

product or service, the price at point of delivery, the time of shipment and the terms of the sale (e.g. irrevocable letter of credit). Other elements that should be included are the gross shipping weight, cubic volume or other relevant measures. You should provide freight insurance and other costs if requested by the buyer to allow for calculation of the "landed cost."

The quotation can be in the form of a "pro forma" invoice transmitted by letter, fax, telex, or electronic mail. A quotation is usually contractually

binding in international business, so careful preparation is essential. A freight forwarder can offer valuable assistance in developing your quotation.

The following worksheet breaks down the expenses encountered in a typical export transaction.

Once you have set a competitive price for your product or service, the next step is to investigate ways of financing your export venture.