



UNIVERSITI KUALA LUMPUR
Malaysian Institute of Marine Engineering Technology

FINAL EXAMINATION
September 2016 SESSION

SUBJECT CODE : LOB 30203
SUBJECT TITLE : EXPORTING & IMPORTING
LEVEL : BACHELOR
TIME / DURATION : 9.00 AM – 12.00 PM / 3 HOURS
DATE : 23 /01/ 2017

INSTRUCTIONS TO CANDIDATES

1. Please read the instructions given in the question paper CAREFULLY.
 2. This question paper is printed on both sides of the paper.
 3. Please write your answers on the answer booklet provided.
 4. This question paper consists of TWO (2) sections; Section 'A' and Section 'B'. Answer all questions in Section 'A' and THREE (3) questions only from Section 'B'.
 5. Answer all questions in English.
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THERE ARE 3 PAGES OF QUESTIONS, EXCLUDING THIS PAGE.

SECTION A (Total: 40 marks)**INSTRUCTION: Answer ALL questions.****Please use the answer booklet provided.****Question 1**

The custom service does provide considerable information related to the importing function in the form of booklets, newsletters and seminars available through the management centers. Most of this information amounts to extractions from and simplification of customs regulations. When a shipment of goods intended for commercial use reaches Malaysia, it may not be legally entered until after enter the port of entry, estimated duties have been paid and customs authorizes delivery of the merchandise. The Royal Malaysia Custom Department (RMCD) officers are responsible to check each step to ensure the correctness. **Examine the documents and its purposes** that are needed at **pre-shipment stage** by RMCD as below:

- a) Pro-forma Invoice (4 marks)
- b) Certificate of Origin (4 marks)
- c) Mate Receipt (4 marks)
- d) Shipping Bill (4 marks)
- e) Inspection Certificate (4 marks)

Question 2

The working group has taken the initiative to discuss with related government agencies and industry associations in identifying the issues and the most common practices for import and export process flows, particularly pertaining to documentation requirements, time taken and the cost involved for import and export processes.

- a) The Royal Malaysia Custom Department (RMCD) officers are responsible to check each step to ensure the correctness. Examine **THREE (3) STEPS ENTRY PROCESS** that need to be completed (13 marks)
- b) List down **SEVEN (7) STEPS** in Customs Clearance Process (7 marks)

SECTION B (Total: 60 marks)**INSTRUCTION: Answer only THREE (3) questions.****Please use the answer booklet provided.****Question 3**

In building a market entry strategy, time is a crucial factor. The building of an intelligence system and creating an image through promotion takes time, effort and money. Brand names do not appear overnight. Large investments in promotion campaigns are needed. Transaction costs also are a critical factor in building up a market entry strategy and can become a high barrier to international trade.

- a) Define what is the countertrade (4 marks)
- b) Examine FOUR (4) methods of countertrade below:
 - I. Pure Barter (4 marks)
 - II. Counter Purchase (4 marks)
 - III. Switch Trading (4 marks)
 - IV. Buy Back (4 marks)

Question 4

Distribution channels provide a number of logistics or physical distribution functions that increase the efficiency of the flow of goods from producer to customer. Distribution channels create efficiencies by reducing the number of transactions necessary for goods to flow from many different manufacturers to large numbers of customers. Distribution intensity refers to the number of intermediaries through which a manufacturer distributes its goods. In general, distribution intensity varies along a continuum with three general categories: intensive distribution, selective distribution, and exclusive distribution.

Explain briefly the two general categories with the relevant examples. :-

- i. Intensive distribution (10 marks)
- ii. Selective distribution (10 marks)

Question 5

Manufacturers select mass merchandisers to sell middle price range products while they distribute top line products through high end department and specialty stores. The firm's sales force and communications decisions depend on how much persuasion, training, motivation, and support its channel partners need. Examine the process that needed for seller to approach exporting in foreign markets (20 marks)

Question 6

The need for a solid market entry decision is an integral part of a global market entry strategy. Entry decisions will heavily influence the firm's other marketing-mix decisions. A crucial step in developing a global expansion strategy is the selection of potential target markets. Classify TWO (2) theories in international trade how to compare the ability of 2 countries that can produce the same goods at same period of time. (20 marks)

END OF QUESTIONS