

Export Readiness Assessment Purposes, Key Factors & Tools

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Export Readiness Assessment

Why – What to Look For

■ **Assessment Objectives**

- Self-assess export readiness (the company)
- Screen firms with export potential (counselors)
- Understand factors affecting export readiness
- Identify/overcome export weaknesses
- Become export ready

■ Prerequisites to Look For

- Adequate Resources -- Money, Inventory, Staff
- Market Potential – Needed, Competitive Product
- Committed Management – Patient, willing to spend
- Sound Marketing Methods – Distribution, promotion

Company Resources

- Need Adequate Budget for Export Initiatives
 - Exporting can fit your budget
 - Small budgets can produce export results
 - The more you invest, the greater the return
- Need Adequate Capacity/Inventory to Fill Orders
 - Idle capacity can be put to export use
 - Working Capital Guarantees/Loans to Meet Orders
- Need Adequate Staff for Export Operations
 - Hire or Train
- Need Management Commitment to See it Through

Market Potential - Positives

- You have strong domestic sales
- You've had unsolicited foreign inquiries
- You're price-competitive domestically
- You're "superior" in some key way
- You can adapt to the market

Market Potential - Negatives

- Product transportation costs are high
- Product needs on-site user training
- Product needs extensive on-site service

Management Commitment

- Management exports for the “right” reasons
- Management sees exports as important
- Management is willing to be patient

Operating Methods

- Market research and planning are SOP
- Company has a sales/distribution network
- Company markets/promotes its products
- Workload is delegated and not closely held