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Abrasives, Inc. Shines in Korea

Glen Ullin Company Taps Into Local and Foreign Assistance to Support Initial Sale to Korea

Abrasives, Inc. produces silica and coal slag for industrial use, including as an abrasive used for prepping surfaces for coatings and paint. Abrasives, Inc. has plants located in Elgin and Glen Ullin, ND and Minneapolis, MN.

In October 2014, Abrasives, Inc.'s Russell Raad reached out to the U.S. Commercial Service (CS) office in Fargo, ND after receiving an email from a potential client in South Korea. Unsure if the lead was legitimate, Raad hoped CS's Heather Ranck could find further information on the client. Ranck contacted CS Korea and through phone outreach in the Korean language, the Commercial Specialist in Korea was able to determine that the contact, company and opportunity were genuine.



Then the real work began. Abrasives, Inc. had not previously exported to Korea, and while Raad had previous experience exporting, he wanted to do it right the first time for this sales opportunity. Ranck assisted initially by providing samples of the documentation needed to export, along with information on shipping to Korea. Ranck also directed Raad to international finance staff at the SBA and Export-Import Bank, where Raad could gain advice on international payments and financing options when working with global clients.

In April 2015, the relationship between Abrasives, Inc. and the Korean buyer had further developed to the point that Raad needed to visit the customer, a very large conglomerate with significant ongoing business opportunities in Korea. The Commercial Specialist in Korea was available as a resource to accompany Raad to the meeting, and also to advise on interpreters, travel logistics and sample shipments. Raad's CS support team helped answer all of Raad's questions, and the introductory visit was a success.

Following many months of dialogue, and a very successful result from the sample testing of Abrasives' products, the Korean company placed its first order in August 2015. Raad anticipates future sales could reach 20,000 metric tons annually.

In addition to the technical and relationship-building support on this sales opportunity, Abrasives also benefited from the duty free export status of its product, thanks to the U.S. – Korea Free Trade Agreement that has been in effect since 2012. The duty was reduced from 2% to duty free through this FTA.

This first-ever export to Korea represents a whole new world for Abrasives, Inc., as it opens the door to processes, customers and opportunities around the world. Using local and international resources, CS helped make the road to export success smoother for Abrasives, Inc.

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