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# INTERNATIONAL TRADE OPERATIONS

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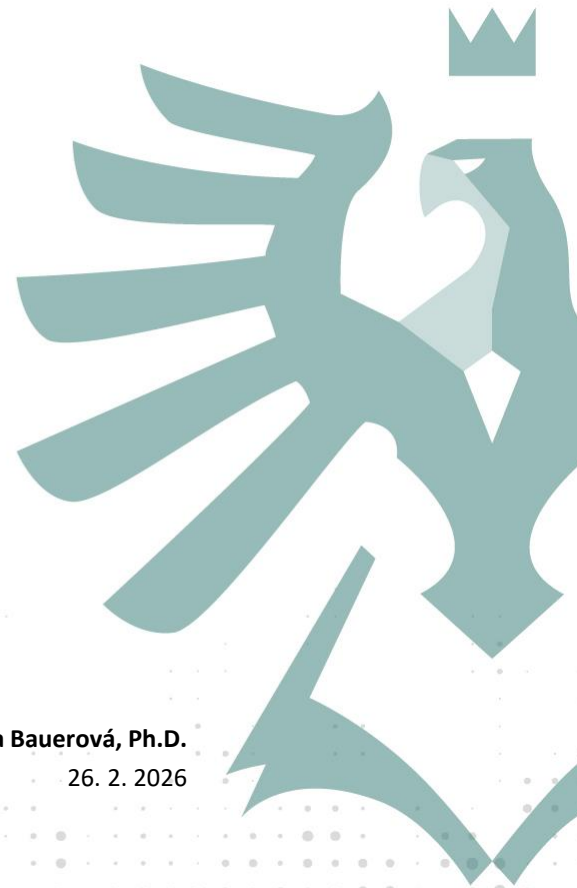
**Lecture No. 2:**

THE PHASES OF THE BUSINESS OPERATION

[www.slu.cz/opf/cz](http://www.slu.cz/opf/cz)

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26. 2. 2026



# CONTENT OF THE LECTURE

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- The role of the preparation and the plans for entering chosen market
- Types of business negotiations
  - Business negotiations from the international perspective
- Specification of documents types in business relations from the national perspective
- Specification of documents types in business relations from the international perspective
- Explanation of Incoterms



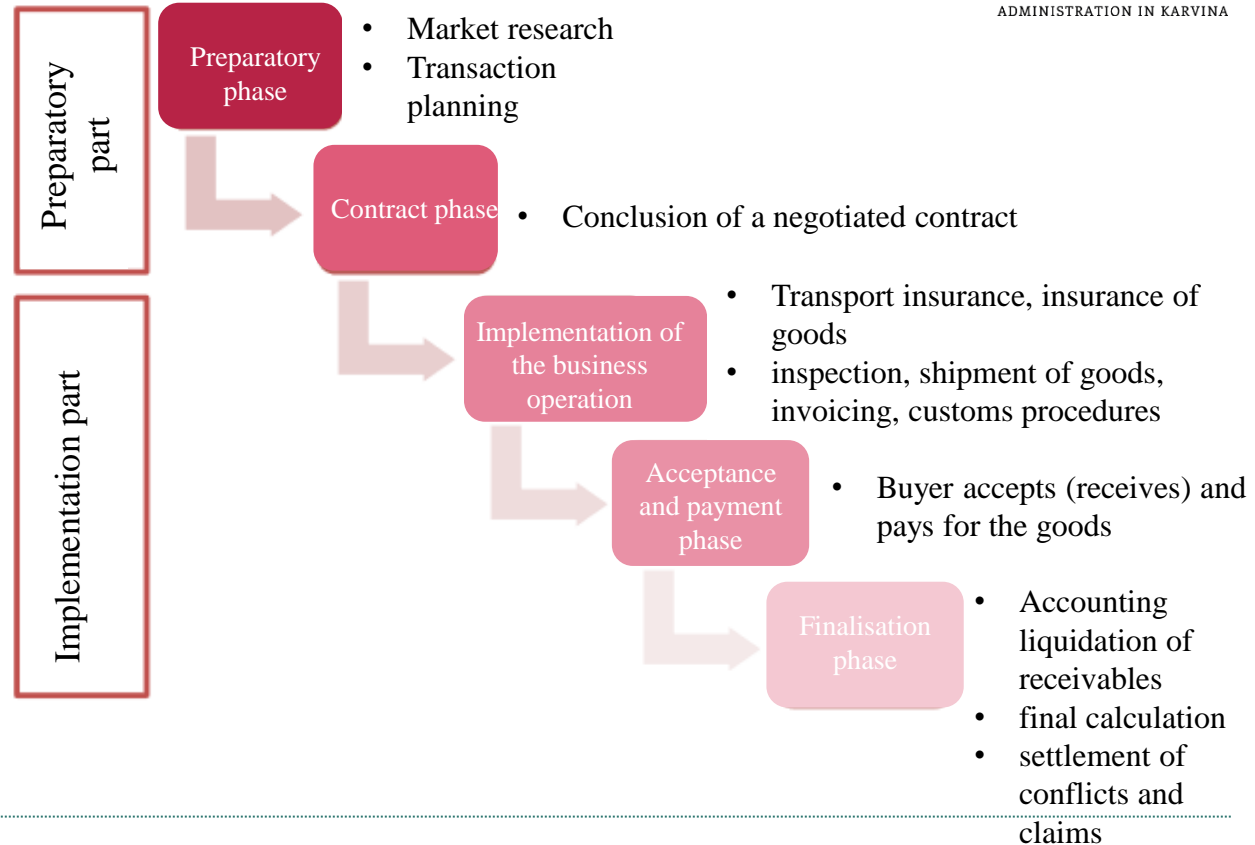


LET'S TALK  
RE-GLOBALIZATION

# THE PHASES OF THE BUSINESS OPERATION



- Trading on foreign markets is carried out through individual trading operations, which can take different forms of entry into the international market.
- They are specific in content and consist of a preparatory and implementation phase.



# PREPARATORY PHASE – MARKET RESEARCH



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- In the case of capital inputs to the markets, it precedes the contract conclusion phase
- The stage of deciding on **the profitability of entering the intended market**
- The process of **targeted search and gathering information** about the **conditions, trends, opportunities and risks** of the monitored market
- Decision-making based on a **set of surveys** of a given foreign market
- The survey allows **the selection of a suitable country**



**Large  
companies**

VS.

**Small  
businesses**

It is appropriate to use the support of state institutions (CZECHTRAD E, Czech Export Bank, Export Guarantee and Insurance Company – EGAP, Czech Invest, Czech Tourism), associations, unions, the help of experienced exporters



# The Specific Areas of Survey Focus when Conducting International Business Operations



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Territorial survey

Commercial-political  
research

Commodity survey

Competition research

Consumer survey

Price survey

Tax survey

Examination of Payment  
conditions and  
instruments

Survey of product  
quality and its technical  
level

Logistics-Transport  
survey

Exploring intercultural  
differences and social  
practices



➤ Before the final decision → conduct a risk analysis of the foreign trade operation

# The Specific Areas of Survey Focus when Conducting International Business Operations



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It is important to carry out analyses in these specific areas for business operations (Svatoš, 2009):

- **Territorial survey** - focuses on the specifics of the area (country) in terms of macroeconomic, political, its trade policy and demography, including the country's creditworthiness (discussed in more detail in the second lecture).
- **Commercial-political research** – is an analysis of information on any autonomous market protection measures in use, tariffs, quotas, documents required and the stage of contractual instruments, including the examination of legal aspects.
- **Commodity survey** - focuses on the analysis of the market situation of a particular commodity, monitoring the development of prices, opportunities and tenders.
- **Competition research** - gathering information about the distribution of forces in the competitive market of the country (current and potential competitors), analysis of trends and further development.
- **Consumer Survey** - focusing on the consumer's purchasing behaviour and looking for factors that affect him, identifies the specific needs and desires. The analysis should identify who its customers (consumer, distributor, retailer) and specify the closer social, economic, age, gender and income characteristics of the market segment. In the case of the industrial market, know its country specificities and business partner profile.
- **Price survey** - has a key impact on pricing and acts as a marketing communication tool.
- **Tax survey** - finds out how the set tax level translates into higher prices of exported products, or how it affects business when opening branches abroad.

# The Specific Areas of Survey Focus when Conducting International Business Operations



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It is important to carry out analyses in these specific areas for business operations (Svatoš, 2009):

- **Examination of payment conditions and instruments, including currency selection for the concluded contract** - is important to reduce insolvency or exchange rate risks.
- **Survey of product quality and its technical level** - prevents problems with the product market and ensures compliance with country regulations in the field of technical standards, sanitary and health regulations.
- **Logistics-Transport Survey** - focuses on identifying transport options, their costs, transport organizations or forwarding services and geographic specific areas.
- **Exploring intercultural differences and social practices** - involves identifying factors whose respect and use can significantly affect the marketability of a product or service. It manifests not only as linguistic, religious or communication differences, but also as differences in approach to business conduct, different meaning of verbal or written agreement, understanding of time, respect for authority, straightforward or tactical negotiation, individual or group decision making and business and private access in a personal meeting (**business negotiations**). Knowledge of national customs and their respect is a prerequisite for long-term business ties.

All information collected will be assessed by the exporter, importer, or FDI implementer either by their own expert team or with the help of external consultants. An important part preceding the final decision should be the elaboration of a risk analysis of the foreign trade operation. (Mulačová et al., 2013)

# „ONE COUNTRY, MANY ANGLES “

1 POINT  
ASSIGNMENT

Time: 15 min (10 min work + 5 min sharing)

Objective: **To map the key factors of market entry in a flash and to decide "yes/no" for the pilot delivery of goods.**

Country of entry under consideration: **Ireland**

Product: **Premium Kettle with Control temperature** ("smart kettle")

## Assignment:

1. Write down the Top 2 findings (specifically) within your survey type.
2. What impact the finding may have on the decision (what this means for entry: it facilitates/complicates).
3. Indicate the sources from which you have drawn.



# SHARING AND SYNTHESIS



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## HELPS

- Strong tea culture
- It is part of the intra-EU market (duty is not paid)
- SEPA payments, OA preferences
- Low corporate taxes
- Developed infrastructure (airports, ship hubs)
- Create an innovative USP
- Large price range of the product in the target market
- High purchasing power
- Smart home preferences
- Friendly communication during negotiations, does not tolerate official/artificial negotiations

## COMPLICATES

- High customer price sensitivity (price vs. quality)
- Strong preference for established brands
- Required certifications (CE) and compliance with specific standards, HS certification, strict technical documentation, EMC directive, ROHS certification
- NSAI Approval
- Longer maturity (30-60 days), risk of late payments – credit insurance
- Higher VAT (23%)
- High rent and energy costs
- Saturated market (established brands)
- Very small market (5 million inhabitants)
- A large number of holidays
- Be careful – do not mention that we have English business partners

Decide whether the company should enter the market and justify your decision.



To create a comprehensive analysis of the Irish market prior to entry, it is essential to combine official government sources with international market research and local chambers of commerce.

# BUSINESS NEGOTIATIONS



# TYPES OF BUSINESS NEGOTIATIONS



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As mentioned earlier, at the stage of preparation of a trade operation, it is important to find out the process of business negotiations in the country to prepare the trader as best as possible for the actual negotiation process.

Millions of international business deals are negotiated worldwide every day carried out by managers, business people, financiers, lawyers, engineers and sales and marketing executives. Many negotiations are carried out in face-to-face meetings. But, in addition, a wide range of alternative communication methods are used (text messaging, phone calls, emails, videoconferencing, virtual negotiation). Some of the factors that lead to success in both **domestic and international business negotiations** are the same, included (Maude, 2014):

- Preparedness of the negotiators
- Negotiating skills of the negotiators
- Quality of information acquired

But in many other ways international business negotiation differs from domestic negotiation and requires a different set of skills and capabilities – for instance, the ability to deal with complexity. The obvious complicating factors in international business negotiations are **language and cultural barriers** (Maude, 2014).

**International business negotiation** can be divided into micro and macro level negotiation (Weiss, 2006):

- **Micro-level negotiation** occurs between individuals, and is often focused on simple buying/selling transactions. Numerous small-scale buying-selling transactions are carried out every day by individuals who are in business for themselves.
- **Macro-level negotiation** takes place between organisations such as two international companies, or between a company and foreign government. Some macro-level negotiations are very large in terms of the values and the number of issues dealt with

# SPECIFICS OF NEGOTIATIONS IN CHINA



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International negotiators should consider three key aspects of China's negotiating culture that are usually critical to effective trade negotiations:

"guanxi" – relationship, "mianzi" – face, "kegi" – Chinese polite and cultured behavior

- **Long-term acquaintances and relationships** built on mutual trust play an important role in closing deals
- The Chinese are tough negotiators, **very well equipped with arguments and a great deal of patience**
- They prefer the method of negotiation in the spirit of conformity and collective cooperation, i.e. in the **"win-win" style**
- A good time for a meeting is from **9:00 a.m. to 11:00 a.m.**, or in the afternoon between 14:00 and 16:00.

The most favorable climate: The period for the Beijing region is September - October, or May - June

Business cards play a special role in business meetings, which should always be kept in stock in English and Chinese

- business cards are usually picked up and handed with both hands



# SPECIFICS OF NEGOTIATIONS IN THE UNITED STATES OF AMERICA

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An accompanying feature of American business culture is the pursuit of **simplicity and directness**, it is better to **use short and clear statements** in presentation and negotiation **without unnecessary explanations and descriptions of complex contexts**.

## During the negotiation itself:

- maintain direct eye contact to build trust,
- it is appropriate to organize teleconferences in the presence of three or more people – they must be taken as seriously as personal business meetings,
- At the beginning, clarify what the parties are entering the negotiations with and what their expectations are.

A suitable time for impersonal meetings from the Czech Republic is the time between 22:00 and 24:00.





## Worldwide examples:

### Brazil business negotiation culture

-the official language of Brazil is **Portuguese**, which is clearly preferred in trade negotiations, although some traders have a partial command of **English or Spanish**. Increased emphasis should be placed on the preparation of an interview with a business partner, which may to a certain extent predetermine the success or failure of their own business dealings. It has a very positive effect if at least part of **the promotional documentation is prepared in Portuguese**. If another language needs to be chosen, English is definitely better than the possible use of the Spanish version of the materials. It is advisable to arrive in time for the appointment in advance, although later arrivals of 10 to 15 minutes are usually tolerated. It is customary to address a business partner by **first name**, possibly with a supplement to the position he holds. Business cards are exchanged after the introductory performance. One of the prerequisites for success in the Brazilian market is respect for the fact that Brazilians like to deal with business issues during business **lunch or dinner**, so etiquette also plays a role. With regard to the relatively free working hours, it is recommended to use the interval between **10 am and noon or the afternoon after 3 pm** as the most suitable hour for a business meeting.

### Russian business negotiation culture

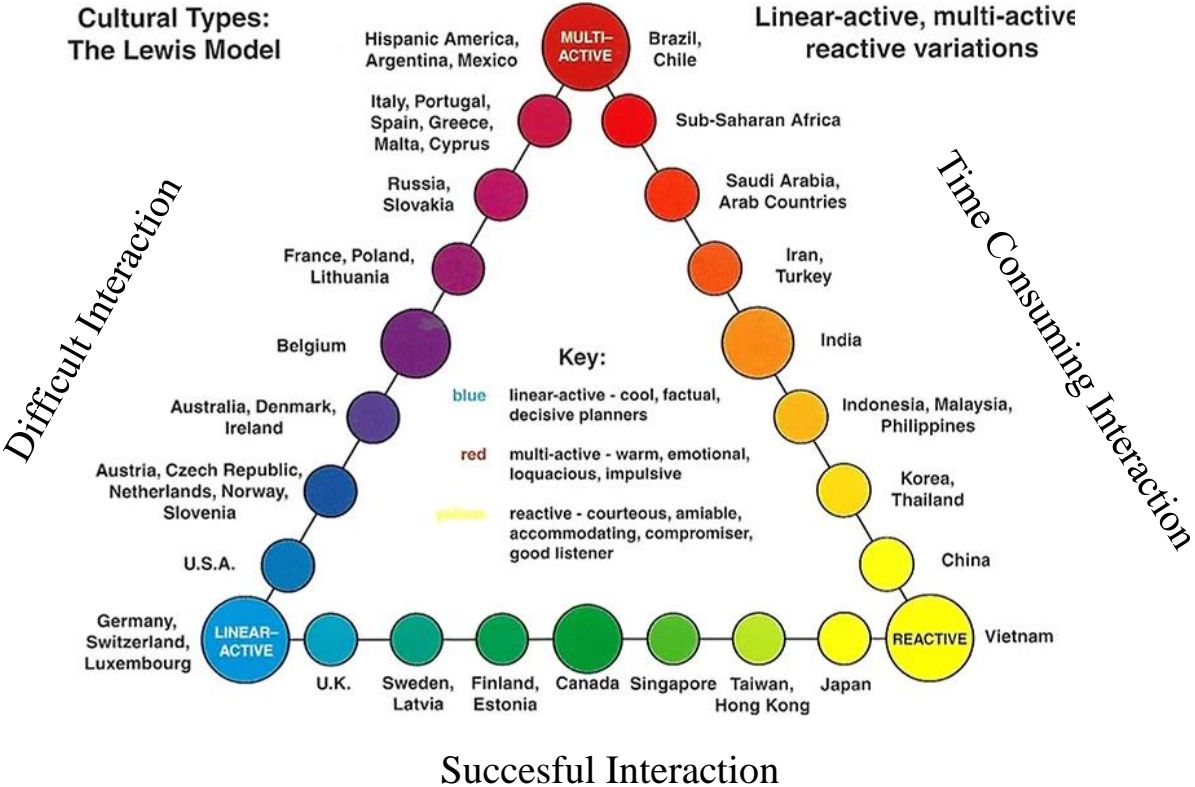
-for trading with this country there are some specific practices, which states that the **language** of negotiation is Russian, important **personal contact**, business offers to be prepared **in different delivery parities** and in **different currencies**, negotiation of business conditions is sharp, the risk of contracts that it is not possible to influence, it is important to help in the territory from representatives or companies already operating on the market, the background materials must be in Russian language (or in Russian-English version), knowledge of not only **federal but also local legislation**, goods description and instructions in Russian , the **dates** of negotiations **are often delayed**.

# BUSINESS NEGOTIATIONS FROM THE INTERNATIONAL PERSPECTIVE

## -Worldwide examples in short

Country	Perception of negotiation time	Type of clothes	Language of negotiation	Preferred way of communication	Interesting facts in business negotiations
China	Appointment time preferably between 9-11 a.m. and 14-16 p.m. hours	Suit	Chinese	Personal meeting	The key is in the negotiations the role of a company <b>owner or CEO</b> . Inviting to lunch or dinner is a common part of a business meeting. Usually several courses are served. The invited partner is also expected to make a <b>few toasts</b> .
Russia	There is frequent delays in business negotiations	Business suits	Russian, but the management of large corporations and companies can also speak English	Personal meeting	<b>Gift exchange, frequent toasts</b> . Negotiations, which are often complicated by various <b>bureaucratic constraints</b> , are usually difficult, requiring patience and purposefulness.
Brazil	Appointment time preferably between 10-12 a.m.	Suit and formal shirt with tie	Portuguese. English and Spanish are also possible.	Personal meeting	It is usual to call a business partner by first name. Brazilians like to deal with business issues during business lunch or dinner. <b>Corruption also occurs</b> .
USA	In case of impersonal contact it is best to plan between 22-24 p.m. (in the case of the Czech Republic)	Conservative	English	Teleconference (Skype, videoconference )	Attendance of a company attorney in a business meeting. They <b>badly tolerate silence</b> in the meeting. <b>Sports issues</b> are perceived very positive and sporting verbal bargains can also be used (expressions like slam dunk, drop the glove).
Czech Republic	Appointment time preferably between	A conservative yet stylish suit is	Czech, English, other with the help	Personal meeting	If invited to a Czech home, it is appropriate to bring a <b>gift</b> . Good quality wine or spirits, chocolates and

# Cultural Types – The Lewis Model



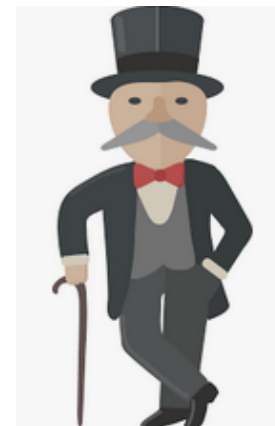


# EXAMPLES AND PRACTICAL IMPLICATIONS OF CROSS-CULTURAL DIFFERENCES



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WHAT THE BRITISH SAY	WHAT THE BRITISH MEAN	WHAT FOREIGNERS UNDERSTAND
I hear what you say	I disagree and do not want to discuss it further	He accepts my point of view
With the greatest respect	You are an idiot	He is listening to me
That's not bad	That's good	That's poor
That is a very brave proposal	You are insane	He thinks I have courage
Quite good	A bit disappointing	Quite good
I would suggest	Do it or be prepared to justify yourself	Think about the idea, but do what you like
Oh, incidentally/by the way	The primary purpose of our discussion is..	That is not very important
I'll bear it in mind	I've forgotten it already	They will probably do it
You must come for dinner	It's not an invitation, I'm just being polite	I will get an invitation soon



# PREPARING FOR THE NEGOTIATIONS IN FRANCE



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Ways to success	Ways to failure
Try to get into French discussion regarding a free market and social guarantees	Talk only English
Show respect to French culture	Ignore French intellectual experience
Be sure that your French guests gets good food and drinks	Curse and drink too much
Keep the formal communication till you suggested to address by names	Decreasing importance of French language in a modern world
Be logic and consistent while negotiating and keep up with your decision	Refuse a proposal to have lunch or diner together

Icebreakers	Icebergs
Marvellous regions of France	Comparison of unemployment rate in France and EU
Food and wine	Old French – English conflict
Six Nations rugby Championship	Decision to choose a new world wine instead of French one



# The Global Negotiation Process

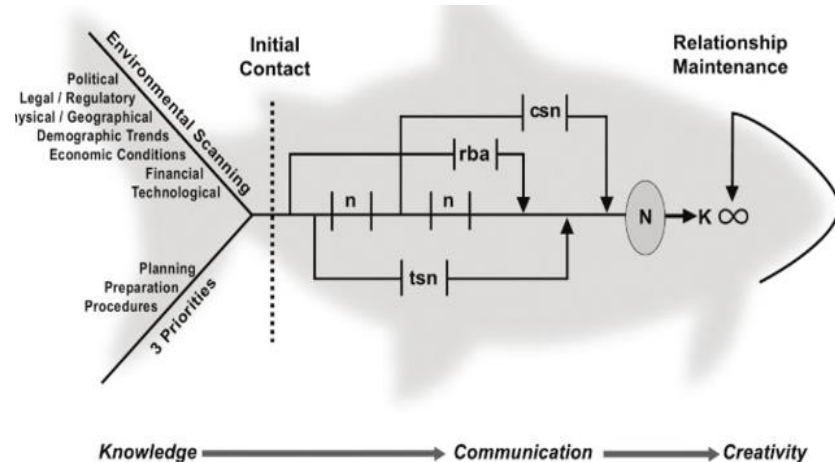


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The new rules in international business negotiation were created by Requejo and Graham, 2014 to efficient and creative international commercial negotiations. These rules help to transform international negotiations from traditional competitive and/or problem-solving activities into truly creative and innovative processes and include these simple rules:

1. Accept only creative outcomes
2. Understand cultures
3. Don't just adjust to cultural differences, exploit them as well
4. Gather intelligence and reconnoitre the terrain
5. Design the information flow
6. Invest in personal relationships
7. Persuade with questions
8. Make no concessions until the end
9. Use techniques of creativity
10. Continue creativity after negotiations

Figure 1: The global negotiation process “The Fish”



Notes: N = formal negotiations  
n = informal negotiation  
K = contract/definitive agreement  
rba = relationship building activities  
tsn = technical side bar negotiations  
csn = creative side bar negotiations

Source: Requejo and Graham, 2014

# THE GLOBAL NEGOTIATION PROCESS – PLANS AND PREPARATION

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1 POINT  
ASSIGNMENT

Time: 15 min (10 min work + 5 min sharing)

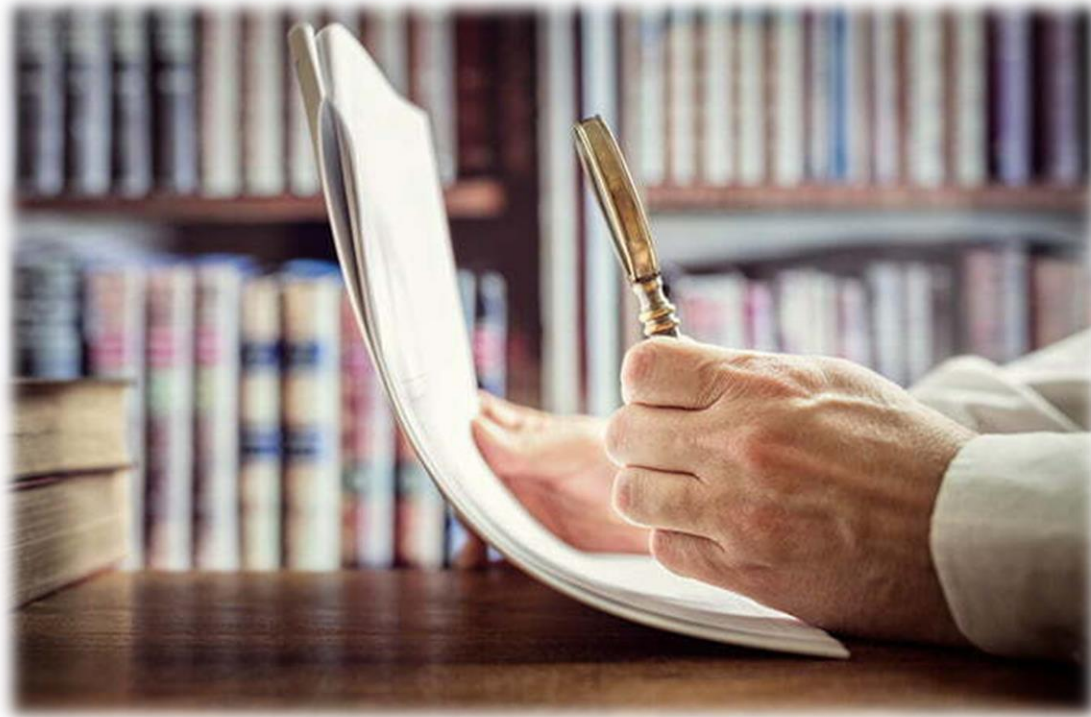
Objective: **Prepare documents for the negotiation process**

## Assignment:

1. Draw lots for the country for which you will process the documents for the negotiations
2. Fill in the assignment
3. Present your results



# CONTRACTS IN INTERNATIONAL TRADE



# Contracts in International Trade



For the actual conduct of business operations, the legal framework establishes contractual relations that are specific because their entities are from different countries and the legal relations extend across borders. Therefore, there must be **agreement on the choice of law** governing the contractual relationship. (Mulačová et al., 2013)

In addition to contractual relations, certain business practices, representing certain rules that are known and observed in business circles, are respected in trading (Machková, 2010). These can be, for example, practices in ports, trading in certain commodities, or interpreting contracts.

Given that international trade and economic relations are governed by both international and private and public law standards, **international trade law is defined as a purposeful set of legal norms from different legal sectors and of different origins that combine their common purpose to regulate legal relations arising**

**Contracts used in international trade** include, for example (Machková et al., 2014; Looney, 2018):

- Purchase Contract
- Dealership Agreement
- Other contracts related to purchase contracts (contract for opening a letter of credit, contract for collection, lease contract)
- Contracts of transport
- Intermediary contracts
- Bilateral agreements

# Purchase Contracts in International Trade



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The purchase contract is concluded between the seller and the buyer and its content defines **the basic rights and obligations of both parties**. Form, method of closure and differences in legislation may give rise to possible problems and difficulties. For this reason, great attention should be paid to their preparation. When executing a business operation, there is a great risk of ensuring the agreed conditions, in particular the timeliness of delivery, quality and the correct assortment composition on the part of the supplier, but also does not remove the goods or their non-payment. Therefore, payment instruments that are proportionate to the level of risk should also be chosen. Exchange rate risks may also arise. (Mulačova, 2013)

Purchase contracts are concluded in **two stages** (Machková, 2009):

- Submission of the offer - draft purchase contract by the seller, usually in writing, which the buyer accepts (confirmation of the offer)
- Buyer's order and its confirmation by the seller

The purchase contract is a basic contractual relationship whose signature is the culmination of negotiation activities. It is an agreement on **essential attributes** that includes the following particulars (Mulačová, 2013):

- Contracting Parties
- Subject (identification of goods and their quantity, packaging, special requirements, country of origin, EAN marking, etc.)
- Price
- Payment terms and their security
- Delivery time
- **Delivery parity**
- Means of transport

## The delivery clauses (parity)



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Purchase contracts in international trade usually include delivery parity, which **expresses the obligations of the contracting parties in connection with the delivery and takeover of goods** (Mulačová et al., 2013). The delivery parity determines the obligations of the seller and the buyer related to the delivery and takeover of the goods, in particular (Machková, 2010):

- **method, the place and time of delivery** of goods to the purchaser
- the method, place and time of transfer of **expenses and risks** from the seller to the purchaser
- other obligations of the parties in providing **transportation, loading and unloading of goods, accompanying documents, inspection, insurance, customs clearance**, etc.

The delivery parity significantly influences the amount of the price in foreign trade, because it determines what part of the circulation costs associated with the delivery of goods is paid by the seller and what part the buyer. In general, the longer the delivery term, i.e. the greater part of the circulation costs are paid by the seller, the higher the prices may be.

**Delivery clauses** have arisen in business practice on the basis of business practices, which have often been used inconsistently according to local conditions, thus becoming a brake on the development of international trade. At present, the use of International Interpretation Rules **INCOTERMS** (International Commercial Terms) clearly prevails **worldwide**. Only when trading on the American continent can we exceptionally meet other rules, namely RAFTD (Revised American Foreign Trade Definition). (Machková, 2010)

# Trade Terms

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The standard rules of reference for the interpretation of the most commonly used trade terms in international trade are **Incoterms**. The basic purpose of the rules is to define how each Incoterm, as agreed in the sales contract, should be dealt with in terms of delivery, risks and costs, and specify the responsibility of the buyer and seller.

When choosing the appropriate terms of delivery, deciding factors (from the seller's perspective) include (Grath, 2016):

- **The mode of transport** and the transportation route, the buyer and the nature of the goods
  - **Standard practice**, if any, in the buyer's country or any regulation set by the authorities of that country to benefit their own transport or insurance industry
  - **Procedures**, where the seller should avoid terms of delivery, which are dependent on obtaining import licences or clearance of goods to countries they cannot properly judge
  - **The competitive situation**, where the buyer often suggests their preferred terms of delivery and the seller has to evaluate these terms in relation to the risks involved.
-

# INCOTERMS



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- **INCOTERMS regulate delivery parity issues, they were created to facilitate the conclusion of international contracts and to reduce the risk of disputes and uncertainty of different interpretations of delivery clauses in different countries during the handover of goods, transport, unloading, storage or customs clearance.**
- They are binding only on the basis of the **agreement of the contracting parties** – they are therefore not an international treaty or international trade practices.
- They are prepared and published by the **International Chamber of Commerce in Paris**

They are generally divided into four types into E, F, C and D according to their content.

The latest rules are called:

# Incoterms® 2020

The always up-to-date rules are available on the official website of the International Chamber of Commerce: <https://iccwbo.org/business-solutions/incoterms-rules/incoterms-2020/>

# RULES SPECIFICATIONS „E“



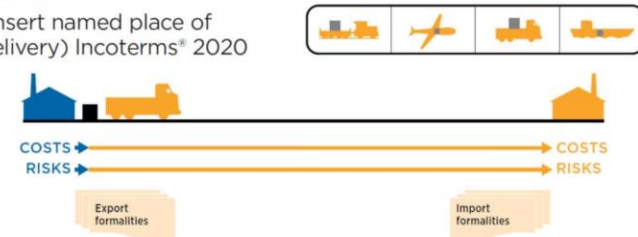
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- It puts the lowest level of responsibility on the seller.
- It is most often used when the buyer picks up the goods by truck or rail.
- EXW conditions are common in Europe, where goods often move across national borders by land transportation.
- If the buyer did not request this condition, but it was set by the seller, it may mean that the seller is not really interested in exporting and is not willing to comply with the foreign buyer (by setting a different delivery condition).

**Example:** A buyer in the Netherlands places an order with a vendor in Albany, New York. The buyer states that its American subsidiary will pick up the goods at the Albany plant and arrange for the export. Therefore, the seller is likely to list its price in the terms of the EXW plant in Albany. Under this condition, the seller only has to make the goods available at his plant (or mill, farm, warehouse or other place of business) and present the buyer with an invoice for payment. The buyer must arrange all transportation and bear all risks and costs of traveling from this location. The buyer must also clear the goods for export by obtaining export licenses from the U.S. government.

## EXW Ex Works

(Insert named place of delivery) Incoterms® 2020



# SPECIFICATION OF RULES "F"

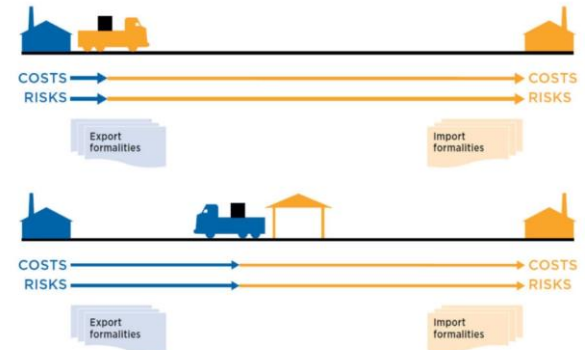
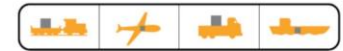


- These are contracts of carriage, according to these rules, the seller must deliver the goods to the designated place of shipment "without" the cost of the buyer's risk.
- Only at the moment of delivery does the risk of loss pass to the buyer.
- The buyer arranges the transport and pays all transport costs (if the parties agree, the seller can pay the freight fee and add it to the invoiced price already stated)
- They are used when the buyer believes that it can get better shipping rates than the seller.

**For example:** A buyer in the Netherlands wants to arrange their own sea freight. An Albany seller wants to deliver goods to a carrier near him to transport them to the Port of New York, which requires various forms of transportation. For example, the seller can deliver the goods to a carrier on a barge for a trip on the Hudson River or to a rail or truck company. The seller may want to hand over the goods to the operator of a multimodal terminal nearby and let them continue to handle the goods. This inland transport is already provided by the buyer. In this case, it is possible to use CIF (with insurance) or CFR (without insurance) conditions.

## FCA Free Carrier

(Insert named place of delivery) Incoterms® 2020



# SPECIFICATION OF RULES "C"



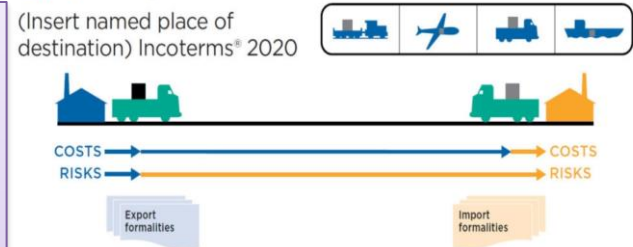
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- They also fall under the area of transport contracts.
- The letter "C" indicates that the seller is responsible for certain costs after the goods have been delivered to the carrier, however, the risk of loss passes to the buyer at the moment the goods are on board the vessel or carrier.

**Example:** The Dutch buyer requests pricing information from Albany. As an experienced exporter, the seller can understand that the buyer has little interest in arranging transportation, let alone coming to pick up the goods. The buyer simply wants the goods to be delivered to the port of entry in their country that is closest to their company. If sea freight requires it, the seller will prepare a quote for CFR Port of Rotterdam or CIF (with insurance) Port of Rotterdam. For the specified price, the seller delivers the goods to the sea carrier, arranges the transport, pays the freight to the agreed port of destination in advance, obtains a clean on-board bill of lading (bill of lading) with the payment for transport and hands it over together with the invoice to the buyer for payment. If the seller intends to arrange sea transport but delivers the goods to a road or rail carrier on inland waterways or to the operator of a multimodal terminal for transit to a seaport, the seller may indicate CPT Port of Rotterdam. In this case, the risk of loss passes to the buyer when the goods are delivered to the first carrier. The terms of the CIP are the same as in the case of CPT, with the requirement for the seller to provide insurance to cover the risk of loss of the buyer.

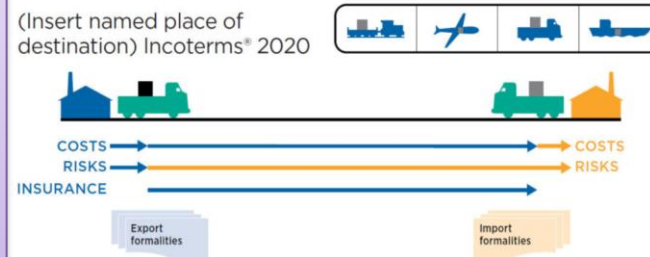
## CPT Carriage Paid To

(Insert named place of destination) Incoterms® 2020



## CIP Carriage and Insurance Paid To

(Insert named place of destination) Incoterms® 2020



# SPECIFICATION OF RULES "D"



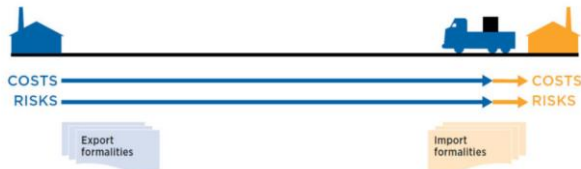
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- These are Designation/Arrival Agreements and are becoming increasingly popular due to an increasingly competitive and globalized market.
- Freight forwarders often have to provide credit terms to their customers (they send shipments to an open account and give the customer time to pay) as part of a competitive struggle.

**Example:** A seller in Albania is willing to enter into a designation agreement, then he must be willing to accept much more responsibility than under other conditions. For the price specified in the contract, the seller must deliver the goods to the port of destination and bear the risk of loss throughout the journey. Therefore, if the goods are lost during transport, the Dutch buyer will not be entitled to an insurance claim, although he may lose the profit he hoped for from the goods.

## DAP Delivered at Place

(Insert named place of destination) Incoterms® 2020



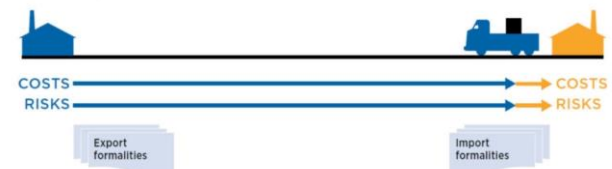
## DPU Delivered at Place Unloaded

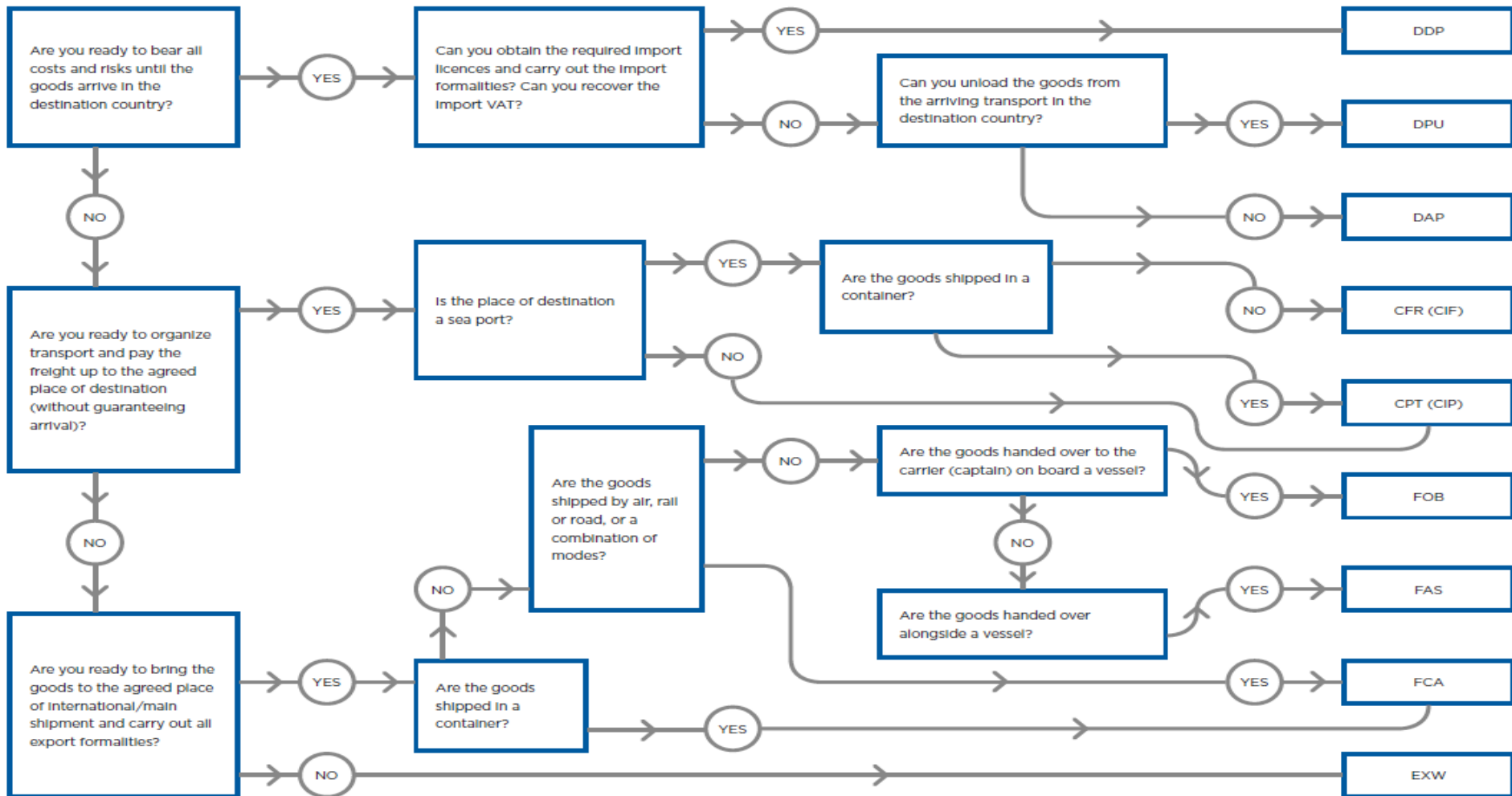
(Insert named place of destination) Incoterms® 2020



## DDP Delivered Duty Paid

(Insert named place of destination) Incoterms® 2020





# QUESTIONS?

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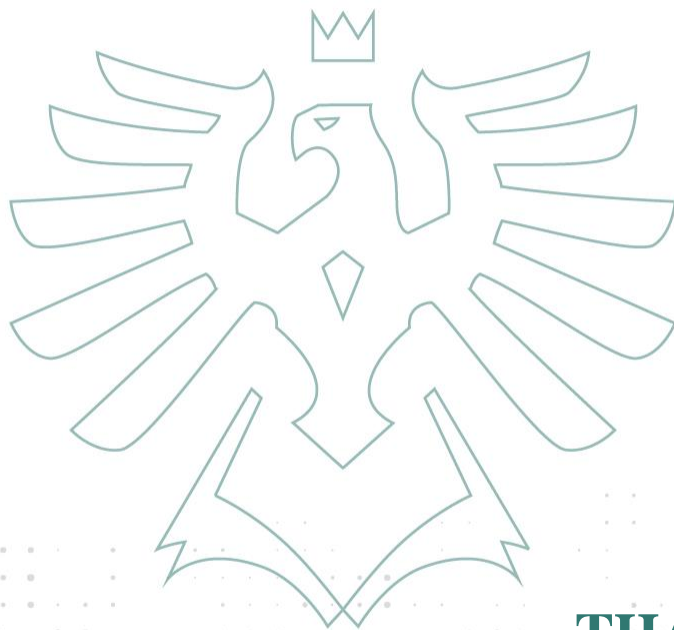


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**THANK YOU FOR YOUR  
ATTENTION**

[www.slu.cz/opf/cz](http://www.slu.cz/opf/cz)

**DO YOU HAVE QUESTIONS?**

## SUMMARY

- Trade operations in planning and managing sales focuses on the creation of sales plans and all processes associated with sales, when managers must consider **demographic factors, transport and availability, retail competition, location and costs.**
- Sales planning includes **assessing the current situation, setting goals, determining market potential, forecasting sales, choosing strategies, budgeting and implementing a managing sales.**
- Companies can choose various method of forecasting and planning, which can be divided into **qualitative** (e.g. the Delphi method, sales force calculating method) and **quantitative** (trend designing and causal models) methods.
- There is three general approaches to planning sales: **top-down method, bottom-up method and two-way planning method.**
- **The sales plan** is a part of a number of functional plans developed in a business company, e.g. marketing plan, finance plan, business plan.
- Pricing and costing in international trade are crucial for expanding into new foreign markets and managing operations in existing markets.
- Reasons for inconsistent prices include **imperfect competition, regional closed-mindedness, and monetary and political factors.**





- A company's **pricing policy** affects its cash flow, profits, and is shaped both by the company itself and by external factors.
- Internal and external factors such as cost, competition, product exclusivity, elasticity of demand, strategy, and contractual adjustments affect prices.
- **Price adjustments** in international contracts, such as rebates and calculations, affect the final price. Calculations are made for individual orders with regard to market specifics, including the costs of acquisition operations, transport and financing.
- In international trade, we differentiate between **calculations** according to the type of operation and according to the method of compilation.
- One of the most common methods of calculation is **cost-oriented calculation**, which is based on increased export costs. The final price is referred to here as the "**bottom up**".
- **Price research** gathers information about the market, regulations, demand, price elasticity, and other factors. It assists companies in planning marketing and sales activities in various markets and provides a comparative view of the territory.

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