

Interviewer: Hello everyone. This is James Jones. I am very pleased today to have Walter Scheu on the line with me. Walter is a farmer from Asheboro, NC and Walter has done something that that very few people have figured out how to do. Walter is importing products from China and selling them on eBay. Now, it took Walter a couple of years to unravel the importing puzzle but I've got him online today and he's going to share his experience with you and tell you exactly how to import items from other countries. Ok, Walter, tell me first off how did you get started out on eBay?

Walter: Well, we found out about eBay through word of mouth talking to some folks and basically bought a few items on eBay. Bought for about two years before I even tried to sell anything.

Interviewer: That sounds like the way that most of us get started. So when you started selling what did start doing? Selling stuff around your house and stuff?

Walter: I think we did find a few things and had been through a flea market. I work flea markets with some items and I said, "You know, we might be able to sell this" so off we went.

Interviewer: Yeah, and I think you find out pretty soon that selling stuff around your house; number one, you run out of stuff to sell and number two it gets really tiring listing all those different things.

Walter: Exactly.

Interviewer: Taking all those different pictures. What the best thing in the world is to have a few products that you can just sell and relist over and over again.

Walter: Oh, that is such a good thing.

Interviewer: So now, you got started in importing.

Walter: Yes, sir.

- Interviewer:* I'm very interested in what you have to say about that. Now tell us how did you get started in importing.
- Walter:* Well, it's been about three years now, let's see this is '06, about 2003. We process different little items like here on our farm, you know, somebody would want some timber or something like that. They give us an order and we take care of it for them and I said, "Um, these people, or some of these folks, on eBay are selling these things. And there are a lot of people doing it."
- Interviewer:* So it'd be something say like a wood chipper or something, I'm just giving an example.
- Walter:* Yeah. Yeah. For making mulch.
- Interviewer:* Yeah, exactly.
- Walter:* I just started checking and I wasn't educated enough eBay wise to know that all I had to do was go to ended items and click and it all came up in front of me. I sat there, I'm almost embarrassed to say this sometimes, but somebody might relate to this. I sat there and went down the listings of the wood chippers and I wrote down how much they sold for, what they were selling for, and what their shipping was. Then I took an average of all of them and that's how I started that.
- Interviewer:* Yeah, so that's how you figured out that the product was selling and how much it was selling for and how much they were getting for postage.
- Walter:* Right.
- Interviewer:* How did you find your first item to sell on eBay?
- Walter:* Well, we used the chipper here on the farm and I was involved in a car accident where I lost control of my car on a back country road, hit a tree, instead of hitting the brake I hit the accelerator and I hit a tree at about 65 miles an hour.
- Walter:* So after they operated on my collarbone and put it back to shape I had recovery time at home. I'm sitting there on the computer and I just started looking and looking

and playing. I don't know what I ever did before Google came along, but I just started looking. That's probably how we started trying to find the item.

Interviewer: Now, importing and exporting is really complicated and there's a lot of legal stuff involved, so how do you do it?

Walter: Well, that's exactly what I thought. Big companies importing large amounts or exporting large amounts. I'm a little guy wanting to be a bigger guy, how am I going to do this? So I said, "Okay" I went online and I found the items on the wood chippers. I said, "Okay, I need answers." So I did Google again. I went in there and I typed "U.S. Customs" and it brought me to the U.S. Customs web site. I just started looking down through the different topics and found out that I would need a broker and terms and different areas like this and I just started going through brokers, ports -

Interviewer: Okay, let me stop you there just for a second. What exactly does a broker do?

Walter: Okay, they're the person who actually gets your products or goods through U.S. Customs for you. They take care of any of the fees that are involved - your customs charges fees. If they x-ray the container that your goods are in they're going to charge you for that. They're going to charge you for the paperwork. They know how to deal with customs.

There's terms and numbers each article of goods has a specific number in the U.S. Customs registry. There's about a bazillion of them, but the customs people, the brokers, these companies know those numbers. You tell them what it is they plug it into their computer and it tells them everything they need to know about this particular item.

Interviewer: Okay, that sounds interesting. So they take care of a lot of the paperwork and the headaches and everything they're involved.

Walter: Oh, yes. Yes. They do what I - I like this phrase - they make it look like I know what I'm doing.

(Laughter)

Interviewer: So really then you just - once you find the item, and I guess then you find the - let's go over how you actually found the item. The items that you import. Where do you go to? So first off you find something - the way you did it was, you found something on eBay that was already selling well.

Walter: Yeah. Mm-hm, and we had used it.

Interviewer: Right, so you knew it was a good product, because you started out as a customer using that product. So once you did that you did some research to find out who made the product? Is that how you did it?

Walter: Yeah, there again, thank God for Google. I went to Google and I typed in wood chippers and it brought me 40 million websites and listings on wood chippers. I stumbled onto this one website and I think you've used it too. It's, and people laugh when I tell them, but its www.alibaba.com .

Interviewer: Yeah, I have used it before.

Walter: I told my wife that and she said, "What?" I said, "Honest that's the name of the site." and I did a search on alibaba.com for wood chippers and it brought up all the companies - they're like a clearinghouse I guess, a clearinghouse website for international companies.

Interviewer: Right.

Walter: I just went down through the list and found the people who had the wood chippers that we wanted and I sent them all bulk emails, contact me this is what we wanted and trying to get information. I just basically went on information seeking email spree.

Interviewer: And I know from using that site before that when you send them email you just go into - there's a feature in the website where you go in, you find the company, and then you click on contact and then you go in and you send an email. You write an email, actual. You got to fill out your company information and stuff.

Now, here's another thing. Did you have a - did you have to have a license or anything?

Walter: No.

Interviewer: You don't have to have like an exporter's license?

Walter: No, I thought you did, but -

Interviewer: So nothing like that?

Walter: No.

Interviewer: Okay. So then you just send the email through their system. How many emails did you have to - how many companies did you have contact?

Walter: Probably 15 or 20.

Interviewer: Now, did they all have the same wood chipper or were they different?

Walter: Some of them did. Some of them did. Some of them I found out later were distributors or brokers for that company and actually we ended up dealing with a distributor/broker who later we ended up dealing with a manufacturer .

Interviewer: Right, okay -

Walter: And that's where we are now.

Interviewer: All right. So let's go back to when you were sending the emails. So you sent out all these - how many did you say sent?

Walter: Probably 15 or 20.

Interviewer: Okay, so you sent out 15 or 20 emails and then what happened? Did they call you? Did they email you back? How did they contact you?

Walter: Most of them email you back because you give them your default email address. You do a profile and I had also gone on there looking for items and having items

that I thought I could sell. They just started replying back and it's the process of elimination. It's kind of time consuming, but you just started emailing back and forth and finding out if these people were, first of all, agreeable to try to work with you.

Interviewer: Okay. So now, let's say, here's something else that comes to mind. You're probably getting replies from, what, China?

Walter: Yeah. China, Pakistan, Taiwan.

Interviewer: Now, do these people speak English? Do you know how to speak Chinese?

Walter: No, I don't, but I know how to say "Ni hao", which is "Hello friend."

Interviewer: Okay, but seriously they have English speaking people that contact you.

Walter: Most of them speak probably or at least they type better English than I do.

Interviewer: Yeah, I think that's one of the misconceptions too, that you got to have this big language barrier when you deal with people in China and other places, but it's not really that way at all.

Walter: No, it isn't. No it isn't. I basically, and I know this is repetitive, but I shared with these people if not in the first email - I don't think the first one, probably the second or third exchange of emails - look, we are a small private family farm operation, but we're growing and we're looking for firms that are willing to work with us to grow.

Interviewer: And I think that's a very important thing to put in there, because then that puts them on notice that, hey, this guy maybe small, but he's going to be big one day. He knows what he's doing and if we play our cards right we'll be able to work with him.

Walter: Exactly, and some of them are going to - some of them will not go below their minimum order. I would tell

them seriously, but in a seriously joking, "I cannot order a container load of wood chippers." So the conception that you have to order a large amount does not apply.

Interviewer: That's good to know, because yeah, you think about buying a, what do they call them - crate load, I guess, or carton.

Walter: Or pallets.

Interviewer: Which have been loaded just for you?

Walter: Yes, we get ours by the pallets.

Interviewer: Well, how many do you generally get at a time?

Walter: Our first order was 30. The second order was 50. The third order was 75 and they replaced a wood chipper that broke on the customer. So the next order will probably be somewhere between 100 to 150.

Interviewer: Now, if you don't mind my asking, the first order was 30. So how much did you pay for each item?

Walter: Probably, you mean from the manufacturer or total?

Interviewer: From the manufacturer.

Walter: About \$50.00, that was F.O.B their plan.

Interviewer: So \$55.00, that's basically is \$1,650.00 and then you had to pay for the, what you call, the -

Interviewer: The broker. Yeah, okay.

Walter: It's C.I.F. Cost - that's one of them terms - it's Cost, Insurance, and Freight. If the seller or the manufacturer or you tell them C.I.F. That means it's going to come by boat.

Interviewer: Okay, right. I just wanted to get some feel for how much investment you got going in something like this. Then we're also going to get into how to do it a little bit cheaper and I think you've got some ideas on how you can get the money to purchase these items.

- Walter:* Yes.
- Interviewer:* But we'll get into that a little bit later on. So you found the items to import.
- Walter:* Yes
- Interviewer:* And you've contacted these you've gotten - how many of these emails that you sent out, how many of them responded back to you?
- Walter:* I'm probably going to say about a third, maybe five or six.
- Interviewer:* Okay, so you've got five or six people now that are willing to work with you, how did you choose which one to deal with?
- Walter:* I basically covered the same topics with all of them. We're small. We're family owned. We're selling of the Internet, some retail, and we're looking for people who will work with us. I stressed that point very much, because once I got their attention, them thinking we were a big U.S. corporation, I let them know we're not and I just drove this point home. So if they kept talking to me, then I said, "Okay, these people have potential" because they want our business. If they want it bad enough they'll work with you.
- Interviewer:* Absolutely Yeah, They sure will. I've done that.
- Interviewer:* Let's see - oh I know what I was going to ask you. Okay, now the next part is you had to - you decided who you were going to work with and you negotiated that you were going to buy 30 of their wood chippers.
- Walter:* Actually, they wanted me to buy more, but I had figured out - well, I had figured out what I would end up getting stuck with if I couldn't sell them.
- Interviewer:* Right. Okay, so you figured 30 was a good number you could work with.
- Walter:* Yeah, I wanted to go with 50, but it ended up being 30.

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- Interviewer:* Okay, so you negotiated a price on 30 of them.
- Walter:* Yes, what we could afford to buy.
- Interviewer:* Now, here's the big question. How do you get the money, obviously you're going to have to send them the money before they are going to put this product on the boat, right?
- Walter:* Right.
- Interviewer:* How do you get the money to them? And how do you make sure that it's secure? That you're not going to get cheated.
- Walter:* Okay, once I found out who we were going to be dealing with we got references from them. People that they were trading with here in the United States. We contacted the U.S. Embassy in that country.
- Interviewer:* Where did you get the number for the Embassy to call? I guess I'll just look it up on the Internet?
- Walter:* Yep. I went to either Google or Ask or one of them, typed in the country and the embassy and sent them an email.
- Interviewer:* How long did it take for them to reply back?
- Walter:* Some are not very fast, and some wrote quickly. Actually I had to email our embassy in that country probably three times. I also emailed their embassy in our country a couple of times. And through the course of filtering out who we were going to be dealing with I kept emails and names and phone numbers of people in that country. In conversations with others, I would ask them, "Do you know such and such?" And they'd say, "Oh, yeah" or "no." They'd say, "Where are they at?" And I'd say, "They're here or they're there." I said, "I can't find their phone number. Can you find their phone number for me?" And they did it.
- Interviewer:* So you started developing relationships then with the people who work in the embassies.

Walter: Right.

Interviewer: Wow, you're starting business relationships.

Walter: Well, not so much the relationship with the embassies, but with the other manufacturers and brokers in that country.

Interviewer: All right. So you're an international wheeler dealer.

Walter: Oh, yes we are. Big time. Big time. < BIG SMILE >

Interviewer: Okay, so then you were satisfied that they were a legitimate company after doing your due diligent research.

Walter: Yes. And you have got too. You have got to do that, because you could end up eating it.

Interviewer: Oh yeah, absolutely. Now in Alibaba, Alibaba has the gold star system, I think.

Walter: Right

Interviewer: Where they will star - so were you dealing - when you were searching for these manufacturers or these companies, distributors, did you specifically look for the ones that just had the gold star?

Walter: No.

Interviewer: Okay, because you wanted to find all the dealers?

Walter: Yes, whoever fit that category?

Interviewer: Okay.

Walter: And some of them had items, which were way priced different, you know. I think in one of your courses you made mention of pictures. You took a picture and you matched it up with the picture that the manufacturer had on their website, alibaba.

Interviewer: That's right.

Walter: You know you need to be doing apples and apples.

- Interviewer:* Yep, absolutely.
- Walter:* Or you're going to get burnt.
- Interviewer:* Yes, because you're going to get a wood chipper, whatever it is, that's not anywhere like the one that you think it is.
- Walter:* Exactly.
- Interviewer:* Yep. How you did actually then - you've negotiated these 30 units, you've checked out the company - how did you get the money to them?
- Walter:* We did what they consider a T.T., but it's wire transfer. T.T. is the international term, but it's a wire transfer from our bank to theirs.
- Interviewer:* I think T.T. stands for telegraphic transfer.
- Walter:* Right, transfer.
- Interviewer:* Transfer.
- Walter:* We did a wire transfer and once we had an agreed upon price and an agreed upon shipping date about pretty much, they send you a performer invoice which outlines the number of wood chippers, how much it's going to cost them, and what the shipping is. They will usually take care of the shipping for you, because they have freight forwarders or shippers that they use all the time and can sometimes do it cheaper and faster than us going around doing another search and spending more time trying to find someone to haul the goods from there to us, then getting it through customs. So that's what we did. We wired the funds. The bank confirmed that the funds were there. I think you like to use letter of credit.
- Interviewer:* Well, now I have talked about letter of credit before. Now when you're doing items, which I consider this to be very low cost - you're not doing \$20,000.00 worth. If you're doing \$20,000.00 then, yeah, you need to use a letter of credit, I believe, but that gets much more complicated.

- Walter:* Yeah, and it's more expensive.
- Walter:* We were on - this, I think, is very important and especially if you're married or whatever your status is, if you're not married and you're living by yourself then it doesn't make any difference. But my wife and I are doing this together.
- Interviewer:* Oh yeah. Yeah, that's the way you got to do it.
- Walter:* We talk about it and before I ever proceeded to contacting folks we talked about it and she said, "Okay, see what you can find out." I kept her apprised of everything that went on. We then decided, okay, this is okay. She informed me very nicely, very lovingly, she said, "Husband, if we get these things and they don't sell you're getting a part-time job."
- Interviewer:* That was a real incentive for you.
- Walter:* But communication, there again, at home - vital.
- Interviewer:* I think it's important when you're doing this T.T. or wire transfer that the important thing is, just to get back to that just a second, is you got to do your due diligence, because you're leaving yourself wide open and you're the person who's going to lose the money.
- Walter:* Exactly
- Interviewer:* So you've got to make sure you do this due diligence on the front end.
- Walter:* And that's where I think it falls back to what we shared a minute ago. Do your homework.
- Interviewer:* Yes.
- Walter:* Do your research. It's going to take time unless you have - and a lot of folks that will get this information know more about this than I do, but I went checking people out, contacting the embassy, finding out this, trying to check out this. If I lost this money I had to get another job and I already had a job and a farm to run. So be as safe as you can be. If you're not comfortable

with sending the money, if you're not comfortable with the person that you're contacting and talking to don't send it.

Interviewer: You've got to do that in this - you've got to do that - using - when you're importing this low quantity, because it's too expensive to use letter of credit. So the only other option you have is wire transfer. You just got to make sure that you do your due diligence. I guess we kind of topic to death -

Walter: Well, it is.

Interviewer: - But just want to make sure that people understand that the responsibility is on them to make sure that they're dealing with a reputable company.

Walter: And you can check it out it just takes time.

Interviewer: Okay, let's say that I'm new to eBay and want to import an item to sell, soup to nuts what steps do I need to take?

Walter: Okay. My preference is to import an item that you're using, because nothing sells an item on eBay better than knowledge, personal knowledge combined with the manufacturer's information and everything else you can find out.

Interviewer: So one thing you could do is if there's an item that your interesting in looking at, you could actually buy the item from somebody else off eBay just to look and start using it.

Walter: Yes. We use them, you know, we use two wood chippers - we were on our third wood chipper when it finally dawned on me I wonder - I bet you I can sell them. That was only about a six to eight month difference between when we bought the first one and about a year later, it probably took me - November, December, January - about four months before we committed to the order and sent the money to the manufacturer.

Interviewer: Yes, and that time was spent doing your research. Probably because your feet were a little cold and you had to jump in -

Walter: They were frigid, because I knew I if I messed this up I was in big trouble at home and I didn't have no place to go.

Interviewer: All right, so now we're talking about finding the item to sell and you suggest finding something that you already use or know about. Then what's the next step?

Walter: Okay. We contacted the suppliers, we did the search, found out who made it , determined a company that would work with us - I already had a target figure that I was allowed to spend. So we found out how many we could buy.

Interviewer: And that was dictated by your partner, I guess.

Walter: Yes, I have a unique situation there.

Interviewer: Let me step back just a second here. Doing this research, did you use any of the sites besides alibaba? You did Google search.

Walter: Google and alibaba and maybe some Ask.com.

Interviewer: Ask.com, okay, but generally you found just about everybody on alibaba.

Walter: We found out how many we could buy for the amount of money that I was going to be allotted. Negotiated the amount and the price and the price came down three times before we ever got down to the bottom line.

Interviewer: So they will negotiate with you?

Walter: Yes, they will. I think being honest totally honest with them, if the price is too high don't BS them, tell them, "I can't pay that. I cannot pay that and sell it and make a profit."

Interviewer: Okay, good -

Walter: And they understand.

Interviewer: Good to know, yes. Good to know. Could you have requested, because you talk about making sure the item that you get is the item that you really want. Match them up and make sure the photograph that they have on their website is the same as the item you have. Could you have requested a sample of the product?

Walter: Yep. Especially like China, Taiwan, and Pakistan - those countries over there they don't do samples the way we do in America. They will give you the sample, but you're expected to pay for getting it here. It usually comes by plane and that's not cheap.

Interviewer: Right.

Walter: So being slightly devious or mischievous which ever the case may be. I noticed looking on eBay that a very large tool company in the United States had a wood chipper that looked exactly like the one I was trying to buy. Come to find out this manufacturer makes them for this took company.

Interviewer: Oh, yeah.

Walter: So I went and looked. I went to the store and I looked. It was identical, even to the markings on the bottom of the wood chipper. Everything was identical, I said, "Ha, this is it."

Interviewer: So you could easily match it up that way knowing what you're going to get.

Walter: Yeah.

Interviewer: You're not always going to be able to do that, but that is one option.

Walter: Yeah, I mean, if you want to invest the time and the money in the sample, you know - or you can ask them. I asked them, "Do you have any kind" - when you're getting references for this company who are you selling to in the United States? If they can't or won't give the names you need to scratch them off the list and move on. That's my theory.

Interviewer: That's a great tip.

Walter: That's what I did and it just happened to be that one of the companies that they were making them for was about an hour drive from me up in Greensboro. So I went and looked.

Interviewer: Okay, great. Now, what's the next step?

Walter: Okay, we have negotiated the price. They sent me a Performa Invoice, which outlines the items, the cost, the method of shipment, their banking information with a routing number, they send you all the information how the item will get - approximately when the departure date or the sailing date is going to be. You take that down to the bank and if you want to do a letter of credit you can. We're still a relatively small town, so we're still doing wire transfers, but now you just walk in and hand the performance invoice to the lady at the bank and leave.

Interviewer: Okay, is that what you - is the first -

Walter: The bank has it all on file.

Interviewer: The first time you did it, though, you had to fill out some more paperwork or something?

Walter: Yeah. Yeah, the bank wants the information. I took them a copy of everything I had from the manufacturer. I took them the name of our customs agent and everything. So they made a folder for us.

Interviewer: Okay. Well, let's step back then a second, because you've talked about customs agents and you've talked about customs broker. Now, is that one and the same thing?

Walter: One and the same thing.

Interviewer: Okay. So let's take a step back then and say how did you find a customs broker? Where do people go to get one of them things?

Walter: Google.

Interviewer: Okay.

Walter: I love Google. I went to Google and I typed in U.S. Customs and it brought up the list and I clicked on the link that took me to the U.S. Customs website. It said, Office or ports of entry. So I clicked on my state, which is North Carolina and it gave me all of the ports of entry in North Carolina. I picked the one which was closest to us, which was in Charlotte. So I said, "Okay", because like the manufacturer will ask you, "What port are you bringing them into."

Interviewer: There ain't no port in Charlotte!

Walter: Exactly, that's what I said.

(Laughter)

Walter: And I was even confused- I said, "Okay, how we going to do this?"

Interviewer: Yeah.

Walter: The goods came from the Far East. They came in to the port in Los Angeles. They were put in a container or a tracker trailer and they were trucked from Los Angeles to Charlotte.

Interviewer: Now, you didn't have to go out to Los Angeles and inspect all this stuff or anything?

Walter: Nope, that's why the customs agent makes it look like you know what your doing. They do everything. It's the neatest thing since sliced bread.

Interviewer: All right, that sounds good. Now, so you get the items come in on boat to California and then they're freighted -

Walter: They freight it across, on trucks.

Interviewer: - across country. I guess it's just cheaper for them to go to California then it is the East Coast.

Walter: Yeah, because - well, and I also depends on what country your importing from.

Interviewer: Right, I guess so if your coming from -

Walter: Like if it's coming from Taiwan or China over in that way, California - they say allow 30 days for the boat to come. It actually takes 25, 26 days.

Interviewer: I guess if your importing from Africa they'll probably come in on the East Coast.

Walter: Very possible.

Interviewer: Yeah, looks like it. Okay.

Walter: But I agree with you, I said, "There's no port." I said, "Wilmington maybe, Charlotte no way." But the custom agent, bless her heart, she said, "Walter, we'll take care of that don't worry."

Interviewer: So they're trucking this stuff all the way across country to you then.

Walter: Mm-hm.

Interviewer: All right, that seems like a big expense. I guess that's all included in -

Walter: Well, they're trucking yours and everybody else's orders that are coming this way.

Interviewer: Yeah, that's true. Okay. Okay. So now we've got it coming into California. We've got it trucked across to the East Coast and of course that depends on where you live in the United States.

Walter: Right.

Interviewer: And then it comes in to Charlotte, I guess.

Walter: Yes.

Interviewer: Then from there it goes into a warehouse. Where's the warehouse? I mean, who has the warehouse?

Walter: The warehouses are in Charlotte. They call them a freight forwarder or the person who's handling the cargo for the manufacturer. They all have warehouses

that they have agreements and alliances with in the United States.

Interviewer: Okay.

Walter: So the price of the freight or the cost of the freight brings it from say like Taiwan to California to Charlotte. They put it in the forwarders warehouse that they have the alliance with here in the United States. You can either go down and pick that up, or as in the case of the folks that we use, when they get to Charlotte at company A's warehouse, our custom agent takes their truck over to company A's warehouse, gets out goods and brings them over to their warehouse so you don't end up paying a warehouse storage fee at company A's warehouse.

Interviewer: Okay. Then from there you can either go pick them up at the broker or you can arrange for them to actually bring the product to your doorstep.

Walter: Right, they will do that for more money.

Interviewer: Yeah, it's just cheaper in your case you just go pick it up, because you -

Walter: Yeah, I just take the pickup truck and take about a half a day trip to Charlotte.

Interviewer: Yep. Now, you mentioned two different people here and I want to get a distinction between them, because I really thought they were the same person when I first talked to you. When you talking about the customs broker and the freight forwarder. Now, when we sat down and talked to the girls that day, I can't remember, the name of the company, ABX. Were they forwarders or were they -

Walter: They are. It's one and the same. In, I guess, foreign countries or other countries freight forwarder is the term that they use, because they are the one who's responsible for getting it from point A to point B. In the United States we commonly refer to them as a customs broker, but it's pretty much the same thing. Now, ABX probably from now on will handle all of the

transportation from the manufacturer to Charlotte. That way you're eliminating other middle people. We found this out by doing it. The girls said, "Well, talk to our sales person and find out how much it would cost if we take care of it. Taking it from the manufacturer."

Interviewer: So let's mention the name of the broker again, because they pretty much do everything for you.

Walter: They do, they will do everything.

Interviewer: What is their name?

Walter: I was just about as dumb as dirt, as we say in North Carolina, when it come to this and there again, it wasn't a false humility when I did - when I was on the custom's website I looked for brokers. I mean you can click on it and it will bring up all the brokers that service the port of Charlotte, it's an entry point, is all it is. If they did not have an 800 number I didn't call them. If they had an 800 number I called them and I went through the same scenario with the customs brokers that I did with the manufacturers. This is what I want to do. Can I do it. How much is it going to cost? How do you get paid and when do you get paid?

Walter: I narrowed it down to two. The folks - the lady at ABX, she went out of her way to try to help me and I explained to them, "I don't know what I'm doing." About five minutes talking to her would have proved that, but I told her right up front. So she knows, "Okay, I have to take Walter by the hand and I have to answer his questions several times and I have to tell him how we're going to do what we're going to do."

Interviewer: Yeah, at this point you're not a guy that's importing thousands, and thousands of dollars worth. You just got little bitty orders coming in and they still took you by the hand and helped you.

Walter: They did.

Interviewer: Now, that's good to know.

Walter: Even though the original agent is no longer with the company anymore, I still am, because they treated us just like we were a big importer. I think when you went down there that day they called the sales agent in and out. I told them when I was coming down and they called the sales - the account exec in from the field to come in there to meet me.

Interviewer: Yeah, I noticed that. She was getting out of her car when we got there.

Walter: Yeah, they have just been great.

Interviewer: Now, they're called ABX.

Walter: Yes.

Interviewer: Now, getting back to what we said before, before you were using a different freight forwarder, is that correct?

Walter: No, I've used them all the time. There were actually two, the one the manufacturer was using and the one that I was using to get them through customs.

Interviewer: Okay. So you switched to just using ABX totally, then?

Walter: Right.

Interviewer: Okay. So for everybody else -

Walter: Eliminated the middle man.

Interviewer: For anybody else listening here, then you can just save a ton of time just by calling ABX.

Walter: Exactly.

Interviewer: Because they have offices all over the world.

Walter: Yes, they do. They have agents in Taiwan, China, Pakistan. We can give the folks the email to the agent that we use. Her name is Melissa Fondora and she - I know you heard this. She said, "We will take care of them and we will route them to the person that they need to be with if they're not in our part of the country."

Interviewer: Right, because they have, I don't know how many offices they have in the United States, but it's a lot. Just about, I guess, every major city would have one. So that takes - I mean, that's a big burden off people's shoulders is how do you deal with the freight?

Walter: Yeah, I didn't know. I didn't know how to contact, let's say, China for example. I don't know anybody I China that will load the cargo onto the ship, get it through Chinese customs, bring it to Los Angeles.

Interviewer: Okay, so now, let's get back to our steps now. We've got the - you've got the invoice that came from the company in China. What did you call it again?

Walter: It's a Performa Invoice.

Interviewer: Yeah, a Performa Invoice.

Walter: The initial is P I.

Interviewer: Okay, P I, the Performa Invoice.

Walter: Yeah, and a person, I know you and I talked about this, you can go to www.marad.dot.gov and type in glossary of terms and it will bring the whole list, A through Z, and I put them in my favorites file and I put them in a folder on my desktop. So if I'm talking to someone and I chatting and they mention a term that I don't know, all I had to do is pull up the glossary of terms, click on P for PI, and I knew he was talking about a Performa Invoice.

Interviewer: Right, well I tell you, we can give people something with all these different abbreviations on it, so they'll have it right there at their fingertips. We'll just include that with this package.

Walter: Okay.

Interviewer: Okay. So you got Performa Invoice and it tells you basically how much everything costs and totals everything out so then you take that Performa Invoice to your bank, is that what you do?

Walter: Yes.

- Interviewer:* Okay, and then you send them a wire transfer for the amount on the invoice.
- Walter:* Right.
- Interviewer:* Okay. Now does that amount on the invoice include the freight?
- Walter:* It does.
- Interviewer:* So you send them the freight as well, I mean the amount for the freight. Now who pays the freight forwarder or the broker?
- Walter:* They do. The manufacturer does from the port of origin.
- Interviewer:* Oh, that's interesting. So you don't handle that, they handle that for you.
- Walter:* Yep. Most manufacturers in like Taiwan, China, Pakistan, they have their own export transporters that they use all the time. Sometimes it's cheaper, sometimes it's faster to just let them do it. So, but what I did and I think the listeners and readers are going to want to know, when asking for a quote on the items, how much is it going to cost me from your plant to my port? Because all of that freight, money spent bringing it from Los Angeles to Charlotte is all included in the money you send to the manufacturer.
- Interviewer:* Okay. All right, so you need to make sure that you know exactly how much it is.
- Walter:* Yes.
- Interviewer:* Okay.
- Walter:* Now the money that you pay to the customs agents or brokers in the United States is different, but you'll know what that is before you ever order. Because they will send you an agenda or an invoice with the different areas and the costs, because you have to put up like a customs bond. That's like, I don't know it was \$40.00 or \$50.00. Then you have the customs fees and you

have your broker fees, but you don't pay that until you pick up your goods.

Interviewer: Oh, okay, so that's separate then. What you're paying then on the freight is the freight coming from FOB China or whatever.

Walter: Right.

Interviewer: And that pays to get the freight to -

Walter: The warehouse in Charlotte.

Interviewer: The warehouse in Charlotte.

Walter: Or your warehouse, wherever that is.

Interviewer: Okay. All right so generally, then how much is the freight forwarder charge you then to handle all of this stuff?

Walter: Well, those guys in China and Taiwan, they do it by the cubic meter, I think it is, for the space on the ship. We started off with one cubic meter and the last order we were at about 1.34 cubic meters. So it went up a little bit, but over the cost of each item it went down a little bit. Then the customs broker over here will ascertain all the customs fees - their inspection, running it through customs, the paperwork, and their fees. I don't know if they have a flat rate, a percentage, or what it is, they just told me what it was and I said, "Oh, this is good."

Interviewer: Okay, and you just talked about the U.S. custom charges fees for their service and how much are those again?

Walter: Ours was about a hundred and something dollars and our broker fees were a couple hundred dollars. It was probably all total about \$400.00 for the U.S. part of the customs, broker fees.

Interviewer: And that is for each shipment?

Walter: Yeah.

Interviewer: Can you tell me a little bit more about the brokers fees?

- Walter:* They're going to collect all of the fees and duties. The duties that are due to U.S. Customs. They pay U.S. Customs for you. Then you pay, say ABX the broker, you pay them for getting the items through customs, keeping them in their warehouse until you can pick them up or shipping them to you. You're just paying them for their services. They have insurance and bonds. So you're paying for their insurance and their bonds and their knowledge and their expertise.
- Interviewer:* Okay. That's just all expenses that go right back into the cost of the product itself.
- Walter:* Right. I took what it was going to cost, CIF: Cost, Insurance and Freight, from the manufacturer to Charlotte and I added the ABX fees for customs and ABX's personal fees to the first amount and I divided it by the number of wood chippers that I was getting. That's what it cost me total for the item.
- Interviewer:* Okay. You contact ABX or whoever your broker is ahead of time and you tell them what you got and they tell you how much it's going to cost you.
- Walter:* Right.
- Interviewer:* Okay, so you know before you do any of this you know -
- Walter:* You know before you ever order how much it's going to cost you and whether you can sell it and stand to make a profit.
- Interviewer:* Just as an example on one of your products, how much does the ABX fee cost per unit extra for those freight fees?
- Walter:* Okay, \$65.00 is the total cost for both. This time \$52.00 - 52 - \$56.00 was the cost of having it made and having it trucked to Charlotte. The difference between the \$56.00 and \$65.00 was customs fees and duties and ABX fees.
- Interviewer:* Okay. So that's only about \$9.00, I think.
- Walter:* Yeah.

- Interviewer:* So \$9.00 per unit to cover your broker fees and all that other stuff.
- Walter:* Then the harbor master or the U.S. Customs people will send you an acknowledgement that your goods have cleared customs. When the boat docks and they offload your goods the person receiving the goods for the manufacturer contact ABX or your customs agent and says, "Hey, they're here." So you know when they get here.
- Interviewer:* Okay.
- Walter:* When they leave California to come to Charlotte, they tell you again. That's the beauty of having ABX.
- Interviewer:* Yeah, they handle everything for you.
- Walter:* Because there was a warehouse fee and a handling fee that the other person's warehouse charged us in California. The ABX or the customs broker paid that fee. They sent them a check and I reimbursed the customs broker when I went to pick up the goods.
- Interviewer:* Okay.
- Walter:* Now bond, they do have a bond if you're going to, like, we order more than once a year so we get what they call a yearly customs bond. That's a few dollars more than just a one time shot, but it's worth it because you only pay that once a year.
- Interviewer:* Throughout this whole thing have you talked to them on the phone at all or has it all been through email?
- Walter:* Most of it's been email. The manufacturer that we're using - I was sitting around the house one night, probably just about getting ready to go to bed and the phone rang. I say, "Hello." The person on the other end said, "Hello, Mr. Walter." I say, "Yes." "This is so and so from Taiwan." I said, "Okay." He called me to let me know that he was going to fax me the bill of lading and the invoice for the shipment that was going on the boat.

Interviewer: Okay. We talked about the invoice, is that the same invoice you're talked about before?

Walter: No, this is the invoice that the shipper uses to keep track of what's on the ship.

Interviewer: Okay, and then the bill of lading is?

Walter: It's just another invoice. The bill of lading will tell the shipper where they're coming from, who's getting them. It has the contact or third party in the United States, who is the broker, our customs broker. If they have any questions or problems or anything they contact the broker, because that's what you tell them to do. You tell them, "If you have any problems you contact ABX they'll take care of it." And they do.

Interviewer: Okay, so you don't really have to worry about that then? It's being handled for you.

Walter: Yep.

Interviewer: Okay.

Walter: I mean it's worth it.

Interviewer: So basically what he was telling you, he called you to let you know that the boat was on the way.

Walter: Yes.

Interviewer: Okay. And it took what 26 days or something?

Walter: Yeah, he said about 30 days and I think it ended up being about 26 or 27 days. They actually stayed in customs in Los Angeles for about seven to ten days. Customs decided to hold the container that our goods were in for x-ray. They just out of the kindness of their heart U.S. Customs charged us \$15.00 x-ray fee.

Interviewer: Did they really?

Walter: Yes, they do.

Interviewer: That's nice of them isn't it?

- Walter:* I cannot stress how easy it was finding people or once you found people who understood your situation and were willing to take you by the hand and say, "Don't worry about it we'll cover it."
- Interviewer:* That's funny about the x-ray fee. That's like congratulations you've been selected to have this fee. Here's \$15.00 pay it.
- Walter:* The agent or the forwarder who's bringing the goods into the country will charge you \$10.00 a day to keep your goods in their warehouse and that includes if they're only there five minutes.
- Interviewer:* I can understand that a little more, at least they got to cover their base cost and everything. I guess space is expensive.
- Interviewer:* So Walter, how exactly then - you had to have the money up front to pay for this. How did you get the money to pay for the items?
- Walter:* When I started talking to my wife and we said, okay, I mean, over a course of a couple of days or something. I first went to her with all of the information that I needed or as much as I had at that time. We went to the bank and we drew out I think it was \$3000.00 from our retirement. That's what we - and we put that in the bank to fund this operation. So I knew how much I was going to have to work with. Once I had the deal done, I said, "Okay, now we need to transfer the money." So she did that. I cannot over emphasize and I know you will agree with me do not invest money you cannot take a chance on losing.
- Interviewer:* Yeah, that's exactly right. I don't recommend people borrowing from credit cards and stuff like that.
- Walter:* No.
- Interviewer:* I mean, what you've got - you're going to have to research on all these companies. It's going to take you time to do that and in the meantime you start saving up money to make your first purchase.

- Walter:* Right, and if you don't have the money now, like you just said, you start saving it up.
- Walter:* Well, we figured, you know, I knew what the guys were selling the items for on eBay. And I knew how much they were in the store, which was more than they were on eBay, sometimes. So I said, "Okay, I want to make 100 percent profit", which is just good business. Sometimes we do and sometimes we only make 40 or 50 percent profit. But that's how I kind of - once we found out what it was going to bottom line cost to get them made, get them shipped over here, get them to Charlotte, and what my eBay fees were going to be. If I sold it for X number of dollars I was pretty sure I could go to my wife and say, "Look if we sell 30 of them and we average, let's say, \$100.00 a sale and it's costing us \$60.00 to get all this done, we stand to make an average of \$40.00 a piece." And I think you have to know that going in. Sometimes you make more, sometimes you'll make less.
- Interviewer:* I think you've got a little bit of a unique approach to doing this, because a lot of people they have tons and tons and tons of different products and they just make a little bit on each one. A lot of these power sellers they might sell \$20,000.00 a month, but they're only making 10 percent profit. So they're not making a whole lot of money. You on the other hand, you've got just one product here that you're concentrating on now and you're making a lot from it. You're making 100 percent mark-up on it in some cases.
- Walter:* Pretty much, between - I'd say very seldom does it ever drop much below 50 percent. You got to kind of figure or try to figure what can I live with if I don't get maximum sale price?
- Walter:* It takes time to get everything together and have all these questions sorted out.
- Interviewer:* Yeah. So you can make the same amount of profit selling just one item as someone maybe selling five to ten different items.

- Walter:* I can honestly share with you, when I contacted the manufacturer representative I told him we were ready to order again. Well, they were kind of really willing to work with us, but their price went up and then they were too busy to talk to us. Well, I had found out who made them. So I contacted the manufacturer and I explained the problem and they said, "Have you tried to resolve it with the supplier?" I said, "Yes. We cannot seem to make any progress. I need these items and they don't seem to be willing to work with me again." He said, "How many would you like and when would you like for us to ship them?"
- Interviewer:* Now, did you save any money by going through the manufacturer?
- Walter:* Yeah, about - well, we weren't really doing large quantities. Probably about 10-15 percent.
- Interviewer:* So not a whole lot?
- Interviewer:* No, not a whole lot, but now we have a constant supply. If I have any questions I can go to this guy and I'm up at 11:00 at night, because in Taiwan it's 11:00 in the morning. So you deal with that and when I'm ready - this year, this last order we got the manufacturer -- the box now has our name on it, address, and the name of the item - the wood chipper that we sell.
- Interviewer:* Right, because you now are doing enough business where they'll do that for you. They do it for free?
- Walter:* Yes.
- Interviewer:* Yeah, that's great.
- Walter:* So it pays.
- Interviewer:* It really brands the product.
- Walter:* Yeah, if you share with them that you're going to do this, do it, because they will remember. They keep notes on you just like you keep notes on them.

- Interviewer:* So Walter, now how do you figure out how much to sell the item for on eBay?
- Walter:* Okay, not being a great mathematician I found out exactly what it would cost me to the dollar to have the item made, shipped to Los Angeles, to Charlotte, and paying the U.S. Customs fees and brokers. I knew pretty much what the item was selling for eBay and I kept my price pretty in range with what was selling, maybe drop it down a little bit. I've not had good success with the 95 cents starting bids. We put a starting bid of what we want to make plus the expense of the item.
- Interviewer:* That's a strategy that I think a lot of people use. There's a lot of them that preach about starting everything off at 99 cents or even one penny and you can do that in certain markets and you can't do it in other markets. There's different things.
- Walter:* Right, because if they wanted to pay - if the high bid is \$49.00 and you've got \$65.00 in it, you're out the difference, plus you're fees.
- Interviewer:* Yep, exactly.
- Walter:* I think consistency there, too. We always, every once in a while I'll throw in a ringer at a 95 cent, but not very much. Most of the time we start at what it cost us to pay the - what we paid for the item, total in, plus 50 percent mark-up. That's our starting price.
- Interviewer:* Okay, so in other words, if your - if it cost you \$50.00 for the item with everything added into it, then you would start the auction for -
- Walter:* Seventy-five.
- Interviewer:* Okay, so that way you're sure that you're making at least a \$25.00 profit.
- Walter:* Mm-hm.
- Interviewer:* That's a good strategy.
- Walter:* And sometimes we only sell them for that starting price.

- Interviewer:* But then sometimes you sell them for more.
- Walter:* Yeah, I had one of them go for over \$252.00. I sat there and watched the bidding one night and I said, "Whoa."
- Interviewer:* That is great when that happens, isn't it.
- Walter:* I said, "Baby, come and look at this." It's amazing. You just never know.
- Walter:* And you know and it's a simple way of doing it, but I think that's a good strategy, though.
- Walter:* And it works for us. It might not work for somebody else.
- Interviewer:* Yeah, and it does depend on the product. You've got to test different things out. Like you said, you tested the 99 cent thing out.
- Walter:* Mm-hm. Didn't work.
- Interviewer:* Yep, and I bet you only do that one time, because you've eaten a lot of cost on that.
- Walter:* Yeah, and I did it and we put the reserve on there. I tried to keep the fees down. I know now having done it for a couple of years that it's going to cost me \$2.75 to list it. PayPal going to get their percentage. eBay's going to get their final value piece.
- Interviewer:* Oh yeah, you're getting nicked and dined left and right. So you got to build enough in there so you're making some money. Well, here is a question that I think everybody's probably thinking about. How much do you charge for shipping and handling when you sell it on eBay?
- Walter:* Pretty much the same thing everybody else is.
- Interviewer:* So you just do research and find out what everybody else is charging and then you charge the lowest their charging? The medium?
- Walter:* Probably an average. Most of the shipping was between 25 to 30 dollars.

- Interviewer:* Okay, because these are big items.
- Walter:* Right. So most of the folks, let's say they were, they had a flat rate. We started at a flat rate of \$29.00. Just this year I modified that when eBay was real big on people overcharging for shipping and handling. I take the weight of my package and I've bumped it about five pounds. Then I add \$5.00 flat rate for handling. I don't do flat rate shipping anymore.
- Interviewer:* You do calculated.
- Walter:* Calculated shipping.
- Interviewer:* Well, I've gone to doing that too with just about everything I sell and I like it much better.
- Walter:* People like it. I think people like it better.
- Interviewer:* People really appreciate calculated. Here's something else that most people don't know; it is that most people don't realize that you can add a handling fee into that calculated. They think when they see that calculated shipping that it's the exact shipping. So I'm sure that eventually they're going to learn that there can be some...
- Walter:* And I've found out through checking that by bumping the poundage five pounds and adding \$5.00 handling fee, my shipping and handling ends up being less than virtually everybody else selling the same item.
- Walter:* So when they're shopping, if they're doing their homework and they're calculating, "Okay, I'm going to pay this for it and I'm going to pay this much for shipping and handling if I go to - wait a minute Foxboro has it and their shipping and handling to me is only \$20.00 and the other people are charging \$29.00.
- Interviewer:* You better believe people look at that. They have learned that they get burned with shipping. I remember one time; one of the first things I ever bought off eBay, I bought a little leather fanny pack and it was 99 cents. It was 99 cents buy it now. So I bought it and the shipping on it was \$13.99. When I found that out, I emailed the

seller and I just called her every name in the book, because she was cheating. That's all she was doing was just cheating.

Walter: Right, everybody - Wal-Mart, Kmart - no matter who it is pads the shipping. Even the people that drop ship for people who are selling on eBay will add four or five dollars handling. You can make it - for a long time I used to pay my fees to eBay and PayPal out of the shipping and handling.

Interviewer: Because you're making extra money for them.

Walter: Yeah.

Interviewer: Yeah, I've known people who say that you should include the PayPal fees and the eBay fees in with your handling costs.

Walter: Yeah.

Interviewer: I've heard people - I know people who do that. I'm not so sure that I would do that, but some people think it's right, because it is the cost of doing business.

Walter: I don't be out of the way in my listing, but I share with the folks, shipping and handling involves us using the shipper of our choice. We do not ship the wood chippers to post offices boxes and I tell them the reason is we haven't been able to figure out how to put the wood chipper in the post office box.

Interviewer: Do you ship by UPS or do you ship by USPS?

Walter: Actually I probably use DHL more.

Interviewer: DHL, yeah.

Walter: And FedEx is second, because FedEx and DHL are usually nip and tuck on the prices. UPS is usually higher, but they're in bed with eBay so it's like convenience there. I use the post office a lot, but I don't use it for the larger items.

- Interviewer:* Okay. Now, when you do FedEx do you have to take your boxes to FedEx or will they come and pick them up?
- Walter:* Both. We have a drop off. One of those little postal shipping places. FedEx and DHL pay them like 50 or 75 cents for them to take your box and hold it until their driver comes around and picks it up.
- Interviewer:* Oh, well that's good to know.
- Walter:* I even used to go to this little postal place and let them do the shipping for me until I found out how much money they were making. So I contacted DHL, FedEx, UPS and I logged onto the postal website USPS - I guess that right - into their websites and I found out how much I could ship it for, which was about 100 percent less then what I was paying at the postal shipping place. So there is how I was able to do that.
- Interviewer:* So Walter, how do you prepare your item to be listed on eBay?
- Walter:* I used Turbo Lister, recently we started using Auctiva, but I took information, which I picked from other sellers who were selling the same item, plus manufacturer's information, plus my own personal experience information.
- Interviewer:* You mean experience of using the product.
- Walter:* Right.
- Interviewer:* That's where it comes in to try to find products that you've used yourself, right.
- Walter:* Yeah.
- Interviewer:* I got it, yeah.
- Walter:* I mean, you'll read listings on eBay and you know that person has never used this thing.
- Interviewer:* Right, you can tell.

- Walter:* But I've had people comment and say, "Wow, you can really do that with this?" I say, "Yes, you can." Or "You must really be sold on this thing." And I say, "Yes, I am."
- Interviewer:* I tell you another thing you can do to set yourself apart from your competitors and that is include something free in the auction. It's good in the auction title to put in the very end if you've got room, put a plus sign and the word bonus, because that sets you apart from everybody selling the same or similar items. Then include something; information product, some little pamphlet or something that tells them something that they wouldn't normally know how to do with the item.
- Walter:* One thing that we encountered is some of the folks who are selling the wood chipper were not giving the manufacturer's recommendation on the power rating. The manufacturer said, "We sell this as two-horsepower motor." But they also list watts/horsepower. And I said, "Is this okay?" And they said, "Yeah, this is the way you do it." So we started listing it with the horsepower of the wood chipper. We caught a lot of flack from other sellers last year and the year before. This year guess what they're doing?
- Interviewer:* Same thing you're doing.
- Walter:* The same thing we're doing. So this year as soon as you click on the listing the first thing you see in four inch letters, bold, underlined is free insurance. The next thing, 24 hour shipping. We took the manufacturer's warranty and we extended it a day. So instead of a 365 day warranty you get a 366 warranty.
- Interviewer:* Okay, that makes you a little bit better than the other guy.
- Walter:* Right. Competition is tough out there and it's getting busier all the time, so you just -
- Interviewer:* You find those little things that you can be a little bit better.

Walter: Mm-hm. And it seems to work. Then we started, like you were saying, you include the free bonus, but we do like a combo where you get the wood chipper and maybe an axe or a machete all at one price.

Interviewer: Okay, you charge more for that then don't you?

Walter: Oh, yes.

Interviewer: What I'm talking about is putting a bonus in there that you get for free. You can do that too, just to set yourself apart from the other guys. When I was selling calculators I did that. I went on the Internet and found some training guides for these - they were scientific calculators and they had training guides for schoolteachers, training guides for real estate agents. There was about ten different ones and they were included on the Hewlett Packard website. So I just downloaded them and put them on a CD and I included that in the auction. That really set me apart from the other sellers.

Walter: Yeah, little stuff.

Interviewer: What type of return policy do you use?

Walter: We do a three day return policy exchange. We'll do it for, let's say it's get damaged or our boxes come with the wood chipper and everything in a sealed shrink wrapped box, so I don't open everyone. If a customer says there's something wrong with it, they pay the shipping to send it back, we send them a replacement.

Interviewer: Okay, when you say three days, you mean three days after they get it or how do you work that?

Walter: I do tracking on every shipment. Takes a little bit more time.

Walter: I know exactly when they got it, because DHL or FedEx will send me an email everyday telling me who got their stuff when. I ship - I staple - I print the packing slip off of PayPal. I print an original, which I put in the wood chipper and I make a copy of it and I staple a copy of my shipping invoice to that, so I got the information right

there. They say, "Well this and that or another." And I can go right to their invoice, right to their sales things and I know exactly when they got it.

Interviewer: Okay.

Walter: But I don't give them any problems. Our feedback is 99 to 1, fast shipping. "I can't believe it's here." That's what people want. They're scared they're going to get ripped off anyway, so once you get their money give them what they paid for.

Interviewer: That's right.

Interviewer: Let's say I've found a company that has an item I want to import and sell on eBay, how do I contact them?

Walter: I usually do emails if it's overseas, because that's the way they're use to being contacted. They will reply. Usually after a couple, three emails I'll say, "Hey, I use MSN Chat and I have a webcam" and we can webcam. We sit there and look at them.

Interviewer: That's good. Now see that flies in the face of what a lot of people tell you about contacting businesses when you're trying to source out products. They say that you shouldn't use email, you should use telephone, or letter, or fax to contact them. I think, what you're saying is because these companies are used to using email. That's their preferred method to be contacted.

Walter: Plus, like China or Taiwan, you and I are talking it's 4:00 in the afternoon. In Taiwan it's 4:00 in the morning tomorrow. So this is Monday? It's 4:00 in the morning on Tuesday.

Interviewer: Yeah, you have to keep those things in mind, so yeah.

Walter: They're used to it. They're advertising. They're wanting you to contact them. In the United States I'll contact them by phone if possible. That way it's easy to weed them out before you start, I mean, I told my wife one time I was in a conference chat. I said, "This is neat. Here I am I've got two people in China and we're chatting - a conference chat." I said, "I have arrived."

- Interviewer:* You sure have.
- Walter:* If you had told me two or three years ago that I'd be doing that. I would have said, "Yeah, right."
- Interviewer:* Can you give us some links that will help us get started with importing?
- Walter:* Yeah, we've got alibaba, which is www.alibaba.com. And ABX Logistics, I have an email for an agent and then the website is www.abxlogistic.com.
- Interviewer:* Is there any other website that you recommend?
- Walter:* Well, the easy thing for folks to do is just do a Google search, like for customs ports, because each port of entry has a number and that's what the shipper or the manufacturer wants. They want the name of the port and the number.
- Interviewer:* But really though if you could get your broker they can handle that for you.
- Walter:* Yep.
- Interviewer:* Okay. So really the only thing you need - the first point of contact is ABX.
- Walter:* Mm-hm.
- Interviewer:* They just contact ABX, they can handle everything else for you.
- Walter:* Yeah. I was talking to the brokers and I was talking to the manufacturer at the same time, you know, together.
- Interviewer:* Right.
- Walter:* So I knew when the manufacturer quoted me a cost to get them to Charlotte how much it was going to cost me once it got to Charlotte. So it all worked out pretty good.
- Interviewer:* Okay. All right Walter, I think that's all the questions I had right now. This has been a very enlightening conversation.

Walter: I've enjoyed it.

Interviewer: You really opened the doors to importing for everybody, though. That's not nearly as hard or as expensive as I think people think it is.

Walter: It's not. It's as hard or as expensive as you want it to be, but I try to keep it simple, because throughout the whole process I explained to my wife. I kept her updated what was happening and I had to be able to explain it to her, because she knew less than I did.

Interviewer: Yeah. It's good to have somebody that you have to be accountable to, because that keeps you honest. And when I say honest it keeps you from getting yourself in over your head.

Walter: Exactly.

Interviewer: Okay, Walter I will talk to you later.

Walter: Okay.

Interviewer: Thanks a lot, now.

Walter: Thanks, man.

Interviewer: Bye.

Walter: Bye.