



Perfect Choice Pages

**FREIGHT**

**FORWARDERS**

For **YOUR** Specific  
Business Needs

(Just close eyes and point)

# Finding a forwarder

## Resources on the Web

**National Customs Brokers and Forwarders Association of America:** [www.ncbfaa.org](http://www.ncbfaa.org)

**Airforwarders Association (AfA):**  
[www.airforwarders.org](http://www.airforwarders.org)

**Directory of Freight Forwarding Services:**  
[www.forwarders.com](http://www.forwarders.com)

**Freightgate:**  
[www.freightgate.com/directories/directories.tet](http://www.freightgate.com/directories/directories.tet)

**Freightnet:** [www.freightnet.com](http://www.freightnet.com)

**"U.S. Custom House Guide: Ports of Entry and U.S. Import Regulations," published by Commonwealth Business Media:**  
[www.customhouseguide.com](http://www.customhouseguide.com)

**U.S. Department of Commerce's Export Assistance Centers:** [www.buyusa.gov](http://www.buyusa.gov)

**U.S. Department of Agriculture, Directory of Freight Forwarders Serving Agricultural Shippers:**  
[www.ams.usda.gov/tmd/freight/index.htm](http://www.ams.usda.gov/tmd/freight/index.htm)

**1800Miti.Com Inc.:** [www.1800miti.com](http://www.1800miti.com)

— *Compiled by Rosalind McLymont*

## Picking one that's right for you is critical to export success

By **Rosalind McLymont**

**Y**ou're exhibiting at a tradeshow, about to give up on finding new clients for the "miracle car wax" you sell to auto dealerships and retailing outfits in a few states, when a buyer from South Africa shows up and orders 20 cases of the stuff. The buyer plunks down the cash right there, too, and tells you to ship the order to Johannesburg. You've never exported anything in your life, but that's not going to stop you. So you do the paperwork and shake hands with your new account.

No sooner does the buyer leave than the fertilizer guy in the neighboring booth saunters over, all buddy-buddy. He hopes your freight forwarder is better than his, he says. He complains that his company made the mistake of using the same forwarder who ships locally for them to ship overseas. Two orders got stuck on the docks for days because the paperwork wasn't right, he says. He reveals that he got his forwarder from the Yellow Pages, but

will be looking elsewhere for someone with international expertise.

"Any idea where to look?" he asks you.

In today's world of Internet omniscience, finding a forwarder is relatively easy for the small or midsize company that is new to exporting, or that simply wants to change providers.

### Where to look

Going to the Yellow Pages — the hard copy or on the Internet — almost is instinctive, but that works best in major metropolitan areas, such as New York and Houston, where you are sure to find several entries whose services you can compare.

While you're in directory mode, however, check out the "U.S. Custom House Guide: Ports of Entry and U.S. Import Regulations" and its sister publication, "The Official Export Guide." Commonwealth Business Media, the parent company of Shipping Digest,

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**W**hether you're a first-time exporter or a seasoned one looking for a new forwarder, it's best to speak with several freight forwarders before picking one. Here

are questions to consider. Price obviously is a critical question, but it should not be at the top of your list. Some of the questions below may not be at all relevant to your cir-

cumstances, but many probably are. Some of those that are most important for you may be at or near the bottom of this list, so read through them all.



## Questions to consider when choosing a forwarder

- Does the freight forwarder have time to answer your questions? Is she willing to take the time to explain terms and procedures in a way you can understand?
- Does the forwarder have a record of customer satisfaction? Ask for a list of satisfied customers and call them.
- Does the forwarder have knowledge of and experience with your product, desired shipment method and destination country? Many freight forwarders contend that, although they may not have prior experience shipping a given product or to a specific destination, they could handle any move, anywhere. But you may not want to take a chance with them, especially if you have other reservations about them.
- Is the forwarder financially stable? Ask for and check credit references. Check with carriers to see that the forwarder has a good payment record. Ask for a copy of its annual report — publicly traded companies must have one. Larger companies can be checked on the New York Stock Exchange, NASDAQ, or Dun & Bradstreet.
- What are the forwarder's rates?
- Do you want a contract with your forwarder? If so, how long a term do you want it to cover?
- If you're shipping by ocean, is the freight forwarder licensed by the Federal Maritime Commission? Currently, all ocean freight forwarders in the U.S. must be licensed by the FMC.
- If it's an ocean forwarder, does it have a non-vessel-operating common carrier subsidiary?
- Is it a member of the National Customs Brokers and Forwarders Association of America? If it's an ocean forwarder, has it received the association's Certified Ocean Forwarder designation?
- If you ship by air, has the freight forwarder been certified by Cargo Network Services? Certification by CNS, the U.S. cargo subsidiary of the International Air Transportation Association, is not a requirement to handle airfreight. However, to register, freight forwarders must meet CNS criteria regarding financial and credit standing, physical facilities, professional qualifications and ethical practice.
- Does the freight forwarder have a network of overseas agents or an office in your destination market? Are they agents or owned and operated offices? Do the offices have the ability to communicate with one another on-line?
- Is the forwarder large enough to handle your business? Does it have ample facilities? For example, does it have warehouse facilities, if that service is needed? Does it have electronic data interchange capabilities? Does it have sufficient staff to handle your volume and other needs?
- If it's a small or midsize forwarder without any overseas offices or agents of its own, is it part of a larger network? Examples of forwarder networks include Global Logistics Associates, United Shipping, World Cargo Alliance Inc., Worldwide Independent Network and World Project Group. Be sure, however, that the network is active. Ask for concrete examples of how the forwarder has benefited from membership in the networks.
- Does the freight forwarder carry "errors and omissions insurance" to protect it from loss due to lawsuits filed by unhappy clients?
- How close is the forwarder to your preferred seaport or airport?
- Does the freight forwarder have favorable shipping rates and schedules? What services are provided free of charge?
- Does the forwarder have 24/7 communications capability?
- What is the forwarder's maximum amount of liability coverage? Can high-value goods be accommodated?
- Can the forwarder arrange appropriate packing and crating services?
- Is the forwarder a member of a local or regional forwarders' association?
- How does the forwarder stay abreast of issues relating to your type of cargo and industry sector?
- Does the forwarder also handle imports? Is someone on staff a licensed customs broker?
- Has the forwarder been certified as a member of the Customs-Trade Partnership Against Terrorism?
- If your product could be considered as hazardous cargo, what kind of training have staff members received in handling such goods? ⚠

— *Rosalind McLymont  
and William Armbruster*

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publishes both guides, which offer a wealth of nitty-gritty information and resources. Ports of Entry, for example, lists relevant organizations, agencies and service providers in each customs district, including customs brokers and freight forwarders. The list for the New York-New Jersey District alone is six pages long.

The strictly online Directory of Freight Forwarding Services lists companies by city and state, in the U.S. and outside, with all the services they offer, such as airfreight, rail freight, trucking, breakbulk, specialized transportation, logistics management, international trade, insurance, export documentation and licensing and letters of credit.

The umbrella organization, National Customs Brokers and Forwarders Association of America Inc., with its "Find a Broker/Forwarder" and "Useful Links" facilities, is an excellent resource. Submitting a forwarder query for a specific city and/or state yields a list of names with their contact information in the location specified. "Useful Links," meanwhile, takes you to the local broker-forwarder associations, such as the Boston Customs Brokers and Forwarders Association and the Customs Brokers and Forwarders Association of Northern California.

Other forwarder listing services include the commerce network 1800Miti.Com Inc., FreightGate and FreightNet, which allow you to find forwarders around the world.

Then there's the U.S. government, one of your best friends when it comes to exporting. The U.S. Department of Agriculture maintains a directory of freight forwarders that serve shippers of agricultural products. The U.S. Department of Commerce's international trade specialists at the regional Export Assistance Centers will at least steer exporters to a relevant list.

"We direct them to the New York Freight Forwarders Association and/or the NCBFAA. We're not allowed to give the name of any single companies. Sometimes

## Size matters

*Small, midsize and large forwarders each have pluses and minuses*

**By Rosalind McLymont**

A key issue for smaller exporters is whether to go with a big, midsize or small forwarder.

Elaine Rosendorf, co-owner of Amber Worldwide Logistics Inc., in Jamaica, N.Y., said a small company such as hers has "a better handle than the big boys on what's going on."

Multinational companies such as General Motors Corp. have in-house staff to handle export matters and large, and seasoned exporters, even small ones, know what is required, she said. "But the guy that goes to a tradeshow where somebody buys his merchandise — he doesn't have a clue what he's supposed to do to make the export," she said.

The big freight forwarders are not geared up to serve such clients, she said. Instead, "they're geared up for what I call production line exports. If they have to take anything out of the line that's smaller, they're not geared up to do it," she said.

Similarly, the big boys do not necessarily have better rates than the small players, Rosendorf said. "I found that to be true many times on airfreight. I may have a better relationship with the sales representative and can get a better rate than, say, Kuehne & Nagle," she said.

The "big boys" counter with the strength of their global reach and bargaining power, as well as the array of services they provide, even to the small exporter.

Joe Bento, president and chief marketing officer of EGL Inc., said it provides shippers, regardless of size or industry

segment, with complete global export services and a worldwide network of facilities and gateway operations. EGL's size and shipment volume allow it to leverage its buying power for air and ocean transportation services. "Web-enabled visibility and reporting capabilities are available for customers throughout the export process," he said.

The choice between big or small boils down to personal preference, according to Brandon Fried, executive director of the Airforwarders Association.

"Usually, small and medium-sized companies can establish rapport with customers on a much more personalized basis, which results in increased flexibility and probably increased customer service. That's not to say larger companies can't be the same. It's just that their size at times makes them a bit inflexible," Fried said.

"Large companies tend to have greater financial resources and that's usually seen in worldwide presence, extensive technology and maybe increased capability in certain intricate areas. But small companies tend to be focused, niche players and specialized in specific import and export areas. That might be more pertinent," he said.

Bento, however, insists that EGL can provide personalized service, too. "We work with our customers to understand their businesses and to develop personalized solutions. Using our complete suite of services to create a strategy, we believe we provide a competitive advantage for customers," he said. ⚙

we refer them to the Buyusa.gov Web site because some companies are advertising on the site," said Harvey Rubenstein, trade specialist at the Newark Export Assistance Center in New Jersey.

While all these sources provide

names, contact information and, in some instances, a description of the services provided, they do not tell you the qualities you should look for, or the questions to ask, when choosing a freight forwarder (Story, Page 8). ⚙