

# Going International

SHOULD YOU USE A CUSTOMS BROKER, OR A FREIGHT FORWARDER? **BY EDITH G. TOLCHIN**

**S**o, you have an invention and you have decided to go international.

Whether you manufacture your product in another country, arrange for it to be shipped from one country to another, or ship raw materials or components that comprise your invention into a country that will assemble and/or manufacture your product, at one time or another you will employ the services of either a customs broker or a freight forwarder.

What is the difference between the two?

### Customs broker

A customs broker imports products on your behalf from a foreign country into the United States. But for Customs purposes, you are considered the “importer of record.” You initially provide the customs broker with a signed power of attorney form, which authorizes the brokerage firm to effect entry and clearance of your shipment on your behalf.

The customs brokerage firm can also provide many other services for the importer. These include filing special documents with Customs

in advance of shipment, as required by various government regulations; working with several government agencies such as the U.S. Food and Drug Administration, the U.S. Department of Agriculture and the Consumer Product Safety Commission, among others; and arranging your “binding ruling” requests—to determine, in advance, your (new) product classification and import duties. A binding ruling request is important so that there are no costly duty surprises when your shipment arrives at your chosen U.S. port.

A customs broker can also help you determine whether there are any special government programs that will enable you to import your products “duty-free”—such as the United States-Mexico-Canada Agreement (USMCA), the Central American Free Trade Agreement (CAFTA) and others. See the Office of the United States Trade Representative for further information regarding free trade agreements.

This is but a small taste of the myriad services a customs broker offers.

### Freight forwarder

Contrary to the customers broker who imports products on your behalf, a freight forwarder exports or arranges shipments from one country to another on behalf of either your foreign supplier or for you.

Say you landed a big sale of your new product to a customer in France. Before you enter into your sales

**KEY LINKS**

Agencies that will assist you in importing or exporting your invention:

- **National Customs Brokers and Forwarders Association of America:** [ncbfaa.org](http://ncbfaa.org)
- **Office of the United States Trade Representative:** [ustr.gov](http://ustr.gov)
- **U.S. Customs and Border Protection:** [cbp.gov](http://cbp.gov)
- **U.S. Food and Drug Administration:** [fda.gov](http://fda.gov)
- **U.S. Department of Agriculture:** [usda.gov](http://usda.gov)
- **U.S. Consumer Product Safety Commission:** [cpsc.gov](http://cpsc.gov)
- **U.S. Bureau of Industry and Security:** [bis.doc.gov](http://bis.doc.gov)
- **U.S. Department of Commerce:** [commerce.gov](http://commerce.gov)

contract, you must work out your shipping terms with your overseas customer.

A freight forwarder can help you with this. Who will pay the ocean freight—you (the exporter), or your foreign buyer (the importer)? What are the laws of the government of the importing country that may pertain to your product? Do you need any special documentation? Are import licenses required in France?

It helps to surf the U.S. Bureau of Industry and Security website for export administration regulations information, or the U.S. Department of Commerce site. But a freight forwarder is an agency trained in knowing or finding out about rules and regulations of shipping to or exporting to another country.

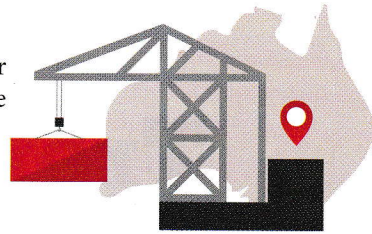
A freight forwarder, exporting, must know regulations of all foreign countries into which he or she ships on behalf of clients. How many countries are there in this wonderful world? You get the picture: It's pretty complicated.

Freight forwarders also help you analyze shipping methods and make shipping arrangements to your customer in another country. For example, should you use ocean freight or air cargo?

They help you learn the proper shipping terms to include on the sales order you issue to your new international customer. They can assist you in legally shipping parts and components for your new invention from one country into another, say, for assembly there—and then can help you arrange to ship your finished product to yet another destination.

The worst thing to happen to a new business or a seasoned exporter would be to have your shipment stuck in foreign Customs without proper documentation! Again: Legally is the operative word here.

You thought international trade would be easy? Think again! 🤖



Books by **Edie Tolchin** (egt@edietolchin.com) include "Fanny on Fire" (fannyonfire.com) and "Secrets of Successful Inventing." She has written for *Inventors Digest* since 2000. Edie has owned EGT Global Trading since 1997, assisting inventors with product safety issues and China manufacturing.



## 2 Critical Steps to getting your NEW PRODUCT "out there"

### 1 GET IT MADE

Contact Edie Tolchin – "The Sourcing Lady" (SM) for sourcing, China manufacturing, product safety issues, packaging assistance, quality control, production testing, final shipment inspections, freight arrangements, import services and delivery to your door!

[www.EGTglobaltrading.com](http://www.EGTglobaltrading.com)

EGT@egtglobaltrading.com

P.O. Box 5660 - Hillsborough, NJ 08844

845-321-2362

### 2 GET A WEBSITE!

Contact Ken Robinson – While your order is being manufactured, you need to start working on your WEB PRESENCE! Get people talking about your product on Social Media (Facebook, Twitter, YouTube, Google+), get good search engine placement (SEO)!

[www.widgetsontheweb.com](http://www.widgetsontheweb.com)

kenrbnsn@widgetsontheweb.com

614 Van Liew Court - Hillsborough, NJ 08844

908-963-2447

Get more BANG for your BUCK from two professionals with a combined total of over 60 years of experience!

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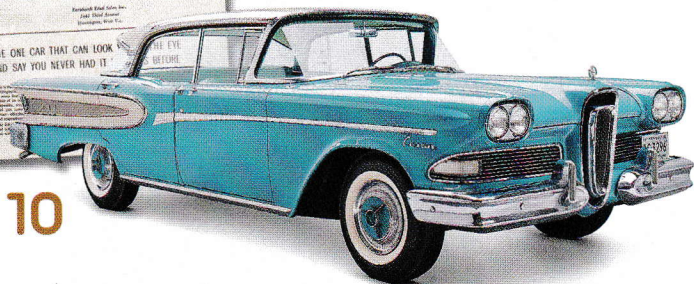
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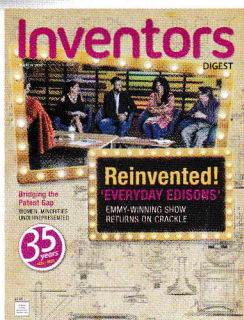
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**ON THE COVER**  
"Everyday Edisons" judges (from left) Kelly Bagla, Louis Foreman, Tiffany Norwood and Chris Ferguson during an inventor pitch; photo by John Merrick

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