

Exporting a Wisconsin Agricultural Food Product International Agribusiness Center WISCONSIN DEPARTMENT OF AGRICULTURE, TRADE AND CONSUMER PROTECTION (DATCP)

January 2022

WISCONSIN'S TOP EXPORTS AND EXPORT MARKETS

2020 Overall Agricultural Exports: \$3.37 billion

- I \$343.2 million Miscellaneous Edible Preparations
- 2 \$315.6 million Preparations of Vegetables, Fruits and Nuts
- 3 \$263.4 million Dairy Products, Birds Eggs, Honey
- 4 \$244.3 million Wood and Wood Articles
- 5 \$224.2 million Edible Preparations of Meat and Fish

2020 Top Markets

I – \$I.2 billion	Canada
2 – \$274.7 million	China
3 – \$176.8 million	Japan
4 – \$173.4 million	Korea
5 – \$169.8 million	Mexico
1	



DEVELOPING AN EXPORT STRATEGY

Our staff can help you assess your company's export readiness



Develop an export plan that includes

- Realistic objectives and measurables goals
- ✓ A marketing component
- Action steps for executing export of product
- Export budget

Find a sample export plan here, <u>https://www.trade.gov/sample-export-plan</u>

Also, the Wisconsin Economic Development Center offers ExporTech[™], a proven export strategy development program where companies develop a customized export plan.

*See resources page for additional sample export plan resources



IDENTIFY TOP MARKETS FOR COMPETITIVE ADVANTAGE

Accurate, up-to-date market intelligence is essential to identify countries with the most potential for your product(s)





Leverage market research through these resources:

- Food Export Association of the Midwest country market profile reports and obtain market research by participating in the Market Builder Program
- <u>Global Agricultural Information Network (GAIN)</u> search by country, product and exporter assistance reports. Reports include exporter guide, retail foods, food processing ingredients, HRI and many more
- <u>USDA Foreign Agricultural Service (FAS)</u> export data, world market reports, foreign buyer trade leads
- <u>U.S. Free Trade Agreements (FTAs)</u> current agreements with the U.S. These agreements provide low or duty-free market assess



INDUSTRY AND PRODUCT CLASSIFICATION

Every product has a unique classification number, known as a harmonized system code, HS Code.

A HS Code is the standard numerical method that is used globally across international trade in order to accurately identify traded products at a basic 6-digit level and 8 or 10-digit levels for country-specific definitions.

Why?

• Used by customs authorities in every part of the world in order to allocate the correct rate of duty and tax for each product.

For more visit, Export Essentials Module 2: Classify Your Products for Export*



*Requires Registration

IDENTIFY MARKET ENTRY REQUIREMENTS

Determine the import requirements for your products as each country has different market entry requirements including import quotas, licensing, labeling and tariffs.

Resources:

- USDA's Food and Agricultural Import and Regulations Standards Reports (FAIRS)
- Global Agricultural Information Network (GAIN)





PRICING PRODUCTS FOR EXPORT

Price is a key factor in gaining market access. Determine the INCO Terms Basis of your Quote



Competitive pricing

Price is set based on the price of a competitors' product or a similar product in the market



Domestic price plus

Takes the price of your product as sold in the US and adds shipping & delivery fees to the destination



Marginal pricing

Includes larger production volume, shipping, banking, marketing and legal fees. Price is quoted on a pro forma invoice indicating the cost of the product, plus shipping and handling fees

For more information visit, Export Essentials Module 5: Price Your Products for Export Markets*



*Requires Registration

PREPARING EXPORT DOCUMENTATION

Food and agricultural products require special documentation

	1

- Necessary paperwork and certifications can be found using the Wisconsin Department of Agriculture, Trade and Consumer Protection <u>Export Certificate Guidelines</u> <u>document</u>
- Ensure documents are complete and accurate



Shipment documentation

- Freight forwarders coordinate logistics of shipment and can provide a variety of export and import documentation
- Learn how to work with Freight Forwarders by viewing <u>Food Export Webinar</u>, Export Essentials: Working with a Freight Forwarder to Prepare your Export Shipment



FINDING QUALIFIED FOREIGN BUYERS & HOW TO PREPARE FOR MEETINGS

There are a multitude of avenues to attract and obtain foreign buyers that are fit for your product(s). Consider the following:



- Food Export Trade Missions *
- Food Export Buyer's Missions*
- <u>USDA International and Domestic Trade Shows</u>
- International Agribusiness Center Calendar
- WEDC Global Trade Ventures

Everything you need to know before you meet with a buyer can be found by viewing, Export Essentials Module 11: Preparing for Meeting with Buyers* * Requires Registration



FOLLOW-UP WITH BUYERS

It's important to follow up with buyers and to be successful in developing trade relationships be sure to:

- Correspond quickly after meeting buyer(s)
- Provide information requested (accurate pricing, quoting of products and shipment)
- Provide your contact information (email, phone number, website)
- Follow up on the follow up

For more information view: Food Export Webinar, * How To: Best Practices for Following Up After a Trade Event *Requires Registration



FUNDING FOR MARKET PROMOTION TO INCREASE MARKET SHARE

Access Food Export's Branded Program (export funding) that supports U.S. food and agriculture company's international marketing efforts by providing up to 50% cost reimbursement for a wide variety of international activities including:



- International website development
- Social Media advertisement
- Marketing and point-of-sale materials
- Package and label modifications
- Fees for exhibiting at select trade shows
- Freight costs for samples
- And more...





RESOURCES PAGE

DATCP International Agribusiness Center – export certificate guidelines

Food Export Association of the Midwest – Market Builder Program, country market profile reports, Export Essentials, trade events, webinars, seminars and funding

<u>Global Agricultural Information Network (GAIN)</u> – search by country, product and exporter assistance reports. Reports include exporter guide, retail foods, food processing ingredients, HRI and many more

<u>USDA Foreign Agricultural Service (FAS)</u> – export data, world market reports, foreign buyer trade leads, import and regulation standards reports

U.S. Free Trade Agreements (FTAs) – current agreements with the U.S., that provide low or duty-free market assess

International Trade Administration – sample export plans

<u>Wisconsin Economic Development Center (WEDC)</u> – ExporTech[™], export strategy development program - Eastern Wisconsin: <u>ExporTech[™] | WMEP Manufacturing Solutions</u> Western Wisconsin: <u>ExporTech[™] | University of Wisconsin - Stout</u> (uwstout.edu)

QUESTIONS?

The International Agribusiness Center Team Is Ready to Help.



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