

BPE Global Hot Topic – April 2024

Dear Sales Team



Your company would not exist without you. The revenue that you generate allows the company to operate, it funds research and development, and it allows the company to thrive.

To do your job, you must exude confidence. If you're not confident in the product or service you're delivering, your customer won't be either. But do you know where and to whom you can sell your products and services to and how your customers are allowed to use your products? Your phenomenal confidence can work against you by self-blinding you to the global export control regulations.

And you have to start every day with a growth mindset to do your job. Your success comes from continuous development. But do you know where and who you can sell to in the most cost effective and barrier free way? The lure of new markets and untapped opportunities could result in closing deals that violate the export regulations.

And you must be motivated and have the drive to accomplish your sales goals. And that motivation needs to be based on doing all the things that will protect your company from unwanted government investigations and restrictions in addition to generating revenue.

The purpose of this article is to arm you with enough knowledge about export controls so that you can ensure that the next deal you close doesn't put the company at risk. And the best way to do that is to leverage the exceptional skills that you already bring to the job. Here are some of those skills and how you can apply them to export control risk mitigation:

1. Product knowledge – In addition to knowing the features and functions of your product, you should know if there are any dual use export controls on the item, its software, and its technology. You should know which products on your price list are restricted to certain countries or require export licenses for specific end uses (such as military end use).
2. Strategic prospecting skills – If a deal is too good to be true, check to see whether you need to obtain an export license to fulfill the order. Or, if the buyer is planning on diverting your products to a restricted country or end user.
3. Objection handling – If a target says no to an End Use statement, the reason why may be that they need a license based on their intended end use for the item. Signing the statement would reveal export controls that you may not have previously considered.
4. Technological agility – You should think twice when a potential customer is looking at one of your products, but their line of business wouldn't normally be in the market for the product. It could be that they are a front for some nefarious intention.
5. Closing techniques – You might be the best closer in the world, but you should always confirm and export restrictions. If there are export license requirements, they could be a barrier to



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closing the deal. And there are several license situations where the government agency has a policy of denying all licenses to that end user or end use.

6. Trust-building skills – You should always screen your customers to ensure that they are not on any of the government’s lists that restrict exports to certain parties. Knowing who your customer is from an export perspective is just one more way to build a trusting partnership.
7. Active listening – As you work on your deal with the client, you should be on the lookout for red flags. Does the client want to pay in a unconventional way? Are they asking to include parties to the transaction (forwarders, banks, agents) that don’t make any sense. If they say something that is a red flag – you must take the time to clear it before sealing any deal.
8. Integrity – The bottom line is that no deal is worth putting the company at risk. We’ve all been there at quarter-end, looking for that sale that will meet or exceed the company’s financial targets. That doesn’t mean that you can short-cut understanding and complying with the export controls on the item and the customer.

The more you understand your client, what they are buying, why they are buying it, and how they intend to use it, will go a long way in closing your deal as quickly as possible. If you fail to understand any export controls or obtain licenses – all your hard work on that deal could be wasted if the deal is denied.

Now you have the tips and tricks on what to consider during and after you close your next sale. And now you know how to keep your company safe from doing business with restricted end users and restricted end uses.

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