



**SEABOURNE
GROUP**

**YOUR
LOGISTICAL
&
FISCAL
CHALLENGES
SOLVED**



LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

INTRODUCTION:

History

WHY CUSTOMER FOCUS IS SO IMPORTANT:

5 important features of our customer focus

LIMITED FISCAL REPRESENTATION & (NL)SUPPLY CHAIN:

5 reasons to use this combined service

BUSINESS CASE CALCULATION:

3 step calculation example

LIMITED FISCAL REPRESENTATION BENEFITS:

Import / export benefits

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

INTRODUCTION

History

Seabourne Group Founded in 1962 by Sir Clive Bourne

Originally Seabourne Express Parcels
(a European parcels carrier)- sold to UPS in 1991

Acquired Seabourne Forwarding in 1982

Acquired Seabourne Express Courier in 1988

Acquired Wisden & Franklin in 1996

Acquired Air Action in 2008

Acquired InXpress, South Africa in 2009

Acquired Gazelle Courier and FXMS (3PL) in 2011 and is AEO certified

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

WHY CUSTOMER FOCUS IS SO IMPORTANT:

5 important features of our customer focus

1. Developing and designing a service which is easy to use and access
2. Building strong personal relationships to ensure we understand our customers' needs
3. Customers' requirements are important to the innovation process
4. A high quality after sales service to meet customers' needs
5. Educating our customers so they know how to get the best service

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

LIMITED FISCAL REPRESENTATION & (NL)SUPPLY CHAIN:

5 reasons to use this combined service

1. Assistance with VAT registration/application
2. Value added service of Maco Customs Service and Seabourne Group
3. A logistics partner for distributing non-EU goods via the Netherlands into Europe fully compliantly
4. Providing Dutch/European Tax authorities with a flow of goods report
5. Providing the non-EU client with a superior warehouse management system (Manhattan) and distribution network

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

BUSINESS CASE CALCULATION:

- Total production cost per item € 200
- 8 distributors in Europe
- FOB shipping conditions
- FOB selling price per item to European distributor € 250
- Import duties 7,25%
- Insurance 0,01 %
- No European (bonded) warehouse
- No European distribution network
- No European Ltd.

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

BUSINESS CASE CALCULATION:

CURRENT SITUATION

Terms of delivery:	FOB / USA
Cost price per item USA:	€ 200
Cost price per 2 Pallets, 500 items:	€ 100.000
Weight per item in KG:	2
Selling price into the EU per item (cost € 200 x 1.25):	€ 250
FOB price invoice into the EU per 2 pallets, 500 items:	€ 125.000
Air freight costs for 2 pallets, 1000 KG:	€ 2.500
Insurance 0,01% over € 125.000	<u>€ 125</u>
Customs Value:	€ 127.625
Duties: (customs value) = € 127.625 x 7,5% =	€ 9.571
Selling price into the EU per item:	€ 250
Duties per item for EU distributor is € 9.571 / 500 =	<u>€ 19</u>
Total Costprice per item for EU distributor:	€ 269,00
Possible selling price per item in EU (cost € 269x 1.45):	€ 390

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

BUSINESS CASE CALCULATION:

POSSIBLE SCENARIO

Terms of delivery:	FOB / USA
Cost price per item USA:	€ 200
Cost price per 2 Pallets, 500 items:	€ 100.000
Weight per item in KG:	2
Selling price into the EU per item (cost € 200 x 1.25):	€ 250
FOB price invoice into the EU per 20ft container, 4000 items:	€ 1.000.000
Sea freight costs for 16 pallets, 8000 KG:	€ 2.500
Insurance 0,01% over € 1.000.000	<u>€ 1.000</u>
Customs Value:	€ 1.003.500
Duties: (customs value) = € 1.003.500 x 7,5% =	€ 75.262
Selling price into the EU per item:	€ 250,00
Duties per item for EU distributor is € 75.262 / 4000 =	<u>€ 18,81</u>
Total Costprice per item for EU distributor:	€ 268,81
Possible selling price per item in EU (cost € 268,81 x 1.45):	€ 389,78

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

BUSINESS CASE CALCULATION:

SEABOURNE SOLUTION

Terms of delivery:	DDP / NL
Cost price per item USA:	€ 200
Cost price per 2 Pallets, 500 items:	€ 100.000
Weight per item in KG:	2
Selling price into the EU per item (cost € 200 x 1.30):	€ 260
FOB price invoice into the EU per 20ft container, 4000 items:	€ 1.040.000
Sea freight costs for 16 pallets, 8000 KG:	€ 2.500
Insurance 0,01% over € 1.040.000	<u>€ 1.040</u>
Customs Value:	€ 1.043.540
Duties: (customs value) = € 1.043.540 x 7,5% =	€ 78.265
Selling price into the EU per item:	€ 260,00
Duties per item on behave of the USA client is € 78.265 / 4000 =	<u>€ 16,57</u>
Total Costprice per item for USA client :	€ 276,57
Possible selling price per item in EU (cost € 276,57x 1.40):	€ 387,20

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

LIMITED FISCAL REPRESENTATION BENEFITS:

Import / export benefits

- **Lower transport costs for you and/or your distributors**
- **Lower import duties** (because of lower transport costs)
- **Exporter can raise his selling price** (or the product can be more competitive for the distributor and/or market)
- **European hub makes the exporter less dependent on the distributor**
- **Distributor doesn't have to pay VAT upfront and is levied**
- **Distributor doesn't have to pre finance stock**

LIMITED FISCAL REPRESENTATION CASE STUDY 2013:

LIMITED FISCAL REPRESENTATION BENEFITS:

Import / export benefits

- Distributor can order smaller amounts creating a faster turnover
- Faster lead times
- Creates less risk for distributor, more revenue and a better partnership
- Solution to possible cashflow challenges
- Creating a solid distributor as future partner
- Quick and flexible response to ever changing markets



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