

Export Logistics New Zealand to China

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Introduction



- **Market Research**
- **Product Development**
- **Testing**
- **Time**
- **Resources**
- **Investment**
- **Strategy**
- **Partners in Asia**
- **Profit and Return on Investment**



- 1. What are my options to get product to market ?**
- 2. What is the best mode of transport for my product ?**
- 3. How much time do I have from order placement, and manufacturing to final delivery ?**
- 4. What delivery time will meet the customer's expectation ?**
- 5. Is my product best suited to move via Airfreight or Seafreight ?**



Shipping Services



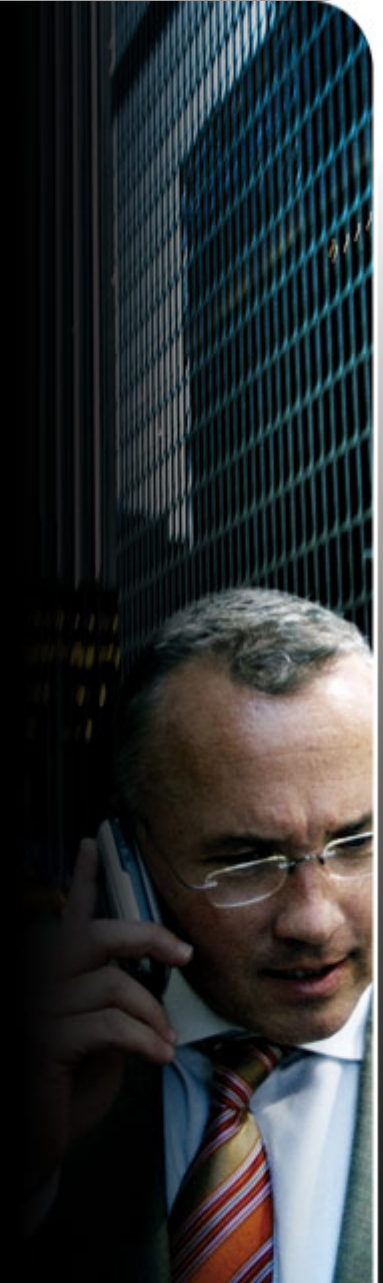
- Weekly scheduled shipping services to China.
- LCL Consolidation
- FCL
- Direct
- Tranship



Transit Times



- **DIRECT SERVICE**
 - 12-15 days
- **DEFERRED or TRANSHIP SERVICES**
 - 20 – 25 Days to Shanghai, Qingdao or Xiamen



Costs.

- **Transit time of the vessel, will generally determine the relative cost**
- **“The longer the transit time the cheaper the freight cost”**
- **Seafreight costs for containers are based on a per FCL basis or per Cubic Metre for LCL**
- **Documentation Costs**



Equipment Options Seafreight



- 20ft General Purpose Containers (30 cube)
- 40ft General Purpose Containers (60 cube)
- 20 and 40ft Refrigerated Containers
- Flat Racks
- Open Top Containers
- High Cubes



LCL = Less than a Container Load



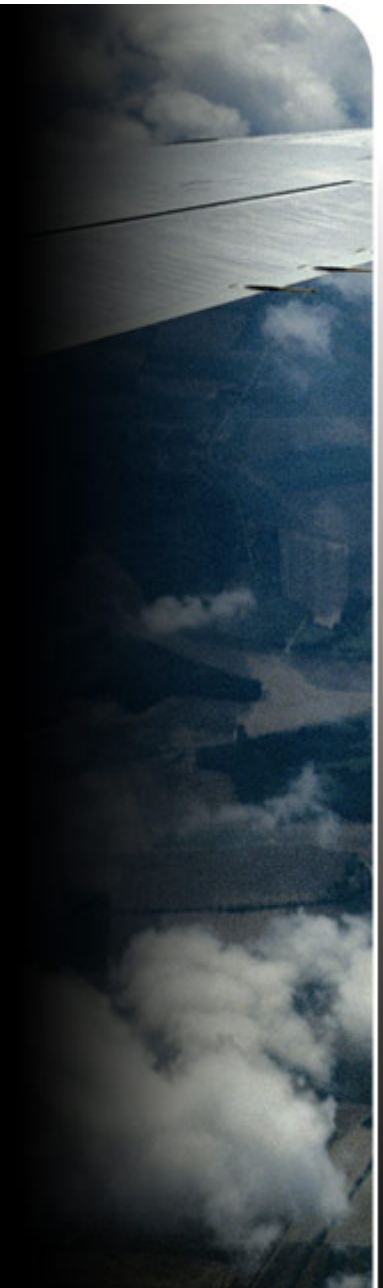
- **LCL services are for clients who may be exporting smaller shipments**
- **Often LCL is used for product samples**
- **15 Cubic Metre Break point**
- **Freight companies provide a “Consolidation” or “Groupage Service”, where a few customers with smaller orders can share a container in order to get their product to market.**
- **Seafreight costs for LCL cargo are always on a per m3 or 1000kg basis (whichever is the greater)**



Airfreight Services



- **Air NZ, Qantas, Thai Airways, Singapore Airlines and several other carriers operate international airfreight services from Auckland and Christchurch to Asia**
- **Actual vs Chargeable Weight**
- **Direct and Deferred carriers**
- **Air NZ has the only Direct Services from Auckland and Christchurch to Shanghai and Beijing**
 - **3 days per week**



Export Documentation



1. Shippers Letter of Instruction
2. Commercial Invoice
3. Treatment Declaration
4. Free Trade Agreement Document (available from www.chamberdocs.co.nz)
5. Note : Often ORIGINAL Documentation is required.
 - Close is not close enough



Pitfalls



- **Most Common occurrences resulting in insurance claims.**
 - 1. Insufficient Packaging and Storage**
 - 2. Water Damage**
 - 3. Theft & Pilferage**
 - 4. Temperature Problems**
 - 5. Terms of Sale Confusion**



1. **Do I need to insure my shipments**
2. **What are INCO terms**
3. **How do INCO terms affect the export of product from NZ**
4. **When is LCL used versus FCL**
5. **Questions from the floor**

