



Salem County: Introduction to Exporting

Build a foundation for international business success through planning, research, and execution.



Welcome all! Please complete the welcome survey.
We would like to thank our valuable, local partners:



**CHAMBER OF COMMERCE
SOUTHERN NEW JERSEY**
Connecting the region since 1873

About the NJ Business Action Center

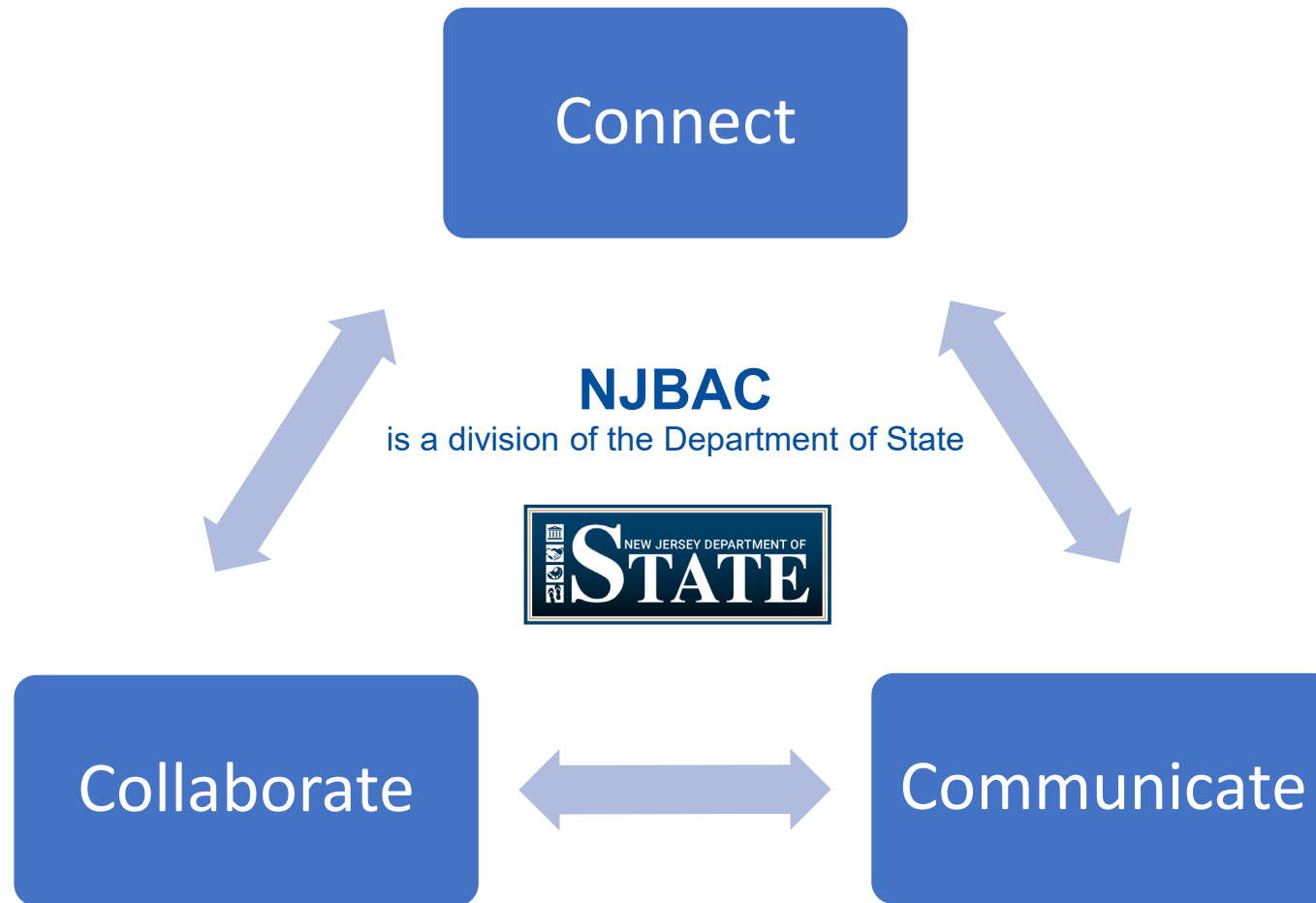
Mission

To provide exceptional technical assistance, customer service, resources, and information as advocates and mentors for New Jersey businesses of all sizes, categories, and ethnicities.

Vision

We envision a flourishing business community, in which all stakeholders – entrepreneurs, business owners, business leaders, exporters, municipalities, state agencies, elected officials, and organizations – are able to access the vital resources that ultimately strengthen every aspect of doing business in New Jersey.

About the NJ Business Action Center



The NJBAC Team



About the NJ Business Action Center

Provides free, confidential, reliable assistance

- Office of Business Advocacy – Explore
- **Office of Export Promotion – Expand**
- Office of Small Business Advocacy – Explain
- Office of State Planning – Enhance
- Cannabis Training Academy – Educate

Supportive services at every stage of business, regardless of size or industry, provided for thousands of businesses each year

Impact of NJBAC

business registration & business certification & site expansion & networking & navigating state systems & international sales & site selection & incentive programs & funding opportunities & introductions & district enhancement & education for

NJBAC provides solutions.

grant opportunities & educational webinars & permitting assistance & research & commercial real estate assistance & NJSTEP & annual reports & procurement & district assessments & advocacy & community presentations & mentoring & industry insights & municipal incentives & tax abatements & application support & record keeping & much more



NJBAC

New Jersey
Business
Action Center

Connecting with NJBAC

Services provided

- Free of charge
- Confidentially
- Quickly, accurately, and carefully

Call: 1-800-JERSEY-7

Chat: business.nj.gov

Learn: state.nj.us/state/bac/



NJBAC

New Jersey
Business
Action Center

Office of Export Promotion



Office of Export Promotion

Roles of the Office of Export Promotion (OEP) include:

- **Export Assistance:** Advises small and mid-sized companies to help them tap into global markets, increase revenues, and create local jobs.
- **Export Advocacy:** Helps businesses navigate and connect with both State and Federal government agencies to break down barriers.
- **Foreign Trade Zone Grantee:** Manages FTZ #44 (Mt. Olive, NJ).

Introduction to Exporting



The Business Case for Exporting

- Increase sales by tapping into international markets.
- Smooth business cycles during domestic lulls.
- Increase the valuation of your business.
- Utilize full capacity of production, sales and administration.

Today's Agenda

- Export Readiness Self-Assessment
- Management Commitment to Exporting
- Trade Barriers and Trade Opportunities
- Export Plan Development and International Market Research
- Food Manufacturing Case Study ("Salem Soy Products Co.")
- Questions & Answers / Next Steps

Export Readiness Self-Assessment



Export Readiness Self-Assessment

1. Does your company have a **product or service that has successfully sold in the domestic market?**
2. Is your company's **management committed to developing export markets** and willing and **able to dedicate time and resources** to the process? Does your company have an export business plan with **defined goals and strategies?**
3. Does your company have **sufficient production capacity** that can be committed to the export market? Will financing be required for any expansion?

Export Readiness Self-Assessment, cont.

4. Does your company have the **financial resources to actively support an increase of product sales in targeted overseas markets?**
5. Do you have both **U.S. and foreign Intellectual Property Protection** for your product?
6. Does your company have **capabilities to modify ingredients and product packaging** to meet **foreign import regulations, cultural preferences, and survive competition?**

Export Readiness Self-Assessment, cont.

7. Does your company **have appropriate knowledge in shipping its product overseas**, such as identifying and selecting international freight forwarders and freight costs to **ensure customs clearance overseas**?
8. Does your company **have knowledge and experience of export payment methods**, such as developing and negotiating letters of credit?
9. Does your company have **knowledge and understanding of U.S. export controls and compliance**?

Management Commitment to Exporting



Management Commitment to Exporting

- Long-term commitment by management to learn, research and implement exporting as a core sales strategy.
- Ensure cohesion among leadership team.
- Keep key partners and advisors updated (banker, accountant, attorney, insurance broker, etc.)

Trade Barriers and Trade Opportunities



Identify Trade Barriers & Trade Opportunities

- Trade Barriers: Tariff & Non-Tariff Trade Barriers
- Trade Opportunities: Trade Agreements (FTAs, TPAs, etc.)



Trade Barriers (Tariff & Non-Tariff)

Non-Tariff Barriers:

- Burdensome customs procedures
- Licensing requirements
- Product standards
- Testing, labeling, and certifications
- Investment rules
- Protection of intellectual property

Tariff Barriers:

- Ad Valorem (percentage of value)
- Most Favored National Tariffs (MFN)
- Specific (physical quantity)
- Compound
- Tariff-rate quotas



Trade Opportunities (Trade Agreements)

- Unilateral trade agreements
- Bilateral trade agreements
- Multilateral trade agreements
- Other: product-specific agreements



Building Your Export Plan



Export Planning Overview

Key items to consider when developing your export plan:

- Product or Service
- Financial Capacity
- Promotion
- Experience
- Personnel
- Management Issues
- Pricing Considerations
- Production Capacity

Export Planning Process

- Similar to creating a start-up business plan.
- Organize thoughts, identify barriers, and test assumptions.
- Research, identify and analyze potential international markets.



Sample Export Plan Outline

Part I: Export Policy Commitment Statement

Part II: Situation or Background Analysis

Product/Service for Export

Export License (if needed)

Personal Export Organization

Products/Services to be Exported

Products that Qualify Under FTAs

Resources Outside the Company

Industry Structure, Competition, Demand Operations

Export Control Compliance

Product Classifications

Resources Inside the Company

Part III: Marketing Component

Identifying, Evaluating, and Selecting Markets

Product Selection and Pricing

Distribution Methods

Internal Organization and Procedures

Sales Goals (Profit and Loss Forecasts)

Terms and Conditions

Pricing with Consideration of Duties, Taxes

Freight Costs, and Logistics Included

Part IV: Tactics—Action Steps

Primary Target Countries

Indirect Marketing Efforts

Quarterly Accomplishments

Secondary Target Countries

Sample Export Plan Outline, Continued

Part V: Export Budget

- Pro-forma Financial Statements
- Marketing Materials
- Travel
- Website Enhancements
- Trade Show Visits
- Other Costs

Part VI: Implementation Schedule

- Follow-up
- Periodic Operational and Management Review
(Measuring Results against the Plan)

Addenda: Background Data on Target

- Basic Market Statistics (Historical and Projected)
- Background Facts
- Competitive Environment



International Market Research Tools



Identify & Analyze International Markets

- U.S. Census Schedule B Commodity Data and Search Tool
<https://www.census.gov/foreign-trade/schedules/b>
- U.S. Census Bureau Global Market Finder
<https://www.census.gov/foreign-trade/gmf.html>
- U.S. Bureau of Economic Analysis Interactive Data Application
<https://www.bea.gov/itable/>
- Department of Commerce ITA Country Commercial Guides
<https://www.trade.gov/country-commercial-guides>

Service Export Data: U.S. BEA Interactive Data Application (1/5)

An official website of the United States government

[Data](#) |
 [Tools](#) |
 [News](#) |
 [Research](#) |
 [Resources](#) |
 [About](#) |
 [Help](#)

Interactive Data Application

[Home](#) | [Interactive Data Application](#)

What is the Interactive Data Application?

BEA's interactive data application is the one stop shop for accessing BEA data on the fly. The interactive application makes it easier to access and use our statistics by providing a common look and feel for users accessing national, international, regional or industry statistics. The application makes the data easier to print, save and export. The charting features are robust and visually appealing. The application also allows for data sharing with others via a number of social tools.

BEA updates its data in near real time. During BEA news releases there might be a slight delay in accessing the most recent data but access to supplemental data files is always available.

The interactive data application organizes data by account and topic. The application uses a "tabbed" browser experience common to many e-commerce and other standard Web sites. Navigating between data sets and accessing and changing query parameters is easy, as they are similar across all datasets.

U.S. Bureau of Economic Analysis Interactive Data Application

<https://www.bea.gov/itable/>

Service Export Data: U.S. BEA Interactive Data Application (2/5)

An official website of the United States government
Data ▾ Tools ▾ News ▾ Research ▾ Resources ▾ About ▾ Help ▾

— General —

What is the Interactive Data Application?

— National Data —

Gross Domestic Product
Personal Income

Fixed Assets

— Industry Data —

GDP by Industry

Input-Output

— International Data —

International Transactions
International Services
International Investment Position (IIP)

Direct Investment
Multinational Enterprises (MNEs)

— Regional Data —

Gross Domestic Product
Personal Income

What is the Interactive Data Application?

BEA's interactive data application is the one stop shop for accessing BEA data on the fly. The interactive application makes it easier to access and use our statistics by providing a common look and feel for users accessing national, international, regional or industry statistics. The application makes the data easier to print, save and export. The charting features are robust and visually appealing. The application also allows for data sharing with others via a number of social tools.


BEA updates its data in near real time. During BEA news releases there might be a slight delay in accessing the most recent data but access to supplemental data files is always available.

The interactive data application organizes data by account and topic. The application uses a "tabbed" browser experience common to many e-commerce and other standard Web sites. Navigating between data sets and accessing and changing query parameters is easy, as they are similar across all datasets.

U.S. Bureau of Economic Analysis Interactive Data Application

<https://www.bea.gov/itable/>

Service Export Data: U.S. BEA Interactive Data Application (3/5)


An official website of the United States government

[Home](#) | [Interactive Data Application](#) | [International Transactions, Services, and Investment Position \(IIP\) Tables](#)

International Transactions, Services, and Investment Position (IIP) Tables

General

[What is the Interactive Data Application?](#)

National Data

[Gross Domestic Product](#)
[Personal Income](#)

[Fixed Assets](#)

Industry Data

[GDP by Industry](#)

[Input-Output](#)

International Data

[International Transactions](#)
[International Services](#)
[International Investment Position \(IIP\)](#)

[Direct Investment](#)
[Multinational Enterprises \(MNEs\)](#)

Interactive Data Tables

Citing BEA Information

March 26, 2025

All international investment position tables have been updated to reflect revised and preliminary statistics through the fourth quarter of 2024.

[Previous Updates](#)


The international transactions, international services, and international investment position statistics are only part of BEA's international accounts.


- [About the International Accounts](#)
- [Complete Statistics for the International Accounts](#)
- [Analytical and Other Articles](#)
- [BEA International Trade and Investment Country Facts](#)

U.S. Bureau of Economic Analysis Interactive Data Application

<https://www.bea.gov/itable/>

Service Export Data: U.S. BEA Interactive Data Application (4/5)

 An official website of the United States government

Data ▾Tools ▾News ▾Research ▾Resources ▾About ▾Help ▾

Search

National Data
GDP & Personal Income

National Data
Fixed Assets

Industry Data
GDP-by-industry

Industry Data
Input-Output

International Data
Int'l Transactions, Services, & IIP

International Data
Direct Investment & MNEs

Regional Data
GDP & Personal Income

[Home](#) | [Tools](#) | [Interactive Data Tables](#)

International Data


International Transactions, International Services, and International Investment Position Tables

Table Type

Please select a table type to display:


- [International Transactions \(ITA\)](#)
- [International Services](#)
- [International Investment Position \(IIP\)](#)


U.S. Bureau of Economic Analysis Interactive Data Application
<https://www.bea.gov/itable/>

 **NJBAC**

New Jersey
Business
Action Center

Service Export Data: U.S. BEA Interactive Data Application (5/5)

 An official website of the United States government



Data ▾

Tools ▾


News ▾

Research ▾

Resources ▾

About ▾

Help ▾



National Data

GDP & Personal Income

National Data

Fixed Assets

Industry Data

GDP-by-industry

Industry Data

Input-Output

International Data

Int'l Transactions, Services, & IIP

International Data

Direct Investment & MNEs

Regional Data

GDP & Personal Income

[Home](#) | [Tools](#) | [Interactive Data Tables](#)

International Data

International Transactions, International Services, and International Investment Position Tables

Table Type

International Services

Please select a table to display or [download all data for tables](#). You may also view a [definition of International Services](#) and [geographic area definitions](#).

Legend: (A) Annual; (MNEs) Multinational Enterprises; (MOFAs) Majority-owned foreign affiliates; (MOUSAs) Majority-owned U.S. affiliates; (UBO) Ultimate beneficial owner; (ICT) Information and Communications Technology

[Table 1.1. Services Supplied to Foreign and U.S. Persons Through Trade and Through Affiliates \(\(A\) \(1986-2023\)\)](#)

U.S. Trade in Services

[Table 2.1. U.S. Trade in Services, by Type of Service \(\(A\) \(1999-2023\)\)](#)

[Table 2.2. U.S. Trade in Services, by Type of Service and by Country or Affiliation \(\(A\) \(1999-2023\)\)](#)

[Table 2.3. U.S. Trade in Services, by Country or Affiliation and by Type of Service \(\(A\) \(1999-2023\)\)](#)

[Table 3.1. U.S. Trade in ICT Services and Digitally Deliverable Services, by Type of Service \(\(A\) \(1999-2023\)\)](#)

[Table 3.2. U.S. Trade in ICT Services and Digitally Deliverable Services, by Type of Service and by Affiliation \(\(A\) \(1999-2023\)\)](#)


[Table 3.3. U.S. Trade in ICT Services and Digitally Deliverable Services, by Country or Affiliation \(\(A\) \(2006-2023\)\)](#)

U.S. Bureau of Economic Analysis Interactive Data Application
<https://www.bea.gov/itable/>

Food Manufacturing Case Study (“Salem Soy Products Co.”)



U.S. Census Schedule B Commodity Data and Search Tool (1/4)



An official website of the United States government

// Census.gov > Business and Economy > International Trade > Schedule B

Main

About

Data

Export Filing AES

Regulations

Outreach

Schedule B

Reference

Guide to International Trade

Events

Release Schedule

Definitions

Time Series / Trend Charts

USA Trade Online

Global Market Finder

Contact Us

Schedule B

Search

Schedule B Search Engine

In order to better assist exporters in providing more accurate trade statistics and filers in determining their correct export commodity code (Schedule B number), International Trade provides a Schedule B Commodity Search Tool. This search tool provides a smarter, more intuitive, and more accurate way to classify products. It understands and interprets common commercial product information, and interacts intelligently and intuitively with users to eliminate classification complexity. The search tool has cut down on the time it takes to classify products and provide more accurate and consistent results that ultimately improves the quality of trade statistics.

Browse

Browse through the contents of the Schedule B book:

• 2025

• 2024

• 2023

• 2022

• 2021


• 2020

• 2019

• 2018

U.S. Census Schedule B Commodity Data and Search Tool


<https://www.census.gov/foreign-trade/schedules/b>




NJBAC

New Jersey Business Action Center

U.S. Census Schedule B Commodity Data and Search Tool (2/4)

 An official website of the United States government



// Census.gov > Business and Economy > International Trade > Schedule B > **Schedule B 2025 - Browse Chapters**

Main

About

Data

Export Filing AES

Regulations

Outreach

Schedule B

Reference

Guide to International Trade

Events

Release Schedule

Definitions

Time Series / Trend Charts

USA Trade Online

Global Market Finder

Contact Us


Schedule B 2025 - Browse Chapters

These codes should be used after January 1, 2025.

Chapter
Introduction
Abbreviations for Commodity Classification and Units of Quantity
Conversion Tables for Measures and Weights
Add/Delete List
All Chapters 1 Through 98
Section 1 - Live Animals; Animal Products
Chapter 1: Live Animals
Chapter 2: Meat and Edible Meat Offal
Chapter 3: Fish and Crustaceans, Molluscs and Other Aquatic Invertebrates
Chapter 4: Dairy Produce; Birds' Eggs; Natural Honey; Edible Products of Animal Origin, Not Elsewhere Specified or Included
Chapter 5: Products of Animal Origin, Not Elsewhere Specified or Included
Section II - Vegetable Products
Chapter 6: Live Trees and Other Plants; Bulbs, Roots and the Like; Cut Flowers and Ornamental Foliage
Chapter 7: Edible Vegetables and Certain Roots and Tubers
Chapter 8: Edible Fruit and Nuts; Peel of Citrus Fruit or Melons
Chapter 9: Coffee, Tea, Maté and Spices
Chapter 10: Cereals
Chapter 11: Products of the Milling Industry; Malt; Starches; Inulin; Wheat Gluten
Chapter 12: Oil Seeds and Oleaginous Fruits; Miscellaneous Grains, Seeds and Fruit; Industrial or Medicinal Plants; Straw and Fodder
Chapter 13: Lac; Gums, Resins and Other Vegetable Saps and Extracts


U.S. Census Schedule B Commodity Data and Search Tool

<https://www.census.gov/foreign-trade/schedules/b>

 **NJBAC**

New Jersey
Business
Action Center

U.S. Census Schedule B Commodity Data and Search Tool (3/4)

 Schedule B Search Engine

DESCRIBE YOUR PRODUCT ⓘ

tofu

✕

Q Classify

Watch an [export training video](#) on how to classify your commodity.

USA Trade Online (<https://usatrade.census.gov>), the official source of U.S. merchandise trade data, offers current and historical U.S. import and export statistics. Use USA Trade Online to:

- Appraise trading trends and market outlook
- Improve market research and development
- Measure the impact of foreign competition
- Use trade data as a statistical resource for determining trade policies

Need Help? Contact us at:
Email: eid.scheduleb@census.gov
Phone: 1-800-549-0595 option #2
Web sites:
<https://www.census.gov/trade> (Foreign Trade Web site)
<https://www.export.gov> (International Trade Administration, get help finding international customers)
<https://usatrade.census.gov> (The official source for U.S. merchandise trade data)

Looking for tariff information? Visit [avalara.com](https://www.avalara.com)

© 2025 Avalara Inc. - All rights reserved Feedback Help Terms of Use

Want more trade data?
USA Trade® Online
[click here](#)

U.S. Census Schedule B Commodity Data and Search Tool

<https://www.census.gov/foreign-trade/schedules/b>



NJBAC

New Jersey
Business
Action Center

U.S. Census Schedule B Commodity Data and Search Tool (4/4)

Schedule B

Legal Notes

Please read all 10-digit descriptions to find the one that best matches your product

U.S. Census Bureau - Foreign Trade Schedule B (2025)

Chapter 21

CHAPTER 21 - MISCELLANEOUS EDIBLE PREPARATIONS

SCHEDULE B NUMBER	DESCRIPTION	UOM
21.06	<input type="checkbox"/> Food preparations not elsewhere specified or included:	
2106.10	<input type="checkbox"/> - Protein concentrates and textured protein substances:	
2106.10.1000	- - Textured soy protein concentrate	kg
2106.10.5000	- - Pea protein concentrate	kg
2106.10.9000	- - Other	kg

U.S. Census Bureau Global Market Finder (1/1)

Year

2024

Global Market Finder

An Interactive Tool for U.S. Exporters

Find your Schedule B commodity code

Choose a commodity code

2106101000

Choose a Country

(All)

Map

Time Series

Methods of Transportation

Unit Price

U.S. EXPORTS OF TEXTURED SOY PROTEIN CONCENTRATE(2106.10.1000), 2024

Top Five Countries by Val

Other

© 2025 Mapbox © OpenStreetMap

United States[®] Census Bureau

Source: USA Trade Online
All trade figures are in U.S. dollars on a nominal basis.

U.S. EXPORTS OF TEXTURED SOY PROTEIN CONCENTRATE(2106.10.1000)

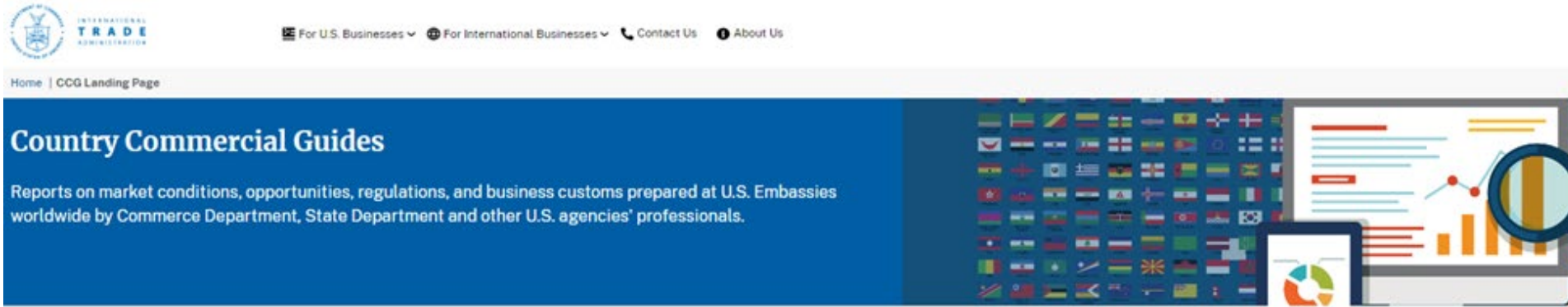
(Values in Thousands of Dollars)

Country	2021	2022	2023	2024
Grand Total	131,910	235,283	192,297	208,853
MEXICO	16,787	41,008	39,497	40,559
NETHERLANDS	20,326	27,162	25,582	24,452
VIETNAM	8,040	11,032	11,902	11,783
KOREA, SOUTH	10,474	13,540	8,182	8,776
UNITED ARAB EM..	3,742	7,662	8,551	8,455
GERMANY	1,835	6,889	4,318	8,407
GUATEMALA	2,281	5,659	4,563	7,225
COLOMBIA	3,269	6,559	4,794	6,731
COSTA RICA	649	3,300	1,490	5,533
MALAYSIA	13,300	6,151	1,770	4,748
TAIWAN	2,279	4,365	4,369	4,698
HONG KONG	3,221	9,916	3,921	4,655
UNITED KINGDOM	3,697	9,752	6,198	4,522
BRAZIL	1,238	3,133	2,713	4,116
NEW ZEALAND	1,950	2,398	2,723	3,805
ARUBA	173	1,416	1,435	3,619
VENEZUELA	538	1,566	4,256	3,581
AUSTRALIA	3,836	6,215	5,137	3,345

United States[®] Census Bureau

Source: USA Trade Online
All trade figures are in U.S. dollars on a nominal basis.


DOC ITA Country Commercial Guides (1/2)



Department of Commerce ITA Country Commercial Guides
<https://www.trade.gov/country-commercial-guides>

DOC ITA Country Commercial Guides (2/3)

Official Website of the International Trade Administration [Here's how you know](#)



INTERNATIONAL
TRADE
ADMINISTRATION

For U.S. Businesses

BuyUSA

Invest in the USA

News

About Us

Contact Us

Search website...

Mexico Country Commercial Guide

Learn about the market conditions, opportunities, regulations, and business conditions in Mexico, prepared by at U.S. Embassies worldwide by Commerce Department, State Department and other U.S. agencies' professionals

Mexico Country Commercial Guide

Doing Business in

Leading Sectors for US Exports & Investments

Customs, Regulations & Standards

Selling US Products & Services

Business Travel

Digital Economy

Investment Climate Statement

Mexico Country Commercial Guide

Doing Business in

Discusses key economic indicators and trade statistics, which countries are dominant in the market, and other issues that affect trade.

LEARN MORE

Leading Sectors for US Exports & Investments

This is a best prospect sectors for this market. Includes a market overview and trade data.

LEARN MORE

Customs, Regulations & Standards

Includes the barriers (tariff and non-tariff) that U.S. companies face when exporting to this country.

LEARN MORE

Selling US Products & Services

This section reviews several different factors in selecting and managing your distribution and sales in Mexico.

LEARN MORE

Mexico Country Commercial Guide

Doing Business in

Market Overview

Market Challenges

Market Opportunities

Market Entry Strategy

Leading Sectors for US Exports & Investments

Customs, Regulations & Standards


Selling US Products & Services

Business Travel

Digital Economy

Investment Climate Statement

Department of Commerce ITA Country Commercial Guide: Mexico
<https://www.trade.gov/country-commercial-guides>



NJBAC

New Jersey
Business
Action Center

DOC ITA Country Commercial Guides (3/3)

Using an Agent to Sell U.S. Products and Services

Some U.S. companies sell their products through individual sales agents, and there are many Mexican firms eager to offer this service to U.S. companies. The use of sales agents can be an effective way to reach smaller cities and remote locations in Mexico.

Selecting an appropriate agent or distributor requires time and effort. There may be many qualified candidates and U.S. firms should set high standards to select the best suited agent/distributor. Since most Mexican firms sell in limited areas, U.S. companies should consider appointing representatives in multiple cities to broaden the distribution network. It is usually not advisable to grant an exclusive, national agreement. It is essential to develop a close working relationship with the appointed agent/distributor and maintain continuous communication. Appropriate training, marketing support, samples, product support, and timely supply of spare parts (depending upon the industry) are critical for success. There are no indemnity laws to prevent a company from canceling an agent or distributor agreement, but cancellation clauses should be specific. Sales performance clauses in agent/distributor agreements are permitted, and failure to meet established standards can be a reasonable cause for contract cancellation. Before signing an agent/distributor agreement, all parties should fully understand the terms and conditions, and how the relationship is to be developed. Many international commercial relationships become strained because insufficient time is invested in developing a full understanding of what is expected.

The U.S. Commercial Service and other organizations — such as the American Chamber of Commerce in Mexico and U.S. state government trade representatives — maintain lists of Mexican agents/distributors, manufacturers, GOM offices, and private sector trade organizations. After identifying a suitable agent/distributor, we encourage U.S. exporters to conduct a commercial background check on the Mexican firm. The U.S. Commercial Service offers a report called an International Company Profile that provides background information on a potential business partner. Commercially available services, such as Dun & Bradstreet, may list larger Mexican firms.

If a product is new to the market, or if the market is extremely competitive, advertising and other promotional support should be negotiated in detail with your representative. Product and industry knowledge, track record, enthusiasm, and commitment should be weighed heavily. We suggest the U.S. exporter schedule annual visits of Mexican personnel to the U.S. company headquarters for training (more information on visa requirements is provided in the Business Travel section of this guide). Another important factor to consider is financing, as credit from Mexican banks is limited and can be expensive. Joint venture agreements may also be considered to strengthen market penetration. Direct marketing is another common strategy. Telemarketing is evolving and gaining in popularity and scope. While Internet penetration has not yet reached U.S. levels (the GOM estimates Internet access by 71 percent of the population over the age of six), social media marketing is becoming increasingly important and should be factored into marketing plans when appropriate.

Establishing an Office

For U.S. companies interested in establishing a presence in Mexico, the General Law of Mercantile Organizations (or Civil Code) regulates many different forms of business entities. The type of business incorporation that a U.S. company or individual chooses is extremely important, as it determines the operations they may perform in Mexico and, among other liabilities, the amount of taxes owed.

The most commonly used types of business classifications are the Corporation (Sociedad Anónima) identified with 'S.A.' at the end of the company name, and the Corporation with Variable Capital (Sociedad Anónima de Capital Variable) identified with 'S.A. de C.V.' One of the advantages of the latter is that the minimum fixed capital can be changed after the initial formation.

The Civil Partnership (Sociedad Civil) is the most common organization for professional service providers. It has no minimum capital requirement and no limit on the number of partners, but it is taxable in the same way as a corporation. It is identified with 'S.C.' The Civil Association (Asociación Civil) is the form that charitable or nonprofit organizations adopt and is identified with 'A.C.'.

A Limited Liability Partnership (Sociedad de Responsabilidad Limitada), identified with 'S. de R.L.', is similar to a LLP in the United States and has the option of having variable capital, indicated by 'S. de R.L. de C.V.' As this is a partnership structure — an organization formed by individuals as partners — it has similar characteristics to a Civil Partnership apart from unlimited liability.

A foreign company may open a branch (sucursal) in Mexico as an alternative to incorporating. A branch can provide rights and responsibilities similar to a corporation, including tax liability and access to local courts, but requires the approval of the National Foreign Investment Commission (Comisión Nacional de Inversiones Extranjeras or CNIE).

Consulting with a law firm in Mexico prior to establishing an office in the country is important. A partial list of Mexican law firms with international business focus and experience can be found at the U.S. Commercial Service's [Mexico Business Providers List](#). For other types of legal representation, contact our U.S. Commercial Service in Mexico to obtain the Embassy's attorney list.

For the latest Investment Climate Statement (ICS) which includes information on investment and business environments in foreign economies pertinent to establishing and operating an office and to hiring employees, visit the U.S. Department of State's [Investment Climate Statements website](#).

Department of Commerce ITA Country Commercial Guide: Mexico

<https://www.trade.gov/country-commercial-guides/mexico-distribution-and-sales-channels>



NJBAC

New Jersey
Business
Action Center

Questions & Answers / Next Steps



Thank you again to our local partners!

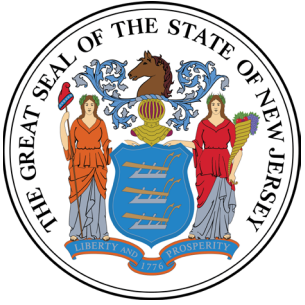


**CHAMBER OF COMMERCE
SOUTHERN NEW JERSEY**
Connecting the region since 1873



NJBAC

New Jersey
Business
Action Center



NJBAC

New Jersey
Business
Action Center

We're in the solution business.

Call: 1-800-JERSEY-7

Chat: business.nj.gov

Learn: state.nj.us/state/bac/

