

corresponding bank in Canada as specified by the Canadian exporter. Such an arrangement also enables the Canadian exporter to request the U.S. bank to run credit checks on potential customers, and the firm can accumulate receivables in the U.S. and use such to expand business operations in the country. Currently, the monthly maintenance fee for a lock box in Western New York is approximately US\$50; after that, every check that is processed costs about U.S.\$0.08 plus U.S.\$0.25 for duplication of the check, if such is desired.

If the Canadian software firm does not wish to handle the export documentation directly, it can hire the services of a Canadian freight forwarder, a trade management company or trading company, or a U.S. customhouse broker. In some instances, these intermediaries will even take possession of the goods and take care of all of the documentation and transportation requirements. The names and addresses of these kinds of service providers may be obtained from local Canadian trading groups, from the provincial governments, and from the Canadian Consulate offices in New York State.

2) Requirements for Clearing U.S. Customs Inspection

A second area of concern in selling software across the Canada-United States border is fulfilling the requirements necessary to clear inspection by U.S. customs officials. **These requirements include presentation of proper documentation to customs officials; compliance with copyright, trade mark, and patent regulations; affixing proper marking labels on the software; payment of import duties; and qualifications under the Free Trade Agreement for reduced restrictions on temporary business travel into the United States.** Each of these issues is discussed below.

a) Presentation of Proper Documentation to Customs Officials

Software products moving from Canada to New York State must be accompanied by several pieces of documentation, which are required by U.S. Customs. For assistance in this process, contact can be made with a licensed U.S. customs broker or a Canadian freight forwarder. The Canadian Consulates in Buffalo or New York City can supply a list of such brokers. **The principal documents required include a bill of lading, a customs invoice, a certificate of origin, and a packing list.** It is common for the invoice and "exporter's certificate of origin" to be combined onto one document. The software firm will be expected to indicate on this invoice the type of diskettes being shipped (i.e., double or single sided, double or single density); the size of the diskettes (i.e.,