

HOW TO GET STARTED IN EXPORTING: A CHECKLIST FOR BEGINNERS

- **Develop and Commit to an Export Plan:** Management must make the decision for a company to pursue exports, since developing sales abroad requires time and resources. The export plan should include realistic, measurable goals in target markets where your products are most likely to succeed. For a sample outline of an export plan, go to: https://2016.export.gov/salesandmarketing/eg_main_018206.asp
- **Identify Target Markets:** In order to identify markets for your products, you will need to collect market research. The US Department of Agriculture's (USDA) Foreign Agricultural Service (FAS) provides US food and agricultural export data, world market reports, foreign buyer trade leads, and other information at no cost. Food Export Association of the Midwest also offers market related information: <https://foodexport.org/get-started/country-market-profiles/>. Researching U.S. Free Trade Agreements (FTAs) and Trade Promotion Agreements (TPAs) and their impact on U.S. food and agricultural exports can also be valuable.
- **Identify Market Entry Requirements:** Each country establishes their own market entry requirements for food and agriculture imports by products such as import quotas, licensing, labeling, and tariffs. To determine the import requirements for your product in a specific market, you should work closely with your importer, distributor, or agent in the market. The USDA's FAS staff are also able to assist companies by identifying or verifying the import requirements and regulations. USDA's Food and Agricultural Import and Regulations Standards Reports (FAIRS) are an excellent source of information. <https://gain.fas.usda.gov/Lists/Advanced%20Search/AllItems.aspx>
- **Price Your Products for Export:** Pricing your products appropriately can make a difference in gaining market access. Three common methods used for determining export prices are: *competitive pricing*, *domestic price plus*, and *marginal pricing*. In *competitive pricing*, the price of your product 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 and delivery fees to the final destination. *Marginal pricing* takes larger production volumes into account due to expanded sales, as well as shipping, banking, marketing, and legal fees. Price quotations are frequently given on a pro forma invoice indicating the cost of the product, plus shipping and handling fees.
- **Prepare Export Documentation:** In addition to freight transportation, freight forwarders can provide export documents such as *certificates of origin*, *bill of lading*, *pro forma invoices*, and others. Food and agricultural exports often require special documentation depending on the product and the country. The **Export Certificate Guidelines** document provided by DATCP's Wisconsin International Agribusiness Center gives you an overview of the necessary paperwork and certifications, as well as where to find them. <https://datcp.wi.gov/Documents/20180822ExportCertificateGuidelines.pdf>
- **Set up International Distribution Channels:** In setting up international sales, you need to consider selling through a foreign sales agent or distributor, or direct sales to the end user. Once the selection is made, it is recommended to "cement" the relationship with a legal contract which specifies minimum sale goals, territories, termination, and other issues in order to defend against anti-termination laws found in some countries.
- **Understand Methods of Payment:** Now that you have identified your market, locate a sales agent or distributor and negotiate the price you need to ensure that your company will get paid.



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Food Export Association of the Midwest and Northeast are experts in international markets who can facilitate the connection between producers of U.S. food and agricultural products and international buyers, and more. The team works with state member agencies, the USDA, and the Foreign Agriculture Service to help U.S. organizations become export ready. www.foodexport.org

Foreign Agricultural Service (FAS) provides US food and agricultural export data, world market reports, foreign buyer trade leads, and other information at no cost through its homepage: <http://www.fas.usda.gov>

Export-Import Bank of the United States is the official export credit agency of the United States. It assists in financing the export of U.S. goods and services to international markets. www.exim.org

Global Agricultural Information Network (GAIN) reports provide information on the agricultural economies, products, and issues in foreign countries that are likely to have an impact on U.S. agricultural production and trade. <http://www.fas.usda.gov/databases/global-agricultural-information-network-gain>

Global Agricultural Trade System (GATS) includes international agricultural, fish, forestry, and textile product trade statistics dating from the inception of the Harmonized coding system to present. <http://www.fas.usda.gov/gats/default.aspx>

U.S. Census Bureau, Foreign Trade serves as a source for U.S. export and import statistics and provides regulations governing the reporting of all export shipments from the United States. <http://www.census.gov/foreign-trade>

U.S. Department of Agriculture provides leadership on food, agriculture, natural resources, and related issues. <http://www.usda.gov/wps/portal/usda/usdahome>

U.S. Department of Commerce, International Trade Administration strengthens the competitiveness of the U.S. industry, promotes trade and investment, and ensures fair trade through the rigorous enforcement of trade laws and agreements. <https://www.trade.gov/>

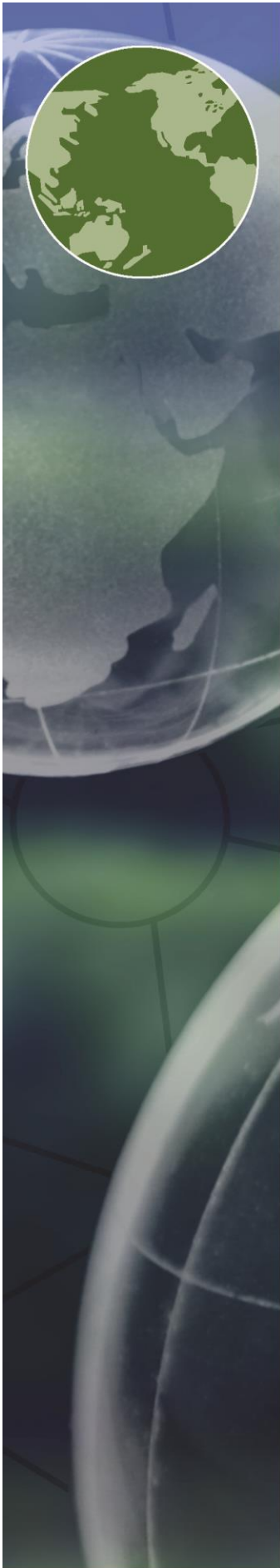
U.S. Small Business Administration, International Trade provides aid, counsel, assistance, and protection to the interests of small business concerns. <http://www.sba.gov/aboutsba/sbaprograms/internationaltrade/index.html>

Wisconsin Department of Agriculture, Trade and Consumer Protection identifies export opportunities around the world for Wisconsin's agricultural companies and producers. The Wisconsin International Agribusiness Center's economic development consultants provide technical expertise and market development initiatives to aid the growth of Wisconsin agriculture through increased exports and the development of trade enhancing partnerships. Contact the center at (800) 462-5237 or by email at international@wisconsin.gov. https://datcp.wi.gov/Pages/Growing_WI/InternationalAgribusiness.aspx

Wisconsin Economic Development Corporation leads economic development efforts for the state by advancing and maximizing opportunities In Wisconsin® for businesses, communities and people to thrive in a globally competitive environment. <https://inwisconsin.com/wisconsin-global-reach/>



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