



GEAPS

EXCHANGE

KANSAS CITY • 2023

Export 101

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- Exhibitors and floorplan

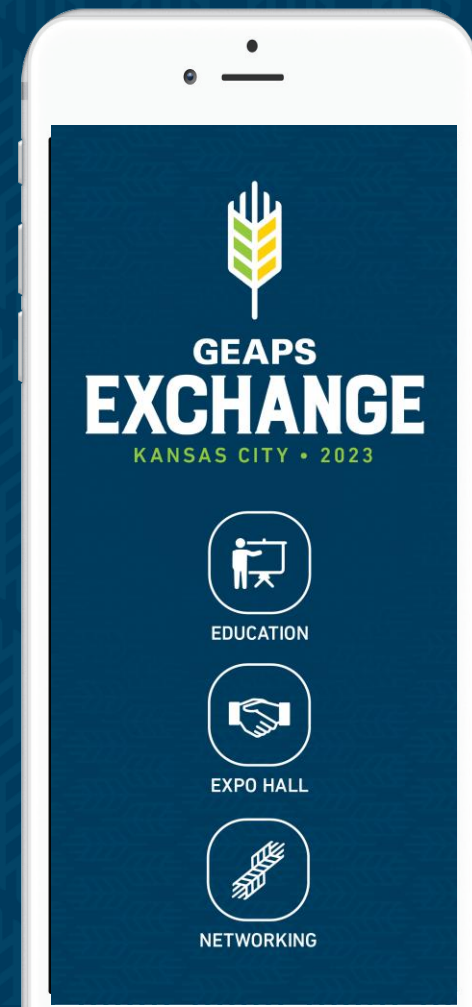
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Export 101

Export Transaction Basics and Helpful Resources for Exporters



AJ Anderson

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Export 101

Export Transaction Basics and Helpful Resources for Exporters

Let our global network work for you.

Worldwide Recognition

As the U.S. government, we can open doors that no one else can in markets around the world.

Global Network

Our unmatched global network with trade experts in more than 76 markets can provide you with on-the-ground knowledge and connections.

Results Driven

Our expert, in-person counseling is unparalleled and designed to help you succeed in global markets.



The world is open for your business.

Our global network of experienced trade professionals is located throughout the United States and in U.S. Embassies and Consulates worldwide. Whether you're looking to make your first export sale or expand to additional markets, we offer the expertise you need to connect with opportunities and increase your bottom line.

Our Services



Export Counseling

- Learn about the export process and develop effective market entry and sales strategies.
- Find out about export documentation requirements and import regulations of foreign markets.
- Learn about U.S. government export controls, compliance and trade financing options.



Market Intelligence

- Analyze market potential and foreign competitors.
- Obtain useful information on best prospects, financing, laws, and cultural issues.
- Conduct background checks on potential buyers and distributors.



Business Matchmaking

- Connect with pre-screened potential partners.
- Promote your product or service to prospective buyers at trade events worldwide.
- Meet with international industry and government decision makers in your target markets.



Commercial Diplomacy

- Address trade obstacles to successfully enter international markets.
- Benefit from coordinated U.S. government engagement with foreign governments to protect U.S. business interests.



Export Counseling

- Understanding the Export Process
- Identifying Schedule B/HTS Numbers
- Export Documentation & Regulations
- Identifying Top Markets
- Finding Distributors, Reps, Buyers
- Leveraging Trade Shows and Events
- U.S. Gov. Advocacy in Foreign Government Tenders
- Customs Clearance Issues
- Free Trade Agreements
- Export Controls
- International Marketing Strategies
- Export Finance Resources
- Intellectual Property Protection
- Vetting/Due Diligence on Foreign Parties

Business Matchmaking

International Partner Search + Virtual Introductions

Provides U.S. firms with up to five agents, distributors and partners that have expressed an interest in your product or service. Virtual introductions are also available. <https://www.trade.gov/international-partner-search>

Gold Key Service

Provides U.S. firms traveling to a foreign market with up to five pre-screened appointments to establish relationships with potential overseas agents, distributors, sales representatives, business partners and other local, in-country entities.

<https://www.trade.gov/gold-key-service>



Rural Export Center: RAISE

Provides rural U.S. companies with one-on-one market intelligence through services such as Website Globalization Gap Review, a Matrix to assess export potential, compare and determine best prospect markets. Deep country dives on your industry and potential partner lists. <https://www.trade.gov/rural-export-center>

Single Company Promotion

Provides U.S. companies with promotional services to help increase the awareness of their product or service in a specific market. The promotional event may consist of a technical seminar, press conference, luncheon, dinner, or reception. <https://www.trade.gov/single-company-promotion>

SBA Working Capital

SBA Working Capital Solutions:

1. Export Express loan – provides export related quick decision loans of up to \$500K. Guarantee fee is waived in 2023 and the interest rate is negotiated between the lender and borrower. Loan decisions are made within a few days and can be a term loan or revolver.
2. Export Working Capital loan – provides export related working capital. Guarantee fees are as low as ¼ of 1 pct. for loans under 1 year and increase depending on length of term. Facility size is capped at \$5MM. Decisions can be made in 10 days or less. Rates are determined by your banker.
3. International Trade loan – term loans used to improve the competitive position or to expand existing or new export markets. Facility size is capped at \$5MM and can be used for fixed assets for construction, building, real estate, equipment and working capital for export transactions. Can be used to refinance existing debt and/or for a change in ownership. A well-developed export plan is critical.

Contact info:

<https://www.sba.gov/local-assistance/export-trade-assistance/export-finance-managers>

An Export Transaction

Before the Sale

Inquiry from a Buyer
Search for a Buyer
Screening
Negotiation

Order Processing

Arrange Payment
Arrange Shipping
Compliance Issues
Pro Forma Invoice

Shipment & Beyond

Documentation
Payment
Record Keeping
After Sales Service

Proceeding Carefully

- Customer screening (Compliance & Risk)
 - References, credit check, background check
 - Compliance screening of customer- “Parties of Concern”
<http://www.bis.doc.gov/index.php/policy-guidance/lists-of-parties-of-concern>
- Country screening (Compliance & Risk)
 - Stability
 - Convertibility
 - Sanctions or other government restrictions
- Product screening (Compliance)
 - US export controls (ECCN) www.bis.doc.gov
 - Regulatory requirements in country of sale (CE Mark, CCC)

Pro Forma Invoice

- Key points:
 - Seller's name and address
 - Buyer's name and address
 - Unique reference number
 - Items quoted
 - Prices of items: per unit and extended totals
 - Weights and dimensions of quoted products
 - Discounts, if applicable
 - Terms of sale or Incoterm used (include delivery point)
 - Terms of payment
 - Estimated shipping date
 - Validity date

PRO FORMA INVOICE/EXPORT ORDER					
SHIPPER: Tech International 1000 J Street, N.W. Washington, DC 20005		Ph. 202-555-1212 Fax 202-555-1111		PRO FORMA INVOICE NO. Coi.91-14	
CUSTOMER: Gomez Y. Cartagena Aptdo. Postal 77 Bogota, Colombia				DATE July 12	
SHIP TO (if different than Customer):				COMMERCIAL INVOICE NO. DATE	
NOTIFY (Intermediate Consignee):				CUSTOMER REFERENCE LTR	
				DATE July 9	
				TERMS OF SALE CIP Buenaventura, Colombia	
				(INCOTERMS 2000)	
				SHIP VIA AIR	
				EST. SHIP DATE 60 DAYS FROM RECEIPT OF ORDER AND LETTER OF CREDIT	
PART NUMBER	UNIT OF MEASURE	QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
2-50	EA	3	Separators in accordance with attached specifications	\$14,750.00	\$44,250.00
14-40	EA	3	First-stage Filter Assemblies per attached specifications	\$ 1,200.00	\$ 3,600.00
custom	EA	3	Drive units - 30 hp each (for operation on 3-phase 440 v., 50 cy. current) complete with remote controls	\$ 4,235.00	\$12,705.00
TOTAL EX WORKS Washington, D.C. domestic packed...					\$60,555.00
Export processing, packaging, prepaid inland freight to Dulles International Airport & forwarder's handling charges					\$ 3,115.00
TOTAL FCA WASHINGTON DULLES AIRPORT					\$60,555.00
Estimated air freight and insurance					\$ 2,960.00
TOTAL Est. CIP Buenaventura, Colombia					\$66,530.00
Estimated gross weight 9,360 lbs. • Estimated cu. meters 520 cu. meters					
Export packed 4.212 kg. • Export packed 15.8 cu. meters					
1. All prices quoted herein are US dollars. 2. Prices quoted herein for merchandise only are valid for 60 days from July 12. 3. Any changes in shipping costs or insurance rates are for account of the buyer.					
FREIGHT <input type="checkbox"/> Ocean <input checked="" type="checkbox"/> Air CONSULAR LEGALIZATION INSPECTION CERTIFICATION SPECIAL PACKING INSURANCE			ADDITIONAL CHARGES INCLUDED INCLUDED INCLUDED INCLUDED		
LETTER OF CREDIT <input type="checkbox"/> DRAFT <input type="checkbox"/> OPEN ACCOUNT <input type="checkbox"/> OTHER			Bank _____ Terms _____ Terms _____ Terms _____		
CURRENCY OF PAYMENT			USDOLLARS		
<small>Form No. 15-330 Printed and Sold by UNZCO 201 Circle Drive N, Suite 104, Piscataway, NJ 08854 (800) 631-3098 www.unzco.com Copyright © 2001 Unz & Co.</small>					

Terms of Sale – Incoterms

Incoterm 2010	Export-Customs Declaration	Carriage to port of export	Unloading of truck in port of export	Loading charges in port of export	Carriage (Sea Freight/Air Freight) to port of import	Unloading charges in port of import	Loading on truck in port of import	Carriage to place of destination	Insurance	Import customs clearance	Import taxes
EXW	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer		Buyer	Buyer
FCA	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer	Buyer		Buyer	Buyer
FAS	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer	Buyer		Buyer	Buyer
FOB	Seller	Seller	Seller	Seller	Buyer	Buyer	Buyer	Buyer		Buyer	Buyer
CFR	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer		Buyer	Buyer
CIF	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer	Seller	Buyer	Buyer
CPT	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller		Buyer	Buyer
CIP	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Buyer	Buyer
DAT	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller		Buyer	Buyer
DAP/DDU	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller		Buyer	Buyer
DDP	Seller	Seller	Seller	Seller	Seller	Seller	Seller	Seller		Seller	Seller

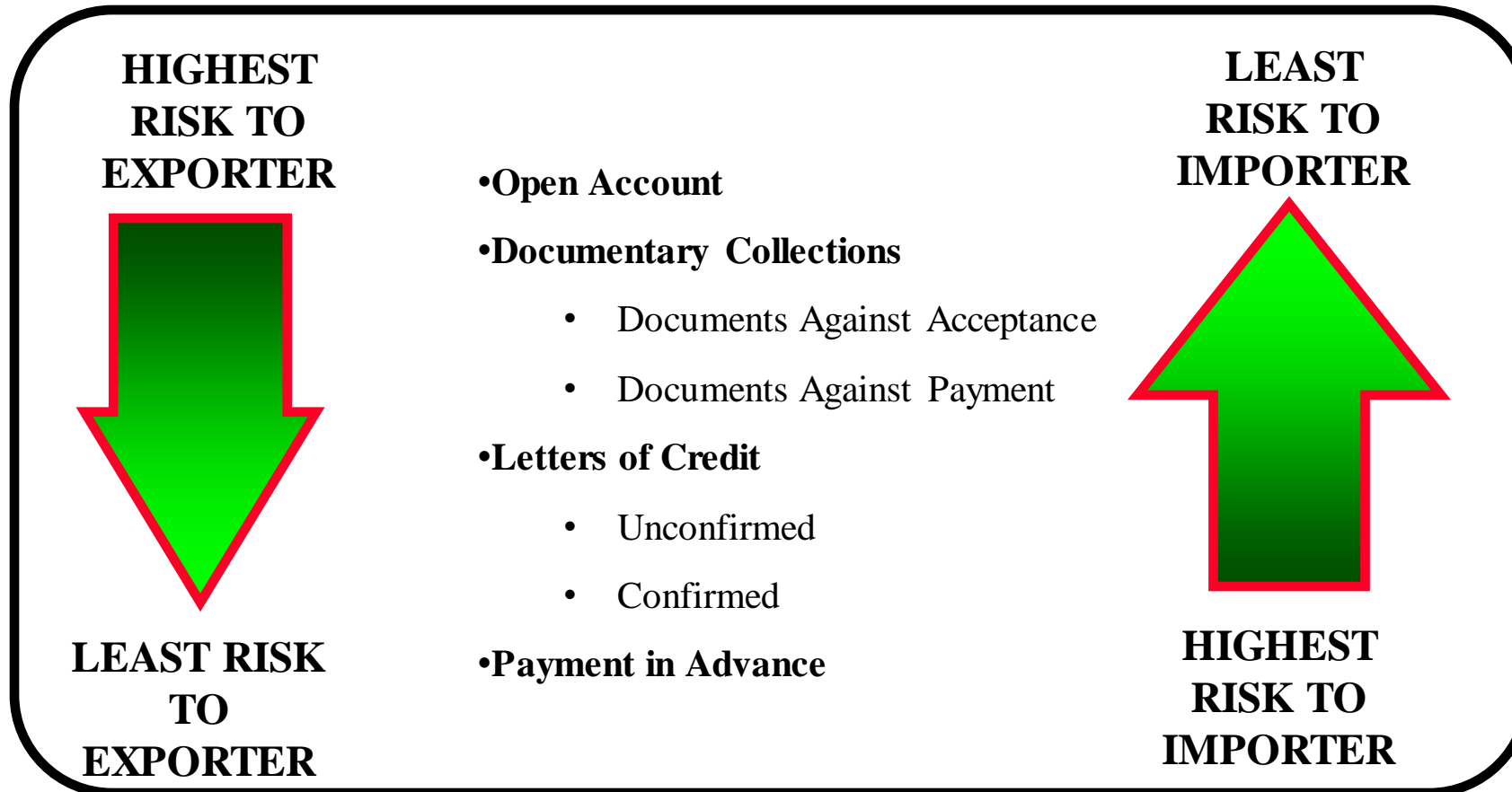
<http://www.iccwbo.org/incoterms/>

Working with a Freight Forwarder

- Provide transportation services worldwide, both air and ocean
 - Travel agent for boxes
- Best way to route a shipment – cost? Speed?
- Freight quotations and analysis
 - 3 quotes – different freight forwarders get different rates on different routes
 - Bulk purchasing passed on to you
- Packaging requirements
- Acceptability of goods (hazardous, high value, oversize)
- Issue transport documents
- Advice on regulatory issues

INTERNATIONAL PAYMENTS RISK SPECTRUM

Whereas payment settled via Open Account and Payment in Advance represent a high degree of risk for one of the parties involved, both Documentary Collections and Letters of Credit offer a compromise in risks facing the Importer and the Exporter.





David Edmiston

Regional Director

David.Edmiston@exim.gov

SCHEDULE A CONSULTATION: <https://grow.exim.gov/david-edmiston>

How Can EXIM Products Assist You?

You Need:

Funds to fulfill orders

Extension of credit
Risk protection
Access to capital

Foreign Buyer Financing

Our Solution:



Working Capital Loan Guarantee



Export Receivables Insurance



Medium and Long Term
Insurance and Loan Guarantee

WHAT IS

Export Credit Insurance?

Export Credit Insurance is...



An insurance policy covering receivables generated from export sales that protects against nonpayment by international buyers

Export Credit Insurance enables you to...



Be competitive with open account credit terms
Use insured receivables from export sales as collateral to obtain working capital

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Shipment & Beyond

Documentation
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Record Keeping
After Sales Service

Documentation:

A Typical Export Transaction will have these documents:

- Commercial Invoice
- Bill of Lading or Airway bill
- Packing List
- EEI proof of filing (ACE/AES)
- Probably: Insurance Certificate
- Maybe:
 - Certificate of Origin (FTA or Chamber)
 - “Certificate of Free Sale”
 - Export License
 - If a Letter of Credit is involved, there could be any number of additional documentary requirements that add to the package
 - Your buyer and their import broker should communicate what documentation is needed for the import side once it reaches the country

Electronic Export Information (EEI)

- Pre-shipment filing with the U.S. Census Bureau required by law for *most* exports and *some* US territories
 - Common exceptions:
 - Shipments to Canada (if no license required)
 - Shipments where value is under US\$2,500 PER Schedule B number (again, only if NLR)
 - Must file for shipments to Puerto Rico and the U.S. Virgin Islands
 - U.S. territories where not required:
 - American Samoa, Baker Island, Commonwealth of the Northern Mariana Islands, Guam, Howland Island, Jarvis Island, Johnston Atoll, Kingmen Reef, Midway Islands, Navassa Island, Palmyra Atoll, and the Wake Island.

Who Files the EEI?

- The U.S. Principal Party of Interest (USPPI)
 - Long story short = the seller
 - “The person or legal entity in the United States that receives the primary benefit, monetary or otherwise, from the export transaction”
- An authorized agent, such as a freight forwarder
- The buyer or their authorized agent (Routed Transaction)

Recordkeeping

- 5 years from the date of export
- Records can be electronic for retention but must be able to be fully retrieved in original form if audited
- Recoverable records include:
 - Pro-forma & Commercial Invoice, Packing List, Bill of Lading or INTL AWB, Certificates of Origin, etc.
 - AES Abstract from carrier
 - Export controls research & documentation
 - Sales contracts, notes and memoranda
 - All financial records pertinent to the sale
 - All other correspondence pertinent to the transaction

Help!

www.trade.gov

Your local office (Contact Us)

Research foreign markets

Find webinars, events and services

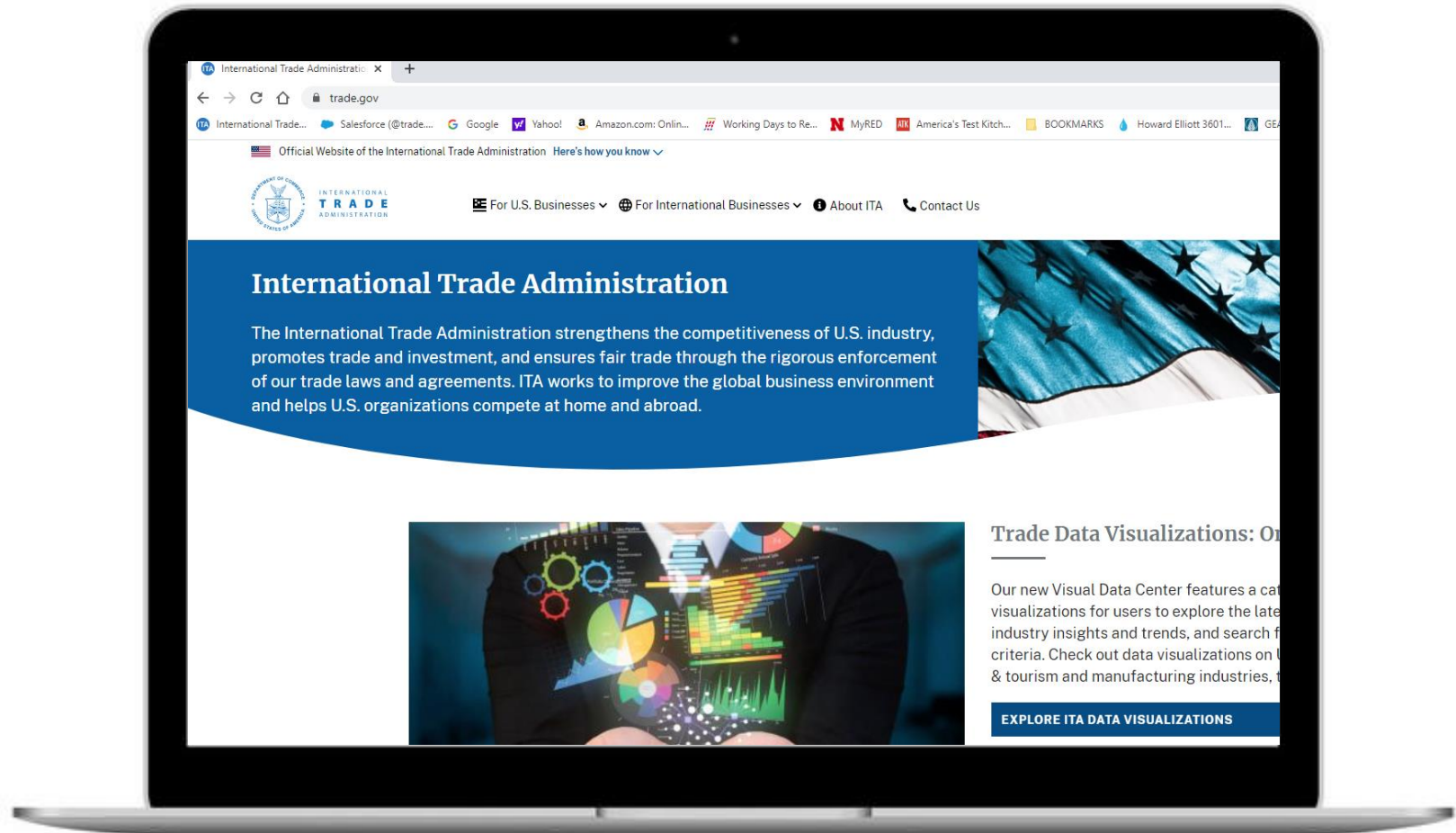
Learn more about Free Trade Agreements

Details on the export process

Intellectual property protection resources

Trade statistics

Connect to all federal agencies that help US companies export



Thank you!



- Meredith Bond
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- AJ Anderson
Andrew.Anderson@trade.gov



Win a GEAPS Prize Bundle!

Export 101 - Post Event Survey



Please take a short survey for this session to help us plan for next year.

For every survey you submit you will be entered into a drawing.

**SCAN FOR
SURVEY**

GEAPS Prize Bundle

- \$200 Visa Gift card and free registration to Leadership Conference
- Raffle will be drawn at Closing Celebration, Tue 2/28