

Presenters



Carmela Mammas
Director

New York US Export
Assistance Center



Pindar Li
CFO

Yahee Technologies Corp



Jian Xiao, CMA, MBA, CPA, CGMA
Founder

Turning Point Solutions
Faculty Entrepreneur Fellow
Blackstone LaunchPad (BLP)
Queens College, CUNY
Member
New York District Export Council



Tom Cook
CEO and
Managing Director
Blue Tiger International

Carmela Mammias' Biography

- Carmela Mammias is the Director of the U.S. Department of Commerce's Commercial Service, New York Export Assistance Center. Carmela joined the Commercial Service in 1992 and has been working with U.S. exporters for over 29 years. She leads a team of Senior International Trade Specialists to assist New York City firms to succeed globally. Working closely with colleagues in over 70 countries, her team focuses on counseling firms in high export growth industries. Her office is co-located with the Export Import Bank of the US and SBA's Regional Trade Finance Managers to provide a "one stop shop" to U.S. exporters.
- Carmela also serves as Executive Secretary of the NY District Export Council and the U.S. government's liaison to United Nations Procurement. She is a recipient of the Gold Medal Award for sustaining export promotion in the wake of Hurricane Sandy that caused unprecedented damage in New York and New Jersey.

Pindar Li's Biography

- Pindar Li is the chief financial officer of the Yahee Technologies Corp since 2016, a US based global e-commerce company. Before joining Yahee Tech, he was a finance controller of Lenovo Group, oversaw budgeting, accounting and tax functions of ZUK mobile phone business, from 2015 to 2016. Prior to that, Pindar worked at Eaton Corporation, North Asia Power Quality Division, as a finance manager from 2011 to 2015. He was also the Senior Financial Analyst of Lenovo Group, personal computer business, from 2007 to 2011.
- Pindar possesses a Bachelor of Law, from the Northeastern University, a Master of Business Administration in Accounting from the JiangSu University.

Jian Xiao's Biography

- Jian Xiao is a practitioner and educator in strategic financial management. After acquiring extensive experience in developing, communicating, and implementing Data Driven Strategies, KPIs, and Internal Control Processes while serving as an International Controller for MetLife, ABN AMRO and Merrill Lynch, she founded Turning Point Solutions, a consulting boutique helping clients make distinctive, substantial, and sustainable improvements in their performance. In January 2019, Jian was featured in the Journal of Accountancy, "From Controller to Consultant". Since 2017, Jian's TPS has managed a portfolio of \$100M+ for the largest NYC Public Administrator and provided technical training and CFO advisory services for over 200+ MWBEs under the Mentorship program of NYC Small Business and School of Construction Authority. She contributed to NYS's extension of Article 15-A (2019) increasing business economic opportunities for MWBE's.
- Jian is currently serving as a member of the IMA Global Small Business Committee and founded the IMA QC Student Chapter at March 2021. She collaborated with the FBI and XBRL International team to present "Data Analytics Application in Accounting Series" hosted by the IMA QC Student Chapter in 2021. Jian was appointed "Faculty Entrepreneur Fellow" for the Blackstone LaunchPad Program by Queens College, CUNY in October of 2021 and "New York District Export Council Member" by the U.S. Commercial Service in January of 2022.
- Jian received the Dean's Award for Adjunct Faculty Excellence from the Gabelli School of Business of Fordham University. She is currently teaching "Data Analytics for Accountants" at Queens College, CUNY. Jian possesses a BBA in Accounting and an MBA in Investment Finance from the Zicklin School of Business, Baruch College.

Tom Cook's Biography

- Tom Cook was former CEO of American River International in New York and Apex Global Logistics Supply Chain Operation in Los Angeles. He has over 30 years' experience in assisting companies all over the world manage their import and export operations. Tom is a member of the NY District Export Council, sits on the board of numerous corporations and is considered a leader in the business verticals he works in.
- He has now authored over 19 books on Global Trade and is in the middle of an eight-book series, titled "The Global Warrior; Advancing on the Necessary Skill Sets to Compete Effectively in Global Trade". Tom is also the Director of the National Institute of World Trade (niwt.org) a 30-year-old educational and training organization.

Learning Objectives

1. Prepare to navigate the future of global trade.
2. Recognize the benefits of acting now to lessen the impact of new accounting rules, climate risk, and the launch of digital currency.
3. Describe the revolutionization of eCommerce and supply chain management.
4. Give examples of how to leverage government resources to grow your balance sheet effectively.

Agenda

1. Introduction
2. Section 1 - Future of Global Trade
3. Section 2 - Accounting Implication
4. Section 3 - eCommerce and Supply Chain
5. Section 4 – Government Resources
6. Conclusion
7. Key take away



Poll Question 1:

Has your firm finalized a strategy plan for Global Trade for 2022?

- a. Yes
- b. No
- c. Work in progress

Poll Question 1 Results: (Placeholder)



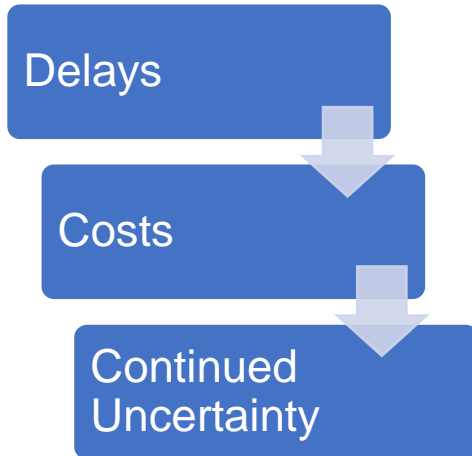
Tom Cook
CEO and
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Blue Tiger International

Prepare to Navigate the Future of Global Trade

Global Supply Chain Management and the disruption due to Covid-19 has made lasting impacts on international business and how corporations move goods through their supply chains.

The Pandemic Impact:

The Primary issues associated with the Pandemic and Supply Chains dominate three areas:



Risk and Cost Management – Global Supply Chain

The Key's to Managing Risk and Cost in Future Global Supply Chain Management are:

- ❑ Controlling Demand Planning
- ❑ Increased Volumes of Safety Stock
- ❑ Enhancing the Profile of Supply Chain Managers in all Business Model
- ❑ Dissecting “Landed Costs” and creating measures to reduce those cost factors line by line
- ❑ Creating more resilient supply lines
- ❑ Establishing better collaboration between government, commerce and special interests



Managing Landed Costs:



Impact any of the cost silos and you lower your landed costs:



Future of 2022 and Beyond:

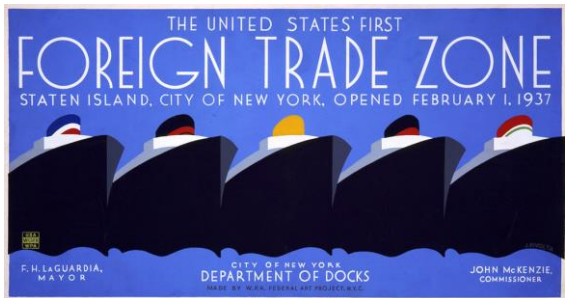
Alternative
Sourcing

Control the
Freight
Purchase
(INCO Term)

Freight
Consolidation

Robust Supply
Chain
Assessments

Demand
Planning
Process



Foreign
Trade
Zones

Bonded
Warehousing

Tariff
Engineering

Drawback

Domestic
Distribution

Poll Question 2:

What is the biggest obstacle to implementing your firm's Global Trade strategy for 2022 beyond?

- a. Geopolitical uncertainty
- b. Internal resources limitation
- c. Lack of government support

Poll Question 2 Results: (Placeholder)

Internal Resource Limitation



Resources

1. Professional Consulting Companies Engaged in Global Supply Chain Management
2. Government Agencies Providing Support in International Trade, Investment and Operations
3. Various Universities, Colleges and Trade Organizations that Offer Numerous Educational & Training for Skill Set Development



NATIONAL INSTITUTE
FOR WORLD TRADE
TRAINING THE WORLD



Summary:

The Future of Global Supply Chain Management:

**More Intelligent &
Informed Managers**

**Greater Utilization of
Technology**

**Bringing Increased Value
to Spend Management,
Procurement & Logistics**



Poll Question 3:

What are the primary resources do you leverage to formulate your firm's accounting & risk management policy related to climate risk and digital currency? (please select all that apply)

- a. AICPA
- b. IMA
- c. My outsourcing CPA firms
- d. All the above

Poll Question 3 Results: (Placeholder)



Recognize the benefits of acting now
to lessen the impact of new
accounting rules, climate risk, and
the launch of digital currency

Jian Xiao

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Founder

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- Own / Lease?
- Own - Asset Valuation?
- Lease – Payment Calculation
- Payment Method?

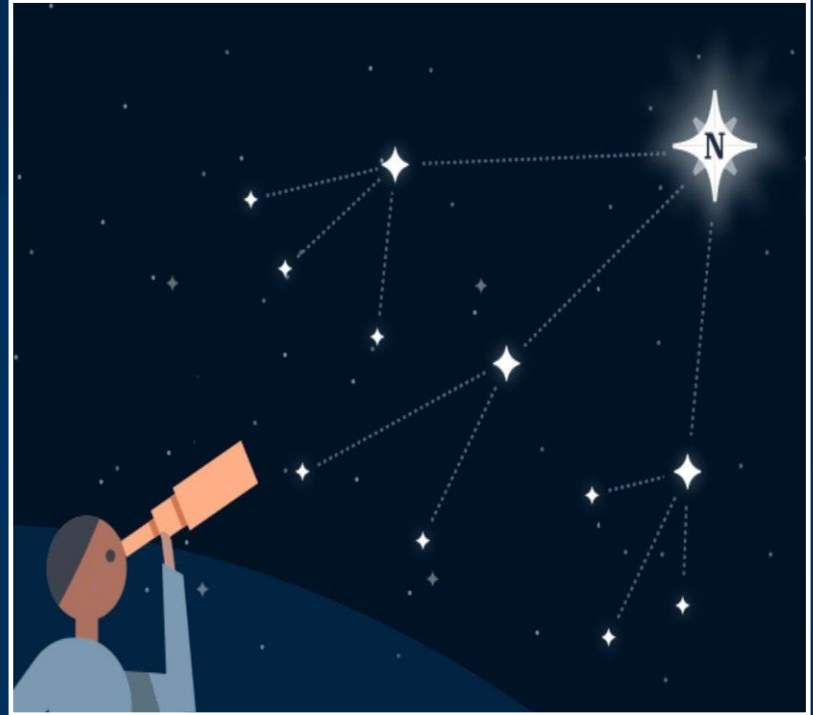


Acting Now

Understand
Accounting
Standard
Updates

Mitigate
Climate
Changes
Risk

Manage
eYuan /CBDC
Evolution



FASB Accounting Standard Update – ASC 842 - Lease

Increase transparency and comparability

Recognize Lease Assets and lease liabilities at Balance Sheet

Two Roundtable Discussion – allowing a lessee to make the risk-free rate election by class of underlying asset

Not public business entities - allows to

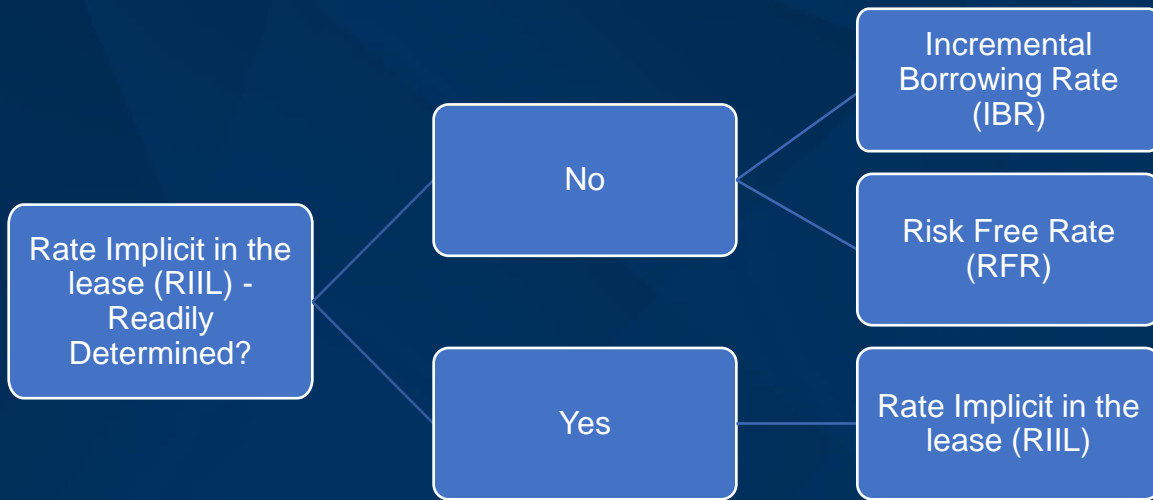
elect the risk-free rate election by class of underlying asset

02/25/2016-Update No. 2016-02

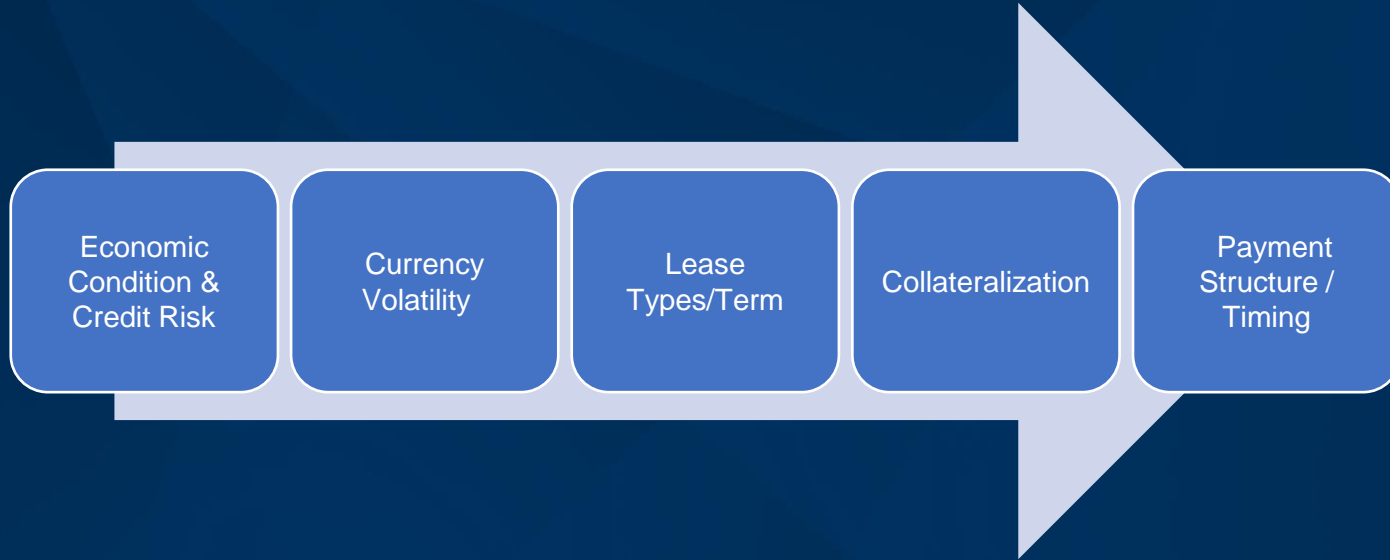
2020-09

11/11/2021-Update No.2021-09

Lease Liability = Present Value of Future Lease Payment



Acting Now - Estimating Discount Rate



Climate Change and Financial Implications



Climate Hazards



Climate Risk & Financial Implications



Acting Now - Protecting the People, Environment & Build Resilience



CHINA'S E-CNY / Digital Currency Electronic Payment (DCEP) and its Implications



CHINA'S E-CNY



MODEL



CHINA'S E-CNY IMPLEMENTATION TIMELINE



Digital CNY on Mobile Phone



Acting Now - Understand the landscape and Prioritize Capital Investment

Digital Payment
Landscape –
AliPay,
WeChatPay,
eYuan

the eYuan and
Cross Boarder
Payment

US Sanctions

Capital
Investment



Poll Question 4:

What is your firm's priority shaping the global supply chain management?

- a. Live commerce
- b. Sustainability
- c. Talent
- d. Speed

Poll Question 4 Results: (Placeholder)



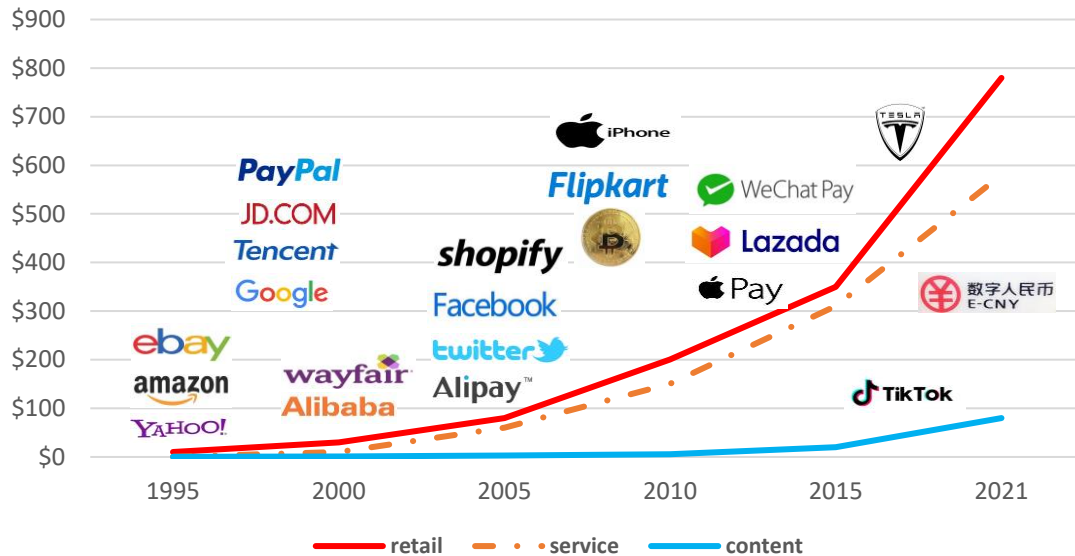
Pindar Li
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Yahee Technologies Corp

Describe the
revolutionization of
eCommerce and supply chain
management

Introduction to E-commerce

Roadmap of Global E-commerce(\$Billions)



The definition of e-commerce

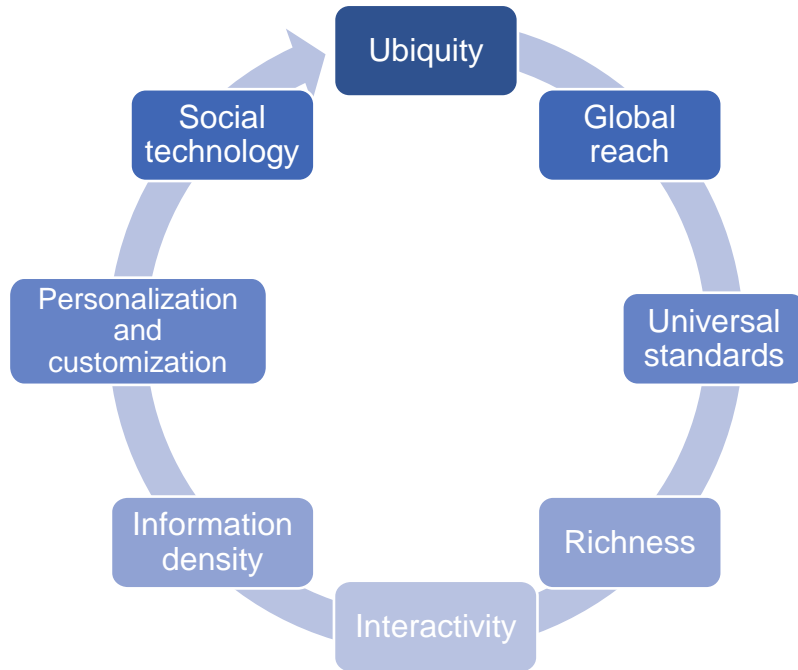
The value chain of ecommerce

- Online Retail
- Online Service
- Online Content

The periods in development

- Year 1995-2005: Internet + Computer
- Year 2006-2020: Smartphone + Online pay
- Year 2021~ : Auto pilot + Digital currency

The Features of E-commerce Technology



Ubiquity-E-commerce technology is available everywhere: at work, at home, and elsewhere via mobile devices, anytime.

Global reach-The technology reaches across national boundaries, around the earth.

Universal standards-There is one set of technology standards.

Richness-Video, audio, and text messages are possible.

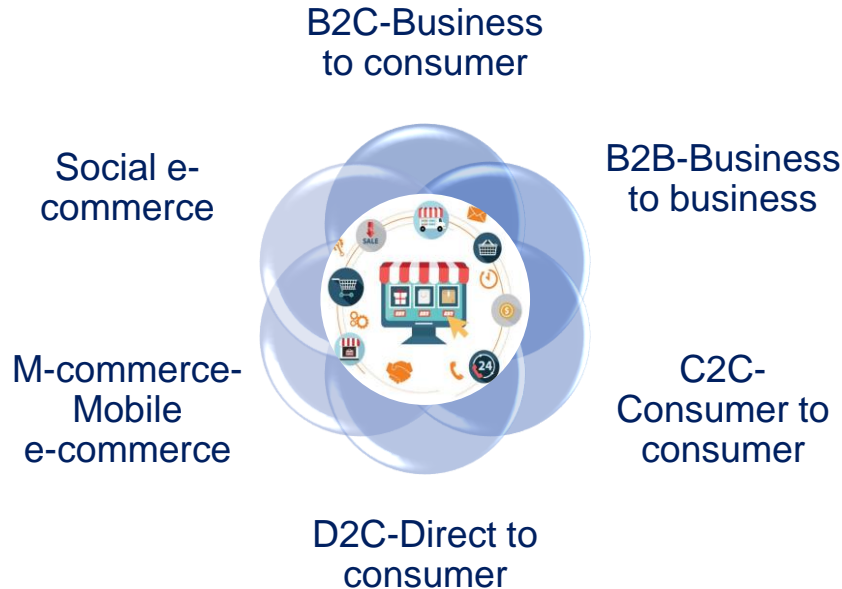
Interactivity-The technology works through interaction with the user.

Information density-The technology reduces information costs and raises quality.

Personalization/Customization-The technology allows personalized messages to be delivered to individuals as well as groups.

Social technology-User generated content and social networks.

The Major Types of E-commerce



B2C-Amazon, JD.COM is a general merchandise that sells consumer products to retail consumers.

B2B-Thomasnet.com, Amazon Business is an independent third-party marketplace that serves the specific industry.

C2C-Airbnb,Uber,DIDI provide the platforms for service such as room rental and transportation.

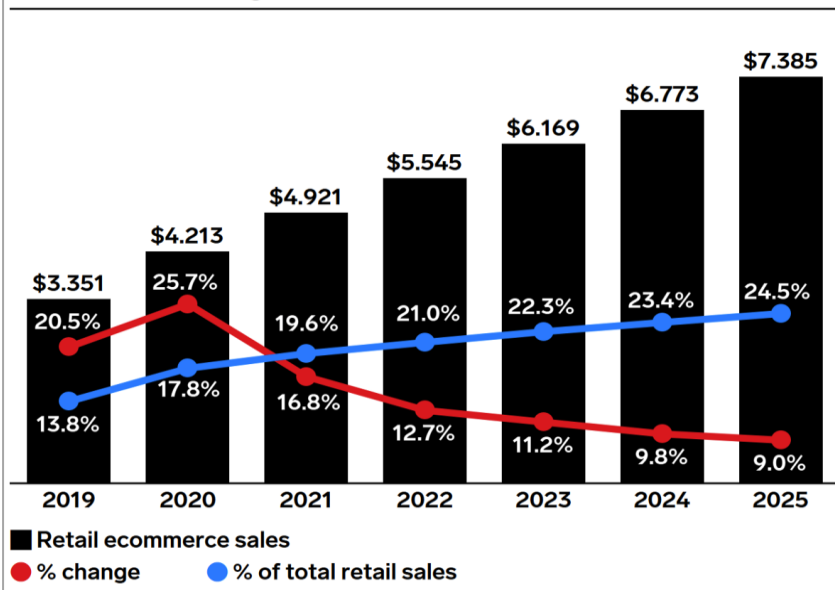
D2C- Shopify, SHEIN provide the platforms to satisfy customers with specific demand of goods.

M-commerce-Mobile devices can be used to conduct commercial transactions.

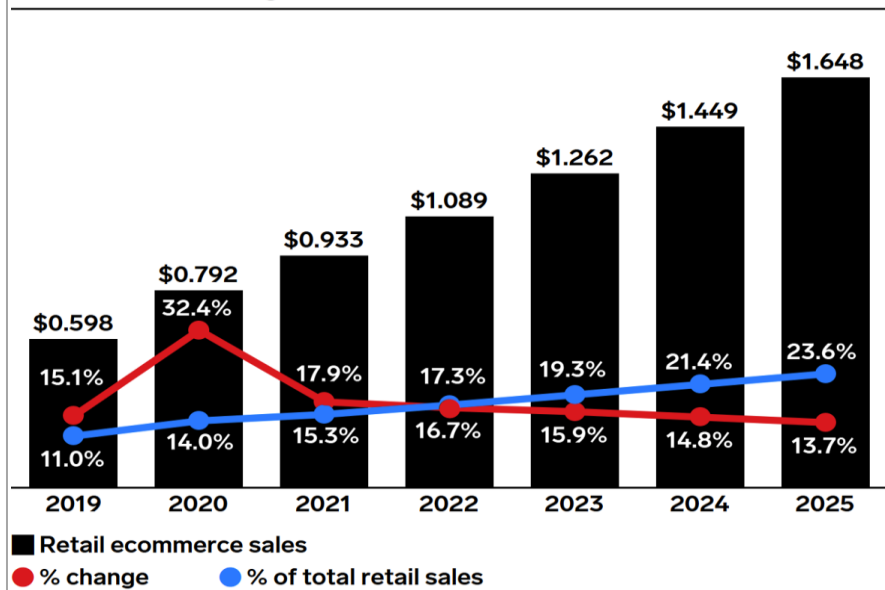
Social e-commerce-Facebook, Tiktok are both the leading network and social e-commerce platform.

Retail Ecommerce Sales Worldwide, 2019-2025

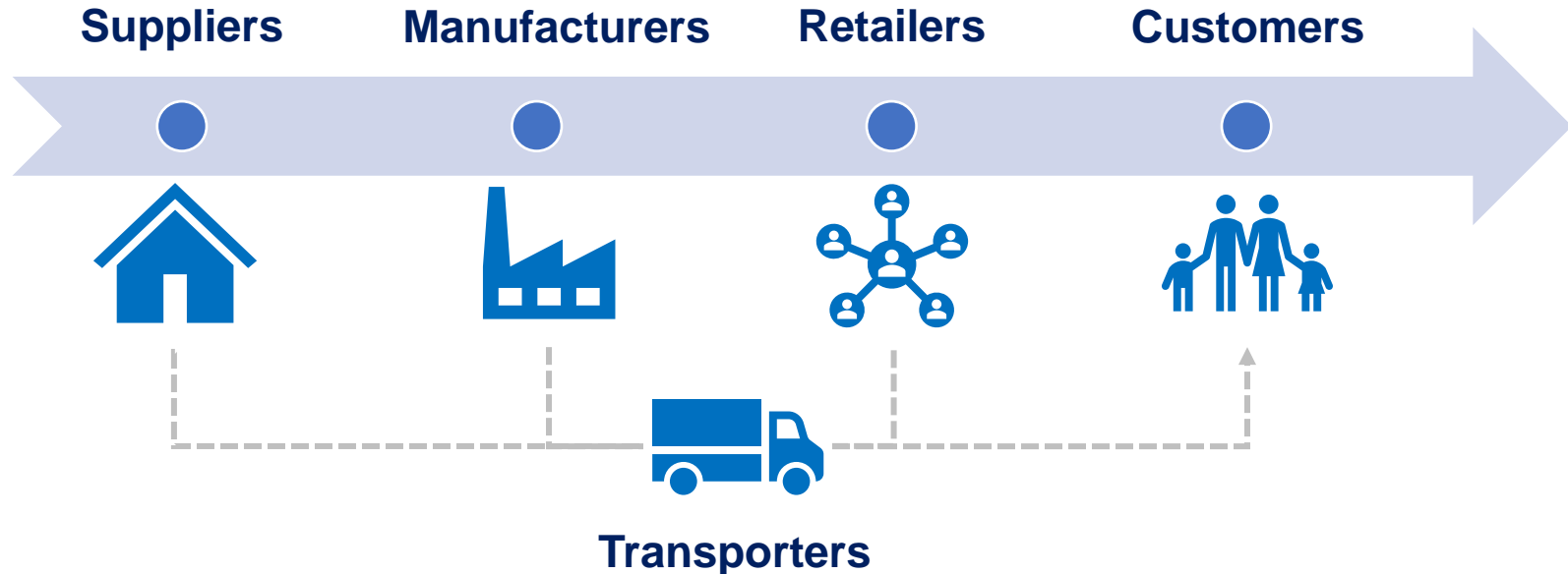
Retail Ecommerce Sales Worldwide, 2019-2025
trillions, % change, and % of total retail sales



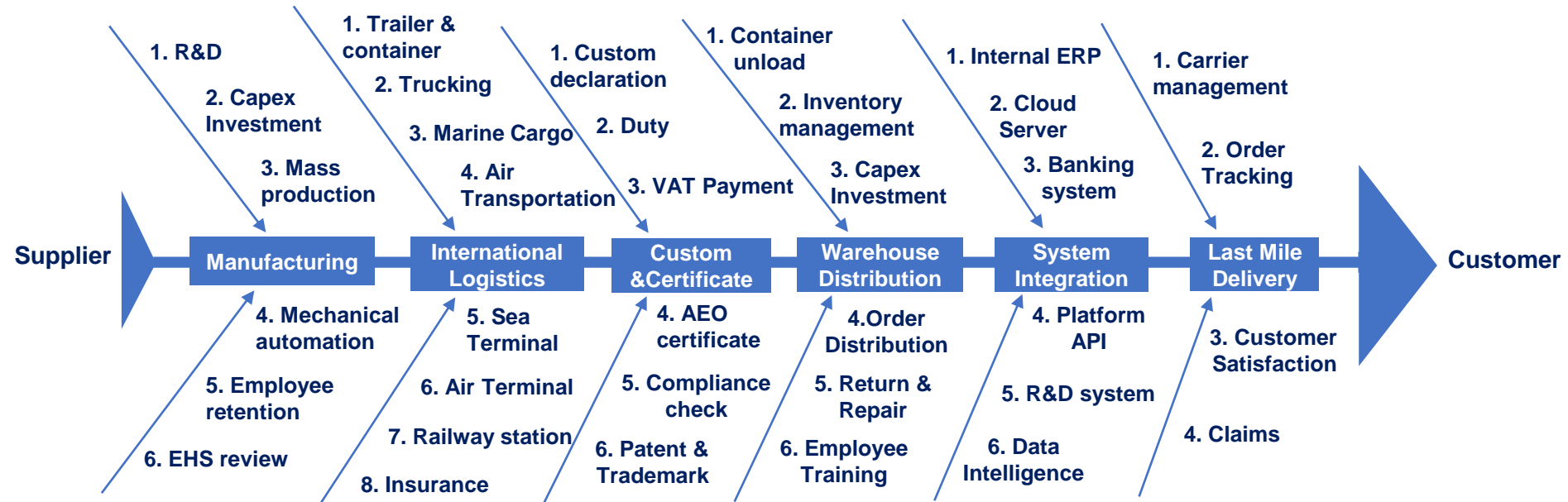
Retail Ecommerce Sales in the US, 2019-2025
trillions, % change, and % of total retail sales



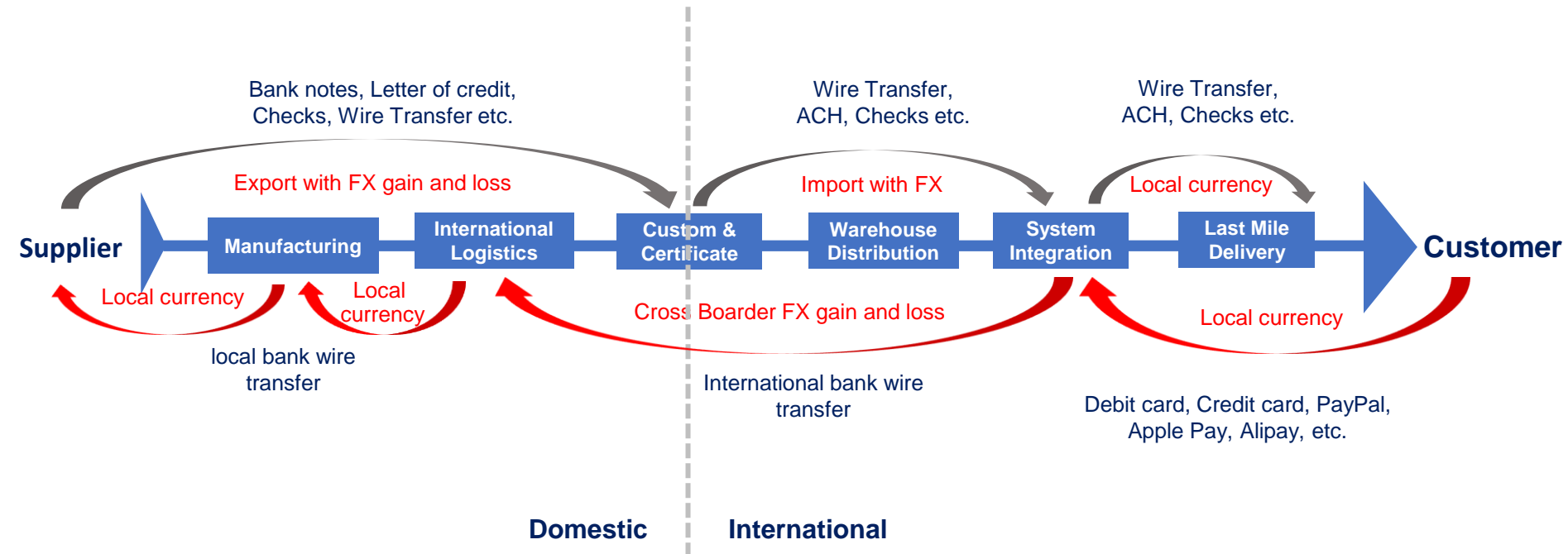
E-commerce and Industry Value Chains



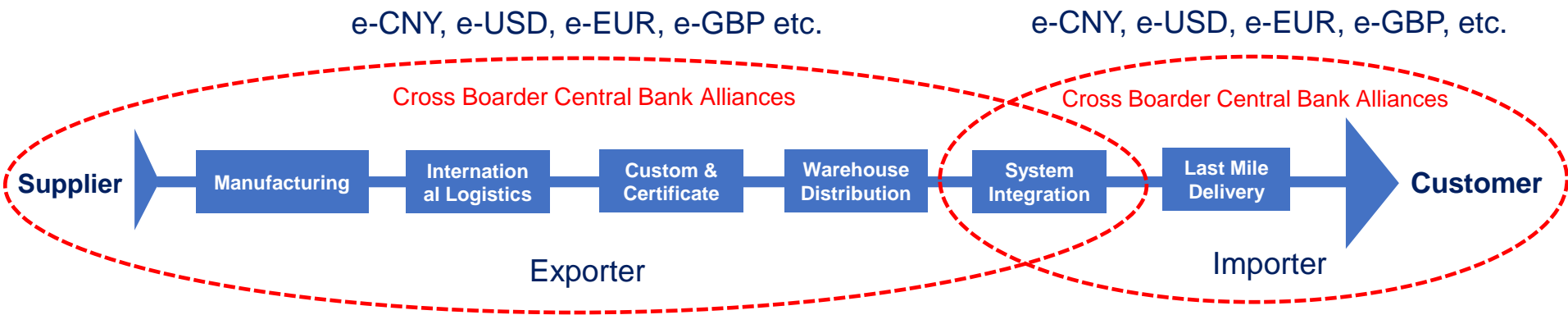
Omi-channel (**Pan-泛**) Supply Chain Management



Traditional Supply Chain Payments of E-commerce



Digital Currency Payment Solutions of E-commerce



How should the supply chain prepare for digital currency? For example, e-CNY

- Business: all transaction settlement assigned to Central Bank Alliances with e-CNY
- Customer: user educated, from credit card/Alipay/WeChat pay to e-wallet/e-CNY pay(app)
- Credit of e-CNY: state sovereignty
- Security & Technology: Blockchain, register certification

Challenges and Opportunities of E-commerce

Opportunities:

1. Steady growth of online penetration (active users)
2. Diversifying business models (retail + service + content)
3. Lifetime accompany (home + workplace + automobile)
4. Technology driving (Blockchain + Artificial Intelligence)

Challenges:

1. Post COVID supply chain management
2. Online and Offline integration (customer satisfaction)
3. Cross boarder digital currency transactions

Poll Question 5:

Which service of U.S. Commercial service has your firm leveraged?

- a. Identifying best international markets
- b. Connecting potential customers globally
- c. I am here to find out what they offer
- d. We are not a U.S. firm

Poll Question 5 Results: (Placeholder)



Carmela Mammias
Director
New York US Export
Assistance Center

Examples of how to leverage
government resources to grow
your balance sheet effectively

Why Exports Matter



The potential

- More than 96% of the world's purchasing power is outside of the United States.
- Companies that export, grow faster and are 8.5% less likely to go out of business.

Advantages of “Made in the USA”

- Innovative, creative, cutting edge
- Flexible and prepared to modify products and services
- High quality, durable, safe
- Positive brand values and awareness
- Reputation for excellent after-sales service and warranty coverage
- Creative marketing materials
- Easy to reach and communicate with
- Honest, ethical business dealings

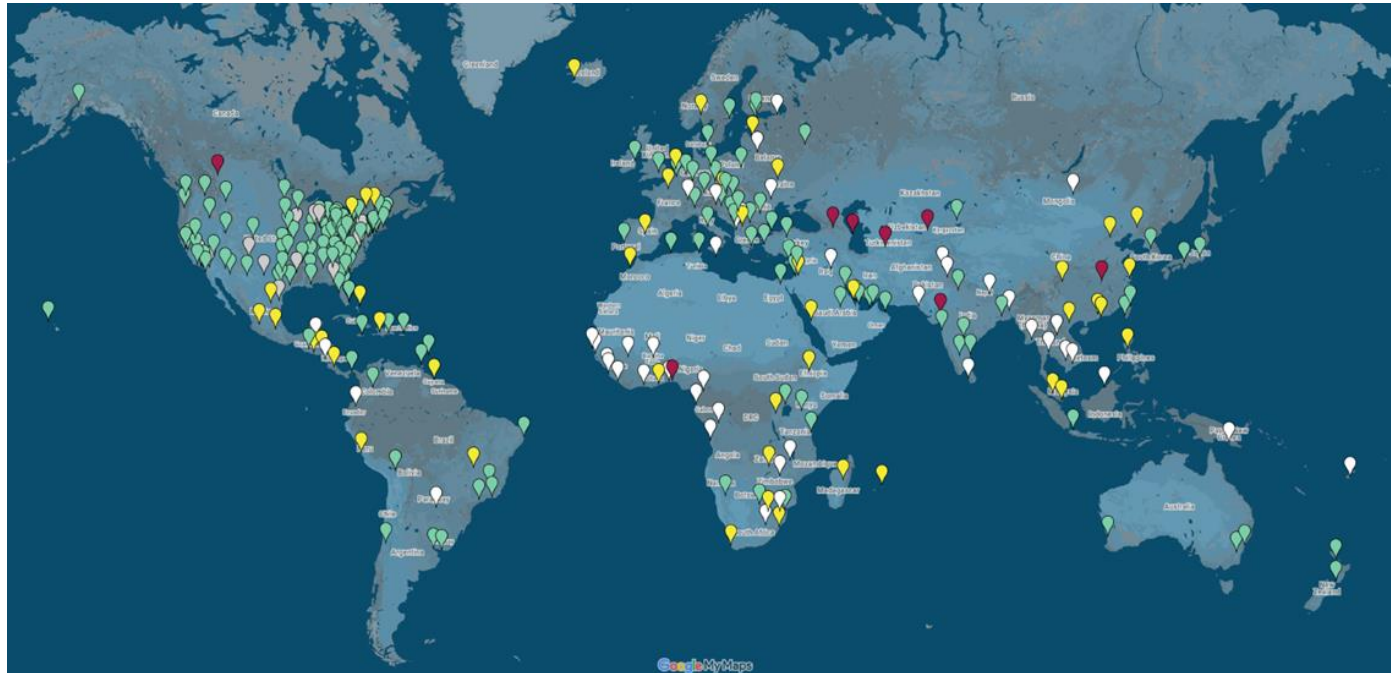
The reality

- A little-known fact is that companies that don't make the products exported comprise the majority of exporting companies – passively filling orders from domestic buyers, who then export the product.
- Less than 5% of U.S. SME's export; and of those that do, 58% sell to just one market.
- Competitors are increasing their global market share while the U.S. is underperforming.
- Export promotion programs in countries around the world have significant funding and staffing to provide assistance and services to their local businesses.

Who we are – Connecting you to global markets



The U.S. Commercial Service is the lead trade promotion agency of the U.S. government. Trade professionals in over 100 U.S. cities and more than 75 countries help U.S. companies get started in exporting or increase sales to new global markets.



Let our global network work for you.

Worldwide Recognition

As the U.S. government, we can open doors that no one else can in markets around the world.

Global Network

Our unmatched global network with trade experts in more than 80 countries can provide you with on-the-ground knowledge and connections.

Results Driven

Our expert, in-person counseling is unparalleled and designed to help you succeed in global markets.



The world is open for your business.

Our global network of experienced trade professionals is located throughout the United States and in U.S. Embassies and Consulates worldwide. Whether you're looking to make your first export sale or expand to additional markets, we offer the expertise you need to connect with lucrative opportunities and increase your bottom line.

Our Services



Export Counseling

- Develop effective market entry and sales strategies.
- Understand export documentation requirements and import regulations of foreign markets.
- Navigate U.S. government export controls, compliance and trade financing options.



Market Intelligence

- Analyze market potential and foreign competitors.
- Obtain useful information on best prospects, financing, laws, and cultural issues.
- Conduct background checks on potential buyers and distributors.



Business Matchmaking

- Connect with pre-screened potential partners.
- Promote your product or service to prospective buyers at trade events worldwide.
- Meet with international industry and government decision makers in your target markets.



Commercial Diplomacy

- Overcome trade obstacles to successfully enter international markets.
- Benefit from coordinated U.S. government engagement with foreign governments to protect U.S. business interests.

Connecting to Opportunities Abroad



Our experienced trade professionals help you enter international markets in the most efficient, targeted way. We assess your export potential, understand your needs, and provide the right mix of export resources to achieve your goals.

U.S. Commercial Service Business Approach





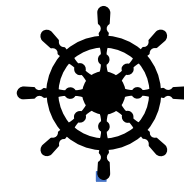
Key to Success



Unique
Successful
US Market



Export Payment – Letter of Credit
F/X



Product &
Service

3Cs

Financial
Management

IP Protection-
US & Foreign

US Export
Compliance



Commitment
Capacity
Capital



Developing an Effective Export Plan



Key Components in developing an export plan for each market:



Select Products



Confirm if export license needed



Identify targeted countries



Study basic customer profiles and related marketing and distribution channels



Develop strategy to address challenges (competition, cultural, and compliance - Import & Export)



Determine export product's sales price



Streamline export operation (When, How and Why)



Design an effective Export Implementation Plan



Optimize capital / resources to exporting



Evaluate cost (Time & Money) / benefit



Develop and manage KPIs to evaluate and monitor Company's export strategy / plan



Study sample outline and watch Webinar "How to Write an Export Plan"

- <https://www.trade.gov/sample-export-plan>
- http://2016.export.gov/webinars/eg_main_023640.asp

Market Research – Get Started



FIND HS CODE



The [Harmonized System \(HS\) Code](#) – An international classification system for traded physical products. It is used by customs authorities around the world to identify products when assessing duties and taxes and for gathering statistics. The HS code is standardized between countries at a basic 6-digit level, with country-specific definitions for the 8- and 10-digit levels. The U.S. uses a 10-digit code to classify products for export, known as a [Schedule B number](#), with the first six digits being the HS number. There is a Schedule B number for every physical product, from paperclips to airplanes.



Tools & Resources - Market Research



- Research by Country: [Country Commercial Guides](#)
- Free Trade Agreements: [FTAs](#)
- Industry Research: [Industry](#)
- Market Diversification Tool: [great tool](#)
- Top Markets Reports: [Top Market Reports](#)
- Market Destination Videos: [Short videos](#)
- Tariff Lookup Tool: www.trade.gov/customs-info-database-user-guide
- Commercial Service Newsletters: [Industry-specific](#)



For more, check out our trade.gov market research website!!!

Introduction to



- SelectUSA is the only federal-level program dedicated to facilitating high-impact business investment in the United States — working with global and domestic companies, U.S. economic development organizations (EDOs), and other federal, state, and local government agencies.
- The United States is the world's premier destination for foreign direct investment (FDI), with over \$4 trillion in total FDI stock. FDI fuels U.S. economic growth by directly and indirectly supporting nearly 14 million U.S. jobs.
- Today, SelectUSA remains a small team led by the Department of Commerce, but one with a major impact; facilitating over \$64 billion in client-confirmed new investment to the United States and supporting tens of thousands of U.S. jobs since 2011.
- SelectUSA does more with less compared to other top-ranked FDI destinations. Despite representing the world's largest economy, SelectUSA has a budget lower than those of competing investment promotion agencies in 15 other nations.

FDI Benefits the U.S. Economy



Global #1 → The United States is home to more foreign direct investment than anywhere else in the world.

25% of U.S. Exports → In 2017, U.S. subsidiaries of foreign-owned firms accounted for ¼ of all U.S. goods exports.

7.4 million U.S. Jobs → In 2017, subsidiaries directly employed 7.4 million U.S. workers.

Average Annual Compensation: \$84,044 → In 2017, subsidiaries contributed \$618 billion in compensation to U.S. employees.

R&D Investments → In 2017, subsidiaries spent \$62.6 billion in research and development in the United States.

The United States is ranked number one among countries with populations over 100 million in



In 2019 the United States topped the

A.T. Kearney Foreign Direct Investment Confidence Index

for the seventh year in a row.

How We Deliver



Services for Companies



Actionable information to support business decisions



Platform For Connections to the global network of Foreign Commercial Service posts and U.S. Export Assistance Centers



Navigating the federal system to help with questions or concerns about rules and regulations



Offering the same services to domestic companies looking to expand or return operations to the U.S.



Actionable information to support their FDI attraction and retention strategies



Platform For Connections to extend their global reach to investors (Road Shows, Single Location Promotion Service, Summit)



Navigating the federal system to help with questions or concerns about rules and regulations



Investment project advocacy to help a U.S. jurisdiction win an internationally mobile project

Questions and Answers



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Final Reminders

► **Complete the Evaluation poll** – 2 options

- On your screen
- Evaluation Survey icon at the bottom of your console

► **Access to your CPE Certificate** – 2 options

- Click the “CPE” icon at the bottom of your console
or
- Click the link in your post-event e-mail

► Please print a copy of the CPE certificate for your records.

► Your CPE credit will be automatically recorded in your transcript.

Thank you!

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