

STRONG ECONOMIES, RESILIENT COUNTIES

The Role of Counties in Economic Development



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MADISON COUNTY, ALABAMA

Diversifying Defense Industries through International Trade



Located in north Alabama, Madison County is a center of defense-related industries. The third most populous county in the state, it has a highly skilled labor force, with almost 38 percent of the population older than 25 years old holding a bachelor's degree or higher. Redstone Arsenal and NASA's Marshall Space Flight Center have propelled Madison County to the national and international stage and the city of Huntsville is an epicenter for missile and rocket development and aerospace technology. The uncertainty around federal defense spending is always a challenge. In addition to making the workforce investments necessary to meet the changing needs of the modern military, the county seeks to encourage activities not dependent on military contracts, increase advanced manufacturing alongside already strong research and development facilities and promote international trade.

The International Trade Development Center (ITDC)

In 1983, the Madison County Commission Department of Planning and Economic Development established the International Trade Development Center (ITDC) as part of the County's economic development strategy to assist companies in expanding and diversifying their markets worldwide. ITDC offers direct one-on-one export assistance to businesses including consultation, market research, mentorship, referrals, training and market outreach. In conjunction with the formation of Madison County's ITDC, county staff worked closely with the private and public sectors to form a public-private joint venture. The North Alabama International Trade Association (NAITA), managed by ITDC, is a nonprofit 501(c)(6) business-driven organization committed to increasing knowledge, interest and activity in international trade in North Alabama. Key partners include private sector companies experienced in all aspects of trade; the local chamber; international service providers in the legal, finance, transportation and translation/interpretation sectors; area universities; and the Huntsville/Madison County Airport Authority (Port of Huntsville).

The mission of the ITDC/NAITA public-private partnership is to promote economic growth through international trade education, training and networking. NAITA serves as the private sector trade advisory board for the ITDC, which provides access to a pool of expertise for specific questions or challenges. The ITDC/NAITA partnership is also a member of the statewide Export Alabama Alliance, which is comprised of trade professionals from the state's Alabama Department of Commerce - International Trade Division, the University of Alabama International Trade Center

- Population, 2013: 346,892
- County Board size: 7

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(part of the SBDC network) and the U.S. Department of Commerce - Alabama Export Assistance Center. Funding for the ITDC/NAITA partnership is provided by the Madison County Commission via staffing and by NAITA members who contribute financially through dues, sponsorships, participation fees and in-kind donations.

Over the years, ITDC and NAITA have assisted businesses initially dependent on government contracts in diversifying their operations through expanded education on foreign government procurement processes, export control regulations and foreign military sales. Through a new partnership between NAITA and the Technology Regional Innovation Cluster-Huntsville (TechRICH), NAITA is targeting and assisting small and medium-sized advanced defense technology companies in making connections, building new partnerships and gaining access to international markets. Cluster members include North Alabama companies involved in small spacecraft, environmental monitoring, intel-surveillance-recon, robotics-interoperable systems, innovative energy applications and cyber-security.

ITDC/NAITA has also been instrumental in providing education on export control regulations – a critical component of successfully selling high-tech and defense-related products and services. Huntsville/Madison County is home to many defense contractors who support government, missile defense, aviation and space launch and space science programs. These firms are involved in both direct commercial sales and foreign military sales, and foreign sales of these products and services are regulated by the U.S. Government to protect national security. ITDC/NAITA offers a quarterly Export Control Roundtable briefing that addresses specific issues related to export licensing and compliance and provides a networking forum for company officials charged with this responsibility. Comprehensive seminars and training on export controls and compliance are also provided to keep companies current on the ever-changing regulations, especially with the Export Control Reform initiative.

Monitoring the county's growth in the trade arena and identifying the biggest needs of business related to international trade is very important. In addition to the advice and direction of the NAITA advisory board, Madison County conducts periodic surveys to measure the impact of trade on the local economy. Recently, NAITA has partnered with the University of Alabama in Huntsville to conduct an annual regional survey which will continue to identify needs and progress on an ongoing basis.

By tailoring assistance and training to address the specific challenges identified by the businesses they serve and taking advantage of the expertise of their partners and trade group members, the ITDC provides Madison County businesses with increased opportunities to expand into foreign markets. While defense-related industries continue to take center stage in the county's economic profile, Madison County's international trade education and development programs have played an important role in the retention, expansion and diversification of local businesses.



NAITA 2nd Annual Global Supply Chain and Logistics Summit.