



INTERNATIONAL TRADE GUIDE

- **Your Export Potential**
- **Marketing**
- **Finance**
- **Logistics**

Plus

Four Key Questions for the Initial Consultation

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Kutztown University of Pennsylvania

Helping businesses start, grow, and prosper.



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Contents

Quick ✓ List.....	2
YOUR EXPORT POTENTIAL	3
MARKETING	5
International Market Plan.....	5
Market Research	6
Trade Shows.....	8
International Marketing Checklist.....	12
FINANCE.....	13
Export Finance Basics	13
Payment Mechanisms & Policy	16
Finance Checklist	17
LOGISTICS	18
Role of Freight Forwarders	18
Ocean Freight Quote	22
Air Freight Quote	23
List of PA Freight Forwarders and Freight Forwarders Websites	24
Freight Forwarders Checklist.....	27
HOW TO PREPARE FOR AN INITIAL CONSULTATION	28

Quick ✓ List

(Prepare for a meeting with a prospect or export service provider such as a banker, freight forwarder, lawyer or consultant)

Company & Products:

- Our products' competitive advantages
- Profile of our best customers in the US
- Our current method(s) of selling products
- Approximate lead time from order to shipping
- Company's commitment to exporting

Marketing:

- Available product literature, company history & backgrounds of key executives
- Translations in Spanish and other languages
- Competitive analysis of products and markets
- Any overseas inquiries?
- Recent trade shows attended
- Any meetings with overseas prospects?
- Interest in exhibiting at an overseas trade show
- Ability to modify product & packaging for an importer

Finance:

- Commercial bank's ability to finance your export sales
- Need for working capital for specific sales
- Mitigate risk by using US Eximbank export insurance
- Familiarity and need for wire transfers or letters of credit
- Interest in US SBA and Eximbank working capital guarantees
- Ability to obtain a down payment at the time of the order

Logistics:

- Obtain cost of inland shipping from our plant to the nearest port
- Discuss the services needed from a freight forwarder
- Do we need special packaging to export our products?
- Obtain a quotation to transport your products via ocean or air to a target market

YOUR EXPORT POTENTIAL

A SWOT Analysis

How should I evaluate if exporting is a fit for my company?

As a first step, it is helpful to perform a SWOT analysis on your company and products. A SWOT analysis identifies the Strengths, Weaknesses, Opportunities and Threats of your firm. You can apply this concept to help you develop your international marketing plan by identifying the aspects of your company that you need to further develop to be successful in an international market. Some examples are listed below to help you launch your own SWOT analysis.

Strengths (short-term positives)

- Patents
- Competitive advantage(s) in the US
- Value added services currently offered
- Warranty, spare parts, training
- Profile of best customers
- Reputation
- Benefits of your products/services over competitors
- Extent of sales success & market penetration in the US



Weaknesses (short-term negatives)

- Limited access to distribution channels
- Lack of knowledge of foreign markets
- Limited working capital
- Lack of funding
- Market penetration by domestic and foreign competitors
- Cost of product/service offered
- Shipping costs
- Management gaps

Opportunities (long-term positives)

- New technology
- Relatively scarce product or service
- Unfulfilled market
- No strong competitors
- Trade shows

Threats (short & long term negatives)

- Competitors—US & overseas
- Expensive distribution channels
- Substitute products
- Tariff & non-tariff barriers
- Foreign standards & certifications
- Product modifications & costs needed to export
- Documentary requirements
- Payment/collection risks

A SWOT analysis is effective when the entire company has input. After developing listings in each category, discuss which are the most critical for inclusion in the plan. Before developing an international marketing plan, try to reach a consensus within the company about priorities in the international SWOT analysis for your plan. There are many online programs that offer free export assessments, such as <http://www.citd.org/StartupKit/eras/index.cfm> or http://hq-intranet04.ita.doc.gov/bid/export_questionnaire.asp

The value of any such assessments depends on the honesty and accuracy of your inputs evaluating various elements of your business and products.

MARKETING

International Market Plan

How can I create an international marketing plan?

An international marketing plan is vital to your business. It lays out the framework for your international business strategy and how you will achieve that strategy. Furthermore, it should include your objectives and what steps you will take to achieve them. You must be very clear in your marketing plan about your objectives, strategy, budget and deadlines. Also, be sure to focus on your SWOT analysis that you developed within the company; it will aid you in writing your plan. By identifying these things you will lay out the framework for your international business strategy and how you will satisfy your customer's needs and wants. The international marketing plan should fully integrate with your business plan. Your international marketing plan may be structured as follows:

1. **Statement of Objectives**—3-4 key objectives stated that you wish to achieve over the next 6-12 months. These should be quantifiable where possible, such as sales targets & profitability; establishing a network or select distributors in a stated geographic area; new product development, packaging or product applications.
2. **Competitive Analysis**—A cogent product analysis of your product's benefits over competition. A discussion of your competitors' products and their markets.
3. **Market Research**—Harmonized product codes, in-country market intelligence, trade shows, pricing, tariffs and non-tariff barriers that affect your ability to sell into a market.
4. **Target Markets**—A clear definition of your targeted markets, what niches, distribution channels, trade shows, advertising budget, promotional campaign and demographics you wish to reach within the Market Plan period. Secondly, how and where you will launch your sales effort (we like to see some local market development and acceptance to build both sales and credibility as you grow sales); how much time each day or week you will make calls; a listing of specific companies that you will call in order of your calling effort and importance. You could list the anticipated sales from these calls, since this would constitute your sales total for the plan period.
5. **Timeline** for when the various activities discussed in the marketing plan will be launched.
6. **Budget**—a realistic budget to support your trade shows, advertising/marketing costs, travel, start up costs, any product & packaging development costs, literature, etc. both prior to launch and within the stated period of plan.
7. **Barriers**—a clear listing of the 3-4 major/most important barriers that could cause you to fail to achieve your stated objectives above. You should also state how you plan to address these gaps.

8. **Personnel**—if you have any personnel gaps or are hiring during the plan period, this is the time to state your needs and how you are addressing it. This section should also state who is directing the export effort, any staff support and how many hours/week will be devoted to exporting if this is less than a full time function.
9. **Partnerships or joint ventures**—if your plan assumes any new business relationships, partnership to achieve your sales objective, this should be stated along with a discussion of the benefits and risks.
10. **Financing Needs**—especially if you need outside funding, such as for working capital, the magnitude, use and source.
11. Any other relevant information to your sales effort not included above.

Market Research

Why engage in international market research?

Market research provides you with information on potential and target markets, opportunities, constraints, potential customers and competitors, pricing, packaging, and labeling requirements. Also, you may be able to determine your largest markets, fastest growing markets, and market trends. From market research, you may be able to determine which markets suit your product best and how many markets to enter. Market research is also valuable if you are seeking finance, investors or business partners. While one might logically choose the largest market based on previous trade flows, it is sometimes advisable to seek non-conventional markets where there is less competition.

There are two types of market research:

- Primary market research is data gathered directly on the foreign market by performing interviews, surveys, focus groups, and direct contact with potential customers.
 - The advantage is that primary data can be tailored to fit your exact needs.
 - The disadvantage is that it is expensive and time consuming
- Secondary market research examines data gathered by other sources, such as trade statistics on a country or product.
 - The advantage is that secondary data already exists and it is not as time consuming or expensive as primary data.
 - If you decide to use an export intermediary, this may reduce your costs, risks and preparation time but also lessen your profits.
 - The disadvantage may be that you may not always find exactly what you are looking for.

The first step in market research is to look for potential markets on a macro basis. You should look for countries to which your competitors export, examine commercial export

guides and U.S. import and export statistics. There are a number of steps you should take including:

- The Pennsylvania Department of Community and Economic Development website site <http://www.newpa.com/build-your-business/explore-international-opportunities/index.aspx> offers valuable trade resources for new and experienced exporters. PA based companies can apply for access to the Virtual Trade Advisor which will show you growth markets, trade flows and competitors for specified products.
- Other key resources for market statistics on US exports to other countries are:
 - The U.S. Department of Commerce, Foreign Agricultural Service, and the Small Business Administration.
 - www.globaledge.msu.edu provides background information on a country's economy, government, culture, and risk.
 - www.stat-usa.gov also provides background information on countries, available to KU SBDC clients at no charge.
- As you progress in this effort, identify at least 5 large and fast growing markets that demonstrate consistent growth.
- You may also identify a number of small but very fast growing markets. There may not be as many competitors in these markets, offering a first mover advantage.
- After you have narrowed the markets down to about 10-15, choose the top 2-3 markets that show the greatest growth, stability, and potential for your product.
 - Review the market research and statistics on these countries, and select a target market or two for your product.

After selecting several target export markets, further examine the following microeconomic information:

- Trends for your product consumption/sales
- Trends for similar competitor products
- Overall consumption of your product
- Competition
- Distribution channels
- Local pricing strategies
- Tariff and non-tariff barriers to entry
- In-country trade shows and trade missions

The Pennsylvania network of Global Trade Representatives in major strategic overseas markets can assist PA-based companies with market research at no charge by completing a work order available from the Kutztown University SBDC or from a PA Regional Export Network representative.

What is my Schedule B number and why is this important?

The Schedule B number, sometimes called the Harmonized Code number, is a product code number that classifies your product for tariffs, statistics and US content purposes. It is essential to obtain the correct product number well before you actually export your

product. Sometimes it is difficult to find the exact classification because of definitions or large categories of “other” listings in the product schedule. Begin by checking <http://www.census.gov/foreign-trade/schedules/b/#search> or call the US Census Bureau at 800-549-0595 for assistance in classifying your product.

What technical changes do I need to make to my product to enter foreign markets?

You may have to consider labeling, packaging and technical changes before exporting your product, including:

Metric measures

Product labels

Packaging

Ingredient modification

Meeting foreign standards and certificates

Instructions and safety/handling/medical information in another language and format.

Product Labels

Product labels for retail products are very important because you must comply with regulations in the buyer’s country. They are also a promotional way to inform people of your product and its qualities. When entering a foreign market you may need to alter the content, colors or the language on your labels to conform to national and cultural standards. It is also important to include labeling changes in your selling price.

Trade Shows

What is a trade show?

A trade show is an exhibition organized by a government, trade association or a private sector entity for companies in a specific industry or geographic area, allowing you to showcase products or services to consumers, distributors or representatives in the U.S. or overseas. Some shows are open to the public while others are only for business entities. Many U.S. trade shows attract overseas buyers as well as potential competitors.

Why participate?

- Face-to-face contact with potential buyers
- See new product lines
- Demonstrate your product
- Direct sales opportunities



- An opportunity to meet international distributors and agents
- View competitors' products
- Conduct primary market research
- Networking
- Stay current with market trends
- Obtain input on the price, packaging and performance of your product

Trade shows are important because they represent one of the best means of testing acceptance of a product in the market. Ways of participating in a trade show include exhibiting, walking the show, attending a seminar or showcasing products. A company can test market acceptance by exhibiting at a trade show that focuses on a specific industry. By exhibiting at a foreign trade show, an exporter is expressing a desire to expand internationally. Catalog shows are low cost ways to obtain exposure for your company, although you miss the personal interaction with prospects.

Attending versus exhibiting?

Attending:

- Market research
- Observe trends in market
- Prepare you for exhibiting in the future
- Learn about pricing and packaging
- Observe display methods
- Evaluate competition
- Lower cost than exhibiting

Exhibiting:

- Face-to-face
- Generate sales
- Meet prospective buyers and distributors
- Need a display
- Need marketing materials
- May need translator and translated materials
- Must stay for show duration

How much will it cost to exhibit at a typical trade show?

Trade shows are a significant market investment for a small business. Costs vary but may include renting space, construction, design and construction of an exhibit, translation of product literature, promotion, travel and accommodations. Free samples or promotional items, furniture, electrical outlets and signage will add to the overall cost. Cleaning, storage and electrical fees can also be expected. Trade shows may cost a minimum of \$5,000 to \$10,000. It is essential to include the costs of trade shows when developing with a budget and market plan. Of course, travel, lodging, local travel, meals and incidentals add costs to any trade event.

How do I find an appropriate trade show?

There are several ways to obtain news about upcoming trade shows, which include contacting the U.S. Department of Commerce* district office, the Pennsylvania Office of International Business Development* or your trade associations. Some websites to use when searching for shows or further information on international trade include:

- www.commerce.gov* (202) 482-2000
- www.newpa.com* (866) GO-NEWPA
- www.sba.gov/international
- www.expoworld.net
- www.biztradeshows.gov
- www.eventseye.com
- www.tsnn.com
- www.trade-show-advisor.com
- www.fita.org
- www.tscentral.com

To decide on the right trade show you should:

- Check with companies in your industry, especially competitors, suppliers and your trade association
- Note attendance in previous years
- Research foreign attendance, both numbers and origins from the trade show sponsors
- Count the number of foreign exhibitors and variety of countries represented.

How do I prepare for a trade show?

- Research to select the best show for your product and speak to colleagues who have attended the same or competing shows.
- Prepare a budget including the aforementioned costs.
- Arrange for a shipment of samples, often through a freight forwarder or the trade show sponsor. Ship well before the deadline. Confirm when the shipment is made.
- If you are considering a foreign trade show, obtain an “ATA carnet,” allowing businesses to take samples or advertising materials into the host country. To secure a carnet, request an application from a freight forwarder.
- Bring a camera, which is a practical way to remember contacts. Always ask permission to photograph a booth or another person. A thoughtful way to follow up with an important business contact is to send them a photo with further correspondence and any promised information.
- Bring business cards and possibly a scanner in order to keep track of others’ business cards electronically. If possible, have the reverse sides of the cards printed in another language or the language of the host country.

- The exhibitor should design the layout for the booth and determine, from the trade show's sponsor, what furniture and electrical devices are already being supplied. It is advisable to bring along scissors, Velcro, tape, product literature and samples in case your exhibit arrives late or damaged.
- Send a notice in the mail or by email to potential buyers about your participation in that particular trade show, inviting them to visit your exhibit. Give them a compelling reason to meet you.
- Try to develop a press release if participating in a foreign trade show and have a page translated in the host country's language.
- Create a one page summary of company information, background, products, and contact information and have it also translated for the trade show.
- Be prepared to make indicative quotes for potential buyers, which is why prior contact with a freight forwarder is essential.
- For PA-based companies, apply for a Pennsylvania Market Access Grant (<http://www.newpa.com/programDetail.aspx?id=134>) to help Pennsylvania small businesses offset some qualifying costs.
- Plan on traveling 1-2 days before the trade show to set up the exhibit and to recover from jet lag. Also, if possible stay several days after the trade show to visit local prospects, distributors and outlets for your products.
- Make both plane and hotel reservations as early as possible for the best rates, schedules and locations.
- Select your trade show representative based on technical expertise and marketing skills.
- Consider hiring a competent translator, although expensive, if required to communicate with business prospects.



International Marketing Checklist

Competitor Information:

List competitors who export _____

Destinations _____ Approx. value & volume _____

Your Target Market(s):

Any overseas inquiries? ___ From where? _____

US Selling Method (direct/distributor/internet/agent) _____

Key Competitive/Sales Advantages _____

Profile of your best US customer(s) _____

Trade Shows:

Have you exhibited at US trade shows? ___ If so, which one(s)? _____

Have you met with foreign exhibitors or visitors at these shows? _____

Have you visited or exhibited at any overseas trade show? ___ If so, please list. _____

Do you have a trade exhibit and marketing materials ready for a trade show? _____

Is your website and product literature available in other languages? _____

If so, which languages? _____

If not, which languages would you target? _____

Standard/Certifications:

Do you have any US or international certifications? _____

Do you have any or plans to meet ISO, CE mark or other international certifications? _____

What standards/certifications have you researched to enter a specific overseas market? _____

Are your product specifications and labels in metric as well as English units? _____

What product/pricing/packaging modifications are necessary to export your products?

List here or check below:

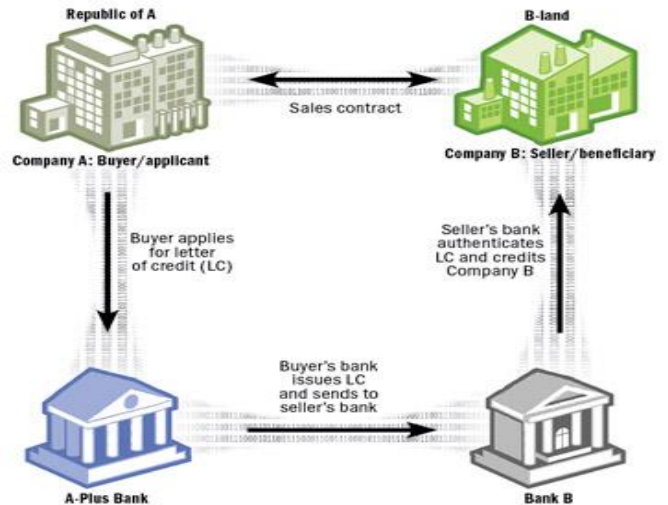
___ Export Pricing ___ Labels ___ Instructions
___ Modified Packaging ___ Color(s) ___ Safety Manual

FINANCE

Export Finance Basics

Why bother with financing?

Finance may be a critical element to both exporters and importers in a trade transaction. International trade has characteristics of potentially large orders, long lead times, demand for customized products/packaging and the need to pay for shipping and insurance before obtaining payment from the buyer. Therefore, an exporter needs to work with a bank that offers trade services. Exporters are well advised to establish a solid relationship with their trade bank, based on mutual trust and full disclosure. Your banks should be familiar with the US Small Business Administration (SBA) and US Export-Import Bank (Eximbank) programs that can assist exporters with:



- Pre-export working capital
- Provide terms for customers,
- Mitigate cross-border and payment risks through export insurance

The commercial bank can help exporters understand payment terms, documentation and letters of credit. Financing may be an essential factor in your export success.

What are the financing options available for exporters?

Self- Finance and Self-Insure--One option always available to exporters is to self-finance and self-insure. Realistically though, small businesses generally do not have the funds or the capacity to undertake these activities without outside service providers.

Commercial Bank--The commercial bank is a logical first choice to understand their ability and willingness to support your overseas sales. Potential exporters may ask their current banks:

1. If the bank has a trade finance department or division? If so, you should meet with a bank officer to discuss your needs and learn about their services and costs.
2. Is the bank knowledgeable about US SBA and Eximbank programs? Is the bank an SBA preferred lender? Does the bank has an export insurance

- policy? Do they have a government finance specialist for US government guaranteed loans?
3. Has the bank financed exports and pre-export working capital either with a US Government program or as a commercial loan?
 4. Does the bank issue, advise and confirm commercial letters of credit? If so what banks in the US and worldwide do they work with and what are their indicative costs?
 5. Is the bank able to issue standby letters of credit to support your bid, performance or down payment from your customer?

SBA—As an alternative to commercial bank financing for working capital, you may access working capital to pay for components, labor and other costs required to complete the export sale. The commercial bank may be willing to provide an exporter with working capital funds with an SBA guarantee to the commercial bank of up to 90% of the loan amount up to \$2 million. Program details and eligibility requirements are available at <http://www.sba.gov/oit/finance/ewcp.html> SBA loans are secured loans and interest rates are generally above a defined Prime rate plus an upfront fee. In some cases, capital equipment needed for export sales may also qualify for financing under this program.

To discuss a specific transaction, eligibility and the application process, KU SBDC clients may contact:

Mr. Robert L. Elsas, Regional Manager
Export Solutions Group, Office of International Trade
U.S. Small Business Administration
601 Walnut Street, Suite 580 West
Philadelphia, PA 19106-3304
Tel: 215-597-6110 Fax: 202-481-5216
www.sba.gov/international
Main Portal: www.export.gov

Eximbank Insurance—While not a payment guarantee, export insurance from Eximbank covers political and commercial risks of non-payment. Export insurance helps to assure that the exporter will be paid as promised, either from the importer or from Eximbank if properly insured. Policies typically cover up to 95% of the insured risks for 180 days. The cost varies with the country, type of customer (commercial or government entity) and the perceived risk of the buyer. A summary of the policy is available at http://www.exim.gov/products/insurance/small_bus_multi_buyer.cfm Export insurance is also available from reputable private companies but the amount of coverage (95%) and scope of countries covered means that for new exporters, Eximbank is generally a preferred way to insure exports. Coverage generally costs less than 1% of the insured value but you should always check specific costs and coverages for a particular market. Obtaining export insurance may provide the additional benefit of offering payment terms to your customer, assisting them conserve their cash while the export assumes no additional payment risk. Export insurance is different from marine insurance which covers the risks of shipping the goods in transit.

Export insurance agents or brokers can assist you in applying for insurance and help you file a claim if you ever need to do so. At http://www.exim.gov/news/brokers_list.cfm, you can find a list of brokers. Working through a broker is not an additional cost to the exporter since the broker is compensated from Eximbank.

How do I prepare for a meeting with my bank, SBA or an Eximbank insurer?

Preparing for an initial meeting will save you time in any application process and signal to the service provider your commitment to the export transaction.



- **Understand the Organization & Program**--First, try to read about the particular programs, policies and service that you are seeking. The KU SBDC can assist you in preparing for the meeting and in some cases may participate in the meeting if you wish. Websites and articles are readily available without spending hours of time researching the topic.
- **Company Background**—Offer relevant background information about your company, products/services and your experience within the company. If possible, include financial statements for the past 3 years, customer references and your competitive niche and target market.
- **Principals' Information**—Resumes/bio sketches, backgrounds and responsibilities of key management decision makers are helpful to evaluate the company's experience and credit worthiness.
- **Transaction Information**—A term sheet or transaction summary is helpful to understand first the deal itself and secondly the term & amount of finance the exporter is seeking. Any experience and knowledge of the importer should be included as well as the timeframe for finance should be stated.

How long does it take to arrange finance or insurance?

While impossible to know exact time frames, exporters must start discussions and applications very early in the process. Commercial banks and government entities have detailed applications that require extensive documentation, financial forms and statements. Approval process and times may also take longer than you anticipate, even with promises that the process is “fast and efficient.” Even after submission, entities may require additional information, further delaying the process. Exporters are well advised to begin discussions with their commercial banks and other lending entities as part of their export marketing plan, months before they have a specific financing need.

Payment Mechanisms & Policy

How can I reduce the risk of non-payment from an overseas customer?

There are accepted techniques that reduce the risks of non-payment in international trade transactions.

Cash in Advance/Wire Transfer—For new customers, customized orders or for very risky transactions, partial or full payment prior to order confirmation or prior to shipment may be a realistic option. Exporters with proprietary technologies, new products, goods needed urgently may be able to obtain payment via wire transfer or cashiers' check from the importer.

Commercial Letters of Credit (L/C)—your commercial bank will help you understand the process, structure and flows of L/C's. While L/C's may signify a sure means of payment for the exporter, there are risks that the exporter must understand. Specifically, the costs of L/C confirmation, documents needed to present to the bank for payment and deadlines before the L/C expires. Exporters should request from their customer a pre-advised text of the L/C (before it is officially issued by the importer's bank) to review the documents, costs and timeframes in the L/C to see if this is acceptable to them. This will save time, money and maybe the relationship with the importer.

Export Insurance—Available from Eximbank and private entities, is addressed under "Eximbank Coverage" above.

Standby Letter of Credit—If there is an established relationship between the exporter and importer, the exporter can sell on agreed, open terms to the overseas customer if there is a standby L/C issued in favor of the exporter for the total amount of any outstanding amount. A standby L/C is less expensive than a commercial L/C, but do not provide the importer with documentary protection since the standby is a payment guarantee, rarely called on unless there is non-payment but the importer.

Export Payment Policy—As part of an export marketing plan, an export payment policy can reduce misunderstanding with prospects, save time negotiating and ultimately reduce payment disputes by establishing clear, written guidelines for payment from importers. This policy is printed on company letterhead and signed by an authorized company official. The KU SBDC can help clients prepare this document.

Finance Checklist

Sales Terms:

On what terms do you sell products domestically? _____

Do you require a down payment at the time of the order? ___ If so, how much /what percent? ___

Do your customers typically purchase standardized or customized products? _____

What is the typical lead time from order placement to shipment? _____

Do you use working capital lines to finance sales? _____

Evaluating Your Bank for International Trade:

Name of Commercial Bank _____ Telephone #: _____

Does the bank have a trade finance specialist? _____

Does the bank offer---

___ Wire transfers? If so, what is the cost? _____

___ Letter of credits? If so, what are typical costs for confirmation? _____

In what countries does the bank have strong correspondent bank relations? _____

Does the bank have a US Eximbank export insurance policy? _____

Does the bank finance foreign receivables insured by US Eximbank? _____

Is the bank familiar with US SBA and Eximbank working capital programs? _____

Have you met the bank's chief credit officer? _____ What is his/her attitude to the type of financing or risk you are considering? _____

Export Insurance:

Are you considering export insurance on foreign receivables? _____

Would export insurance enable you to offer payment terms to overseas prospects? _____

Would you want to speak to an export insurance agent for :

___ export insurance (post shipment coverage)

___ pre-export insurance (prior to shipment)

LOGISTICS

Role of Freight Forwarders

How can I move products to the overseas buyer?

An international freight forwarder is a service provider who assists exporters and importers in moving cargo to or from an overseas destination. Most freight forwarders perform services for both the importer and exporter. For import services, the forwarder should be a licensed customs broker.

Typically, freight forwarders are organized into ocean and air segments and import and export departments. The forwarder is familiar with the import rules, regulations, and conditions of foreign countries, the export regulations of the U.S.

government, the methods of shipping (such as consolidating shipments of several shippers to lower transportation charges), and the documents related to foreign trade. They also know the details associated with exporting to particular markets. Freight forwarders help companies determine which mode of transportation and inland freight best suit their particular needs.



Freight Forwarder Services:

- Provide exporters with quotations on freight costs, drayage, inland freight, consular fees, letter of credit documentation, marine insurance and handling fees
- Recommend packaging to protect the merchandise during transit
- Consolidate a customer's freight shipment and load it into a container, usually 20, 40 or 53 feet, or in a specialized container, as well as provide transit insurance under their own master policy
 - 53 foot containers are relatively new and are not always available for a specific destination or shipping company
 - Specialized equipment should be ordered as early as possible since its availability may be limited
- Provide warehousing for consolidated freight
- Reserve the necessary space on an ocean vessel, aircraft, train, or truck
- Order refrigerated "reefer" units for temperature sensitive cargo
 - Air freight may be shipped in pallets or in small containers

Important factors to consider when selecting a forwarder:

- Expertise in handling your products and documentation
- Specialization in countries you are exporting to or importing from
- Location and affiliate offices of a forwarder in your most important markets, since the customer receives the advantage of in-country expertise for technical questions or shipment problems.
 - Location adds convenience.
 - A nearby office will save time and money since the exporter may be able to hand-deliver documents and merchandise.
- If the forwarder is located near an airport, seaport or your business.
- Credit terms
- Whether the forwarder provides services at night when many international cargo flights depart the United States. Air freight shipments may involve emergency situations.
- Resolution of problems such as delayed shipments.
- How the forwarder handles non-routine and emergency situations. Typically, forwarders who are already familiar with your products are good partners.
 - Reference checks preferably with companies in similar industries.

Freight forwarders are located in most metropolitan areas. The Yellow Pages often have headings under “freight forwarder” or “transportation.” Several are listed on the next page. An exporter may receive recommendations of specific forwarders by contacting other exporters, industry associations, commercial banks, chambers of commerce, and world trade associations. Also, your overseas customer may specify a preferred forwarder.



What are the Costs?

A conscientious forwarder will provide valuable information and perform many services. Also, a freight forwarder may even help the exporter generate sales leads. Thus, an exporter should try to develop not only a solid business relationship with a forwarding company, but a personal tie with one individual in that company in particular. Meeting the manager of the company or of the division (i.e. ocean, air, export, or imports) is also important. It may also be advisable to have a working relationship with a second freight forwarder, both for their expertise and as a backup to the primary forwarder.

The freight quotation may be valid for a specific time period or simply indicative. The exporter should verify the quotation with actual shipments. Once the order is ready for shipment, the freight forwarder will review documents to ensure they are in order. They may review letters of credit, prepare the bill of lading, and obtain any special required documentation. After shipment, they can route the documents to the seller, the buyer, or to a paying bank. They will track the exporter's shipment to its destination and alert the buyer when the shipment has arrived. Below are examples of ocean and air freight quotations for exports from the US from Jade International, a freight forwarder in Folcroft, PA.

Ocean Freight Quote

JADE INTERNATIONAL, INC.
PO BOX 469, FOLCROFT, PA 19032-0469

OCEAN FREIGHT QUOTATION -- FULL CONTAINER LOAD BASIS
PH: 610-522-9300 FAX: 610-522-1427 WEB: WWW.JADEINTL.COM

PROFILE#: 00000
TO : MRB INTERNATIONAL LLC DATE: 07/02/2010
ATTN: MR. MARTY BRILL NOTE:

JADE CONTACT: MR. SAL CIMINO

RE: RATE QUOTATION

QUOTATION NO.:00000-15241

PURSUANT TO YOUR REQUEST, WE ARE PLEASED TO OFFER THE FOLLOWING QUOTATION
FOR THE SHIPMENT DESCRIBED BELOW.

DESTINATION PORT: SINGAPORE

EQUIPMENT: X 20' STANDARD CONTAINER X 40' STANDARD CONTAINER
1 X 40' HC CONTAINER OTHER:

COMMODITY: HAND & GARDEN TOOLS, NON HAZ. 988 CTNS. 1,756 C/F 22,675#

TERMS OF PAYMENT: OPEN ACCOUNT TERMS OF SALE: CFR/CIF
VALUE (USD): \$37,850.00

CARGO TO BE SUPPLIED FROM: LANCASTER, PA 17603

BREAKDOWN OF APPLICABLE CHARGES/FEES:
- OCEAN FREIGHT DOOR/PORT LIV LOAD -
- *FOR EITHER A STD. 40FT. OR A 40 -
- FT. HIGH CUBE CONTAINER, RATE IS -
- THE SAME* - \$3,236.00
- FORWARDING/AES - \$125.00
- INSURANCE PREMIUM * - \$224.40
- ESTIMATED *CIF* CHARGES - \$3,585.00
- -
- -
- -
- -

PORT OF LOADING: NEW YORK CY PORT OF DISCHARGE: SINGAPORE CY
PLACE OF DELIVERY (IF APPLIC.):
TRANSIT TIME: ABT 30 DAYS FREQUENCY: WEEKLY
CARRIER: SERVICE CONTRACT RATES

SPECIAL NOTATION QUOTE IS SUBJECT TO FUEL SURCHARGE IN EFFECT AT TIME OF
SHIPMENT.

THANK YOU FOR GIVING US THE OPPORTUNITY TO QUOTE. PLEASE REFER TO THIS
QUOTE NO. WHEN MAKING A BOOKING AND/OR INQUIRY. ALL QUOTES ARE VALID FOR 30
DAYS AND ARE SUBJECT TO SPACE & EQUIPMENT AVAILABILITY AT TIME OF BOOKING.
HAZARDOUS MATERIAL IS SUBJECT TO CARRIER APPROVAL AT TIME OF BOOKING.

SINCERELY,
SAL CIMINO

Air Freight Quote

JADE INTERNATIONAL, INC.
PO BOX 469, FOLCROFT, PA 19032-0469

AIR FREIGHT QUOTATION
IATA NUMBER: 01-1 9657-012
PH: 610-522-9300 FAX: 610-522-9387 WEB: WWW.JADEINTL.COM

PROFILE#:
TO : MRB INTERNATIONAL DATE: 07/01/2010
ATTN: MARTIN BRILL NOTE:
JADE CONTACT: JASON RUDA KNOWN SHIPPER (Y/N): N
QUOTATION NO.: -13931

PURSUANT TO YOUR REQUEST, WE ARE PLEASED TO OFFER THE FOLLOWING QUOTATION FOR THE SHIPMENT DESCRIBED BELOW.

DESTINATION AIRPORT: RIYADH
COMMODITY: NON HAZ
TERMS OF PAYMENT: OPEN ACCOUNT
VALUE (USD): \$19,454.00
TERMS OF SALE: CIF
HAZARDOUS (Y/N): N
CAO (Y/N): N

CARGO TO BE SUPPLIED FROM: EXTON, PA.

NUMBER/TYPE OF PACKAGES: 1 SKID GROSS WEIGHT: 110 KILOS
DIMENSIONS/VOLUME WEIGHT: UNAVAILABLE CHARGEABLE WEIGHT: 110 KILOS

BREAKDOWN OF APPLICABLE CHARGES/FEES:

- AIR FREIGHT	-	\$495.00
- FORWARDING / SCREENING / AES	-	\$85.00
- INLAND FREIGHT	-	\$35.00
- AIRPORT TRANSFER	-	\$15.00
- FUEL / SECURITY	-	\$110.00
- CERT OF ORIGIN	-	\$20.00
- INSURANCE	-	\$148.00
-	-	-
- TOTAL:	-	\$908.00
-	-	-
-	-	-

AIRPORT OF DEPARTURE: PHL AIRPORT OF DISCHARGE: RIYADH
PLACE OF DELIVERY (IF APPLIC.):

SPECIAL NOTATION QUOTE IS SUBJECT TO FUEL SURCHARGE IN EFFECT AT TIME OF SHIPMENT.

IF DIMENSIONS CAUSE VOLUME, THIS QUOTE WILL NOT BE VALID.

THANK YOU FOR GIVING US THE OPPORTUNITY OF PROVIDING THIS QUOTATION. PLEASE REFER TO THIS QUOTE NO. WHEN YOU HAVE AN INQUIRY OR WHEN MAKING A BOOKING. ALL QUOTES ARE VALID FOR 30 DAYS AND ARE SUBJECT TO BOOKING. RATES WILL BE BASED ON THE WAR/TERRORIST S/C IN EFFECT AT THE TIME OF SHIPMENT.

SINCERELY,
JASON RUDA

JADE INTERNATIONAL, INC.

Websites to get a free quote:

- <http://allbusiness.vendorseek.com/import-export-services.asp>
- <http://www.chrobinson.com/ContactUs/RequestAQuote/>
- www.servicebyair.com
- www.clarkworldwide.com
- www.exportimportservices.com
- www.westarusa.com

List of PA Freight Forwarders and Freight Forwarders Websites

(www.forwarders.com)

- www.dhl.com
- www.barthco.com
- www.bdpinternational.com
- PA -- Allentown -- Pilot Air Freight -- 610-264-8777
- PA -- Beaver Falls -- Continental Frght Systems Inc -- 412-843-8881
- PA -- Bensalem -- International Logistics Inc -- 215-244-9850
- PA -- Burgettstown -- Ocean Air International Inc -- 412-681-7533
- PA -- Camp Hill -- Fort Pitt Consolidators Inc -- 717-737-1305
- PA -- Carlisle -- Glen Moore Transport Inc -- 717-245-0788
- PA -- Colmar -- Exhibitors Trans Inc -- 215-997-1177
- PA -- Conshohocken -- Dirico, R -- 610-828-7520
- PA -- Coraopolis -- DHL Worldwide Express -- 412-457-2630
- PA -- Coraopolis -- LEP International Inc -- 412-262-2703
- PA -- Coraopolis -- Pennsylvania Air Cargo -- 412-262-1888
- PA -- Coraopolis -- Pitt Express Systems Inc -- 412-262-2471
- PA -- Coraopolis -- Profit Freight Systems -- 412-262-2494
- PA -- Coraopolis -- R & L Transfer Inc -- 412-262-4114
- PA -- Coraopolis -- Schenker International Inc -- 412-262-7744
- PA -- Coraopolis -- Service By Air -- 412-262-7930
- PA -- Coraopolis -- Stevens Air Transport -- 412-269-3550
- PA -- Drexel Hill -- Worldnet Associates Inc -- 610-259-4317
- PA -- Erie -- Dodsworth Inc -- 814-453-4426
- PA -- Essington -- A I T Freight Systems -- 610-521-6669
- PA -- Essington -- Allstates Air Cargo Inc -- 610-521-5564
- PA -- Essington -- Benchmark Export Services -- 610-521-9100
- PA -- Essington -- Celaya Guerin International -- 610-521-4222
- PA -- Essington -- Columbia Shipping Inc -- 610-521-8872
- PA -- Essington -- Davies Turner & Co -- 610-521-3940
- PA -- Essington -- Logistics Services Usa Co Inc -- 610-521-8915
- PA -- Essington -- Paul Bellack Inc -- 610-521-2600
- PA -- Essington -- Santa Fe Air Freight Inc -- 215-365-7550
- PA -- Essington -- Universal Transcontinental -- 610-521-6260
- PA -- Feasterville Trevose -- Abrams Crescent Trucking Inc -- 610-583-0800
- PA -- Folcroft -- Aeronautic Forwarders Inc -- 610-461-6910
- PA -- Folcroft -- Amerford Air Cargo -- 610-461-2336
- PA -- Folcroft -- Combined Transport Svc Inc -- 610-522-4580
- PA -- Folcroft -- Danzas Corp -- 610-237-0556

- PA -- Folcroft -- Fritz Companies Inc -- 610-237-5200
- PA -- Folcroft -- Intertrans Corp -- 610-461-7000
- PA -- Folcroft -- Jade International Inc -- 610-522-9300
- PA -- Folcroft -- Jess Express -- 610-586-1015
- PA -- Folcroft -- LEP Profit International -- 610-586-3500
- PA -- Folcroft -- Peter Cuillo Trucking Company -- 610-461-8430
- PA -- Folcroft -- Surfair Inc -- 610-583-1835
- PA -- Folcroft -- Wice Freight Services Inc -- 610-461-3519
- PA -- Greencastle -- CON Way Central Express -- 717-597-0766
- PA -- Harrisburg -- Alexander International -- 717-671-8722
- PA -- Harrisburg -- Clark Worldwide Transportation -- 717-238-0784
- PA -- Harrisburg -- Mail Boxes Etc -- 717-541-5484
- PA -- Harrisburg -- T I E -- 717-394-3926
- PA -- Hazleton -- Central Air Freight Svc Inc -- 717-455-7543
- PA -- Huntingdon Valley -- ACS Associates Inc -- 215-784-0661
- PA -- Huntingdon Valley -- Advanced Trnsprtn Systems -- 215-633-9800
- PA -- King Of Prussia -- Bearoff Bros Inc -- 610-277-0225
- PA -- Langhorne -- IFG Corp -- 215-750-7737
- PA -- Lemoyne -- Mail Boxes Etc -- 717-737-6777
- PA -- Mechanicsburg -- Mail Boxes Etc -- 717-731-0555
- PA -- Middletown -- Clarks World Wide Trnsprtn Inc -- 717-939-8425
- PA -- Middletown -- Kerek Air Freight -- 717-939-8125
- PA -- Milton -- Milton Trans Inc -- 717-742-8774
- PA -- Monroeville -- Impact Logistics Inc -- 412-372-0893
- PA -- Montoursville -- AIR Freight Dlvry & Pickup Svc -- 717-368-2421
- PA -- Narberth -- Informa International Ltd -- 610-667-5830
- PA -- Olyphant -- LEP Profit International -- 717-383-7700
- PA -- Philadelphia -- AIR Sea/M F Inc -- 215-592-1200
- PA -- Philadelphia -- American Freight Corp -- 215-744-2030
- PA -- Philadelphia -- B D P International Inc -- 610-521-4200
- PA -- Philadelphia -- Burlington Air Express -- 610-521-6677
- PA -- Philadelphia -- Circle Freight International -- 610-521-2000
- PA -- Philadelphia -- Clark Transfer -- 215-386-3440
- PA -- Philadelphia -- Eagle Shipping Ltd -- 215-922-7370
- PA -- Philadelphia -- Eazor Express Inc -- 609-365-6613
- PA -- Philadelphia -- Friedman Morris & Co -- 215-925-4200
- PA -- Philadelphia -- Galasso Trucking Service Inc -- 215-535-4731
- PA -- Philadelphia -- Harper Robinson & Co -- 610-521-2800
- PA -- Philadelphia -- John Griffin Trucking -- 215-634-2526
- PA -- Philadelphia -- Milton C Merion Inc -- 215-923-7766
- PA -- Philadelphia -- Paul G Bellack & Co -- 215-923-7570
- PA -- Philadelphia -- SEA To Sea -- 215-238-3980
- PA -- Philadelphia -- Seabridge Contrr Trnsprt Inc -- 610-521-2324
- PA -- Philadelphia -- STS Motor Freight Inc -- 215-831-1400
- PA -- Philadelphia -- Terminal Freight Handling Co -- 215-221-0423
- PA -- Pittsburgh -- A C R -- 412-963-2330
- PA -- Pittsburgh -- Acme Fast Freight Inc -- 412-281-1636
- PA -- Pittsburgh -- Agricultural Distribution Inc -- 412-963-7800
- PA -- Pittsburgh -- Commonwealth Wrhse & Stge Inc -- 412-687-6600
- PA -- Pittsburgh -- George Transfer Inc -- 412-391-0601
- PA -- Pittsburgh -- HUB City Pittsburgh Trmnl Inc -- 412-257-4200
- PA -- Pittsburgh -- Kintetsu World Express Usa Inc -- 412-788-8890
- PA -- Pittsburgh -- Lockett, Harold -- 412-243-7933

- PA -- Pittston -- Ne Penna Shippers Cooprtv Assn -- 717-654-2480
- PA -- Royersford -- Schatz, Paul M -- 610-489-0451
- PA -- Schnecksville -- Terpay Trucking Corp -- 610-767-5771
- PA -- Sharon Hill -- AIR Freight Forwarding Inc -- 610-461-7400
- PA -- Sharon Hill -- AIR Freight Specialists Inc -- 610-586-4500
- PA -- Sharon Hill -- Associated Air Freight Inc -- 610-534-8510
- PA -- Sharon Hill -- Cavalier Intrntl Air Frght Inc -- 610-461-1683
- PA -- Sharon Hill -- Celaya Guerin International -- 610-534-4750
- PA -- Sharon Hill -- Dateline Fwdg Svc Usa Inc -- 610-461-7800
- PA -- Sharon Hill -- H & M International Air Frght -- 610-586-1760
- PA -- Sharon Hill -- John A Steer Co -- 610-237-0800
- PA -- Sharon Hill -- Kintetsu World Express Inc -- 610-461-0400
- PA -- Sharon Hill -- Kuehne & Nagel Inc -- 610-583-4831
- PA -- Sharon Hill -- Nippon Express Usa Inc -- 610-461-4300
- PA -- Sharon Hill -- Part Iv Associates Inc -- 610-586-9613
- PA -- Sharon Hill -- Yamato Transport Usa Inc -- 610-532-3200

