

Step 2 – Know Your Market

- NAICS, HTS & Schedule B
- Import Requirements
- Country Indicators & Rankings
- Market Entry Plan
- Your “Perfect” International Customer
- How to Expand into Other Export Markets
- Where To Get Help



NAICS, HTS and Schedule B

- NAICS (North American Industry Classification System)** - Used by federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy - www.census.gov/eos/www/naics/
- HTS (Harmonized Tariff System)** - A six-digit standardized numerical method of classifying traded products that's used by customs authorities in most countries to determine customs duties and tax rates - www.census.gov/foreign-trade/schedules/b/
- Schedule B** - A U.S. -specific 10-digit code that's derived using the six digits of the HS code along with additional numbers to provide a more specific classification. Required on Shipper's Export Declarations (SED), and used to monitor U.S. exports - www.census.gov/foreign-trade/schedules/b/

What is your NAICS #? _____

What is your HTS/Schedule B Number? _____

Import Requirements

X	Description	Requirement
	Import Tariffs	
	Labeling	
	Legal Entity	
	Product-Specific (i.e. food, health products, etc.)	

What are the Country Indicators for Your Export Destination?

Your destination country - _____

Ease of Doing Business - _____ of _____

Global Connectedness Index - _____ of _____

Global Competitiveness Report - _____ of _____

Global Enabling Trade Report - _____ of _____

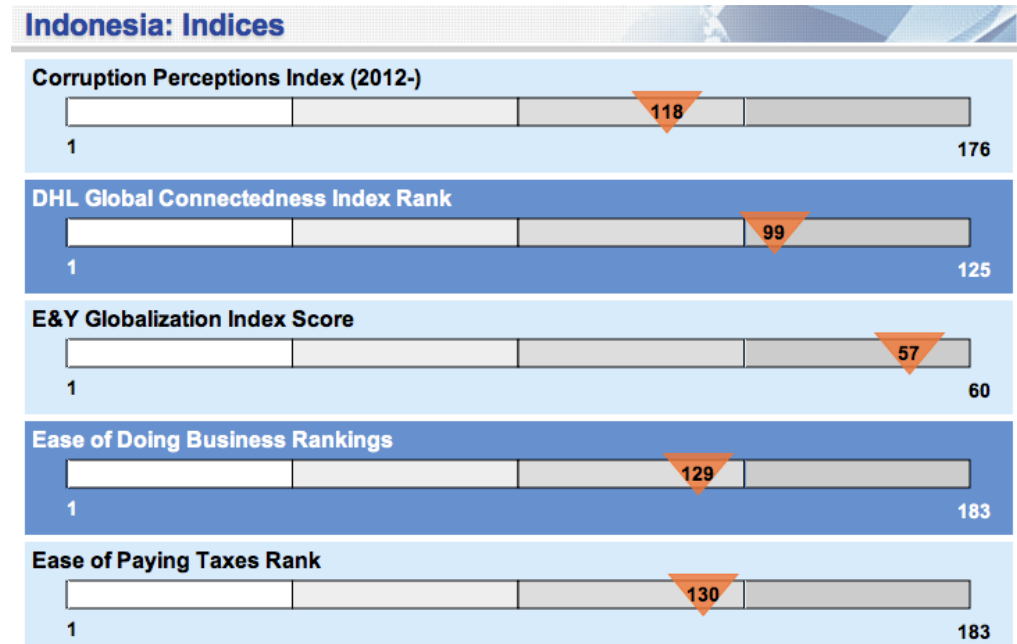
Global Manufacturing Competitive Index - _____ of _____

Economic Freedom Index - _____ of _____

International Logistics Performance Index - _____ of _____

Index of Globalization - _____ of _____

Corruption Perceptions Index - _____ - _____



What Makes a Successful Market Entry Plan?

Question	Answer
What are the characteristics of your perfect customer?	
How will your customer find you and your product/service?	
How will you get your product or service to this customer?	
From whom will you need help? (i.e. sales rep, distributor, freight forwarder, etc.)	
What products/services already exist in your destination country that are similar to yours?	

Country Ranking Scorecard

1. Choose three potential export destinations to research.
2. Set your criteria to determine their rankings.
3. Conduct research.
4. Determine rankings.
5. Combine with qualitative considerations.

Country	Population	%	Rank	GDP per Capita	%	Rank	Ease of doing Business	%	Rank	Cost of Doing Business	%	Rank	Final Ranking

Other Considerations _____

Resources

- NAICS Numbers - www.census.gov/eos/www/naics/
- HTS & Schedule B Codes - www.census.gov/foreign-trade/schedules/b/
- Export License Help - www.bis.doc.gov/licensing/exportingbasics.htm
- Country Indicators - www.globaledge.msu.edu
- Holmvall, Leif, "Export & Import: Winning in the Global Marketplace"
- Small Business Development Center (SBDC) – www.cochise.edu/sbdc/