

Complete Guide To Import/Export

How To Start Your Own Import/Export Business

Week #6

Setting Up Shop: Office, Storage, and Distribution Decisions

“Nothing is more difficult, and therefore more precious, than to be able to decide.”

— Napoleon Bonaparte

Read Chapters Four and Five before starting this week’s course.

This week we will be discussing key business decisions. Now that you have chosen and found your product, it is time to focus on issues like where you are going to have your office, where you are going to store your products, and how you are going to distribute them. Take the time to complete this week’s tasks and turn your great idea into a real and viable business.

Task 1: Office Decisions

Your first task this week is to decide whether you will have a home office or an outside office.

Home office

If you want to set up a home office make sure to follow these legal steps. If you are not sure about any of them, consult an attorney or the appropriate government agency.

- Check your local zoning laws and also the laws pertaining to home businesses.
- Set up your business as a sole proprietorship, corporation, or partnership.
- Obtain a local business license.
- Obtain any required state licenses.
- Register your business name (necessary in some states).

Outside office

Drive through your local office complexes and shopping centers and discover what office space is available. Call and get rental costs on three or more properties. Record details in the space below.

Property 1

Description _____

Rent _____

Property 2

Description _____

Rent _____

Property 3

Description _____

Rent _____

Make a list of the equipment you will need...computer, fax, etc. For any items you need that you don't already own, go to an office supply store or online catalog and determine how much it will cost to purchase what you need.

Now that you have decided where your office will be located, it is time to make decisions about storage and distribution. Should you store your products at home, use drop shipping, or employ the services of a fulfillment house?

Drop shipping

Turn to pages 41 to 43 of *How To Start Your Own Import/Export Business* to read about drop shipping. Consider your options and research this option before you decide that drop shipping is for you. Personally, I do not strongly favor or recommend drop shipping, but it is still worth investigating—maybe it will suit your situation.

Fulfillment houses

Another option is employing the services of a fulfillment house. Using this service probably doesn't make sense initially, not unless you've got a huge amount of stock, but it's something to keep in mind as your business and your inventory grows. To see how a fulfillment house service works turn to pages 44 and 45, or for further information take a look at www.efulfillmentservices.com, www.thefulfillmenthouse.com, and www.webgistix.com.

Task 2: Research at least two fulfillment houses

Your second task will require some thorough investigating. Find out:

- How much space you think you'll need. Try to estimate the volume of space you will require for each object and how many pieces you plan to store at a time.
- What fulfillment houses are available and will work best for your needs?
- How much does the fulfillment house charge for space rental, charge per product line, charge per pallet, etc.?
- What costs are you responsible for?

After completing this research you should be able to determine the kind of facility you think would be best to store your merchandise in. Is it your home...in a warehouse...in a fulfillment house...or maybe in a rented space? Now that you have considered all your options, it is time to make a decision. Record your choice, along with details of the chosen storage space, in the space below.

Type of storage _____

Details _____

Task 3: Business Cards

Keeping a supply of business cards is a useful way of ensuring that all the people you come across in the course of running your import/export business have your correct contact details. Call or visit at least three printers in your area and find out how much business cards will cost. Record the results below.

Printer 1

Details _____

Price _____

Printer 2

Details _____

Price _____

Printer 3

Details _____

Price _____

Once you have finalized your office, storage, and distribution decisions, insert the new information you have collected this week into your business plan.

Next week we will be examining everything you need to know about importing products into the U.S. In order to prepare for the lesson, you should read **Chapter Seven** of *How To Start Your Own Import/Export Business*.

Sincerely,



Steenie Harvey
Import/Export Correspondent, *International Living*