Index

Page numbers followed by “b” indicate boxed material; “i” indicate an illustration; “t” indicate a table.

Absolute quotas, 393
Acceptance, 181t
Accidental discrepancies, 256, 267
Accounts receivable, 307-308, 315
Actionable subsidies, 450
Active Corps of Executives (ACE), 81-82
Ad valorem duty, 309, 403
Admission Temporaire Admission (ATA) carnet
business travel, 86
Case 17.1, 421-422
Advance payments
buyer financing, 307, 315
payment arrangements, 263, 264
Advertising
export counseling assistance, 79
government-supported, 88
market potential, 69-70
overseas promotion, 87-89
process of, 88
service trade, 7
Affiliated groups, 47
Africa
Ex-Im Bank, 322t
Internet use, 120t
African Growth and Opportunity Act (AGOA) policy, 398
African Regional Industrial Property Organization (ARIPO)
PCT, 474
regional convention, 475, 476
Agent/Distributor Service (ADS), 80b
Agricultural products
export incentives, 375b
import requirements, 391t
merchandise trade, 10
unfair trade practices, 460, 462
Air cargo rates determination, 203-204, 218
Air cargo regulation, 204b, 204-205
Air consignment note. See Air waybills
Air transportation
advantages/disadvantages of, 202t
growth of, 201-203, 217
rising costs, 13
Air waybills
documentation, 197, 204-205, 217
logistics process, 127, 128
Aircraft sector, 321, 322t
Alcoholic beverages, 391t
All-risks policy, 137
Aluminum ladders, 68t
American Business Media, 69-70
American Credit Indemnity, 134
American Insurance Underwriters, 134
Ammunition, 391t
Andean Pact, 33t, 36
Andean Trade Preference (ATP) import policy, 398
Annecy (France) Round, GATT, 21b
Antiboycott regulations
exceptions to, 362, 378-379
non-reportable requests, 362b


649
Antiboycott regulations (continued)
penalties for noncompliance, 363, 379
prohibitions, 361-362, 378
purpose of, 360, 378
reporting requirements, 362
scope, 361, 378
Antidumping cases, countries cited, 457t
Antidumping duty (AD)
costs of, 449b
investigation proceedings, 453t, 453-456, 456t, 462
proof of injury investigations, 451-452, 462
Antidumping duty (AD) laws
international regulation, 447
statutory remedy, 447
Antitrust regulations
categories of, 368, 380
checklist of practices to avoid, 371
enforcement/penalties, 371-372, 380
exemptions, 368, 370-371, 380
extraterritorial applications, 371, 380
general prohibitions, 368, 369, 380
origins of, 368
specific prohibitions, 368, 369, 380
Argentina
adversative trade policies, 460
Case 4.1, 93
Corruption Perception Index, 364b
IPR enforcement, 471b
modern migration to, 3
priority watch list, 472
trading opportunities, 486-487
Arms sales
import requirements, 391t
offset transactions, 284
Asia
Ex-Im Bank, 321, 322t, 323
Internet use, 120t
trading opportunities, 495-503
Asian Free Trade Area, 11-12
Asian Pacific Economic Cooperation (APEC)
regional agreements, 33t, 36
USFTAs, 395b
Asset specificity, 95
Asset-based financing, 301, 315
Assignment of proceeds/L/Cs, 309, 315
Association of Southeast Asian Nations (ASEAN), 33t, 36
Australia
Corruption Perception Index, 364b
countertrade policy, 286
defense offsets, 292t
Hague-Visby Rules, 208-209
modern migration to, 3
trading opportunities, 495-496
USFTAs, 395b, 395-396, 403
Australian Group (AG), 350b
Authorized regular employer, 425, 439
Automated Broker Interface (ABI), 434b
Automated Clearing House (ACH), 434b
Automated Export System (AES), 358b, 434b
Automated Information Systems
Security policy (AIS), 434b
Automated Manifest System (AMS), 434b
Automobile and Truck International, 88
Back-to-back letters of credit (L/Cs)
import financing, 419
payment arrangements, 260-261, 268
third party financing, 309, 315
Bahamas
adversative trade policies, 460
watch list, 472
Bahrain, 395b
Bank accounts, 49
Bank guarantee, 191
Bank letter of credit (L/C), 328, 339
Banker’s acceptance, 265, 308, 315
Bankers Association of Foreign (BAFT), 313
Banking industry
ancient trade, 1
countertrade departments, 272
external financing, 300-301, 315
Index

Banking industry (continued)
letters of credit (L/Cs), 247-248, 251, 252-254
payment liability, 246-247
payment role, 242-246, 266, 267
service trade, 7
Barges, 207b
Barter
countertrade, 276, 277i, 283i, 288
transaction mechanics, 275b
Barter and Countertrade Unit, 286
Barter contract negotiation, 282b
Basic materials, 17t
Basic need potential, 75
Belarus, 472
Belgium
agent contracts, 110
countervailing duty cases, 457t
trade volume, 10
Berne Convention, 28
Bill of exchange (draft)
documentation, 197-198, 217
late medieval trade, 1
Bill of lading (B/L)
documentation, 198-199, 217
Hague Rules, 210
logistics process, 127, 128
Boats, 391t
Bofors-India Countertrade Deal, 290-291
Bolivia
import price anomalies, 68t
watch list, 472
Bonded warehouses, 402, 404
Bonds
export contract clauses, 190, 191, 194
release of merchandise, 428-430, 430t, 440
Bovine animals, 68t
Branches (foreign), 55-56, 57, 57i
Brazil
adversative trade policies, 460
antidumping cases, 457t
Corruption Perception Index, 364b
countervailing duty cases, 457t
Ex-Im Bank, 322t
import barriers, 392t
Brazil (continued)
modern economy, 3
priority watch list, 472
trading opportunities, 487-488
Brazilian Decree (No. 1298), 102b
Break-bulk, 207b
Bribery
FCPA, 364, 365-366
international efforts against, 368
OECD efforts, 368
Briefs/panties, 68t
Britain. See also United Kingdom
colonial trade, 2, 3
modern trade, 3-4
British East India Company
charter company, 2, 102b
monopoly grant, 368
Bulgaria, 472
Bulk cargo, 207b
Bulk carriers, 207b
Bureau of Industry and Security (BIS)
anti-boycott regulations, 360
EAR administration, 351, 352, 357
Office of Export Enforcement, 359
Business angels, 305
Business International Corporation, 132
Business locations, 49-50
Business names, 48-49
Business negotiations, 86
Business plan
international export-import, 77-78, 79i, 91
sample export, 561-565, 564t, 565t, 566t
sample import, 567-571, 569t, 571t, 572t
Business stage, 298, 314
Business travel
export pricing, 155, 174
host country knowledge, 84
preparation, 83-84
Buy American Act, 394
Buyback transactions, 277i, 279i, 279-280, 282b, 289
Buyer, financing arrangements, 307, 315, 311
Buyer credit
government programs, 319
intermediate/long-term financing
arrangement, 311, 316

Buyers
countertrade benefits, 273-274, 287
Incoterms, 161t, 162t-163t
payment preferences, 319

California, 338, 340
Canada
antidumping cases, 457t
Corruption Perception Index, 364b
countervailing duty cases, 457t
defense offsets, 292t
Ex-Im Bank, 322t
export price anomalies, 68t
Hague-Visby Rules, 208-209
impact of international trade, 8
import barriers, 392t
import price anomalies, 68t
indirect marketing channels, 97-98
lost tax revenue, 68t
modern migration to, 3
NAFTA, 25, 26, 30-31, 31t,
394-395
trading opportunities, 489-490
U. S. tax treaty, 64
watch list, 472

Capital, 297-298
Capital expenses, 60
Capital goods, 17t
Cargo selectivity, 434b
Caribbean Basin Initiative (CBI),
397-398, 403
Caribbean Basin Trade Partnership Act,
397-398
Caribbean, 120t
Caribbean Common Market
(CARICOM), 33t, 36
Carmack Amendment, 213
Carnet, 429
Carriage and insurance paid to (CIP),
160t, 162t-163t, 169t-170t, 171, 176
"Carrier certificate," 425
Carrier liability, 211b
Case. See also Minicase
Case 1.1., Limitations of Export-Led
Growth, 15-17, 16t, 17t,
Case 2.1., Benefits and Costs of Free
Trade, 37-38, 38t
Case 3.1., Shrinking Tax Base, 66-67,
68t
Case 4.1., Developing Export Markets,
92-94
Case 5.1., Export Channel Decisions,
117-118
Case 5.2., Internet and Developing
Countries, 118-120, 120t
Case 6.1., Marine Insurance Loss,
147-148
Case 6.2., Inchmaree clause, 148-149
Case 7.1., Incoterms (CIF), 177
Case 7.2., Incoterms (C&F), 177-178
Case 8.1., CISG, 195
Case 8.2., China National Products v.
Apex Digital Inc., 195-196
Case 9.1., Package under COGSA, 220
Case 9.2., Container revolution, 221
Case 10.1., U. S. Dollar, 237-238
Case 11.1., Dishonoring Letters of
Credit, 269-270
Case 11.2., Independence Principle,
270
Case 12.1., Bofors-India Countertrade
Deal, 290-291
Case 12.2., Offsets in U. S. Defense
Trade, 291-294, 292t, 293t
Case 13.1., Tadoo’s Sales to Belgium,
316-317
Case 14.1., Trade Finance in Transition
Economies, 341-342
Case 14.2., Ex-Im Bank Financing,
342-343
Case 15.1., Export Trade Certificate of
Review, 381-383
Case 15.2., Enforcement of Export
Regulations, 383-385

Carriage paid to (CPT), 160t,
162t-163t, 169t-170t, 171,
176
"Carrier certificate," 425
Carrier liability, 211b
Case. See also Minicase
Case 1.1., Limitations of Export-Led
Growth, 15-17, 16t, 17t,
Case 2.1., Benefits and Costs of Free
Trade, 37-38, 38t
Case 3.1., Shrinking Tax Base, 66-67,
68t
Case 4.1., Developing Export Markets,
92-94
Case 5.1., Export Channel Decisions,
117-118
Case 5.2., Internet and Developing
Countries, 118-120, 120t
Case 6.1., Marine Insurance Loss,
147-148
Case 6.2., Inchmaree clause, 148-149
Case 7.1., Incoterms (CIF), 177
Case 7.2., Incoterms (C&F), 177-178
Case 8.1., CISG, 195
Case 8.2., China National Products v.
Apex Digital Inc., 195-196
Case 9.1., Package under COGSA, 220
Case 9.2., Container revolution, 221
Case 10.1., U. S. Dollar, 237-238
Case 11.1., Dishonoring Letters of
Credit, 269-270
Case 11.2., Independence Principle,
270
Case 12.1., Bofors-India Countertrade
Deal, 290-291
Case 12.2., Offsets in U. S. Defense
Trade, 291-294, 292t, 293t
Case 13.1., Tadoo’s Sales to Belgium,
316-317
Case 14.1., Trade Finance in Transition
Economies, 341-342
Case 14.2., Ex-Im Bank Financing,
342-343
Case 15.1., Export Trade Certificate of
Review, 381-383
Case 15.2., Enforcement of Export
Regulations, 383-385

Carriage paid to (CPT), 160t,
162t-163t, 169t-170t, 171,
176
"Carrier certificate," 425
Carrier liability, 211b
Case. See also Minicase
Case 1.1., Limitations of Export-Led
Growth, 15-17, 16t, 17t,
Case 2.1., Benefits and Costs of Free
Trade, 37-38, 38t
Case 3.1., Shrinking Tax Base, 66-67,
68t
Case 4.1., Developing Export Markets,
92-94
Case 5.1., Export Channel Decisions,
117-118
Case 5.2., Internet and Developing
Countries, 118-120, 120t
Case 6.1., Marine Insurance Loss,
147-148
Case 6.2., Inchmaree clause, 148-149
Case 7.1., Incoterms (CIF), 177
Case 7.2., Incoterms (C&F), 177-178
Case 8.1., CISG, 195
Case 8.2., China National Products v.
Apex Digital Inc., 195-196
Case 9.1., Package under COGSA, 220
Case 9.2., Container revolution, 221
Case 10.1., U. S. Dollar, 237-238
Case 11.1., Dishonoring Letters of
Credit, 269-270
Case 11.2., Independence Principle,
270
Case 12.1., Bofors-India Countertrade
Deal, 290-291
Case 12.2., Offsets in U. S. Defense
Trade, 291-294, 292t, 293t
Case 13.1., Tadoo’s Sales to Belgium,
316-317
Case 14.1., Trade Finance in Transition
Economies, 341-342
Case 14.2., Ex-Im Bank Financing,
342-343
Case 15.1., Export Trade Certificate of
Review, 381-383
Case 15.2., Enforcement of Export
Regulations, 383-385

Case 16.1., Tax Deduction for Processing in Maquilas, 406
Case 17.1., ATA Carnet, 421-422
Case 17.2., Maytag's Triad Strategy, 423
Case 18.1., Deemed Liquidation by Customs, 444
Case 18.2., Product Classification, 445
Case 19.1., Similar Products and Dumping, 463
Case 20.1., Patents for Life Saving Drugs, 477-478
Cash in advance, 258-259, 267
Central American Common Market (CACM), 33t, 36
Central banks, 226, 236
Centralization, 50-51
Certificate of origin documentation, 199, 217
logistics process, 127
Certified development company (CDC), 303t, 304
Chamber of Commerce, 83t
Chamber of Commerce, 83t
Charter companies, 2
Chicago Prime Packers vs. Northam Trading Co., CISG, 182b
Chile trading opportunities, 490-491
USFTAs, 395b
watch list, 472
China antidumping cases, 457t
Corruption Perception Index, 364b
Ex-Im Bank, 322t
foreign exchange reserves, 13
import price anomalies, 68t
international trade, 1
IPR enforcement, 471b
lost tax revenue, 68t
medieval trade, 1
priority watch list, 472
trade volume, 10
trading opportunities, 497-498
U. S. tax treaty, 64
unjustified foreign trade practices, 458, 460
WTO membership, 11
Chinese Foreign Trade Agency, 123
Citizens, 54-55
City agencies, 82
Clayton Act, 368, 380
Clean Air Act, 129
Clean/claused bill of lading, 198
Clean collections, 266
Clearing arrangement, 277i, 278-279, 279i, 288-289
Coca Association of London, 185
Colonial era first phase, 2
second phase, 3
Columbia Corruption Perception Index, 364b
trading opportunities, 491-493
USFTAs, 395b
Combination carriers, 207b
Commerce Control List (CCL), 353b, 356-358, 359
Commerce export license steps, 353b, 353-359
Commercial banks, 83t
Commercial finance companies, 305, 315
Commercial invoice documentation, 199-200, 217
entry documentation, 428, 439
logistics process, 127
Commercial lenders, 300-301, 315
Commercial loan guarantees, 323, 330i, 330-331, 339
Commercial loans, 302, 315
Commercial News USA (CNUSA), 79, 80b
Commercial publications, 88
Commercial terms, 158, 159t
Common Agricultural Policy (CAP), 34
Common Market, 24b
Common markets, 11
Communications growth rate, 16t
world economic integration, 12
Comparative advantages, 12-13
Competition, 124, 145
Competitive pricing, 157-158, 175
Compound duty, 309, 403
Computed value, 435, 437-438, 440
Conference lines, 206-208
Confirmed L/Cs, 253, 268
Consignment, 421
Consignment sales
  exporter financing, 307, 315
  payment arrangements, 239-241, 265
Construction
  Ex-Im Bank, 321
  service trade, 7
Consular invoice, 199, 217
Consultants
  export decision, 71
  export pricing, 155, 174
Consumer goods
  growth rate, 16t
  import requirements, 391t
Container cargo, 13
Containers
  growth of, 221
  ocean cargo, 207b
Content requirement, 326, 336
Continental Credit Insurance, 134
Contract manufacturing, 416-417
Contractor bid, 263-264
Control
  distribution channel selection, 98-99, 116
  export organizational issues, 51
Controlled foreign corporations (CFC), 59-60
  “Controlled group of corporations,” 62
Convention Concerning International Carriage by Rail (COTIF), 213-214, 218
Convention on Combating Bribery, OECD, 368
  adoption of, 180
  Chicago Prime Packers v. Northam Trading Co., 182b
  essential elements, 194
  and UCC, 181t
  Convention on the Contract for the International Carriage of Goods by Road (CMR), 213, 214, 218
  Cooperative exporters (CEs), 104
  Coordinating Committee for Multilateral Export Controls (COCOM)
    export control policy, 348, 349
    WA, 350b
  Coordination, 51
  Coproduction, 281-283, 283i, 289
Copyrighs
  Customs Service registration, 471-472
  IPRs, 465, 467-468
  Section 337 practices, 456-458, 462
  violations of, 469
Corn Laws, 3
Corporate income, 47
Corporations
  bank account, 49
  business structure, 45-47
  business/trade name, 48-49
  capital access, 297
  financing alternatives, 298
  transaction taxation, 55-56, 57
  U.S. taxation policies, 52
Corruption, international efforts against, 668. See also Foreign Corrupt Practices Act (FCPA)
Cosmetic import requirements, 391t
Cost, insurance, freight (CIF) terms, 159t, 160t, 161t, 162t-163t, 169t-170t, 174, 175
Cost and freight (CFR) terms, 160t, 161t, 169t-170t, 171, 175
Cost in freight (CIF) value, 143
Cost-based pricing, 156, 175
Costa Rica, 364b
Counselors to America’s Small Business (CASB), 81-82
Counterfeit goods
  Customs Service registration, 471-472
  IPR issue, 468, 376
Counterpurchase, 277i, 280i, 280-281, 282b, 283i, 289

Countertrade
  benefits/costs, 273-274, 287, 278b

Countervailing duty (CVD), 449b investigation proceedings, 453t, 453-456, 456t, 462proof of injury investigation, 451-452, 462Countervailing duty cases, 457tCountervailing duty (CVD) lawsinternational regulation, 447statutory remedy, 447Country-of-origins markingrequirements, 438, 440

Court of Appeals for the Federal Circuitintellectual property violations, 458protests, 431, 440Section 201 appeals, 461

Court of International TradeAD/CVD appeals, 456protests, 431, 440Section 201 appeals, 461

Court of Justice, 35b

Coverage, 99, 116Craft and lighter clause, 142bCredit
  ancient trade, 1government financing programs, 319overseas customers, 306Credit cards financing, 302, 315Credit checks, 155Credit information resources, 133Credit insurance, Ex-Im Bank, 323, 326-327, 338. See also Export Credit Insurance Program (ECIP)

Credit reports, 265
Credit risk factors, 132-133, 146Cross rates, 225, 226tCrusades, 1
Cuba, 390, 393
Cumulation doctrine, 452Cumulative presence test, 52-53Currency, 125t
Customer characteristics, 97, 115
Customs and Border Protection (CBP)bond requirements, 430tentry processing, 426, 428

Customs brokers
customs, 216entering goods, 425, 439license requirements, 400logistics process, 127, 128role of, 398-400, 403

Customs Cooperation Council,HTSUS, 432

Customs invoice, 127

Customs Power of Attorney, 405b

Customs Serviceimport requirements, 391tIPR protection, 469IPR violation exclusions, 471-472voluntary reliquidation, 431

Customs Unionseconomic integration stages, 24bRIAs, 23t

Customs valuation process, 433, 435-438, 440

Czech Republicimport price anomalies, 68ttrading opportunities, 503-504

Damages clauses, 188, 189-190Debt, 275

Debt financingexternal financing, 299, 315ownership structure, 298-299

Decentralization, 50-51
Decision-making, 46-47
Deductive value, 435, 436-437, 437b, 440
Deemed export license requirement, 349-350
Defense expenditures, 291-294, 292t, 293t
Deferred-payment credit, 261-262, 268
Deficiencies, 184, 194
Delay clause, 142b, 187-188
Delayed payment, 239, 240, 240i
Delivery
contract terms, 158, 181t, 186-187, 194
export pricing, 153, 174
Delivered duty paid (DDP) terms, 160t, 162t-163t, 169t-170t, 173-174, 176
Delivered duty unpaid (DDU) terms, 160t, 162t-163t, 169t-170t, 173-174, 176
Delivery at frontier (DAF) terms, 160t, 162t-163t, 169t-170t, 172-173, 176
Delivery ex quay (DEQ) terms, 160t, 161t, 169t-170t, 172, 173-174, 176
Delivery ex ship (DES) terms, 160t, 161t, 169t-170t, 173, 176
Demand-based pricing, 157, 175
Denmark
trading opportunities, 509-510
world class logistics system, 128b
Deregulation, 297, 314
Design, 153, 174
Destination Control Statement (DCS) documentation, 200, 217
export license determination, 357-358
Diamonds, 68t
Dillon Round, GATT, 21b
Diplomatic privileges, 1
Direct collection, 246
Direct distribution channels characteristics, 96, 115
control, 98
direct marketing, 105-106
import marketing, 417, 421
Direct distribution channels (continued)
intermediaries, 99
marketing environment, 97-98
marketing objectives, 96
overseas agents, 106-107, 116
overseas distributors, 107
product characteristics, 97
resources/experience, 96
types of, 116
Direct mail, 88
Direct marketing, 116
Direct quotation, 225
Discrepancies, 255-258, 257b, 258b, 267
Dispute settlement
claims, 143-145
distribution agreement clause, 114-115
GATT, 20
NAFTA overview, 30
TRIPS, 475
Distance, 125t
Distribution agreement sample, 585-591
Distribution channels
financing alternatives, 298, 314
selection factors, 96-99, 115-116
types of, 115
Dock’s receipt, 200, 217
Documentary collection
import financing, 419, 421
payment arrangements, 242-243, 244i, 266
rules governing, 244, 252, 266
Documentary draft, 242-243, 244i, 265
Documentary letter of credit (L/C) advantages/disadvantages of, 251
bilateral contracts, 250, 254
definition, 251
other types of, 259-265, 267-268
payment arrangements, 247-250, 250i, 266
regulations governing, 252
Documentation
antiboycott regulations, 362
automated systems, 434b
business travel, 86
entry of goods, 425-426, 426b, 428, 429, 439
**Documentation (continued)**

- Export record keeping, 358-359
- Frequently used, 197-201, 217
- Logistics process, 126
- Payment requirement, 167, 168
- Sample trade documents, 619i-625i

**Documents against acceptance**, 245-246

**Documents against payments (D/P)**, 244-245

**Doha Round**
- GATT, 21b
- Trade barrier reductions, 11, 20

**Domestic entity**, 47

**Domestic International Sales Corporation (DISC)**
- Export promotion, 373-374
- GATT violation, 374
- Taxation of, 60

**Domestic logistics**, 125t

**Dominican Republic, CAFTA, 11-12, 395b, 396**

**Drawback entry**, 427b

**Drugs import requirements**, 391t

**Dumping**, 447-448, 461. See also Antidumping duty

**Dunn and Bradstreet**, 133

**Dutch East India Company, 101b**

**Dutch West India Company**
- Charter company, 2
- Monopoly grant, 368

**Duties**
- Entry process, 426
- Export contract clauses, 190, 194
- Duty to inspect, 184, 194
- Dynamite, 68t

**Eastern European trading opportunities**, 503-508

**Economic Community of West African States (ECOWAS)**, 33t, 36

**Economic factors**, 132-135, 146

**Economic Intelligence Unit**, 132

“Effectively connected income,” 55-56

“Efficiently connected,” 55

**Egypt**
- Adversative trade policies, 460
- Agent contracts, 110
- Corruption Perception Index, 364b
- Medieval trade, 1
- Priority watch list, 472
- Trading opportunities, 479-480

**Electronic products import requirements**, 391t

**Electronic Request for Item Classification (ERIC)**, 358b

**Employment**
- Impact of international trade, 8
- NAFTA assessment, 31

**Enabling clause**, 23t

**Energy**
- Ex-Im Bank, 321, 322t
- Growth rate, 17t

**Entertainment tax deductions**, 61

**Entrepreneurial class**, 9

**Entry**
- CBP processing, 426, 428
- Definition of, 425, 439
- Documentation required, 425-426, 426b, 428, 429, 439
- Liquidation process, 430-431
- Overview of process, 425, 439
- Persons allowed to perform, 425, 439
- Political/legal barriers, 76
- Release of merchandise, 428-429, 440
- Types of, 427b

**Entry for consumption**, 427b

**Entry for transportation in bond**, 427b

**Entry for warehouse**, 427b

**Entry manifest**, 428, 439

**Entry summary**, 429

**Environment**, 155, 175

**Environmental risks**, 69

**Environmental subsidies**, 451

**Equal Export Opportunity Act of 1972, 348**

**Equity financing**
- External financing, 299, 315
- Ownership structure, 298-299
- Sources of, 305-306, 315

**Escape clause**, 461, 462
“Essential character,” 432
Ethnocentric pricing, 156
Euro
  brief overview, 235b
  political risks, 132
  relative value, 228t
SEA, 35
Europe
  advertising regulations, 87-88
  Ex-Im Bank, 322t
  Hague-Visby Rules, 208-209
  Internet use, 120t
European Commission, 34, 35b
European Council, 35b
European Free Trade (EFTA), 33t, 36
European Parliament, 35b
European Patent Convention, 475, 476
European Patent Office (EPO), PCT, 474
European Union (EU)
  adversative trade policies, 460
  economic institutions, 35b, 36
  economic integration, 32, 36
  and NAFTA, 32t
  trading opportunities, 509-518
U. S. tax treaty, 64
Evergreen warranty, 190
Ex Store, 160-161
Ex Warehouse, 159, 159t, 160t, 160-161, 162t-163t, 169t-170t
Ex Works, 159, 159t, 160t, 160-161, 162t-163t, 169t-170t, 175
Exchange controls, 275, 287
Exchange rate(s)
  definition of, 225, 236
  export pricing, 155-156
  fluctuations of, 227, 228
  import volume determinant, 412, 420
  protection against risks, 229-234
  restrictions, 229b
  trade determinant, 9
Excluded products, 73b
Export, overseas promotion, 88
Export Administration Act (EAA)
  anti-boycott regulations, 360-363
  export control policy, 348-349
Export Administration Regulations (EAR)
  export license determination
    352-359, 355i, 356i, 358b, 378
  purpose of, 351
  sanctions/violations, 359-360, 378
  scope of, 352, 378
Export business plan sample, 561-565, 564t, 565t, 566t
Export cartels, 104
Export Certificate of Review (ETC)
  Act, 370, 380
Export commission agents (ECAs), 102-103
Export competitiveness, 153-154, 174
Export Contact List Service, The, 88
Export contract
  additional terms, CISG, 181t
  applicable law clauses, 192-193, 194
  basic clauses, 573-583
  cargo insurance clauses, 142b
  definition, 179, 185, 193
  dispute settlement clauses, 193, 194
  distribution agreement clauses, 110-115
  distribution agreements, 110, 116
  Group C clauses, 159t, 160, 160t, 161t, 162t-163t, 165-168, 169t-170t, 171, 175
  Group D clauses, 160t, 161t, 162t-163t, 169t-170t, 172-174, 176
  Group E clauses, 159, 159t, 160t, 160-161, 162t-163t, 169t-170t, 175
  Group F terms, 159t, 160, 160t, 161t, 161, 162t-163t, 164-165, 169t-170t, 175
guarantees/bonds clauses, 190-192, 194
  harmonization motives, 179-180
  insurance, 136
  logistics process, 126
  price/delivery term clauses, 181t, 186-187, 194
Export contract (continued)
  quality/performance/liability clauses, 181t, 188-190, 194
  scope of work clause, 186,194
  taxes/duties clauses, 190, 194
  terms of sale, 158, 159t.
Export Control Act
  EAR implementation, 351
  export control policy, 347, 377
Export Control Classification Number (ECCN), 353b, 356-357
Export controls
  brief history of, 347-349
  post September 11th policies, 349-350, 377
Export credit, 320
Export Credit Insurance Program (ECIP)
  Ex-Im Bank, 323, 326-327, 338
  features of, 326-327
  policies, 327i, 327-331, 330i, 331i
  project finance program, 331-332
  purpose of, 326
Export Development Corporation (EDC), 313
Export leasing, 314, 316
Export level, 274, 287
Export License Application and Information Network (ELAIN), 358b
Export licenses, 349-350
Export management companies (EMCs), 100-101
Export merchants, 103-104
Export packing list, 200-201, 217
Export potential, 69-71, 70t
Export prices, 273-274
Export pricing (continued)
  Group E terms, 159, 159t, 160t, 160-161, 162t-163t, 169t-170t, 175
  Group F terms, 159t, 160, 160t, 161t, 161, 162t-163t, 164-165, 169t-170t, 175
  internal variables, 154-155, 174
  markups, 153-154, 174
  objectives, 153, 174
  policy types, 156
  price determination worksheet, 166i
Export sales, 274
Export subsidies, 448, 462
Export Trade Act, 104
Export trading companies (ETCs), 101
Export Trading Company Act, 101, 102b
Export transaction, typical, 85b
Export working capital program (EWCP), 303t, 332-333, 339
Export-import business
  bank account, 49, 65
  business location, 49-50
  business plan, 77-78, 79i, 91
  business/trade name, 48-49, 65
  business travel, 77, 83-84, 86, 92
  counseling assistance, 78-82, 91
  export organizational issues, 50-51, 65
  financing alternatives, 298-299, 314
  foreign taxation, 56-57, 65
  forms of, 299-301, 315
  frequently used documents, 197-201, 217. See also Documentation
  insurance, 135-140
  internal financing, 299, 300, 315
  international transfer pricing, 61-64, 66
  market assessment, 75-77
  market research, 72-74, 91
  organizational structures, 51-52
  overseas promotion, 86-91, 92
  ownership structure, 41-48, 65
  payment arrangements, 239
  private export financing, 306-315
  professional services, 50
Export-import business (continued)
risks of, 131-135
selecting product/services, 69-72, 70t, 73b, 91
start-up costs, 298
tax deductions/allowances, 60-61, 66
U.S. taxation policies, 54-61, 58i
Export-Import (Ex-Im) Bank
authorizations of, 321, 322t
criticism of, 323
establishment of, 320, 338
major programs, 323
political risks, 132
role of, 320-322, 338
selected cases, 342-343
summary of programs, 537-559
Exporters
countertrade benefits, 274, 287
most common mistakes, 84b
payment preferences, 319
rights/obligations clause, 112, 116
Exporters that buy and sell, 103-104, 116
Exporters that buy for overseas customers, 102-103, 116
Exporters that sell on behalf of manufacturer’s (MEAs), 99-101, 116
Exports
determinants, 9, 14
domestic incentives, 373-374
foreign taxation, 56-59, 58i
IC-DISC, 375-376
trade determinants, 9
Extraterritorial Income (ETI) Exclusion Act, 374

Federal Trade Commission (FTC)
antitrust enforcement, 371, 380
general antitrust prohibitions, 368, 369, 380
import requirements, 391t
Fence posts, 68t
Fictitious name
bank account, 49
business/trade name, 48-49
Fidelity and Deposit Company, 134
Field trip, 77
Fifth screening, 77
Finance companies, 304-305, 315
Financial institution
ECIP buyer credit policy, 329, 339
ECIP supplier credit policy, 329
Financial services, export pricing, 174
Finland
export price anomalies, 68t
indirect marketing channels, 98
Five C’s, lending decisions, 301
Flexibility
countertrade benefits, 274
export pricing, 154
Food and Drug Administration (FDA)
Entry questions, 428
import requirements, 391t
Food stuff, 391t
Force majeure
export contract clauses, 187-188
four categories of, 114
Fordney-McCumber Tariff, 3
Foreign content policy, 321
Foreign corporations, 55-56
Foreign Corrupt Practices Act (FCPA)
compliance measures, 367-368, 379
enactment of, 363
enforcement/penalties, 366-367, 379
principle objectives of, 364, 379
responsible parties, 365-366, 379
scope of coverage, 365, 379
Foreign dealers, 330
Foreign direct investment
countertrade theories, 274-275, 287
NAFTA assessment, 31, 31t
trade determinant, 9
Foreign exchange
- economic risk factors, 135, 146
- transaction risks, 237-238

Foreign exchange market
- reasons for existence of, 236, 236
- role of, 225
- world currencies, 226-227

Foreign media, 88

Foreign persons, 55-56

Foreign Sales Corporation (FSC), 374

Foreign Trade Index, 88

Foreign travel, 410, 420

Forfaiting, 311-313, 313t, 316

Formal notice of claim, 142-143

Forms, CISG element, 183-184, 194.
  See also Documentation

Forward market hedge, 232

Forwarders, 203, 217

Fourth screening, 77

“Frachtors,” 214

France
- agent contracts, 110
- antidumping cases, 457t
- CISG adoption, 180
- Corruption Perception Index, 364b
countervailing duty cases, 457t
- lost tax revenue, 68t
- overdue payments, 133
- trading opportunities, 510-511

Free alongside ship *(named port of shipment)* (FAS)
- marine insurance coverage, 138
terms, 138, 159t, 160, 160t, 161t,
  164-165, 169t-170t, 175

*Free carrier* (FCA) terms, 160, 160t,
  175, 161, 162t-163t, 164,
  169t-170t, 175

Free of particular average (FPA)
- contract clause, 142b
- marine insurance coverage, 138, 146

Free on board *(named port of shipment)* (FOB)
- marine insurance coverage, 138
terms of sale, 159t, 160, 160t, 161t,
  165, 169t-170t, 175

Free trade areas
- economic integration stages, 24b
- establishment of, 11
- RIAs, 23t

Free Trade Agreements (FTAs),
  394-396, 395b
Free-trade zones/foreign trade zones
  (FTZ), 400-402, 404

Freight forwarders
- export pricing, 155, 174
- licensing requirements, 216-217,
  219
- logistics process, 127
- role/function of, 214-216, 219
- sea principles/practices, 211b
- selecting, 399b

French Compagnie des Indes Orientales, 102b

Frequency, 95

Friends, external financing, 300, 305,
  315

Functional lines, 51

General Agreement on Tariffs and Trade (GATT)
- countertrade policy, 284-285,
  289-290
customs valuation system, 433
- DISC violation, 374
- establishment of, 4, 19, 22
- MFN rate, 390
- principal objectives, 36
- replacement of, 10-11
- Subsidies Code, 450
- trade barrier reductions, 19-20
- unfair trade practices, 447
- unfair trade practices, 447

General and administrative expenses, 61

General average clause, 142b

General cargo vessels, 207b

Generalized System of Preferences
  (GSP), 396-397, 403

Geneva Round, GATT, 21b

Genoa, 1

Geocentric pricing, 156

Geographical lines, 51-52

Germany
- agent contracts, 110
- antidumping cases, 457t
- CISG adoption, 180
Germany (continued)
countervailing duty cases, 457t
import barriers, 392t
lost tax revenue, 68t
modern economy, 3
overdue payments, 133
taxation policies, 52
trading opportunities, 512-513

Globalization
emergence of world economy, 3,
international trade’s importance, 7-8
IPRs, 465
small business financing, 297, 314

Gold Key Service, 80, 81b
Goods
GATT, 20
rejection of, 168
Government financing programs categorizes, 319. See also Small Business Administration (SBA)

Government policies
NAFTA overview, 29
overseas promotion, 88
trade determinant, 9
world economic integration, 12

Gray market
Customs Service registration, 471-472
definition of, 457
export pricing, 154
irregular entry, 109b

Graydon America, 133
Great Depression, 4
Greece, 292t

Greene-clause credit, 261, 268
Group C terms, 159t, 160, 160t, 161t,
162t-163t, 165-168,
169t-170t, 171, 174, 175

Group D terms, 160t, 161t, 162t-163t,
169t-170t, 172-174, 176

Group E terms, 159, 159t, 160t,
160-161, 162t-163t,
169t-170t, 175

Group F, terms, 159t, 160, 160t, 161t,
161, 162t-163t, 164-165,
169t-170t, 175

GSM-102, agricultural export supports, 337, 340
GSM-103, agricultural export supports, 337, 340
Guaranteed 7a loans, 302, 303t, 304, 304b
Guarantees
exchange rate protection, 234
Ex-Im Bank, 320, 321b, 322t, 323.
See also Commercial loan guarantees, Working capital loan guarantees
export contract clauses, 190-191, 194
government financing programs, 319
ICC rules, 185, 191-192

Hague Rules, 208-211, 209b, 218
Hague-Visby Rules, 208-209, 209b,
210, 218

Hamburg Rules, 209, 209b, 218
Handicrafts packing rules, 130b
Handling and storage, 144b
Hanover Trade Fair, 89-90

Harmonized tariff schedule of the United States (HTSUS), 432-433, 433t, 440

Havana Conference, 19
Hedging, 229-231, 231t, 233-234
Holland, early modern trade, 1. See also Netherlands

Hong Kong
export price anomalies, 68t
NIC trade, 11

Hudson Bay Company
charter company, 2
monopoly grant, 368

Human resources, 128b

Hungary
countertrade, 272
import price anomalies, 68t
trading opportunities, 504-505

Illinois, 338, 340
Illiteracy rate, 87
Insurance (continued)
importance of, 135, 146
late medieval trade, 1
marine, 136-139
OPIC, 336, 340
Insurance certificate
documentation, 199, 217
marine insurance, 138-139
Insurance companies financing,
304-305, 315
Integrators, 203, 217
Intellectual property
NAFTA overview, 29
political/legal forces, 76
violation remedies, 458
Intellectual property rights (IPR)
definition of, 465, 476
import supplier selection, 413, 414b,
421
issues pertaining to, 468-469
Paris Convention, 473
PCT, 474, 476
priority countries, 470-472
priority watch list, 472, 473, 476
protection of, 469-470, 471b, 472
red flags, 470b
regional conventions, 475
Super 301 clause, 358
TRIPS agreement, 474-475, 476,
477-478
types of, 465-468
Universal Copyright Convention,
474, 476
watch list, 472, 473, 476
Intellectual Property Committee (IPC),
475
Interest, 319, 321
Interest-Charge Domestic International
Sales Corporation (IC-DISC),
375-376, 377t, 380
Intermediaries, 97, 99, 115
Intermediate financing, 319
Intermediate loans, 322t
Intermediate policies, 327i, 327-329,
338, 339
Intermediate term financing, 299, 315
Intermodal service, 212-213
International Air Transport Association
(IATA), 203
International Bank for Reconstruction
and Development (IBRD), 4
International Buyer program, 90
International Chamber of Commerce
(ICC)
Incoterms, 158, 159t
Rules of Conduct to Combat
Extortion and Bribery, 368
UCP, 244, 266
Uniform Rules for Collection, 244,
246, 266
Uniform Rules for Contract
Guarantees, 185
International Company Profiles (ICP),
81b
International customary law, 179, 193
International Emergency Economic
Powers Act
EAR implementation, 351
export control policy, 348
International Intellectual Property
Alliance, 468
International logistics
and domestic logistics, 125t
steps, 126-128
International market research
definition of, 72
purpose, 74
value of, 73-74
International Monetary Fund (IMF)
countertrade policies, 285-286
establishment of, 4
International Perspective 2.1., GATT
Negotiations, 21b
International Perspective 2.2., Stages of
Economic Integration, 24b
International Perspective 2.3.,
European Union Institutions,
35b
International Perspective 3.1., Business
Organization Pointers, 42b
International Perspective 3.2., Transfer
Pricing Methods, 63b
International Perspective 4.1., Selecting
Export Products, 73b
<table>
<thead>
<tr>
<th>International Perspective 4.2., Programs for U.S. Exporters</th>
<th>International Perspective 9.4., Ocean Transportation Principles and Practices</th>
</tr>
</thead>
<tbody>
<tr>
<td>International Perspective 4.3., Common Exporter Mistakes</td>
<td>International Perspective 10.1., Exchange Restrictions</td>
</tr>
<tr>
<td>International Perspective 4.4., Typical Export Transaction</td>
<td>International Perspective 10.2., Euro</td>
</tr>
<tr>
<td>International Perspective 5.1., Export Trading Companies</td>
<td>International Perspective 11.1., Delinquent Overseas Customers</td>
</tr>
<tr>
<td>International Perspective 5.2., Indirect Channel Structures</td>
<td>International Perspective 11.2., Common Letters of Credit Discrepancies</td>
</tr>
<tr>
<td>International Perspective 5.3., Japanese Distribution System</td>
<td>International Perspective 11.3., Unworkable Terms in Letters of Credit</td>
</tr>
<tr>
<td>International Perspective 5.4., Parallel vs. Multiple Exporters</td>
<td>International Perspective 11.4., Mechanics of a Barter Transaction</td>
</tr>
<tr>
<td>International Perspective 5.5., Danish World Class Logistics System</td>
<td>International Perspective 12.2., Organizing for Countertrade</td>
</tr>
<tr>
<td>International Perspective 6.1., Danish World Class Logistics System, 128b</td>
<td>International Perspective 12.3., Negotiating Countertrade Contracts, 282b</td>
</tr>
<tr>
<td>International Perspective 6.2., Packing Handicraft Exports, 130b</td>
<td>International Perspective 12.4., Countertrade with Latin American Countries, 288b</td>
</tr>
<tr>
<td>International Perspective 6.3., Cargo Insurance Contract Clauses, 142b</td>
<td>International Perspective 13.1., SBA Loans, 304b</td>
</tr>
<tr>
<td>International Perspective 6.4., Cargo Loss or Damage, 144b</td>
<td>International Perspective 14.1., Ex-Im Bank Criteria for Loans/Loan Guarantees, 321b</td>
</tr>
<tr>
<td>International Perspective 7.1., Incoterms, 167b</td>
<td>International Perspective 15.1., Multilateral Export Regimes, 350b</td>
</tr>
<tr>
<td>International Perspective 7.2., Incoterms and Business Strategy, 168b</td>
<td>International Perspective 15.2., Commerce Export License, 353b</td>
</tr>
<tr>
<td>International Perspective 8.1., Chicago Prime Packers v. Northam Trading Co., 182b</td>
<td>International Perspective 15.3., General Prohibitions and License Exceptions, 354b</td>
</tr>
<tr>
<td>International Perspective 8.2., Acceptance of Standard International Contracts, 189b</td>
<td>International Perspective 15.4., Automated Services, 358</td>
</tr>
<tr>
<td>International Perspective 8.3., Tendering for Export Contracts, 192b</td>
<td>International Perspective 15.5., Requests that are Not Reportable, 362b</td>
</tr>
<tr>
<td>International Perspective 9.1., Warsaw Conventions, 204b</td>
<td>International Perspective 16.1., Exporters' Liability, 370b</td>
</tr>
<tr>
<td>International Perspective 9.2., Ocean Cargo/Ocean vessels, 207b</td>
<td>International Perspective 16.2., Export Trade, 371b</td>
</tr>
<tr>
<td>International Perspective 9.3., Hague, Hague-Visby, Hamburg Rules, 209</td>
<td>International Perspective 16.3., Exporting to Developing Nations, 372b</td>
</tr>
<tr>
<td>International Perspective 10.1., Exchange Restrictions, 229b</td>
<td>International Perspective 17.1., International Commercial Law, 384b</td>
</tr>
<tr>
<td>International Perspective 10.2., Euro, 235b</td>
<td>International Perspective 17.2., International Commercial Practice, 385b</td>
</tr>
<tr>
<td>International Perspective 11.1., Delinquent Overseas Customers, 248b</td>
<td>International Perspective 17.3., International Commercial Transactions, 386b</td>
</tr>
<tr>
<td>International Perspective 11.2., Common Letters of Credit Discrepancies, 257b</td>
<td>International Perspective 17.4., International Commercial Practice, 387b</td>
</tr>
<tr>
<td>International Perspective 11.3., Unworkable Terms in Letters of Credit, 258b</td>
<td>International Perspective 17.5., International Commercial Practice, 388b</td>
</tr>
<tr>
<td>International Perspective 11.4., Mechanics of a Barter Transaction, 275b</td>
<td>International Perspective 17.6., International Commercial Practice, 389b</td>
</tr>
<tr>
<td>International Perspective 12.1., Organizing for Countertrade, 278</td>
<td>International Perspective 18.1., International Commercial Practice, 400b</td>
</tr>
<tr>
<td>International Perspective 12.3., Negotiating Countertrade Contracts, 282b</td>
<td>International Perspective 18.2., International Commercial Practice, 401b</td>
</tr>
<tr>
<td>International Perspective 12.4., Countertrade with Latin American Countries, 288b</td>
<td>International Perspective 18.3., International Commercial Practice, 402b</td>
</tr>
<tr>
<td>International Perspective 13.1., SBA Loans, 304b</td>
<td>International Perspective 18.4., International Commercial Practice, 403b</td>
</tr>
<tr>
<td>International Perspective 14.1., Ex-Im Bank Criteria for Loans/Loan Guarantees, 321b</td>
<td>International Perspective 18.5., International Commercial Practice, 404b</td>
</tr>
<tr>
<td>International Perspective 15.1., Multilateral Export Regimes, 350b</td>
<td>International Perspective 18.6., International Commercial Practice, 405b</td>
</tr>
<tr>
<td>International Perspective 15.2., Commerce Export License, 353b</td>
<td>International Perspective 18.7., International Commercial Practice, 406b</td>
</tr>
<tr>
<td>International Perspective 15.3., General Prohibitions and License Exceptions, 354b</td>
<td>International Perspective 18.8., International Commercial Practice, 407b</td>
</tr>
<tr>
<td>International Perspective 15.4., Automated Services, 358</td>
<td>International Perspective 18.9., International Commercial Practice, 408b</td>
</tr>
<tr>
<td>International Perspective 15.5., Requests that are Not Reportable, 362b</td>
<td>International Perspective 18.10., International Commercial Practice, 409b</td>
</tr>
</tbody>
</table>

Index 665
International Perspective 15.6., Corruption Perception Index, 364b
International Perspective 15.7., Matsushita Co. Ltd v. Zenith Radio Corporation, 272
International Perspective 15.8., Agricultural Export Incentives, 375b
International Perspective 16.1., U.S. Import Restrictions, 390b
International Perspective 16.2., U.S. Free Trade Agreements, 395b
International Perspective 16.3., Selecting A Customs Broker/Freight Forwarder, 399b
International Perspective 17.1., Quality Control for Imports, 409b
International Perspective 17.2., International Supplier Selection, 414b
International Perspective 17.3., Typical Import Transaction, 415b
International Perspective 17.4., Advantages/Disadvantages of Outsourcing, 416b
International Perspective 17.5., Common Mistakes of Potential Importers, 419b
International Perspective 18.1., Avoiding Errors in Invoicing, 426b
International Perspective 18.2., Types of Entry, 427b
International Perspective 18.3., Automated Services, 434b
International Perspective 19.1., Antidumping Duties, 449b
International Perspective 19.2., Semiconductor Industry, 459b
International Perspective 20.1., IPR Red Flags, 470b
International Perspective 20.2., IPR Protection and Enforcement, 471b

International trade
ancient period, 1-2
benefit of, 7-8, 14
colonial period, 2-3
decline in, 4
definition of, 7
determinants of, 9, 14
distribution channel selection, 95
major developments, 10-13, 14
modern period, 3-4
RIAs share of, 22, 23t
volume growth, 9-10, 14
world distribution, 38t
International trade loan, 303t
International trade loan program, 333, 340
International Trade Administration (ITA)
AD/CVD investigations, 453, 453t
export counseling assistance, 78
International Trade Commission (ITC) investigations, 469
International Trade Court (ITC)
AD/CVD costs, 449
AD/CVD investigations, 451-452
AD/CVD proceedings, 453, 453t, 454, 455, 456, 456t
agricultural programs interference, 460
intellectual property remedies, 458
“like products,” 451
WTO rulings, 447
International Trade Organization (ITO), 19

Internet
developing countries, 118-120, 120t
overseas promotion, 88-89
Inventory, 131, 145
Investment financing, 299, 315
Investment financing, 299, 315
Investment return, export pricing, 153,174
Investments
direct offsets, 283i, 284, 289
NAFTA overview, 28
Invoicing
avoiding errors, 426b
exchange rate protection, 234
Iran, 393
Ireland, 513-514
Irrevocable L/Cs, 250-251, 267
Israel
adversative trade policies, 460
defense offsets, 292t
trading opportunities, 480-482
U.S. Free Trade Agreement, 394, 395b, 403
Italy
antidumping cases, 457t
CISG adoption, 180
countervailing duty cases, 457t
payment period, 133
trading opportunities, 514-515
Japan
agent contracts, 110
antidumping cases, 457t
Corruption Perception Index, 364b
customer characteristics, 97
foreign exchange reserves, 13
Hague-Visby Rules, 208-209
import barriers, 392t
indirect marketing channels, 97-98
international distribution system, 108b
IPR enforcement, 471b
lost tax revenue, 68t
trade volume, 10
trading opportunities, 501-503
U. S. tax treaty, 64
unjustified foreign trade practices, 458
value of currency, 228t
Jordan, 395b

Korea (continued)
Ex-Im Bank, 322t
lost tax revenue, 68t
NIC trade, 11
U.S. tax treaty, 64

Labeling. See also Marking
requirements
contract clause, 142b
logistic functions, 129, 145
logistics process, 126-127
U.S. import policy, 393

Land transportation types, 212, 218
Latin America
advertising regulations, 88
agent contracts, 110
countertrade policy, 287, 288b
Ex-Im Bank, 322t
Internet use, 120t
trading opportunities, 486-488, 490-495

Law of merchants, 158
Leasing, 329-330, 339
Lebanon, 460
Legality, 115
Letters of credit (L/Cs). See also
Documentary letters of credit (L/Cs)
antiboycott regulations, 361-362
economic risk factors, 134
import financing, 419, 421
late medieval trade, 1
third party financing, 308-309, 315

Liability
air carrier, 204b, 205
CISG element, 184
export contract clauses, 190
Hague Rules, 210-211

“Like products,” 451

Limitation of action
air carrier, 204b, 205
Hague Rules, 210

Limitation period element, 184-185, 194

Limited liability corporation (LLC), 48-49
Limited partnership
bank account, 49
business structure, 44-45
business trade name, 48
Line operation, 50
Lines of credit, 301-302, 315
Liquidation, 430-431, 440
Loan guarantees, 263, 264-265
Loans. See also Small Business Administration (SBA)
Ex-Im Bank, 323, 331i, 339
secured third-party financing, 307-308, 315
Location, 155, 175
Logistics
categories of, 121-122, 145
definition of, 121
effects of external influences, 123-125, 145
functions, 129-131, 145
importance of, 122-123, 145
problems/solutions, 125-126
London Interbank Offered Rate (LIBOR), 312
Long-term financing. See also Small Business Administration (SBA)
Ex-Im Bank, 322t
external financing, 299, 315
government programs, 319
Loss
CIF contract, 171
marine insurance, 143t, 144b
Low documentation loans, 303t
Maastricht, treaty of, 32, 34
Mail entry, 427b, 431
Mailing lists, 88
Major discrepancies, 256-257, 267
Malaysia
Ex-Im Bank, 322t
USFTAs, 395b
Management, 70, 70t
Manifest, 201, 217
Manufacture, 10
Manufacturer’s resources/experience, 96, 115
Manufacturer’s export agents (MEAs), 99-100
Marginal pricing, 156-157, 175
Marine extension clause, 142b
Marine insurance
claims, 140-141, 147
claims procedures, 141-145, 142b, 143t, 147
coverage, 138
illustration, 139
insurance certificates, 138-139
terms of, 136-137
types of, 137
types of loss, 143t
Market access, NAFTA, 26-27
Market Access and Compliance (MAC), 79
Market demand, 71
“Market disruption,” 458
Market need, 71
Market research
export potential, 69
export pricing, 155, 174
import selection resources, 409-410, 420
international market, 72-74
Market share, export pricing, 153, 174
Marketing
channels, 417-419
direct distribution channel, 103-104
distribution channel selection, 97-98, 116
export potential, 69-70
objectives, 96, 115
Marking requirements, 438-449, 440
Markups, 153-154, 174
Mass communication, 7
Material injury, 452
Materials management, 121-122, 145
Matsushita Co. Ltd v. Zenith Radio Corporation, 372b
Medical devices, 391t
Mercantilism, 3
Merchandise trade, 9, 10
Mexico
Corruption Perception Index, 364b
Ex-Im Bank, 322t
export price anomalies, 68t
Mexico (continued)
lost tax revenue, 68t
NAFTA, 25, 26, 30-31, 31t, 394-395
trading opportunities, 493-494
U. S. tax treaty, 64
value of currency, 227
Microloans, 303t
Middle class growth, 10
Middle East, 322t
Minicase 16.1, 404
Minicase 18.1., 441
Minicase 18.2., 442-443
Minicase 18.3., 443
Mining, 10
Minor discrepancies, 256, 267
Missile Technology Control Regime (MTCR), 350b
Model tax treaties, 56
Monopolies colonial era, 2
opposition to, 368
Morgan Grenfell Trade Finance Limited, 313
Morocco, 395b
Most-favored-nation (MFN) rate imported merchandise, 390
IPR protection, 469-470
Motor vehicles, 391t
Multivitamins, 68t

National Association of Credit Management Corporations (NACM), 133
National Intellectual Property Institute (NPI), 471b
National Trade Data Bank (NTDB), 78
National treatment, 473, 476
Nations Commission on International Trade Law (UNCITRAL), 209
Navigation Act, 3
Negotiable L/C, 268
Neo-bulk, 207b
Neo-bulk carriers, 207b
Net operating losses, 61

Netherlands
CISG adoption, 180
lost tax revenue, 68t
payment period, 133
service trade, 7
taxation policies, 52
trade volume, 10
trading opportunities, 516-517
New Zealand, 64
Newly industrialized economies (NIC), 11
Niche marketing, 73b
Nigeria
Corruption Perception Index, 364b
drinking opportunities, 482-483
Non-vessel-operating common carriers (NVOCC), 215
Nondiscrimination policy, GATT, 19
Nonpayment risks, 239, 240, 240i
Nonresident aliens, 55-56
North Africa, 3
North America, 120t
North America Free Trade Agreement (NAFTA)
AD/CVD appeals, 456
assessment of, 30-31, 32t, 36
establishment of, 11-12, 14, 25
and EU, 32t
merchandise exports, 23t
negotiating objectives, 25-26
overview of, 26-30
scope of coverage, 36
text, 601-618
U.S. Free Trade Agreement, 394-395, 403
North Korea, 390, 393
Notice, proper element, 184, 194
Nuclear Suppliers Group (NSG), 350b

Ocean carriers, 206-208, 207b
Ocean transportation
COGSA, 220
dominance of, 205-206
international rules, 208-211, 209b, 218
principles/practices, 211b
Oceania, 120t
Office of Export Enforcement, 359
Office of Foreign Assets Control, 349
Offsets
  defense expenditures, 291-294, 292t, 293t
  parallel transactions, 277i, 281-284, 282b, 283i, 289
Oman, 395b
Omnibus Trade and Competitiveness Act, 470
Open account
  exporter financing, 306-307, 315
  import financing, 421
  sales, 239, 241-242, 263, 264, 265
Open policy, 136, 146
Opportunity cost approach, 122
Oral contracts element, 180, 181t, 183, 194
“Order,” 425
Ordinary and necessary expenses, 60-61
Organization for Economic Cooperation and Development (OECD)
  anti-bribery recommendation, 368
  consensus risk classification, 341
Convention on Combating Bribery, 368
  export credit guidelines, 319-320
Origin rules, 438, 440
Outsourcing
  advantages/disadvantages of, 414-415, 416b
  types of, 415-417
Overseas agents
  contracting with, 110
  evaluating, 109-110
  indirect channel, 106-107, 116
  locating, 108
Overseas distributors
  contracting with, 110
  evaluating, 109-110
  indirect channel, 107,116
  locating, 108
Overseas joint venture, 415-416
Overseas Private Investment Corporation (OPIC)
  credit insurance policies, 134
  government financing, 334-337, 340
Owens Online, 133
Owner, entering goods, 425, 439
Ownership
  financing alternatives, 298-299, 314
  political/legal restrictions, 76
Packaging/Packing
  export pricing, 155, 174
  logistics process, 126-127, 129, 130b, 145
Packing list
  entry documentation, 428, 439
  logistics process, 127
Pakistan
  adversative trade policies, 460
  Corruption Perception Index, 364b
  import determinants, 9
Panama
  service trade, 7
  USFTAs, 395b
Parallel market
  export pricing, 154
  irregular entry, 109b
Parallel transactions, 279-284, 279i, 280i, 289
Paris Convention, 473
Parole evidence element, 183, 194
Partnerships
  bank account, 49
  business structure, 43-44
  business trade name, 48
  U.S. taxation policies, 52
Patent Cooperation Treaty (PCT), 474, 476
  Patent violations, 456-458, 462, 471b
  Patents, 465, 466
Penalties, export contract clauses, 188
Penetration pricing, 157, 175
Pension funds, 304-305, 315
Perfect tender rule, 181t
Performance bonds, 263-264
Perils-only policy, 137
Index 671

Personal and business expenses, 61
Personal loans, 302, 315
Personal selling, 89
Personal services, 56
Personnel, 70t
Peru, 395b
Philippines
   adversative trade policies, 460
   lost tax revenue, 68t
Physical distribution, 121, 145
Piracy, 469, 471b, 476
Plastic buckets, 68t
Poland
   adversative trade policies, 460
   defense offsets, 292t
   trading opportunities, 506
Political risk factors, 131-132, 146
Polycentric pricing, 156
Population size, 412, 420
Portugal, 1
Pound sterling, 228t
Preliminary trade agreements, 24b
Preferential Trade Area for Eastern and
   Southern American Common
   Market (MERCOSUR)
   establishment of, 11-12, 14
   regional agreement, 33t, 36
Preliminary notice of claim, 141
Preliminary screening, 75
Preshipment inspection, 127
Price
   CISG, 181t
   decline in world, 4
   distribution agreement clause,
      112-113, 116
   export contract clauses, 181t,
      186-187, 194
   import volume determinant, 412,
      420
Price controls
   export pricing, 155-156
   political/legal forces, 76
Pricing
   factors of, 153-154
   imported products, 417, 418t
   international transfer, 61-64
Primary market research, 74
Priority foreign country, 470-472, 476
Priority Watch List, 471b, 472, 473,
   476,
Private export assistance, 82, 83t
Private Export Funding Corporation
   (PEFCO), 337, 340
Private fleets, 206
Pro forma invoice
   documentation, 200, 217
   entry documentation, 428, 439
   logistics process, 126
Product(s)
   characteristics, 97, 115
   differentiation, 155, 174
   distribution agreement clause, 111
   export potential, 69-71, 71t
   import selection, 407-408, 420
   import selection resources, 409-411
   modification, 155, 174
   reliability, 153, 174
   selection approaches, 71-72, 73b
   U.S. Import Restrictions, 390b
Product line, 51
Production capacity, export decision, 70t
Production costs, export pricing, 174
Professional services, 50, 56
Profit remittance limits, political/legal
   forces, 76
Profits
   corporate business structure, 46-47
   export pricing, 153, 174
Progress payment, 307, 315
Promotion assistance, 79
Promotional tools, 86-87
Proof, sea principles/practices, 211b
Proper notice element, 184, 194
Protests
   liquidation process, 431, 440
   overseas delinquent accounts, 248b
Public Law 480, 337, 340
Publicity, 90-91
Purchaser, entering goods, 425, 439

Quality
   export contract clauses, 181t,
      188-190, 194
   export pricing, 153, 174
Selection, field trip, 77
Seller, Incoterms, 161t, 162t-163t
Semiconductor Accord, 459b
Seoul International Gift and Accessories Show, 90
September 11th, business costs, 13, 15
Service Corps of Retired Executives (SCORE), 81-82
Services
export potential, 69
NAFTA overview, 27
new developments, 12
RIAs, 23t
selection approaches, 71-72
trade volume, 10, 14
world trade, 7
Shareholders, 47
Sherman Act, 368, 369, 380
Shipper’s export declaration (SED) documentation, 200, 217
export licenses, 358
Shipping, 321
Shore clause, 142b
Short-term financing
external financing, 299, 315
government programs, 319
Short-term loans, 322t
Short-term policies, 327i, 327-329, 339
Showcase U.S.A., 88
Silk Road, 1
Simplified Network Application Process (SNAP), 358b
Singapore
CISG adoption, 180
export determinants, 9
Hague-Visby Rules, 208-209
NIC trade, 11
USFTAs, 395b
Single European Act (SEA)
assessment, 35
objectives of, 34
Skimming, 157, 175
Small business
ECIP environmental policy, 339
ECIP policy, 328, 339
new financing factors, 297, 314
turnover rate, 300
undercapitalization of, 297
Small business investment companies (SBICs), 302, 303t, 304, 304b
Small Business Administration (SBA)
eligibility requirements, 332, 333t
EWCP, 303t, 332-333, 339
export counseling assistance, 81-82
export industries, 50
Export Express, 333-334
external financing, 300, 302, 303t, 304, 315
trade loan program, 333, 340
working capital guarantees, 324
Small Business Development Centers (SBDCs), 82
Smoot-Hawley Tariff, 3
Sogo Shosha, 102b
Sole proprietorship
bank account, 49
business structure, 41-43
business/trade name, 48
U.S. taxation policies, 52-53
South Africa
trading opportunities, 483-485
U. S. tax treaty, 64
South African Customs Union (SACU), 33t, 36
Southeast Asia
foreign exchange reserves, 13
indirect marketing channels, 97-98
Spain
colonial trade, 2
countervailing duty cases, 457t
eyear modern trade, 1
Specific duty, 309, 403
Speculation, 226, 236
Spot market, 231-232
Standard business deductions, 61
Standby credit, 262-265, 268
Start-up costs, 60-61
State programs
export counseling assistance, 82
export support programs, 338, 340
Stock (corporate), 47
Storage, 131, 145
Straight letter of credit (L/C), 268
Strict compliance doctrine, 255
Subcontractor production, 283, 283i, 289
Subsidiaries, 57-59
Subsidies
   actionable, 450
definition of, 448, 461
Ex-Im Bank, 320
government financing programs, 319
   nonactionable, 450-451
Super 301 clause, 458, 462
Supplier credit, 319
Supply/demand, 155, 175
Supreme Court
   protests, 431, 440
   Section 201 appeals, 461
Swap, 233
Swiss franc, 228t
Switch trading, 276, 277i, 278i, 288
Syria, 1
System for Tracking Export License Applications (STELA), 358b
   Systematic approach, 71, 72
   Systems approach, 122
Taiwan
   adversative trade policies, 460
   antidumping cases, 457t
   countertrade, 272-273
   defense offsets, 292t
   NIC trade, 11
Tankers, 207b
Tariff Act of 1862, national security, 461
Tariff Act of 1930
   IPR infringement investigations, 469
   patent, trademark, copyright violations, 456-458, 462
Tariff quotas, 393-394
Tariffs
   export pricing, 155-156
   levying methods, 389, 403
   MFN rate, 390
   selected countries, 392t, 535-536
Tax deductions, 60
Tax identification number, 49
Tax Reform Act, 374
Tax treaties
   common provisions, 64
   international, 63-64
Taxation
   export contract clauses, 190, 194
   general principles of, 52-54
   IC-DISC savings, 375-376, 377t, 380
   political/legal forces, 76
Technical standards, 29
Technology
   growth rate, 16t
   logistic decisions, 124-125, 145
   small business financing, 297, 314
   trade growth, 10
   world economic integration, 12
Technology transfer
   countertrade benefits, 273
   direct offsets, 283i, 284, 289
Temporary importation under bond, 427b
Tender, 192b
Termination clause, 110, 113-114, 116
Territoriality
   distribution agreement clause, 110-111, 116
   IPRs, 468
Textile, imports, 391t
Thailand, 364b
Theft, 144b
Third screening, 76
   Thomas Register of Manufactures, 72
Through bill of lading, 199, 217
Time policy, 136, 146
Toilet/facial tissue, 68t
Tokyo Round, GATT, 21b, 433
Torquay (UK) Round, GATT, 21b
Total cost approach, 122
Tourism, 7
Trade
   associations, 83t
   consultants, 83t
   development, 80
   fairs/shows, 80, 410-411, 420
   harmonization motives, 179, 193
   intermediaries/services, 398-403
   NAFTA assessment, 30
Trade (continued)
opportunities in selected countries, 479-518
publications, 410, 420
world distribution, 38t
Trade acceptance, 265, 308, 315
Trade Act of 1974
IPR protection, 469-470
Section 201, 461
Section 301, 458
Trade Act of 1988, Super 301 clause, 458
Trade adjustment assistance, 460-461, 462
Trade liberalization
GATT, 20, 21-22
trade growth, 10
world markets, 11
Trade missions, 90
Trade names
Customs Service registration, 471-472
types of, 48-49
Trade Offices, 411, 420
Trade Opportunities Program (TOP), 78-79, 81b
Trade profiles, 531-533
Trade secret violations, 471b
Trade-related aspects of intellectual property (TRIPs)
GATT, 20, 22
IPR protection, 474-475, 476
life-saving drugs, 477-478
Trade-related investment measures (TRIMs), 20, 22
Trademark violations, 456-458, 462, 471b
“Trademark-linking,” 28
Trademarks
Customs Service registration, 471-472
IPRs, 465, 466-467
Trading companies, 83t
Traffic management, 130-131, 145
Tramps, 206
Transaction value, 435-436, 440
Transferable letter of credit (L/Cs)
import financing, 419
payment arrangements, 259-260, 268
third party financing, 308-309, 315
Transparency International (TI), 368
Transport
growth rate, 17t
trade determinant, 9
Transportation
Ex-Im Bank, 321
logistics, 125t
rising costs, 13
service trade, 7
via air, 201-205, 202t, 217-218
via land, 201, 218-219
via sea, 201, 218
Travel
exchange rate, 226, 236
tax deductions, 61
Trucking, 212, 218
TRW Credit Services, 133
Turkey
adversative trade policies, 460
defense offsets, 292t
Ex-Im Bank, 322t
Uncertainty, 95
Unfair trading practices
AD/CVD, 451-453, 453t, 454, 455, 456, 456t
agricultural programs, 460, 462
Communist nations, 458, 462
general description of, 447-448
Section 337 practices, 456, 462
unjustified foreign trade practices, 458, 460, 462
Uniform Commercial Code (UCC)
and CISG, 180, 181t
export contract clauses, 191-192
L/C regulation, 252
price determination worksheet, 166i
terms of sale, 158
Uniform Customs Practices for
Documentary Credits (UCP)
irrevocable L/Cs, 250
L/C regulation, 252, 266
L/Cs, 266
Uniform Rules for Collection, 244, 246, 266
Uniform Rules for Contract Guarantees, ICC, 185, 191-192
“Uniform Rules for Demand Guarantees,” 191-192
Unit price, 437b
United Kingdom
antidumping cases, 457t
countervailing duty cases, 457t
defense offsets, 292t
export price anomalies, 68t
lost tax revenue, 68t
overdue payments, 133
trading opportunities, 517-518
United Nations, WTO, 11
United Nations Commission on
International Trade Law
(UNCITRAL), 180
United States
CISG adoption, 180
Corruption Perception Index, 364b
countertrade policy, 286, 290
current account deficit, 13, 15, 31
direct marketing channels, 97-98
direct marketing channels, 97-98
Ex-Im Bank, 322t
FTAs, 394-396, 395b, 403
HTSUS, 432-433, 433t, 440
impact of international trade, 8
importing questions/answers, 521-530
IPR protection, 469-470
modern migration to, 3
NAFTA, 25, 25, 30-31, 31t,
394-395, 395b
tariffs, 3
tax treaties, 64
taxation policies, 52
terms of sale, 158
trade volume, 10
UNCITRAL sea transportation, 209
Uruguay Round, 20
value of currency, 227, 228t
United States and Foreign Commercial
Service (US&FCS), 79
United States Consumer Safety
Commission, 391t
United States Department of
Agriculture (USDA)
aricultural export supports, 337
export counseling assistance, 82
import requirements, 391t, 393
United States Department of
Commerce, 351
AD/CVD investigations, 453-456
Barter and Countertrade Unit, 286
export counseling assistance, 78
overseas promotion, 90
political risks, 132
trade adjustment assistance,
460-461, 462
United States Department of Energy,
391t
United States Department of Interior,
391t
United States Department of Justice
(DOJ)
antitrust enforcement, 371, 380
FCPA enforcement, 366
import requirements, 391t
United States Department of Labor,
460-461, 462
United States Department of State, 391t
United States Department of the
Treasury, 391t
United States Department of
Transportation, 391t
United States Export Assistance
Centers (EACs), 82
United States Trade Information
Center, 78
United States Trade Representative
(USTR)
discriminatory practices reviews, 458
exported-related employment, 8
IPR investigation, 470, 472
market disruptions, 458
United States-Central America-
Dominican Republic Free
Trade Agreement (CAFTA-DR), 11-12, 395b, 396
Universal Copyright Convention, 474,
476
Uruguay, 364b
Uruguay Round
final act of, 10-11, 20
GATT, 21b
results of, 20-22, 36
unfair trade practices, 447
Utilities, 17t
Index 677

Vance, W. R., 135-136
Venezuela
  adversative trade policies, 460
  Corruption Perception Index, 364b
  Ex-Im Bank, 322t
  trading opportunities, 494-495
Venice, 1
Venture capitalists, 305-306
Voyage policy, 136, 146

Wages, 8
Warehouse to warehouse clause, 142b
Warehouses, bonded, 402, 404
Warranties clauses, 190
Warsaw Convention, air cargo, 204b, 204-205
Wassenaar Arrangement (WA), 350b
Watch list, 472, 473, 476
Water damage, 144b
Wayne Engineering, 117
Webb-Pomerene Act (WPA)
  antitrust exemption, 370, 380
  intermediaries, 104
Wholly owned subsidiary, 415
Wildlife/pets, 391t
With average (WA) policy, 138, 146
Wood moldings, 68t
Working capital
  Ex-Im Bank, 322t
  external financing, 299, 315
Working capital loan guarantees
  Ex-Im Bank, 323-324, 324i, 338
  major features of, 324-326, 325t
World Intellectual Property Organization (WIPO)
  Copyright Treaty, 471b
  Paris Convention, 474
World trade clubs, 83t
World Trade Data Reports (WTDR), 88
World Trade Organization (WTO)
  CIT ruling on, 447
  countertrade policy, 289-290
  Doha Round, 11, 20
  establishment of, 10-11, 14, 20
  ETI violation, 374
  FSC violation, 374
  MFN rate, 390
  RIAs, 22
  TRIPS, 475
  USFTAs, 395b
Zimbabwe
  Corruption Perception Index, 364b
  trading opportunities, 485-486