
UTA INDUSTRY WATCH

Volume 3, Issue 3

March 2002

Third Annual UTA Convention

Nov. 8-10, Hot Springs, Ark.

Mark your calendar and plan on attending the UTA's third annual convention, being held this Nov. 8-10 at the Arlington Resort Hotel & Spa in Hot Springs, Ark.

The resort is nestled in the historic downtown district of the Hot Springs National Park in the Ouachita Mountains.

As with our previous conventions, there will be plenty to see and do. Watch the newsletter for updates.

For additional convention information, or for details on sponsorship opportunities, contact Sue Dorso at 941-698-4285.

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**What Are YOU Doing
To Support The UTA?**

President's Message

"Welcome aboard" to all of the new members. We've been waiting on you.

Now, we would like you to go out and sign up one new member. That is only the start.

Now that you've joined, we want you to get involved. Write a newsworthy article for our *UTA Industry Watch* newsletter. Look on our website (www.uta.org) and get some ideas or subjects to write about. Ask about serving on a committees. **WE WELCOME YOUR INPUT.**

Do you feel a small change in our business? I see a slight upswing in our industry. Some dealers' inventories are lower than normal. Certain model trucks are beginning to be hard to find and with a little higher pricetag than a month or so ago.

What is this telling us? While it doesn't say we're out of the woods yet, it does tell us we may be heading in the right direction. We need a few things to happen and we could be on the road to recovery.

Sooner or later, the finance people will come back to the party and when they do, we will enjoy a very noticeable upswing.

I believe that we can expect a very slow participation by any finance group in the

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Notes On Exporting

LETTERS OF CREDIT

The most commonly used form of payment is the confirmed irrevocable letter of credit. Be very careful with letters of credit. They are in many respects a contract and need to be irrevocable and confirmed by both the buyer's bank and your bank.

It is advisable to check with a local bank that has international trade experience when you deal a potential customer's letter of credit.

The letter of credit can spell out a lot of specific negotiation points. For example, when and where the trucks and titles will be handed over.

After receiving a letter of credit from a potential customer, carefully compare its terms with the terms of its proforma invoice. This is extremely important, because if the terms are not precisely met, the letter of credit may be deemed invalid and payment withheld.

A good way to safeguard the transaction is to not move your equipment until the cash is in your bank. Advise your potential customers of your payment policy at the start of negotiations.

CUSTOMS

Typically, your trucks and titles will sit for at least 72 hours before leaving port.

THE VALUE OF TIME

Most export buyers don't value time the same way we do. They will shop you until you drop over \$50.

You'll spend more man-hours than you ever imagined making a deal.

Be advised, when you are pricing out the 20-30 truck deal for that export buyer, it often times will turn out to be just a 5 truck deal.

DELIVER ON PROMISES

In the used equipment exporting business, repeat and referral customers are job one, so you have to be brutally honest when it comes

President's Message (continued)

immediate future. If they would just give some consideration on the good customers that have been hurt by the high price of fuel and the aftermath of 9/11 we would see an increase in our sales.

I don't feel just being late on a few payments last year, with what our customers went through, make's them a bad credit risk. We all must be appreciative of the few banks that are helping our customers through all this turmoil. It will take time but it will come around.

The Mid-America Trucking Show in Louisville, KY, will be March 21-23. We will have a UTA board meeting there.

If you plan to attend the show, pop your head in and say hi. We would love to see you.

Get in touch with me or one of the board members should you have something that you would like addressed. We'll be glad to put it on the agenda.

Once again, **THANKS** to the officers, committee chairpersons and members for your hard work.

We are seeing a difference and you are the reason.

-- H.E. "Eddie" Walker
President, UTA

to the condition of your equipment. You won't get a second chance with customers in the export business.

If you're on the dock when your trucks are unloaded you'll find potential new customers because importers and their friends hang around the docks to pick up new leads. Trucks on the dock from America are easy to spot and make an impression with the local importers.

USE THE INTERNET

A global buyer is an educated buyer and generally knows what he wants. The Internet allows you to reach, communicate and negotiate with these global customers.

Take advantage of this technology. Develop your Internet site so that it can show multiple photos with audio or a video with audio of your equipment.

Internet communication is invaluable when you're dealing in the export business.

COMMITMENT

The exporting business is not for the faint of heart. If you're not prepared to make a considerable invest of time, energy and money, then don't start.

Like a lot of new business ventures, the start up costs will be higher than you think.

Do you know how much time and money that it will cost to take your trucks to port? You can only learn by doing.

For your first experience, start with a small number of trucks. That way if you run into costly problems, they will be minimal.

If you have trouble, the U.S. Embassy in the country you are dealing with is a good place to look for help.

Make sure deals are in writing. Handshakes usually don't mean a thing. And if a deal sounds to good to be true, it's to good to be true.

continued next column

MORE INFORMATION

For more information on exporting try these web sites:

www.myexports.com - is a public-private partnership of the U.S. Department of Commerce and Global Publishers LLC. Its objective is "to give U.S. exporters and service providers a simple, fast and convenient way to establish contacts and conduct business."

The partnership can help your business create a profile in its *U.S. Exporters' Yellow Pages*. This annual publication and web site is designed as a quick, easy way to put your company and products in front of a worldwide audience.

The partnership also produces the *U.S. Trade Assistance Directory*. Also an annual publication and web site, it includes a comprehensive listing of sales agents, shippers, translators, bankers and other services essential to global business success.

Another tool for exporters is an online directory of the most essential government services and industry specific trade information.

www.usatrade.gov - is the web site of the U.S. Commercial Service, the global business solutions unit of the Department of Commerce, which has wide and deep knowledge of markets and industries. The unit focuses on small and midsize businesses.

On feature of the site is the Export Assistance Center where, among other things, you can locate the closet Center near you. The Centers are happy to answer export questions and will direct you to other state export agencies and export trade organizations.

TO LEARN MORE

If you would like to talk with someone about used truck exporting, we invite you to call one of the Used Truck Association's export dealer committee members.

Tim Pontier, World Wide Export and Equipment Sales, Des Moines, IA, 515-266-7088

Peter Swartentruber, Carrier Truck Centers,

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UTA GOVERNING BODY

Chairman - Steve "Bear" Nadolson, Arrow Trucks, 740-964-6600

President - H.E. "Eddie" Walker, Best Used Trucks, 817-439-3900

Vice President - Doug Dressen, Dressen Truck & Trailer, 651-260-6878

Secretary - Justina Faulkner, *American Trucker*, 317-297-5500

Treasurer - Vince Anselmo, National Truck Protection, 800-950-3377

Director - David A. Kolman, Newport Communications, 410-374-0852

Board of Directors:

- Lee Chapin, *The Truck Paper*, 402-479-2140

- Marty Crawford, Waters Truck & Trailer, 662-328-1575

- Al Hess, Wholesale 911, 816-472-7775

- Mike Jackson, Volvo & GMC Trucks of Atlanta, 404-363-8390

- Bruce Jodarski, Best Used Trucks of TN/First Appraisal Marketing Service, 931-456-6400

- Paul Spokas, Heavy Duty Marketing Associates, 336-454-5599

- Jim Sundry, Nalley Motor Trucks, 404-622-1921

Woodstock, Ontario, Canada (Experienced with exporting trucks from Canada to the U.S.)

Jerry Nerman, Arrow Truck Sales, Kansas City, MO, 816-923-5000

Jim Harless, Adesa Auctions, Houston, TX, 281-580-1800

Thank You: A special thanks to Susan Rouch with the Nebraska Economic Development Department and John Hernandez with World Truck Sales in Houston, Texas, for their assistance in preparing this brochure.

Disclaimer: The information provided in this article is compiled for reference use only. The Used Truck Association is not responsible for any errors, omissions or damages arising out of the use of this information.

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