

Grow Globally

The World Is Open For Business.

Why Should You Export?

Opportunity

+

Diversification

+

Competition

+

**Business
Facilitation**

95% of the world's consumers are outside of the U.S.

Exporting helps to diversify your client base and take advantage of regional growth

If you are not exporting, it's highly likely your competitors are selling abroad or will be soon

Free trade agreements, the Internet, improved transportation, and Government assistance

Economic Impacts of Exporting

- Exports help diversify the U.S. economy
- U.S. manufactured exports support **6,000,000** American jobs
- Trade generates **\$9,000** more in purchasing power for the average American family
- Companies that export are **8.5%** less likely to go out of business
- Jobs related to exports pay **15%** more



Exporters Are Small Business

97% of U.S. exporters are
SMEs with < 500 employees

75% of exporters have < 20
employees

7 in 10 new U.S. jobs are
created by small businesses



Are You Export Ready?

- Domestic Success?
- Production Capacity?
- Financial Resources?
- Management Commitment?
- International Plan with Goals?
- Know-how? (shipping & methods of payment)



Develop An Export Strategy

Focus Your Efforts!

- Be PRO-ACTIVE & REALISTIC about your ability to expand
- Define your resource limitations (personnel, and time)
- Identify a few target markets
- Evaluate target markets, customers, distribution channels
- Evaluate future profits & opportunities to expand business
- Develop an entry strategy for each market



Determine Product Potential

- Examine Domestic Market Success
- Assess Unique or Important Product Features
- International Market Research
- Where are International Hits Coming from on your Website? Target markets?
- Where are Your Competitors Selling?



The World Loves American Products



Are You Export Ready?

Addressing these 4 steps can make your company export ready:

- Make Commitments
- Have Realistic Expectation
- Create and Export Plan
- Modify Your Products and Services

Export Process

Essential Elements of the Export Process:

- Get Ready to Export
- Plan Your Market Entry Strategy
- Start Finding Foreign Buyers
- Determine Terms of Payment

Export Process (Cont.)

Essential Elements of the Export Process:

- Educate yourself on the Steps Required to Successfully Ship Goods and Complete Transactions
- Research and Confirm Duties, Taxes, Shipping, and Insurance Costs

The Basics - Operationally

- Product Classification? HTS & ECCN
- Product Control? (based on ECCN)
- Sale Terms? Who pays for what?
- Logistics? Can you do it cost-efficiently
- How do you get paid?
- Reduce risks (insurance, payment, liability)

Shipping Notes & Transit Times

Shipping Documents

- The following should be listed on the commercial invoice:

Exporter, Consignee, Terms of Sale, ECCN, License Exception, HTS Code, Product Description, Declared Value, and the Destination Control Statement (For both controlled and non-controlled EAR Items).

Shipping Process

- Some countries will require additional documentation, such as: Certificate of Origin, Import License/Permits, Letter of Authorization from OEM
- Some countries will need EORI/VAT ID/IOR to Import
- Some countries are more strict (ex: Brazil), while others are easier (EU countries, Canada).

Shipping Process (Cont.)

- Declared Value will determine whether it is a formal entry (commercial) or informal entry (personal use/gift). This value varies country to country so if there are any concerns, contact the courier to ask.
- Declared Value will determine the amount of Duties and Taxes based upon CIF Value:
- Duties and Taxes can range from 0% to more than 100%

Courier Shipments

- Based upon the value, they will require someone in country to provide their tax ID in order to complete the import process.
- FedEx/UPS/DHL will not act as IOR
- The main reasons for delays to clear Customs is due to missing documents, permits/licenses, and/or lack of importer (IOR) information

Courier Shipments (Cont.)

- If any dangerous goods, Li-Ion Batteries, or controlled substances are contained in the shipment, this will need to be declared when producing the AWB/Label or a fines can be incurred.
- If products are shipped and Global4PL is not involved, it is very hard for us to assist if the goods have arrived in country. Normally in this circumstance, the shipment would need to be returned, corrected, and it would need to be reshipped.

General Transit/Clearance Times

- EU Countries, Canada, Australia – Transit Time: 1-2 Days; Customs: 1-2 Days
- Asia: Transit: 2-3 days; Customs 1-2 weeks
- Africa: Transit: 3-4 Days; Customs: 1-2 weeks
- CIS Countries: Transit 5-7 days; Customs; Can be up to 1 Month or longer. (Dependent on product being shipped)

Landed Costs

Your Cost
Estimation

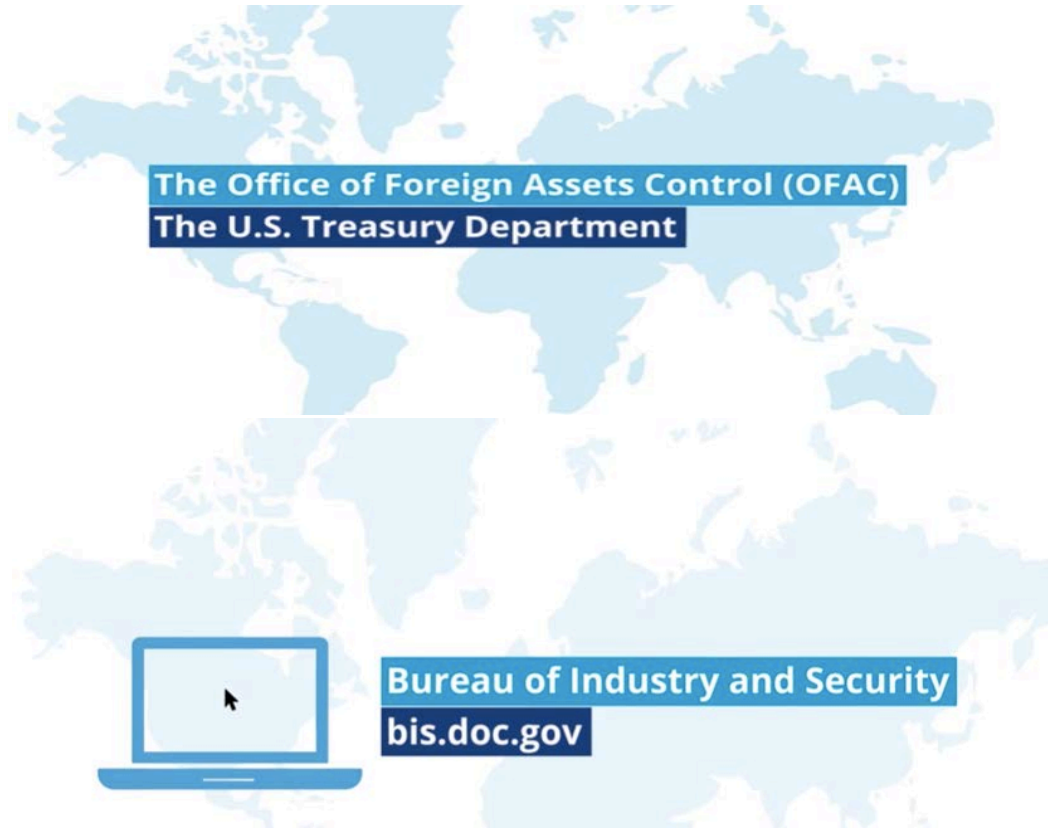


Duties + Taxes + Shipping + Marketing

Export Controls?



Who Polices Exports



Common Export Mistakes

- Lack of export business plan
- Low commitment to exporting
- Neglecting export customers
local customers
- Reliance on inadequate partnerships
- Failure to modify products & methods to accommodate
foreign regulations and preferences



Leverage Our Additional Resources

www.Export.gov – Your U.S. Trade Portal

- Export basics, market research, HS & schedule B numbers
- Information on international finance, logistics, and standards

www.Export-U.com – FREE export tutorials/Videos

www.Global-4pl.com – Global4PL

www.DPLguru.com – Export Screening

THANK YOU

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