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**Senate Review and Recommendation   
Montana World Trade Center 2017**

**A. Written Report Summary**

1. **Purpose:** The purpose of the Montana World Trade Center (MWTC) has not changed since the last review. The MWTC is part of the World Trade Center Association (WTCA), which includes more than 300 World Trade Centers in 90 Countries. The University of Montana pays a yearly membership fee to WTCA to maintain its accredited status. Since its inception, the MWTC has undertaken a dual role as consultant and economic developer, assisting our member businesses to establish and strengthen international commercial capabilities while striving to develop untapped international trade opportunities throughout the State of Montana and the neighboring regions.

The mission of the MWTC is to help Montana businesses establish or strengthen their international commercial capabilities through public-private partnerships, business networking and student education. The Center works to develop the untapped international trade opportunities for the state and region. This mission includes a heavy emphasis on providing experiential learning for students, technical assistance to businesses and promoting international economic development for Montana companies and industries. The MWTC also incorporates the mission of the WTCA, which is peace and prosperity through trade. MWTC has a three-year goal of increasing Montana technology exports in targeted industries of cloud computing (SaaS, PaaS, Iaas), photonics, and bioscience.

1. **Objectives:** MWTC’s objective is to assist Montana businesses with their international trade endeavors, while providing an immediately relevant opportunity for students to participate in the process. On a more granular level, MWTC routinely helps businesses to create or carry out their export strategies through, for example, export market ranking matrices, distributor identification, and competitive analysis.
2. **Anticipated Activities:**

**Advisory Services for Montana companies.** MWTC members and clients are companies that have interest in receiving consulting services. In a state largely populated by small- and medium-sized enterprises (SMEs), only a handful of companies have dedicated international departments. Our clients view us as an on-call extension of their business development or market research teams dedicated specifically to international. Typical services include international market evaluation, prospect generation and qualification, project management, comprehensive export strategy development, and quick answers to pressing international business questions. MWTC is a trusted advisor for businesses across Montana and an unparalleled, hands-on learning opportunity for students.

**International Business Education.** MWTC offers businesses online, on-demand training on issues of topical importance to global trade (e.g. INCOTERMS, Mitigating Payment Risk, Letters of Credit, Qualifying Distributors) as well as targeted live seminars (e.g. regulated export training). MWTC also collaborates with Montana Manufacturing Extension Center, providing business-specific feedback to companies building out export strategies as part of EXPORTECH, a national program designed to help individual companies grow through intensive training and mentoring. As the need arises, MWTC offers international trade certification programs along with customized industry-specific management training such as regulated export training.

**International Business Development Missions.** On a regular basis, the MWTC leads trade missions abroad and hosts inbound trade events. In cooperation with the U.S. Commercial Service, foreign consulates, trade and industry associations, and other WTCs around the globe, the MWTC coordinates matchmaking and other business partnership service in markets with growth potential for Montana products and services. Since 2000, MWTC has led 18 trade missions with more than 72 companies participating. MWTC’s next planned trade mission would be in 2017 to Israel in coordination with the Israeli consul general’s team, BIRD Foundation, and likely in coordination with the governor. Discussions are also in progress regarding a potential inbound visit from Australian Ambassador to the U.S., the Honorable Joe Hockey, and Australian Consul General, Chris Oldfield, in late 2016. This inbound trade visit would serve as a business development opportunity for Montana firms interested in the Australian market and a catalyst for an outbound trade mission to Australia in the next three years.

**Economic Development Programs.** Based on need and availability of funding, MWTC crafts programs that enhance Montana’s global competitiveness. In FY 2015, these programs included: a) The Montana Business and Investment Technical Assistance Project, in which MWTC focused on developing a more strategic approach for Montana firms in the Canadian market and assisted over 70 businesses across Montana; and b) USFS Wood Innovations Grant, in which MWTC provided targeted export assistance to Montana wood products companies.

**Student Experiential Learning.** Students have a unique opportunity to gain immediately relevant, hands-on experience in international business through the MWTC practicum, internships, and volunteer opportunities. Since fall of 2014 when the new executive director was hired, MWTC has provided unparalleled learning opportunities for 18 students. Beginning in FY 2016, the Center executive director began teaching two formal courses designed to dovetail with the real-time work of MWTC as an adjunct professor in the School of Business Administration. International Business Practicum is a 15-week course open to graduate and advanced undergraduate students, including scheduled weekly student meetings covering everything from international business research methodology to practical lessons on getting paid by international customers. In fall 2015, six students engaged in the MWTC International Business Practicum for credit. Others engaged with MWTC as their schedules permitted throughout the year in order to gain practical experience. The last Center review in 2011 suggested that MWTC add a classroom component to the practicum and this has been done. Also, Leveraging Public Funds for Business, a newly created MBA course also offered by MWTC executive director, brought in 27 students from around the state in spring 2016, earning excellent reviews for relevance to MBA students, many of whom are already working full time and in an immediate position to deploy the programs addressed.

All of the above are continuing activities of the MWTC, although specific economic development initiatives are often dependent on funding acquired by MWTC in support of these initiatives.

1. **Other organizations involved:**

The MWTC has an Advisory Board that meets twice a year and discusses major issues of future growth and expansion. The Current Advisory Board includes:

Larry Kolb, Chair -- President, U.S. Operations, TSI Health Sciences, Inc.

Steve Bullock -- Governor, State of Montana

Jon Tester -- U.S. Senator

Steve Daines -- U.S. Senator

Charles E. Courtney -- Honorary Board Member, Hamilton

Kathy Fasso -- General Manager, Port of Montana, Butte

Wayne Gardella -- District Director, U.S. Small Business Administration, Helena Larry Gianchetta -- Former Dean, UM School of Business

Carey Hester -- Montana Export Assistance Center, Helena

Abraham Kim -- Director, Mansfield Center

Angela Marshall-Hofmann -- President, World Strategies, Fayetteville, Ark.

Jerry Meerkatz -- President and CEO, Montana West, Kalispell

Meg O’Leary -- Director, Montana Dept. of Commerce

Mike Overstreet -- President of Corporate Air, Billings

Arthur Renander -- Honorary Board Member, ?????

John Rogers -- Chief Business Officer, Gov.’s Office for Economic Development

Kyle Washington -- Executive Chairman, Seaspan, Vancouver, B.C.

Scott Whittenburg –UM Vice President, Research & Creative Scholarship

Within Montana, MWTC collaborates regularly with Montana Manufacturing Extension Center; Small Business Development Centers; Procurement and Technical Assistance Centers; Blackstone Launchpad; Montana U.S. Export Assistance Center; Montana High Tech Alliance; Montana Bioscience Alliance; Montana Economic Developers Association; Montana Department of Commerce; Montana Governor’s Office of Economic Development; and many others.

Outside Montana, MWTC collaborates with the US Commercial Service; SBA; EDA; EX-IM Bank; consulates general; trade and industry associations; myriad WTCs from around the globe; and many other entities concerned with international trade.

1. **Reporting line:** MWTC reports to the VP for Research and Creative Scholarship.

1. **Relationships with institutional mission and contribution to academic programs:** MWTC’s executive director engages on a regular basis with students as part of formal teaching (International Business Practicum and Leveraging Public Funds for Business) and other experiential learning available through MWTC. This type of real-world, practice based learning has become even more important with UM’s recent commitments to a Global Learning Initiative and entrepreneurship. Faculty, staff, and students also play an important role in MWTC’s success. Additionally, the Main Street Montana project (www.mainstreetmontanaproject.com) implemented in 2014 by Governor Steve Bullock in collaboration with businesses from around the state highlighted five key pillars for which MWTC provides direct support:

* Train and Educate Tomorrow's Workforce Today
* Create a Climate that Attracts, Retains and Grows Businesses
* Build upon Montana's Economic Foundation
* Market Montana
* Nurture Emerging Industries and Encourage Innovation

**7. Similar Programs:** There are no programs similar to MWTC within the state of Montana or regionally.

**8. Budget:** The MWTC is funded primarily by membership fees and grants. (See attached budget.) There are no full-time faculty specifically associated with the MWTC. Executive Director Brigitta Miranda-Freer holds an adjunct faculty appointment with the School of Business Administration. Outside of the executive director, MWTC currently has one additional staff member; Administrative Associate III, Missy Lacock. In addition, MWTC occasionally employs students for grant-specific work. The number of students varies depending on project needs and available funding.

**9. Need and cost for new faculty (next five years):**  Staffing levels are projected to remain stable over the next five years unless grant-funded positions are added. MWTC staff salaries are paid through university designated funds, rather than general funds. In addition to revenue generated from client specific work, membership dues, sponsorship and trainings, MWTC will continue to pursue funding through public and private funding bodies in support of its mission as reflected in the attached budget. MWTC intends, for example, to apply for Economic Development Administration funding this fall with intent to develop a foreign direct investment strategy for the state of Montana. Outside funding through other possible sources such as the International Trade Administration’s Market Developer Cooperator Program (a multi-year funding source) may also be pursued.

**10. Need for other personnel:** See above.

**11. University resources – use and anticipated needs (next five years**): MWTC will continue to be housed in the Gallagher Business building. It may occasionally use some administrative and other secretarial support in addition to that provided by GDS. Telecommunication and equipment needs are minimal and MWTC currently pays for these services from revenue generated from MWTC membership and client engagement fees.

**12. Library:** MWTC does use WISERTrade, a software as a service product with focus on international trade data. This service is paid for in part by MWTC directly and in part by UM Library.

**B. Review and Approval Process**

The Faculty Senate through its Chair, who in turn shall distribute it to ECOS and other committees, and approve or disapprove the proposal by a vote of the Senate.

**1. Review in terms of Scope as stated in academic policy 310**

*To provide instruction, scholarship, or service to the University, state or world by: (1) focusing attention on an area of strength and/or addressing a critical issue, or (2) facilitating collaborative, multi-disciplinary endeavors to combine resources from several programs or institutions to address issues of common interest.*

The Montana World Trade Center satisfies all of these criteria. International trade is a critical issue and the MWTC’s work with numerous other entities involved in that issue benefit the University, the state and Montana businesses.

**2. Review in terms of the University’s mission.**

*The University of Montana pursues academic excellence as demonstrated by the quality of curriculum and instruction, student performance, and faculty professional accomplishments. The University accomplishes this mission, in part, by providing unique educational experiences through the integration of the liberal arts, graduate study, and professional training with international and interdisciplinary emphases. The University also educates competent and humane professionals and informed, ethical, and engaged citizens of local and global communities; and provides basic and applied research, technology transfer, cultural outreach, and service benefiting the local community, region, State, nation and the world.*

Paddy Fleming, Director of the Montana Manufacturing Extension Center in the College of Engineering at Montana State University, conducted an external review of the MWTC. He concluded that the MWTC does “an amazing job of producing results with the limited budget” that it has. He also noted that MWTC personnel have a “very good” relationship with other academic programs with which the MWTC collaborates and makes a “significant contribution” to those programs. As a strength, the external reviewer particularly identified the current MWTC director, whom he noted was significantly underpaid. In keeping with that point, his only concerns were budgetary, including perhaps too much reliance on funding from grants.

**3. Does ECOS/Faculty Senate consider this center controversial?**

No.

**4. Is the relationship with academic units beneficial?**

Yes. See the external reviewer’s comments summarized above.

**5. Is the program revenue neutral or does it consume more resources than it generates? If so, is the use of University resources justified?**

The Center is largely self-funded and uses relatively few University resources beyond physical space.

**6. Is the entity making progress toward objectives?**

Yes, its activities, events and student opportunities are in keeping with the objectives set forth by the Center.

**7. Recommendation:**

ECOS recommends that the Center be continued.

**8. Justification:**

The Center should receive continued support from UM and the state because it is fulfilling its important mission by educating and informing students and citizens about international trade, as well as facilitating Montana businesses’ efforts to engage in that trade.