

International Trade Financial Solutions Newsletter

'Minimising Commercial Risks When Trading Abroad'

Issue 18

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Hullo. Spring is finally here, despite the somewhat offish weather over Easter. I always think that once we hit Cheltenham Gold Cup week in March, there's something every week from then on to make it really feel as if we're out of the depths of winter - The Boat Race, The Grand National, London Marathon, etc. And what's even better, light evenings and mornings. Talk about full of the joys of Spring!!

Back to reality, however. I refuse to mention anything about the election [blast, I just did!], but things are still difficult for many in business. From my perspective, some of the issues surrounding the euro - the Greek economic situation - is starting to affect clients. Whilst the single currency is great for removing a plethora of currencies across Europe, the downside can be that difficulties in 1 country have a far greater reach. So you don't need to be dealing with Greek counterparts to feel the effect. Don't forget though the dynamic currency converter on my website; you can use this to track exchange rate movements as often as you like.

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More ITFS Promotion.

Some of you will undoubtedly have heard of Croner. They publish a range of booklets, directories, etc. all aimed at both importers and exporters. In conjunction with these, they also publish a monthly Trade International Digest - www.tradeinternationaldigest.co.uk You can subscribe for about £79 p/a to receive a hard copy by mail each month; alternatively extracts can be found on the above website. Why am I telling you this? Well, in February, I was approached to contribute to their 'How I Got Here' section, in which people are asked to summarise their career to date. My interview is due to be included in the April edition of the magazine - out around 10th April, with it being made available on the website, under 'Interviews' sometime in early May. So, please go and have a look and, more importantly, spread the word to any associates who you feel would be interested. It's all part of my ongoing process to raise profile to a wider audience.

Business Link East Workshops.

Following on from last month, I have now seen the new courses and their content. Whilst they continue to be aimed at new/start up/pre start businesses, some may have relevance to existing businesses where owners, etc. need to brush up on issues. They are remaining free - funded by the EU, with a mix of half and full day sessions. I'm also pleased to say that I have secured some of the dates in the coming 6 months, and I look forward to continuing to deliver these, albeit to a different audience inasmuch as many of the workshops that I will run will be in Suffolk instead of just in Essex. If anyone is interested, the website to go to is www.bookevents.org and follow the link.

Glossary of Terms - The G's and more.

Last month I promised to start getting through letters more quickly, so 2 for the price of 1 this month - G & H. An offer you cannot refuse!

Groupage. Groupage allows exporters of small volumes to combine with others so as to benefit from the economies of containerisation. A Freight Forwarder will agree to group together consignments from different exporters to the same destination to fill a container. In theory, this can save significantly on transport costs, however, in practice, there may be issues with competing businesses unwilling to 'share' transport. It is also possible for importers to benefit from groupage if they are sourcing small volumes from a variety of suppliers in the same Country, although care needs to be exercised re local transport costs to collect all of the goods into 1 central place.

GSP. This is a form of Certificate of Origin - see Newsletter Issue 12. GSP stands for Generalised System of Preferences. A GSP Certificate of Origin allows goods to be imported from selected countries at preferential [i.e. lower] rates of UK duty. To ascertain which goods/countries are covered, you need either to speak directly to HMRC or to your Freight Forwarder, if you have one. It is also worth reviewing periodically, since the list does change!

Guarantees. This was covered under 'Bonds and Guarantees' in Newsletter Issue 10, August, 2009. *All previous issues of the newsletter can be found as PDF files on my website - www.intradefinsolns.co.uk then click on Articles/Newsletters on the left hand side.*

HAWB. House Air Waybill. Air Waybills were included in Newsletter Issue 8. The difference between an AWB and an HAWB is that a HAWB is not a financial document and is usually not permitted as part of the documentation needed, say, under a Letter of Credit presentation. The HAWB is the contract between the shipper and Freight Forwarder only. They can also be known as a Forwarder's Air Waybill.

HMRC. Her Majesty's Revenue & Customs. HMRC now covers both the taxation rules, including VAT, and regulations as well as the Customs side - import duty, etc. They also have responsibility in preventing illegal imports of any goods, VAT and tax evasion. Their powers are very significant, to put it mildly. That said, the various help lines, etc. that they operate are good and their preference remains to help businesses and individuals get it right first time rather than commence investigations at a later stage. Bear in mind, however, that, if you do fall foul of the rules, you cannot claim ignorance and fines and penalties can be high. The main website is www.hmrc.gov.uk.

A much shorter section this month, but now we're motoring. More next month.

Future Events.

For smaller businesses and also those looking for useful contacts and/or starting overseas trading, don't forget the Business Start Up Exhibition at ExCeL in E London on Thursday/Friday 20th/21st May. It's free to attend and you can pre-book at www.startupcommunity.co.uk and then click on the link on the lower left hand side. This is something that I still regularly attend as I find it invaluable for networking and just seeing generally what's on offer. If you cannot make those dates, they hold another towards the end of the year at Olympia.

UK Trade & Invest have some country visits coming up in the next month - probably too late to book now, but examples are S Korea, China, Ghana, Colombia, Lebanon. Furthermore, some visits are industry specific, e.g. jewellery/Tokyo and fashion/retail to S Korea, both in June. Go to www.uktradeinvest.gov.uk for more info.

If you know of any other business to whom this ezine may be of interest, why don't you forward it on to them and encourage them to sign up for future issues?

I'm off for a few days break shortly, but I'll be back well in time for May's newsletter. See you then.