

SAMPLE GUIDE: How To Find Buyers (Example 1)

- 1- Identify the product you would like to export by its HS code.
 - The US Census Bureau has a very helpful online tool that can help first time exporters with identifying their correct HS Code.
 - To search the US Census Bureau's Schedule B records follow the below link:
www.census.gov/foreign-trade/schedules/b/#search
- 2- Discover which markets are the biggest importers of your product.
 - The U.S. Government offers a free website for researching basic trade statistics called [Trade States Express](#). Extremely detailed trade reports can be obtained via [WISERTrade](#). A sample report from WISERTrade is available here: [Sample 1](#). WISERTrade reports are obtainable from the World Trade Center Saint Louis at a cost of \$12 per report.
 - Let's assume your product is petfood. According to both data sources, Canada is the number #1 importer of US pet food. Therefore we should consider entering the Canadian pet food market.
 - In addition to Canada and other large importers (such as Japan, Mexico, and Australia), it would also be wise to note which countries have had significant statistical growth. For example, Italy had a 200% growth in imports between 2006 and 2007, and China had a 637% increase between 2007 and 2008.
- 3- Study the target market to learn about its demographics, opportunities, and regulations.
 - Demographic information about Canada can be obtained from: the [CIA Factbook](#) or [Statistics Canada](#). Data to look for would be GDP by geography and income per capita as they would be indicators of a buying power in an region.
 - Business opportunities in Canada can also be found through the [US Department of Commerce](#) via its website (select Canada as your target market).
 - Business opportunities with Canadian companies can also be found through searchable database of Canadian importers (hosted by the Canadian office of [Foreign Affairs and International Trade Canada](#))
 - Further legal and regulatory information on doing business in Canada can be found at the following:
 - ▶ [Industry Canada](#)
 - ▶ [Canada Revenue Agency](#)
 - ▶ [Canada Border Services Agency](#)
 - ▶ [Standards Council of Canada](#)
 - ▶ [Canadian Food Inspection Agency](#)
- 4- Use the internet to search for Canadian industry associations that can provide general in-country guidance and lists of companies active in the Canadian pet food market. The following Canadian associations should offer leads:
 - [Pet Food Association of Canada](#)
 - [Pet Industry Joint Advisory Council of Canada](#)
 - [Canadian Veterinary Medical Association](#)
 - [Canadian Kennel Club](#)
 - [Canadian Cat Association](#)
- 5- Search for partners or buyers
 - The Pet Food Association of Canada lists their active members on their website. Depending on the kind of pet food intended for export, many of their members could be a suitable import partner.
 - Also, the Pet Industry Joint Advisory Council of Canada hosts a trade show and lists the names of exhibitors on their website. Trade show exhibitor lists posted on trade show websites are excellent tools to use when seeking a foreign sales partner.
 - Compile a "rough list" of companies that could be your foreign sales partner. You might be able eliminate some companies using just their name if there is a descriptor in their name that would indicate an orientation towards being a service provider rather than a manufacturer (terms such as "Bank of...", "Logistics" or "Consulting").

6- Investigate possible partners or buyers

- After compiling your rough list of companies, refine the list further by learning about each of them. At this time it is advisable to think about what characteristics you would like to have in a partner. Would you like to have an independent agent that arranges sales or a distributor that takes position of your product and then sells it through their own channels? Would you prefer to work with a large company or smaller one? Is there a particular “style of selling” that works best with your product? Would you consider private labeling your product?
- A simple internet search using the company’s name likely will reveal their website, which should also offer information on their products and services. *Again, the key question to ask yourself is whether a found company’s products will be complementary or competitive against yours.*
- Once you have your list narrowed to a limited set of candidates, consider using the services of a credit reporting firms to learn further details about a foreign company’s operations. A credit reporting firm such as Dun & Bradstreet or Coface can supply copious information about foreign company’s credit history, and alert you to who may have serious financial issues.

7- Check with the US Government’s [Bureau of Industry and Security](#) to ensure your sales activities with possible partners are legal. Exporting is a privilege not a right. Even though Canada is a close trading partner of the United States, your transaction may still be considered illegal due to several reasons. The US Government has several lists to check before you proceed with a sale such as:

- Denied Persons List
- Unverified List
- Entity List
- Specially Designated Nationals List
- Debarred List
- Nonproliferation Sanctions List



The WTC recommends calling the BIS to discuss your transactions to ensure you are compliant with US export laws. Failure to comply mean fines and imprisonment.

8- Identify barriers to getting your product in a foreign market.

- The office of the [US Trade Representative](#) is an excellent location to learn about trade agreements between the US and other countries.
- Canada and the United States are partners of the [North American Free Trade Agreement](#), which is an agreement intended to facilitate trade between the two countries.
- The [Canadian Border Services Agency](#) offers an online schedule of tariffs by HS code, which may apply to your product if it does not meet [NAFTA criteria](#).

9- Find out whether your product can be competitive on price. Be sure to evaluate costs involved with marketing, travel, packaging, shipping, commissions, taxes (VAT) and tariffs.

10- Once you have decided to enter into a trade relationship, be sure to be aware of all your local resources available to exporters, such as:

- The [World Trade Center Saint Louis](#)
- The [St. Louis Export Assistance Center](#) (US Government)
- The [Small Business Administration](#) (US Government)
- The [Missouri Department of Economic Development](#) (Missouri Government)
- The [Missouri Department of Agriculture](#) (Missouri Government)

11- Have patience and make every effort to do things correctly the first time. Select an [international banker](#), [freight forwarder](#), [attorney](#) or country specialist to assist you...and always ask questions. Good luck!