



# ZONE Outlook

GREATER DETROIT FOREIGN TRADE ZONE, INC.

## Vol. 3, Issue 1

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## Zone Status Helps Company “Cross the Bridge” to Improved Customer Service

Visitors to the Ambassador Bridge, which spans the Detroit River and links the U.S. with the neighboring Canadian City of Windsor, may notice a hub of activity at the site. Painters are applying a fresh coat on the massive structure and other minor repairs are being made. But there is more underway at the Bridge than meets the eye. Beyond the cosmetic enhancements, a far greater initiative is in the works. The Detroit International Bridge Co. (DIBC), which operates the Ambassador Bridge, was granted authorization in July this year to activate Foreign Trade Zone 70. The company is now in the process of implementing that initiative.

Sandra Villeneuve, Director of International Trade Policy and Operations for Northern Border In-Transit, a division of the DIBC, said the company’s goal in seeking FTZ status is to benefit businesses involved in international trade, the primary customers of the Ambassador Bridge. “We want to be a full service Bridge for international commerce,” said Sandra.

### Full Service Activity

To that end, the Bridge Company has filed and received permission to perform activities such as warehousing, distribution, light assembly, marking requirements and divining for customs inspection at its site. Recently, the DIBC was able to have its zone boundaries modified to incorporate a 17,000 square-foot warehouse located directly beneath the bridge. From this location, the DIBC currently handles warehousing and distribution activities for a mixed bag of imported goods ranging

from marble, ceramic tiles and hardwood flooring to pet treats. The company has also purchased the former Grey Hound bus station in Detroit, a 160,000 square foot site, for use as zone space. The site has already received zone approval and is awaiting activation.

This added space will give the DIBC even greater flexibility in meeting the needs of its customers. For instance, said Sandra, “When split shipments cross the border, rather than having to make multiple entries into the country, the goods can cross the bridge and enter the zone with just one entry.” Additionally, trucking companies whose shipments cannot be cleared by customs, can store their goods in the zone warehouse until clearance is granted rather than returning the entire load to Canada.

### Expanded Capabilities

Beyond warehousing, the DIBC is also seeking light assembly projects from companies in the computer, robotics, electronics and telecommunications industries, and envisions handling packaging for the pharmaceutical and other industries.

Looking ahead, Sandra said she expects the DIBC’s zone status to help the company cross the bridge to providing better service for its core clients. “We are striving to be a service provider to all of our import customers,” said Sandra. “Our zone status will definitely benefit that effort by enabling us to offer our customers door-to-door services.”



## People In The Know

### Susan Cossey

**A**s Managing Director of FTZ 136 in Port Canaveral, Florida, Susan Cossey has the distinction of overseeing the world's only quadra-modal zone. FTZ 136 encompasses four modes of transportation – land, sea, air and space – all in one port. The zone boasts two satellite

processing facilities – Astrotech, which processes foreign satellites on board unmanned launch vehicles, and Space-Hab which processes the space module on board the NASA shuttle. Besides its space operations, the Port Canaveral zone also includes more ordinary operations such as two general-purpose warehouses and a plastic meat packaging processing facility.

Susan joined the zone, which was activated in 1987, as assistant to the executive director in 1993, and was named to her current position two years later. In addition to managing this unique zone, Susan also spearheads a state-wide FTZ association which works to cooperatively market the services of all FTZs in Florida. With 19 FTZs geographically scattered throughout the state, Florida is second only to Texas in the number of zones

operated there. Before the Association was created in 1997, there were no programs in place to draw business to Florida's FTZs. "We have essentially consolidated our marketing budgets and efforts to benefit the group rather than each working independently," said Susan. The Association has produced a brochure touting FTZs in Florida and attends trade shows and conventions to spread the word about the benefits of FTZs.

Those efforts should serve Susan well as she sets her sights on diversifying operations at the Port Canaveral zone. The elimination, by the U.S. Congress, of a 10 percent duty once imposed on foreign satellites has made FTZs less vital to the space industry. That move helped level the playing field for the U.S., but hurt Zone 136 which is now promoting its warehousing and distribution capabilities in order to attract new business. "It's going to be a struggle, because the space operations were our claim to fame," said Susan. Given her track record, this latest challenge is another one which Susan will no doubt tackle with innovation and determination. We, at the GDFTZ wish her great success.

## Save the Date

### *Annual Legislative/Regulatory Seminar*

Washington, DC • February 25-27, 2001

(Roundtables 2/25, Seminar 2/26, Congressional Visits 2/27)

Washington Monarch Hotel (202) 429-2400

\$189 per night; single/double occupancy

### *Annual Marketing & Operations Seminar*

New Orleans, LA • May 20-21, 2001 (Roundtables 5/19)

Le Meridien Hotel (504) 525-6500

\$159 single occupancy; \$179 double occupancy

# Combined Expertise of FTZ Grantee and Board Provide “The Right Stuff” for FTZ Operations

*from the desk of Steven Olinek, Director*

**G**reater Detroit Foreign Trade Zone, Inc. (GDFTZ) is a small organization with a small staff conducting its day-to-day business. Like a lot of other non-profits, and for-profit corporations for that matter, it has another integral component overseeing the fulfillment of its corporate mission – its board of directors. The partnership between a company’s full-time staff and a board of directors, drawn from diverse professional backgrounds, is an effective one. For an organization with a limited budget, it is also an efficient way to operate.

When board members are not compensated for the time and effort they expend, as in the case of GDFTZ, any contribution they make is a gift. Receiving the benefit of their professional expertise is, essentially, like contracting with a consultant and not having to pay. Understanding the relationship between a grantee board member and grantee staff is the critical issue. No matter which group you belong to, each comes with its own responsibilities.

Membership on a board of directors presumes an understanding of public interest and the rules of governance. In addition to acquiring, over time, a working knowledge of foreign trade zone principles, a list of other grantee board member responsibilities might also include:

- A familiarity with grantee’s mission statement, marketing and strategic plans
- An understanding of role, being active, promoting the organization’s goals
- Asking questions and seeking information
- Setting policy, not administering
- Declaring conflicts of interest

Obviously, grantee staff members

also have responsibilities to their board members, which include (but are not limited to) the following:

- Providing concise and clear information
- Being honest
- Understanding your role and that of your board members
- Anticipating a board member’s need for input
- Fulfilling board directives

The grantee board member/grantee staff relationship can be distilled to a few basics: orientation, communication and professionalism. It is not unlike most other business dealings. Meeting expectations requires contributions by both parties. A board’s contributions should always be means, not ends. Organizations, whether they are foreign trade zone grantees or dot coms, do not exist to have good governance. Effective boards describe and assure a good organization. It is the staff’s job to produce the desired organizational performance. The board’s job is to define it.





## For more info

*GDFTZ's Zone Outlook* is published quarterly. For additional information or assistance with your trade needs, please contact:

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## Recap of NAFTAZ Annual Conference

Those who missed the 14<sup>th</sup> Annual NAFTAZ Conference & Exposition held October 15-19 in Puerto Rico, missed an interesting, informative and very busy week, as well as an exceptional display of brilliant fireworks. Following are some of the highlights of the event:

- H.R. 5396, proposed new legislation which would have greatly restricted the definition of the term “zone operator,” was soundly defeated though the united efforts of the NAFTAZ conference attendees. NAFTAZ officials learned during the conference that the bill had been introduced to the House of Representative on October 5, and quickly urged its membership to respond to their congressional contacts to express their opposition to the bill. Their response was swift and strong. Just two days after being deluged with letters, phone calls and e-mails from NAFTAZ conference attendees, H.R. 5396 was thrown out.
- Greg Jones, Past President of NAFTAZ, was made an Honorary Life Member of the organization. Throughout the years, Greg has served in numerous roles on

the NAFTAZ program. In addition to guiding the NAFTAZ to self management, Greg was instrumental in the recent passage of new Weekly Entry legislation.

- Larry Cunningham, Secretary of the Oil Refinery Sub Zone Task Force, and a long-time, active member of the NAFTAZ, announced his intent to retire at the end of this year.



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**GREATER DETROIT  
FOREIGN TRADE ZONE, INC.**

