Exporting: Doing Business Internationally

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Stony Brook University
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NYSBDC: Stony Brook University

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Exporting: Doing Business Internationally

Objectives of the Workshop

• **THINK** of exporting to grow your market
• **LEARN** first hand from the example of a “local business”
• **KNOW** What it takes to become a successful exporter
Kids 4 Sports, LLC

Ronni Rosen
Founder & CEO

- 20+ years in business, 2nd generation
- Sporting goods manufacturing and distribution business
- Annual sales of $3-4 million
Kids 4 Sports, LLC

Main Issues

- Margins are being compressed
  - Competition
  - Commodity products
  - The economy

- No experience exporting
- No relationships abroad
- Protecting a proprietary product
Ronni’s Goals

- Promote her brand and win clients overseas
- Gain local market share
- Increase margins
Export: A Viable Strategic Option

• Take advantage of:
  o Historically lower transportation costs
  o Reduction in trade barriers
• Reduce dependence on local markets
• Extended sales potential and product life
• Stabilize seasonal market/sales fluctuations
Are You Ready to Export?

What you need:

- Success in the domestic market
- Clearly defined goals and strategies
- Production capacity
- Financial resources to market abroad
- Management on board
Ready, Get Set...Get a Team

A team approach to managing the complexities of exporting process
Experts Intervention Time Line

Step #1: Meet the SBDC
Step #2: US Commercial Service
Step #3: Legal Counsel
Step #4: Banker
Step #5: Freight Forwarder
Our Team of Experts

• **Tanya Cole, U.S. Commercial Service**
  - Joined the U.S. Commercial Service in 2006 as a Foreign Service Officer.
  - Served in Africa, the Middle East and South America. She also served as U.S. Commercial Attaché at the U.S. Embassy Bogota Colombia. Currently Ms. Cole is the U.S. Commercial Officer serving the New York and Tri-State area

• **Pina M. Campagna, Esq. Carter, DeLuca, Farrell & Schmidt, LLP**
  - Co-Chair, New York Intellectual Property Law Association (NYIPLA) Trademark Committee,
  - Member of: American Intellectual Property Law Association (AIPLA), International Trademark Association (INTA), International Intellectual Property Society (IIPS),
  - Registered to practice before the United States Patent and Trademark Office. Fields of technology include biological, chemical, biotechnology, mechanical, medical devices and cosmetics. Specialize in trademarks and designs.

• **Davi Tserpelis, Citibank SVP Commercial Banking**
  - 24 years experience in commercial banking and lending
  - Expert in providing importers and exporters with advice and service of cash management and financing
  - Board member of the Long Island Import Export Association

• **Arnold Ceglia, Aspen Freight Forwarders**
  - Founder, Owner of Sky-Sea Forwarding Corp. established in 1981 as a Licensed Import Customhouse Broker and Export Freight Forwarder that has since merged with Aspen Forwarders and Custom House Brokers, Inc. where he is currently a Senior Managing Partner
Getting Started

Tanya Cole

• Free Trade Agreements
  o Benefits

• Export Resources
  o U.S. Commercial Service
  o Having the right partner
  o Strategies for market entry
Keep in mind...

• Base cost in the U.S.
• Considerations given to cost specific to import/export
• Costs associated with customs and duties
Legal Protection

Pina M. Campagna

- Patents and trademarks
  - Where do patents and trademarks fit into the export process?
  - Considerations

Trademark
Legal Considerations

• Different legal systems in different countries
• Having a written agreement, governing law, currency issues, payment/exchange control
Cash Management Tools to Support Exporting

Davi Tserpelis

- Trade Credit
  - Enhance credit terms
  - Secure new vendors

Foreign Exchange
  - Enhance Gross Profit Margin
  - Expedite cash flow
Financing Tools to Support Exporting

Davi Tserpelis

• Financing Foreign Receivables
  o SBA Working Capital Guarantee Program
  o Export – Import Bank of the U.S Working Capital Guarantee Program

• Accounts Receivable Insurance
  o risk mitigation
  o credit support
Freight Forwarding
Arnold Ceglia

- Identify Roles & Functions to move merchandise from here to there
  - Freight Forwarder
  - Import Customhouse Broker
Freight Forwarder

Arnold Ceglia

• What they can do?
• How they do it?
Cultural Communications

- The importance of language
- Cultural sensitivity
- Building trust

- Body Language
  - Tonality
- Words
  - Gestures

- Beliefs
- Values
- Biases
- Prejudices
- Experiences
- Fears
- Dreams
- Feelings
Resources

- www.export.gov
- www.export-u.com
- www.globaledge.msu.edu
- www.sba.gov/content/small-business-development-centers-sbdcs/
PLAN TO EXPORT!

WE ARE HERE TO HELP YOU TO SUCCEED

New York Small Business Development Center
Stony Brook University

(631) 632-1984  *** (631) 632-9837

Thanks Dan.
Job Well Done!