



**BUSINESS FACILITATION SERVICES - PAUL SMARRELLI**, *Principal*  
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1978 to 1999: General Manager (Automotive / Electronic ) employment of 250.  
- Direct exporting to USA, China, NZ and South East Asia.

- Technology Agreements to China, India, Japan and USA.
  - Trade Missions to USA, Canada, Japan, South Korea, Italy, Germany, UK, NZ and India.
- 2000 to current:
- Austrade / TradeStart exporter development Adviser to 260 companies from 2000 - 2007
  - Enterprise Connect Adviser to 157 companies 2008 - 2014
  - Export mentoring and improvement programs 210 companies from 2015 to 2023

## TIP 1. PREPARE GLOBAL STRATEGY

Establish an internal export team with support from major departments: General Manager, Operations, Finance, Sales, Supply and Quality / Engineering. The team will focus on including: Global Strategy; a Business Plan; Customer / Market need analysis; Selection of the best product or service for the target markets.

Inform company employees, suppliers, contractors and shareholders of the Global Strategy to secure that supply capacity and quality levels are achieved, maintained, eliminating the risks of defects, customer returns and product recall liabilities.

## TIP 2. THE ESSENTIALS: FOR SUCCESSFUL EXPORTING

Export market development needs to be treated as a long term investment plan and to ensure continuous success. Companies must devote attention to the review and implementation of: innovation that will enhance productivity, quality and price competitiveness leadership culture to create team capability for international markets, research and technology strategies for the development of solid marketing and commercialisation plan financial and administration systems to ensure that business aims, targets and measures are controlled.

## TIP 3. HOW TO BE INTERNATIONALLY COMPETITIVE

Selection of the most suitable country for your products and services. Research the competition and analyse the price levels of similar products. Be well-researched and prepare offers based on market needs. Product performance and process quality must not be at risk of product recall legal systems, culture, foreign exchange and trade terms risks must be examined. Determine your company capacity and capabilities to service international markets



## TIP 4. PREREQUISITE TO ENHANCE EXPORT SUCCESSES

Management systems that assign the cost of each activity such as fixed and variable overheads. Operate with systems that drive productivity and efficiency in the total supply-chain. Innovation capabilities to be ahead of competitors. Quality accreditation that conform with your Industry standards. Supply-chain capacity to service long distance demand. Resource and commercialisation skills to service global customers. Financial stability to fund the expansion strategy.

## TIP 5. PREPARING FOR THE EXPORT JOURNEY

The Final quotation or contract must include: Plan the financial outlay and expense budgets. Cost amortisation of capital investments and expenditures. Define payment methods (Letter of Credit or other approved Bank transfers). Develop a formal Memorandum of Understanding (MOU) to define responsibilities. Obtain customer sign-off before commencement of production. Select appropriate packaging and labelling for the destination. Obtain external advice on the best shipping



options and custom documentations for the destination.

## **TIP 6. EXPORT ENTRY METHODS**

Research Collaboration Agreements: Technology transfer, Manufacturing licensing and Franchising Joint Venture partnerships. Local sponsor in the selected country. Third party warehousing and distribution. Direct export (Ex-works (EXW), Free on Board (FOB). Engage marketing / sales agents. Conduct a market intelligence. Establish an office in the selected country

## **TIP 7. EXPORT READINESS CHECKLIST**

Preparedness to allocate adequate resources and financial investment. Selection of the best quality/technology products and conformance to standards. An accredited international quality standard (ISO 9000:2000 or as specified by the selected industry). Analyse manufacturing capacity and suppliers' support. Manufacturing process defect-free. Use packaging suitable for long distances. Understanding of the country culture and legal systems. Participation in trade fairs, exhibitions and trade missions. Identifying government assistance for export development

## **TIP 8. INNOVATION AND RESEARCH TECHNOLOGY**

Maintain close contact with customers, markets and industry. Promote your product features, performance and value advantages. Promote quality and product function. Update product literature and promote advantages over your competitors. Drive new technologies and ideas, and develop them into viable products and services

## **TIP 9. MARKET RESEARCH**

Know your market: market size. Knowing about major competitors, competitive advantages and growth rates. Determine the supply- chain/route to market. Research country regulations, taxation and duties. Be aware of country culture, lifestyle, legal issues. Market size, growth rates. Competition levels, determine market share and positioning.

## **TIP 10. TESTIMONIALS FROM EXPORT WORKSHOPS**

1. "The export program emphasised the importance of streamlining production capacity before trying to put an export strategy in place. Need to handle exports professionally and not go in half-baked. Export planning is proceeding with all these factors in mind."

2. "We learned to have everything in place before starting to export. That includes management, reporting, quality and financial systems, ensuring adequate and proper plans are in place. This has been relevant to our dealings with local markets too. The advice we received from the export program was to progress one step at a time and reduce risks."

