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EXPORT PROCESS AND RISK ANALYSIS
– CASE ROLLS-ROYCE OY AB

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VIENTIPROSESSI JA RISKIANALYYSI – CASE ROLLS-ROYCE OY AB

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Tämän opinnäytetyön tarkoitus oli selittää Raumalla sijaitsevan kohdeyrityksen vientiprosessin päävaiheet ja oleellisimmat kuljetusasiakirjat, ja analysoida näihin kahteen osaan liittyvät riskit. Tavoitteina oli kuvailla vientiprosessin päävaiheet ja selittää tärkeimmät kyseisen prosessin kuljetusvaiheessa vaaditut asiakirjat, kuvailla potkurilaitteen varaosien vientiprosessi kohdeyrityksessä, analysoida kyseiseen vientiprosessiin liittyvät riskit sekä tarjota suosituksia kohdeyritykselle.

Teoreettinen osa sisälsi erilliset kuvaukset sekä viennille sekä prosessille, viisi vientiprosessin päävaihetta sekä oleellisimmat kuljetusasiakirjat. Teoria pohjautui pääasiassa kirjallisuuteen mutta myös kahta verkkolähdetyyppiä, internetsivustoja sekä verkkojulkaisuja, käytettiin.

Opinnäytetyö oli tutkimuspohjainen ja kvalitatiivista lähestymistapaa käytettiin empiirisessä osassa. Teemahaastattelu suoritettiin kohdeyrityksessä ja haastattelun tuloksien sekä kirjoittajan omien kokemusten ja tietojen perusteella kirjoitettiin empiirinen osuus. Tavoitteena oli kohdeyrityksen vientiprosessin kuvaus sekä siihen liittyvien riskien analyysi.

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The purpose of this thesis was to explain the main steps in export process and the most relevant shipping documentation, and to analyse the risks involved in those two parts at a case company located in Rauma. The objectives were to describe the main steps in the export process and explain the most important documents required in the delivery step of that process, to describe the export process of the spare parts for a propulsion unit at the case company, to analyse the risks involved in that export process and offer recommendations to the case company.

The theoretical part included separate descriptions of both exporting and process, the five main steps in export process and the most relevant shipping documentation. The theory was mainly based on literature but also two types of online sources, websites and online publications, were used.

The thesis was research-based and qualitative approach was used in the empirical part. A semi-structured interview was conducted at the case company and based on the results and author's own experiences and knowledge the empirical part was written. The aim was to describe an export process of the case company and analyse the risks involved.

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1 INTRODUCTION

1.1 Background of the thesis

The author performed her first practical training at Rolls-Royce Oy Ab during the summer in 2013 and second during the summer of 2014. She worked as an export forwarder for the spare parts of azimuth thrusters and deck machinery and also for the warranty part shipments. Work as an export forwarder is one part in the process of exporting the company's products.

This thesis will present the background information of the company, their operations and their customer basis and also information regarding the industry in which Rolls-Royce Oy Ab is operating. Also the theory regarding the export process and the shipping documentation will be discussed in the thesis; in other words what exporting means, which steps are included in the process, what happens during those different steps and what kind of documents are needed in the shipping process.

In order to analyse the risks involved in the export process one must have knowledge and experience on that process. Since the author has worked as an export forwarder at Rolls-Royce she has experience to some extent from that process and has seen some of the risks that can occur. Based on her own experience and observation, an interview with colleagues and information available in literature she will perform the analysis of the risks. The author will use the same sources when providing recommendations to the case company.

1.2 Purpose and objectives

This project is done in order to explain the main steps in export process and shipping documentation, and to analyse the risks involved in those two parts at Rolls-Royce Oy Ab, and more specifically at the company's department handling the sales and delivery of spare parts for azimuth thrusters. The risk analysis will provide Rolls-Royce Oy Ab with information related to possible risks involved in exporting (pro-

cess and documentation) and offer recommendations and possibly give suggestions on how to minimise those risks.

The first objective is to describe the main steps in the export process and explain the main documents needed in the delivery step of that process. The second objective is to describe the export process of the spare parts for azimuth thrusters at Rolls-Royce Oy Ab. The third objective is to analyse the risks involved in that export process. The fourth objective is to offer recommendations to the case company.

This thesis will answer to the following questions:

- What does exporting mean?
- What are the main steps in the export process?
- What does those steps include?
- What are the most commonly needed/used shipping documents in the process?
- For what purposes are those documents prepared?
- What kind of export process Rolls-Royce Oy Ab has?
- What are the risks related to their export process?
- What kind of recommendations can be given to Rolls-Royce Oy Ab?

1.3 Conceptual framework

Based on the concepts which the author will handle in this thesis she has created a conceptual framework. It illustrates how she has limited the research topics, which are included and how she has divided them. The limitations which were set around the theory will be explained in more detail under the heading 1.4.

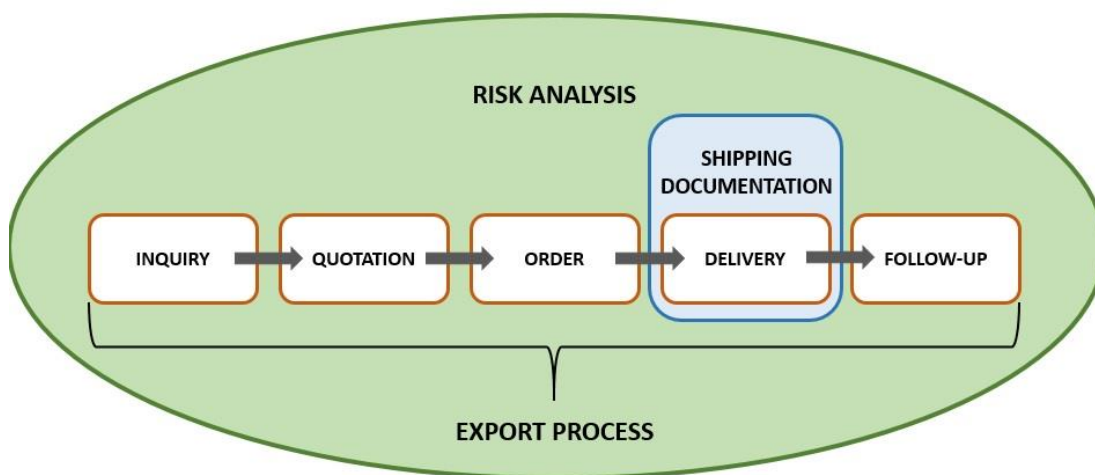


Figure 1. Conceptual Framework

The figure above shows the main steps of an export process and the order of those steps in the process which will be handled in this thesis. It also shows how the author will limit the documentation part only to the delivery step, handling the shipping documentation. The risk analysis on the other hand includes all the export process steps and also the shipping documentation.

1.4 Boundaries

Rolls-Royce Oy Ab is a large company in Rauma and they have several departments within the company. This thesis will not handle the export processes and risk analysis for all of the company's departments; it will only concentrate on one particular department and their one particular export process. This department is responsible for the sales of spares parts for azimuth thrusters and deck machinery and the shipments of those sold spare parts. The export process on which the author will be concentrating is the one for the spare parts for the azimuth thrusters.

Exporting and export process are very large concepts and contain vast amount of information, steps, processes and related documents. One could already think that the export process starts from the moment a company starts to consider the possibility of exporting. From that moment there are several steps that need to be taken before the company is ready for the actual export process. Due to the wideness of the subject

the author decided to set boundaries around the actual export process and only concentrate on this main process and the steps in it.

Regarding the documentation the author will only concentrate on the main documents of the delivery step and most commonly used documents based on the same reasons she decided to concentrate only on the main steps in the export process. Inquiry, quotation and order steps also contain documents but the author decided to exclude those documents from the documentation part of the thesis since she will explain those in the export process part of the thesis.

2 EXPORTING

There can be several reasons behind a company's decision to start shipping goods to a foreign country. Most common reasons are company's willingness to grow, small size of the domestic demand, preservation of competitiveness, decrease of domestic demand, saturation of domestic demand, free capacity, seasonal changes and occasional trading. The reason influencing the exporting decision can be one of the above mentioned or, as in many cases, several of the facts together. If a company believes that exporting can maximise their competitiveness or long-term revenues it makes sense for the company to invest in exporting, regardless of the initial reason/reasons. (Astrup et al. 2003, 12; Vientiopas 2006, 9-10.)

A company chooses an operational mode which is the most suitable for the company. This decision is based on the company's own goals and objectives, available resources, characteristics of the products, demand set by the markets and the amount, quality and buying habits and routines of the customers. Three main operational models are indirect exporting, direct exporting and immediate exporting. (Selin 2004, 23; Vientiopas 2006, 25.)

Indirect exporting

In indirect exporting the exporting is handled through a domestic intermediary, such as export agent or another export company. The manufacturer's role in exporting is passive and contact to export activities very limited. The company's tasks mainly remain at manufacturing the products and delivering those products to the export company. If company's own knowhow and/or resources for exporting are limited or inadequate it is recommendable to use a domestic intermediary. The most significant advantage is that the manufacturer is largely released from the problems, potential complexities, risks and expenses caused by exporting. Being bound to the domestic intermediary and having less contact to the markets and customers than in direct exporting are the main disadvantages. (Katzman 2011, 57-59; Selin 2004, 23; Vientiopas 2006, 25-26.)

Direct exporting

In direct exporting the exporting is handled through an intermediary located in the export destination country. Foreign importer/retailer and agent are the most common options for intermediary. Importer generally takes care of the warehousing and possible maintenance and spare part services, agent only mediates the sales. Even though direct contact to the destination country is established in direct exporting, the intermediary may only provide the company "filtered" information and the exporter may not necessarily have direct contact to the final customer. (Selin 2004, 24; Vientiopas 2006, 26-27.)

Immediate exporting

In immediate exporting the exporter sells their products directly to their foreign customer without any intermediaries. This type of exporting requires vast amount of knowhow on exporting from the company. The company takes responsibility for the whole export event, sales, marketing and customer meetings. Immediate exporting can be necessary in a case where the price and/or the technological level of the product is very high and the company's own, product details well-knowing export sellers are needed. For the company immediate exporting is the most expensive way but can also be the most efficient result-oriented way to operate in international markets. (Selin 2004, 24; Vientiopas 2006, 27.)

3 PROCESS

Process is a set of activities linked to each other and resources needed to carry out those activities. With these activities and resources inputs are transformed to outputs. It is possible to describe any activity or development as a process. For organisations the most interesting processes are the ones which are critical to the organisation's success. These are frequently referred to as business processes, main processes or key processes. A process always has a customer who receives an outcome defined for that customer, in other words, the process starts from a customer's need and ends in the fulfilment of that need. Processes can go from one customer to another and cross departmental and organisational boundaries. The performance of a process should be evaluated from the customer's point of view. Core processes or business processes, such as product development, directly deliver value to external customers. Organisations cannot operate solely through those processes. Companies develop enablers and these processes are called support processes. Budgeting and supplier selection are examples of support processes. (Hannus 2000, 41; Laamanen & Tinnilä 2009, 121-123.)

There are two types of process leadership; process management and process improvement. Process management can only be done by the managers. This means that the managers of a line organisation take the responsibility of the organisation's key processes. The process is designed by the process owner. The process owner also assesses the functionality and efficiency of the process and sets development goals. Process improvement involves procedure changes in the process. Improved results cannot be achieved if the way of operating in the process does not change. Development is possible without processes but it is not effective. (Laamanen & Tinnilä 2009, 14.)

Several processes are implemented as projects, which are unique realisations of processes. Project is a typical way to implement processes when large entities are involved. Since projects are typically unique, they are temporary forms of organisation. Projects have clear time-bounded objectives which are executed by using the provided resources. Projects are controlled with project plans and schedules and typically

they are divided into different phases, such as project initiation, planning, execution, reporting and closing. Project management involves managing and organising different resources in a way that the project can be executed in the desired form and according to the planned schedule and budget. (Laamanen & Tinnilä 2009, 24-25.)

Process description

The critical activities and other definitions that are important in order to understand the process are presented in process description. It includes the relevant factors of the process, such as resources, personnel, methods and tools, output, environmental description and the boundaries and interfaces with other processes. The activities, information flows and roles or persons involved are presented graphically in a process chart. Processes can be described for several different purposes, such as information system development, problem solving or process management. (Laamanen & Tinnilä 2009, 123-124.)

Process map

Key processes in a business and the relationships between those processes are graphically described in a process map. It is a presentation of the organisation's business model and/or revenue logic on an aggregate level. A process map may include organisation's own core and support processes and information concerning the meaning or vision of the organisation and customer process. Figure 2 shows an example of a process map. The map specifies the customer, core and support processes of an information system business. (Laamanen & Tinnilä 2009, 126.)

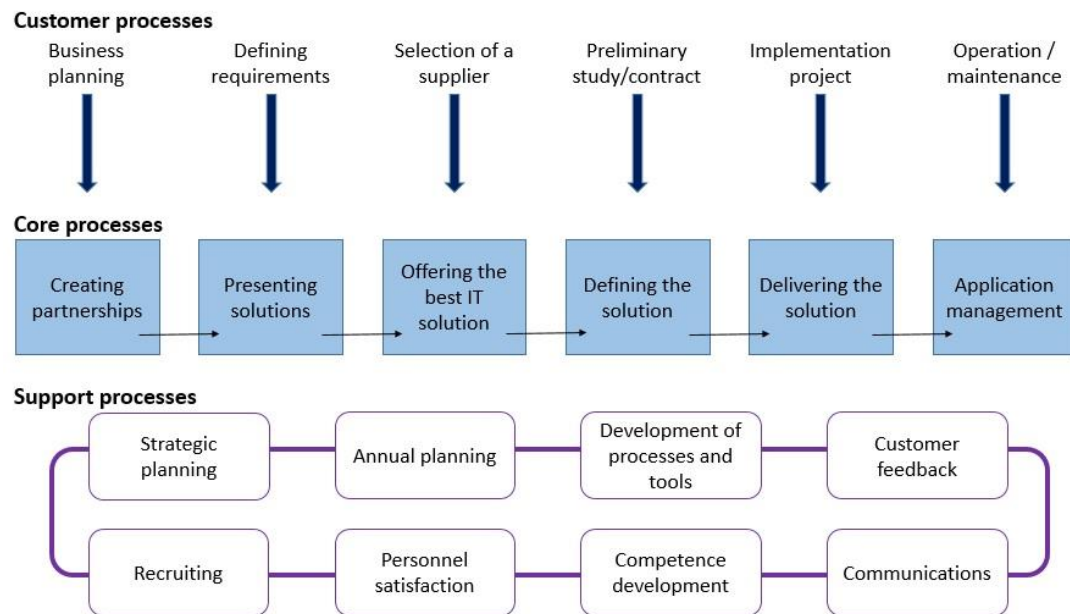


Figure 2. Example of an information system business process map (Laamanen & Tinnilä 2009, 126)

Process owner

Process owner functions as an advocate on behalf of the process and takes responsibility for the performance of the process for stakeholders. Planning of a process and the work methods and information systems used in the process, identifying competencies, developing a process towards improved efficiency and effectiveness, reacting to deviations and measuring, developing and reporting performance are some of the responsibilities of a process owner. In some cases process owner can also be responsible for all the activities related to a process and for the fulfilment of customer needs. In these cases the process owner can also be referred to as process leader or process manager. The owner functions as a leader of the process development team and develops activities to meet the objectives of the organisation. The process development team is responsible for the development of the process while supporting the process owner in the development task. (Burlton 2001, 88-89; Laamanen & Tinnilä 2009, 127.)

4 EXPORT PROCESS

4.1 Inquiry

Buyers who are interested in a product or service can make inquiries regarding that particular product or service directly to the seller or through different organisations, such as agents and chambers of commerce. The interest may stem for instance from trade fairs, advertisements or as a result of sales efforts. Inquiry or request for quotation is normally the first official contact made by a potential buyer to the seller. It can be given in oral or written form. (Melin 2011, 44; Selin 2004, 134.)

Inquiry or request for quotation is not binding to its sender and does not guarantee sales to the seller. The seller can create a good image of itself by responding to the inquiry or request for quotation quickly, either by preparing a quotation or by sending a letter of thanks rejecting the inquiry. Even if the seller is not able to prepare a quotation it can be beneficial for the seller to send an answer, even if it is negative. This may provide the seller a better chance of receiving another request or inquiry later on from the buyer. (Selin 2004, 135.)

4.2 Quotation

4.2.1 Purpose

With a quotation a seller announces the price and other terms and conditions according to which they are ready to sell their products or services. Quotation can be done by the seller based on their own initiative or based on an inquiry or request for quotation sent by the buyer. It is important that the organisation replies to inquiries or requests for quotation as quickly as possible and in the same language. In case the organisation decides not to prepare a quotation it is still highly recommendable to answer and state reasons for the refusal. Quotation functions as one of the competing and marketing tools and with quotations organisations aim to increase or improve their sales. To the opposite side it creates an image of the organisation and therefore the content and layout of the quotation should be representative. Quotation should

also highlight factors which are thought to be significant to the buyer. (Selin 2004, 138-139; Vientiopas 2006, 41.)

On a general level a quotation is an expression of will which binds its maker. It may include a time limit which regulates its validity time. Quotations must be done in an unambiguous form so that it limits the rights and responsibilities of the party which has prepared the quotation and prevents possible misunderstandings. Regardless of the export country, preparing a quotation always has juridical impacts. If the buyer approves the quotation it in general means that a binding contract has been formed between the buyer and the seller. Thus formation of a contract does not necessarily require a separate sales agreement. It may be required if it is separately mentioned in the quotation. (Melin 2011, 44-45; Vahvaselkä 2009, 267; Vientiopas 2006, 41-42.)

Quotation as a competing tool requires follow-up and contact with the potential buyer. Purposes behind these acts are to make sure that the quotation has reached the recipient, to provide an active and efficient image of the seller and to make the buyer feel important and respected as a business partner. By contacting the buyer the seller is also able to receive information on buyer's reactions and when an order is to be expected. Rejected quotation gives the exporter useful information on price levels and their own products' competitiveness. (Melin 2011, 45; Vientiopas 2006, 41, 44.)

4.2.2 Preparation

Making the quotation starts with the preparation of the quotation. The organisation aims to clarify all the requirements and prerequisites related to the quotation formulation and to the possible product delivery. Organisation's internal factors need to be taken into consideration. In case the company has received a request for quotation as a result of marketing efforts the internal factors have been clarified. If the request comes from a new market area the organisation needs to assess their resources, production capacity, delivery times and export packaging. The organisation should not prepare a quotation if it is not confident about the sufficiency of the organisation's and its personnel's resources to finish the sales process. (Melin 2011, 44; Selin 2004, 136.)

Organisation should clarify if their product is suitable for exporting. This means that the product's appearance, quality, size, packing, colour, consistency or other features should meet the regulations of the import country. The buyer's wishes and requirements should also be taken into consideration. These regulations, wishes and requirements need to be examined and then determined if the organisation has enough resources to implement possible changes in practise. All the product changes cause extra costs which are taken into account in the product price. Also the export country may have different export limitations on certain products. At this point the seller should clarify if there is a need for a permit in order to export that certain product. (Selin 2004, 136.)

In case the customer is new and unknown it is recommendable to inspect their credit ratings. This information directly effects the selection of payment terms. Credit ratings can be obtained for instance through banks, credit report companies or commercial secretaries operating in the target countries. By protecting oneself from possible credit and rate risks at the beginning of the activity the organisation is able to ensure the effectiveness and productiveness of its operations. (Melin 2011, 44; Selin 2004, 137.)

Choosing the mode of transport is an important decision. The amount and the total weight of products which need to be delivered, the sizes and individual weights of the packages, the target country and location of the destination, delivery route and speed, characteristics of the products, the value of the product and trustworthiness and ability to track and monitor the delivery are some of the factors that should be taken into consideration when choosing the mode of transport. Products can be delivered via car/truck, ship, train, airplane or mail. The seller should clarify services and delivery route options of different forwarding companies. Transportation has direct influence on the selection of the terms of delivery. Once the mode of transport is clear the seller may request quotations from different forwarding companies in order to determine the price for the transportation. At this point the price is not yet final and it should be checked and modified if necessary once the details of the delivery are clarified. (Selin 2004, 137-138, 186.)

4.2.3 Content

The name of the document should be marked clearly at the beginning of the quotation. The quotation needs to be comprehensive enough so that the buyer receives all the necessary information and is able to place an order based on the quotation. The quotation should include the name, address and other contact information of the company providing the quotation and the name and address of the company receiving the quotation. It needs to be dated and possible reference number or indication to a quotation and contact person's name and title mentioned. The quoted product must be defined (quality, size, weight, volume, material, colour, etc.) and the quoted amount mentioned. (Vahvaselkä 2009, 267-268; Vientiopas 2006, 42-43.)

Terms of payment

The seller and the buyer decide how to share the burden of financing and financial risks by structuring the terms of payment. The unit price and the total price, payment currency, payment period, possible discounts, method of payment and sanctions in case of delay are stated in a quotation. The prevalent policy of the market area and the reliability of the customer should be taken into consideration when defining the terms of payment. On the other hand the product's competitive status on the markets and the importance of receiving the order should be evaluated. When stating the terms of payment the seller must aim at the most explicit expression and unambiguity in order to avoid any interpretative disagreements. The payment can be done before the goods are delivered, simultaneously with the delivery or after the delivery. The contract price is one of the most significant factors effecting the choice of method of payment but also trust between the parties, nature of the export product, competitive situation, traditional trade customs and the willingness to eliminate the risks related to the operational environment and the buyer have effect on the choice. In some cases also the local legislation may have influence in the matter. Methods of payment have impact on the size of the risk and also on who has the risk or to whom it transfers. (Grafers & Schlich 2006, 132; Kananen 2009, 90-91; Melin 2011, 119-120; Vahvaselkä 2009, 268; Vientiopas 2006, 43.)

Terms of delivery

The two main aspects that the terms of delivery define are the time of delivery and the mode of transport. Time of delivery is for many customers one of the crucial factors affecting the buying decision. The seller must be able to deliver the quoted product within the promised timeframe. Obligations, risks and division of costs may cause disputes due to the differences in trade customs of different countries. By using Incoterms, a set of rules composed by the International Chamber of Commerce (ICC), the parties involved aim to remove those problems. The meaning of Incoterms is to achieve similar interpretation of the rules and to ensure that the interpretation does not vary in any individual country. Incoterms clarify the division of costs between the parties, the point when and where the risks are transferred from the seller to the buyer and the functional obligations of both parties, such as insurance and customs formalities, packing, loading and unloading. Incoterms do not directly nor indirectly bind any third party, such as carrier, who operates under the conditions of carriage or the contract of carriage. Incoterms also do not define the transfer of property or title. The transformation from the seller to the buyer takes place when the first carrier takes over the goods for instance at the seller's warehouse, unless other conditions are mentioned. Variations or additions to the Incoterms may be specified in the quotation in case the particular trade or circumstances require it. (Astrup et al. 2003, 94-98; Branch 2006, 395-397; Hörkkö et al. 2010, 382; Vientiopas 2006, 43.)

Period of validity and other possible limitations related to the validity of the quotation must be mentioned. In case the period of validity is not mentioned there is a risk of the buyer making an order after such a long period from the quotation that the conditions of the quotation are not advantageous to the seller anymore. Maintenance and spare part service and warranties are also mentioned. The quotation is signed and signature clarified. The quotation can also be in electrical form and in these cases signing the document is not possible. Possible appendices should be categorised in the quotation. (Vahvaselkä 2009, 268; Vientiopas 2006, 43.)

The aforementioned content lists the most central factors of a quotation. In addition each industry and organisation has its own specific problems which require solving while preparing a quotation. The layout and the content of the quotation may vary depending on the purpose of the quotation: is it meant to lead to a new business relationship or is it a routine quotation to an old business partner. (Vientiopas 2006, 43.)

4.3 Order and order confirmation

Once the order arrives it is thoroughly checked and compared to the quotation. If the order corresponds to the quotation and is appropriate it can be confirmed. If the seller detects differences they must prepare a new quotation or if the differences are minor those can be corrected in the order confirmation. Order confirmation is usually done in written form in order to avoid incorrect deliveries and misunderstandings. The confirmation includes the content of the order, prices, discounts, terms of delivery and terms of payment and it is generally done via email. (Melin 2011, 46; Vahvaselkä 2009, 270; Vientiopas 2006, 44.)

In some cases it is beneficial to prepare a separate contract for the sale of goods. This contract defines the responsibilities of the seller and the buyer more clearly and comprehensively than a quotation. A contract for the sale of goods is a two-sided legal transaction which includes two equivalent expressions of will. The form of the contract varies greatly in different countries and industries. The contract should include all the relevant matters accurately and unambiguously defined. (Melin 2011, 46; Vahvaselkä 2009, 270.)

4.4 Delivery

4.4.1 Preparation

The delivery is prepared based on the confirmed order and according to the terms of delivery and terms of payment. With the production planner the seller makes sure that the products are ready according to the production plan. Incoterms define the physical transfer of the product from the seller to the buyer, who is responsible for organising the contract of carriage, when the seller delivers the products to the buyer, how the buyer receives the products and who is responsible in case of damaged products. Based on the Incoterm a contract of carriage is made and an assignment with forwarding instructions is given to a forwarding agent. (Vahvaselkä 2009, 271.)

4.4.2 Packing

The delivery process starts with the packing of the products. It is an essential part of the process because the packing guarantees that the products remain undamaged until they reach the buyer. The product itself, quantity and value, different standards and country-specific packing specifications as well as delivery circumstances, such as destination, length of the travel, weather changes, mode of transport, possible unloading, loadings and warehousing done before reaching the final destination and other handling, should be taken into consideration when planning the packing. If the packing is not done properly the risks of loss and damage increase greatly. On the other hand excessive packing may increase the transportation cost due to the increase in weight of the package. (Vahvaselkä 2009, 272; Weiss 2008, 134.)

A good package protects the product, the product environment and offers information regarding the product and its usage. It enables cost-effective logistics and ensures safety. A good package also makes the handling of the goods easier. Packing markings indicate how the package must be handled. The markings eases the identification, handling and traceability of the package during warehousing and transporting. Amount and weight, dimensions and volume, value, type of package, product features, place of departure and destination, Incoterm and urgency level must be given on delivery consignment. (Vahvaselkä 2009, 272; Website of Logistiikan maailma 2015.)

4.4.3 Method of transport

Transportation is financially much more significant event for the company in exporting than it is in domestic trade. If the deliveries can be handled reasonably the company achieves notable savings and reinforces their competitive position in the markets. Fast and reliable transports are one of the competitive advantages. Arrangement of the transportation should be considered already at the stage where the Incoterm is negotiated. The company should determine which party of the trade (seller or buyer) is able to handle transportation more inexpensively. Organising the deliveries is also one of the services the seller offers to the buyer. It helps to create a tighter customer

relationship and cooperation between seller and buyer. In these cases the exporter should aim for an Incoterm in which their responsibilities extend as far as possible. (Vientiopas 2006, 53.)

There are several factors which influence the choice of transportation method. Transportation costs are one of the factors. When calculating the costs of transportation all the other expenses, such as handling and customs fees, must be taken into consideration in addition to the actual transportation cost. Another factor is the quantity and dimension of packages/goods. In case the quantities and/or dimensions are large only certain modes of transport are suitable for transporting the products. Product features also effect the choice. If the goods are for instance classified as dangerous goods it sets special requirements and demands on the transportation. Country of destination and its traffic network infrastructure and sophistication influence the choice of transportation method. When the value of the goods is high the delivery must be planned carefully to minimise the risk of breaking and theft. The method of transport may automatically be determined based on the vulnerability of the goods. Meaning of the delivery time, depending on the goods and competitive situation, may be very crucial. Failing to follow the agreed schedule may risk the continuation of a business relationship. If the delivery is urgent organising the transportation may require special actions which increase the costs. The quality of customer service is also one of factors which is taken into consideration when choosing the mode of transport. Service in accordance with the schedules, amount of reclamations and traceability of the shipments are some of the crucial factors related to the customer service. (Melin 2011, 194-195; Vientiopas 2006, 53-54; Website of Kauppakamari-Tieto 2015.)

Sea transport

Sea transports are inexpensive from an energy economics' point of view and the emissions resulting from it are small. Intensely increased passenger traffic has created fast and regular connections for cargo transport. Sea transports are most suitable for transporting large consignments. Sea transports are divided into liner traffic, tramp traffic and contractual traffic. In liner traffic the vessels operate according to a confirmed schedule and between predefined ports. Majority of liner traffic is handled with containers and the vessels sail regardless of whether they are full or not. Tramp

traffic can be defined as transportation of goods between random ports and without any regular or fixed schedule. Typical tramp cargo markets include grain, oil, coal and fertilizer markets. The tramp cargos are carried in complete shiploads. The cargos depend on the market situation and vary according to demand and supply. In contractual traffic the cargo giver has so large volumes of goods that renting a whole vessel for their own use and for specific traffic is profitable. It is used in such industries as forest or car industry. Contractual traffic is not open to any others than the cargo giver or shipper. (Branch 2006, 105-106; Hörkkö et al. 2010, 248-252; Vahvaselkä 2009, 287.)

Road transport

The insuperability of road transport is based on its services reaching almost everywhere where companies want to transport their goods and on its flexibility and cost-effectiveness. With road vehicles it is possible to deliver the goods to the final destination in almost every case. Collection and distribution deliveries can be arranged as road transports and even large cargos can be moved as door-to-door deliveries. Flexibility of loading and unloading, speed and frequency of terminal network are some of the benefits of road transport. Traffic forms of road transport are order traffic and liner traffic. Order traffic refers to the door-to-door delivery which the customer orders and in which the customer chooses the points of departure and destination. Liner traffic refers to regular and scheduled traffic between two goods terminals in two places. It is also often called general cargo traffic. (Hörkkö et al. 2010, 272; Melin 2011, 210; Vahvaselkä 2009, 286.)

Rail transport

Rail transport is safe, reliable and environmentally friendly method of transport. It is used when the distances are long, amounts of goods large and the need for transportation regular. The railroad network is not as extensive as the road network but in general it is useful in the most important transportation destinations without transfer loading. Many production plants have their own branch terminal line for loading and unloading. The variations of track widths in different countries limit and slow down the movement of equipment between countries. In order for the traffic to continue the bogies must be changed. (Melin 2011, 217; Vahvaselkä 2009, 286-287.)

Air transport

Air transport is suitable for urgent, valuable or quickly perishable deliveries. Air cargo is mainly carried either in cargo planes or in commercial planes. High speed especially with long distances and intercontinental transportations, reliability and safety are some of the advantages of air transport. Extensive air freight network, low risk of damage and few amounts of reloading are also advantages of transporting by air. High freight charges, slow ground handling and dimension and weight restrictions due to the limited capacity of the air freighters are the main disadvantages. Air transport can be considered as a good mode of transport if the value of the goods in relation to the weight is high, if the preservation of the goods' condition or its currency due to the fast delivery increases the value of the goods or if the ground transportation requires multiple handling phases and transfers from one carrier to another. (Branch 2006, 59-61; Hörkkö et al. 2010, 290; Melin 2011, 218; Vahvaselkä 2009, 287-288.)

Multimodal transport

In multimodal or combined transports two or more methods of transport are used. The meaning of multimodal transports has increased since transport containers and similar transport units have become more common. This makes handling of the cargo easier and decreases handling damages and times. The time saved enables more effective usage of transport means because the containers can be stowed and loaded before the transportation. Multimodal transport is most suitable for long distances. Subsequent transport means that the transportation, which is based on one contract, is carried out consecutively by several carriers using the same mode of transport, for instance a vessel. Combined transport is a form of subsequent transport in which different modes of transport are being used. (Hörkkö et al. 2010, 298-299.)

Courier (Express delivery)

A courier handles air and ground deliveries and deliveries from the customer to the desired location (door-to-door) according to the promised schedule. Carriage agreement is created when the customer has filled in the courier company's waybill. The waybill states the sender, receiver, value of the goods and content of the delivery. The waybill number enables the customer to track and follow the delivery. Courier companies, such as DHL, TNT and UPS, deliver the cargo to foreign countries with

their own or rented planes quickly and reliably. The deliveries are divided into two categories: (1.) document deliveries and European Union's intra-Community supply and (2.) deliveries which need to be cleared through customs. (Hörkkö et al. 2010, 303-305; Melin 2011, 222-223.)

Postal delivery

Postal services in different countries and their cooperative networks handle international letter and parcel deliveries and offer additional services for their deliveries. Postal delivery can be delivered either as air freight or as a normal delivery. Postal deliveries have dimension and weight limitations and are therefore most suitable for sending only small packages (normally maximum of 30 kilogrammes). Postal deliveries can be tracked with tracking numbers and bar codes. (Melin 2011, 223; Website of KauppakamariTieto 2015; Website of Posti 2015.)

4.4.4 Forwarding

Forwarding includes all the services which are used to deliver the goods from the seller to the buyer. Transport planning and guidance, loading and unloading, taking an insurance for the goods, export declaration, customs clearance, transportation, warehousing and acquisition of export documents are some of those services. Forwarding companies are often used in the handling of international transports and forwarding activities because matters are in these cases handled much faster and more flexibly. A forwarder works for the client; exporter, importer or another forwarder, but in their own name. The scope of services is agreed in a forwarding contract. Forwarding instructions help to avoid misunderstandings. The principal provides the forwarder with all the important and necessary instructions for the transport. (Melin 2011, 232-236; Selin 2004, 193-194.)

A forwarder is obliged to take care of the activities agreed with the client and operate in the agreed way while ensuring the client's interests. This includes selecting the advocates and carriers and providing the operative instructions to these parties. Carriage instructions given by the principal obligates the forwarder to plan the transport, select the partners and make the necessary contracts. The forwarder must inspect the

condition of the goods and packages, the amount, markings and labels, numbers and documents. The inspections are done at different stages, at the points where they can be done with normal and routine measures. The forwarder must also inform the principal of possible abnormalities and surprising circumstances whenever it can be done. In case to the forwarder is not able to reach the principal the forwarder must act on its own initiative for the benefit of the principal. (Hörkkö et al. 2010, 26-27; Melin 2011, 235.)

A forwarding company operates either under the liability of a carrier or under the liability of an intermediary. The forwarder operates under the liability of a carrier when the forwarder (1.) handles the transportation with their own transportation equipment, (2.) is the carrier who has made the contract, (3.) has given the transport document in their own name, (4.) has offered their own price for the transportations, (5.) offers road transport. The forwarder is responsible in case the goods disappear, decrease in number, are delayed and/or are damaged during the time from taking the goods for transportation to the handing over the goods. If the harm is a result from the principal's mistake or neglect, handling, insufficient packing, incorrect information, vulnerability to damage or unexpected conditions the forwarder is released from the liability of a carrier. The forwarder's liability begins when they have received the goods and ends when the goods have been handed over to the recipient at the final destination, however not later than 15 days from the moment the forwarder has informed the recipient about the arrival of the goods. (Hörkkö et al. 2010, 33-34; Melin 2011, 238-239; Selin 2004, 195-196.)

A forwarder operating under the liability of an intermediary is responsible for the damage which occurs when the forwarder has not complied with sufficient caution while performing the given task. The forwarder is obliged to indicate that he has, within the limits of his task, monitored carefully the interests of his principal. The forwarder is not responsible for the actions or neglects of a third party. However he must be able to establish that he has been careful while selecting the third party. (Hörkkö et al. 2010, 35; Melin 2011, 240.)

The forwarder is responsible for the goods to arrive within a reasonable timeframe. Evaluation of the reasonable timeframe is based on the assumed arrival time. When

the forwarder has given a written guarantee for the schedule he is reliable for the goods to arrive according to that schedule. If the goods are delivered later the forwarder is liable to compensate. When warehousing goods in such deliveries where the forwarder is under the liability of a carrier the forwarder is responsible for the warehousing for 15 days after the transportation. (Melin 2011, 239-240.)

4.5 Follow-up

After the goods have been delivered the seller should ensure the arrival of the goods to the buyer, monitor the delivery and payment, inspect the incoming invoices and take care of the after-marketing. The seller should announce the delivery details to the buyer so that the buyer can be prepared to receive the goods. After the buyer receives the goods they examine that the delivered goods and documents are according to the confirmed order. In case a shortage is detected the buyer claims for compensation. The seller monitors that the buyer pays the agreed amount, and collects the payment if necessary. After-marketing is an essential phase of the follow-up. When the goods have been delivered the seller can contact the buyer and inquire the satisfaction on the delivery and goods. (Vahvaselkä 2009, 275.)

5 SHIPPING DOCUMENTATION

5.1 Invoices

Commercial invoice

A commercial invoice is a central document in international trade transactions. In addition to the main points of the contract for the sale of goods the invoice includes particular information intended for the buyer, authorities, carrier of the goods, forwarder and agent. The information must be reported as accurately as possible because it is used as a basis for several other documents needed in the export trade. At the trading phase the buyer should announce the requirements of their own country to the seller. According to the United Nations' Key for Trade Documents a commercial

invoice should include the seller's name, address and other contact information, the consignee's name and address, transport details, invoice date and number, buyer's name and address if other than consignee, country of origin of goods, terms of delivery and payment, shipping marks, container number, number and kind of packages, description of the goods, customs tariff numbers, gross weights, volume, unit price and total amount, additional charges and possible discounts (Appendix 1). (Vientiopas 2006, 63-64; Website of Logistiikan maailma 2015; Website of United Nations Economic Commission for Europe 2015.)

Due to the importance of the commercial invoice most of the authority specifications are directed to the invoice. How many invoices need to be presented, should the invoice be certified or legalised, is an insurance regarding the exporter's country of origin or the value of sales required, is the exporter's signature required and is a consular invoice demanded are some of the questions that need to be answered. (Hörkkö et al. 2010, 209.)

Customs invoice

Some importing countries' authorities set specific requirements on the content and layout of a commercial invoice. In these cases the invoice must be composed on a so-called customs invoice form which has been approved by the authorities of the concerned countries. The customs invoice often include a section describing the value of the goods and the country of origin. In these cases a separate Certificate of Origin is seldom required. The use of customs invoice in international trade is constantly decreasing. (Melin 2011, 92; Website of KauppakamariTieto 2015.)

Pro-forma invoice

The main use of pro-forma invoice is exclusively limited to describing the value and margin of goods in non-commercial exporting, for instance in exporting of tools, exhibition goods for temporary export, samples with no commercial value and goods intended for refinement. Pro-forma invoice is also used in partial and back order when the goods have been charged already with the main delivery. The buyer may also need pro-forma invoice for acquiring an import permit or license for the goods. The content should be the same as in commercial invoice but it does not create pay-

ment obligation. The value of the goods can be stated as “Value for Customs only”. (Website of KauppakamariTieto 2015.)

5.2 Packing list

A packing list is created for each package and attached to the side of the package for instance in a plastic pouch. Attaching the packing list to the delivery speeds up the customs activities in several countries. The packing list indicates invoice details, buyer, consignee, country of origin, port or airport of loading, port or airport of discharge, place of delivery, shipping marks, container numbers, weights, dimensions and volume of the packages and the details of the goods, including packaging information. It complies with the form of commercial invoice and pro-forma invoice. The relevant difference compared to the invoices is the lacking of price details. Therefore packing list is a useful document in trading which is performed through intermediaries. (Branch 2006, 388; Melin 2011, 92-93.)

5.3 Bill of Lading

A Bill of Lading is evidence of a contract of carriage and it is used in liner traffic or in tramp traffic. It is a receipt of the carrier receiving the goods for transportation or loading the goods on a vessel. The carrier or someone operating on behalf of the carrier, for instance chief of the vessel, signs the document. Bill of Lading is a commitment to deliver the goods to the final destination and hand over the goods at the destination only to the one who presents an original Bill of Lading. The document represents the ownership of the goods. By selling or pawning the Bill of Lading the actual goods are being sold or pawned. (Hörkkö et al. 2010, 216; Melin 2011, 203.)

Bills of Lading can be divided into two groups according to the location of the goods at the moment the Bill of Lading is signed. Most commonly used document is the On board Bill of Lading. At the time when the Bill of Lading is signed the goods have already been loaded onto the vessel. The vessel's name and the place of loading must be mentioned in the document. In addition there must be an indication that the loading has been done. Received for shipment Bill of Lading indicates that the carrier has

received the goods for transportation. It does not require that the goods are on a specific vessel at the time the document is signed. (Hörkkö et al. 2010, 217-218; Melin 2011, 203.)

The seller or the forwarder prepares the Bill of Lading on a ready form provided by the forwarder or the shipping company. The Bill of Lading is presented to the carrier or someone operating on behalf of the carrier for signing and returned to the seller or the forwarder. The Bill of Lading and other documents are then delivered to the seller's bank. The goods are transported on a vessel to the port of destination while the seller's bank forwards the Bill of Lading to the buyer's bank. The buyer's bank announces the arrival of the Bill of Lading to the buyer who then reclaims the document from the bank. Against the Bill of Lading the buyer is able to gain the possession of the goods. (Melin 2011, 204.)

According to the shipper's wishes and prevalent policy several coextensive and equivalent Bills of Lading, all signed by the carrier or someone operating on behalf of the carrier, are written for the same delivery. These documents are referred to as original Bill of Lading. Together these documents form a "full set". The number of originals must be mentioned in the Bill of Lading. At the port of destination the carrier hands over the goods already against one properly transferred original Bill of Lading and at that moment all other originals become invalidated. At any place other than the port of destination a "full set" of the original Bills of Lading is needed in order to gain the possession of the goods. In addition to the original Bills of Lading, copy Bills of Lading are prepared for different commercial purposes. These copies do not possess the right to claim the goods and are not signed. Three originals and eight copies are the most commonly used quantities. (Hörkkö et al. 2010, 219; Melin 2011, 204.)

5.4 Waybills

5.4.1 Air Waybill

An Air waybill is a consignment note which is used when goods are transported by air. The standard International Air Transport Association (IATA) air waybill (Appendix 2) is used worldwide and it covers the movement of shipments on international air freight services. The carriage over any distance and through as many airlines as may be required to complete the transportation is covered by a single air waybill. It can be used to trace the flight details of the consignment. There are usually 12 copies of which three are originals and remaining ones are copies. First original travels with the goods and remains with the airline which hands over the goods. Second original also travels with the goods and is handed over to the consignee. Third original remains with the sender. Other copies are used for transport, customs and other purposes. Air waybill is prepared by either the forwarder or the airline. (Branch 2006, 353-354; Hörkkö et al. 2010, 234; Vientiopas 2006, 70.)

5.4.2 Liner Waybill

A Liner Waybill is used in liner traffic especially when distances between the seller and the buyer are relatively short and transportations can be handled quickly. It is written by the seller or the forwarder and signed by the representative of the shipping company. A Liner Waybill is evidence of receipt of the goods mentioned in the waybill given on behalf of the carrier. It is also a commitment to deliver the goods to the destination and hand them over to the designated consignee without the need for the consignee to present a Liner Waybill. A Liner Waybill is a carriage agreement which includes or refers to the conditions under which the goods have been taken for transportation. A Liner Waybill must always be pointed to a named consignee and it cannot be transferred. It is given as one original copy to the shipper and it travels with the goods. Once the goods arrive to the destination the Waybill and the goods are given to the consignee after the consignee has identified oneself. (Hörkkö et al. 2010, 228; Melin 2011, 205.)

5.4.3 CMR

A CMR consignment note is used in the international carriage of goods by road. It is a contract of carriage between the sender and the carrier which is signed by both parties. The CMR is not negotiable or transferrable document or document of title. It is proof of the terms of the contract of carriage and that the carrier has received the goods. The carrier often prepares the document on behalf of the sender based on the information received from them. The sender is responsible for the authenticity of the information in the CMR. The document must be made at least in three copies. One copy is for the sender, one for the carrier and one accompanies the goods and is given to the consignee. Additional copies may be used for traffic, customs or other purposes. (Branch 2006, 379; Hörkkö et al 2010, 230; Melin 2011, 211.)

5.4.4 CIM

A CIM consignment note is used in the international carriage of goods by rail and it forms a proof of the content of the contract of carriage. The sender fills in the CIM form and admits the necessary documents to the railroad company and is responsible for the possible incorrect information given to the CIM. The CIM includes for instance the information of the sender, consignee, place of destination and the quantity and quality of the goods. Specifications concerning the conditions of the goods can also be added to the consignment note. The CIM is made in several copies and the railroad cargo carrier stamps the documents as a sign of receiving the goods for transportation. The sender receives a duplicate of the consignment note. The one in possession of the duplicate is able to alter the contract of carriage for instance by ordering the goods to be returned to the place of departure or handed over to a consignee other than the one mentioned in the CIM. (Branch 2006, 386; Hörkkö et al. 2010 232; Melin 2011, 215.)

5.5 Certificate of Origin

A Certificate of Origin is a document which attests that the goods of a particular export shipment are obtained, produced, manufactured or processed in a particular

country. It is required by some countries and the purpose is often to simplify the customs duties. A Certificate of Origin is usually issued by a local chamber of commerce (Appendix 3) but in some cases a statement of origin which is printed on company letterhead may be sufficient. In some countries other parties such as customs authorities or ministries may also be functioning as agents in the delivery of Certificates of Origin. It is recommendable for the exporter to verify with the buyer whether the certificate is required. (Branch 2006, 375; Website of International Chamber of Commerce 2015; Website of Export.gov 2015.)

There are two types of Certificates of Origin issued by the chambers. The main type is a Non-Preferential Certificate of Origin. It certifies that the country of origin of a certain product does not qualify for any preferential treatment. A Preferential Certificate of Origin enables products to enjoy tariff exemption or reduction when they are exported to countries to which these privileges extend. These documents have a predetermined form and are filled by the exporter. The form can be filled electronically. The Certificate of Origin is attested by the local chamber of commerce. The attested document is sent to the exporter who then delivers the original copy to the country of destination with the goods. (Website of International Chamber of Commerce 2015; Website of Kauppakamari 2015.)

5.6 Shipper's Declaration for Dangerous Goods

A Shipper's Declaration for Dangerous Goods certifies that the cargo has been packed, labelled and declared according to the standard international shipping regulations. It includes a description of the dangerous goods which are being transported. The exporter must give sufficient information and by signing the document the exporter assures that the information is correct. A proper Declaration of Dangerous Goods ensures that every party in the transportation chain is aware of what dangerous goods they are transporting, how to load and handle them properly and what to do in case of an accident or incident. (Branch 2006, 217; Melin 2011, 225; Website of IATA 2015.)

The standardisation development aims at making it possible to use only one uniform document for dangerous goods declaration in which the classification and all other necessary information would be given in the required way. Currently this is however impossible due to special national linguistic requirements and because with air transports only the predetermined IATA-DGR declaration form (Appendix 4) is accepted. Mainly the description of the dangerous goods is given in transportation documents according to the regulations of the used mode of transportation, for instance in road transports and rail transports. (Hörkkö et al. 2010, 330.)

International sea transports comply with the International Maritime Dangerous Goods Code (IMDG). The Code is maintained by International Maritime Organisation (IMO), an organisation which operates under the United Nations. Sea transport's declaration is given on a combination form called Multimodal Dangerous Goods Declaration (Appendix 5). The recommended form is in accordance with the IMDG and is provided by IMO. The same form is also used in multimodal transports. (Hörkkö et al. 2010, 322, 331; Website of IMO 2015.)

As mentioned in the previous paragraph in air transportation only the predetermined declaration form which is according to the Dangerous Goods Regulations (DGR) of IATA is accepted. This form can be filled and signed only by an individual who has taken part in a course accepted by IATA-DGR and passed the final exam. The transportation specifications for transporting dangerous goods by air are the strictest. (Hörkkö et al. 2010, 334-335.)

6 CASE COMPANY

6.1 Rolls-Royce Oy Ab

The case company is called Rolls-Royce Oy Ab. It is located in the Rauma harbour area. It is a part of Rolls-Royce plc, a business providing integrated power systems and services to the civil aerospace, defence aerospace, marine and energy markets.

Currently Rolls-Royce employs over 55 000 employees in more than 50 countries. (Website of Rolls-Royce, 2015).

Rolls-Royce Oy Ab in Rauma is a member of the Rolls-Royce Marine division. Marine technology is Rolls-Royce's third largest business industry with revenue of 2527 million pounds and 9200 employees in 2013. The Rauma unit was established in 1988 by merging Rauma-Repola Shipyard's Deck Machine Works (1940) with Hollming Shipyard's Engineering Works (1965). Vickers bought the company in 1995 and then Rolls-Royce bought it in 1999. FF-Jet in Kokkola was integrated into Rolls-Royce Oy Ab in 2001. Rolls-Royce Oy Ab has production facilities in Rauma and Kokkola. Currently the number of employees in Finland is 634; 550 in Rauma and 84 in Kokkola. The turnover in 2013 was 579 MEUR. 64 % of the sales resulted from the sales of thrusters, 10 % from deck machinery, 22 % from services and 4 % from water jet propulsion systems. (Website of Rolls-Royce, 2015; Website of Rolls-Royce Oy Ab IntraNet 2015).

Rauma unit's products are azimuth thrusters and anchoring, mooring and towing systems and Kokkola's product is water jet propulsion systems. The primary applications are Merchant and Offshore vessels, e.g. tugboats, drilling rigs, cruise ships etc. Rolls-Royce Oy Ab's vision is to be the customer's first choice for marine equipment. Main market areas are Asia, Europe and North America, and 99% of the products and services are exported. Rolls-Royce Marine is a market leader providing different marine equipment/solutions. (Website of Rolls-Royce, 2015; Website of Rolls-Royce Oy Ab IntraNet 2015.)

6.2 Research methodology, reliability and validity

Quantitative and qualitative research methods are the two main methods used in a research process. Quantitative refers to any data collection technique or data analysis procedure that is used to generate numerical data or uses this data, whereas qualitative research employs non-quantitative methods of data collection and analysis. Qualitative research aims at exploring social relations and describing reality as it is experienced by the respondents. Questionnaires, graphs and statistics used in quanti-

tative research and interviews and categorising data used in qualitative research are some examples of these techniques and procedures. (Adams, Khan, Raeside & White 2007, 26; Saunders, Lewis & Thornhill 2007, 145.)

This thesis is a research-based thesis. The theoretical part of the thesis is based on available literature. Qualitative research method is used in the empirical part of the thesis. The results are based on available literature, the author's own experiences and observations and a semi-structured interview with three employees of Rolls-Royce Oy Ab, one seller, one buyer and one export forwarder. By selecting three employees with different job descriptions the author is able to receive professional information regarding each of the steps in the export process.

A semi-structured interview is a non-standardised interview. Typical for semi-structured interviews is that the themes are known but the exact form and order of questions is missing. Semi-structured interview is often used as an information collection method since it correlates well with several starting points of qualitative research. The interviewer may leave out or add questions or change the order of the questions depending on the flow of the conversation or in case a new organisational context which is in relation to the research topic arises. (Hirsjärvi, Remes & Sajavaara 2009, 208; Saunders, Lewis & Thornhill 2007, 312.)

One reason why semi-structured interview was chosen was that the author does not want specified questions to limit or guide the course of the interview. Another reason was that the author wished to achieve as extensive picture of the subject as possible provided by professionals. The author also wanted the interview to be conversational and interactive, and allow new themes and topics to arise during the interview as a result of the responses of the interviewees. The main themes for the interview were the export process of azimuth thruster spare parts, the different steps in the process, the shipping documentation and the risks involved.

Reliability of the research refers to the repeatability of the measurement results, in other words does the data collection techniques or analysis yield consistent findings. Measurement's or research's reliability means its ability to provide non-random results. Reliability can be stated in several ways. For instance if two observers reach

the same results or if the same person is studied during separate research occasions and the results are the same, the results can be seen as reliable. Validity refers to the ability of the measurement or research method to measure exactly what it is supposed to measure. Measures and methods do not always correlate with the reality of what the researcher thinks he or she is studying. For instance answers to questionnaires are received but the respondents may understand many questions differently than the researcher has thought. If the researcher processes the results according to his or her own thinking model the results cannot be seen as valid. (Hirsjärvi, Remes & Sajavaara 2009, 231-232; Saunders, Lewis & Thornhill 2007, 149.)

The semi-structured interview could be repeated at any other occasion and at any other company or industry, given that the interviewed company is exporting their goods, by using the questions prepared for this thesis. The interviewees in this case were selected based on their knowledge regarding the export process, their position in the company and their role in the export process. The selection was made in order to ensure the validity of the research. The interviewees were one buyer, one seller and one export forwarder. The author herself has also worked as an export forwarder in the company, adding her own experiences and knowledge to the research.

6.3 Export process and shipping documentation: Spare parts for Azimuth thrusters

The export process of spare parts for a propulsion unit follows the same main steps as mentioned previously in the theory part of this thesis. At first the initial contact, the request for quotation, is received from the customer. Then based on the request for quotation Rolls-Royce Oy Ab prepares the quotation and sends it to the customer. If the customer is satisfied with the quotation they place the order, which is then confirmed by Rolls-Royce Oy Ab. The ordered goods are sent to the customer and possible follow-up performed. The goods are either invoiced in advance or after the delivery, depending on the customer. The items are either sold directly from the stock or the items need to be ordered from one of Rolls-Royce Oy Ab's listed suppliers or manufactured specifically based on the order.

Baan is the Enterprise Resource Planning software Rolls-Royce is using worldwide and this software enables all the offices to operate in the same synchronised platform regardless of the location. Baan contains all the customer databases and item information, such as item codes, prices and delivery times. If the customer is new, only people who have been named beforehand are able to request for a new business partner to the database. The request is sent to a certain e-mail address and a group of people behind that address creates the new business partner. The same group also reviews the credit ratings but even though that is done in practise all new customers are classified as prepayment customers.

The request for quotation arrives to a seller at Rolls-Royce Oy Ab either directly from the customer or, as in most of the cases, through one of Rolls-Royce's other sales offices which are located all around the world. If the request for quotation comes through one of Rolls-Royce's sales offices, for example Singapore office, the customer first contacts the Singapore office which then contacts Rauma office and one of the sellers who are responsible for the sales to Asian markets. The whole process is then handled through the Singapore office, except at the end of the process the goods are sent directly to the address the customer has informed. Rolls-Royce Oy Ab also has other sellers who are responsible for the sales to European markets and sellers who are responsible for the sales to American markets.

As mentioned earlier Rolls-Royce Oy Ab has stocked items and items which are so special and rarely sold that these items are not kept in stock. Buyers receive purchase signals once the amounts of stocked items reach a certain low level and the buyers prepare supplementing orders. The sellers are able to offer and sell these stocked items directly from the warehouse. The special and rarely sold items need to be ordered from Rolls-Royce Oy Ab's suppliers and this is done only in such occasions when a customer is requesting for these items. The quotation steps in these two cases are different and these steps are explained in more detailed in the following three chapters.

The quotations are prepared in Baan. The seller opens a new Service Order to which all the data is added and updated during the process. If the process is handled through the Singapore office the new Service Order is opened by them. For the preparation

of the quotation for stocked items the seller requires the name of the vessel and/or the work number under which the propulsion unit was earlier manufactured at Rolls-Royce Oy Ab. Once the seller has the needed information he/she is able to review from the manual that the items he/she will offer to the customer are suitable and correct for that particular propulsion unit. Each of the items has a unique code and when that code is entered to Baan the system automatically gives the prices and delivery times. The seller then adds the packing costs and in some cases also the freight costs. If the request for quotation is received through another Rolls-Royce office that particular office has already added the customer information to the quotation. The quotation is then sent to the customer directly or to the Rolls-Royce office which sent the request for quotation.

The customer may also request a quotation for an item which is sold rarely and is not kept in stock. Rolls-Royce Oy Ab may not have the price, delivery time and/or, in worst case, any known suppliers for this item. In this case the seller sends the request for quotation to the buyer and he/she requests quotations from a supplier or possibly from multiple suppliers. For machined parts the buyer is able to send the drawings to several different suppliers and inquire which of the supplier is able to manufacture the part fastest and most inexpensively but in some cases the item is not designed by Rolls-Royce and therefore the buyers are dependent only on particular suppliers which may be able to supply the requested item. Rolls-Royce Oy Ab uses suppliers from their supplier list and a new supplier relationship is rarely opened due to the long opening process.

The supplier or suppliers send the quotation to the buyer. If the Baan data for the item is not correct, the buyer updates the delivery time, price and detailed type information. Once the item data is updated the customer's request for quotation is sent back to the seller. The seller is then able to select the item from Baan and the quotation will have correct price and delivery time. Packing costs and possibly the freight costs are added to the quotation. The quotation is then sent to the customer directly or to the Rolls-Royce office which sent the request for quotation. This step prolongs the process significantly due to the waiting time of the quotation from supplier or suppliers.

The customer then either accepts the quotation or requests for more clarifications, such as faster delivery time. In some cases the customer may even reject the quotation but this occurs rarely at Rolls-Royce Oy Ab. If the customer requests for more clarifications the seller revises the quotation if necessary. Once the customer is satisfied with the quotation they place the order and the seller confirms the order. At this point the seller also checks the delivery address. Then the order confirmation is printed and given to the warehouse. If the ordered items are not stocked items the buyer places the order to the supplier. The supplier then delivers the items to Rolls-Royce Oy Ab's warehouse.

At the warehouse the items are picked from the shelves and packed carefully. Warehouse sends the packing details, weights and dimensions of the packages, to the export forwarder. The export forwarder decides based on the sizes of the packages, content, country of destination, urgency and her own best judgement which means of transport she will use for shipping the items. The export forwarder is responsible for the decision unless the customer has requested for any particular means of transport. In these cases the export forwarder proceeds according to the customer's wishes. The export forwarder prepares the required shipping documents (packing list and customs invoice) in Baan and books the transport. The waybill number and other shipping details are announced to the customer. With the waybill number the customer is able to track and follow the shipment. Some countries require the Certificate of Origin and when shipping to Turkey an A.TR. document is required. A.TR. document enables the goods to be imported to Turkey with lower tariffs. If the shipment contains dangerous goods the dangerous goods documents need to be filled by the export forwarder. In some cases the customer may require certain certificates, such as manufacturer's certificate, but these documents are only prepared if the customer requests them.

Rolls-Royce Oy Ab usually uses the Incoterm CPT (Carriage Paid To) and in these cases the export forwarder handles the shipping but sometimes the customer wishes to handle the transportation by themselves. In these cases the used Incoterm is EXW (Ex Works). If the customer wishes to organise the transportation the export forwarder prepares the shipping documents and informs the customer that the order is ready for collection.

When the items reach the customer they check that the delivered items are according to the order. In case of any problem, such as wrong item or amount delivered, the customer then contacts the seller at Rolls-Royce Oy Ab and the issue is clarified according to appropriate procedures.

Once the order has been finalised the export forwarder adds the possible freight costs to Baan and costs the order. After this has been done the invoice is sent to the customer. If the items are sold for example through the seller who is responsible for the sales to Asian markets the invoice is printed and sent to the customer by the Rolls-Royce office in Singapore. The office in Singapore then monitors that the payment is performed according to the payment terms. If the customer is a prepayment customer the prepayment invoice is sent to the customer in advance. The order is not confirmed until the customer has paid the prepayment invoice.

6.4 Risk analysis

The following chapters will address the risks related to the export process of the spare parts for a propulsion unit and the preparation of the shipping documents. Direct quotes were used to name the risk and under the quote is written the analysis on that particular risk.

“We offer and/or sell wrong item or items.”

The seller can understand the inquiry wrong and offer wrong item or items. It is important for the seller to have the vessel name and work number in order to prepare as accurate quotation as possible. If the customer provides wrong information to the seller the likelihood of the seller offering wrong item or items is high. In this case it is the customer's own mistake and the customer is required to keep the part. Rolls-Royce Oy Ab may also take the part back but the customer then must pay some handling fees. Both the customer and the seller need to be careful with the information and in unclear situations require more information. If the seller understands the inquiry wrong or the inquiry is unclear determining the responsible person may be dif-

ficult. The value of the wrong part may be compensated to the customer and they may return the part or they may be required to order the offered part since they have already accepted the offer.

If the buyers are involved in the process also they can understand the inquiry wrong and request an offer from the supplier for the wrong item or items. There can also be such cases where the buyer understands the inquiry correct but the supplier misunderstands it and offers wrong item or items. When trying to find a replacement part for a part which was in use for example 40 years ago all the changes made to the part cause difficulties and in many cases the customer receives wrong parts. The reclamation process goes as far as the supplier if the fault is theirs.

“Typing errors can occur.”

Since the quotations are made in Baan typing errors are possible. The seller may for example type the item code wrong. He/she may have the right code but due to a human error type it wrong to the system. This type of mistake is a personal mistake by the seller and if the customer receives a wrong part it will be compensated.

“The customer may receive damaged goods.”

The goods can be damaged during handling or transportation. Especially if the goods are not packed well enough at the warehouse they are more vulnerable to damages but even with sufficient packing the goods may be damaged. According to the Incoterm CPT the risk transfers from the seller to the buyer once the goods are collected from the warehouse by the transportation company. If the supplier sends a damaged item or it has already been damaged when it was sent from the factory the responsibility is either the supplier's or the manufacturer's.

“For example electronic cards may be programmed wrong by us.”

When a customer orders electronic cards these cards need to be programmed at Roll-Royce Oy Ab. If the cards are programmed wrong the responsibility is Roll-Royce Oy Ab's. Information which is needed for the programming may also be missing.

This can cause a delay on the delivery if the acquisition of that information requires time.

“The seller has forgotten to print the order confirmation for the warehouse.”

As mentioned before once Rolls-Royce Oy Ab has confirmed the order the order confirmation is printed and given to warehouse. The reason behind the use of printed order confirmations is that at the moment the warehouse does not have the competencies/possibilities to work based on the existing electronic delivery systems. Due to this reason orders might not be shipped on time if the seller forgets to print the order confirmation to the warehouse or the papers are lost before reaching the warehouse.

“Buyer has forgotten to send an order to the supplier.”

If the buyer forgets to order the needed items from the supplier it causes delays on the delivery. The delivery times from the suppliers can be relatively long, depending on the required items, and by forgetting to place the order the buyer prolongs the delivery time of those items to the customer even more. These types of delays may cause the vessel to stand on hold at a harbour and the customer to lose money.

“It is also a risk that the part is late, and it can be late even from the supplier.”

The part might not be ready on time and the delivery is delayed due to that reason. Machines may malfunction or break and interrupt the manufacturing process.

“The warehouse accidentally picks and packs wrong items or wrong amounts.”

The warehouse must be careful when picking the items from the shelves. The collection is carried out based on the item codes and the quantities on the order confirmation. If the codes are not checked and compared to the codes of the picked items wrong items may be packed and sent to the customer. The supplier may have also placed wrong identification labels on items which they do not belong to and this can cause the warehouse to pick wrong items, even if they check that the codes are matching. The items received from suppliers are approximately checked and com-

pared to the delivery lists. Unfortunately there are not enough resources for more thorough checking. If something abnormal is detected the warehouse contacts the buyers and the buyers contact the supplier. If nonmarketable items arrive, for example items in which the holes for screws are in the wrong place, the warehouse does not detect these kind of items. The mistake is normally detected when the customer has received the items and notices that they do not fit to their places.

“The manuals may also have mistakes.”

The mistakes in the manuals may have occurred already at the time they were made or the unit has gone through some upgrades and these upgrades have not been documented to the manuals. The seller can inspect the services done by the service engineers to ensure whether the unit has gone through any modifications.

“Suppliers are deleted from the supplier list.”

The aim is to have as few suppliers as possible. This complicates the situation in the service department due to the fact that vessels often need spare parts quickly and if there are only few suppliers, or in worst case only one supplier, obtaining the needed spare parts may take longer time. Rolls-Royce Oy Ab makes annual contracts with the suppliers as much as possible. The spare parts which are sold directly from the warehouse are most likely to be found from an annual contract but the ones which are more specific and distinctive cannot be added to any annual contract. For these more specific parts price and delivery time need to be inquired separately and this can require a lot of time.

“Customer does not approve the delivery time.”

The parts which are not kept in stock and need to be ordered from suppliers may have relatively long delivery times. It may happen that once the seller sends the quotation to the customer they do not accept the delivery time and request for a shorter time. In this case the seller contacts the buyer again and the buyer then contacts the supplier to ask for a better delivery time. The vessels are staying in harbours a certain time period due to the schedules or the docking periods and therefore the delivery

times of the needed spare parts are significant to the customers. The parts need to reach the vessels at certain times. If the supplier announces that the delivery time for a certain part is for example eight weeks and the customer is not satisfied, the process of negotiating a better delivery time may even in worst case take as long as that eight weeks. Therefore it would be recommendable for the customer to place the order and then ask if it would be possible to negotiate a better delivery time. Once the order is placed the seller has a better position to start negotiations with the supplier than in an if-situation.

“The customer receives rusted parts.”

Some of the parts require a rust proofing and if this process is not performed on these parts they can rust for example during the transportation. The parts can leave the warehouse in good condition but once the customer receives them they notice that they are rusted. In this case the responsibility is clearly Rolls-Royce Oy Ab's.

“Bureaucracy can be seen as one of the risks.”

Some countries may have stricter rules and more requirements on importing than others. Bureaucracy extremely rarely forms any problems when transporting goods from one European Union country to another but for example some Arabic countries may be stricter. The normal case is that the package is held at the border by customs authorities due to missing original documents. Once the missing documents are sent to the authorities the package can be delivered to the customer. If all of the necessary documents are with the package and the documents are filled correctly there should not be any problems.

“Packages can be lost on their way to the customer.”

In relation to the amount of parts sent from Rolls-Royce Oy Ab packages are very rarely lost during transportation but occasionally this can happen. In most cases the airline announces that they have misplaced the package and are not able to locate it. If the distances are long the package may fly with more than one aeroplane and during the stopovers the package is the most vulnerable for being misplaced and lost.

The package is usually found after few hours or during the following days. Once found the package is delivered to the customer.

“Wrong delivery address causes delays.”

Sometimes the customer may change the delivery address and if it is not checked and updated to Baan the export forwarder may send the package to the wrong address. It can also happen that the package has already been sent from the warehouse to the customer and while the package is on its way the customer announces a new delivery address. The package can be delivered to a wrong address or the export forwarder needs to wait for the correct delivery address before she is able to send the package. These situations cause delays on the delivery.

“Force majeure and strikes form risks.”

Force majeure and strikes are the type of risks that are completely independent from the actions of Rolls-Royce Oy Ab. Natural forces, such as storms and ash clouds from an erupting volcano, can cause the air, land and sea traffic to come to a halt. Strikes can also form a problem if they have influence on the means of transportation.

“System errors and Baan problems can happen sometimes.”

If the internet is down, almost all the systems are down. Most of the communication is handled through e-mails, the Baan software requires internet connection in order to work and be connected to all Rolls-Royce offices and the transportations are mostly booked online or via e-mails. If the internet is down it can be difficult to proceed with normal daily operations. Baan may also have problems occasionally even though the internet would be running normally. This has influence for example on the preparation of the shipping documents, in other words packing list and customs invoice.

“If the shipping documents are filled wrong or incomplete the package stops at the border.”

If the commercial invoice, customs invoice or any required original document is missing from the shipment it cannot be cleared through customs in a non-EU country. Missing Certificate of Origin can also stop the shipment at a border. These documents can be sent afterwards and then the shipment can be delivered to the customer. The problem in these cases is that the customer is not able to declare the goods and the delivery is delayed. Mistakes in the documents, especially in the dangerous goods documents, cause the shipment to stop also. Once the documents are corrected the shipment will continue forward.

“If the shipment is late due to delays with flights or the courier truck missed the scheduled flight it is not in our hands, we cannot have any effect on those.”

Most of the risks are results of human mistakes by Rolls-Royce Oy Ab employees. The human mistakes also extend the forwarding companies but in these cases Rolls-Royce Oy Ab is powerless in the efforts of trying to minimise these risks. According to the Incoterm CPT the risk transfers from the seller to the buyer at the time the shipment is collected from Rolls-Royce Oy Ab’s warehouse. Even though Rolls-Royce Oy Ab is not responsible for the package during the transportation it is still an unfortunate event in case problems occur. If the export forwarder sends the package from the warehouse late it is the export forwarder’s fault.

7 RECOMMENDATIONS

7.1 Process maps 1 and 2

Process map 1 (Appendix 8) was created based on the export process of the spare parts for a propulsion unit which are kept in stock at Rolls-Royce Oy Ab. Process map 2 (Appendix 9) was created based on the export process of the spare parts for a propulsion unit which are more specific and are ordered from a supplier based on a customer’s request. The two process maps help to identify the different parties in-

volved in those two export processes and make the processes more clear and understandable and easily perceivable.

Both process maps represent the situation in which the customer directly contacts Rolls-Royce Oy Ab. If the customer first contacts another Rolls-Royce office that office becomes a part of the process. That particular Rolls-Royce office receives the request for quotation, forwards it to Rolls-Royce Oy Ab, passes on the quotation to the customer and informs Rolls-Royce Oy Ab when customer has approved the quotation and when customer places the order.

As mentioned earlier in the chapter describing Rolls-Royce Oy Ab's export process, if the customer is a prepayment customer the prepayment invoice is sent in advance to the customer and the order is not confirmed until the customer has paid the invoice. This option was not included in the process maps due to the fact that the more common scenario includes the invoice being sent after the goods have been sent to the customer and the order has been costed by the export forwarder.

Handling the reclamation may include sending new items to the customer to replace damaged items, to fulfil an incomplete order or to replace wrongly sent items. If the supplier delivers damaged or wrong items or the order is not complete, the buyer at Rolls-Royce Oy Ab has to contact the supplier and prepare a reclamation in order to be compensated.

In addition to the basic export process, Rolls-Royce Oy Ab has very complex and multidimensional export processes depending on the nature of the sales event, customer, needed items and many other factors. Describing these processes would result in multiple process maps but due to the limitations the author set on the subject these processes are not described in this thesis.

7.2 Summary

A company operating globally encounters a wider range of risks than a company which is only concentrating on domestic sales. The country to which the company is

exporting its goods may already form a risk. Also the foreign customer may be a risk and contractual risks should be taken into special consideration in these cases. When transporting the goods around the world the goods are exposed to more risks than when transporting domestically. Rolls-Royce Oy Ab is a part of the large Rolls-Royce plc and its operations extend to all the continents. Rolls-Royce plc has its own risk management framework which is applied in all of its offices but risks may be so local that those have not been taken into consideration in the global risk management framework. These kind of risks might not be known or recognised until they actually occur. Therefore it can be recommendable to have also a more customised and local risk management framework.

Being aware of all the possible risks and recognising them creates a basis for a good risk management and enables companies to control, minimise and avoid these risks in a more effective and sufficient way. It is recommendable for all the parties to be aware of their own responsibilities and obligations and anticipate the possible risks. This way companies are able to be prepared and for example take insurance where they are able to do so.

While conducting the interview one point was highlighted: humans form the largest risk. Most of the possible risks are results of human errors. People can be trained and educated to recognise and understand the possible risks but even then risks cannot be completely avoided, the point of training and educating being more in the hopes of minimising the risks. Rolls-Royce Oy Ab can direct these kind of actions towards their own employees but since in their processes there are lot of other parties involved there will be lot of parties on which Rolls-Royce Oy Ab has no influence on.

8 FINAL WORDS

The idea for this thesis originated from a discussion with the author's supervisor and the author's experience from her practical training at Rolls-Royce Oy Ab as an export forwarder. The idea of writing a thesis about export process and the risks related

to it seemed interesting and the author had personal experiences and knowledge which she gained from her work at Rolls-Royce Oy Ab. Once the project plan was approved by the author's supervisor at the beginning of 2015 and after the first seminar at the end of January the writing process of this thesis was ready to start. Due to the author's strong personal interest towards the subject the theory part was quickly ready and she held her second seminar at the middle of March.

The interview with Rolls-Royce Oy Ab's employees and the author's own experiences and knowledge gave a strong fundament for her to write the empirical part of this thesis. The writing process advanced fluently and it was interesting and educational for the author. The third seminar was held at the beginning of May.

In total it took approximately five months for the author to finish this thesis. Even though the schedule might seem short it does not indicate that she would have not given her full concentration and energy for the writing process. Due to the fact that she had finished all her courses by the time the writing process started and was working only part-time she was able to direct her attention fully to this thesis. While writing the final words and looking back at the thesis process the author can genuinely say that the process has been fascinating, educational and even though sometimes stressful the overall feeling remains very positive. The author invested time, focus and best efforts into this thesis and she is pleased with the results.

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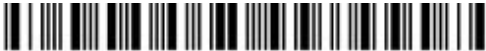
APPENDIX 1

UNITED NATIONS LAYOUT KEY FOR COMMERCIAL INVOICES

INVOICE LAYOUT KEY

Seller		Invoice date and N°.	
		Other references	
Consignee		Buyer (If other than consignee)	
		Country of origin of goods	
Transport details		Terms of delivery and payment	
Shipping marks; Container N°.	N°, and kind of packages; Goods description (in full and/or in code)	Gross weight, kg.	Cube, m3
Specification of commodities (in code and/or in full)		Quantity	Unit price
			Amount
<p>FREE DISPOSAL</p>			
		Included above	Not incl. above
Packing			
Freight			
Other costs (Specify)			
Insurance			
Total invoice amount			

EXAMPLE OF A STANDARD IATA AIR WAYBILL

001 NYC 12345678						001-12345678								
Shipper's Name and Address CABLE AND STEEL COMPANY 1234, INDUSTRIAL STREET NEW YORK, USA PHONE 555 55 55			Shipper's Account Number		Not Negotiable Air Waybill Issued by AMERICAN AIRLINES CARGO P.O. BOX 619616 D/FW AIRPORT, TEXAS U.S.A.									
Consignee's Name and Address CABLE BIG STORE 4321, ROGERS STREET LONDON, ENGLAND PHONE: 555 12 34			Consignee's Account Number		Copies 1, 2 and 3 of this Air Waybill are originals and have the same validity. It is agreed that the goods described herein are accepted in apparent good order and condition (except as noted) for carriage SUBJECT TO THE CONDITIONS OF CONTRACT ON THE REVERSE HEREOF. ALL GOODS MAY BE CARRIED BY ANY OTHER MEANS INCLUDING ROAD OR ANY OTHER CARRIER UNLESS SPECIFIC CONTRARY INSTRUCTIONS ARE GIVEN HEREOF BY THE SHIPPER, AND SHIPPER AGREES THAT THE SHIPMENT MAY BE CARRIED VIA INTERMEDIATE STOPPING PLACES WHICH THE CARRIER DEEMS APPROPRIATE. THE SHIPPER'S ATTENTION IS DRAWN TO THE NOTICE CONCERNING CARRIER'S LIMITATION OF LIABILITY. Shipper may increase such limitation of liability by declaring a higher value for carriage and paying a supplemental charge if required.									
Issuing Carrier's Agent Name and City BOND STUFF FORWARDERS QUEEN STREET 7 LONDON, ENGLAND PHONE: 555 55 12			Agent's IATA Code 11-1 0000		Accounting Information NOTIFY: SOMEBODY, PH: 555 55 34									
Airport of Departure (Addr. of First Carrier) and Requested Routing NEW YORK CITY			Reference Number		Optional Shipping Information									
To	By First Carrier	Routing and Destination	to	by	to	by	Currency	CHRG Code	WT/NAL	Other	Declared Value for Carriage	Declared Value for Customs		
LHR	AA						USD	PP	X	X				
Airport of Destination HEATHROW			Requested Flight/Date AA1234/12		Amount of Insurance			INSURANCE - If carrier offers insurance, and each insurance is requested in accordance with the conditions thereof, indicate amount to be insured in figures in box marked "Amount of Insurance".						
Handling Information											These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Ultimate Destination:		Diversion contrary to U.S. law prohibited.	SCI
No. of Pieces RCP	Gross Weight	Rate Class	Commodity Item No.	Chargeable Weight	Rate	Charge	Total	Nature and Quantity of Goods (incl. Dimensions or Volume)						
2	324.00	K					1234.00	SOME ITEMS						
2	324.00						1234.00							
Prepaid		Weight Charge		Collect		Other Charges								
1234.00														
Valuation Charge														
Tax														
Total Other Charges Due Agent														
Total Other Charges Due Carrier														
Total Prepaid		Total Collect		Signature of Shipper or his Agent										
1234.00														
Currency Conversion Rates		CC Charges in Dest. Currency		Executed on (date) at (place) Signature of Issuing Carrier or its Agent										
For Carrier's Use only at Destination		Charges at Destination		Total Collect Charges		ORIGINAL 1 001-12345678 (FOR ISSUING CARRIER)								

EUROPEAN COMMUNITY CERTIFICATE OF ORIGIN

1 Consignor - Expéditeur - Expedidor	No.	ORIGINAL
2 Consignee - Destinataire - Destinatario	EUROPEAN COMMUNITY COMMUNAUTÉ EUROPÉENNE - COMUNIDAD EUROPEA <hr/> CERTIFICATE OF ORIGIN CERTIFICAT D'ORIGINE - CERTIFICADO DE ORIGEN	
4 Transport details - Informations relatives au transport - Datos relativos al transporte (Optional)	3 Country of Origin - Pays d'origine - País de origen	
	5 Remarks - Remarques - Observaciones	
6 Item number; marks, numbers, number and kind of packages; description of goods	7 Quantity	
6 THE UNDERSIGNED AUTHORITY CERTIFIES THAT THE GOODS DESCRIBED ABOVE ORIGINATE IN THE COUNTRY SHOWN IN BOX 3 L'autorité soussignée certifie que les marchandises désignées ci-dessus sont originaires du pays figurant dans la case No. 3 La autoridad infrascrita certifica que las mercancías abajo mencionadas son originarias del país que figura en la casilla no. 3		
Place and date of issue; name, signature and stamp of competent authority Lieu et date de délivrance; désignation, signature et cachet de l'autorité compétente Lugar y fecha de expedición; designación, firma y sello de la autoridad competente		

IATA-DGR DECLARATION FORM (FINNAIR)

SHIPPER'S DECLARATION FOR DANGEROUS GOODS							
Shipper				Air Waybill No. _____			
Consignee				Page _____ of _____ Pages			
				Shippers reference nbr. (optional) _____			
							
				P.O.Box 44 01053 Finnair, FINLAND			
Two completed and signed copies of this Declaration must be handed to the operator							
TRANSPORT DETAILS				WARNING			
This shipment is within the limitations prescribed for (delete non-applicable)			Airport of Departure _____	Failure to comply in all respects with the applicable Dangerous Goods Regulation may be in breach of the applicable law, subject to legal penalties.			
PASSENGER AND CARGO AIRCRAFT		CARGO AIRCRAFT ONLY	Airport of Destination _____	Shipment type: (delete non-applicable)			
				NON-RADIOACTIVE		RADIOACTIVE	
NATURE AND QUANTITY OF DANGEROUS GOODS							
Dangerous Goods Identification					Quantity and type of packing	Packing Inst.	Authorization
UN or ID no	Proper Shipping Name,	Class or Division (Sub-risk)	Packing Group				
Additional Handling information							
I hereby declare that the contents of this consignment are fully and accurately described above by the proper shipping name, and are classified, packaged, marked and labelled/placarded, and are in all respects in proper condition for transport according to applicable international and national governmental regulations. I declare that all of the applicable Air Transport requirements have been met.				Name / Title of Signatory _____			
				Place and Date _____			
				Signature _____			

MULTIMODAL DANGEROUS GOODS DECLARATION FORM

MULTIMODAL DANGEROUS GOODS FORM

This form may be used as a dangerous goods declaration as it meets the requirements of SOLAS 74, chapter VII, regulation 4; MARPOL 73/78, Annex III, regulation 4

1 Shipper/Consignor/Sender		2 Transport document number				
		3 Page 1 of pages	4 Shipper's reference			
		5 Freight Forwarder's reference				
6 Consignee		7 Carrier (to be completed by the carrier)				
		SHIPPER'S DECLARATION I hereby declare that the contents of this consignment are fully and accurately described below by the Proper Shipping Name, and are classified, packaged, marked and labelled/placarded and are in all respects in proper condition for transport according to the applicable international and national governmental regulations.				
8 This shipment is within the limitations prescribed for: (Delete non-applicable)		9 Additional handling information				
<table border="1"> <tr> <td>PASSENGER AND CARGO AIRCRAFT</td> <td>CARGO AIRCRAFT ONLY</td> </tr> </table>		PASSENGER AND CARGO AIRCRAFT	CARGO AIRCRAFT ONLY			
PASSENGER AND CARGO AIRCRAFT	CARGO AIRCRAFT ONLY					
10 Vessel/flight no. and date	11 Port/place of loading					
12 Port/place of discharge	13 Destination					
14 Shipping marks *Number and kind of packages; description of goods Gross mass (kg) Net mass (kg) Cube (m ³)						
15 Container identification No./ vehicle registration No.	16 Seal number(s)	17 Container/vehicle size & type	18 Tare mass (kg)	19 Total gross mass (including tare) (kg)		
CONTAINER/VEHICLE PACKING CERTIFICATE I hereby declare that the goods described above have been packed/loaded into the container/vehicle identified above in accordance with the applicable provisions. † MUST BE COMPLETED AND SIGNED FOR ALL CONTAINER/VEHICLE LOADS BY PERSON RESPONSIBLE FOR PACKING/LOADING.		21 RECEIVING ORGANISATION RECEIPT Received the above number of packages/containers/trailers in apparent good order and condition unless stated hereon: RECEIVING ORGANISATION REMARKS:				
20 Name of company		Haulier's name		22 Name of company (OF SHIPPER PREPARING THIS NOTE)		
Name/Status of declarant		Vehicle reg. no.		Name/status of declarant		
Place and date		Signature and date		Place and date		
Signature of declarant		DRIVER'S SIGNATURE		Signature of declarant		

* **DANGEROUS GOODS:**
 You must specify: UN No., Proper Shipping Name, hazard class, packing group, (where assigned) marine pollutant and observe the mandatory requirements under applicable national and international governmental regulations. For the purposes of the IMDG Code see 5.4.1.4

† For the purposes of the IMDG Code, see 5.4.2

INTERVIEW QUESTIONS IN ENGLISH

THEME ONE, EXPORT PROCESS:

- What are the different steps in the export process of spare parts for a propulsion unit?
- What functions are included in each of the steps?
- Who are the persons responsible for each step and functions?

THEME TWO, SHIPPING DOCUMENTS:

- What are the shipping documents needed in the export process of propulsion unit spare parts?
- Who is responsible for the preparation of these documents?

THEME THREE, INVOLVED RISKS:

- What are the risks involved in the export process of propulsion unit spare parts?
- What are the risks involved in the preparation of the shipping documents?

INTERVIEW QUESTIONS IN FINNISH

TEEMA YKSI, VIENTIPROSESSI:

- Mitkä ovat potkurilaitteen varaosien vientiprosessin eri vaiheet?
- Mitä toimintoja kuhunkin vaiheeseen sisältyy?
- Ketkä ovat vastuussa kustakin vaiheesta ja toiminnosta?

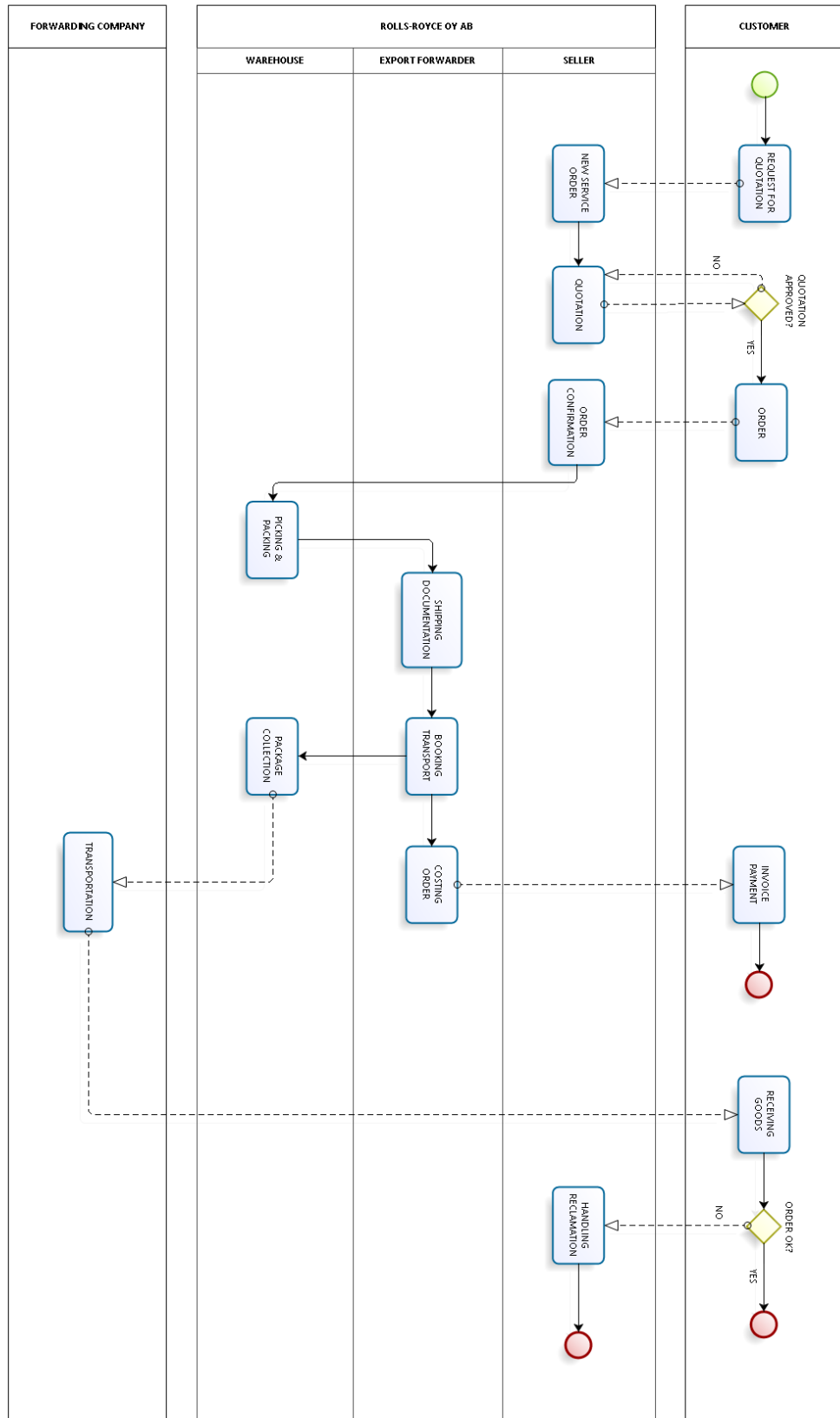
TEEMA KAKSI, LÄHETYSKÄYTTÖ:

- Mitä lähetyspapereita tarvitaan potkurilaitteen varaosien vientiprosessissa?
- Kuka on vastuussa näiden papereiden valmistamisesta?

TEEMA KOLME, LIITTYVÄT RISKIT:

- Mitä riskejä liittyy potkurilaitteen varaosien vientiprosessiin?
- Mitä riskejä liittyy lähetyspapereiden valmisteluun?

ROLLS-ROYCE OY AB PROCESS MAP 1



ROLLS-ROYCE OY AB PROCESS MAP 2

