Unit 8 seminar

Your Name (First M. Last)

School or Institution Name (University at Place or Town, State)

**Benefits and risks of exporting:**

**Risks:**

* There may be an inadequate analysis of the market.
* Lack of practical understanding of conditions that would heat up the competition.
* Failure in the customizing of products for offering to foreign customers.
* Lack of an active program of distribution.
* Inability to exhibit promotional campaign.
* Problem securing financing.
* Voluminous paperwork, complicated formalities, and delayed errors.

**Benefits:**

* Large firms would be more proactive for having more opportunities, but on the other hand, smaller firms are going to have a reactive approach of export.
* Unfamiliarity is going to explain why exporters have a tiny profit percentage specifically U.S firms.
* New exporters catered many problems when they tried having a jump into the aboard business that give them ways for many new opportunities.

**Information sources and government programs for helping export business:**

There are variable source of information for improving business of export. One of the best sources that would help in the export business is the U.S Department of Commerce. Potential distributors also facilitate firms along with the Small Business Administration (Frazer Winsted,et,la,1998). There are some service providers as well that provide essential information such as freight forwarder, export trading company, customs brokers and many more.

**Steps of financing export:**

* Firstly, exports have to find a trustworthy person and should set their preferences in the case of the transaction. Trust problems should be solved by introducing a third party that is common for both former parties.
* Letter of credit has a central position in the financing of the export. This letter is going to be issued by a well-reputed bank. It is quite interesting to note that even if both parties don't trust each other even then bank would serve as a reliable source.
* Draft is another main step after that, there comes bill lading that is issued by an exporter who carries the transporting merchandise.

**Countertrade can be used for facilitating export:**

It is a way of making and receiving payment when it becomes difficult, costly and non-existent. There is trade of goods with goods that saves the exporters from the hustle that they may face in the case of payments. Export can be facilitated by using countertrade.

**Importance of production and logistics in multinational businesses:**

Production is the activity which involves creating a specific product or service and on other hand there is logistic that is related to the complex, in-depth operation of an organization. In any multinational business, there are mainly two things, production and logistics that have central position as they serve firstly for lowering the cost. Secondly for increasing the quality of the product that would be done by eliminating broken pieces from both upstream and downstream.

References:

Frazer Winsted, K., & Patterson, P. G. (1998). Internationalization of services: the service exporting decision. *Journal of Services marketing*, *12*(4), 294-311.