

CUSTOMISED WORKSHOPS DELIVER IMMEDIATE RESULTS

► International Commercial Terms

CASE STUDY

Facts

For any organisation that imports or exports goods, international trade practices can be a minefield of commercial risk.

Whilst dedicated managers and functions can hold central responsibility, the business issues surrounding trading terms and customs affect multiple stakeholders, from sales through to operations, supply chain and project management.

Misunderstandings between parties, hidden terms and errors on either part can create ambiguity; threaten success and could cost organisations up to six figures in unplanned costs¹.

Action

The Faculty Incoterms workshop addresses in detail international commercial terms from a buyer's perspective. The session defines where risk and costs pass in each trading model, whilst exposing common misconceptions surrounding Incoterms and how trade terms are used in the sales process to strengthen propositions whilst protecting the seller (and exposing the buyer to risk).

The Faculty explores the obligations for all parties across the 4 Incoterms groups and assesses workshop participants' understanding of common terms. This workshop works most effectively with cross-functional stakeholders – embedding common understanding and sharing real-life experiences of how the wrong terms can impact everyone.



The Faculty works with client organisations to understand the trading environments they operate in and how organisations depend upon complex relationships to mitigate the risk whilst realising cost reduction opportunities.

The Faculty Incoterms workshop provides key reference material to participants, with clear demonstrations of how trading terms work in line with the International Chamber of Commerce's definitions.

During the workshop, participants will examine how different countries and industries use the terms in different ways, ensuring that the organisation can develop processes and internal practices to increase awareness, whilst enforcing a company consistent approach to shared decision making.

¹ One client of The Faculty identified that a single incident involving an error in the use of INCOTERMS cost the organisation over 200,000AUD

For more information on designing a customised workshop for your team or to learn more on Incoterms, contact Lee Garfield at The Faculty on (03) 9654 4900 or by email on lee.garfield@thefaculty.com.au