



Your export checklist

Research the market.

There's an abundance of online information available. Start by visiting websites that provide market information such as [Exportsource](#), [CanadExport](#) and the [Foreign Affairs Canada](#).

Secure senior management buy-in.

Penetrating foreign markets is a long-term commitment that demands a lot of time, effort and money. Be sure that your management team is committed to your efforts and understands the impact that the venture may have on operations. Exporting shouldn't be considered as a short-term band-aid for sluggish domestic sales.

Benefit from other peoples' experience.

Be sure to talk to businesses that have succeeded in your target market. You can contact your local economic development agency to find these companies. You might also consider forming alliances with companies in your sector in order to reduce market penetration costs.

Make personal visits.

Although you can get useful information online, nothing takes the place of visiting the target market for yourself. It's your opportunity to talk to potential buyers, and find out everything you need to know about the competition, the local rules and distribution channels.

Prepare an export plan.

Be sure you have an [export plan](#), which is similar to a business plan but with a focus on your company's strengths, weaknesses, opportunities and threats in a foreign market. It should help you define your objectives clearly, so that you can establish the right tactics to reach your goals.

Choose a market entry strategy.

Determine the means by which you will enter your foreign market. Some of the most common [entry strategies](#) are via distributors, sales representatives or selling directly to end users.

Focus on one market at a time.

Don't spread yourself too thin. Successful companies almost always concentrate on one area at a time. Once you've achieved success in your first target, you can attempt to enter other markets.

Adapt your marketing strategy.

You may have to adapt your [product, price and promotional campaigns](#) to satisfy foreign buyer tastes or needs such as cultural influences (religion and traditions), language laws, buyer preferences, engineering standards or foreign government product regulations. Your pricing strategy needs to take into account market demand, competition and costs such as tariffs, custom fees, currency fluctuations, value-added taxes (VAT), shipping and insurance.

Do your financial planning.

[Short term and long-term financial planning](#) is crucial to success in any export venture. Rather than dip into current operating funds, you may need to consider options for export working capital, political risk insurance, payment guarantees, security for foreign distributors/clients and long-term financing to purchase fixed assets.

Decide how you'll get paid.

Keep in mind that you'll be dealing with clients and intermediaries you hardly know and in an economic context that is foreign to you. Take extra precautions and expect complications with payment. There are many [payment options](#) available, including cash in advance, letters of credit, collections and open accounts.

Get informed about laws and regulations.

Laws and regulations in international trade can be complex and they may have an impact on various

aspects of your export operations. Make sure that any contract that you sign stipulates that it is governed by Canadian legislature. You'll also need to investigate how your target market deals with **intellectual property**, health and environment standards, taxations, customs and duties, language, consumer protection and payment conditions.

Pay attention to health and environment issues

An increasing number of countries are adopting strict regulations and **standards** to protect consumer health and the environment. This applies particularly to food products, prescription drugs, chemicals and common consumer products.

Understand tariffs, customs and free trade zones.

When exporting goods into a foreign market you need to have a clear understanding of the various political agreements that are in play. There are 3 main aspects: **customs requirements**; customs and trade agreements either between another country and Canada and/or **multilateral agreements** between various trading partners i.e. NAFTA, EU or MERCOSUR; and; **free trade zones**. In order to take advantage of these agreements, your company needs to know the conditions that they must fulfill. **International Trade Canada** lists the many trade agreements Canada has entered.

Tariffs vary greatly depending on your foreign market. Different countries impose different **customs and tariffs** to protect certain domestic goods from foreign competition.

Know your logistics.

Make sure you know exactly how you will be shipping your product, as well as handling labeling requirements and insurance needs. It's advisable to use a customs broker; understanding the various **INCO** shipping terms and documentation requirements such as **export permits** could be overwhelming for a business. For a fee, they can help you prepare the necessary paperwork. Brokers can also act as logistics specialists who can help you accelerate the process and handle cross-border shipments.