

SAMPLE GUIDE: How To Find Suppliers (Example 1)

1- Identify the product you would like to import by its HS code

- The United States International Trade Commission (USITC) has a very helpful online tool that can help first time importers with identifying their correct HS Code.
- To search the USITC's HS database follow the below link:
http://dataweb.usitc.gov/scripts/tariff_current.asp
- Special note: be sure to check with US Customs & Border Protection (CBP) to ensure that they agree with the USITC on their determinations of HS Codes. Sometimes, depending on the complexity of your product, CBP may disagree with USITC's search engine.

2- Discover which markets import your item into the United States.

- The U.S. Government offers a website for researching basic [import statistics](#) through the USITC. 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.
- Lets assume your product is baseballs. According to both the USITC and WISERTrade, China is the number #1 supplier of baseballs. Therefore we should consider sourcing from a Chinese supplier.
- In addition to China, it would also be wise to note which countries have had significant statistical growth. For example, Taiwan had a 402% growth in exports of baseballs to the U.S. between 2006 and 2007; perhaps a good deal can be had purchasing baseballs there.

3- Study the target market to learn about its political stability, economic condition, and regulations.

- Demographic information about China can be obtained from: the [CIA Factbook](#) or the [National Bureau of Statistics of China](#).
- Business opportunities with Chinese suppliers can also be found through [China Commodity Net](#) and [ChinaMarket](#), which are a searchable databases of Chinese companies and commodities (hosted by the [Chinese Ministry of Commerce](#)).
- Further business and regulatory information on doing business in China can be found at the following:
 - ▶ [State General Administration of Sport](#)
 - ▶ [China International Electronic Commerce Center](#)
 - ▶ [China Legislative Information Network System](#)
 - ▶ [Shenzhen Stock Exchange](#)
 - ▶ [Shanghai Stock Exchange](#)
 - ▶ [Hong Kong Exchanges and Clearing Limited](#)
 - ▶ [Commercial Counselor's Office \(of the Chinese Embassy in the U.S.\)](#)
 - ▶ [China.org \(general information on China\)](#)

4- Use the internet to search for Chinese industry associations that can provide general in-country guidance and lists of companies active in the Chinese sporting goods industry. Trade shows are also excellent places to find suppliers. The following associations and trade shows should offer leads:

- [Chinese Baseball Association](#)
- [China Sporting Goods Federation](#)
- [China Sport Foundation](#)
- [China Sports Federation](#)
- [All-China Sports Network](#)
- [China Sport Show](#)

5- Search for suppliers

- The China Sport Show offers an exhibitor's list of companies that produce balls; perhaps they could be a candidate for sourcing.
- Both China Commodity Net and China Market list companies that specifically produce baseballs.
- Compile a "rough list" of companies that could be your foreign supplier. 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, distill 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.
- A simple internet search using the company's name likely will reveal their website, which should also offer information on their products.
- Once you have your list narrowed to a limited set of candidates, consider using the services of a credit reporting firm 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 CBP to ensure your importing activities are compliant with use laws and regulations. CBP offers a detailed manual to importers that can guide them through the importing process; the WTC advises that you contact CBP and request a copy. Further, it is highly advisable that you hire a lawyer, customs broker, accountant, or customs consultant to assist you in complying with CBP requirements. Some items of concern you should think about are:

- Do you know what you ordered, where it was made, and what it is made of?
- Do you know the "price actually paid or payable" for your merchandise? Do you know the terms of sale?
- Have you ascertained the correct country of origin for the imported merchandise?
- Have you apprised your foreign supplier of CBP country-of-origin marking requirements?
- Do you know whether your merchandise or its packaging use any trademarks/copyrights/patents?
- Have you assured that your merchandise complies with other agencies' requirements (e.g., Food & Drug Administration, Environmental Protection Agency, Department of Transportation, etc.) and obtained licenses or permits, if required, from them?
- Are you tracking and/or auditing supplier compliance?

8- Identify barriers to getting your product into the United States.

- The office of the [US Trade Representative](#) is an excellent location to learn about trade agreements between the US and other countries.
- The USITC's HS database (used in step one to determine the appropriate HS code) also reveals a wealth of information on US import tariffs.

9- Find out whether your product can be competitive on price. Be sure to evaluate costs involved with marketing, distribution, sales commissions, etc.

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

- The [World Trade Center Saint Louis](#).
- The [US Customs & Border Protection](#) (St. Louis Office).

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!