



Dear Betty Sue,

Howdy from up north, Bowlegs, Oklahoma in the heart of Tornado Alley. We are well known for our Tornado Alley BBQ Sauce and are starting to ship worldwide. We started off small and just shipped samples through the USPS and small orders through UPS and FedEx. It worked for some countries like Germany but certainly didn't work for Mexico (Yikes!).

Here is what is happening now. We are moving past the small stage and on to the big stage. We have two new distributors (big ones!) in South Korea and in Colombia. When the orders get bigger and bigger what do we do about shipping? Right now we don't think we have enough of an order for a full container but if things go as planned by next year we will.

Signed

Moving up to the big stage....Linda Kay, the BBQ Queen of Tornado Alley

*\*Disclaimer: The names of exporters and their stories have been changed to protect their identity. The names and expertise of our advisors are very real and often understated. The story is funny, the advice is authentic.*

Dear Linda Kay and our brave friends in the "Alley",

You Oklahomans are strong folk, living in the eye of the tornado! Sounds like you are making the best of it with your Tornado Alley BBQ Sauce. Maybe we could carry it in our store in Gun Barrel City?

We all know from *The Riddle of the Exporter™* that our BFF-Best Friend Forever is our freight forwarder so let's find two of the best. Meet Mike Mahoney Regional Sales and Linda Reynolds, International Freight Forwarder for Hellman Logistics. Hellman Logistics is the 10th largest Freight Forwarder in the world. They are based in Germany. Bestway International is their exclusive rep for the MidCentral USA.

Dear Linda Kay and Brave Friends in Bowlegs,

It is excellent to see you planning ahead for the big stage. What we at Bestway like to do is to work with your customers as they grow.

You are correct the USPS works fine for samples, depending on the import country's level of service. The USPS is rated the #1 postal service in the world but not all others are up to the same level, so beware.

Of course, as you continue to grow, you will need to develop a logistics plan. First, determine which of the four modes of transportation is best for your quantity, time and cost requirements. You will use one of the four modes of shipping-air, ocean, rail or truck. Utilizing more than one mode is referred to as multimodal. You will also need to calculate your landed costs which means determining the final cost to land your product in the other country. This will include many "hidden costs" such as tariffs, union fees, harbor fees. Your freight forwarder ( your BFF-Best Friend Forever) will assist you in doing this.

Shipping by ocean is much cheaper than air but there are some things to consider. The time it takes to deliver will be longer especially if you have less than a container. A full container (20' or 40") is called an FCL-Full Container Load and if you cannot fill a container, you will have an LCL-Less than Container Load. The LCL must be transported to a warehouse for consolidation with other LCLs.

The second important thing to consider (for all shipments ocean or air) is proper packaging. In the case of the BBQ sauce, the glass jars must be sufficiently package in full strength boxing and palletized. If cartons are palletized ISPM-15 wood restrictions are valid for both countries listed. All of this should be able to withstand the rolling sea! If ocean containers are loaded, prepare a load plan, taking weight in consideration and order your blocking and bracing materials. For air shipments consider the temperature ranges and non-pressurized cabins. For multimodal, all of the containers will be moved several times and possibly dropped (many times!). Package for extreme circumstances. Check with your distributors for best port of destination in desired countries.

Before you proceed, you need to check the regs!! If the USDA has not given any red flags in regards to the components of the BBQ sauce you're only half way there. You still need to work with your distributor to determine the testing required to import the food product into the foreign country. Are any health certificates required? There will be a government agency that is similar to the USDA. Remember, without this approval your shipment will be stopped at customs. Of course your BFF, your freight forwarder, will assist you but always remember the responsibility lies with you because you are the USPPI-the U.S. Principal Party of Interest.

So you have decided the best mode of shipment, determined your landed costs, paying attention to any "hidden costs" and checked out the regs on both sides of the ocean. As you sell more and grow, follow the same steps for each new country and always remember your BFF is always your freight forwarder.

Best of luck- Mike and Linda- hoping to be your new BFF!