

Approved February 16, 1989  
Date

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

The meeting was called to order by Elizabeth Baker at  
Chairperson

3:39 ~~xxx~~/p.m. on Tuesday, February 7, 1989 in room 423-S of the Capitol.

All members were present except: Representatives Chronister, Goossen, Weimer, Foster and Dean.  
Excused.

Committee staff present:  
Lynne Holt, Research  
Elaine Johnson, Secretary

Conferees appearing before the committee:  
Harry Salisbury, Director, Trade Development Division, Department of Commerce  
Charles Warren, President, Kansas Inc.  
James Mattson, Vice President, Express Scale Parts, Inc.  
Mary Steeb, President, Heartland Food Products, Inc.  
Harry Crow, Export Manager, Great Plains Industries, Inc.  
Norman Heying, President, Oswald-Heyco, Inc.  
Charles J. "Jamie" Schwartz, Vice President, CMS, Inc.

The meeting was called to order at 3:39 p.m. by Chairman Baker.

Chairman Baker informed the committee that the information placed in front of them pertained to the discussion that the committee will have on the Economic Development Initiatives Fund at tomorrow's meeting. She asked that they please take it with them and look it over before tomorrow's meeting.

Chairman Baker informed the committee that the minutes of the January 31st, February 1st and 2nd meetings were in their folders and that we would be asking for approval at tomorrow's meeting.

Chairman Baker recognized Harry Salisbury, Director, Trade Development Division of the Department of Commerce.

Mr. Salisbury spoke to the committee about the Trade Fair Assistance program. Mr. Salisbury stated that to create a program in Kansas, the following possible guidelines are offered for consideration:

A suggested minimum of \$100,000 should be authorized for access by Kansas companies to participate in selected trade shows and exhibitions.

The program will be open to all small and medium-sized Kansas companies for use in both international and domestic markets.

Companies may select shows independent of state international show schedules or choose shows in which the state will also participate. In either case, the company will make application for program funds by submitting a marketing plan that meets one or more of the following criteria:

The targeted show will allow the company to enter a new market.

The show will allow the company to search for a distributor or agent to represent their product.

The show will allow the company to introduce a new product or product line in an existing market.

A qualified company will be reimbursed up to fifty percent of its eligible show expenses, with a maximum of \$2,500 per year. These funds may be used for rental of exhibit space, rental of show equipment, shipping of materials and exhibit structures, advertising in the show catalog, etc. Travel costs, hotel expenses and per diem are not eligible for reimbursement.

Each participating company will be required to complete a follow-up report including verifiable results.

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT,  
room 423-S, Statehouse, at 3:39 ~~xxx~~/p.m. on Tuesday, February 7, 1989

Program funds will be disbursed to the participating company, for approved expenses, following the show and the submission of the completed report.

There are several questions that must be addressed in the creation of this type of program. They include:

What level of funding is sufficient to serve a developing group of client companies?

Can a qualified firm apply for funding more than once per fiscal year?

Should both international and domestic trade shows be included for consideration?

Staff support for the program will include public awareness and promotion, consideration of company marketing plans, collection and analysis of follow-up reports, and documentation and payment of reimbursable expenses. Should an additional FTE position be assigned to assume the increased workload?

Should eligibility for the program be limited, in any way, by the size of the company?

Should there be a committee or panel established to consider the marketing plans submitted by the companies for approval or rejection?

Should there be any criteria established for "Kansas content", indicating to what extent the company or product is located in Kansas? (Attachment 1).

Charles Warren, President of Kansas Inc. testified in support of the Trade Fair Assistance program. (Attachment 2).

The following testified as to how the Trade Fair Assistance program would benefit their businesses and the State of Kansas:

James Mattson, Express Scale Parts, Inc. (Attachment 3).

Mary Steeb, Heartland Food Products, Inc. (Attachment 4).

Harry Crow, Great Plains Industries, Inc. (Attachment 5).

Norman J. Heying, Heyco, Inc. (Attachment 6).

Charles J. "Jamie" Schwartz, CMS, Inc. (Attachment 7).

Mr. Schwartz also informed the committee that he recommends that the Trade Fair Assistance program be limited to international shows and to direct show cost.

The meeting adjourned at 4:24 p.m.

*Elizabeth  
Baker*



HOUSE ECONOMIC DEVELOPMENT COMMITTEE

February 7, 1989

Presented by  
Harry J. Salisbury  
Director  
Trade Development Division  
Kansas Department of Commerce

Madam Chairwoman and Members of the Committee:

My name is Harry Salisbury. I am the director of the Trade Development Division at the Department of Commerce. Our division has a broad statutory mandate to assist Kansas businesses with the creation and expansion of both international and domestic markets. This assistance is rendered in a variety of ways, but none are more direct or measurable than participation in trade missions and shows.

Trade Fair Assistance is a program designed to allow companies to enter and establish themselves in an export market with direct assistance from the state. Trade shows and fairs are one of the most efficient and cost-effective methods for companies to reach potential buyers of their products. They are a proven vehicle for testing market demand and acceptance for new products, establishing or expanding distribution or representation, and contributing to increased sales. Results from trade shows are easily documented and verified, allowing both individual companies and the state to invest these dollars where they are likely to bring the greatest return.

To create a program in Kansas, the following possible guidelines are offered for your consideration:

- 1) A suggested minimum of \$100,000 should be authorized for access by Kansas companies to participate in selected trade shows and exhibitions.
- 2) The program will be open to all small and medium-sized Kansas companies for use in both international and domestic markets.
- 3) Companies may select shows independent of state international show schedules or choose shows in which the state will also participate. In either case, the company will make application for program funds by submitting a marketing plan that meets one or more of the following criteria:
  - A) The targeted show will allow the company to enter a new market.
  - B) The show will allow the company to search for a distributor or agent to represent their product.

*House Eco Dev Committee  
Attachment 1 2/7/89*

- C) The show will allow the company to introduce a new product or product line in an existing market.
- 4) A qualified company will be reimbursed up to fifty percent of its eligible show expenses, with a maximum of \$2,500 per year. These funds may be used for rental of exhibit space, rental of show equipment, shipping of materials and exhibit structures, advertising in the show catalog, etc. Travel costs, hotel expenses and per diem are not eligible for reimbursement.
- 5) Each participating company will be required to complete a follow-up report including verifiable results.
- 6) Program funds will be disbursed to the participating company, for approved expenses, following the show and the submission of the completed report.

In addressing the creation of this type of program, there are several questions which must be addressed. They include:

- 1) What level of funding is sufficient to serve a developing group of client companies?
- 2) Can a qualified firm apply for funding more than once per fiscal year?
- 3) Should both international and domestic trade shows be included for consideration?
- 4) Staff support for the program will include public awareness and promotion, consideration of company marketing plans, collection and analysis of follow-up reports, and documentation and payment of reimbursable expenses. Should an additional FTE position be assigned to assume the increased workload?
- 5) Should eligibility for the program be limited, in any way, by the size of the company?
- 6) Should there be a committee or panel established to consider the marketing plans submitted by the companies for approval or rejection?
- 7) Should there be any criteria established for "Kansas content", indicating to what extent the company or product is located in Kansas?

Madam Chairwoman and Members of the Committee, I will now yield to this group of business leaders for their thoughts and comments on Trade Fair Assistance. First, I would be delighted to answer any questions you may have.

EXPORTS PER CAPITA BY STATE  
(Based on FY 1987 statistics)

	Mfg. <sup>1</sup> Exports (\$ Bill)	Ag. <sup>2</sup> Exports (\$ Mill)	Total* Exports (\$ Bill)	1987 <sup>3</sup> Population (Millions)	1987 Exports per capita (\$)
1. Washington	10.6	682.6	11.28	4.538	2,486
2. Alaska	1.3	-0-	1.30	.534	2,438
3. Louisiana	9.8	315.5	10.12	4.461	2,269
4. Minnesota	3.3	1,368.4	4.67	4.246	2,000
5. N. Dakota	.232	947.2	1.18	.672	1,756
6. Michigan	13.0	486.6	13.49	9.20	1,466
7. Nebraska	.559	1,578.3	2.14	1.594	1,343
8. Iowa	1.4	2,263.6	3.66	2.834	1,291
9. Texas	19.7	1,521.3	21.22	16.789	1,264
10. Massachusetts	7.0	14.2	7.01	5.855	1,197
11. California	27.5	2,837.1	30.34	27.663	1,097
12. Kansas	1.2	1,513.5	2.71	2.476	1,095
13. Vermont	.562	4.4	.57	.548	1,040
14. Delaware	.611	40.8	.65	.644	1,009
15. Virginia	5.6	217.5	5.82	5.904	986
16. Oregon	2.3	323.1	2.62	2.724	962
17. S. Dakota	.05	565.6	.62	.709	874
18. New York	15.0	188.5	15.19	17.825	852
19. Idaho	.423	420.7	.84	.998	842
20. N. Carolina	4.5	810.3	5.31	6.413	828
21. Connecticut	2.6	21.6	2.62	3.211	816
22. Arizona	2.5	249.7	2.75	3.386	812
23. Ohio	7.6	921.8	8.52	10.784	790
24. Illinois	6.9	2,115.3	9.02	11.582	779
25. Wisconsin	3.1	603.0	3.70	4.807	770
26. Indiana	3.2	1,011.9	4.21	5.531	761
27. New Hampshire	.710	-0-	.71	1.057	672
28. Florida	7.6	465.8	8.07	12.023	671
29. Kentucky	1.8	649.9	2.45	3.727	657
30. New Jersey	5.0	38.9	5.04	7.672	657
31. Montana	.239	264.6	.50	.809	618
32. Colorado	1.4	433.1	1.83	3.296	555
33. S. Carolina	1.7	172.4	1.87	3.425	546
34. Georgia	3.0	386.9	3.39	6.222	545
35. Mississippi	.973	438.5	1.41	2.625	537
36. Missouri	1.8	897.6	2.70	5.103	529
37. W. Virginia	1.0	4.7	1.0	1.897	527
38. Arkansas	.519	697.9	1.22	2.388	511
39. Alabama	1.8	219.3	2.02	4.083	495
40. Tennessee	1.9	286.6	2.19	4.855	451
41. Maine	.50	10.4	.51	1.187	430
42. Utah	.659	47.5	.71	1.68	420
43. Pennsylvania	4.6	203.2	4.80	11.936	414
44. Rhode Island	.383	-0-	.38	.986	385
45. Oklahoma	.842	342.2	1.18	3.272	361
46. Maryland	1.5	105.5	1.61	4.535	355
47. Nevada	.309	2.7	.31	1.007	308
48. Hawaii	.152	32.0	.18	1.083	166
49. New Mexico	.132	45.0	.18	1.50	120
50. Wyoming	.006	27.2	.03	.490	61

\* - Excludes the service sector exports

Sources: <sup>1</sup> U.S. Dept. of Commerce, Bureau of the Census.

<sup>2</sup> Foreign Agricultural Trade of the United States; U.S. Dept. of Agriculture; March/April 1988.

<sup>3</sup> U.S. Dept. of Commerce, Bureau of the Census.

a-1-3  
2/7/89

Trade Fair Assistance Program Opportunity

House Committee On Economic Development

February 7, 1989

Testimony by

Charles R. Warren  
President, Kansas Inc.

*House Eco Devo Committee  
Attachment 2 2/7/89*

Thank you Madame Chairperson and members of the Committee.

At its meeting on January 12, the Kansas Inc. Board of Directors adopted unanimously a policy statement supporting the creation of a trade fair assistance program in Kansas. I have provided copies of that policy statement to you earlier. I have additional copies with me today if needed.

The Board based its recommendation on:

- 1) a Kansas Inc. funded telephone survey of both exporting and non-exporting manufacturers in Kansas; and,
- 2) information from other states that have created this type of program for their business community. Attached to my testimony is a letter from Larry Montgomery, in his capacity as Vice-Chairman of the Mid America District Export Council, that details the highly successful experience from a similar program in Iowa.

Manufacturers' Survey: The Kansas Inc. survey revealed a great deal of interest in trade fair assistance from both exporting and non-exporting firms. Over 66 percent of firms that currently export responded that a trade fair assistance program would be a help in increasing their export capabilities.

Among firms that do not currently export, but feel they have



great to moderate potential to enter the export market, over 65 percent felt a trade fair assistance program would help. The non-exporters that reported they would benefit from this type of program represented over 11 percent of all the non-exporting firms surveyed.

Trade Fair Assistance Programs in Other States: Maryland has operated a program for one year. The program budget was \$120,000 in 1988, 40 trips were made. The state claims \$50 in sales were achieved for every \$1 in state expenditure.

Iowa has a trade fair assistance program funded currently at \$400,000. Sales of \$5 million resulted from a single trade mission in 1988.

Indiana initiated a program this year funded at \$200,000, six months into the fiscal year, \$60,000 in reimbursements have been made. Their program is too new for results to have been reported.

Typically these programs limit the amount of total expenses paid by the state, specify a percentage share the state will reimburse, and identify eligibility criteria for firms that want to participate. Examples of qualifying expenses include: space rental, utility costs, booth design, and shipping expenses.

Besides the interest expressed through the survey and aggressive action by other states, the fact that last summer six business people took time out of their schedules to testify before the Joint Interim Committee speaks to the potential that exists in a trade fair program. All conferees this summer

mentioned trade fair assistance would help them market their products to foreign countries. Today, other Kansas business owners/managers will also testify in support of trade fair assistance.

The Board of Directors' expressed strong support for export programs in Kansas as being critical to the state's future. A trade fair assistance would be an important step toward expanding Kansas products into the export market.

Thank you, I would be glad to respond to any questions the committee may have.

MID AMERICA  
DISTRICT EXPORT COUNCIL

January 30, 1989

William C. Lutz, Chairman  
Larry D. Montgomery, Vice Chairman  
John R. Kupfer Executive Secretary

Mr. Charles Warren, President  
KANSAS, INC.  
400 SW 8th - Suite 113  
Topeka, Kansas 66603

Dear Charles:

As you know, lottery funds in Iowa are predominately used for economic development just as they are in Kansas. The enclosed Iowa draft rules were passed by the Iowa Department of Commerce and funded by the Iowa Legislature. These new rules have enabled a significant increase in export activity by "new to market" Iowa firms.

In fact, during a recent four state trade mission to Turkey, Egypt and Saudi Arabia, 13 of the firms were from Iowa. The Iowa law is appropriately limiting in nature to 1) Iowa firms, 2) either U. S. Department of Commerce or Iowa Department of Commerce trade missions or trade fairs, 3) funding up to \$5,000 per participating Iowa "new to market" firm, 4) state funding not to be used for travel, and 5) limiting state funds to 75% of all other costs.

As of December 7, 1988, the results of the above "Agribusiness '88 - Midwest Region Trade Mission" were as follows:

1) All companies reported that at least one of their marketing objectives was fulfilled, 2) qualified sales leads totaled 80, 3) 15 agents/distributor agreements were signed, plus three pending, 4) total of \$5 million in sales, plus, 5) one firm returning to Saudi Arabia to negotiate a \$5.5 million contract, 6) one confidential development contract signed, and 7) business appointments totaled 196 in the three countries.

As we discussed, revenue from world trade contracts is among the best of "new money."

With every best wish, I remain

Sincerely,

  
Larry Montgomery  
Vice-Chairman

cc: Mr. John Kupfer  
Sec. Harland Priddle  
Mr. Dennis Taylor



In affiliation with:  
U.S. DEPARTMENT OF COMMERCE  
International Trade Administration  
U.S. & Foreign Commercial Service  
Kansas City District Office

a-2-5  
2/7/89

ECONOMIC DEVELOPMENT, DEPARTMENT OF (261)

IOWA EXPORT TRADE ASSISTANCE PROGRAM

Chapter 61

261-61.1 (72 GA, SF 2309) Purpose. The purpose of the Iowa export trade assistance program is to promote the development of international trade activities and opportunities for exporters in the State of Iowa through encouraging increased participation in overseas trade shows and trade missions by providing financial assistance to successful applicants.

261-61.2 (72 GA, SF 2309) Definitions.

"Department" means Iowa department of economic development.

"Bureau" means international bureau of the department.

"Sales agent" means a contracted representative of an Iowa firm with the authority to consummate a sales transaction.

\* "Trade mission" means a mission event sanctioned by the department of economic development or the U.S. department of commerce.

261-61.3 (72 GA, SF2309) Eligible applicants. The export trade assistance program is available to Iowa firms producing products or providing services in the State of Iowa. To be eligible to receive trade assistance applicants must meet all three of the following criteria:

a. be an Iowa resident or an entity with corporate offices located in the state of Iowa, employing fewer than five hundred (500) individuals, and

b. exhibit products or services or samples of Iowa manufactured, processed or value added products in conjunction with a foreign trade show or trade mission (catalog exhibits are permitted if they are used in conjunction with the exhibit of product or service or in association with the firm's participation in a trade mission), and

c. have at least one full-time employee or sales agent attend the trade show or participate in the trade mission.

261-61.4 (72 GA, SF 2309) Eligible reimbursements. The department reimbursement to approved applicants for assistance shall not exceed 75% of the expenses directly attributed to the applicant's costs of

participation in a trade show or trade mission. Total reimbursement shall not exceed five thousand dollars (\$5,000) per event. Reimbursement shall be made upon the presentation of paid receipts to the Bureau. Reimbursement is limited to the following types of expenses:

61.4(1) Trade Shows.

- a. space rental,
- b. booth design,
- c. booth construction,
- d. booth equipment and/or furniture rental,
- e. freight costs associated with shipment of equipment and/or exhibit materials to the participants booth and return,
- f. booth utility costs,
- g. per diem (lodging and meals) for the day immediately before the opening day of the trade show through the day immediately after the closing day of the trade show; per diem is determined by rate schedules provided by the U.S. Department of State for travel in foreign areas; per diem will be paid for only one employee.

61.4 (2) Trade Mission.

- a. mission participation fee,
- b. Per diem (lodging and meals) for each day identified in the official mission itinerary; per diem is determined by rate schedules provided by the U.S. Department of State for travel in foreign areas; per diem will be paid for only one employee.

261-61.5 (72 GA, SF 2309) Applications for assistance. To access the export trade assistance program, the applicant shall:

- a. Complete the export trade assistance program's application form and return it to the bureau prior to trade event participation. Successful applicants will be required to enter into a contract for reimbursement with the department prior to trade event participation.
- b. Exhibit products or services or samples of Iowa products in conjunction with a foreign trade show or trade mission (catalog exhibits are permitted if they are used in conjunction with the exhibit

of product or service or in association with the firm's participation in a trade mission).

c. Have in attendance at the trade show or trade mission at least one full time employee or sales agent of the applicant.

d. Pay all expenses related to participation in the trade event and submit for reimbursement from the department for eligible, documented expenses.

e. Complete the final report form and return it to bureau before final reimbursement can be made.

261-61.6 (72 GA, SF 2309) Selection process. Applications will be reviewed in the order received by the bureau. Successful applicants will be funded on a first-come, first-served basis to the extent funds are available.

261-61.7 (72 GA, SF 2309) Limitations. A participant in the export trade assistance program shall not utilize the program's benefits more than three times during the State's fiscal year, July 1 - June 30, nor may a participant access the program's benefits for more than fifteen thousand dollars (\$15,000) during the same fiscal year.

261-61.8 (72 GA, SF 2309) Forms. The following forms will be used by the department in the administration of the export trade assistance program:

1. ETAP application form,
2. ETAP final report form,
3. Reimbursement agreement.

\_\_\_\_\_  
Allan I. Thoms, Director

\_\_\_\_\_  
Date



# Express Scale Parts, inc.

20663 W. 68TH STREET • SHAWNEE, KANSAS 66218 • (913) 441-4787

February 7, 1989

My name is James Mattson, and I am here today with my wife, Carla, representing Express Scale Parts Co. Express Scale Parts is an 11 year old manufacturing company located in Shawnee, Kansas. We manufacture a complete line of bagging scales and bag closing conveyors. Bagging scales are devices that weigh up a variety of products and put them into bags, for example, dog food, cat food and fertilizer bags that you are all familiar with. Conveyors move the filled bags through sewing heads for closing. We have sales slightly over 3 million dollars per year and employ 20 people, all at the Shawnee manufacturing facility.

Our products are used world wide with approximately 97% of all our products leaving the state of Kansas and 40% of all our products leaving the United States. Our main areas outside the United States are third world countries because our products have very little sophistication to them and fit nicely into their economy. We bag urea, fertilizer and grains in Ethiopia, Sudan, Burma, Thailand and Pakistan. We handle feeds and seed in Mexico, China, Canada and throughout all of South and Central America. We handle shrimp feeds in Taiwan and meat and bone meal and fish meal in Australia.

We have found the most effective way for our products to gain acceptance in the market place is through exposure generated from trade shows. We have so far participated in trade shows in the United States throughout our 11 year existence. These shows have been in the poultry processing industries, feed processing industries and grain processing industries. These shows have resulted in many resale accounts that we sell to on a regular basis. They have also resulted in many visitors to our factory. We currently average between two and three visitors per week. These visitors almost without exception fly into Kansas City and spend at least one evening as part of their visit to our factory. The primary purpose of these visits is to watch products run on our scales and for operator training.

*House Eco Devo Committee*

*Attachment 3 2/7/89*

We have participated in two of the state of Kansas trade missions through the Department of Commerce and the Department of Agriculture. We have visited Taiwan and also Colombia. We have also participated in a trade show with the state of Kansas in Maricaibo, Venezuela this past year. Express Scale Parts is also a part of an upcoming state of Kansas pavillion at the AFIA, American Feed Industries Association, show in Kansas City in May of 1989.

Because our products are generally used as part of a large overall facility, the impact of our travels with the state of Kansas and participation in these shows is generally not immediate. We recorded no sales while in Taiwan, but in the year since we have returned we have sold several of our products to two different companies we visited in Taiwan and also have just received a rather large order for a facility in Taiwan through M.E.C. Company, another Kansas corporation constructing whole feed mills in Taiwan. The trip to South America generated only minimal initial sales, but in the last three months we have sold over \$25,000 worth of our equipment to companies in Colombia and Venezuela. These resale accounts that we made contact with had been quoted many other scales, and we expect to close some of these within the next 12 months.

Normal trade shows in the United States generate more initial sales and subsequently more business over the following 12 month period than export shows and are therefore much easier to calculate results. For example, at the AFIA Feed Shows we normally will book between \$20,000 and \$40,000 worth of equipment at the show and have calculated that at least \$100,000 of subsequent business has been a direct result of the contacts made at the show.

We certainly appreciate all the efforts that have been made by the Kansas Department of Agriculture and the Kansas Department of Commerce that we have been fortunate enough to benefit from. Express Scale would try to take advantage of promoting our products in different markets that we are not presently in if there were some funds available to promote other trade shows such

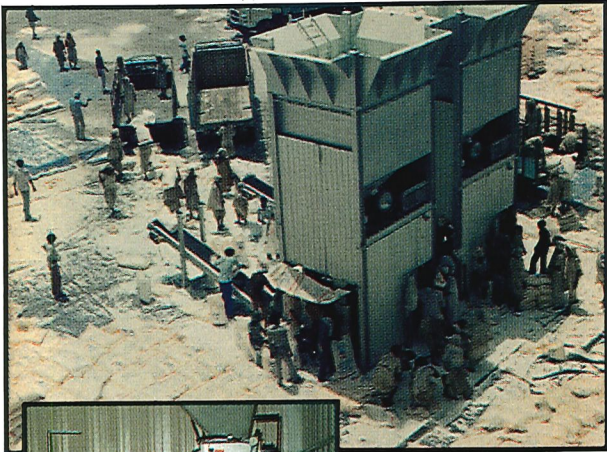


as lawn and garden industry, chemicals and other packaging shows that we just are not able to participate in.

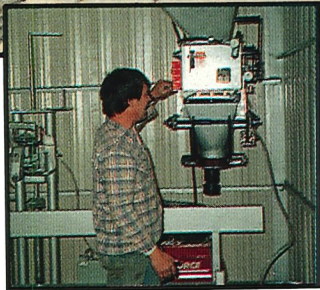
Thank you all for the time allowed to present our opinions on this bill.

## 4 COMPLETE PORTABLE BAG PLANT

You don't need to build bins or do on-site work. Just assemble the sections; supply electric power; fill the hopper with your bulk product . . . and start bagging. Designed so it can be transported on a flatbed trailer. The system can be supplied with any type of bag closing equipment sewing heads, pinch bottom closures, or heat sealers for plastic bags. The plants can contain either one or two complete bagging lines.



Above: Unloading and bagging dockside.



Left: Internal view of low capacity, single line bag plant.

## 5 SPECIAL SERVICE

By being a small company, we are able to design to your individual needs. We can supply any type of paint finish on any type of metal contact surface. The net weight bagging scales can be converted to bulk scales for in-process use. Impackers can be supplied to settle bulky products into the bag. Deaeration devices have been supplied for handling aerated products. Baggers have also been duplex to obtain speeds up to 30 bags per minute.

## 6 REMANUFACTURE AND RECONDITIONING

We have complete facilities to refurbish used equipment. Our sandblast booth starts the process and our employees have the experience to make used equipment work and look like new. We recondition more bagging equipment than anyone else in the United States. Our customers include Ralston Purina Company, International Multifoods, Cargill Nutrena, and Land-O-Lakes.



Our new oven provides baked-on enamel finishing and teflon coating baking.



**Express Scale Parts, inc.**

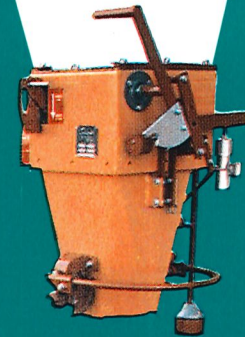
20663 West 68th Street  
Shawnee, Kansas 66218

Call TOLL FREE 1-800-255-6384  
in Kansas call (913) 441-4787  
Telex #417054

# SIX REASONS WHY



# OFFERS YOU COMPLETE BAGGING SCALE SERVICE



## LET US HELP YOU MAKE IT EASIER TO BAG YOUR PRODUCT!

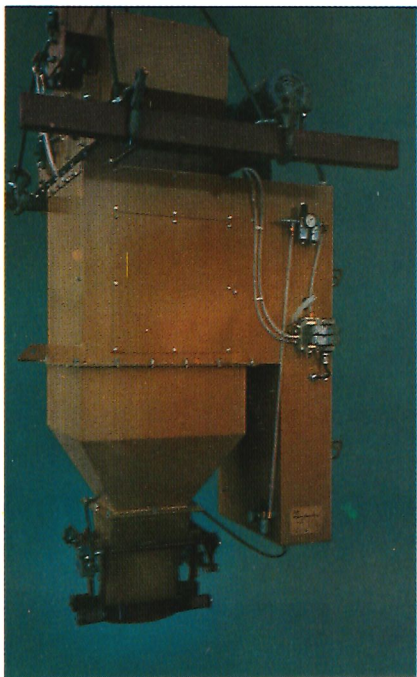
### SEE INSIDE.

2-3-4  
2/7/80

For over ten years Express Scale Parts has been helping customers in both the United States and abroad with their bagging problems. Quite logical then, that we should have developed the capability to design and build all types of open mouth bagging machines, bag closing conveyors, and turn-key operations called bagging plants. Yes, if special design or application is needed, we can do the job for you. Here are six reasons why we offer you a complete bagging service.

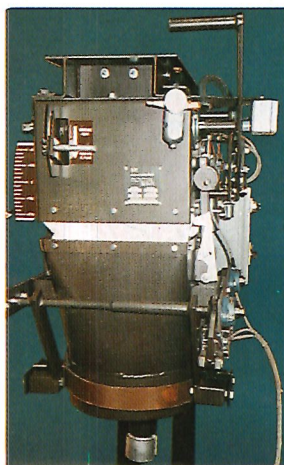
## 1 NET WEIGHT BAGGING SCALES.

The CM-780 net weight bagging scale has been field tested to handle up to 15 (50 lb.) bags per minute with an accuracy of +/- two ounces. It can be supplied in a choice of gravity fed, belt fed, or screw fed to weigh practically any type of dry product into a bag, box, drum, or any other container. Controls for the standard system feature solid state timer and relay design which are the most reliable, economical, and easy to maintain controls available. We also offer digital controls and programmable controllers for more sophisticated needs.



## 2 GROSS BAGGING SCALES.

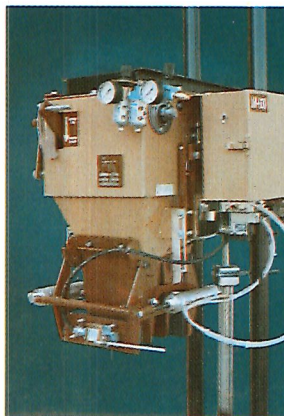
For efficient, low cost bagging of any free flowing material into paper, cloth, or plastic bags ... these hand operated machines will produce six bags per minute +/- four ounce accuracy.



GBAO-31 units are for dusty products.



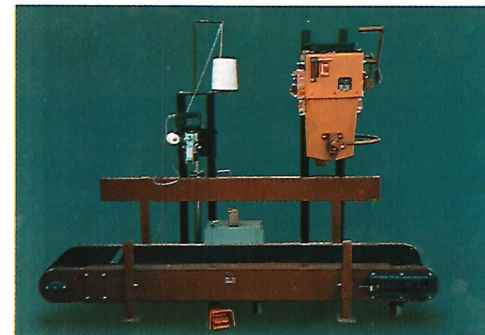
GB-32 units are for non dusty products.



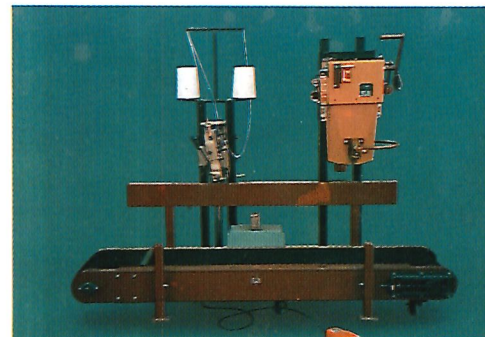
For bagging 10 to 11 bags per minute of free flowing product at +/- four ounce accuracy the JM series scales can also be supplied dust-tight for handling dusty products.

All gross bagging scales can be supplied either belt fed for semi free flowing products, screw fed for powdery products, or vibratory fed for flake products.

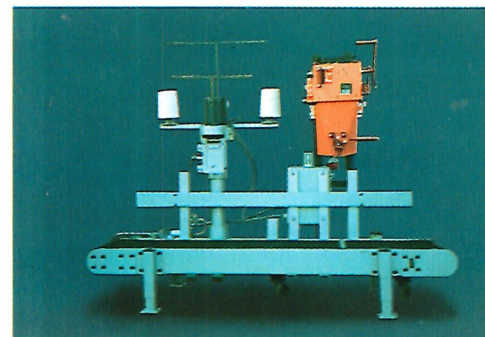
## 3 A FULL LINE OF BAG CLOSING CONVEYORS



4-Bagger Conveyor for one man bagging and stacking at four bags per minute. It uses the portable type sewing head mounted on an adjustable column.



700 Conveyor uses the industrial type sewing head without options ... heavy duty and rugged.



800 Conveyor is the deluxe model with swing-away sewing pedestal. Can use any industrial sewing head with any option. These models can also be supplied in V design and extended lengths up to 12 feet.

February 7, 1989

HOUSE ECONOMIC DEVELOPMENT COMMITTEE

Presented by Mary Steeb - Heartland Food Products, Inc.

Good afternoon Madame Chairperson and Committee Members:

It is my pleasure to meet with you today to discuss an issue that I believe is important to my company.

Heartland Food Products, Inc. was started in 1985 and incorporated in 1987. Heartland manufactures and distributes breadings and add-water mixes to the food service industry.

My company has benefitted greatly from the trade fairs and food shows in which we have participated. A substantial portion of the business we have today is a direct result of these shows.

In fact, the Bloomingdales promotion was a direct result of a Kansas sponsored booth at the International Fancy Food and Confection Show in New York City in 1987. That initial contact resulted in promotion of Kansas retail products by one of the finest retailers in the world and generated well over \$ 100,000.00 in sales for companies in the state of Kansas.

The proposed Trade Show Assistance Program offers Heartland and other small and medium sized companies the following opportunities:

- A cost effective way to showcase existing products and test new products in the marketplace
- Exposure to foreign and domestic markets
- Exposure to brokers, distributors and retailers
- An opportunity to establish Heartland as a major player in the marketplace

By exhibiting at trade shows, Heartland's products are seen by an array of potential buyers including hotel chains, retail chains, restaurant groups, food service distributors, brokerage groups and small retail accounts. When sampling our products at these shows we are able to see how our existing products stack up against our competitors and we are able to solicit comments about our products from a wide variety of potential users. These comments assist us in modifying existing products and developing new products.

*House Eco Devo Committee*  
*Attachment 4 2/7/89*

Trade shows offer us the opportunity to see the newest ideas in competitive products, packaging and equipment. This exposure to new products and trends helps to stimulate development of new products by my company.

Because we are a small company, we have limited promotional resources. Advertising costs are enormous and to make any lasting impression on a targeted market a sustained ad campaign is required. Since we cannot afford to purchase the needed advertising, we have found that trade shows are the perfect place to tell our story. Prospective accounts can see and taste our products. And even more importantly, these buyers can speak to our company's representatives and this human contact is very important in any potential business relationship.

Last Spring in an effort to study the trade opportunities for Heartland's products in Europe, I attended M.I.A.D., a five day international confection exposition in Milan, Italy. That visit confirmed my belief that there is a large untapped market for our products abroad. But for Heartland to break into this area of export, we must have a way to introduce our products. Exposure to foreign and domestic buyers at trade shows is the fastest and most cost effective way we can go to market in a professional manner.

Participation in trade shows is an integral part of my company's future and any assistance we receive will be put to good use benefiting my company and ultimately the state of Kansas. Thank you for your time and attention.



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**GREAT PLAINS INDUSTRIES, INC.**

Testimony before the House Economics

Development Committee

February 7, 1989

Distinguished Committee Members,

My name is Harry Crow and I am Director of International Sales for Great Plains Industries located in Wichita. We are a 16 year old manufacturing company dedicated to the design, manufacturing and distribution of transfer pumps and meters used primarily for the transfer and measurement of fuel and agricultural chemical products.

Our sales are in the 15 million dollar per year range and we employ between 80 to 100 people depending upon the season and sales volume.

We have exported almost from the beginning, but until recent years, it has been on a haphazard, on demand basis. That is, foreign companies have contacted us and we have begun selling and in most cases without ever having seen the people involved and many times ending up with the wrong company. Regardless of this un-organized approach, over the past few years our export sales have accounted for about 25 per cent of our total volume going mainly to Canada, Western Europe and Australia.

As most of our domestic volume goes into the agricultural sector, during the recent U.S. agricultural slump, this 25 per cent was helpful in keeping our company going. But in the past year or so, though, while our domestic volume has been dramatically increasing, our export volume has only shown slight increases. Therefore, this 25 per cent export as a percentage of total sales is actually shrinking.

*House Eco Devo Committee  
Attachment 5 2/7/89*

During the past few years, we have found that nothing takes the place of face-to-face meetings with prospective export distributors and customers. With our domestic sales, trade shows have always played an important, successful, part of our overall marketing efforts. With export, though, we have been reluctant to support these efforts, particularly in new markets, because of the costs involved.

Great Plains Industries has never exhibited its products, as an individual company, in any foreign trade show. Our first effort at displaying in a foreign market, as a company, was participating with four other Kansas manufacturers and the State of Kansas at an exhibition in Venezuela in September of 1988. We are not new to export so we do not need help with the mechanics of export, where we need help is with exposure of our products.

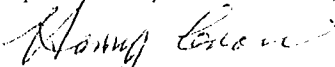
With the recent favorable exchange rate of the U.S. dollar against foreign currencies, we feel that there are new markets worth looking into particularly if some of the up-front risk costs were shared. New markets and the development of older markets means more sales, more jobs and in the end more tax revenues and a higher profile, more prosperous State.

If we don't or can't move ahead, then our major competitors in other states, particularly the state of Indiana, will move ahead.

I want to take this opportunity to commend both our Kansas State Department of Commerce and this Committee for considering such positive, hands on, approaches to increasing exports and not just a bunch of "Export Now" slogans.

Thank you for inviting me and for your time and consideration.

Respectfully submitted,

  
Harry Cray  
Director International Sales

When economical cooling performance counts,

## GPI delivers...

12 VOLT COOLING AT IT'S BEST.

THE PLA-COOL



This industry leader cools or exhausts recreational vehicles or vans all night long without recharging batteries. Operates off any standard 12-volt battery with a draw of 3.2 to 5 amps. No noisy auxiliary power unit required. Low-profile, aerodynamic design minimizes wind drag to conserve fuel. Lightweight, paintable, ABS plastic body is virtually maintenance free. Operates most efficiently in high-temperature, low-humidity climate.

HIGH PERFORMANCE VENTILATOR



This powerfull exhaust vent removes superheated air from RV's, delivery vehicles, trucks and vans. The HPV provides natural cooling using the same concept as a home attic fan. The HPV operates off 12 Volts to provide complete air exchanges every 30 seconds to 90 seconds, depending on vehicle size. The HPV moves up to 700 cubic feet of air per minute to provide a natural current of cool air throughout the vehicle. It's space-age low profile, aerodynamic design won't detract from vehicle's appearance.

Where do you find these and other dependable GPI products?

At leading farm supply stores, farm implement dealers, petroleum equipment outlets, farm chemical dealers, and recreational vehicle accessory stores.

What do pumps, meters and coolers have in common?

When they're built to uncommonly high performance standards, the answer is...



... we're high on performance !

Need more information? Can't find these quality products? Call toll free 1-800-835-0113.



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Wichita, Kansas 67207  
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**GREAT PLAINS INDUSTRIES, INC.**

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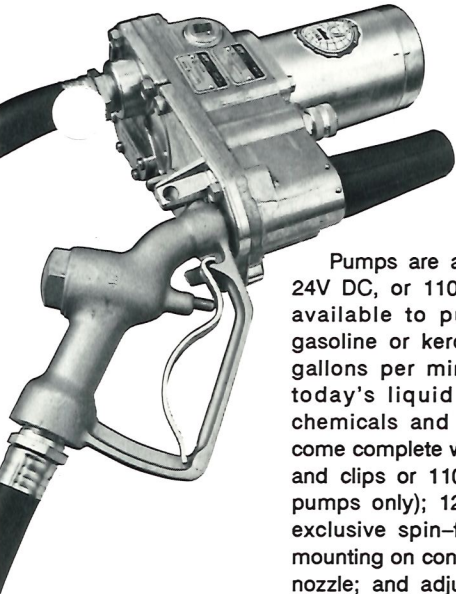




When dependable performance must,

## GPI delivers...

### RELIABLE FUEL AND HERBICIDE TRANSFER PUMPS.



Pumps are available in 12V DC, 24V DC, or 110V AC. Models are available to pump diesel fuels, gasoline or kerosene—at up to 15 gallons per minute—and most of today's liquid bulk herbicides, chemicals and oils. Fuel pumps come complete with 20' battery cable and clips or 110V pigtail (Herbicide pumps only); 12' hose with nozzle; exclusive spin-free collar for easy mounting on container; dust cover for nozzle; and adjustable suction pipe (DC fuel models only). Hose, nozzle and adjustable suction pipe optional on all herbicide pumps.

### ACCESSORIES AND SPARE PARTS



GPI has a full line of accessories including meters, hoses, nozzles, adjustable suction pipes and prepackaged spare parts with instructions.

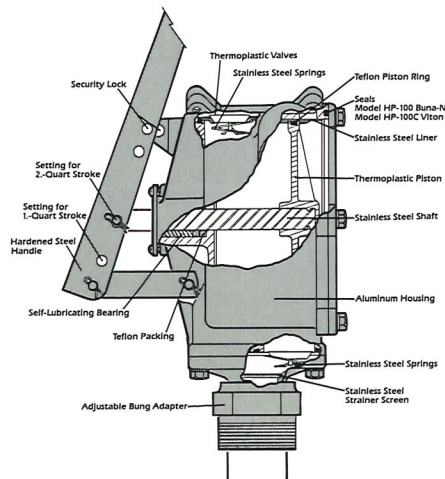
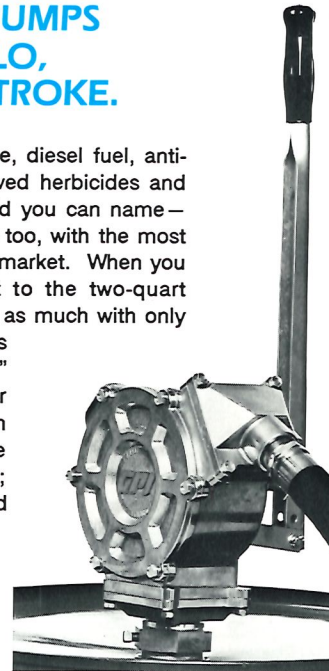
When big performance and low cost matter,

## GPI delivers...

### MULTI-PURPOSE PISTON HAND PUMPS WITH A DUAL-FLO, 1 OR 2 QUART STROKE.

Pump gasoline, kerosene, diesel fuel, anti-freeze, oils, solvents, approved herbicides and chemicals—almost any liquid you can name—by hand. Do it twice as fast too, with the most efficient hand pump on the market. When you switch from the one-quart to the two-quart stroke, you can pump twice as much with only one-third more effort. Pumps come complete with 8', 1" dia. hose (EPDM hose for herbicide model); suction pipe; exclusive spin-free collar; bung adapter; integrated nozzle cover; and valve to prevent siphoning.

The real beauty of a GPI Hand Pump lies beneath its cast aluminum body.

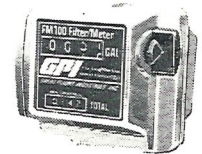
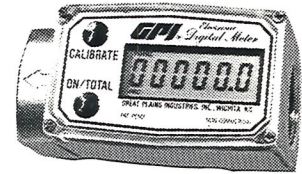


When precise performance is all important,

## GPI delivers...

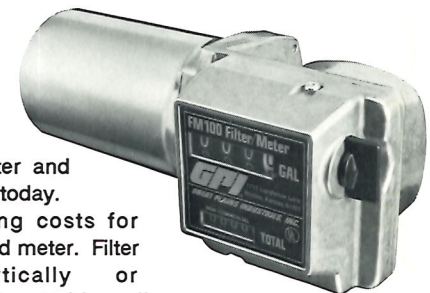
### YOUR CHOICE OF MECHANICAL OR ELECTRONIC DIGITAL METERS.

Electronic Digital Meters are available to measure flow in three ranges: 0.3-3 GPM (1"), 3.0-30 GPM (1"), and 30-300 GPM (2"). Models are available to measure total flow, flow rate, or both. Easy, versatile field calibration allows the user to attain accuracy to within plus or minus 0.5%, or measure in units other than gallons (liters, quarts, pints, etc.). (Field calibration available on most models.)



Models are available to measure various fluids: water, petroleum products, herbicides, and most chemicals. The meter can be attached at the nozzle or installed in-line on the discharge side of the pump. EDM's are powered by self-contained dual lithium power cells and display 6-digits (999999) in 1/2" high easy-to-read numbers. (For non-commercial use.)

### FUEL/FILTER METER



The only combination filter and meter available today. Saves plumbing costs for separate filter and meter. Filter mounts vertically or horizontally. Resettable gallon register measures up to 1,000 gallons or liters; totalizer registers up to 100,000. Replaceable, low cost stock filter. Operating flow range from 4-20 GPM. (For non-commercial use.)

GPI meters are available in liters and may be used on other manufacturers' pumps as well as gravity flow systems.

# HEYCO, INC.

P.O. Box 1038  
2005 North Taylor, N. Hwy. 83  
Garden City, Ks. 67846 (316) 275-6101  
Fax# (316) 275-3865

Company: Heyco, Inc.  
North Highway 83  
Garden City, Kansas 67846

(316) 275-6101

Presented By: Norman J. Heying  
President/Owner

Products: Feed Mixing Equipment  
for Beef Feedlot and  
Dairy Operations

## Narrative:

Heyco Inc. currently sells its line of Oswalt Ensil-mixers throughout the world. Most of these sales, however, are the result of word of mouth and not from an organized marketing and sales effort.

We know that there is a sizable market for our products because

1. International sales now total more than \$1,000,000 *per year* with no organized sales effort.

2. Mexico, Canada and Australia are the only countries with Beef Feedlots in operation but the practice will spread to all parts of the world creating a huge market for our products.

3. We have proven time and time again in this country that the use of an Ensil-mixer to create a Total Mixed Ration fed in Dairies will increase Butterfat Content by 2 points and total milk production by 15%

Almost every country in the world need to increase dairy production. We feel confident that with education and an organized sales effort we can sell much more product to dairies internationally.

4. We receive product inquiries from non USA sources at least one time per week. These are serious inquiries and many result in sales.

We firmly believe that the best way to expose our products to prospective Sales Agents, Dealers and End Users in the International Arena would be through participation in carefully selected Trade Fairs. We are a fairly small company with limited resources. The Trade Fair Assistance program would definitely accellerate our ability to get international exposure and consequently increase our rate of growth. We are in favor of the program and if implemented would definitely make use of it.



Madam Chairperson and Members of the Committee:

I have testified before a number of legislative committees in the past twelve years in a number of different capacities; as a member of the legislature; as a member of Governor Carlin's staff; as the head of the Department of Economic Development; and as a representative of many Kansas businesses. Today marks a first in that I am testifying for myself and not for someone else.

CMS Medical, Inc. is a distribution company formed to distribute the OMNI-VENT line of pneumatic ventilators manufactured by Stein-Gates Manufacturing of Atchison, Kansas. Both CMS and Stein-Gates are new companies, less than two years old, formed for the specific purpose of taking a Kansas idea and product to a world market. The proposal which you are considering today might have been specifically designed for our type of company.

I am not sure you really appreciate what a wonderful idea is before you. My principal regret is that I did not appear before you in a previous capacity to propose it. This is a Kansas program, with a minimum of red tap that offers a helping hand to small companies seeking to tap new markets in a global economy. It is not a blank check to finance a sightseeing expedition, but rather a targeted, directed incentive that offers the potential of an immense return for a rather small expenditure.

Kansas has made a lot of progress in the past few years in our economic development efforts. One of the principal frustrations to those of us who have been actively engaged in this

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(913) 234-8199

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process has been the difficulty in "closing the sale." No matter how good the staff of a state agency is, the simple fact is that unless you are intimately and totally involved with a product, you probably won't make the sale. It has been the function of the state to provide assistance, support, and advice, but not to become active salespeople. This proposal provides a logical and measured extension of the advice and support which has always been given.

Small companies - limited budgets and time, the two go together. Every manufacturing company knows that there is probably a market outside the U.S. for their product. If you have limited dollars and time, without some incentive to do so, it is too easy to say "I'll get to that later." This program is a way to raise the export activity to a higher priority and to help a company discover and develop new markets.

If I had not been limited to five minutes, I could go on about the merits of this idea for the rest of your time. I hope that I have successfully conveyed to you my enthusiasm for the concept. It's simple, it will work, and it's cost effective. I hope you will implement the program.

**MEDICAL INSTRUMENTS, EQUIPMENT AND SUPPLIES  
CALENDAR FOR 1989 and 1990**

<u>DATE</u>	<u>NAME OF SHOW</u>	<u>LOCATION</u>
Feb. 12-15	Arab Health Business Facilitation Center	Daubi, UAE
Feb. 13-23	Medical USA Solo Fair	Brazil
Feb. 23-25	II USATEC Medical Solo Fair	Lima, Peru
Apr. '89	Medical Equipment Catalog Show	Sweden, Norway, Finland, Ireland, Portugal, Hungary, Denmark
Apr. '89	Medical/Scientific Equipment Catalog Show	Czechoslovak
Apr. 4-7	Medical/Dental Equipment Exhibition Solo Fair	Seoul, Korea
Apr. 11-13	Instrulab Solo Fair	Buenos Aires, Argentina
Apr. 24-May 1	Flanders Technology Intl. 89	Ghent, Belgium
June '89	Interhospital	Hannover, W. Germany
June 7-13	Medical China '89 Trade Fair	Beijing, PRC
July 10-14	Matchmaker	Seoul, Korea Taipei, Taiwan
Sep. 1-5	Matchmaker Canada '89	Canada
Oct. '89	Saudi Healthcare	Jeddah, Saudi Arabia
Oct. '89	Middle East Medicare	Manama, Bahrain
Oct. '89	Intersan Trade Fair	Milan, Italy
Nov. 7-10	Ikal Trade Fair	Vienna, Austria
Nov. 22-25	Medica Trade Fair	Dusseldorf, W. Germany
Jan. 1-Feb. 1	Medical Equipment Trade Mission	PRCC
Jan. '90	Matchmaker	Egypt, Saudi Arabia
Feb 1-Sept 1	Medical Equipment Catalog Show	South America
Feb 1-Sept 1	Medical Equipment Regular Catalog	South America, Mexico
Feb 1-Sept 1	Medical Equipment Regular Catalog	Central America

Apr. '90	Instrulab'90 Solo Fair	Argentina
Apr. '90	Expomedica Catalog Show	Caracas, Venezuela
May '90	Intermedica Trade Fair	Paris, France
May 26- June 10	Medical/Health Care Equipment	Nicosia Cyprus
July 7-19	Public Health Trade Fair	Moscow, USSR
Aug 6-14	Biotechnology	Australia