



# EIB World Trade Headlines

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July 15, 2016 - Volume 8, Issue 13

## TERROR ATTACKS

**John Kirby**  
Spokesperson  
Daily Press Briefing  
Washington, DC  
July 5, 2016

**TRANSCRIPT:**  
[2:15 p.m. EDT](#)

**MR KIRBY:** Hello,  
everybody.

**QUESTION:** Hello.

**MR KIRBY:** I have some comments here at the top that I want to make, certainly regarding what happened over the weekend. We strongly condemn the recent spate of deadly terrorist attacks that have been focused on civilians, including women and children, and which have brutally taken hundreds of lives from Istanbul to Dhaka to Baghdad to the attacks in Saudi Arabia. These acts have shown no respect for human life, whether young or old, male or female, Muslim or non-Muslim. These terrorists murdered without discretion. We cannot say whether these attacks were coordinated or whether they were conducted by independent opportunists. As you know, investigations are still ongoing, and I'm not going to get ahead of those processes. I'd refer you to those countries to talk about it.



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## NEWSLETTER NOTES

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But what we do know is that the goal of these attacks was to attract attention and to spread terror and to spread fear. They occurred during and at the end of Ramadan, the holiest time of the year for Muslims. Indeed, a Daesh spokesman himself called for targeting during this very holy month. So what's obviously evident is that Daesh certainly has no respect for Muslim life, life in general, or any respect for Islam itself.

Now, even as we continue to pressure Daesh in Iraq and Syria, we remain extremely concerned about their ability to inspire terrorist attacks that require few resources with little to no coordination. And we are working, obviously, with our partners to help spread this – to help halt, sorry, the spread of terror.

We've always made clear that the military campaign is not enough to defeat Daesh or to remove the threat that it poses; that a holistic campaign that addresses the root causes of extremism is the only way to deliver a sustainable defeat. That's why we're working with partners from around the world to cut off Daesh's messaging, financing, and recruitment networks. That's why we work with partners to expand the global ability to identify, disrupt, arrest, and prosecute suspected foreign terrorist fighters. And it's why we've identified concrete areas to increase partner capacity in disrupting, arresting, and prosecuting suspected foreign terrorist fighters and better information sharing on their networks.

The United States now has information-sharing agreements with 55 international partners to identify and track the travel of suspected terrorists, and the number of countries contributing foreign terrorist fighter profiles to Interpol has now increased by some 400 percent over the last two years alone. We're partnering with governments in areas including strengthening information sharing on known and suspected terrorists, implementing or enhancing counterterrorism legislation, increasing effective traveler screening, and strengthening border security, as well as building comprehensive financial investigations.



This is and will remain a truly global effort. At least 35 countries now have arrested foreign terrorist fighters or aspirants, and 12 countries have successfully prosecuted foreign terrorist fighters. At least 45 countries have enacted laws or amendments to create greater obstacles for foreign terrorist fighters traveling into Iraq and Syria. And as you well know, the coalition itself is some 66 nations strong now.

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We're also focused on confronting and discrediting the violent messages that Daesh puts out on a daily basis on social media that they try to use to inspire and to recruit people. We've seen that Daesh and those that they inspire feed off their distorted narrative of the so-called caliphate. As we go after its network, we cannot lose focus on defeating this threat at its core in Iraq and Syria, and that's why we've accelerated our campaign against Daesh in Iraq and Syria and why we will continue to do so. Over the last six months, we've seen significant progress in this campaign as local partners on the ground have increased the tempo of efforts to retake territory across multiple fronts and diminish the group's finances and access to additional manpower. This will continue.

And we're well aware of the threat that Daesh poses to us as well as to our allies and partners. That's why we have galvanized this international coalition to shrink the territory that they hold, to kill their leaders, to cut off their financing, and to counter their messaging. And as you've heard the – as you heard the President, that campaign is firing on all cylinders and it will continue to keep up until the job is done. But let me be clear: The threat of terrorists, terrorist attacks, and terrorism will be with us for a long time, and we know that. We're mindful of that. And I can tell you that we will and we must remain vigilant against that threat

## The Global Engagement Center

**Fact Sheet**  
**Office of the Spokesperson**  
**Washington, DC**  
**July 6, 2016**

**The Global Engagement Center is an interagency entity, housed at the State Department, which is charged with coordinating U.S. counterterrorism messaging to foreign audiences.**

It was established pursuant to Executive Order 13721, signed by President Obama on March 14, 2016. As stated in the Executive Order, the Center "shall lead the coordination, integration, and synchronization of Government-wide communications activities directed at foreign audiences abroad in order to counter the messaging and diminish the influence of international terrorist organizations," such as ISIL.

The Center plays a key role in the Obama Administration's revamped strategy to counter ISIL's messaging. Designed to be an agile, innovative organization, the Center uses modern, cutting-edge technology and takes advantage of the best talent and tools throughout the private sector and government.

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The Global Engagement Center replaced the Center for Strategic Counterterrorism Communications. The new strategy seeks to be more effective in the information space and is focused on partner-driven messaging and data analytics.

The Obama Administration recognizes that, fundamentally, any long-term strategy to counter violent extremism cannot focus solely on military action. This is why the Center is focused on bringing together and enabling a global network to confront the hateful messages ISIL puts out daily that recruit and inspire people to commit violence. Our messaging efforts are focused on decreasing the allure of ISIL and preventing the recruitment of new extremists.

Counter-messaging—in other words, discrediting ISIL’s nihilistic and hateful vision to potential and current sympathizers—is one piece of our multi-faceted, whole-of-government approach to countering violent extremism and defeating ISIL.

The Center is led by Special Envoy and Coordinator Michael Lumpkin. Immediately prior to this position, he served as Assistant Secretary of Defense for Special Operations and Low-Intensity Conflict. He has more than 20 years of active duty military service as a U.S. Navy SEAL, where he held every leadership position from platoon commander to team commanding officer.

#### Organization

The work of the Center is focused around four core areas:

- **Partnerships:** We are empowering and building the capacity of a global network of positive messengers against violent extremism. Operating at a local level, our partners use credible voices to deliver messages that resonate with at-risk populations. Our partners include NGOs, schools, young people, social and civil society leaders, religious leaders, governments, and others. We support them through a variety of means including funding, technical assistance, capacity building, and conceiving and implementing joint projects.
- **Data Analytics:** The Center is becoming an analytics-based organization and is using data analytics systems from both the public and private sectors to better understand radicalization dynamics online, to guide and inform our messaging efforts, and to measure our effectiveness. To better understand and target susceptible audiences, we are using a layered approach. In addition to data analytics systems, we are also drawing from proven polling operations, target audience studies, and academic research.

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- **Content:** The Center is pursuing collaborative, thematic campaigns in coordination with counter-ISIL coalition nations and other global partners. We also develop and procure unbranded content and make it available to our global network of partners. Our direct engagement with violent extremists has been reduced in favor of partner-driven messaging and enhancing the content capabilities of our partners.

- **Interagency Engagement:** The Center liaises daily with the interagency to coordinate day to day operations and campaign efforts among the many U.S. national security agencies that operate in the information space. The Center is staffed by detailees from several U.S. agencies, allowing the Center to effectively coordinate, integrate, and synchronize efforts across the interagency.

#### Goals of the Global Engagement Center

The Center’s overarching goal is to expose ISIL’s true nature—and that of other violent extremist organizations—thereby diminishing their influence and decreasing these organizations’ allure in the eyes of potential recruits and sympathizers.

Additionally, the Center strives to:

- Enhance the capacities and empower third party, positive messengers, whether they are governments, NGOs or other entities.
- Develop a global network of credible voices who can effectively counter violent extremist messages.
- Use cutting edge technology and data analytics systems to better understand ISIL’s recruitment successes online and seek to address those causes with potential recruits to prevent radicalization.
- Leverage the entirety of the U.S. government to confront ISIL and other extremists in the information space and bring coordination and synchronization to those efforts.
- Build a forward-looking entity within U.S. government that is agile, innovative, and embraces technological advancement.



# Acting Assistant Secretary Judith Garber Travels to San Jose, Costa Rica and San Salvador, El Salvador

## Media Note

### Office of the Spokesperson

Washington, DC

July 5, 2016

Acting Assistant Secretary of State for the Bureau of Oceans and International Environmental and Scientific Affairs Judith Garber will travel to San Jose, Costa Rica and San Salvador, El Salvador, July 5 - 8.



In San Jose on July 5 - 6, Acting Assistant Secretary Garber will meet with senior Costa Rican officials. She will also meet with representatives from non-governmental organizations that work on maritime, wildlife, and tropical forest conservation issues.

In San Salvador on July 7 – 8, Acting Assistant Secretary Garber will serve as the United States representative at the Tenth Meeting of the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) Environmental Affairs Council (EAC). During the EAC public session, she will participate in a Ministerial Panel along with the other Council members from Costa Rica, the Dominican Republic, El Salvador, Honduras, Guatemala and Nicaragua. The panel will focus on environmental achievements in the region since entry into force of the CAFTA-DR and on remaining challenges.

This meeting of the CAFTA-DR Environmental Affairs Council celebrates 10 years of environmental cooperation between CAFTA-DR countries.

## Unverified List

### Finland:

Sav-Inter OY Ltd.

### Hong Kong:

Advent International Limited  
Boqur International Ltd.  
CarryGoldstar Ltd.  
Central Right Investments Ltd.  
CITI Hong Kong Ltd.  
CST Source Industrial Co. Ltd.  
Fuiyen Technology Ltd.  
Fussion Electronics Co. Ltd.  
Global Sourcing Electronics (HK) Ltd.  
Globe Communication (HK) Ltd.  
Haofeng Industrial Co. Ltd.  
Hong Kong Energy Technology Co.  
Hong Kong U.Star Electronics Technology Co. Ltd.  
Jin Yan Technology & Development Co. LTD.  
Master-Uni Industry Co. Ltd.  
Newplus Equipment Ltd.  
Phonai Electronics Ltd.  
Runtop Circuits Technology Co.  
Scitech International Express Co.  
Selective Components Ltd.  
Sun Wing Ltd.  
Sur-Link Technology (HK) Ltd  
Toptech Electronics Ltd.  
Winthrought Company Ltd.  
Yield Best International

### India:

Conduit Technologies Pvt. Ltd.

### Latvia:

Alfa Photonics

### Singapore:

Dorado Network Pte.

### Switzerland:

Light Range AG

### United Arab Emirates:

Abu Trade LLC  
Alsima Middle East General Trading  
Establishment Standard Lab FZE  
Marinatec  
Middle East Oilfield Equipment  
Tek Work General Trading

## Union County, New Jersey, Man Sentenced To 70 Months In Prison For Role In Illegal International Procurement Network

NEWARK, N.J. – A Mountainside, New Jersey, man was sentenced today to 70 months in prison for his role in an international procurement network that obtained and smuggled more than \$65 million worth of electronics from the United States to Russia in violation of export control laws, U.S. Attorney Paul J. Fishman announced.

Alexander Brazhnikov Jr., 37, a naturalized United States citizen born in Moscow, previously pleaded guilty before U.S. District Judge William J. Martini to



an information charging him with one count of conspiracy to commit money laundering, one count of conspiracy to smuggle electronics from the United States, and one count of conspiracy to violate the International Emergency Economic Powers Act (IEEPA). Brazhnikov also agreed to the entry of a forfeiture money judgment against him in the amount of \$65 million. Judge Martini imposed the sentence today in Newark federal court.

“Brazhnikov was responsible for nearly 2,000 illegal shipments of regulated, sensitive electronics components, many of which wound up in the hands of Russian military and security forces,” U.S. Attorney Fishman said. “He also admitted going to extraordinary lengths to conceal the nature and destination of the shipments, as well to hide the tens of millions of dollars in illegal proceeds generated by the scheme. The sentence imposed on him today reflects the seriousness of his crimes.”

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Brazhnikov Jr. was arrested at his home on June 26, 2014, following a joint investigation by the FBI, the U.S. Department of Commerce (DOC), and the U.S. Immigration and Customs Enforcement’s (ICE) Homeland Security Investigations (HSI). From January 2008 through June 2014, he was the owner, chief executive officer, and principal operator of four New Jersey microelectronics export companies, each of which were used in the various conspiracies uncovered by the investigation. Following his arrest, special agents seized \$4,075,237 in proceeds related to the charged offenses, as well as real property and other assets valued at more than \$600,000.

“Today’s sentencing represents a collaborative effort among law enforcement agencies,” Jonathan Carson, Special Agent in Charge of the U.S. Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, New York Field Office, said. “I commend our colleagues at the FBI and

Homeland Security Investigations for their efforts. The Office of Export Enforcement will continue to pursue violators of our export control laws by leveraging our unique authorities to protect national security.”



“HSI will continue to use all the resources at its disposal to prevent sensitive and restricted technology from being exported illegally,” Special Agent in Charge Terence S. Opiola, HSI, Newark, said. “HSI as the principal enforcer of export controls will continue to ensure that sensitive technology doesn’t fall into the wrong hands.”

According to documents filed in this case and statements made in court:

Brazhnikov Jr. and his companies are part of a sophisticated procurement network that has surreptitiously acquired large quantities of license-controlled electronic components from American manufacturers and vendors and exported those items to Russia on behalf of Russian business entities that were authorized to supply them to the Ministry of Defense of the Russian Federation, the Federal Security Service of the Russian Federation (the FSB), and Russian entities involved in the design of nuclear warheads, weapons, and tactical platforms.

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The defendant conspired with his father, Alexander Brazhnikov Sr., owner of a Moscow-based procurement firm whose agents helped initiate the purchase of electronics components from United States vendors and manufacturers on behalf of the conspirators' clients in Russia. Brazhnikov Jr. finalized the purchase and acquisition of the requested components from the various distributors, then repackaged and shipped them to Moscow. He routinely falsified the true identity of the end-user of the components and the true value of the components in order to avoid filling out required export control forms. Brazhnikov Jr. purposefully concealed the true destination of the parts that were exported by directing that the shipments be sent to various "shell" addresses in Russia – some of which have been identified as vacant storefronts and apartments – which were established and controlled by the Moscow-based network. All shipments initially directed to the shell addresses were redirected to a central warehouse controlled by the conspirators' Moscow-based network.

The funds for the network's illicit transactions were obtained from the various Russian purchases and initially deposited into one of the conspirators' primary Russia-based accounts.

Disbursements for purchases were made from that primary Russian account through one or more foreign accounts held by shell corporations in the British Virgin Islands, Latvia, Marshall Islands, Panama, Ireland, England, United Arab Emirates, and Belize, and ultimately into one of the defendant's U.S.-based accounts. The network's creation and use of dozens of bank accounts and shell companies abroad was intended to conceal the true sources of funds in Russia, as well as the identities of the various Russian defense contracting firms receiving U.S. electronics components.

In addition to the prison term and forfeiture, Judge Martini sentenced Brazhnikov to three years of supervised release and fined him \$75,000.

U.S. Attorney Fishman credited special agents of the FBI, under the direction of Special Agent in Charge Timothy Gallagher in Newark; the U.S. Department of Commerce, under the direction of Special Agent in Charge Carson, New York Field Office; and special agents of HSI, under the direction of Special Agent in Charge Opiola, with the investigation

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leading to today's sentencing. He also thanked officers from the Union County Police Department, under the direction of Captain Chris Debbie; and officers of the Mountainside Police Department, under the direction of Police Chief Allan Attanasio, for their important contributions to the investigation. The U.S. Justice Department's Office of International Affairs provided assistance with this case.

The government is represented by Assistant U.S. Attorneys Dennis C. Carletta of the U.S. Attorney's Office National Security Unit, and Peter Gaeta of the office's Asset Forfeiture and Money Laundering Unit in Newark.

Defense counsel: Jack Arseneault Esq., Chatham, New Jersey

## ENFORCEMENT INFORMATION FOR JULY 5, 2016

Information concerning the civil penalties process is discussed in OFAC regulations governing the various sanctions programs and in 31 C.F.R. part 501. On November 9, 2009, OFAC published as Appendix A to part 501 Economic Sanctions Enforcement Guidelines. 31 C.F.R. part 501, app. A. The Economic Sanctions Enforcement Guidelines, as well as recent final civil penalties and enforcement information, can be found on OFAC's website at [www.treasury.gov/ofac/enforcement](http://www.treasury.gov/ofac/enforcement).

### ENTITIES – 31 C.F.R. 501.805(d)(1)(i)



**Alcon Laboratories, Inc., Alcon Pharmaceuticals Ltd., and Alcon Management, SA, Settle Potential Civil Liability for Apparent Violations of the Iranian Transactions and Sanctions Regulations and the Sudanese Sanctions Regulations.**

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Alcon Laboratories, Inc., Fort Worth, Texas, Alcon Pharmaceuticals Ltd., Fribourg, Switzerland, and Alcon Management, SA, Genève, Switzerland (collectively, “Alcon”), have agreed to settle potential civil liability with the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) in the amount of \$7,617,150 for apparent violations of the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 5601 (ITSR) and the Sudanese Sanctions Regulations, 31 C.F.R. part 538 (SSR). Alcon’s settlement with OFAC is concurrent with its settlement agreement with the Department of Commerce’s Bureau of Industry and Security (BIS). Alcon’s obligation to pay the settlement amount with OFAC will be satisfied by: (a) Alcon’s payment of \$1,317,150 to the U.S Department of the Treasury, (b) its payment to BIS as set forth in the concurrent settlement agreement with BIS, and (c) its compliance with all other terms set forth in the settlement agreement with BIS.

In the course of BIS’s and OFAC’s investigations, Alcon produced documents and information from which it appeared that from August 2008 to December 2011, Alcon violated section 560.204 of the ITSR on 452 occasions and section 538.205 of the SSR on 61 occasions when it engaged in the sale and exportation of medical end-use surgical and pharmaceutical products from the United States to distributors located in Iran and Sudan without OFAC authorization (the “Apparent Violations”).

OFAC determined that Alcon did not make a voluntary self-disclosure and that the Apparent Violations were not egregious. The statutory maximum civil monetary penalty amount for the Apparent Violations was \$138,982,584 and the base penalty amount for the Apparent Violations was \$16,927,000.

The settlement amount reflects OFAC’s consideration of the following facts and circumstances, pursuant to the General Factors under OFAC’s Economic Sanctions Enforcement Guidelines,

31 C.F.R. part 501, app. A: OFAC considered the following to be aggravating factors in this case: (1) Alcon demonstrated reckless disregard for U.S. sanctions requirements by having virtually no compliance program, despite significant business involving the exportation of goods from the United States to Iran and Sudan, and by failing to take adequate steps to investigate a third-party freight forwarder’s cessation of shipments to Iran on behalf of Alcon; (2) Alcon and its then-senior management knew of the conduct giving rise to the Apparent Violations; and (3) Alcon is a sophisticated multinational corporation with extensive experience in international trade.

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OFAC considered the following to be mitigating factors in this case: (1) harm to U.S. sanctions program objectives was limited because the exports involved medical end-use products that were licensable under the Trade Sanctions Reform and Export Enhancement Act of 2000, and in fact had been previously and subsequently licensed by OFAC for Alcon; (2) Alcon has no prior OFAC sanctions history, including receipt of a Penalty Notice or Finding of Violation in the five years preceding the date of the earliest transaction giving rise to the Apparent Violations, making it eligible for “first violation” mitigation of up to 25 percent; (3) Alcon took remedial action by ceasing the unlicensed exports to sanctioned countries, initiating an internal investigation of the Apparent Violations, and instituting a robust compliance program that now includes: (a) updated or newly-created corporate export and trade sanctions compliance documents, (b) enhanced trade compliance training, and (c) enhanced compliance procedures for requesting OFAC licenses; and (4) Alcon substantially cooperated with OFAC’s investigation, including by providing detailed and well-organized information and entering into several statute of limitations tolling agreements with OFAC.

For more information regarding OFAC regulations, please go to: [www.treasury.gov/ofac](http://www.treasury.gov/ofac).

## Duty Free Harmonized Tariff Provisions Effective July 1

Effective July 1, the tariff reductions resulting from the expanded Information Technology Agreement are now in place. These reductions are a result of the World Trade Organization negotiations over the past several years and as a result the products will enjoy duty free or reduced duty treatment in all most favored nations.

In the U.S., many of the tariff provisions are immediately dropped to 0% while some have duties being phased out over a 3 year period.

A list of all of the affected HTS provisions is found in Annex I and Annex II in the Federal Register dated July 6 can be downloaded per this link.

<http://www.connellycustomslaw.com/wp-content/uploads/2016/07/FR-Notice-ITA-implementation-changes-to-HTS-1.pdf>

## ONLY CERTAIN CITIES APPROVED DIRECT FLIGHTS TO CUBA

If Bostonians want to check out Cuba, they're going to have to find a way to get there other than Logan International Airport — if they want a direct flight, anyway.

The U.S. Department of Transportation did not select Boston as one of the cities that will offer commercial flights to Havana. JetBlue Airways Corp. (Nasdaq: JBLU) asked the agency in March for permission to start daily service between Cuba and Boston, after the Obama administration began restoring relations with the country earlier this year.



Instead, the federal government opted to allow service to the Cuban capital from New York, Newark, Charlotte, Atlanta, Houston, Los Angeles and a number of Florida cities, including Miami, Fort Lauderdale, Orlando and Tampa. It's possible the agency could allow service from Boston at a later date.

The Department of Transportation put a premium on regions with large Cuban-American populations, such as Florida, New York City and Los Angeles. The agency did not list the reasons it didn't select certain cities. However, in arguing against JetBlue's application, rival Delta Air Lines Inc. contended that Boston had relatively few Cuban-Americans.

In making the case for Boston, JetBlue had pointed to the robust local economy as well as the 15,000 Cuban-Americans living in the area. JetBlue was awarded flights to Havana from New York, Fort Lauderdale and Orlando.

The Transportation Department described the decisions as tentative, with the agency expecting to finalize the routes later this summer.

## Training and Seminars

On August 3-4, 2016, BIS will conduct our two-day "Complying with US Export Controls" seminar in Los Angeles, CA. This program is intended to provide the key information you need to comply with the provisions of the Export Administration Regulations. Throughout the program, the presenters will conduct "hands-on" exercises that will prepare you to apply the regulations to your own company's export activities. This program is well suited for those who need a comprehensive understanding of their obligations under the EAR. The program will be held at the Sheraton Gateway Hotel Los Angeles, 6101 W. Century Blvd., Los Angeles, CA 90045. Continuing legal education credit (MCLE) is available for this program for California State Bar members.

On September 21 in Buffalo, NY, BIS will offer "Essentials of U.S. Export Controls", an intensive, one-day program that covers the key information you need to know to comply with the Export Administration Regulations (EAR). Counseling and other professionals from the Bureau of Industry and Security will cover the major elements of the U.S. export control system for commercial exports. This fast-paced program is ideal for those with busy schedules.

On September 22 in Buffalo, NY, BIS will offer the one-day "How to Develop an Export Management and Compliance Program" seminar. Developing and maintaining an export management and compliance program is highly recommended to ensure that export transactions comply with the Export Administration Regulations (EAR), and to prevent export control violations. This one-day workshop provides an overview of the steps a company may take to implement an internal export management and compliance program. Recommended prerequisite: Essentials of Export Controls or Complying with U.S. Export Controls or equivalent experience.

Please visit our website for additional information: <http://www.bis.doc.gov/>.

Complying with U.S. Export Controls – 2 Days July 19-20, 2016 New Orleans, Louisiana Registration: \$530 This two-day program is led by BIS's professional counseling staff and provides an in-depth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods. We will focus on what items and activities are subject to the EAR; steps to take to determine the export licensing requirements for your item, how to determine your export control classification number (ECCN), when you can export or reexport without applying for a license, export clearance procedures and record keeping requirements, Export Management Compliance Program (EMCP) concepts, and real life examples in applying this information. Presenters will conduct a number of "hands-on" exercises that will prepare you to apply the regulations to your own company's export activities. For information and registration

For general information about the BIS Seminar Program contact [OESDSeminar@bis.doc.gov](mailto:OESDSeminar@bis.doc.gov) or 202/482-6031.



## Reminder for Exporters and Authorized Forwarding Agents that Ship to Cuba: Proper Filing of Electronic Export Information (EEI) in the Automated Export System (AES)

All items subject to the Export Administration Regulations (EAR) (15 CFR Parts 730-774) require authorization for export to Cuba either by an individual validated license or license exception. If your item is eligible for shipment under a license exception, it is incumbent upon the exporter to properly report in the Automated Export System (AES). In recent months, the Bureau of Industry and Security (BIS) has identified many transactions coded as "No License Required" (NLR) (Code C32/C33) that were not properly filed under the correct AES code corresponding to the appropriate BIS license exception. Only shipments of informational materials and certain other items that are not subject to the EAR may be designated in AES as NLR. All other shipments of items require use of the appropriate AES code corresponding to the BIS license exception rather than NLR. For example, eligible shipments to Naval Station Guantanamo Bay should be made under License Exception GOV (Code C42) and eligible shipments of gift parcels to family members in Cuba should be made under License Exception GFT (Code C43). In addition, items eligible for License Exception Support for the Cuban People should be made under License Exception SCP (Code C62).

- **Web Notice: The Directorate of Defense Trade Controls (DDTC) is currently in the process of modernizing its IT systems. During this time period, we anticipate there may be delays in response times and time to resolve IT related incidents and requests. We apologize for any inconvenience, and appreciate your patience while we work to improve DDTC services. If you need assistance, please contact the DDTC Service Desk at (202) 663-2838, or email at [DtradeHelpDesk@state.gov](mailto:DtradeHelpDesk@state.gov) (06.28.16)**

*"Hard Work Beats Talent When Talent Doesn't Work Hard"*

## American Made Entrepreneurs

**Company:** Made Here, New York  
**Based in:** New York  
**Founder:** Karyn Villante

**Philosophy:** Before starting her company, which produces knit blankets and sweaters, Villante worked in a textile mill in New Hampshire — a mill that shut down as more manufacturing jobs moved overseas. "The whole industry was shrinking, and a lot of my friends started doing imports," she said. "But [the Pandora mill job] gave me a great taste of knitting here domestically." Now, that's what she does: The sustainably grown cotton she uses is grown and spun in the Carolinas, and her pieces are sewn at a factory in the Bronx.

**Company:** Me & The Bees  
**Based in:** Austin  
**Founder:** Mikaila Ulmer  
**Made in:** Austin

**Philosophy:** This 11-year-old is building an empire with Bee Sweet Lemonade, a product she famously created after being stung by a bee. Mikaila did some research and discovered how bees are dying off. She decided to use her grandmother's recipe to make lemonade — with the profits going to bee preservation groups. You can find the lemonade in Whole Foods stores, and the company has more than doubled its production. Her enterprise got the attention of President Obama and his wife, Michelle. "You don't have to be an adult to solve problems," Mikaila says.

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