

June 19, 2012

News Release

*For Immediate Release*

## **Southwest MO Foreign Trade Zone to Expand**

The Springfield-Branson National Airport will officially expand the Southwest Missouri Foreign Trade Zone (SWMo FTZ) to include a company in Neosho, Mo., Jarden Consumer Solutions. The airport and Jarden will complete the final paper work on Thursday, June 21, at the monthly meeting of the airport board of directors. Media are invited to attend a brief ceremony.

**WHEN:** Thursday, June 21, 2012, 8:00 a.m.

**WHERE:** Springfield-Branson National Airport, 2300 N. Airport Blvd. Springfield, Missouri, in the airport Board Room.

**PARKING:** Park in the shuttle/bus parking lot at the passenger terminal. Enter the terminal through the glass doors located in the middle of the terminal, with a long, covered sidewalk. Come in those doors; the Board Room is immediately on the right.

### What Is a Foreign Trade Zone?

A foreign trade zone (FTZ) is a geographic area inside the United States where overseas goods have the status of being "outside the country." Goods entering the FTZ are not charged import taxes. FTZs are created by the U.S. Department of Commerce to help U.S. companies compete in the world market place.

Example: suppose a Springfield company wants to sell fishing rods, with reels, in Canada. The fishing rods are brought to the FTZ from overseas. The reels, which are made in the United States, are also brought to the FTZ. The rods and reels are packaged together, inside the FTZ, and then shipped to Canada. Since everything happened inside the FTZ, the company doesn't have to pay import taxes on the rods. If the company intended to sell the assembled product inside the United States, it wouldn't have to pay taxes until the product leaves the FTZ. In essence, a manufacturing opportunity, and the jobs that go with it, was made possible by the existence of the FTZ.

Historically, FTZs have had two limitations: 1) when companies applied to use an FTZ, the Department of Commerce application process took more than a year to complete. Companies often found it impractical to wait that long. 2) FTZs have historically been limited to very small geographic areas. In the case of the SWMo FTZ, which was formed in 1997, the geographic area was limited to one building at the Springfield airport.

Now, thanks to a new, streamlined procedure, the Department of Commerce takes about 90 days to process an FTZ application. Additionally, the geographic area of the FTZ is no longer limited to the airport. FTZ "sub zones" can now be established in 23 Southwest Missouri counties: Barry, Barton, Cedar, Christian, Dade, Dallas, Douglas, Greene, Howell, Hickory, Jasper,

Laclede, Lawrence, McDonald, Newton, Ozark, Polk, Stone, Taney, Texas, Vernon, Webster, and Wright.

Jarden Consumer Solutions is the first company to take advantage of the new sub-zone feature. The company is a major importer/exporter and employs over 13,000 people in 11 countries. Its well-known brands include Crock-Pot, Mr. Coffee, Oster, and Sunbeam. The company's Neosho facility has 1.85 million square feet and employs more than 300 people. They do light assembly of Jarden products, as well as retail distribution. 80% of the Neosho facility will have sub-zone status.

The airport hopes the ability to set up sub-zones will make the FTZ a more attractive option for even more southwest Missouri companies.

"Missouri companies are in direct competition with overseas companies," says Brian Weiler, airport director. "Competition with those companies often makes it difficult to make a profit. We view the FTZ as another tool in the economic development tool box — its tax advantages could make the difference between company growth, stagnation, or going out of business. Ultimately, the FTZ could help Southwest Missouri companies grow and add jobs."

The airport is working with the Missouri Department of Economic Development; the Missouri Department of Transportation, and the Springfield Area Chamber of Commerce on a study to identify other businesses, shippers and manufactures that could benefit from using the FTZ.

Jarden and airport officials will complete final paperwork on Thursday, June 21, at the monthly meeting of the airport board of directors. The meeting starts at 8:00 a.m. Media covering the event are encouraged to arrive shortly before the meeting starts.

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