

## Global Advantage<sup>SM</sup>

### Trade and Logistics Curriculum

#### A. Trade Track – Course Summaries

##### Guide 101 – Getting Started - Export Basics

Summary: The course's aim is to provide an introductory guide to the main areas of exporting (marketing to foreign buyers, international sales, cross-border transportation, export regulations, basic trade-shipping documentation, customs, and other export-related services) to the less-experienced exporters and those new to exporting.

##### Guide 102 – Advanced Guide to Exporting

Summary: The course's aim is to provide an advanced overview to the main areas of exporting and operational planning requirements (marketing to foreign buyers, international sales, cross-border transportation, export regulations, logistics and other export services) to more experienced exporters or those new to exporting that need to understand the broader strategic growth opportunities, operational requirements, business, product development and associated financial risks when entering global markets. This course is applicable for executives, senior managers, business owners and other positions which are directly responsible for growing exports and understanding the implications of doing business internationally. Subject matter builds upon "Guide 101 Getting Started – Export Basics" to cover export operating practices, export development strategies, regulatory compliance issues, international markets, go-to-market structures and general business and financial risk management issues.

#### **1. Marketing Courses**

##### Marketing 1-101 - Overview of International Marketing

Summary: Overview of the key issues of international marketing, including benefits and risks. The purpose is to cover the basics of international marketing at the rather general level, to serve both as an overview and introduction to subjects covered in more specialized courses.

##### Marketing 1-102 - Export Markets Selection

Summary: Determining what foreign markets to enter and what directions to take in those markets, including understanding of market expansion/selection process and strategies. Application of concepts of market definition and segmentation within international trade context.

### Marketing 1-103 - Information for Int'l Marketing Decisions

Summary: Developing marketing decisions support system and information requirements and sources as a structured process. Overview of the types and sources of information, and of performing export marketing research.

### Marketing 1-104 - Organization of Int'l Marketing Activities

Summary: A company's international marketing needs to be organized in a way which best exploits the opportunities available in foreign markets. Main considerations of being organized internationally and basic organizational models: exporting department, international division, global organization (treating the world as a single market) are covered. In addition, the issue of standardizing certain core elements and localizing other elements is explored.

### Marketing 1-105 - Pricing Decisions

Summary: Factors which must be considered in determining an export price are costs, competition, legal/political considerations, company policies, etc. In addition, relation of export to domestic price policies is analyzed.

### Marketing 1-106 - Product Decisions

Summary: The product/service must satisfy end-user needs. A series of the product decisions should be made before and during entering a new country/market addressing the following: product policy, planning and development; product mix decisions; standardization vs. adaptation dilemma, and the branding issues.

## **2. Export Sales Courses**

### Sales 2-101 - Overview of International Sales Issues

Summary: Identification and overview of the most important facets of selling to foreign buyers, including various aspects of the international environment, strategies of understanding and reaching foreign buyers, promotion of products and services in foreign markets, etc.

### Sales 2-102 - International Environment

Summary: The international sales activities take place within both a domestic environment and one or more foreign environments. That creates challenges which need to be recognized and dealt with: different cultures, economic forces/globalization, political and legal environment, competition, etc.



### Sales 2-103 - Market Entry Strategies

Summary: A market entry strategy consists of entry mode (what is used to penetrate a target country), and market plan (what is used to penetrate a target market); it should be unique and situation specific. Analysis of the factors influencing entry mode, and of the most often used channels: direct and indirect exporting, licensing and contract manufacturing, joint ventures and direct investments.

### Sales 2-104 - Promotion and Marketing Communication

Summary: It is not enough to produce and make available a product or service; it is also necessary to provide information that international buyers need to make purchasing decisions. The key promotion and communication concepts are analyzed: alternative techniques of promotion, promotional program and strategy, and the issue of standardization vs. adaptation of the marketing 'message'.

## B. Logistics, Regulations and Export Services Track

### 3. Transportation Courses

#### Transportation 3-101 - Overview of International Transportation Issues

Summary: Delivering goods to foreign buyers requires dealing with some issues not encountered when delivering in the domestic market whether the seller is organizing transportation itself or is engaging third-party transport carriers or agents. Those issues are identified and overviewed.

#### Transportation 3-102 – Carriage by Air

Summary: Air waybill use in international trade is covered, with some details on the various shipper-generated air waybills, e.g., IATA (023) air waybill and IATA neutral air waybill. The issue of the aviation liability is addressed by providing an overview of the Warsaw and Montreal Conventions.

#### Transportation 3-103 – Carriage by Sea

Summary: Bills of Lading and their role in international trade, including the characteristics of the most important types of Bills of Lading (Linear, Seaway, etc.), and the analysis of the Bill of Lading Instructions.

#### Transportation 3-104 – Certificates of Origin

Summary: Learn the role of certificates of origin in international trade. This subject matter requires critical understanding in support of a company's export compliance programs and understanding this document's purpose in customs clearance and duty application. In addition, various types of certificates of origin are examined.

#### Transportation 3-105 - Incoterms®

Summary: International Contract Terms (*Incoterms*®) are a set of internationally recognized trade terms published by the International Chamber of Commerce (ICC). Each term describes critical buyer and seller responsibilities for transportation of goods to international markets. Identification of the 2010 *Incoterms*® and a look into the criteria for choosing the most appropriate term in particular business situations.

#### Transportation 3-106 - Transport Carriers and Agents

Summary: Learn common terms, requirements definitions and services offered by various air, ocean, and trucking carriers and agents. Broaden understanding of industry service offers, differentiation between direct service providers, freight forwarders, 3PLs & 4PLs as a means to manage supply chain costs. Roles of the consolidators, freight forwarders, seller's and buyer's warehouses are examined in some details.

#### **4. Export Regulations Courses**

##### Regulations 4-101 - Overview of Export Regulations Issues

Summary: Export sales are subject to specific sets of rules, both of the sellers and buyers respective countries. Most important regulatory areas are covered at the overview level.

##### Regulations 4-102 - Customs

Summary: Understanding application of duty, clearance processes, selection of brokers and responsibility of seller-buyer roles to achieve orderly clearance and delivery of products sold and imported through your supply chain.

##### Regulations 4-103 – Overview of US Export Controls

Summary: Export compliance and understanding government regulations to sell and trade products on a global basis. This course is essential and applicable to all exporting businesses. The course provides a basic overview of regulations governing the exports of goods and services from the US to global markets. Concepts covered are: export administration regulations (EAR), bureau of industry and security (BIS), export control classification number and associated systems (ECCN), international traffic in arms regulations (ITAR), and U.S. principal party in interest (USPPI).

##### Regulations 4-104 – ITAR – International Traffic in Arms Regulations

Summary: This is an advanced course applicable to companies exporting controlled commodities, technology and software. Topics include: dual use, military items regulated by the Department of State, US munitions list (USML), Commerce Controlled List items and other licensed and restricted exports. An overview of: export administration regulations (EAR), the bureau of industry and security (BIS), export control classification number and associated systems (ECCN), and international traffic in arms regulations (ITAR) is provided.

##### Regulations 4-105 - Import Regimes

Summary: Various customs regimes which the importer-exports must be aware of, including overview of the anti-dumping duties, tariff quotas, and import licenses. Learn the role of certificates of origin in international trade.

##### Regulations 4-106 - Tariff Codes, Harmonized Tariff Schedule

Summary: The Harmonized Tariff Schedule (HTS and US Schedule B) and commodities classification is an essential operational knowledge requirement for all exporting and importing businesses. Course covers: an overview of tariff classification systems, duty drawback, linkages to compliance programs and US Customs Rulings. Understand how accurate tariff classifications can provide a competitive advantage to your business by improving customs clearance timelines, controlling duty costs and more.

## Regulations 4-107 - Trade Agreements

Summary: The goal of the course is to provide information on the existing free trade and other negotiated bilateral (e.g., with Colombia, Korea, etc.) and multilateral (e.g., NAFTA trade agreements, their importance, benefits and possible downsides. The European Union (EU) and other trading markets are discussed, including the benefits and operational considerations for businesses.

## 5. Export Services Courses

### Services 5-101 - Overview of Export Related Services

Summary: Every exporter faces the need for certain services without which export sales either would not take place or could have negative consequences (e.g., insurance, tax, legal, etc.). Whether those needs are satisfied through the in-house activities or by engaging third-party providers, being cognizant of the typical issues is very important.

### Services 5-102 - Exports Financing

Summary: Acquiring funds necessary to finance exports sales obviously differs from acquiring funds to finance sales to domestic buyers. The fact that the foreign buyers reside in another jurisdiction and that the collateral is usually situated in another jurisdiction creates serious challenges. Over time, certain business practices have been developed to deal with those challenges. Typical solutions are overviewed in this course.

### Services 5-103 - Insurance

Summary: Insurance and which party provides for insurance and loss coverage is critical to international buy-sell transactions. This class covers a general overview of insurance terms (e.g., Clause A, B and C re Sea Freight), choosing the correct insurance carrier, insurance certificates, etc.

### Services 5-104 - International Tax

Summary: Establishing appropriate company organization/structure, banking and tax planning strategies which mitigate financial and operating risks in order to maximize ROI. Learn what programs are available to US exporters to improve the bottom line of their business.

#### Services 5-104-1 - International Tax Planning

Summary: Using tax planning strategies to not incur tax liability higher than the tax liability resulting from running business domestically (avoidance of double taxation, etc.), and when possible achieving lower effective worldwide tax rate than the one associated with running business domestically.

## Services 5-104-2 - International Tax Compliance

Summary: Overview of the most common tax returns required when operating international business: foreign banking account return, Forms 5471, 8865, 8858, 1042S, W-8BET, 1120 IC-DISC, 926, etc.

## Services 5-105 - Legal Issues of Exporting Activities

Summary: Any business, whether operating purely domestically or also being involved in the international trade, should take steps to protect its legal rights (including property and contractual). The course covers some basic rules specific to operating a business internationally.

### Services 5-105-1 – Intellectual Property Protection

Summary: Understanding your rights and obligations in protecting the intellectual property associated with the products and services offered and sold in international markets.

### Services 5-105-2 – International Joint Ventures

Summary: Overview of the ways typical joint venture parties rights and liabilities are structured, with some analysis of the most common provisions of the international joint ventures agreements.

### Services 5-105-3 – International Licensing Agreements

Summary: Overview of the ways typical licensing agreement parties rights and liabilities are structured, with some analysis of the most common provisions of the international licensing agreements.

### Services 5-105-4 – International Sales Agent/Distribution Arrangements

Summary: Overview of the ways typical sales agent/distribution agreement parties' rights and liabilities are structured, with some analysis of the most common provisions of the international sales agent/distribution agreements.

## Services 5-106 - Method of Payment in International Trade

Summary: Methods of payment used in International Trade - "a sale is not a sale until you get paid." Most important methods of payment are defined and examined: cash against documents, bills of exchange, documentary letters of credit, open account and factoring. In addition, assistance available from EXIM and SBA is overviewed.