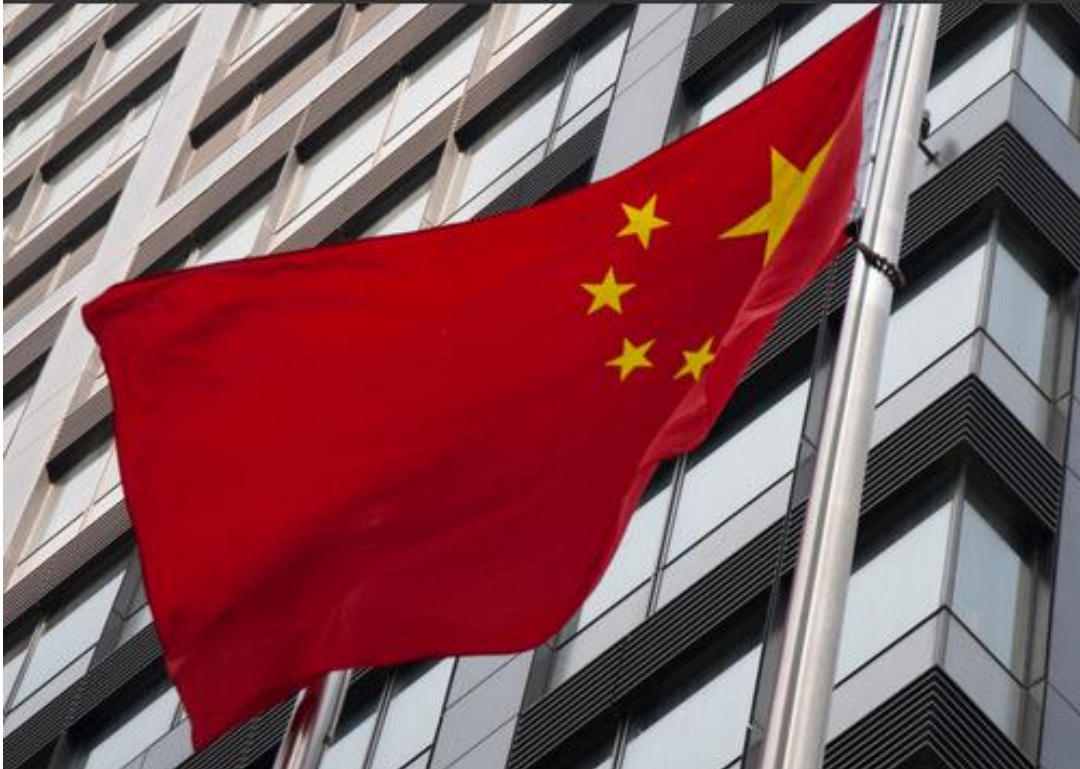


6 Steps Towards Profitable Import Business



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Introduction

This e-book was written for individuals, start-ups, small to medium sized companies that are importing - or plan to import - products from China and/or Asia. We are certain that there's useful information in this book regardless of whether you're a newly established start-up or have several years of importing and outsourcing experience.

The purpose of this book is simple - to avoid the risks of importing from China and, despite it often not being easy to know what to do next, helping you make your successful next move. Fortunes have been made and fortunes will continue to be made importing from China/Asia - you decide whether you are among the group of successful import companies launching new and existing products - or whether it shall all end abruptly with you being cheated by somebody selling you a container filled with brick stones. It is up to you to do your due diligence. This book teaches you how, including:

- An understanding of why importing from China is a lot about strategy and tactics and requires more than simply requesting a quotation on Alibaba.com
- A clear overview of the different processes that are required in order to successfully source suppliers and import products from China.
- Minimize the risk of being cheated by your supplier
- This book is only a first step towards your own successful, money generating, profitable import business. It does not contain all the answers, common mistakes, required steps/task, or possible problem scenarios... but it does provide you with a complete blueprint to learn how to manage your company and deal with potential problems that you may encounter when dealing with Chinese suppliers.

Phase A - Pre Study

Before you start contacting suppliers on Alibaba.com or Globalsources.com there are a few things to think about. The Pre Study lays the foundation for your future import business and answers critical questions that need to be so before you can take the next step.

IMPORTING INSIDER TIP #1: DON'T BITE OFF MORE THAN YOU CAN SWALLOW AND FOCUS YOUR TIME AND MONEY ONE PRODUCT / SUPPLIER

Right, So you want to open an online store, and you need products? The first step is to source suppliers that specialize in your field of products.

- **MOQ [MINIMUM ORDER QUANTITY]**

Not reaching the MOQ [Minimum Order Quantity] requirements of the suppliers. Every product comes with an **individual** MOQ requirement - and for many consumer products this is in the hundreds of units. To fully stock up a web store with a wide product range requires you purchase tens of thousands of products.

The alternative is to purchase products from a Dropshipper or trader with lower MOQ requirements - the downside being lowered customization options and profit margins

- **DUE DILIGENCE REQUIRES TIME AND EFFORT**

Importing from China is not about trial and error - unless you enjoy losing money. Success will be decided by how well you execute a process of due diligence - and this process takes time. Unless you have a team of outsourcing experts at your disposal you can forget about managing the “procurement process involving several suppliers and products.”

- **Product Development Costs**

Samples are not free, and if you're like us, you don't have an unlimited budget so *it's important that product development [samples, prototypes, moulds] costs be kept at a minimum.* The more products you include - the more money you have to invest even before you reach the production start.

TO DO LIST #1

- 1 Focus your money and time on one or a few products at the beginning. Filler products can be purchased from local wholesalers instead of from China.
- 2 Let your product portfolio grow slowly and have a long term perspective
- 3 Base your product selection on your suppliers catalogue - rather than basing your supplier selection on your own preferred inventory. This means that you can focus all your purchases at one supplier and thus save time, money and get a lower MOQ.

IMPORTING INSIDER TIP #2 - PRODUCT SPECIFICATIONS ARE YOUR RESPONSIBILITY

Startups and small businesses are usually focused on selling and marketing the product they are importing from China. To many importers it comes a shock when they realise how much time and energy they have to invest in not only selling the product - but also in purchasing the product and maintaining an acceptable quality standard. The main issue here is - have extensive knowledge about your product, or you are likely to face the following issues:

- **SUPPLIER QUALIFICATION**

You will not be able to select the right supplier for your product. Different products have different materials and components - different suppliers have different subcontractors, raw material and component suppliers. Is this overkill for a small business? Certainly not if you care for detail and quality of the product.

- **CHEATED ON PRODUCT QUALITY**

It's very easy for your manufacturer to cut corners during production. In reality this means that the supplier may choose a cheaper material or component for

your product - unless you have specified exactly what you want.

- **NON PROACTIVE COMMUNICATION**

Never assume that the supplier will **ask you** the right questions in order to fill in the gaps [product specifications that you didn't communicate or get confirmed]. In fact, they are likely to use these gaps to take advantage of the lack of clarity and then use cheaper and/or inferior materials or components in order to increase their own profits.”

TO DO LIST #2

- 1 Give active instructions – Contact supplies **ONLY** after you have a complete list of product specifications [dimensions, weight, certification requirements, material, components etc.].
- 2 If you don't know all the product specifications [you probably don't] - then fill in all the blanks by scanning product descriptions on Alibaba.com or your competitor's websites.

IMPORTING INSIDER TIP #3 - PRODUCT STANDARDS & CERTIFICATION

Too often overlooked by small importers - and often assumed to not be enforced. If you are located in the EU or the USA you shall consider product certification compliance your main supplier requirement.

- *A product certificate* is a set of standards that complies to a certain list or type of products.
- Toys, electronics, certain plastics, construction materials, vehicles, food, medical equipment, machines and chemicals are products that often need to be certified according to a *predetermined standard before they can legally be sold in the country of import.*
- *It's often hard to find information on whether a product needs a certain certificate or not.* The easiest way to find out is to review product descriptions on Alibaba.com. If one or more suppliers mention that their product is certified according to a certain certificate standard - then it's a strong indication that your product needs to have this certificate.

- Product certificate requirements make the process much more complicated for European and American buyers. Why? Because *only a minority of the suppliers in China tends to offer certified products*. Thus this should be your main requirement - why spend time on price research and negotiation with a supplier whose products are illegal for you to import and sell?

TO DO LIST #3

- 1 Research what product certificate is required for your products in your country or market before you begin with sourcing products and suppliers

IMPORTING INSIDER TIP #4 - GET ORGANIZED AND USE A PROJECT PLAN AND/OR TASK LIST

Your mission is to select the right supplier with the right papers and prices - this requires plenty of email communication, due diligence and confirmations - multiply this with the number of suppliers you are communicating with and you have a ton of text, images, emails and document files to deal with. This needs to be stored somewhere - for review and future reference. Why? Because you're not here in China - you are sitting in your office or at home sourcing suppliers on the other side of the planet.

You also need a project plan that breaks down the process into actionable steps, and conditions that need to be fulfilled in order to move on to the next action.

HERE'S A LIST OF INFORMATION THAT YOU NEED TO STORE DURING THE PROCESS:

- Product photos
- Quotations
- Supplier related documents [Business license, BAC, other]
- Shipping documents
- Pro Forma Invoices
- Agreement drafts
- Test reports
- Supplier Audit Reports

Phase B - Sourcing & Research

Put on your armour and get ready for battle - it's time to engage the suppliers. We hope that you have done your homework by now - if you still don't have a detailed product description we strongly advise you to go back to Phase A - Pre Study.

IMPORTING INSIDER TIP #5 - WHY YOU NEED MORE THAN ONE SUPPLIER

One of the biggest and most common mistakes is to make your final supplier selection based on a few days of email conversations or whether the supplier have a nice website. Below we explain why:

- Remember what we said about *product certification*? It's far from all suppliers that have that CE or RoHS certificate. This factor alone means that you will see plenty of suppliers being disqualified early in the process - but it doesn't stop here. Suppliers are disqualified for a number of different reasons;
 - a.) Not interested in your enquiry / consider you to be a waste of time
 - b.) Inactivity
 - c.) High prices
 - d.) Cannot comply with your product specifications and / or quality requirements - Every supplier has limitations in their production- just because they can make a watch doesn't mean they can make your watch!
 - e.) Bad communication
 - f.) High MOQ
 - g.) Refuse Quality Inspections / access to the factory
 - h.) Refuse to sign a Sales Agreement [Yes, it's that important]
- *When we source suppliers, we're lucky if more than 25% of the initial supplier selection remains after Phase B.* The point here is that you are very likely to waste a lot of time moving forward with suppliers that will never be able to produce your product the way you want it - this is especially true if you're selling something in the EU or USA. Western customers are spoiled and products and product packing must look great in order to be competitive on the market.
- There's another reason why not including a sufficient amount of suppliers could spell big trouble later on in the process. When a supplier feels confident that they

have locked you in - they might do the following:

- a.) Refuse any kind of Sales Agreement
- b.) Refuse samples
- c.) Raise prices before or even during production
- d.) Refuse a Quality Inspection
- e.) Request a 100% prepayment before production
- f.) Use cheaper substandard materials and components

Why?

Simple - by the time you have invested time and money into price research, product samples and negotiation - it's already too late for you to go back and start from scratch. You *must* get your product out on the market - and you simply *cannot wait* any longer because every day your product is not on the market - you lose money!

So what will you do in a scenario like this? Probably accept any sudden price increase or delay the supplier impose on you. This is a tactic that works - and importers fall for this trick all the time.

TO DO LIST #5

- *Don't source one, two or three suppliers - source twenty one, twenty two or twenty three suppliers so that the project can keep moving forward despite "heavy losses" the process*
- *When [not if] a supplier tries to play a trick on you - throw them where they belong - in the trash can - and **move on** one of your other suppliers that you have not yet disqualified. This way you run out of options and never have to worry about starting over from the beginning.*
- *It's fundamental to have several supplier options available during the whole process and you don't want to discourage suppliers from taking part in the process. If you make them feel that they don't stand a fair chance of getting your order they're likely to not even bother quoting a price.*
- *Don't go "on and off" the process. Suppliers will drop out by themselves if you stop replying emails for two or three weeks. If a supplier is disqualified - tell them politely that so is the case and why you've made this decision.*

IMPORTING INSIDER TIP #6 - PRICE RESEARCH

The first thing you should ask for is a quotation. This sounds simple but things often go wrong at this early beginning. This is what you should ask yourself:

HOW DO YOU KNOW THAT THEY QUOTED THE RIGHT PRODUCT AND/OR PRICE?

“Of course, I've sent them the product link and I even told them what materials and components to use” Sure you did.. But did they *specifically mention in the quotation* that it was based on FOB Shanghai and that the watch is made of stainless steel and contains a Japanese movement? Or maybe they quoted you an alloy watch with a cheap Chinese movement without telling you?

WHY MANY SUPPLIERS DO NOT CLARIFY WHAT PRODUCT THEY QUOTE

- *Because its a money maker.* The supplier knows this process inside out - they know that they need to be among the few suppliers that qualify beyond the initial sourcing & price research phase. They will likely not drop the “bomb” until you are close to place the order.
- *Maybe its a misunderstanding.* Chinese people are not native English speakers / readers. We've seen plenty of enquiry requests that consist of an unreadable text paragraph where the product requirements and specifications are sparsely spread out. This is an invitation for serious misunderstandings and quality issues.
- Chinese suppliers, unlike their western counterparts, “*quote from scratch*”. Since they usually *don't keep any components or materials in stock* they need to call up their component and material suppliers and get the latest price in order to send you a quotation. This requires a lot of work for the person on the other end - and many of them will not bother giving you an accurate price if they deem you to not be a serious buyer.

TO DO LIST #6

- Require the supplier to mention all product specifications in the quotation file - email or Skype is never enough
- Provide the suppliers with very clear product descriptions and quality requirements .

- Do not ask your supplier to quote you until you have a [almost] final product description and list of product specifications. You don't want to let an otherwise good supplier drop out because you appear to be disorganized and just take up a lot of their time.

IMPORTING INSIDER TIP #7 WHY COMMUNICATING WITH MANY SUPPLIERS IN ITSELF IS A GREAT THING

Importing from China basically about processing information - and more so the further away you are from the supplier. For natural reasons - the more information you obtain - the more likely you are to draft a killer Sales Agreement and thus further increase your chances of becoming that cool millionaire entrepreneur that you deserve to be. (Well, at least in Thai Baht)

- Mind the Gap [Product specifications again]

Mind the gap - We're talking about product specifications and you shall fill in the gaps. The more suppliers you communicate with and get quotes from - the more likely you are to fill in these gaps. Here's why:

a.) Supplier A specifies that the wristwatch contains a Citizen IL22 Movement and this is the only movement that can fit inside your 6.5 mm thick watch case - and its the only movement with only 2 hands. The result is that now you know that 1.) The movement is the component that decides the thickness of the watch case and 2.) Not all types and brands of movements can limit the number of hands down to two

b.) Supplier B gives you two quotations - one for a case made of zinc alloy - and another for a case made in stainless steel. Result? Maybe you should ask the Supplier A which watch case material *they based their quote on?*

These things may seem to be obvious when you read this book - but you will soon realize that it's *very hard to uncover key facts about your product* when communicating with Chinese suppliers.

Phase C: Supplier Audit

In Phase B you communicated with a large number of suppliers. It takes too much time to review and verify the documentation and Quality Management System of every single supplier. Instead you shall only do so with the suppliers that's worth investing time in - in other words the suppliers that you have qualified from Phase B: Sourcing & Research.

IMPORTING INSIDER TIP #7 - WHY A SUPPLIER AUDIT MAKES SENSE FOR ALL IMPORT BUSINESSES

What makes a good supplier? That's a good question, and at this point you have based your selection on what statements, promises and prices. How can you be sure that these are true? You cannot - and that's why you should do a Supplier Audit.

THE OBJECTIVES OF A SUPPLIER AUDIT

- Verify the name of the Legal Representative - this person shall sign the PI and Sales Agreement in Phase D: Agreement & Payment
- Verify the business license - this is the company you shall pay and it shall match the company name and address previously stated
- Verify the bank account details and that you are requested to transfer money the same company that is stated to be the seller.
- Verify that the test reports / product certificates are authentic and still valid
- Confirm whether the product is *actually manufactured by this company* or subcontracted to another manufacturer - keep in mind that even manufacturers subcontract orders to other (often substandard) factories.
- Review the *Quality Management System* applied by the company. Manufacturing is not a science and a good supplier has a system in place for monitoring the production process and correcting mistakes. If you don't have the resources to actually visit your supplier - then the least you can do is to ask them to list the different steps of quality control, before, during and after production.

IMPORTING INSIDER TIP #8 - QUALITY MANAGEMENT SYSTEM

You may have heard about ISO 9001 - this is a protocol for *Quality Management*. However, suppliers without an ISO9001 certificate may still be good suppliers, so don't disqualify them for this reason. Begin by asking your suppliers the following questions:

- 1 Do you quality control *incoming raw* materials and components?
- 2 What do you do when you *discover a defect* among the raw materials and components?
- 3 When do you quality control products *during production*?
- 4 What do you do when you discover defect units during production?
- 5 Do you quality control products *after production*?
- 6 What do you do when you discover defect units after production?
- 7 Do you have any *quality control records* [from previous orders] for us to see?

An organized supplier is able to answer these questions and prove that they keep records from previous orders.

IMPORTING INSIDER TIP #9 WHY A FACTORY INSPECTION IS A GREAT INVESTMENT

We've had situations where the communication, pricing, product knowledge has been great. Everything was looking good - until we actually visited the factory and realised that the factory *looked more like a junkyard than a manufacturing plant*. When you visit a supplier - be it a trading company or manufacturer - you will get to know the people behind it and their resources [manufacturing capacity and product knowledge] much better. Below we list the two major reasons for visiting your supplier before order:

- **LIKELY TO PROVIDE IMPORTANT PRODUCT FEEDBACK FROM THE SUPPLIER**

Again we get to the topic of *product specifications*. When you sit down with the product engineers and discuss an order - you are very likely to receive important feedback and product information from your supplier.

- **YOU WILL BECOME A HIGHER PRIORITY FOR THE SUPPLIER**

You may also be taken more seriously by the supplier and if you keep playing your cards right - you will become the first priority of the supplier. Chinese suppliers have low profit margins [usually 2 - 4%] and repeat business is the only way for them to make it worthwhile.

TO DO LIST #9

- 1 If you have the time and money - book a flight to China. You must be well prepared and *visit as many suppliers in the area as possible*. Remember that China is a large country. Visit suppliers in the same province, city or industrial cluster, flying from supplier to supplier without taking the distance into consideration is a waste of time and money.
- 2 The more suppliers you visit the more *inputs on manufacturing limitations, pricing and product information* you are likely to receive.
- 3 Regardless of whether you visit your supplier or no - you must still verify their documentation and ensure that you are paying the right company. Otherwise you might get caught up in a payment fraud before the show even gets started.

Halfway there..

Let's stop for a moment. Maybe you are slowly starting to realize that the key to success is not to apply individual tactics or tricks - but applying the process as a whole. All Phases and tasks are interconnected and applying these steps doesn't make sense unless it all follows a logic pattern.

EXAMPLE OF WHAT COULD HAPPEN IF YOU NEGLECT THE IMPORT PROCESS

Let's assume that you didn't bother to look up whether your product requires a certain certificate [RoHS, REACH, FCC, CE etc.] during Phase A: Pre Study. You're likely to move on and face few obstacles during Phase B: Sourcing & Research. You might even make it as far as Phase D: Agreement & Payment before you realize the following:

- 1 Your product must comply with a certain certificate / product standard
- 2 Your selected suppliers don't have any test reports and / or cannot comply with this certificate / product standard
- 3 **Result:** Unless you've got any backup suppliers with the required documents you must start all over again. Don't be surprised if even fewer suppliers will bother with you the next time you come back to them!

Saving an hour on researching the product certificate requirements in your market could make you lose weeks or even months of progress.

And it gets worse..

Let's imagine that you didn't realize that your country / market requires your products to comply with a certain standard until after the supplier has started production? Then we are looking at *not only wasting valuable time - but a potential bankruptcy.*

Lesson: *Neglect the process and things are very likely to blow up later on.* The longer you let things blow up - the more disastrous the result will be.

Phase D: Agreement & Payment

If we could choose one part of the whole process that makes the biggest difference - then that is Phase D: Agreement & Payment. A Sales Agreement with your supplier makes a huge difference. Read more and we'll explain why, in a way that makes perfect sense.

REASON #1 - A FINAL CONFIRMATION OF PRODUCT T SPECIFICATIONS AND QUALITY REQUIREMENTS

*It's one thing to give away huge promises when breaking these doesn't result in any negative consequences for the supplier. It's another thing to sign and stamp a contract that specifically states that if *Product X does not comply with Requirement Y - then Z USD will be deducted from the balance payment.* You also need to keep in mind that up until this point you've been communicating with sales people working on a commission basis. Even if they are not deliberately lying to you - they are still likely to lack critical product and manufacturing knowledge. This is also a source of misunderstandings and [often disastrous] broken promises.*

REASON #2 - UNCOVER WHICH PROMISES ARE TRUE AND WHICH ARE NOT - BEFORE YOU PAY

A Sales Agreement shall be signed by the Legal Representative and stamped with the official company stamp. *He or she is more likely to not put the company in a situation that is likely to end up in them losing money.* Instead the supplier will probably request a renegotiation of certain aspects of the agreement and the products. This results in two beneficial side effects:

- 1 *Perhaps the sales manager was a bit too optimistic (or maybe he is only concerned with securing his sales commission) regarding the quality standard of your products. The good news is that the supplier is likely to tell you a story that's closer to the truth - before you pay.*
- 2 *If the supplier becomes aggressive during the negotiations - or refuse to agree on fair compensation terms - then the conclusion is that this is not a supplier you want to do business with.*

REASON #3 - PUT PRESSURE ON THE SUPPLIER

- It puts pressure on the supplier to actually comply with your product specifications and quality requirements - since they will lose money by not doing so.

REASON #4 - GET PRODUCTS DELIVERED ON TIME

- A Sales Agreement increases your chances to get the products delivered on time. If the production schedule becomes tight and the supplier has to choose between orders to complete in time - they will put priority on the orders from buyers with well written agreements and delay those from buyers that have none. Which buyer do you prefer to be?

REASON #5 - SHOW THEM THAT YOU TAKE YOUR BUSINESS SERIOUSLY

- Many Chinese suppliers, especially the good ones, are accustomed to sign a Sales Agreement with their overseas buyers. Without an agreement some suppliers will not take you seriously - and if you don't take your business seriously, then why should they?

AN EMAIL FROM THE FUTURE

Dear Mr. / Ms. Future ChinainPortal.com Member,

*This is Lydia Liu from Guangzhou Golden Products Co., Ltd **[fictional]**. In the last few days we have experienced a few small problems in the production. We think that we cannot make the wristwatches in the same material as you requested.. There have been some problems with our supplier. Instead, we make them in zinc alloy - it is almost as good as stainless steel.*

Because of delays from our movement supplier - we also need to delay the delivery until next month. We are very sorry and hope this will not cause any inconvenience for you!

Best Regards / Lydia

And here comes the reply from the future...

Dear Lydia,

*This is a complete disaster - a zinc alloy watch cannot pass RoHS testing - thus I cannot legally sell these products in the European Union. Even worse, I've already promised our retailers that the products will be here at the end of **this** month - now we will lose all our customers!*

Best Regards / Mr. / Ms. It's time to become a ChinainPortal.com member

Lesson: Make assumptions and trust your supplier at your own risk. If it's not on paper - then it doesn't exist.

Phase E: Production & Quality Control

Your products are in production. It probably took you at least two or three months to get to this point and now is not the time to mess up.

IMPORTING INSIDER TIP #11 - UNDERSTAND THAT MANUFACTURING IS NOT AN EXACT SCIENCE

Things do go wrong - *even Boeing or Toyota has serious quality issues* from time to time that force them to order massive product returns. Don't you dare to think that your garage manufacturer has discovered some magic formula that makes them/you immune to quality issues. The main difference here is that Toyota compensates their customers for buying a malfunctioning or defect product while your supplier will probably not, *unless you discover any quality issues before you pay the balance payment.*

- *A Quality Control before shipment is essential* - even good suppliers let quality issues fly under the radar. You only have one chance to get quality issues and defect products corrected - and that's before they leave China.
- *The [final] balance payment is your weapon.* The supplier is much more likely to comply and repair and/or remake defect units if they still depend your mercy in order to receive the final payment.

IMPORTING INSIDER TIP #12 - QUALITY INSPECTION

You don't need to fly in to do the Quality Inspection yourself - there are plenty of good inspection companies already in China. It's not only cheaper - but these companies are highly professional and often more well prepared to execute a quality inspection than most importers. One thing that's important to understand is that *there's no universal definition of "good" or "bad" quality.* This is something that you as a buyer have to define before you or somebody else do a quality inspection.

- **TO DO LIST #12**

Make a list of what you consider to be defect - both cosmetic and functional defects.

IMPORTING INSIDER TIP #13 - HOW TO HANDLE PRODUCTION FAILURE

*Let's assume that there was a substantial amount of defect units in the latest batch. To begin with you should have a Sales Agreement that specifies how this situation should be handled, and since you still need the products, the best thing is simply *allowing the supplier repair or remake the products.**

It sounds simple - and if you have applied our strategy to this point - then the supplier is likely to agree to a remake or repair. However, most buyers make a major mistake that makes a repair or remake impossible - *they place the order when it's too late to fit in another 30 days for repair or reproduction.* You have buyers waiting and you may even be about to run out of stock. Many importers end up paying in full for defect, or even dangerous products, anyway.

- **TO DO LIST #13:** Ensure that your time schedule is flexible enough to fit in the possibility of a failed production run. A remake takes just as long as the regular production time . Instead of ordering 2.5 months before you need the products - order 4 or even 5 months in advance.

Phase F - Freight & Logistics

We often get phone calls from new importers regarding shipping and logistic. Many importers assume that this is the hardest part of importing business while it's rather the opposite. There's a few common mistakes that you should avoid though.

IMPORTING INSIDER TIP #14 - INVEST IN HIGH QUALITY EXPORT PACKING

We made a mistake a few years ago when purchasing PVC Tarps from a supplier in Zhejiang. Each unit weighted 23 kgs and it was a full 20" container of them. In the Sales Agreement we specified that the cargo should be stacked on pallets. What we did wrong was that we didn't specifically write "Wooden Freight Pallet, EU ISPM15 800x1200 mm". The result? The supplier stacked 11 tons of PVC Tarps on lightweight plastic pallets, the kind that's used to ship bananas and oranges.

The result? *The plastic pallets were completely flattened upon arrival* - and the plastic had broken into shreds sharp as knives - penetrating the lower cartons. The cargo was intact - because the supplier kept a high quality standard of their products overall.

- **Lesson:** Never trust your supplier with choosing the export packing. You need to ensure that your products are protected by *high quality cartons that are wrapped in protective plastic and stacked on (real) freight pallets.*

IMPORTING INSIDER TIP #15 - LCL AND FCL SHIPPING

FCL stands for Full Container Load. You pay for the shipping of a full container. The benefits compared to LCL shipping are that the price is much lower, it's a bit faster [less administration for the shipping company] and safer. The downside is that it's not viable unless you can fill at least 50 - 60% of the container with cargo.

LCL [Less than Container Load] is a *decent alternative for smaller importers*. This means that your cargo shares container space with cargo shipped to other importers. There's no real benefit - apart from the fact that it's possible to *ship small volumes from China*. Plenty of downsides though;

- Expensive - the reason we mentioned that you only need to fill 50 - 60% of the container in order to make it viable is because LCL shipment above this volume

actually exceeds the cost of an FCL 20' container.

- Slower - might be reloaded onto another freight vessel before final delivery
- Higher risk for transportation damages - you have no control over what other type of cargo or product packing your products will share space with during the shipment. This means you need to invest in export packing of an even higher quality compared to if you do FCL shipments.

What we hope you've learnt after reading this book

After reading this somewhat pessimistic / realistic approach to importing business we want to underline that the purpose of this e-book is not to discourage you from importing from China.

- The bad news is that there are plenty of pitfalls and simple mistakes that can blow out of proportions very easily
- The good news is that you can avoid the great majority of these pitfalls if you know how to navigate through the whole process. This can be done from your home or office.
- There are plenty of good suppliers and products out there - but if you are not proactive and prevent issues before they happen - then you are very likely to end up with very low profits or even lose money.

Now what?

If you think that this short e-book saved you a dollar or two - then subscribe ChinaimPortal.com and unlock a complete set of tools for your import business. Since you've been patient to read the whole book - we'll also give you a small gift - a US\$10 *discount on any membership plan*.



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