

Export Basics

What is an export?

An export is any item sent from the United States to a foreign destination. Exports can include either physical commodities or non-physical technology, such as: clothing, building materials, circuit boards, automotive parts, blueprints, design plans, retail software packages and technical information.

Consider the following points before exporting goods and services:

Is your company ready to export?

Determine if your company is ready to export to an international market. Take our Export Readiness Assessment.

Does my item require a license to export?

A small percentage of items exported or re-exported from the U.S. require a license. You must determine if your item requires a license. License requirements depend on the product's technical characteristics, the ultimate end-user and end-usage of the goods, and the destination of the goods. To determine if your product requires a license, find its classification in the Commerce Control List (CCL). Reference: (Supplement No. 1 to Part 774 of the EAR) <http://www.gpo.gov/bis/index.html>.

Where are you exporting?

After classifying the item(s), determine if you need an export license based on the "reason for control" and the country of ultimate destination.

Who will receive your item?

Certain individuals and organizations are prohibited from receiving exports from the U.S. Others may require a license to receive goods, even if the item is not normally designated as a licensable item on the CCL or EAR 99. To determine if an individual or organization is able to receive your export, check the following lists:

- **Entity List:**
<http://www.bis.doc.gov/Entities/Default.htm>
- **Treasury Department of Specially Designated Nationals and Blocked Persons List:**
<http://www.treas.gov/offices/enforcement/ofac/>
- **Unverified List:**
http://www.bis.doc.gov/./unverified_parties.html
- **Denied Persons:**
<http://www.bis.doc.gov/dpl/Default.shtm>

What is the end-use of your item?

Depending on the end-use of the item, your product may require a license. Some end-uses are prohibited.

Select a Freight Forwarder.

A freight forwarder is one of your most important allies in international sales. Fast and efficient delivery can set you apart from the competition. Evaluate several freight forwarders and choose one that provides the best combination of service and price. A freight forwarder may act as your agent and have power of attorney to prepare, examine and distribute your shipping documents, as well as the authority to submit documents directly to your bank for collection and deposit. You must have confidence in the forwarder's recordkeeping methods and staff training.

Incoterms.

When negotiating an international sales contract, both parties must pay attention to the terms of sale as well as the sales price. Most countries have adopted INCOTERMS, an international set of trade terms, to define the responsibilities and risks for both buyer and seller during shipment, transit and final delivery.

Documents.

Verify document requirements for the country before exporting your goods and services. Documents such as Commercial Invoices, Shipper's Export Declarations, and Certificates of Origin are required. Although a freight forwarder may prepare these documents, the exporter is ultimately responsible for their content and accuracy.