with a product of the required specifications at a price of $41.72 (Cdn) ex plant — after quantity and cash discounts, and net of federal tax which does not apply on exports.

Naim in Trinidad already has an offer from the Danes at $31.00 (US) $43.09 (Cdn) c.i.f. Port of Spain. Mr. Kampouris first tries to get Mr. Naim to go higher. The answer is "No." Mr. Naim remains unimpressed by the superior quality of Canadian wheelbarrows; even if they are the world's best, he would still prefer to have his 600 wheelbarrows at $31.00 (US), or even cheaper. In this particular case, the trader can either try to meet the buyer's conditions or let the deal drop. Mr. Kampouris decides to pursue the transaction.

Export Costing

At this stage, Mr. Kampouris calculates the c.i.f. price based on the manufacturer's offer and the direct exporting costs involved. The results (per wheelbarrow) of his computations are given below:

	Net f.o.b. ex plant (manufacturer's offer)		$41.72
+	Direct Exporting Costs (DEC)		
	Inland freight	0.37	
	Handling		
	Storage		
	Marking		
	Preparation and delivery containers	4.67	
	Wharfage		
	Overseas freight		
	Interest	1.30	
	Banking costs	0.12	
	Insurance	0.30	
	Total DEC		6.76
=	Total, c.i.f. before profit		48.48
+	Targeted profit		3.39
=	Total c.i.f., including targeted profit		$51.87 (Cdn)