



BUSINESS PLANNING: A GUIDE TO EXPORTING



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INTRODUCTION

Want to grow your business? Are you looking for new customers? Do you want to increase your profits? Any business owner looking to succeed will answer yes to these questions. Although there are several ways to achieve these goals, one of the best ways to grow a business is by exporting.

Nearly 96% of the world's customers and 66% of their buying power resides outside of the United States*. Yet, so many United States companies only market within their own borders, virtually ignoring the rest of the world as a viable marketplace for their products and services. Why? The most common reasons cited are:

“Exporting is too complicated”

“It's too risky – I won't get paid”

“I have all the market share I need here in the US”

“I'm not large enough to export”

“Different languages, currencies, and cultures make it too difficult”

“It's more costly to export”

“Too much paperwork”

As with any business transaction, there are risks associated with international trade. However, exporting can be a very profitable component of a company's overall marketing strategy. Sales in a new market can boost revenues. Selling to foreign markets can enhance a company's diversification, spreading its risk to countries whose economic cycle may not coincide with the variances found in the U.S. market. Properly prepared, a small business can compete with its rivals in the global marketplace. With advances in technology, the world's marketplace is becoming more accessible to US companies, increasing their opportunity to gain market share.

Most potential exporters need basic information on how to export. The purpose of this planning guide is to help you prepare for the opportunities and challenges encountered in bringing a product or service to foreign markets. It provides a step-by-step process to move your company from a domestic market-only business to a blended market of both domestic and international customers. The guide will help you:

- Assess your company's ability to export
- Learn how to conduct market research to determine viable markets for your products/services
- Develop an export business plan to clearly define your goals and objectives
- Find buyers of your products/services
- Understand the various methods of shipping products to foreign countries
- Learn how to secure international trade financing to fund exporting, mitigate risk and ensure payment

It's time to get started. Let's determine if your company is ready to export.

* Source: *US Small Business Administration (www.sba.gov)*