



# **International Ecommerce Do's And Don'ts**

## **International Product Shipping Methods And Customs Forms**

**(a short companion report to the  
“Keeping International Ecommerce Wealth  
Safe From Fraudsters” ebook)**

**[Coble International](#)**

# International Product Shipping Methods and Customs Forms

**This report is being published with the emphasis being on a USA based business – if you happen to be based in another country, simply apply what is being provided to your own country to gain maximum benefit.**

In the late 1990's and early 2000's we sold an automotive accessory B2B and B2C. The average profit per unit to the B2C market was \$100.00US.

**TIP: Be sure to quote your price in US Dollars so there is NO misunderstanding when the person's credit card is charged in their currency!**

With all their faults, we determined that the US Postal Service was the best method to ship this product to our foreign customers. The only method of shipping with the US Postal service (that I am aware of) that provides tracking via their web site is US Postal Air Express.

If you ship anything internationally or domestically, without some form of tracking, you stand a good chance of getting the item charged back against your merchant account. Too high a charge back percentage not only costs you in charge back fees but could end up costing your business its merchant account.

Domestic shipments have the advantage of delivery confirmation which without the signature type still let's you open to potential charge backs, however, it dissuades most would-be fraudsters (term I coined – maybe I should trademark it?).

Tracking, not only provides you with a method of tracking the shipment for you, but also allows a true customer to visibly see that their order has shipped and is on its way. Without the availability of tracking via the US Postal service web site, you will be opening yourself up to receiving phone calls several times a day or emails asking when they are going to receive their order.

Express mail certainly costs more but without the tracking it provides, you will find international business simply is not worth the hassle you will soon begin to endure.

**Tip: Don't Forget The Customs Form**

Oh, and don't forget the customs forms! Here is a link to the USPS web site so you may review the two types of forms - <https://webapps.usps.com/customsforms/#>

For Express Mail you must use 2976-A which can be time consuming and you must know the various codes to identify the type of merchandise you are shipping out of the country – although USPS has now made a form available online, this is still an added, time consuming factor.

While on the subject of CUSTOMS – be sure to inform your customer that you have “NO” control over how long it may take for their country’s customs department to clear the package once it goes into their customs bureau.

Since 9/11/2001, customs clearance can take 2-3 times as long as the shipment process takes. We began experiencing these delays in 2002-3 and it would sometimes take up to 10 to 14 days to clear customs and this was Canadian customs (no offense intended to our friends up North, but your customs department really is SLOW!).

Canada is actually one of the slowest countries actually for both their customs and postal delivery which leaves a lot to be desired. We no longer sell the automotive product but do sell other products via drop ship arrangements from vendors who use USPS Express and service is much faster to send something to China, India, Australia, Vietnam or just about any other country than it is to send it to a Canadian customer.

### **Tip: Inform Your Customer About Customs Duties!**

Because it has been about 5 years since we have shipped anything direct from our business (we drop ship everything now) I am not sure what the customs duties might be for any country and literally, this is not your responsibility to know.

However, it is your responsibility to inform your foreign customer that they should be aware of the fact their country will be charging them some form of customs clearance duty that will be determined by their customs bureau upon entry into their country.

A large number of our customers for the automotive product we used to sell were from Canada. One of those customers, who we forgot to inform of the customs duties, called to complain when he received their bill and I seem to recall it was approximately \$25.00 which was approximately 16.6% of the total cost of \$150.00.

Again, I want to repeat, it is not your responsibility to find this cost but you should inform your customer of this extra cost.

### **Tip: DO NOT LIE ABOUT THE VALUE ON THE CUSTOMS FORMS**

Lie may seem like a harsh word, well I am not no politician and will not call it “mis-spoke” – if you lie on the customs form about the value of the item in the package – it is a LIE and it could get you into **BIG** trouble (unlike most of our politicians who do it on a daily basis and get reelected).

Customs in other countries can be quite extreme in cost. Depending upon the type of item, I have seen customs duties that were 100 – 150% of the value of the item – so hopefully you will now see why it is extremely important for you to inform you potential customers of this extra cost and extra time required for delivery.

Just a little interesting side note about how insane customs departments can be – we shipped an entire regional trade directory set containing 150,000 listings of worldwide importers CD to the government operated Export Bureau of a South American country (shall remain unnamed) – the value of the directory is \$1,655.00.

Our supplier was advised about two weeks after the order was shipped that it was being returned (they used DHL at the time) because this country's customs bureau wanted \$1,655.00 in customs duties paid before they would release the CD rom to another department within that "same" country's government???

We informed the Export Bureau of this INSANE bureaucratic problem and after exchanging a few emails and a couple of phone calls, they were able to get their customs department to release it to them without paying any duties. Government bureaucrats!!! Enough said.

I hope this report will help you make a more informed decision about International Ecommerce in regards to your business and that you have found my experiences both interesting and worth reading.

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<http://www.importexporthelp.com/>