

Resources for Global Trade

As a SBDC consultant, I am a generalist and as a result, do not have hands on expertise in many areas. When clients need assistance in some areas, the best service I can provide is to refer to other resources rather than try to fake my way through myself. International trade, whether importing or exporting, is one of those areas, where I like to find good referral sources. Many times, my clients teach me more than I teach them. So for this month's article, I just want to give some hints and list some resources.

Many of our main street businesses are not interested in either importing or exporting. This is especially true of retail and service based businesses. Although there certainly are opportunities, the neighborhood hair salon just may not see it as important. Walk through any mall though, and you will realize that we do live in a global market. For those who know the tricks of the trade, there is literally a world of opportunities.

First and foremost, if you don't have the knowledge yourself, try to find a mentor who does have that experience. I preach this over and over again. There is a whole world of experience out there and you should not have to learn everything from scratch. Ask around and find those businesses which buy or sell internationally. Unless you are going in direct competition with them, they may be willing to give advice and help you make connections.



As you enter international markets, there are differences whether you are exporting your product, importing their product or having your product manufactured elsewhere and shipped back to you for distribution. Each may

involve slightly different resources.

Exporting The Federal Government likes to see U.S. firms export and has established several programs of assistance.

The SBA offers three loan guaranty programs available through your local lending institutions. These three are 1) Export Working Capital Program, 2) International Trade Loan Program and 3) Export Express program. Visit www.sba.gov/international for more information.

The U.S. Export Assistance Centers provide one-stop trade promotion, financing and export insurance programs. The SBA, the U.S. Commercial Service and the U.S. Export-Import Bank work together through these Centers. Our closest center is located in Denver. You can contact the Regional Manager, Dennis Chrisbaum at dennis.chrisbaum@sba.gov or 303-844-6623 ext 218.

We have also recently had the good fortune to have a World Trade Center location open in Salt Lake City. According to their website: **“The mission of the World Trade Center Utah is to assist companies into profitable global markets.** It is a first stop trade information hub where a business can receive an initial analysis of their trade capabilities, challenges, and opportunities; referrals to the most relevant services; and access to essential educational events to increase their expertise.” You can get more information at <http://www.wtcut.com/> or call them at 801-532-8080.

The Utah Governor’s Office of Economic Development also includes an International Trade Division. For more information go to <http://goed.utah.gov/international-trade/International/>

The SBA website lists many more links for export assistance. Check out <http://www.sba.gov/aboutsba/sbaprograms/international-trade/links/index.html>

Importing There are not as many Federal programs to help our small businesses

either import finished goods or have product manufactured outside of the U.S., but there is a lot of information available concerning regulations and processes.

When importing you need to be concerned about duties, tariffs and import restrictions. Some useful information can be found at:

<http://www.cbp.gov/>
<http://business.gov/expand/import-export/>
<http://usitc.gov/>

For textiles, the Federal Trade Commission is a good source at: <http://www.ftc.gov/bcp/edu/pubs/business/textile/bus21.shtm>

For agricultural products, look to the U.S. Department of Agriculture at http://www.fas.usda.gov/importprograms.asp?cm_sp=ExternalLink- -Federal- -USDA

As I am sure you can guess, there are many more website that can be looked at for information. The Internet is an amazing resource; don’t hesitate to use it, but also be cautious.

Finding a manufacturer in a foreign country can be a scary process. Not only do you have concerns about trust, quality and honesty, you also need to be able to deal with the cultural differences.

This website on eHow gives a nice summary at http://www.ehow.com/how_2312759_find-chinese-manufacturer.html

Some good sources for finding a manufacturer include:

www.alibaba.com
www.chinawang.com
www.globalsources.com

Finally, banking can be a challenge when dealing with a foreign country. No, they are not necessarily eager for you to send them a personal check or U.S. currency. Many of the larger local banks offer foreign banking services. In a quick search I found that locally Zions, Wells Fargo, US Bank and Chase all offered International services and I am sure there are more that I did not look into. As you negotiate with your foreign sources, make sure to identify what will be required of you in the form of wire

transfer services, foreign currency drafts, letters of credit and more.

Now I am sure that this article makes importing and exporting seem overwhelming, but I assure you, you can do it. Take the

time to talk with many people, look at many websites and get written contracts with the foreign parties. And always remember, if something seems too good to be true, it probably is. Be cautious.

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