Getting Ready to Export

This is the first of a SUSTA four-part series that offers tips to help Southern food producers be better prepared to enter foreign markets and make export sales.

In my job over the last 25 years helping small businesses export, I’ve noticed one common denominator for success – a back office support team that functions like a well-oiled machine. Sales managers routinely attend foreign shows, meet buyers from abroad, and send samples around the world. Yet, closing sales is often difficult unless a support group within the firm understands and deals with export procedures.

Getting ready to export involves evaluating market conditions, assessing distribution channels, estimating costs, preparing price quotations, arranging for shipping, obtaining working capital, and minimizing risks for getting paid.

Getting ready to export is a process to manage. Exporting is a game of many documents, foreign country regulations, and lots of moving parts that change frequently. Setting up a management system with procedures in place will help make the ‘foreign’ things become a familiar part of normal business practices.

A second tip for export success is to realize that exporting takes time. There are no quick payoffs. Think about a three to five year horizon for establishing a presence in one or two countries.

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Trade Leads – Virtual Match Making

Have you ever seen a little orange dot in your MySUSTA account indicating that you have a trade lead and wondered where it came from?

The USDA’s Foreign Agriculture Service (FAS) has Agriculture Trade Offices (ATOs) in U.S. embassies all over the world. These USDA employees living overseas are helping create market access for U.S. agriculture-based products, as well as staying up-to-date on import regulations.

They are also in touch with the major importers of food and agriculture products and are often the point of contact for importers seeking U.S. products. When a qualified foreign importer is serious about finding a U.S. product and they contact the ATO, the ATO collects information about what they are looking for and enters it into SUSTA’s trade leads system.

Among the details they collect from the importer is the Harmonized System Code (HS Code) of the product being sought. SUSTA’s system notifies you with an orange dot on your Trade Leads tile when the HS Codes in your account match those of a trade lead. Therefore, it is important to make sure that the HS Codes listed in your MySUSTA account are accurate and comprehensive.

By Brian Davis, Director, Alabama International Trade Center, The University of Alabama. Future articles will offer tips and resources about export quotations, distribution channels, regulatory affairs, and export financing.

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When your company was first established, it probably didn’t have all of its business systems in place on day one, or sell nationwide the first year. Many food product firms spend a generation or two before gaining a strong foothold in the U.S. market.

Exporting is like starting a new business. Before launching into a full-fledged export effort, take a step back and assess your firm’s capabilities. Work on an export plan for that first market. Commit time and funding to pursue exporting.

Export success relies upon people inside your business. Start building that well-oiled machine - an internal team to handle export procedures. This back-office team will play a key role in the all-important functions of responding to inquiries, processing orders, dealing with credit and collections, and making shipments. While you may have a top notch sales person that can travel the world and sell anything to anyone, don’t rely on one person to export to the world. Cross-train at least two staff inside the company.

Lastly, build an external support team by engaging public and private resource partners in your export sales efforts. This includes SUSTA and your state’s Department of Agriculture that are backed by the USDA Foreign Agricultural Service and its offices around the globe. The federal government offers export financing tools through the U.S. Small Business Administration and U.S. Export Import Bank. Local universities play an active role via their International Trade Centers and Small Business Development Centers. Another key part of your team will be experts from banks, logistics firms, accountants, and yes, even lawyers.

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CostShare News

Electronic Signatures Accepted

SUSTA’s CostShare program eases financial barriers of international promotions for small businesses. Now, SUSTA is using technology to ease the process of applying for the program.

For the 2019 application, you have the option of electronically signing the Certification Statement; and you can opt to electronically sign the 2019 CostShare Contract. In the past, both documents had to be printed and signed, and the original signed document had to be shipped to SUSTA.

Florida Juice Company Exhibits at Food Hotel Asia, Expands in Region

In April 2018, representatives from Natalie’s Orchid Island Juice Company, one of America’s fastest growing private companies according to Inc. 5000, traveled to Singapore to promote their Natalie’s juices and lemonades in the SUSTA pavilion at Food & Hotel Asia.

The Fort Pierce, Florida-based company promoted ten new juice products at the show. As a result of exhibiting, they anticipate shipping at least five new containers of product per year to the region.

“Natalie’s Orchid Island Juice Company has strong business partners in Asia and this show helps us with new business in the area. We already have importers in Singapore and Indonesia. This show has provided us with opportunities in Malaysia, the Philippines and Vietnam. We will be back to exhibit at the next FHA Show as well as HOFEX. We look forward to seeing Natalie’s high-quality, clean label juices throughout Asia very soon!” said a company representative.

Natalie’s Orchid Island Juice Company also participates in SUSTA’s CostShare program. They applied for 50% reimbursement for two employees to travel to Food & Hotel Asia, as well as refrigeration rental and shipping of samples to the show.

International Sales Managers handing out samples of Natalie’s juices at Food & Hotel Asia.
InSight is a publication of the Southern United States Trade Association. SUSTA is headquartered in New Orleans and works to promote the export of agricultural and food products from 14 southern states and Puerto Rico. The organization helps food and agricultural producers and distributors target potential overseas markets and assists their marketing efforts by administering federal funds for international market development.

**SUSTA Member States**
Alabama • Arkansas • Florida • Georgia • Kentucky • Louisiana • Maryland • Mississippi • North Carolina • Puerto Rico • South Carolina • Tennessee • Texas • Virginia • West Virginia

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**Certificate of Free Sale**

This is a document required in most countries certifying that the specified imported goods are normally and freely sold in the exporting country’s open markets and are approved for export. It is usually a state agency, like the Department of Agriculture, who issues the certificate of free sale for companies in their state who are trying to export.

To see what agency in your state issues the certificates, go to: [www.fas.usda.gov/certificate-free-sale-point-contact-list](http://www.fas.usda.gov/certificate-free-sale-point-contact-list).

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**Why SUSTA? Why Export? 2017 by the Numbers!**

221 small- and medium-sized agri-food businesses from 13 Southern states and Puerto Rico exported $198 million of Southern products to 64 global markets, which = an ROI of nearly $84 in export sales for every $1 invested by companies in SUSTA’s programs.