

The Clearest Explanation of the Entire Export Logistics Process Ever!

Foreign trade logistics—why is it difficult?

Many beginners think foreign trade is simply:

Find customer → Receive payment → Ship goods.

In reality, what often frustrates newcomers is the **logistics** part — customs declaration, booking, bill of lading, customs clearance, delivery**, and more. Even the terminology sounds overwhelming.

Don' t panic!

This article breaks down the export logistics workflow in the most practical and easy-to-understand way.

Whether you' re a new salesperson or a small cross-border business owner, you' ll be able to operate confidently after reading.

A quick reminder:

90% of logistics operations can be outsourced to a Freight Forwarder. You only need to understand the key checkpoints and risk points.

1. Full Picture of Export Logistics (Example: Export Process)

Factory Delivery → Inland Transport → Export Customs Declaration → Loading (Vessel/Aircraft) → International Transportation → Destination Customs Clearance → Last-Mile Delivery

The entire process involves **domestic (China) and overseas segments**, mixed with documentation, costs, and timeline coordination.

Let' s break it down step by step.

2. Step One: Define Trade Terms (Decides Who Handles Logistics)

Logistics responsibilities are determined at the quotation stage!

Everything depends on the **Incoterms® used in the contract:**

Term	Who Handles Logistics?	Common Scenario
EXW (Ex Works)	Buyer handles everything	Buyer has local agent overseas
FOB (Free on Board)	Buyer arranges ocean freight; seller arranges delivery to vessel	Most popular, especially US shipments
CIF / CNF	Seller arranges ocean freight+ insurance (CIF includes insurance)	Seller wants to control customer experience
DDP (Delivered Duty Paid)	Seller delivers to door, duties paid	Premium service; higher risk

Recommended for beginners: FOB — responsibility is clear, manageable risk.

3. Step Two: Choose a Freight Forwarder (Your Logistics “Advisor”)

A freight forwarder (Freight Forwarder) helps you handle:

- Booking (Space Reservation)

- Customs Declaration
- Trucking / Drayage
- Cargo Insurance
- Issuance of Bill of Lading (B/L)
- Assisting with destination customs clearance

How to choose a reliable forwarder?

- Confirm whether they are a Class A / premium agent able to book directly with carriers
- Ask for a transparent fee structure (avoid hidden charges)
- Prefer forwarders familiar with your product category and trade lane (furniture ≠ electronics logistics)

Never choose solely based on price. Cheap forwarders may cause rollovers, delays, unexpected charges, etc.

4. Step Three: Arrange Trucking & Warehouse Entry

Once production is completed, the goods must be transported from the factory to the port or designated

warehouse.

Two ways to deliver cargo:

1) Direct to Port (FCL)

- Suitable for FCL (Full Container Load)
- Truck goes directly into port terminal; loading is efficient

2) CFS Warehouse (LCL)

- Suitable for LCL (Less than Container Load)
- Multiple shipments consolidated into one container — lower cost but slower

Key actions:

- **Confirm CY Closing (Container Yard Closing) and Cargo Cut-Off** 3–5 days in advance
- Missing these deadlines = demurrage, rollover, and delayed sailing!

5. Step Four: Export Customs Declaration (China Customs

Release)

Customs declaration is a legal requirement. Without it, the goods cannot be exported.

Who handles declaration?

- Usually the freight forwarder (you provide documents)
- Or your own company, if you have customs declaration capability

Required documents:

- Commercial Invoice
- Packing List
- Contract / PO
- Customs Declaration Form (prepared by the broker)
- Special goods require: CIQ inspection, licenses (battery, food, medical device, etc.)

Tip:

Invoice and packing list must be consistent — or customs will reject the declaration!

6. Step Five: Loading & Obtaining the Bill of Lading (B/L)

After loading, the carrier issues the **Bill of Lading (B/L)**.

What is a B/L?

- The identity certificate of the cargo
- The document of title / delivery voucher

Types of B/L:

- **Original B/L** — requires physical originals for release (secure but slow)
- **Telex Release** — carrier electronically authorizes cargo release (fast, widely used)

Most US buyers prefer **Telex Release** to avoid delays caused by courier delivery.

7. Step Six: International Transportation (Sea or Air?)

Sea Freight vs Air Freight

Comparison	SEA	AIR
COST	Low (\$1000+/container)	High (from \$5/kg)
Transit Time	Long (US West 15 days, US East 30 days)	Fast (3 - 7 days)
Best For	Bulk cargo, heavy goods, non-urgent shipments	Small, high-value, urgent goods

There are also rail (China – Europe railway) and express (DHL/FedEx), but for US trade, sea freight remains dominant.

8. Step Seven: Destination Port Customs Clearance (U.S. Side)

When the cargo arrives at the port, US customs procedures must be completed.

Who handles it?

- Under FOB/CIF — usually the **US consignee** or their

customs broker

- Under DDP — you (seller) must pre-arrange a US customs broker

Required for US clearance:

- Commercial Invoice
- Packing List
- Bill of Lading
- ISF Filing (10+2) — required 24 hours before loading at origin
- EIN / IRS Number
- Compliance documents for special goods (FDA, FCC, etc.)

U.S. Customs is strict:

- Declared value must not be unrealistically low
- Product description must be precise — writing “gift” or “sample” is likely to trigger inspection

9. Step Eight: Last-Mile Delivery

Once customs clearance is completed, the trucking company (Drayage) will move the cargo from the port to the warehouse or consignee.

Common delivery methods:

- UPS / FedEx Ground — small parcels
- LTL (Less-than-Truckload) — partial load shipments
- FTL (Full-Truckload) — full container delivery directly to warehouse

If delivering to Amazon FBA, an appointment is required, or the warehouse may reject the delivery.

10. Logistics Cost Breakdown — How Much Does It Really Cost?

Example: **40HQ** from Shanghai to **Los Angeles** (FOB)

Item	Cost (RMB)	Note
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Item	Cost (RMB)	Note
Trucking	¥2,000~3,000	Factory → Port
Customs Declaration	¥300~500	Standard fee by forwarders
Sea Freight	¥8,000~20,000	Fluctuates by season
Documentation / THC	¥1,000~2,000	Port surcharges
Total (China side)	Approx 12,000 - 25,000	Excluding US-side costs

U.S. Side Fees (paid by consignee):

- Customs Clearance: \$100–300
- Demurrage: free 5 days; thereafter \$100+/day
- Inland trucking: \$800–2,000 (depending on distance)

Summary: Three Key Rules of Export Logistics

1. Clarify Responsibility

Use the correct Incoterms® — know who manages which segment.

2. Monitor Timing Closely

CY closing, cargo cutoff, ISF filing — none can be late.

3. Choose the Right Partners

Reliable Chinese forwarder + reliable US customs broker = smooth delivery.

Final Reminder

Logistics is not just “ship and forget.”

It is the **last step of customer experience**.

Even with a great product, if delivery is late, damaged, or heavily taxed, the customer will not reorder.

So—better to pay a bit more and ensure the logistics are stable, professional, and predictable.

Wishing smooth shipments, on-time arrivals, and satisfied customers for every order!