

*Academic year: 2012-2013*

# Foreign Trade I - 21153

**Degree:** International Business Economics

**Year:** Third

**Term:** First trimester

**Number of credits ECTS:** 5 credits

**Student's time dedication:** 125 hours

**Teaching language:** English

**Professor:** Dr. Jordi Garolera i Berrocal

## 1. Course's presentation

The presence of a company in the international context is much more complex than in the domestic market because the variables that are working are multiple and changing - different markets, longer product life cycles, different competitors, different intermediaries and forms of entry and establishment in each market, different types of consumers and users, various legislations.

The aim of the course is to provide students with the knowledge, tools and skills that will enable them to properly manage the company's operational process of internationalization.

Upon completion of the course, students will have acquired the skills necessary for their future professional development in a company's foreign trade department

## 2. Competencies to be attained

General competencies	Specific competencies
<b>Instrumental</b>  1. Analysis and synthesis  2. Development of logical, critical and strategic thinking that facilitates the knowledge the department needs in order to move within the social and cultural environment.	  1. Organizing and planning  2. Knowledge of the basic, general framework  3. Implementation of the different tools that enable the receipt or delivery of goods from another country

3. Teamwork

4. Applying theoretical knowledge to practice

5. Confronting and solving problems

### **Interpersonal**

6. Profound moral and ethical sense and commitment

7. Adapting to, working with and leading complex, changing, competitive multicultural groups

8. Oral expression and empathy

4. Knowledge of the various concepts that lead to the computation of a selling price in foreign markets based on the delivery or receipt situation of the merchandise.

5. Knowledge of the various legal forms that facilitate the establishment of a contractual relationship with parties that participate in foreign trade operations and the various methods of payment and financing.

6. Obtaining the ability to express ideas and emotions both in oral and written forms, to organize attitudes and to plan strategic moves.

7. Capacity to face and understand the cultural and business environment and propose solutions to the specific organizational problems.

8. Ability to compare and contrast the knowledge acquired in the training process and adapt it to real-world situations

### **Systemic**

9. Observation

10. Capacity to adapt to new situations

11. Entrepreneurial capacity and self-learning

12. Willingness to travel and live and work abroad.

### **3. Contents**

- Topic I        The international environment
- Topic II       Customs and foreign trade. Incoterms and international pricing
- Topic III      Documentation in foreign trade
- Topic IV       International freight and carriage
- Topic V        International payment and collection methods
- Topic VI       Financing of international trade operations
- Topic VII      International sales contracts
- Topic VIII     Promotion and foreign markets

### **4. Evaluation**

A final test that will have a 40% weight of the global final grade.

Practice sessions that will take place from week 5 (October 31). Practice sessions will consist in the monitoring of a group project. This project will deal with the exportation of a product to a foreign country. The project will have a 35% weight of the final grade.

A minimum score of 5 is required in the final exam for the project's grade to be included in the computation of the final overall grade.

The remaining 25% will correspond to class participation. Attendance and video case discussions will be included in this grading section.

Only the final exam will be eligible for make-up if it has been failed at the end of the trimester.

## **5. Material and Bibliography**

Set of slides that are covered in class.

Set of cases to be done in class. These cases are in video format.

Recommended bibliography:

Curso Básico sobre Operativa y Práctica del Comercio Exterior 2ª edición.

Varios autores:

Edita Instituto Español de Comercio Exterior con la colaboración del Consejo Superior de Cámaras de Comercio

Curso Superior Estrategia y Gestión del Comercio Exterior 4ª edición

Varios autores

Edita Instituto Español de Comercio Exterior  
Consejo superior de Cámaras de comercio

Guía Práctica de los INCOTERMS 2010

Autor: Sr. Olegario Llamazares

Edita: Global Marketing Strategies S.L.

## **6. Methodology**

Theoretical class lectures.

Practice sessions that will start in week 5 in which the group project will be monitored.

Outside classroom work on group project.

## 7. Schedule of Activities

<i>Week</i>	<i>Activities in the classroom</i>	<i>Activities outside the classroom</i>
Week 1	<p>Session 1 and Session 2</p> <p>The international environment. Globalization process. Market differences. International economic institutions.</p>	Reading of topic I.
Weeks 2-3	<p>Session 1 and Session 2</p> <p>Customs and foreign trade. Incoterms. Customs Tariffs. International Price setting. Customs debt. Importation rights and customs procedures.</p>	Reading of topic II. Completion of test on this topic.
Week 4	<p>Session 1 and Session 2</p> <p>Documentation in foreign trade. International carriage. Concept, organization and methods.</p>	Reading of topic III.
Week 5	<p>Session 1 and Session 2</p> <p>Preparation of merchandise for transportation.</p> <p>Legal issues and selection criteria of the international transportation methods.</p> <p>Session 3 Group project</p>	<p>Reading of topic IV.</p> <p>Preparation of project's proposal.</p>
Semana 6	<p>Session 1 and Session 2</p> <p>International payment methods. Main characteristics. Checks,</p>	Reading of topic V. Completion of test on this topic.

	transfers and letters of credit	
	Session 3 Group project	Preparation of project's section 1.
Week 7	Session 1 and Session 2  Foreign trade financing. Financing alternatives. Risk coverage. Official export grants.  Session 3 Group project	Reading of topic VI.      Preparation of project's section 2.
Weeks 8 - 9	Session 1 and Session 2  International contracting. Concept and characteristics of the main international selling contracts. Foreign trade agents and other intermediaries. Distribution strategies. Transfer of technology.  Session 3 - Week 8 Group project  Session 3 - Week 9 Group project	Reading of topic VII.       Preparation of project's section 3.  Preparation of project's section 4.
Week 10	Session 1 and Session 2  Promotion and foreign markets. Marketing communication. Institutions and support programs to internationalization.  Session 3 Group project	Reading of topic VIII.      Preparation of project's section 5 and powerpoint presentation.