



BPE Global
137 Pierce Street
San Francisco, CA 94117

T 1-415-845-8967
E info@bpeglobal.com
bpeglobal.com

Trade Compliance Training for Your Sales Team

We've recently received many requests for trade compliance training. And we always recommend a training for new hires and then an annual refresher training for the entire company. The depth of your training relies entirely on the complexity of the controls on your imports and exports. However, we have found there are some key areas that your Sales Team needs to be aware of regardless and we've developed a strategy to get the message through to them. Here are the do's and don'ts for your Sales Team's trade compliance training.

Julie Gibbs
DIRECTOR



Keep it simple.

The Sales Team should be concentrating on sales of course but they need to know where they should focus their efforts. If they are spending all their time trying to sell to the Venezuelan government is obviously going to be problematic. Selling to companies that use your dual use items for military end uses is also going to be difficult. I'm not saying these scenarios are impossible to reconcile through the use of export licenses or other license authorizations, but perhaps there are easier and more fruitful sales channels that the Sales Team can focus on if they understand the potential roadblocks and fiery hoops related to trade compliance. Guiding them through these situations is highly beneficial for you and your company.

Make it relatable.

How does your Sales Team interact with your Trade Compliance Team? Do they check in with Trade Compliance for every new customer through an email? Do they enter new leads through a CRM system? Either way they need to understand why a new lead or new customer might be under review for trade compliance purposes. In light of this, the training should outline the different reasons why there might be complications to signing a new customer or why the company would be prohibited from doing business with your company altogether. Walk your Sales Team through your process of OFAC >50% ownership screening, why an end-use statement might be required, or why an export license might be required. Each industry and business will be different in terms of import/export regulations but just think how frustrating it would be to be negotiating with a potential customer for months and then find out they are on the Entity List or the country where they are located requires an export license that could take months to obtain.

Give some real-life examples.

What would be some red flags for a risky transaction for your company? Paying cash for a very expensive order? Shipping to a territory known for diversion and the Sales Representative has overheard conversation about an end-user that is located in an embargoed country? Has your company had any prior voluntary disclosures related to sanctions, diversion, or valuation issues? If so, highlight those past issues so you can clearly communicate the critical value of ongoing oversight. Then of course, highlight the potential penalties that not only the company but the individual who commits the potential violation might incur if found complicit in a grossly negligent or fraudulent transaction.

Provide easy access to resources.

As part of the training, we always recommend having easy access to resources for anyone in the company to gain more information on Trade Compliance. Companies usually have a Wiki page for Trade Compliance or internal portal where you can post the training, policies, procedures and contact information for escalations. We also recommend a timely email or other notification to the Sales Team and Order Management with any changes to the import / export regulations or restricted parties that might affect your company's ability to ship an order.

Clarify roles and responsibilities.

Clearly, The Trade Compliance Team is ultimately responsible for import and export compliance. But the Sales Team is responsible for:

1. Knowing when there are restrictions on companies, entities and persons.
2. Understanding what prohibited end uses there.



BPE Global
137 Pierce Street
San Francisco, CA 94117

T 1-415-845-8967
E info@bpeglobal.com
bpeglobal.com

3. Knowing the process to export tools of the trade, samples and other hand carried company products.
4. Understanding the EAR Part 736 General Prohibitions but especially Prohibition 10: Proceeding with transactions with knowledge that a violation has occurred or is about to occur (Knowledge Violation to Occur).

You may not sell, transfer, export, reexport, finance, order, buy, remove, conceal, store, use, loan, dispose of, transport, forward, or otherwise service, in whole or in part, any item subject to the EAR and exported or to be exported with knowledge that a violation of the Export Administration Regulations, the Export Administration Act or any order, license, License Exception, or other authorization issued thereunder has occurred, is about to occur, or is intended to occur in connection with the item.

5. Telling Trade Compliance if they have any questions about a Customer or potential Customer in terms of importing or exporting controls or limitations.

Hopefully we've shed some light on this hot topic. Let BPE Global know if we can help you with any of your trade compliance needs. BPE Global is a global trade consulting and training firm. Julie Gibbs is a Director of BPE Global. You can reach Julie by email at julie@bpeglobal.com or by phone at 1-415-595-8543.