

Buying Pond Products Overseas

Friday, Nov. 6, 2009, 2:30 p.m., EST

Lunch Chinese style. The general manager's wife prepared lunch, but she did not eat with us. According to Chinese tradition, her husband and other business associates sat down together to eat. Canton Fair, the annual international trade show in Guangzhou, China, offers what amounts to one-stop shopping at its best. I recently returned from my third consecutive year attending this well-known trade fair, though this marks my fifth trip to China. I also travel extensively for business to other European and Asian countries.

The volume of products, people and business deals at Canton Fair prove mind-boggling, and the show matches 22,000 exhibitors with 165,000 visitors, representing nearly every retail sector imaginable. Rather than trek across Asia in search of the products I need, I visit with thousands of manufacturers and distributors in one central location, making this the most convenient way for me to source the products and services I need for my retail business.

To remain successful and grow our businesses, we must stay fresh and continue to offer our customers new and unique products not seen in every major chain store. Canton Fair encourages me to focus on what's next and spawns new ideas.

The newly made, rustic-style pottery remains in the mold, waiting to air dry. Dealing with unknown foreign suppliers, however, can contain pitfalls, and doing business in China is not for the faint of heart. Asian customs and standards differ from those in the Western world.

When considering overseas travel and purchases, take some of the lessons I learned to heart. While English is the universal language for exports around the world, foreigners do not always understand what we say in the way that we intend it. First-timers might find it helpful to travel with an interpreter. This can provide an invaluable tool with the language barrier as well as with the more subtle business customs. For example, when presenting business cards (the Chinese call them name cards), use both hands and face forward. You must pay for purchases before you receive them. Most manufacturers require a 30 percent down payment with the order and the final 70 percent paid when the container arrives at the port of departure. From China, that usually means a final payment 30 days before the shipment arrives at our facilities. The factory workers remove the pot from the mold, touch it up, trim it and leave it to air dry before they apply the glaze. Fair vendors often work as agents and do not actually manufacture the products on display in their booths. Many of the products on display are prototypes, so the final product can differ from the show display. The only way to know for certain who you are dealing with is to visit each factory. Most manufacturers require minimum order quantities, commonly referred to as MOQs, and they sell a limited number of SKUs per container. You must order large quantities. Before entering into an agreement, find out about the exporter's warranty. How will they handle problems? Get the answer to these serious questions before entering into an agreement with an exporter. Once the container is loaded on the ship, you must be prepared to handle the import documentation that follows.

If you can overcome the obstacles while meeting the obligations and challenges, importing pond and water garden products can prove profitable. For us, direct importing proved worthwhile but it is not for everyone.

Once the pot is air-dried and glazed, the workers carry it to the kiln for firing. With each visit, I learn something new and often forge new business relationships. Several years ago, I added factory visits to my buying trips. These journeys to some of the most remote places in China enable me to see first-hand the quality of goods being produced and the type of business operations offered for individual vendors.

Most manufacturers express pleasure that I show the interest and make the effort to visit their actual operations. I get the added bonus of seeing places I might never visit on vacation.

Canton Fair offers a unique experience and might prove profitable, but visitors need an open mind and a traveler's heart. For the less-adventurous, consolidator companies specialize in sourcing from the trade fair for those who prefer to make purchases from the comfort of their own offices.