Export Market Opens Doors for State

SINCE territorial days, most of what Oklahoma produces on its land goes to market at the lowest price per ton, as raw materials.

That includes wheat, cotton, timber, petroleum, cattle and other crops and livestock. In recent years, important gains have been made in the area of processing and manufacturing, but totals are still a small proportion of the output.

Now new opportunities for expansion and further developments of this type are opening through export markets. Even so, most of what we export still is going abroad in bulk form.

Oklahoma is a charter member of the Southern United States Trade Association, an organization of 15 states created to develop foreign markets. Last week, a seminar in Oklahoma City discussed additional ways for Oklahomans to get into exporting.

"Exporting is an extention of your present market," said Herb Stone, executive director of SUSTA. "If you are a successful businessman in Oklahoma, there is no apparent reason why you can't become successful in exports also."

David Stratton of Clinton, commissioner of agriculture and board member of SUSTA, gave the reason. "Hopefully, you can make a buck out of the export markets," he said.

With access to ocean ports through the Arkansas River Waterway and international banking services available in Oklahoma City and Tulsa, foreign markets are much pearer.

Selling in the export markets is highly competitive and it involves risks, but it offers large volume outlets for those who are willing to work at it.

Margins of profit may not be as large as may appear from comparisons of local and foreign quotations. Spreads include handling costs, insurance, freight, commissions and import duties.

Ed O'Rourke of Enid, vice president for export marketing, Union Equity Cooperative Exchange, said sales of wheat sometimes are determined by differences as small as one cent per metric ton, which is only about 1/36 of a cent per bushel.

Lynn Boomer, who exports alfalfa products from his Shattuck Farms, Inc., emphasizes that exporters must work closely with buyers to get products to them the best way. He ships pellets in 50 lb. bags or cubes in jumbo containers holding 1,000 pounds.

The assumption that foreign buyers will accept products made to sellers' specifications is changing, said James M. Phillips, vice president, international division, Wilson Foods. He said cost and price advantages may result if exporters will follow specifications obtained from their foreign customers.

"Fear may be one of the larger factors that keeps many of us out of the export market," Phillips observed.

For Oklahomans looking for large volume sales, who are willing to make required adjustments, and who have patience to follow through, exports may offer a large opportunity.