

Table of Contents

PART A. SETTING UP AND MANAGING A BUSINESS ABROAD

CHAPTER 1. INTRODUCTION

- § 1:1 Scope of chapter
- § 1:2 Emerging international opportunities and threats
- § 1:3 —Product distribution
- § 1:4 —Production and manufacturing
- § 1:5 —Trade barriers and regional trading systems
- § 1:6 —Foreign competition
- § 1:7 —Emerging capital and credit markets
- § 1:8 —Regulatory and administrative guidance
- § 1:9 Reasons for foreign business activities
- § 1:10 —Cost reduction
- § 1:11 —Risk reduction
- § 1:12 —Source of supplies
- § 1:13 —Improved customer service and relations
- § 1:14 —Access to new markets
- § 1:15 —Global learning
- § 1:16 —Access to global talent
- § 1:17 Technology and globalization
- § 1:18 Types of foreign markets
- § 1:19 Ways of doing business in foreign markets
- § 1:20 —Indirect investment
- § 1:21 —Direct investment
- § 1:22 Legal considerations in operating in foreign markets
- § 1:23 Planning for global expansion
- § 1:24 Management challenges
- § 1:25 Many faces of “going global”
- § 1:26 —Small businesses
- § 1:27 —Emerging growth companies
- § 1:28 —Large multinational companies
- § 1:29 General guidelines for overcoming the challenges of
“going global”
- § 1:30 Organization of publication

CHAPTER 2. LEGAL FRAMEWORK FOR CROSS-BORDER BUSINESS ACTIVITIES

- § 2:1 Scope of chapter

- § 2:2 Sources of international law
- § 2:3 Researching international law issues
- § 2:4 U.S. governmental bodies involved in international trade matters
 - § 2:5 —Office of the United States Trade Representative
 - § 2:6 —Bureau of Customs and Border Protection
 - § 2:7 —U.S. International Trade Commission
 - § 2:8 —U.S. Department of Commerce
 - § 2:9 —U.S. Court of International Trade
 - § 2:10 —U.S. Court of Appeals for the Federal Circuit
- § 2:11 International organizations and institutions
 - § 2:12 —World Trade Organization
 - § 2:13 —The United Nations
 - § 2:14 —International Monetary Fund
 - § 2:15 —The World Bank
 - § 2:16 —Organisation for Economic Co-operation and Development
 - § 2:17 —International Labour Organization
 - § 2:18 —World Intellectual Property Organization
 - § 2:19 —International Organization for Standardization
- § 2:20 Regional organizations and agreements
 - § 2:21 —U.S. trade agreements
 - § 2:22 —Other regional trade organizations and agreements
- § 2:23 U.S. laws and regulations relating to cross-border activities
 - § 2:24 Foreign laws and regulations
 - § 2:25 —Contract laws
 - § 2:26 —Foreign product-testing laws and regulations
 - § 2:27 —Debtor-creditor laws
 - § 2:28 —Consumer protection laws
 - § 2:29 —Protection of sales agents and other intermediaries
 - § 2:30 —Intellectual property laws
 - § 2:31 —Health and safety laws
 - § 2:32 —Environmental laws
 - § 2:33 —Customs laws
 - § 2:34 —Investment laws
 - § 2:35 —Competition laws
 - § 2:36 —Technology transfer laws and regulations
 - § 2:37 —Company laws
 - § 2:38 —Financial laws
 - § 2:39 —Corporate governance
 - § 2:40 —Employment and labor laws
 - § 2:41 —Immigration laws
 - § 2:42 —Dispute resolution
 - § 2:43 —Administrative regulations
 - § 2:44 —Corruption
- § 2:45 Public international law

TABLE OF CONTENTS

- § 2:46 Private international law
- § 2:47 —Hague Conference on Private International Law
- § 2:48 —UN Commission for International Trade Law (UNCITRAL)
- § 2:49 —International Institute for the Unification of Private Law (UNIDROIT)
- § 2:50 —Inter-American Specialized Conferences on Private International Law
- § 2:51 Application of international law to common cross-border transactions
- § 2:52 —Sales and procurement of goods
- § 2:53 —International investments
- § 2:54 —Technology transfers
- § 2:55 —Dispute resolution

CHAPTER 3. EVALUATING FOREIGN MARKETS

- § 3:1 Introduction
- § 3:2 Information collection
- § 3:3 Organizational practices for monitoring the environment
- § 3:4 Environmental analysis
- § 3:5 —Economic factors
- § 3:6 — —Natural resources
- § 3:7 — —Human resources
- § 3:8 — —Capital
- § 3:9 — —Infrastructure
- § 3:10 — —Technology
- § 3:11 — —Geography
- § 3:12 — —Property rights
- § 3:13 — —Market size
- § 3:14 —Political factors
- § 3:15 — —Stability
- § 3:16 — —Ideology
- § 3:17 — —Institutions
- § 3:18 — —Geopolitical relationships
- § 3:19 —Legal factors
- § 3:20 —Cultural factors
- § 3:21 — —Social structure and dynamics
- § 3:22 — —Time orientation
- § 3:23 — —Human nature
- § 3:24 — —Religion
- § 3:25 — —Familial networks and personal relationships
- § 3:26 — —Gender roles
- § 3:27 — —Education
- § 3:28 — —Language

- § 3:29 —Demographic factors
- § 3:30 — —Population growth
- § 3:31 — —Age structure and life expectancy
- § 3:32 — —Migratory trends
- § 3:33 —Operational and security factors
- § 3:34 Transformation analysis
- § 3:35 Institutional framework
- § 3:36 —Role of the state
- § 3:37 — —National goals and objectives
- § 3:38 — —National policies
- § 3:39 — — —Foreign policies
- § 3:40 — — —Fiscal and monetary policies
- § 3:41 — — —Income distribution and maintenance policies
- § 3:42 — — —Foreign trade and investment policies
- § 3:43 — — —Industrial policies
- § 3:44 — —Social and cultural policies
- § 3:45 — —National policies—Political policies
- § 3:46 — — —Consistency
- § 3:47 — —Performance indicators
- § 3:48 — — —Economic indicators
- § 3:49 — — —Social indicators
- § 3:50 — — —Political indicators
- § 3:51 — — —Historical indicators
- § 3:52 —Financial system
- § 3:53 —Human capital
- § 3:54 —Legal, regulatory and contracting systems
- § 3:55 —Ownership and governance
- § 3:56 —Business-government relations
- § 3:57 — —National level officials and regulatory bodies
- § 3:58 — —Bureaucrats and civil servants
- § 3:59 — —State-owned enterprises
- § 3:60 — —Political party officials and labor leaders
- § 3:61 — —Local interest groups
- § 3:62 — —Government support for innovative activities
- § 3:63 — —Negotiation strategies
- § 3:64 —Media
- § 3:65 Forecasting
- § 3:66 —Monitoring and expert opinions
- § 3:67 —Trend analysis
- § 3:68 —Scenario planning
- § 3:69 Market selection
- § 3:70 —Risk and return analysis
- § 3:71 —Variable analysis
- § 3:72 —Probability tree analysis
- § 3:73 —Return on investment
- § 3:74 —Risk analysis

TABLE OF CONTENTS

- § 3:75 —Product variables
- § 3:76 —Regional location selection
- § 3:77 Site selection
- § 3:78 Presentation of country analysis

CHAPTER 4. DEVELOPING AN INTERNATIONAL BUSINESS PLAN

I. GENERAL CONSIDERATIONS

A. PRELIMINARY MATTERS

- § 4:1 Scope of chapter
- § 4:2 Purposes of an international business plan
- § 4:3 Elements of an international business plan
- § 4:4 Special characteristics of an international business plan
- § 4:5 Assembling the working group
- § 4:6 —Engineering
- § 4:7 —Manufacturing
- § 4:8 —Marketing and sales
- § 4:9 —Finance
- § 4:10 —Legal
- § 4:11 Managing the process of preparing the international business plan
- § 4:12 Fundamental issues
- § 4:13 —Industry analysis
- § 4:14 —Competitive analysis
- § 4:15 —Organizational analysis
- § 4:16 —Location selection analysis
- § 4:17 Implementing and monitoring the plan

B. DRAFTING AN INTERNATIONAL BUSINESS PLAN

- § 4:18 Introductory section
- § 4:19 Background and current situation
- § 4:20 Products and services
- § 4:21 Research and development
- § 4:22 Manufacturing and purchasing
- § 4:23 Marketing
- § 4:24 Technical service and product support
- § 4:25 Management and organizational structure
- § 4:26 Human resources
- § 4:27 Special topics
- § 4:28 —Finance
- § 4:29 —Facilities and equipment

- § 4:30 —Operations
- § 4:31 —Information management
- § 4:32 —Risk management strategies
- § 4:33 —Regulatory matters
- § 4:34 Supplemental information

II. CHECKLISTS

- § 4:35 Checklist for preparing an international business plan

III. FORMS

- § 4:36 Sample international business plan

CHAPTER 5. EXPORT AND IMPORT PLANNING

I. GENERAL CONSIDERATIONS

- § 5:1 Scope of chapter
- § 5:2 Reasons for exporting
- § 5:3 —Special challenges of export activities
- § 5:4 —Prerequisites to exporting
- § 5:5 — —Competitive products and services
- § 5:6 — —Financial resources
- § 5:7 — —Manufacturing capabilities
- § 5:8 — —Marketing capabilities
- § 5:9 — —Human resources
- § 5:10 — —Local business contacts
- § 5:11 — —Management commitment
- § 5:12 —Exporting services
- § 5:13 —Guidelines for successful exporting
- § 5:14 Developing an export business plan
- § 5:15 —Situation analysis
- § 5:16 —Selecting suitable products for export
- § 5:17 —Selecting suitable markets for export
- § 5:18 —Establishing export sales strategies
- § 5:19 —Strategic initiatives and tactical activities
- § 5:20 —Budgeting
- § 5:21 —Establishing goals and objectives
- § 5:22 Export sales strategies
- § 5:23 —Passive export sales
- § 5:24 —Active solicitation of U.S. exporters
- § 5:25 —Export sales through U.S. intermediaries
- § 5:26 — —Commissioned agents
- § 5:27 — —Export management and trading companies
- § 5:28 — —Piggyback exporting

TABLE OF CONTENTS

§ 5:29	— —Foreign trading companies
§ 5:30	—Export sales through foreign intermediaries
§ 5:31	— —Sales agency arrangements
§ 5:32	— —Sales representative and distribution arrangements
§ 5:33	— —Licensing arrangements with local manufacturers
§ 5:34	—Direct export sales strategies
§ 5:35	— —U.S.-based direct sales strategies
§ 5:36	— —Formation of new foreign entity
§ 5:37	— —Foreign investments and acquisitions
§ 5:38	— —Joint ventures
§ 5:39	—Comparison of alternative export strategies
§ 5:40	— —Degree of control
§ 5:41	— —Required investment
§ 5:42	— —Reliance on foreign personnel
§ 5:43	— —Political risks
§ 5:44	—Market factors impacting market entry strategies
§ 5:45	— —Market size
§ 5:46	— —Market structure
§ 5:47	— —Regulations and government policies
§ 5:48	— —Language and cultural differences
§ 5:49	—Firm and product related factors impacting market entry strategies
§ 5:50	— —Projected purchase price
§ 5:51	— —Financial resources available for export launch
§ 5:52	— —Nature and complexity of underlying technology
§ 5:53	—Evaluation and selection of local representatives
§ 5:54	Preparing an export marketing plan
§ 5:55	—Market research
§ 5:56	— —Demographic factors
§ 5:57	— —Economic factors
§ 5:58	— —Political and regulatory factors
§ 5:59	— —Cultural factors
§ 5:60	— —Sources of information
§ 5:61	— —Potential problems in collecting information
§ 5:62	—Customer analysis
§ 5:63	—Competitive analysis
§ 5:64	—Products
§ 5:65	—Pricing
§ 5:66	—Promotion
§ 5:67	— —Media choice
§ 5:68	— —Marketing messages
§ 5:69	—Packaging
§ 5:70	—Place
§ 5:71	—Customer service and support
§ 5:72	— —Practical guidelines for service and support policies

- § 5:73 — —Market research
- § 5:74 — —Warranty policies
- § 5:75 — —Training and technical support
- § 5:76 — —Organization of international service operations
- § 5:77 — —Measuring customer satisfaction
- § 5:78 — —Multinational marketing strategies
- § 5:79 Additional issues and considerations for exporters
- § 5:80 — —Export controls
- § 5:81 — —Export terms and conditions
- § 5:82 — —Logistics
- § 5:83 — —Financing export transactions
- § 5:84 — —Obtaining payment in export transactions
- § 5:85 Import planning
- § 5:86 — —Developing an import business plan
- § 5:87 — —Foreign sourcing
- § 5:88 — —Logistics
- § 5:89 — —Organizational structure
- § 5:90 — —Terms and conditions of purchase

II. CHECKLISTS

- § 5:91 Export preparedness checklist

CHAPTER 6. DESIGNING AND MANAGING GLOBAL ORGANIZATIONS

- § 6:1 Scope of chapter
- § 6:2 Models for global organization
- § 6:3 International organizational capabilities
- § 6:4 — —International product development process
- § 6:5 — —Competitive advantage transfer process
- § 6:6 — —Cross-border integration of business units
- § 6:7 Factors shaping the global organization
- § 6:8 — —Level of international development
- § 6:9 — —Cross-border coordination
- § 6:10 — —Fixed costs
- § 6:11 — —Products and markets
- § 6:12 — —Customers, competitors and suppliers
- § 6:13 — —Transportability
- § 6:14 — —Role of host governments
- § 6:15 — —Diversity of the international business portfolio
- § 6:16 — —Product and market factors
- § 6:17 Organizational strategies for global activities
- § 6:18 — —International department or division
- § 6:19 — —Functional authority over international activities
- § 6:20 — —Multi-domestic strategy
- § 6:21 — —International strategy

TABLE OF CONTENTS

- § 6:22 —Global strategy
- § 6:23 —Transnational strategy

CHAPTER 7. BUILDING AND MANAGING A GLOBAL LAW AND COMPLIANCE PROGRAM

I. GENERAL CONSIDERATIONS

- § 7:1 Scope of chapter
- § 7:2 Compliance and business ethics in the global marketplace
- § 7:3 Legal and business advantages of compliance programs
- § 7:4 Legal and regulatory considerations
- § 7:5 —Foreign Corrupt Practices Act
- § 7:6 —Organizational Sentencing Guidelines
- § 7:7 —Department of Justice
- § 7:8 —Securities and Exchange Commission
- § 7:9 —Sarbanes-Oxley Act
- § 7:10 International operations audit
- § 7:11 —Organizational review and risk analysis
- § 7:12 —Contract collection and review
- § 7:13 —Compliance review
- § 7:14 —Review of existing compliance procedures
- § 7:15 Role of the governing board
- § 7:16 Elements of an effective corporate compliance program
- § 7:17 —Code of conduct
- § 7:18 —Education and training
- § 7:19 —Oversight process
- § 7:20 —Reporting procedures and enforcement against violators
- § 7:21 Organizational structure
- § 7:22 —Central compliance office and chief compliance officer
- § 7:23 —Foreign compliance offices
- § 7:24 —Resources and staffing
- § 7:25 —Localization and consistency
- § 7:26 Governmental relations
- § 7:27 —Monitoring U.S. governmental and regulatory activities
- § 7:28 —Relations with foreign governments
- § 7:29 Substantive laws covered by international compliance programs
- § 7:30 Import/export compliance policies and procedures
- § 7:31 —Import activities
- § 7:32 —Export controls

- § 7:33 —Sanctions
- § 7:34 —Guidelines for establishing an import/export compliance program
- § 7:35 FCPA compliance policies and procedures
- § 7:36 Antiboycott law compliance policies and procedures
- § 7:37 —Prohibited activities in support of unauthorized foreign boycotts

II. FORMS

- § 7:38 International operations questionnaire
- § 7:39 Sanctions compliance policy
- § 7:40 International transactions and operations policy
- § 7:41 International business relationships policy

CHAPTER 8. NEGOTIATING AND DRAFTING CROSS-BORDER COMMERCIAL AGREEMENTS

I. GENERAL CONSIDERATIONS

- § 8:1 Scope of chapter
- § 8:2 Law of contracts
- § 8:3 —Legal systems and traditions
- § 8:4 — —Common law systems
- § 8:5 — —Civil law systems
- § 8:6 — —Mixed systems
- § 8:7 — —Notable distinctions between common and civil law
- § 8:8 —U.S. law of contracts
- § 8:9 — —Contract formation
- § 8:10 — —Elements of a contract
- § 8:11 — —Defenses
- § 8:12 — —Contract terms and interpretation
- § 8:13 — —Breach of contract
- § 8:14 — —Remedies
- § 8:15 —Foreign contract laws
- § 8:16 — —UNIDROIT Principles of International Contracts
- § 8:17 — —Principles of European Contract Law
- § 8:18 —Laws and rules applicable to specific contracts
- § 8:19 — —Uniform Commercial Code Article 2
- § 8:20 — —United Nations Convention for International Sale of Goods
- § 8:21 — —INCOTERMS
- § 8:22 — —Other laws applicable to specific contracts
- § 8:23 Measuring effectiveness in the contracting process
- § 8:24 Essential steps in the contracting process

TABLE OF CONTENTS

§ 8:25	Role of counsel
§ 8:26	—Overseas offices of U.S. counsel
§ 8:27	—Foreign counsel
§ 8:28	— —Sources of information regarding foreign counsel
§ 8:29	— —Transaction factors
§ 8:30	— —Language capabilities
§ 8:31	— —Establishing the relationship
§ 8:32	— —Communication channels
§ 8:33	Background information for contract negotiations
§ 8:34	Due diligence
§ 8:35	—Similarities to U.S. due diligence
§ 8:36	—Cultural differences
§ 8:37	—Regulatory compliance
§ 8:38	—Use of local counsel
§ 8:39	—Use of other parties
§ 8:40	—Documentation
§ 8:41	Negotiating considerations
§ 8:42	—Relationship building
§ 8:43	—Focus and flexibility
§ 8:44	—Patience, etiquette and custom
§ 8:45	—Appreciating cultural differences
§ 8:46	—Staffing the negotiating team
§ 8:47	—Instructing the negotiating team
§ 8:48	Contract drafting
§ 8:49	—Sources for contract templates
§ 8:50	—Preparation and use of term sheets
§ 8:51	—Preparation of contract document
§ 8:52	—Contract terms
§ 8:53	Closing preparations
§ 8:54	—Pre-closing meeting
§ 8:55	—Closing checklists and memoranda
§ 8:56	—Closing
§ 8:57	Follow-up matters

II. CHECKLISTS

§ 8:58	Checklist for preparing an enforceable contract
§ 8:59	Checklist for negotiation and drafting of contract terms relating to governing law and jurisdiction

CHAPTER 9. INTERNATIONAL LOGISTICS AND DOCUMENTATION

I. GENERAL CONSIDERATIONS

§ 9:1	Scope of chapter
§ 9:2	Logistics management

- § 9:3 —Selecting and using customs brokers
- § 9:4 —Selecting and using international freight forwarders
- § 9:5 Cost factors of international trade transactions
- § 9:6 Packaging requirements
- § 9:7 Marking and labeling requirements
- § 9:8 —Country of origin marking
- § 9:9 —Shipping marks and numbers
- § 9:10 —Handling and dangerous materials marks
- § 9:11 Shipping
- § 9:12 —Ocean shipments
- § 9:13 —Road freight
- § 9:14 —Rail freight
- § 9:15 —Air freight
- § 9:16 Insurance
- § 9:17 —Product and money risks of export and import transactions
- § 9:18 —Limitations on carrier liability
- § 9:19 —Risks of relying on other parties for insurance coverage
- § 9:20 —Types of marine cargo insurance policies
- § 9:21 —Proof of insurance coverage
- § 9:22 —Preparation and substantiation of claims
- § 9:23 Documentation
- § 9:24 —Commercial and consular invoices
- § 9:25 —Export license
- § 9:26 —Shipper's export declaration
- § 9:27 —Certificate of origin
- § 9:28 —Export packing list
- § 9:29 —Insurance certificate
- § 9:30 —Inspection certificate
- § 9:31 —Shipper's instructions
- § 9:32 —Documentation for inland transport of goods
- § 9:33 —Bill of lading and air waybills
- § 9:34 — —International conventions
- § 9:35 — —Harter Act
- § 9:36 — —Carriage of Goods by Sea Act
- § 9:37 — —Federal Bills of Lading Act
- § 9:38 —Letters of credit
- § 9:39 Negotiation of trade terms
- § 9:40 —INCOTERMS
- § 9:41 — —Ex Works ("EXW")
- § 9:42 — —Free Carrier ("FCA")
- § 9:43 — —Free Alongside Ship ("FAS")
- § 9:44 — —Free On Board ("FOB")
- § 9:45 — —Cost and Freight ("CFR")
- § 9:46 — —Cost, Insurance and Freight ("CIF")
- § 9:47 — —Carriage Paid To ("CPT")

TABLE OF CONTENTS

- § 9:48 — —Carriage and Insurance Paid To (“CIP”)
- § 9:49 — —Delivered at Place (“DAP”)
- § 9:50 — —Delivered at Place Uploaded (“DPU”)
- § 9:51 — —Delivered Duty Paid (“DDP”)
- § 9:52 — —Practical meaning of selected INCOTERM

II. FORMS

- § 9:53 Commercial invoice
- § 9:54 Packing list
- § 9:55 Shipper’s letter of instructions
- § 9:56 Ocean (marine) bill of lading
- § 9:57 Air waybill
- § 9:58 Inspection report
- § 9:59 Value added reseller agreement

CHAPTER 10. FINANCING STRATEGIES FOR CROSS-BORDER BUSINESS ACTIVITIES

- § 10:1 Scope of chapter
- § 10:2 Capital requirements for cross-border activities
- § 10:3 Sources of capital for cross-border activities
- § 10:4 — —Self-financing
- § 10:5 — —Debt financing
- § 10:6 — —Vendor financing
- § 10:7 — —Private loans
- § 10:8 — —Commercial lenders
- § 10:9 — —Equity financing
- § 10:10 — —Other private financing sources
- § 10:11 — —Government assistance programs
- § 10:12 Commercial loans
- § 10:13 Public financing
- § 10:14 — —Export-Import Bank of the United States
- § 10:15 — —Pre-export financing programs
- § 10:16 — —Export credit insurance
- § 10:17 — —Direct loans and guarantees
- § 10:18 — —Project finance programs
- § 10:19 — —Small Business Administration
- § 10:20 — —Export Working Capital Program
- § 10:21 — —International Trade Loan Guarantee Program
- § 10:22 — —Export Express
- § 10:23 — —US Development Finance Corporation
- § 10:24 — —Political risk insurance
- § 10:25 — —Finance programs
- § 10:26 — —Commodity Credit Corporation
- § 10:27 — —Multilateral development banks

- § 10:28 —U.S. Trade and Development Agency
- § 10:29 —State and local export finance programs

CHAPTER 11. PAYMENT MECHANISMS FOR CROSS-BORDER TRANSACTIONS

I. GENERAL CONSIDERATIONS

- § 11:1 Scope of chapter
- § 11:2 Factors determining method of payment
- § 11:3 Common payment mechanisms
- § 11:4 —Cash in advance
- § 11:5 —Documentary letters of credit
- § 11:6 —Documentary collection procedures
- § 11:7 —Drafts or bills of exchange
- § 11:8 —Open account terms
- § 11:9 —Other payment mechanisms
- § 11:10 Export insurance
- § 11:11 Documentary letters of credit
- § 11:12 —Governing laws
- § 11:13 —Process and procedure
- § 11:14 —Document requirements
- § 11:15 —Seller's issues and considerations
- § 11:16 —Buyer's issues and considerations
- § 11:17 —Bank verification and acceptance of documents
- § 11:18 Currency transaction exposure
- § 11:19 Payment problems

II. CHECKLISTS

- § 11:20 Checklist for use of letter of credit in cross-border sales transaction

III. FORMS

- § 11:21 Issuer's letter of credit agreement
- § 11:22 Application for letter of credit
- § 11:23 Terms of usage
- § 11:24 Customer agreement with security provisions
- § 11:25 Request to issue advise of letter of credit
- § 11:26 Advise of credit
- § 11:27 Confirmation of credit
- § 11:28 Commercial letter of credit

CHAPTER 12. INTERNATIONAL DISPUTE RESOLUTION AND ENFORCEMENT OF JUDGMENTS

I. GENERAL CONSIDERATIONS

- § 12:1 Scope of chapter
- § 12:2 Business considerations
- § 12:3 —Minimizing harm to business
- § 12:4 —Discovery
- § 12:5 —Recordkeeping
- § 12:6 —Role of counsel
- § 12:7 —Role of management
- § 12:8 Alternative dispute resolution
- § 12:9 —Negotiation
- § 12:10 —Mediation
- § 12:11 — —Advantages of mediation
- § 12:12 — —Mediation clauses and agreements
- § 12:13 — —Selecting a mediator
- § 12:14 —Arbitration
- § 12:15 — —Arbitration procedures
- § 12:16 — —International Chamber of Commerce
- § 12:17 — —American Arbitration Association
- § 12:18 — —London Court of International Arbitration
- § 12:19 — —UNCITRAL arbitration rules
- § 12:20 — —Federal Arbitration Act
- § 12:21 — —New York Convention
- § 12:22 —Hybrid procedures
- § 12:23 — —Negotiation-arbitration
- § 12:24 — —Mediation-arbitration
- § 12:25 —The mini-trial
- § 12:26 —Court-assisted alternative dispute resolution
- § 12:27 Cross-border business litigation
- § 12:28 —Location of the litigation
- § 12:29 —Jurisdiction
- § 12:30 —Service of process
- § 12:31 —Gathering evidence abroad
- § 12:32 —Attorney-client privilege
- § 12:33 —Applicable law
- § 12:34 —Procedural process
- § 12:35 —Remedies
- § 12:36 —Recognition and enforcement of foreign judgments
- § 12:37 Drafting arbitration clauses

II. CHECKLISTS

- § 12:38 Checklist for use of alternative dispute resolution procedures

III. FORMS

- § 12:39 Arbitration agreement
- § 12:40 Short-form negotiation clause
- § 12:41 Dispute resolution procedures
- § 12:42 Complex mediation-arbitration clause
- § 12:43 Short-form agreement to mediate
- § 12:44 Contract provision—General arbitration provision
- § 12:45 —American Arbitration Association rules
- § 12:46 — —Long-form
- § 12:47 —United Nations Commission on International Trade
Law rules
- § 12:48 —Rules of Arbitration of the International Chamber
of Commerce

CHAPTER 13. CREATING AND MANAGING A GLOBAL INTELLECTUAL PROPERTY PORTFOLIO

I. GENERAL CONSIDERATIONS

- § 13:1 Scope of chapter
- § 13:2 Intellectual property rights
- § 13:3 —Patents
- § 13:4 — —U.S. patent laws and procedures
- § 13:5 — —Foreign patent laws and procedures
- § 13:6 — —International patent conventions and treaties
- § 13:7 —Copyrights
- § 13:8 — —U.S. copyright law and procedures
- § 13:9 — —Foreign copyright laws and procedures
- § 13:10 — —International copyright conventions and treaties
- § 13:11 —Trademarks
- § 13:12 — —U.S. trademark law and procedures
- § 13:13 — —Foreign trademark laws and procedures
- § 13:14 — —International trademark conventions and
treaties
- § 13:15 —Trade secrets and know-how
- § 13:16 — —U.S. trade secret laws
- § 13:17 — —Foreign laws regarding protection of trade
secrets
- § 13:18 International registration of industrial designs
- § 13:19 Intellectual property rights—Special forms of
intellectual property rights
- § 13:20 — —Semiconductor chips
- § 13:21 — —Computer software
- § 13:22 — —Intellectual property rights and the Internet
- § 13:23 Strategic importance of intellectual property rights

TABLE OF CONTENTS

§ 13:24	Building and managing an intellectual property portfolio
§ 13:25	—Intellectual property audit
§ 13:26	— —Elements of the portfolio
§ 13:27	— —Analyzing the elements of the portfolio
§ 13:28	—Technology management and protection program
§ 13:29	— —Employees and consultants
§ 13:30	— —Protecting patent rights
§ 13:31	— —Protecting trademarks
§ 13:32	— —Protecting copyrights
§ 13:33	— —Protecting trade secrets and know-how
§ 13:34	Licensing agreements
§ 13:35	—Advantages of licensing arrangements
§ 13:36	— —Access to vertical capabilities
§ 13:37	— —Technology acquisition and exchange
§ 13:38	— —Market penetration
§ 13:39	— —Neutralizing blocking patents
§ 13:40	— —Local regulatory requirements
§ 13:41	— —Protection of intellectual property rights
§ 13:42	— —Cost reduction
§ 13:43	— —Enhancing cash flow and harvesting
§ 13:44	—Disadvantages of licensing arrangements
§ 13:45	— —Dependence
§ 13:46	— —Expropriation of licensed technology
§ 13:47	— —Risks to value of goodwill
§ 13:48	— —Licensee's costs of exploiting licensed rights
§ 13:49	—Antitrust and competition law regulation of license agreements
§ 13:50	—Regulation of technology transfer arrangements
§ 13:51	— —Policy objectives
§ 13:52	— —Registration requirements and procedures
§ 13:53	— — —Guidelines in reviewing technology arrangements
§ 13:54	— —Restrictions on operations
§ 13:55	— —Regulation of royalty provisions
§ 13:56	— —Restrictions on licensing practices
§ 13:57	— —Related-company transactions
§ 13:58	— —Warranty obligations
§ 13:59	— —Term of agreement
§ 13:60	— —Miscellaneous restrictions
§ 13:61	— —Sanctions and incentives
§ 13:62	— —Reporting requirements
§ 13:63	—Substantive terms of license agreements
§ 13:64	— —Definition of licensed technology
§ 13:65	— —Scope of use of licensed subject matter
§ 13:66	— —Exclusive licensing
§ 13:67	— —Rights and obligations of parties

- § 13:68 — —Compensation
- § 13:69 — —Term and termination
- § 13:70 — —Prerequisites for effective technology transfer
- § 13:71 — —Other laws and regulations applicable to technology transfers

II. FORMS

- § 13:72 Patent license agreement
- § 13:73 Technical assistance agreement
- § 13:74 Patent and know-how license agreement
- § 13:75 Trade mark license agreement
- § 13:76 International licensing agreement

CHAPTER 14. ONLINE CROSS-BORDER BUSINESS ACTIVITIES

I. GENERAL CONSIDERATIONS

- § 14:1 Scope of chapter
- § 14:2 Role of the Internet for global businesses
- § 14:3 Launching a network of global websites
- § 14:4 —Selecting and registering domain names
- § 14:5 —Designing effective websites
- § 14:6 —Marketing effective websites
- § 14:7 —Creating global websites
- § 14:8 E-mail and Internet usage policies for global businesses
- § 14:9 —Policy statements
- § 14:10 —Security
- § 14:11 —Spam, pop-ups, pop-unders, spyware and adware
- § 14:12 —Netiquette
- § 14:13 —Training
- § 14:14 Launching and operating an international e-commerce business
- § 14:15 —Market research
- § 14:16 —Website design
- § 14:17 —E-commerce
- § 14:18 —Electronic sales
- § 14:19 —Electronic purchases
- § 14:20 —Online payments
- § 14:21 —Advertising
- § 14:22 Legal and regulatory considerations
- § 14:23 —Linking and framing arrangements
- § 14:24 —Commercial law for Internet contracting
- § 14:25 —Attribution rules for Internet contracting
- § 14:26 —Private arrangements on Internet contracting

TABLE OF CONTENTS

- § 14:27 —International standards for cross-border electronic contracting
- § 14:28 —Export laws
- § 14:29 —Consumer laws
- § 14:30 —Federal tax laws
- § 14:31 —State tax laws
- § 14:32 —Rules concerning decency and children
- § 14:33 —Protection of personal data
- § 14:34 —Bankruptcy rules
- § 14:35 —Jurisdiction
- § 14:36 —Choice-of-law provisions

II. CHECKLISTS

- § 14:37 Checklist for establishing an online business presence

CHAPTER 15. MANAGING A GLOBAL WORKFORCE

I. GENERAL CONSIDERATIONS

- § 15:1 Scope of chapter
- § 15:2 Global workforce goals
- § 15:3 —Effectively identify and deploy skills and talents
- § 15:4 —Create global rules for recruiting and developing managers
- § 15:5 —Balance globalization versus localization
- § 15:6 —Disseminate knowledge and innovation
- § 15:7 —Communicate cross-cultural differences
- § 15:8 —Marshall necessary organizational support
- § 15:9 Global workforce strategies
- § 15:10 —Develop a global strategy
- § 15:11 —Design global processes
- § 15:12 —Create borderless careers
- § 15:13 —Create and deploy troubleshooting teams
- § 15:14 —Design awareness-building assignments
- § 15:15 —Create training and development programs
- § 15:16 —Create and use borderless solutions
- § 15:17 —Provide continuous feedback and analysis
- § 15:18 Legal and regulatory considerations
- § 15:19 Recruitment and selection policies for global operations
- § 15:20 —Ethnocentric recruitment strategies
- § 15:21 —Polycentric recruitment strategies
- § 15:22 —Regiocentric recruitment strategies
- § 15:23 —Geocentric recruitment strategies
- § 15:24 —Terms of employment

- § 15:25 —Compensation and benefits
- § 15:26 —Intellectual property rights
- § 15:27 —Privacy and technology
- § 15:28 —Termination
- § 15:29 Transferring employees to foreign locations
- § 15:30 —Selection and training
- § 15:31 —Compensation and career planning
- § 15:32 —Assistance to spouse and family
- § 15:33 —Repatriation
- § 15:34 Managing a local workforce
- § 15:35 Using foreign employees in U.S. operations

II. FORMS

- § 15:36 International service employment agreement
- § 15:37 Employment agreement for U.S. executive employee stationed in foreign country
- § 15:38 Foreign service employment contract—Dependents to accompany employee to foreign country
- § 15:39 —Short-form for employee already resident in foreign country
- § 15:40 —For term or upon loss of employer's contract with third party—Dependents of employee not allowed to reside in foreign country

CHAPTER 16. INTERNATIONAL TAXATION AND ACCOUNTING CONSIDERATIONS

- § 16:1 Scope of chapter
- § 16:2 Basic rules
- § 16:3 —Sources of income
- § 16:4 —Allocation and apportionment of deductions
- § 16:5 —Reallocation of income and deductions among related persons
- § 16:6 — —“Control”: Rules on government restrictions of the taxpayer's ability to allocate income
- § 16:7 — —Methodology and best method rule
- § 16:8 — —Section 6662 penalty provisions
- § 16:9 — —Red flags for IRS audits under § 482
- § 16:10 — —Qualified cost-sharing arrangements
- § 16:11 — —Advance pricing agreements
- § 16:12 U.S. persons with foreign activities or income
- § 16:13 Definitions
- § 16:14 U.S. persons working abroad
- § 16:15 —Exceptions
- § 16:16 —Exclusions
- § 16:17 —Qualified individuals
- § 16:18 —Foreign earned income

TABLE OF CONTENTS

§ 16:19	—Election
§ 16:20	Foreign corporations owned by U.S. persons
§ 16:21	—Transfers of property to foreign corporations
§ 16:22	—Accumulated earnings
§ 16:23	—Personal holding companies
§ 16:24	—Foreign personal holding companies after the American Jobs Creation Act
§ 16:25	—Passive foreign investment companies
§ 16:26	— —Qualified electing funds
§ 16:27	—Foreign investment companies
§ 16:28	—Controlled foreign corporations
§ 16:29	—Foreign tax credit
§ 16:30	—Distributions
§ 16:31	—Sale and disposal of shares
§ 16:32	—Pledge of stock
§ 16:33	—Redemption of stock
§ 16:34	—Liquidation
§ 16:35	Income tax treaties
§ 16:36	Interest charge domestic international sales corporation

Bibliography

Table of Laws and Rules

Table of Cases

Table of Contents

PART B. SELLING IN FOREIGN MARKETS

CHAPTER 17. INTERNATIONAL SALES OF GOODS

I. GENERAL CONSIDERATIONS

- § 17:1 Scope of chapter
- § 17:2 General business considerations
- § 17:3 —Strategies for selling goods in foreign markets
- § 17:4 —Hidden costs of cross-border sales transactions
- § 17:5 —Adaptations to local market
- § 17:6 —Pricing considerations and strategies
- § 17:7 —Political risks
- § 17:8 —Purchaser due diligence
- § 17:9 —Role of other consultants and service providers
- § 17:10 Choice of law
- § 17:11 U.S. export controls
- § 17:12 Export documentation and packaging
- § 17:13 Protection of intellectual property rights
- § 17:14 Role of counsel
- § 17:15 Key issues in negotiating sales contracts
- § 17:16 —Identification and specification of goods
- § 17:17 —Transportation and logistics
- § 17:18 —Export and import requirements
- § 17:19 —Inspection and acceptance
- § 17:20 —Payment and financing
- § 17:21 —Maintenance and repairs
- § 17:22 Form drafting principles
- § 17:23 —Legal considerations
- § 17:24 —Price quotations and pro-forma invoices
- § 17:25 —Standard terms and conditions of sale
- § 17:26 —Customized international sales contracts
- § 17:27 — —Identification of the purchaser
- § 17:28 — —Price and payment terms
- § 17:29 — —Packing, shipping and delivery terms
- § 17:30 — —Warranties and indemnities
- § 17:31 — —Maintenance and repairs

- § 17:32 — —Cancellation and termination
- § 17:33 — —Dispute resolution

II. CHECKLISTS

- § 17:34 Checklist of legal and regulatory issues in international sale of goods

III. FORMS

- § 17:35 Pro-forma invoice for international sale of goods
- § 17:36 Sales agreement
- § 17:37 International sales agreement
- § 17:38 Standard terms and conditions for international sales
- § 17:39 Short-form terms and conditions for international sales
- § 17:40 Terms and conditions
- § 17:41 Service and sales support agreement
- § 17:42 International terms and conditions of purchase
- § 17:43 Alternative and optional provision—Agreement to be governed by UCC provisions
- § 17:44 —Agreement to be governed by Convention on International Sale of Goods
- § 17:45 —Agreement not to be governed by Convention on International Sale of Goods
- § 17:46 —Governmental requirements
- § 17:47 —Seller's compliance with laws and regulations
- § 17:48 —Seller's indemnification of buyer for taxes imposed by exporting country
- § 17:49 —Delivery to occur at seller's factory with buyer's option to request shipment to other site
- § 17:50 —Buyer's obligations regarding transportation and installation of goods
- § 17:51 —Force majeure
- § 17:52 —Right to terminate contract if force majeure continues
- § 17:53 —Letter of credit provisions

CHAPTER 18. FOREIGN SALES AGENCY ARRANGEMENTS

I. GENERAL CONSIDERATIONS

- § 18:1 Scope of chapter
- § 18:2 Preliminary considerations
- § 18:3 Forms of sales agency relationships
- § 18:4 —Employee-agents
- § 18:5 —Commercial agents

TABLE OF CONTENTS

§ 18:6	—Commission agents
§ 18:7	—Del credere agents and brokers
§ 18:8	—Distributors
§ 18:9	Legal and regulatory considerations
§ 18:10	—Foreign regulation of sales agents
§ 18:11	— —Covered persons
§ 18:12	— —Citizenship requirements
§ 18:13	— —Licensing or registration requirements
§ 18:14	— —Terms of agency arrangement
§ 18:15	— —Termination
§ 18:16	—Foreign Corrupt Practices Act
§ 18:17	—Antiboycott laws and regulations
§ 18:18	Finding and selecting foreign agents
§ 18:19	Negotiating and drafting sales agency agreements
§ 18:20	—Exclusivity
§ 18:21	—Compensation
§ 18:22	—Agent’s authority to bind manufacturer
§ 18:23	—Sales terms
§ 18:24	—Duties and obligations of agent in sales agency agreement
§ 18:25	— —Marketing and promotional activities
§ 18:26	— —Service and support
§ 18:27	— —Restrictions on competitive activities
§ 18:28	— —Financial reporting requirements
§ 18:29	— —Confidentiality obligations
§ 18:30	— —Protection of intellectual property
§ 18:31	— —Minimum sales performance
§ 18:32	— —Rewards and penalties
§ 18:33	— —Compliance with registration requirements
§ 18:34	— —Indemnification obligations
§ 18:35	—Term and termination
§ 18:36	— —Length of term
§ 18:37	— —Just cause for termination
§ 18:38	— —Limiting compensation upon termination
§ 18:39	— —Post-termination or post-expiration orders
§ 18:40	— —Post-termination responsibilities of agent
§ 18:41	—Governing law and choice of forum

II. CHECKLISTS

§ 18:42	Checklist of matters to consider when reviewing a foreign sales representative agreement
---------	--

III. FORMS

§ 18:43	Sales agency agreement
§ 18:44	Sales representative agreement
§ 18:45	International sales representative agreement

- § 18:46 Foreign sales representative agreement
- § 18:47 Consignment agreement
- § 18:48 Consulting agreement for foreign business development services
- § 18:49 Alternative and optional provision—Duties of foreign sales representative
- § 18:50 —Representative's compliance with laws
- § 18:51 —Obligations of manufacturer

CHAPTER 19. FOREIGN DISTRIBUTORSHIP ARRANGEMENTS

I. GENERAL CONSIDERATIONS

- § 19:1 Scope of chapter
- § 19:2 Forms of distribution relationships
- § 19:3 Choosing between sales agency and distributorship arrangements
- § 19:4 Regulation of cross-border distribution arrangements
- § 19:5 —Sale-of-goods laws
- § 19:6 —Export and import controls
- § 19:7 —Foreign regulation of distributorship arrangements
- § 19:8 —Foreign competition laws
- § 19:9 —Foreign country regulation of goods offered for resale
- § 19:10 Evaluation and selection of foreign distributors
- § 19:11 Key provisions in basic distributorship arrangements
- § 19:12 —Scope of appointment
- § 19:13 — —Geographic
- § 19:14 — —Market or customer
- § 19:15 — —Sub-distributors and dealers
- § 19:16 — —Exclusivity
- § 19:17 —Goods
- § 19:18 —Orders
- § 19:19 —Shipping
- § 19:20 —Price
- § 19:21 —Payment
- § 19:22 —Product warranties
- § 19:23 —Technical support and service
- § 19:24 —Duties of the distributor
- § 19:25 —Distributor review
- § 19:26 —Trademarks and other intellectual property rights
- § 19:27 —Term and termination
- § 19:28 — —Initial term and renewals
- § 19:29 — —Early termination
- § 19:30 — —Post-termination obligations and procedures
- § 19:31 Key provisions in OEM distributorship arrangements

TABLE OF CONTENTS

- § 19:32 —Product specifications
- § 19:33 —Product manufacture and acceptance procedures
- § 19:34 —Pricing and ordering procedures
- § 19:35 —Warranties and service
- § 19:36 —Termination
- § 19:37 Key provisions for manufacturing and distribution
licensing arrangements
- § 19:38 Maintenance and service arrangements

II. CHECKLISTS

- § 19:39 Checklist of legal issues in international
distributorship agreements

III. FORMS

- § 19:40 Distributorship agreement
- § 19:41 —Short-form
- § 19:42 —Exclusive distribution rights in specified foreign
country
- § 19:43 —Nonexclusive distribution rights in specified foreign
country
- § 19:44 —Comprehensive form for exclusive distribution
rights in specified foreign territory
- § 19:45 —Comprehensive form for exclusive distribution
rights in specified foreign country
- § 19:46 —Exclusive distribution rights for defined customers
in specified foreign territory
- § 19:47 —Latin America
- § 19:48 —Between United States manufacturer and foreign
distributor—Manufacturer is shareholder of
distributor
- § 19:49 Alternative and optional provision—Distributor's
duties and responsibilities
- § 19:50 —Sales and distribution organization
- § 19:51 —Cooperation
- § 19:52 —Export and import licenses
- § 19:53 —Export restrictions
- § 19:54 —Intellectual property rights
- § 19:55 —Grant of use of manufacturer intangibles including
trademarks and tradenames
- § 19:56 —Inventory
- § 19:57 —Place of business
- § 19:58 —Language

CHAPTER 20. MARKETING AND SELLING SERVICES IN FOREIGN MARKETS

- § 20:1 Scope of chapter

- § 20:2 Reasons for offering services internationally
- § 20:3 Challenges in offering services internationally
- § 20:4 Prerequisites for a successful global services offering
- § 20:5 Key issues to consider before offering services in foreign markets
- § 20:6 Market entry strategies for service providers
- § 20:7 —Direct entry through foreign branch or subsidiary
- § 20:8 —Participation in networks and alliances
- § 20:9 —Joint ventures
- § 20:10 —Franchising
- § 20:11 —Acquisitions and mergers
- § 20:12 Business sector case studies
- § 20:13 —Legal services providers
- § 20:14 —Accounting services
- § 20:15 —Consulting services
- § 20:16 — —Translation
- § 20:17 — —Management consulting
- § 20:18 — —Human resources
- § 20:19 — —Logistics
- § 20:20 U.S. companies providing services of foreign companies

CHAPTER 21. INTERNATIONAL FRANCHISING ARRANGEMENTS

I. GENERAL CONSIDERATIONS

- § 21:1 Scope of chapter
- § 21:2 Types of franchises
- § 21:3 Franchising advantages
- § 21:4 —Market penetration
- § 21:5 —Access to local resources
- § 21:6 —Market information
- § 21:7 —Cost reduction
- § 21:8 —Enhancing cash flow and harvesting
- § 21:9 —Rapid and efficient growth
- § 21:10 —Brand building
- § 21:11 Franchising disadvantages
- § 21:12 Guidelines for developing an international franchise plan
- § 21:13 —Market analysis and selection
- § 21:14 —Structural considerations
- § 21:15 —Concept definition and preparation
- § 21:16 —Locating and selecting foreign franchisees
- § 21:17 —Local franchise development business plan
- § 21:18 Legal and regulatory considerations

TABLE OF CONTENTS

- § 21:19 —Application of U.S. franchising laws to foreign franchising arrangements
- § 21:20 —Intellectual property rights
- § 21:21 —Application of foreign laws
- § 21:22 —Specific regulation of franchising arrangements in foreign countries
- § 21:23 —Liability for actions of franchisee
- § 21:24 Practical considerations in launching international franchising operations
- § 21:25 —Home office infrastructure
- § 21:26 —In-country infrastructure
- § 21:27 —Export and import activities
- § 21:28 Franchise documentation
- § 21:29 —Franchise application
- § 21:30 —Franchise agreement
- § 21:31 —Fees
- § 21:32 —Termination
- § 21:33 —Dispute resolution

II. FORMS

- § 21:34 International franchise agreement
- § 21:35 International license agreement—Restaurant franchise
- § 21:36 License of proprietary technology and trademarks for international franchise arrangement

PART C. PURCHASING AND OPERATING IN FOREIGN MARKETS

CHAPTER 22. PURCHASING GOODS IN FOREIGN MARKETS

I. GENERAL CONSIDERATIONS

- § 22:1 Scope of chapter
- § 22:2 General business considerations
- § 22:3 —Reasons for foreign procurement activities
- § 22:4 —Import business plan
- § 22:5 —Strategies for global sourcing
- § 22:6 — —U.S. sales contacts of foreign suppliers
- § 22:7 — —U.S. global sourcing companies
- § 22:8 — —Overseas sourcing representatives
- § 22:9 — —Direct contracts with foreign suppliers
- § 22:10 — —International procurement offices

- § 22:11 —Governmental incentives for global sourcing
- § 22:12 —Locating and selecting qualified foreign suppliers
- § 22:13 —Irresponsible global sourcing
- § 22:14 —Hidden costs of cross-border purchase transactions
- § 22:15 Legal considerations
- § 22:16 —Choice of contract law
- § 22:17 —U.S. customs laws and regulations
- § 22:18 —Import restrictions
- § 22:19 — —Licensing and permit requirements
- § 22:20 — —Foreign assets control
- § 22:21 —Antitrust and competition laws
- § 22:22 —Anti-bribery laws
- § 22:23 —Domestic trade laws
- § 22:24 —Arab boycott
- § 22:25 —Intellectual property law
- § 22:26 —Tax laws
- § 22:27 —Shipping law
- § 22:28 —Employment and labor laws
- § 22:29 —Products liability and safety law
- § 22:30 —Other issues
- § 22:31 Role of counsel
- § 22:32 Role of other consultants and service providers
- § 22:33 Key issues in negotiating purchase contracts
- § 22:34 —Transportation and logistics
- § 22:35 —Export and import requirements
- § 22:36 —Inspection and acceptance
- § 22:37 —Payment and financing
- § 22:38 —Choice of law and jurisdiction
- § 22:39 — —Choice of law
- § 22:40 — —Choice of jurisdiction
- § 22:41 — —Enforcement
- § 22:42 —Dispute resolution
- § 22:43 Form drafting principles
- § 22:44 —Preliminary agreements
- § 22:45 —Standard terms and conditions of purchase
- § 22:46 —Long-term purchase-of-goods contracts
- § 22:47 — —Identification and specification of goods
- § 22:48 — —Ordering procedures
- § 22:49 — —Pricing and payment terms
- § 22:50 — —Packing, shipping and delivery terms
- § 22:51 — —Acceptance terms and inspection rights
- § 22:52 — —Warranties
- § 22:53 — —Purchaser's remedies

II. CHECKLISTS

- § 22:54 Checklist of legal and regulatory issues in international purchase of goods

TABLE OF CONTENTS

- § 22:55 Checklist of issues relating to negotiation of international sourcing agreements

III. FORMS

- § 22:56 International purchase agreement
- § 22:57 Standard terms and conditions for international purchases
- § 22:58 General terms and conditions for international purchase orders
- § 22:59 International sale agreement—U.S. buyer
- § 22:60 Distribution agreement—Exclusive distributor of foreign manufacturer's merchandise in specified U.S. territory
- § 22:61 Alternative and optional provisions—Tooling and inspection of seller's facilities
- § 22:62 —Certificate of analysis
- § 22:63 —Force majeure
- § 22:64 —Order of precedence
- § 22:65 —Payment
- § 22:66 —Confidentiality
- § 22:67 —Ethical standards and human rights
- § 22:68 Supplier pre-assessment questionnaire
- § 22:69 Supplier Code of Conduct
- § 22:70 Supplier letter regarding purchaser's Code of Ethics and Supplier Code of Conduct

CHAPTER 23. FOREIGN MANUFACTURING ARRANGEMENTS

I. GENERAL CONSIDERATIONS

- § 23:1 Scope of chapter
- § 23:2 Competitive advantages of manufacturing
- § 23:3 Key elements of the manufacturing strategy
- § 23:4 Outsourcing manufacturing requirements
- § 23:5 —Services offered by contract manufacturers
- § 23:6 —Advantages of outsourcing manufacturing requirements
- § 23:7 —Factor cost advantage
- § 23:8 —Cost savings
- § 23:9 —Superior competencies of outsourcing partners
- § 23:10 —Asset transfer
- § 23:11 —Economies of scale
- § 23:12 —Mitigation and management of business risks
- § 23:13 Outsourcing decision
- § 23:14 Evaluation and selection of manufacturing partners
- § 23:15 Preliminary negotiations

- § 23:16 —Confidentiality agreement
- § 23:17 —Letter of intent
- § 23:18 —Limited prototype manufacturing agreement
- § 23:19 Contract manufacturing arrangements
- § 23:20 —Description of goods
- § 23:21 —Forecasts and order procedures
- § 23:22 —Quality control
- § 23:23 —Testing and acceptance procedures
- § 23:24 —Pricing
- § 23:25 —Terms of payment
- § 23:26 —Technical support
- § 23:27 —Indemnification
- § 23:28 —Term
- § 23:29 —Ancillary agreements
- § 23:30 Manufacturing license and product purchase arrangements
- § 23:31 Other types of manufacturing-related agreements
- § 23:32 Wholly owned foreign manufacturing facilities

II. FORMS

- § 23:33 Manufacturing and purchase agreement
- § 23:34 Exclusive manufacturing agreement
- § 23:35 Exclusive foreign sub-manufacturing agreement
- § 23:36 Manufacturing license agreement
- § 23:37 Foreign manufacturing and materials management services agreement
- § 23:38 Original design manufacturer agreement
- § 23:39 Teaming agreement
- § 23:40 International manufacturing and sales agreement

CHAPTER 24. FOREIGN RESEARCH AND DEVELOPMENT ARRANGEMENTS

I. GENERAL CONSIDERATIONS

- § 24:1 Scope of chapter
- § 24:2 Overview of product development process
- § 24:3 —New product selection process
- § 24:4 —Successful new product development
- § 24:5 Building a global research and development capability
- § 24:6 Basic elements of a research and development project
- § 24:7 —Scope and content of the research program
- § 24:8 —Research budget
- § 24:9 —Staffing
- § 24:10 —Management procedures

TABLE OF CONTENTS

§ 24:11	Arrangements with foreign research and development partners
§ 24:12	—Scope and content of the research program
§ 24:13	—Duration and completion of the research program
§ 24:14	—Compensation
§ 24:15	—Staffing requirements
§ 24:16	—Management and reporting procedures
§ 24:17	—Technology exchange and technical assistance
§ 24:18	—Ownership, protection and use of the technology
§ 24:19	—Termination
§ 24:20	Foreign OEM and ODM arrangements
§ 24:21	—Product specifications
§ 24:22	—Product manufacture and acceptance procedures
§ 24:23	—Pricing and ordering procedures
§ 24:24	—Product warranties
§ 24:25	—Indemnification
§ 24:26	—Termination

II. FORMS

§ 24:27	Technology development agreement
§ 24:28	Nonexclusive research and development agreement
§ 24:29	OEM purchase and development agreement

CHAPTER 25. TRANSFERRING OPERATIONAL ACTIVITIES OFFSHORE

I. GENERAL CONSIDERATIONS

§ 25:1	Scope of chapter
§ 25:2	Factors influencing the offshoring decision
§ 25:3	—Cutting costs
§ 25:4	—Increasing value
§ 25:5	—Accelerating growth
§ 25:6	—Entering new markets
§ 25:7	—Maintaining focus
§ 25:8	—Minimizing business cycles
§ 25:9	—Pressures from investors
§ 25:10	Making the offshoring decision
§ 25:11	—Assessment
§ 25:12	—Documentation
§ 25:13	—Selection
§ 25:14	—Management
§ 25:15	Legal and regulatory considerations
§ 25:16	Terms and conditions of offshoring agreements
§ 25:17	—Description of services
§ 25:18	—Acceptance criteria

- § 25:19 —Quality control and management procedures
- § 25:20 —Business continuity
- § 25:21 —Credits and penalties for failure to perform
- § 25:22 —Allocation of responsibility
- § 25:23 —Pricing and payment procedures
- § 25:24 —Intellectual property
- § 25:25 —Termination
- § 25:26 —Governing law and jurisdiction
- § 25:27 Reasons for unsuccessful offshoring
- § 25:28 —Failure to adequately qualify providers
- § 25:29 —Initial aggressive demands made on providers
- § 25:30 —Outsourcing innovative or unstable activities
- § 25:31 —Inadequate investment of time and capital
- § 25:32 —Management problems
- § 25:33 —Non-overlapping business hours
- § 25:34 —Staffing problems
- § 25:35 —Lack of change process
- § 25:36 —Lack of technical tools to manage the relationship
- § 25:37 Industry experiences with offshoring
- § 25:38 —Accounting
- § 25:39 —Data processing
- § 25:40 —Call centers
- § 25:41 —Legal services
- § 25:42 Other types of outsourcing arrangements

II. FORMS

- § 25:43 Outsourcing agreement for technical services
- § 25:44 Outsourcing services agreement—Contact center and back-office processing—Vendor located in India

PART D. FOREIGN INVESTMENT ACTIVITIES

CHAPTER 26. ESTABLISHING FOREIGN BRANCHES AND SUBSIDIARIES

I. GENERAL CONSIDERATIONS

- § 26:1 Scope of chapter
- § 26:2 Reasons for direct foreign investment
- § 26:3 —Reduction of production costs
- § 26:4 —Reduction of transport costs
- § 26:5 —Efficiencies of domestic production
- § 26:6 —Rationalized production
- § 26:7 —Vertical integration

TABLE OF CONTENTS

§ 26:8	—Increased efficiency
§ 26:9	—Management of exchange rate changes
§ 26:10	—Protecting or increasing sales revenues
§ 26:11	—Strategic considerations
§ 26:12	—Political considerations
§ 26:13	Common direct investment strategies
§ 26:14	—New branches or permanent establishments
§ 26:15	— —Ownership
§ 26:16	— —Sales offices
§ 26:17	— —Plants
§ 26:18	—New subsidiaries or central enterprises
§ 26:19	—Joint ventures
§ 26:20	—Purchase of existing interests or assets
§ 26:21	Foreign business organizations
§ 26:22	—Public companies
§ 26:23	—“Private” limited liability or stock companies
§ 26:24	—Limited liability and other pass-through entities
§ 26:25	Foreign regulation of inbound foreign investment
§ 26:26	—Issues subject to regulation
§ 26:27	— —Restrictions on foreign ownership
§ 26:28	— —Limits on percentage of foreign ownership
§ 26:29	— —Restrictions on acquisitions of existing companies
§ 26:30	— —Limits on management
§ 26:31	— —Regulation of operations
§ 26:32	— —Restrictions on transfers of money
§ 26:33	— —Additional controls and conditions
§ 26:34	— —Timing of restrictions and controls
§ 26:35	—Investment review process
§ 26:36	—Incentives and guarantees for foreign investors
§ 26:37	—Sanctions
§ 26:38	—Practical considerations in seeking foreign investment approvals
§ 26:39	—Specific foreign investment regulatory schemes
§ 26:40	—Other local laws impacting foreign investors
§ 26:41	Organizing foreign branches and subsidiaries
§ 26:42	—Books and records
§ 26:43	—Real property
§ 26:44	—Facilities management
§ 26:45	—Insurance
§ 26:46	—Legal compliance programs
§ 26:47	—Management and human resources

II. FORMS

§ 26:48	Management services agreement
---------	-------------------------------

- § 26:49 Consulting agreement for management of European subsidiaries
- § 26:50 Services and royalty agreement
- § 26:51 General assignment and assumption agreement
- § 26:52 Intercompany loan facility—Loan facility for foreign subsidiary

CHAPTER 27. INTERNATIONAL JOINT VENTURES

I. GENERAL CONSIDERATIONS

- § 27:1 Scope of chapter
- § 27:2 Functional types of joint ventures
- § 27:3 —Research and development joint ventures
- § 27:4 —Manufacturing or production joint ventures
- § 27:5 —Marketing and distribution joint ventures
- § 27:6 —Hybrid joint ventures
- § 27:7 Motivations for joint venture relationships
- § 27:8 Identifying and evaluating prospective joint venture partners
- § 27:9 Joint venture business plan
- § 27:10 —Business purpose
- § 27:11 —Field of activity
- § 27:12 —Products and services
- § 27:13 —Territory
- § 27:14 —Capital requirements
- § 27:15 —Duration
- § 27:16 —Additional items
- § 27:17 Management and control of the joint venture
- § 27:18 —Allocating control of the joint venture
- § 27:19 —Board of directors
- § 27:20 —Officers
- § 27:21 —Matters subject to unanimous approval of the partners
- § 27:22 Operational activities of the joint venture
- § 27:23 —Staffing
- § 27:24 —Covenants
- § 27:25 —Maintenance of books and records
- § 27:26 —Independent public accountant and legal counsel
- § 27:27 —Financial information
- § 27:28 —Allocations and distributions of joint venture income
- § 27:29 Other contractual obligations of the parties
- § 27:30 Reasons for failure of joint ventures
- § 27:31 Dispute resolution
- § 27:32 Termination of the joint venture

TABLE OF CONTENTS

§ 27:33	—Pre-termination withdrawals
§ 27:34	—Valuing the interest of withdrawing partners
§ 27:35	—Liquidation and dissolution
§ 27:36	Regulation of joint venture relationships
§ 27:37	—Law of business organizations
§ 27:38	—U.S. antitrust regulation of joint ventures
§ 27:39	— —Analyzing the competitive effects of the joint venture
§ 27:40	— —Collateral agreements
§ 27:41	— —Spill-over effects of joint ventures
§ 27:42	— —Standard of review for legitimate joint ventures
§ 27:43	— —Competitor Collaborations Guidelines
§ 27:44	— —Hart-Scott-Rodino Antitrust Improvements Act
§ 27:45	— —National Cooperative Research and Production Act
§ 27:46	—Competition regulation in other countries
§ 27:47	—Foreign investment regulations
§ 27:48	—Other laws and regulations
§ 27:49	Confidentiality agreement
§ 27:50	Exchange of information and due diligence investigation
§ 27:51	Memorandum of understanding
§ 27:52	Organizational documents
§ 27:53	Shareholders' or partnership agreement
§ 27:54	Ancillary agreements
§ 27:55	—Technology and technical assistance agreement
§ 27:56	—Real estate transfer agreement
§ 27:57	—Supply agreement
§ 27:58	—Equipment and machinery agreement
§ 27:59	—Administrative services agreement
§ 27:60	—Marketing and distribution agreement
§ 27:61	—Trademark and trade name agreement
§ 27:62	—Other ancillary agreements
§ 27:63	Closing documents and procedures
§ 27:64	—Closing conditions
§ 27:65	—Covenants and termination
§ 27:66	—Closing certificates
§ 27:67	—Third-party consents and permissions
§ 27:68	—Legal opinions
§ 27:69	—Transfer documents
§ 27:70	—Ancillary agreements and documents
§ 27:71	—Cash contributions
§ 27:72	—Post-closing actions
§ 27:73	Factors affecting the success or failure of relationships

II. CHECKLISTS

§ 27:74	Checklist for forming a joint venture
---------	---------------------------------------

- § 27:75 Checklist of matters to consider when drafting a shareholders' or partnership agreement
- § 27:76 Checklist of steps to complete formation of a joint venture

III. FORMS

- § 27:77 Memorandum of understanding for joint venture
- § 27:78 —Short form
- § 27:79 Memorandum of understanding for distribution joint venture
- § 27:80 Terms agreement for development and distribution strategic alliance and joint venture
- § 27:81 Shareholders' agreement: Operational joint venture
- § 27:82 Shareholders' agreement: Investment joint venture
- § 27:83 Shareholders' agreement: Alternative and optional provisions—Vote switch provisions
- § 27:84 —Management committee
- § 27:85 —Non-competition and other business activities
- § 27:86 Shareholders' agreement27: Alternative and optional provisions—Expansion of business opportunities
- § 27:87 —Confidentiality and non-disclosure obligations
- § 27:88 —Option to purchase upon certain events
- § 27:89 —Right to purchase shares upon termination
- § 27:90 Confidentiality agreement

CHAPTER 28. INTERNATIONAL STRATEGIC ALLIANCES

I. GENERAL CONSIDERATIONS

- § 28:1 Scope of chapter
- § 28:2 Types of strategic alliances
- § 28:3 Cross-border corporate partnering
- § 28:4 Reasons for cross-border strategic alliances
- § 28:5 Advantages and risks of strategic alliances
- § 28:6 Procedures for establishing strategic alliances
- § 28:7 —Preliminary analysis
- § 28:8 —Evaluation and selection of strategic partners
- § 28:9 —Guidelines for negotiating strategic alliances
- § 28:10 —Chronology for documenting and launching strategic alliances
- § 28:11 Basic characteristics of international strategic alliances
- § 28:12 —Research and development alliances
- § 28:13 —Product development and purchase alliances
- § 28:14 —Product development and distribution alliances
- § 28:15 —Investment alliances

TABLE OF CONTENTS

- § 28:16 Special forms of cross-border strategic alliances
- § 28:17 —Industrial cooperation arrangements
- § 28:18 —Turnkey agreements
- § 28:19 —Technical assistance agreements
- § 28:20 —Management contracts
- § 28:21 General legal considerations
- § 28:22 Antitrust and competition law considerations
- § 28:23 —U.S. antitrust laws
- § 28:24 —Foreign competition laws
- § 28:25 Managing strategic alliances

II. CHECKLISTS

- § 28:26 Checklist of legal issues in international cooperative development agreements

III. FORMS

- § 28:27 Cooperative development agreement
- § 28:28 Strategic alliance and joint development agreement
- § 28:29 Licensing and technical assistance agreement
- § 28:30 Technology license agreement
- § 28:31 Engineering and manufacturing agreement

CHAPTER 29. CROSS-BORDER INVESTMENTS

I. GENERAL CONSIDERATIONS

- § 29:1 Scope of chapter
- § 29:2 Advantages and disadvantages of minority investments
- § 29:3 Investment process
- § 29:4 Due diligence
 - § 29:5 —Information collection procedures
 - § 29:6 — —Document requests
 - § 29:7 — —Questionnaires
 - § 29:8 — —File review
 - § 29:9 — —Interviews
 - § 29:10 — —Inspections
 - § 29:11 — —Other information sources
- § 29:12 —Scope of investigation
- § 29:13 —Confidentiality and data privacy
- § 29:14 —Contract review and analysis
- § 29:15 —Financial due diligence
- § 29:16 Investment terms and conditions
 - § 29:17 —Valuation and purchase price
 - § 29:18 —Management control

- § 29:19 —Financing
- § 29:20 —Liquidity
- § 29:21 —Information and reporting requirements
- § 29:22 —Acquisition and exit provisions
- § 29:23 —Governing law

II. FORMS

- § 29:24 Letter of intent—Acquisition of majority interest in foreign corporation
- § 29:25 Investment and shareholders' agreement
- § 29:26 Short-form investment agreement

CHAPTER 30. CROSS-BORDER MERGERS AND ACQUISITIONS

I. GENERAL CONSIDERATIONS

- § 30:1 Scope of chapter
- § 30:2 Preliminary considerations
- § 30:3 Identification and selection of acquisition candidates
- § 30:4 Structuring and documenting the transaction
- § 30:5 Valuation
- § 30:6 —Asset-oriented financial statement valuation methods
- § 30:7 —Income statement valuation methods
- § 30:8 —Non-financial-statement valuation elements
- § 30:9 Legal and regulatory considerations
- § 30:10 —Foreign investment laws and regulations
- § 30:11 —Antitrust and competition laws
- § 30:12 —Foreign exchange controls
- § 30:13 —Organization and management of target
- § 30:14 —Governmental regulation
- § 30:15 —Transfer of personal and real property
- § 30:16 —Transfer of contract rights
- § 30:17 —Taxation
- § 30:18 —Foreign labor laws and regulations
- § 30:19 —Environmental laws and regulations
- § 30:20 —Financial reporting requirements
- § 30:21 U.S. tax considerations in cross-border acquisitions
- § 30:22 —Cross-border purchase of assets
- § 30:23 —Cross-border purchase of stock
- § 30:24 —Non-recognition transactions
- § 30:25 —I.R.C. 367

II. FORMS

- § 30:26 Support agreement—Cross-border acquisition of Canadian company by U.S. company

TABLE OF CONTENTS

- § 30:27 —Cross-border tender offer
- § 30:28 Cross-border merger agreement—Acquisition of U.S.
public company by German public company
- § 30:29 —Acquisition of UK company by US public company
- § 30:30 Share purchase agreement for acquisition of 100%
ownership of foreign corporation
- § 30:31 Stock purchase agreement for cross-border acquisition
of controlling interest

Table of Laws and Rules

Table of Cases

Table of Contents

PART E. US REGULATION OF INBOUND AND OUTBOUND TRADE ACTIVITIES

CHAPTER 31. DOING BUSINESS IN THE UNITED STATES

I. ENVIRONMENTAL AND INSTITUTIONAL BACKGROUND

§ 31:1 Overview

II. LEGAL, REGULATORY AND CONTRACT SYSTEMS

- § 31:2 Legal, regulatory and contract systems
- § 31:3 Cultural factors
- § 31:4 Entrepreneurship
- § 31:5 Leadership practices and styles
- § 31:6 Management practices and styles
- § 31:7 Organizational structure
- § 31:8 Organizational culture
- § 31:9 Strategic planning
- § 31:10 Governance
- § 31:11 Finance
- § 31:12 Human resources
- § 31:13 Product development
- § 31:14 Technology management
- § 31:15 Globalization

Appendix 31A. Business Counselor's Introduction To United
States Business Laws and Regulations

CHAPTER 32. DOING BUSINESS IN THE U.S.: REGULATION OF INBOUND INVESTMENT

I. GENERAL CONSIDERATIONS

§ 32:1 Scope of chapter

- § 32:2 U.S. foreign investment laws and regulations
- § 32:3 —Exon-Florio reporting requirements
- § 32:4 —International Survey Act reporting requirements
- § 32:5 U.S. Hart-Scott-Rodino Antitrust Improvements Act
- § 32:6 —Acquisitions of corporate securities or assets
- § 32:7 —Exemptions
- § 32:8 —Corporate joint ventures
- § 32:9 —Non-corporate entities and interests
- § 32:10 —Procedural considerations
- § 32:11 Inbound acquisition transactions—Review under
Horizontal Merger Guidelines
- § 32:12 U.S. immigration laws
- § 32:13 —Immigrant visas
- § 32:14 —Nonimmigrant visas
- § 32:15 —Business visitor (B-1) visas
- § 32:16 —Intracompany (L-1) transferee visas
- § 32:17 —Specialty occupation (H1-B) visas
- § 32:18 —Treaty (E) visas
- § 32:19 —USMCA provisions on nonimmigrant visas
- § 32:20 U.S. labor and employment laws
- § 32:21 U.S.A. PATRIOT Act
- § 32:22 Industrial security regulations

II. CHECKLISTS

- § 32:23 Checklist of legal issues for B-1 visas

CHAPTER 33. EXPORT COMPLIANCE

I. GENERAL CONSIDERATIONS

- § 33:1 Scope of chapter
- § 33:2 Export Control Reform Act of 2018—Department of
Commerce
- § 33:3 —Definitions
- § 33:4 —Controlled transactions
- § 33:5 —Export license applications
- § 33:6 —Encryption
- § 33:7 —Regulation of PRC export transactions
- § 33:8 —Voluntary disclosure of EAR violations
- § 33:9 Arms Export Control Act—Department of State
- § 33:10 —Munitions List
- § 33:11 —Registration requirements
- § 33:12 —License requirements
- § 33:13 —Prohibited exports and sales to certain countries
- § 33:14 —Voluntary disclosure of ITAR violation
- § 33:15 International Emergency Economic Powers Act—
Department of Treasury

TABLE OF CONTENTS

§ 33:16	— —The TWEA
§ 33:17	— —The IEEPA
§ 33:18	Sanctions for violations of export controls
§ 33:19	Other U.S. governmental export controls
§ 33:20	Multilateral export control regimes
§ 33:21	Other laws and regulations impacting export activities
§ 33:22	—Antitrust and competition laws
§ 33:23	—Intellectual property rights
§ 33:24	—Import regulations of foreign governments
§ 33:25	Records retention requirements—Export Administration Regulations
§ 33:26	—Trading with the Enemy Act and the International Emergency Economic Powers Act
§ 33:27	—Arms Export Control Act
§ 33:28	—The Atomic Energy Act/Nuclear Nonproliferation Act
§ 33:29	—Original records and reproduction of original records
§ 33:30	Export compliance program
§ 33:31	—Preparing an export management system
§ 33:32	—Foreign sales account applications
§ 33:33	—Additional customer due diligence procedures
§ 33:34	—Customer and end user assurances
§ 33:35	—Staffing requirements
§ 33:36	—Export control compliance issues for foreign subsidiaries
§ 33:37	Some guidelines for export compliance
§ 33:38	U.S. Department of Commerce’s Introduction to Commerce Department Export Controls

II. CHECKLISTS

§ 33:39	Export license determination—Part 732: Steps for using the EAR
§ 33:40	Defense Trade Controls compliance checklist
§ 33:41	ITAR filing procedure
§ 33:42	Export sales transaction evaluation checklist

III. FORMS

§ 33:43	U.S. export control compliance policy
§ 33:44	Company policy statement on compliance with U.S. export control and sanctions laws
§ 33:45	Export control and sanctions policies and procedures
§ 33:46	Foreign customer application
§ 33:47	Export sales transaction evaluation checklist
§ 33:48	End-user assurances checklist for export control compliance

- § 33:49 Executive summary of compliance procedures for
DOC export control laws
- § 33:50 Voluntary disclosure of ITAR violation
- § 33:51 Export control contract clauses—Responsibility for
export licenses—Purchaser
- § 33:52 — —Seller
- § 33:53 —Indemnification by seller
- § 33:54 —Representations of purchaser/licensee—Receipt of
and compliance with EAR
- § 33:55 — —Export control notice
- § 33:56 — —Comply with U.S. export laws and audit
- § 33:57 —Indemnification by buyer
- § 33:58 —Seller and buyer representations

CHAPTER 34. ANTI-BRIBERY COMPLIANCE

I. GENERAL CONSIDERATIONS

- § 34:1 Scope of chapter
- § 34:2 OECD guidelines and conventions on bribes to foreign
public officials
- § 34:3 Local laws in foreign countries
- § 34:4 Foreign Corrupt Practices Act
- § 34:5 —Persons subject to FCPA prohibitions
- § 34:6 —Requirement of corrupt intent
- § 34:7 —Recipient—Foreign officials
- § 34:8 —Knowledge of a bribe
- § 34:9 —Form of payment
- § 34:10 —Permissible payments and affirmative defenses
- § 34:11 —Accounting provisions
- § 34:12 —Sanctions
- § 34:13 — —Criminal and civil penalties for individuals
- § 34:14 — —Criminal and civil penalties for corporations
- § 34:15 — —Additional penalties and sanctions
- § 34:16 — —Private rights of action
- § 34:17 — —Attorney liability under the FCPA
- § 34:18 Securities law violations
- § 34:19 FCPA Guide
- § 34:20 Internal Revenue Code
- § 34:21 Compliance programs
- § 34:22 —Independent review of compliance policies and
procedures
- § 34:23 —Compliance policies and procedures
- § 34:24 —Establishing the “tone at the top”
- § 34:25 —Monitoring legal and regulatory developments
- § 34:26 —Organizational structure for compliance activities

TABLE OF CONTENTS

- § 34:27 —Standardized business tools and practices
- § 34:28 —Contract language addressing FCPA concerns
- § 34:29 —Gifts and hospitality
- § 34:30 —Facilitating payments
- § 34:31 —Engaging foreign agents
- § 34:32 —Training
- § 34:33 —Internal controls
- § 34:34 —Records retention policies and procedures
- § 34:35 —Reporting requirements and safeguards
- § 34:36 —Availability of additional resources
- § 34:37 —Mergers and acquisitions
- § 34:38 —Auditing the effectiveness of the FCPA compliance program
- § 34:39 Investigating and disclosing potential FCPA violations
- § 34:40 Anti-bribery management systems

II. CHECKLISTS

- § 34:41 Checklist for drafting an FCPA compliance policy
- § 34:42 Checklist for drafting an FCPA compliance policy (Alternative)

III. FORMS

- § 34:43 FCPA compliance policy
- § 34:44 CEO letter to employees regarding FCPA compliance policy
- § 34:45 FCPA compliance policy and procedures—Alternative FCPA compliance policy
- § 34:46 Foreign Corrupt Practices Act executive summary
- § 34:47 Foreign subsidiary legal audit for compliance with FCPA and conflicts of interest policies
- § 34:48 FCPA accounting and internal control review
- § 34:49 Certification of compliance with international anti-corruption laws agreement
- § 34:50 Compliance certificate for international anti-corruption laws
- § 34:51 Certification of compliance with international anti-corruption laws agreement
- § 34:52 Compliance certificate—International anti-corruption laws
- § 34:53 Questionnaire
- § 34:54 Sample compliance provisions for contract with representative

CHAPTER 35. IMPORT AND CUSTOMS COMPLIANCE

I. GENERAL CONSIDERATIONS

- § 35:1 Scope of chapter
- § 35:2 Customs laws and regulations
- § 35:3 —Customs organization
- § 35:4 —U.S. Code and Code of Federal Regulations
- § 35:5 —Harmonized Tariff Schedule of the United States
- § 35:6 —Security requirements
- § 35:7 —Enforcement and penalties
- § 35:8 — —Criminal enforcement
- § 35:9 — —Civil enforcement
- § 35:10 — —Record keeping
- § 35:11 — —Seizure and forfeiture
- § 35:12 — —Claims against Customs bonds
- § 35:13 Import controls
- § 35:14 —Import prohibitions
- § 35:15 —Import quotas
- § 35:16 —Specific product requirements
- § 35:17 Country-of-origin requirements
- § 35:18 Foreign assets controls
- § 35:19 Antidumping and countervailing duties
- § 35:20 USA Patriot Act: Anti-money laundering provisions
- § 35:21 Trade programs and agreements
- § 35:22 —Generalized System of Preferences (“GSP”)
- § 35:23 —Bilateral trade programs and agreements
- § 35:24 —United States-Mexico-Canada Agreement (“USMCA”)
- § 35:25 —United States-Mexico-Canada Agreement (USMCA)—Implementing Instructions (June 30, 2020)
- § 35:26 — —Provision comparison to North American Free Trade Agreement
- § 35:27 Overview of import requirements
- § 35:28 —Entry of goods
- § 35:29 — —Importer of record
- § 35:30 — —Entry for consumption
- § 35:31 — —Entry documentation
- § 35:32 — —Automated Manifest System
- § 35:33 — —Automated Commercial Environment (“ACE”)
- § 35:34 — —Entry for warehouse
- § 35:35 — —Transportation of merchandise in bond
- § 35:36 —Examination of goods and entry documents
- § 35:37 —Classification and appraisement
- § 35:38 — —Classification

TABLE OF CONTENTS

§ 35:39	— —Appraisement
§ 35:40	—Liquidation
§ 35:41	Duty saving options
§ 35:42	—Temporary importation under bond
§ 35:43	—ATA carnet
§ 35:44	—Foreign trade zones
§ 35:45	—Drawbacks
§ 35:46	Records and record-keeping requirements
§ 35:47	—Parties subject to record-keeping requirements
§ 35:48	—Definition of records
§ 35:49	—Sanctions for violation of record-keeping requirements
§ 35:50	Informed compliance
§ 35:51	—Merchandise description and tariff classification
§ 35:52	—Valuation
§ 35:53	—Country of origin, markings and quotas
§ 35:54	—Intellectual property rights
§ 35:55	Compliance assessments
§ 35:56	—Selection and pre-assessment activities
§ 35:57	—Pre-assessment survey phase
§ 35:58	—Assessment Compliance Testing phase
§ 35:59	—Advance preparation for FA review
§ 35:60	Customs-Trade Partnership Against Terrorism
§ 35:61	—Security guidelines
§ 35:62	—Business partner requirements
§ 35:63	—Validation process guidelines
§ 35:64	Importer self-assessment
§ 35:65	—Participation requirements
§ 35:66	—Benefits to importers from participation in ISA
§ 35:67	—Internal controls
§ 35:68	OFAC compliance program
§ 35:69	Customs protection of intellectual property rights
§ 35:70	Gray market goods
§ 35:71	—Private actions under the Tariff Act
§ 35:72	—Private actions under the Lanham Act
§ 35:73	—Unfair competition suits
§ 35:74	—Trademark theories
§ 35:75	—Copyright theories
§ 35:76	—Summary of remedies

II. CHECKLISTS

§ 35:77	Checklist of questions for satisfying reasonable care standard under informed compliance principles
§ 35:78	Checklist of possible legal remedies in a gray market situation

III. FORMS

- § 35:79 Import (customs) compliance policy
- § 35:80 Import compliance policy and principles
- § 35:81 Importer Self-Assessment Handbook
- § 35:82 Importer self-assessment handbook: Practice Tip
- § 35:83 Letter to vendors regarding compliance with cargo security procedures
- § 35:84 Cargo security procedures
- § 35:85 Vendor/service provider cargo security checklist
- § 35:86 Policy regarding country of origin marking and labeling requirements

CHAPTER 36. ANTI-BOYCOTT LAW COMPLIANCE

I. GENERAL CONSIDERATIONS

- § 36:1 Scope of chapter
- § 36:2 How the boycott works
- § 36:3 Export Control Reform Act of 2018 and Anti-boycott Regulations
 - Covered persons
 - Prohibited conduct
 - Examples of boycott requests
 - Exceptions
 - Reporting requirements
 - Penalties
- § 36:10 Reporting requirements under Internal Revenue Code
- § 36:11 —Tax penalties for participation or cooperation in unlawful boycotts
- § 36:12 Anti-boycott law compliance programs
 - Compliance policy and procedures
 - Reporting and documenting boycott requests
 - Dissemination of information
 - Local law exceptions
 - Human resources
 - Procurement and logistics activities
 - Foreign subsidiaries
 - IRS anti-boycott reporting requirements
 - Due diligence regarding anti-boycott compliance for merger transactions
- § 36:22 —Audit procedures

II. CHECKLISTS

- § 36:23 Arab boycott checklist

TABLE OF CONTENTS

III. FORMS

- § 36:24 Anti-boycott policy
- § 36:25 Corporate policy bulletin regarding compliance with antiboycott laws
- § 36:26 Corporate policy on sanctioned countries, restricted parties and antiboycott compliance
- § 36:27 Policy statement regarding compliance with international trade laws
- § 36:28 Antiboycott policy and compliance procedures
- § 36:29 Antiboycott compliance guide and policy statement
- § 36:30 Compliance policy manual
- § 36:31 Arab boycott operating guide
- § 36:32 Policy regarding duties and responsibilities relating to antiboycott law compliance
- § 36:33 Internal transmittal form for boycott request
- § 36:34 Business unit report forms for boycott requests
- § 36:35 Audit procedures for antiboycott law compliance
- § 36:36 Executive summary for clients regarding antiboycott law compliance

PART F. DOING BUSINESS IN OTHER CULTURES

CHAPTER 37. DEFINING CULTURE

- § 37:1 Introduction
- § 37:2 Edward Tylor
- § 37:3 Kroeber and Kluckhohn
- § 37:4 Gaart Hofstede
- § 37:5 GLOBE researchers
- § 37:6 Other definitions of culture
- § 37:7 Fundamental properties and components of culture
- § 37:8 Levels of culture

CHAPTER 38. EVOLUTION AND DEVELOPMENT OF CROSS-CULTURAL STUDIES

- § 38:1 Introduction
- § 38:2 Kluckhohn and Strodtbeck's value orientations
- § 38:3 Cultural differentiation based on employee work attitudes
- § 38:4 —Haire, Ghiselli and Porter
- § 38:5 —Sirota and Greenwood
- § 38:6 —Hofstede
- § 38:7 —Redding

- § 38:8 —Ronen and Kraut
- § 38:9 —Griffeth, Hom, Denisi and Kirchner
- § 38:10 —Badawy
- § 38:11 Hall's cultural context theories
- § 38:12 Hofstede's cultural dimensions
- § 38:13 Schwartz and the psychological approach to cultural values
- § 38:14 Trompenaars and Hampden-Turner's seven dimensions of culture
- § 38:15 GLOBE Project
- § 38:16 Inglehart and the World Values Survey
- § 38:17 Critiques of the Hofstede model
- § 38:18 Critiques of the GLOBE project
- § 38:19 —Theory-driven versus action-driven
- § 38:20 —US inspired versus decentered
- § 38:21 —Societal and organizational culture
- § 38:22 —National wealth as a part or as an antecedent of culture
- § 38:23 —Five versus nine dimensions
- § 38:24 —Information collection methodology
- § 38:25 —Values and practices

CHAPTER 39. CULTURAL DIMENSIONS

- § 39:1 Introduction
- § 39:2 Hofstede
- § 39:3 —Power distance
- § 39:4 —Uncertainty avoidance
- § 39:5 —Individualism—collectivism
- § 39:6 —Masculinity—femininity
- § 39:7 —Long-term orientation
- § 39:8 Trompenaars and Hampden-Turner
- § 39:9 —Universalism/particularism
- § 39:10 —Individualism/collectivism
- § 39:11 —Achievement/ascription
- § 39:12 —Neutral/affective
- § 39:13 —Specific/diffuse
- § 39:14 —Internal/external
- § 39:15 —Time orientation
- § 39:16 Schwartz
- § 39:17 —Conservatism/autonomy
- § 39:18 —Hierarchy/egalitarianism
- § 39:19 —Mastery/harmony
- § 39:20 —Cultural dimensions as an integrated system
- § 39:21 —Analysis and assessment
- § 39:22 GLOBE
- § 39:23 —Power distance

TABLE OF CONTENTS

§ 39:24	—Uncertainty avoidance
§ 39:25	—In-group collectivism
§ 39:26	—Institutional collectivism
§ 39:27	—Gender egalitarianism
§ 39:28	—Assertiveness
§ 39:29	—Humane orientation
§ 39:30	—Performance orientation
§ 39:31	—Future orientation
§ 39:32	—Analysis and assessment
§ 39:33	Research studies based on most popular cultural dimensions
§ 39:34	—Power distance
§ 39:35	—Uncertainty avoidance
§ 39:36	—Masculinity—femininity
§ 39:37	—Individualism—collectivism
§ 39:38	—Long-term (future) orientation
§ 39:39	Assessing efforts to define and measure culture
§ 39:40	Suggestion for convergence: Nardon and Steers
§ 39:41	—Mastery—harmony
§ 39:42	—Individualism—collectivism
§ 39:43	—Hierarchical—egalitarian
§ 39:44	—Rule-based—relationship-based
§ 39:45	—Monochronic—polychronic
§ 39:46	—Assessing cultural differences

CHAPTER 40. COUNTRY CLUSTERS

§ 40:1	Introduction
§ 40:2	Dimensions of country clusters
§ 40:3	Benefits and uses of country clusters
§ 40:4	Criticisms of the cluster approach
§ 40:5	Early clustering research
§ 40:6	Ronen and Shenkar
§ 40:7	Hofstede's country scores and cultural maps
§ 40:8	—Home country rankings
§ 40:9	—Comparable countries
§ 40:10	—Countries with the highest and lowest index values for each dimension
§ 40:11	—Relationships between cultural dimensions
§ 40:12	Inglehart
§ 40:13	GLOBE's societal cultures and clusters
§ 40:14	—Eastern Europe
§ 40:15	—Nordic Europe
§ 40:16	—Germanic Europe
§ 40:17	—Latin Europe
§ 40:18	—Anglo
§ 40:19	—Sub-Saharan Africa

- § 40:20 —Confucian Asia
- § 40:21 —Southern Asia
- § 40:22 —Middle East (Arab)
- § 40:23 —Latin America

CHAPTER 41. COMPARATIVE MANAGEMENT STUDIES

- § 41:1 Introduction
- § 41:2 Value of comparative and cross-cultural management studies
- § 41:3 —Operation and management of foreign subsidiaries
- § 41:4 —Design and implementation of employee orientation and training programs
- § 41:5 —Leadership training and development
- § 41:6 —Management strategies and procedures
- § 41:7 —Cross-border transactions and business relationships
- § 41:8 —Design and implementation of organizational strategies
- § 41:9 Areas of interest for cross-cultural researchers
- § 41:10 Challenges of comparative and cross-cultural management studies
- § 41:11 Approaches to comparative management studies
- § 41:12 —Socio-economic (economic development) approach
- § 41:13 —Environmental (ecological) approach
- § 41:14 —Behavioral (socio-psychological) approach
- § 41:15 —Organizational theory approach
- § 41:16 —Open system or eclectic approach
- § 41:17 —Systems model approach
- § 41:18 —Adapted comparative model approach
- § 41:19 Cross-cultural management research techniques
- § 41:20 —Parochial studies
- § 41:21 —Ethnocentric studies
- § 41:22 —Polycentric studies
- § 41:23 —Comparative studies
- § 41:24 —Geocentric studies
- § 41:25 —Synergistic studies

Table of Laws and Rules

Table of Cases

Index