

MARINE

Marine transportation has varied in popularity in recent years. Marine transport declined from 48 percent of total Canadian exports to Mexico in 1988 to a low of 17 percent in 1990, and then increased to 32 percent in 1992. One operator offers a regularly scheduled containerized cargo service from Saint John, New Brunswick to Veracruz, Mexico. Marine transport is currently quite competitive with both truck and rail freight rates. The disadvantage is that marine transport requires at least ten days of transit time and at least four to five days of delays for customs clearance and warehouse storage. Nonetheless, some cargo is well suited to shipment by sea, particularly bulk shipments such as grains and oil.

AIR

Air traffic between Mexico and Canada is mainly of the charter vacation variety and is not well suited for cargo transport. Air transport is most appropriate for compact merchandise and/or high-value items such as electronics, aircraft parts, pharmaceuticals, precious stones and metals, and flowers. At present, Montreal, Toronto and Vancouver are points of origin for direct commercial services to Mexico.

3. FREIGHT FORWARDERS AND CUSTOMS BROKERS

Exporting within North America is not as complicated as it seems. Nonetheless, the small or inexperienced exporter can benefit greatly from the assistance of freight forwarders, insurance underwriters and customs brokers. Freight forwarders plan the details of a shipment, make arrangements for packing, prepare documentation and organize transportation. Insurance underwriters provide insurance coverage to reduce the risks associated with export. And customs brokers help to ensure that shipments meet all customs requirements and that the accompanying documents are completed correctly.

Before using any of these services, the product to be exported must be properly prepared, unitized, and/or containerized. Otherwise carriers may refuse to carry the goods and insurance companies may refuse to cover any losses if goods are damaged. Here are a few simple rules that should be followed prior to shipment:

- assess the total transportation route and pack for the toughest leg;
- determine the frequency of trans-shipment if using multi-modal transportation, and prepare the goods for multiple handling;
- determine the packaging regulations and requirements that apply in the country of origin, for each carrier, at all ports of exit and entry, and in the country of destination;

