

*Report*  
*On the Establishment of*  
*A DRY PORT at Delhi*



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## P R E F A C E

With the object to accelerate exports from the Northern Region, a resolution for declaring Delhi a "Dry Port" was passed by the Export Conference held in May, 1965 at Kanpur. The Conference represented aspirations of the whole of Northern Region. Thereafter, the Northern India Regional Export Promotion Advisory Committee, constituted by the Ministry of Commerce, Govt. of India, adopted a similar resolution in its meeting held at Srinagar. In pursuance of these resolutions, Shri B K. Sharma, Director of Industries, Delhi took an effective initiative in this direction and set up a committee under the Chairmanship of Shri V. P. Punj of Fedders Lloyd Corp Pvt Ltd., Punj House, M-13, Connaught Circus, New Delhi, with the following members :—

Initially Sh. H.L. Mehandru and Subsequently Sh. K.D. Datta	} Dy. Directors Directorate of Industries, Delhi	Convener
Sh. K Rajagopalan	Dev. Officer, ( E E P ) Directorate General of Tech Development, Govt. of India, New Delhi.	Member
Sh. M L. Seth	General Manager, D. C. M. Ltd., Delhi.	..
Sh. Raj Narayan	Eastern Arts Corporation, II/B-4, Asaf Ali Road, Delhi.	..
Sh. M. R. Bhalla	Managing Director, Hindustan General Inds. Ltd., Qutab Road, Delhi.	..

<b>Sh. R R. Saxena</b>	<b>I.B.M. World Trade Corpn. Member Link House, Bahadur Shah Zafar Marg, New Delhi.</b>
<b>Special Invitees</b>	
<b>Sh. H. B. Desai</b>	<b>The Indian Institute of Foreign Trade, ( Min. of Commerce ), 41, Friends Colony, New Delhi.</b>
<b>Sh. A. Ranganathan</b>	<b>Metal Box Co. of India Ltd. 2nd Floor. Allahabad Bank Bldg., Parliament Street, New Delhi.</b>
<b>Sh. C. R. Rathi</b>	<b>Rathi Steel Rolling Mills, Loni Road, Delhi-Shahdara.</b>
<b>Sh. K N. Modi</b>	<b>Managing Director, Modi Industries Pvt. Ltd., Modi Nagar, U.P.</b>
<b>Sh. O. P. Saraf</b>	<b>Saraf Industries. 34, Pusa Road New Delhi.</b>
<b>Sh. P. C. Agraharl</b>	<b>Regional Officer, Engg. Export Promotion Council D-55, Defence Colony, New Delhi.</b>

The Committee was required to go into details of the project and make suitable proposals for the setting up of a Dry Port at Delhi.

The Committee has held 6 sittings so far and collected a good deal of useful information on the subject. Recently, the Director of Industries, under whose guidance the Committee has been working, desired that now a comprehensive proposal be submitted enabling the Govt. to take some concrete steps in this direction. Accordingly, this report is being presented.

**2, Battery Lane,  
Rajpur Road,  
DELHI.**

**January, 1967**

## INTRODUCTION

The role of overseas trade in stimulating economic growth can hardly be over-emphasised. In developing economy it assumes over-riding importance. It helps in the diversification of industry, develops employment potential, brings new skills to the country and quickens the pace of advance towards a self-generating economy. For sustaining the process of growth, expansion of the overseas trade, especially of exports, becomes the sine qua non. Obviously capital goods, materials and technical know-how have to be imported increasingly and in order that these requirements be fully met adequate exports have to be generated. The steady and rapid expansion of exports is, thus, of crucial importance. The impediments which inhibit expansion of exports must necessarily be minimised even if they cannot be entirely eliminated, and deliberate effort should be made to offer every region, possessing export potential, in the country, fuller opportunity for participating in the export trade.

In this context it will be desirable to refer to the significant rise, recently witnessed, especially in the manufacture of engineering and other quality goods, which has vastly increased the export potential of the hinterland of India, specially its Northern Region. But this Region is far removed from the major ports which provide the outlet for the export trade. The exporters of this Region are thus under constant handicap, perpetually imposed by its remoteness from the major ports.

We have given considerable thought to this problem and have made a careful and detailed study of the solutions, which other countries have evolved for stimulating overseas marketing in the regions similarly situated. The exporters in this region encounter numerous difficulties in the process of complying with formalities prescribed by the various

agencies at the port such as the port trust, the customs, the shipping agents etc. It is wellnigh impossible for the exporter to devote personal attention to the export formalities at the port and save in time and expense. Moreover, under the present arrangements he is compelled to add significantly to the cost of his product and thus, minimise the competitiveness of his goods in the foreign market. Discouraged by the cumbersome process and lengthy procedures to be complied with at the ports situated thousands of kilometers away from the place of origin, the exporters of moderate means often give up the attempt to export, thus, causing considerable set-back to our national economy.

We consider that the most appropriate solution would be provided by a 'Dry Port' established in Delhi. Then the exporters in this region could be afforded all facilities which, at present, are available only at the ports. Delhi is not only centrally situated but is also the most prominent trade and industrial centre of the Northern Region. As a result of a sample survey, it has been found that 964 units located in the Northern Region are registered with the various Export Promotion Councils dealing with engineering goods, handicrafts, sports goods, textiles, finished leather and leather manufactures, spices and food products. Out of these, 430 units belong to Delhi alone. Thus, Delhi provides an ideal location for the Dry Port.

If Delhi is declared a dry port, it is envisaged that the customs formalities would be completed at the local Custom House and all documents including the Bill of Lading would be prepared at Delhi. It would be necessary to construct sheds which would function as warehouses for the receipt and delivery of the goods. As a safeguard against loss by pilferage etc, special containers could be used for the packaging and transportation of the goods. A separate note dealing with this aspect of the problem is attached.

It is further envisaged that the dry port would be utilised also for clearance, through the Customs, of imported goods, thus serving a dual purpose and offering the importers the much needed relief.

## PLANS FOR THE DRY PORT

The Dry Port in Delhi aims at relieving the exporter of the burden to pursue goods right up to the stage of embarkation. The exporter's responsibility should cease after loading of the goods on wagons or trucks in Delhi. This would ensure saving of time, effort and expense. Such an objective can be achieved in a number of ways. Following are some of the plans, any one of which, either alone or in combination, or alteration with other plans can achieve this object :—

1. Transfer of Port Custom's functions to Delhi Customs and entrusting rest of the work to the Railways/ Trucking companies, Port Trust and Steamer Agents, all working in accordance with mutually-agreed procedures and responsibilities.
2. Establishment by law of an autonomous body which may appropriately be designated as 'Delhi Dry Port Authority'.
3. Establishment of a joint stock company to be operated on commercial principles.

### PLAN NO. I

Perhaps the easiest and the most practicable way of achieving the object of a Dry Port is to transfer the functions of port agencies to the corresponding agencies in Delhi. Following are the corresponding agencies in Delhi Vs. the port of Shipment :—

DELHI	PORT OF SHIPMENT
i) Exporter or his Forwarding Agent	Custom House Agent
ii) Customs Unit at the Dry Port	Custom House at the port
iii) Railways Road Transport	—
iv) —	Port Trust
v) Steamer Agents	Steamer Agents

Under the existing arrangements, after the Forwarding Agent has despatched the goods to the port of shipment, the Custom House Agent at the port city, as the representative of the exporter, takes delivery of the goods, prepares the necessary documents required by the Customs, the Port Trust and the Shipping Agents. He pays the Customs and Port Trust dues, arranges completion of Customs and Port Trust formalities, engages labour to handle the consignment and finally arranges to have the consignment loaded on board the on carrying vessel. After the goods have been loaded mates receipt is obtained and exchanged for a Bill of lading issued by the Shipping Company. The Customs House Agent has no further responsibility to share so far as shipment of the goods is concerned. After Delhi has been declared a Dry Port the customs formalities concerning export would be completed at Delhi. The exporter or his agent would be absolved of all responsibilities for the safety and carriage of the goods, the moment the railways have issued a railway receipt. In order that the Dry Port becomes really meaningful the exporter would like to be assured that this objective would be fully attained. We have to devise a procedure which would satisfy this requirement.

The essential difference between shipment of goods from a port and its transfer to a railway wagon at the Dry Port is that where as in the former case the vessel immediately proceeds outside the jurisdiction of the country of export in the latter case the railway traverses several hundred miles overland before arriving at the port of shipment. The basic issue to determine, therefore is in what manner the responsibility for conveyance of goods to the port, their safe custody and delivery on board the on carrying vessel without necessitating fresh customs formalities will be discharged by the various agencies involved in the process. If the exporter and/or his agent is freed from the responsibility for the goods after the railway receipt is obtained, obviously only the following three parties will be in a position jointly or severally to share it further namely (1) the Railways (2) the Shipping



Agents and (3) the Port Trust. The Port Trust has no machinery available in the interior towns to discharge this function and it is doubtful if they can be persuaded to extend their jurisdiction inland. This leaves only two parties the Railways and Shipping Agents.

**Railways:—**If this responsibility is placed on the Railways they will have to provide a shed for receipt, custody, customs examination and loading of export cargoes at the dry port. On arrival of the goods at the port of shipment, they will either (1) discharge the goods in their own shed from which they will be removed to the port trust shed for shipment on the on carrying vessel, the railways assuming the responsibility for supervising shipment on board along with Customs, Port Trust and the ships agent or (2) deliver the goods into the custody of the Port Trust itself. From this time onwards the further responsibility of arranging shipment will devolve on the Port Trust.

**Shipping Agents:—**If the responsibility is placed on the Shipping Agents, the goods will have to be, in the first instance, stored in a shed at the Dry Port prior to completion of customs formalities and the availability of railway wagons. As goods will be shipped by vessels under the Agency of different shipping agents it would be futile to expect each one of them to provide its own shed. This difficulty can be got over by one of the Shipping Companies e.g. the Shipping Corporation of India providing a shed which, on payment of reasonable charges, can be used by all shipping cos. or a private co. building a shed for this purpose and managing it on ordinary commercial principles. After the goods have arrived, the shipping co., concerned will arrange to place the goods on railway wagons and obtain railway receipts. On arrival at the port of shipment the Shipping Agents will take delivery of the goods and store them pending shipment. The necessary formalities relating to shipment will be complied with by them, and mates receipt obtained.

In both the cases mentioned above certain procedural and legal questions involving division of responsibility and distribution of functions will arise. It is accordingly suggested that representatives of the three agencies should meet under the aegis of the Ministry of Commerce and evolve an arrangement whereby a feasible solution of this problem acceptable to custom can be found. In the case of the shipping agents a further legal point in regard to issue of a through bill of lading on the basis of railway receipts might be raised. We feel that it should be possible for the shipping cos. to issue through bill of lading on this basis subject to final confirmation after the goods have been placed on the on carrying vessel. If this is acceptable to the shipping cos. it will be for the exporters to arrange with their bankers and buyers for accomodation on securing such bill of lading. The representative organisation of shipowners in India is the INSOA and it may be consulted in this behalf.

## **PLAN NO. 2**

The plan to establish an autonomous statutory body would require detailed examination in the various ministries of Govt. of India. It would, in the first instance, have to be sponsored by the Ministry of Commerce and possibly also by the Ministry of Industry. The plan would then have to be examined in the Central Board of Excise and Customs and the Ministries of Railways and Transport. If the plan is accepted by these agencies the Ministry of Law would have to prepare a draft bill for presentation to parliament. This may be a time-consuming process.

Under this plan the 'Dry Port Authority' would have to be entrusted at Delhi with the functions and responsibilities similar to those discharged by the Port Trust at the major Indian Ports. It would have to establish one or more warehouses in Delhi with proper loading facilities where goods could be stored and examined and finally sealed by the customs for transportation to the port of shipment. The 'Dry Port

Authority' would have to devise a working arrangement with the railway authority/road transport services for the carriage of sealed goods to the port of shipment.

At the port of shipment, the Dry Port Authority can either store the goods on arrival at the port, temporarily in one of their own godowns pending shipment or arrange with the Port Trust for receiving and keeping the goods with them till arrangements can be made for their loading on to the on carrying vessel. In either case it will be for the Dry Port Authority either directly or through an authorised agent, to attend to the loading of the goods and to obtain the 'on board' bill of lading.

If the autonomous body is constituted by law, the Government would no doubt make use of its service to cater to both the import and export trade. It is only by catering to the two-way traffic that this body can be made viable.

### **PLAN NO. 3**

The third method to which we have referred involves the establishment of a limited joint stock company. It would be run on commercial lines and would make a charge for its services. We envisage that if such a company is formed, it would cater to the requirements of both the import and export trades. It would establish a Warehouse in Delhi which would be licensed as a private bonded warehouse under the Customs Act and in which Customs examination of both incoming and outgoing goods would be conducted, and clearance effected through the Customs on payment of duty and other charges. A licensed warehouse will be similarly established at the ports for purposes of storage, Customs examination etc.

The specific functions which the Company would be required to perform in respect of export goods may be listed as follows :—

- (a) take delivery of goods from shippers' godowns and store them in licensed warehouse.

- (b) prepare Customs documents.
- (c) arrange examination of goods and sealing of packages.
- (d) arrange transport of goods in sealed wagons/trucks and secure receipts from carriers.
- (e) arrange with shipping companies to accept receipts obtained from railways/road transport companies for the preparation of bills of lading.
- (f) arrange to take delivery of goods on arrival at port of shipment and to store them in their licensed warehouse.
- (g) arrange shipment on the designated vessel and obtain mat's receipts.
- (h) secure shipping companies final endorsement on bills of lading.
- (i) complete formalities for duty drawback shipments, excise free shipments under Bond and shipping bill endorsements for export incentive requirements.

At present, time is wasted in taking delivery of goods from railways and truck goods sheds. Millions of man-hours are lost in clerks and other employees waiting for packages to be shipped or delivered. There is at present no system of door to door collection or delivery either on the part of the railways or road transport services. If a company is formed it would probably find it to its advantage to maintain a fleet of long-haul and short-haul trucks which would enable it to provide for the benefit of its customers the facility of picking up goods from where they are and carrying them right to their destination. Goods for export would thus be collec-

ted from various centres and brought to Delhi and imported goods would similarly be distributed from Delhi to their consignees.

The second plan stated above, envisages the establishment of a statutory undertaking while the third plan involves the establishment of a commercial organization. The two methods are not, however, mutually exclusive and it should be feasible to devise an arrangement under which the two could act in collaboration. It should, for example, be possible for the Government to establish public licensed warehouses under the Customs Act in Delhi as also at the Port or Ports of shipment to serve as transit shed for import and export cargoes leaving the rest of the operation relating to preparation and submission of documents, transport of goods, and actual shipment on the on carrying vessel to the Company.

## **CONTAINERISATION**

Certain risks are no doubt there in the handling, storage and especially transportation of goods from the factories to the ports. But these could be minimised if not altogether eliminated if a beginning is made of what has been successfully done in the more advanced countries. The concept of 'containerisation' has been fully exploited by a number of countries and this could perhaps be the right answer to our problem too. The 'container' we have in view is a robust metallic package of standardised dimensions having locking and sealing arrangements. In this container, the individual packages and in certain types of goods, the goods themselves could be packed and secured. These containers will take goods right from the Dry Port to the point of ultimate destination. Similarly the goods to be imported into India come packed in such containers right up to the Dry Port.

Details about the design, dimensions, construction and cost of the containers have been given in a separate annexure 'A'.

## **FINANCIAL IMPLICATIONS**

The establishment of a Dry Port in Delhi will involve both recurring and non-recurring expenditure. Expenditure of a non-recurring description will be incurred on the construction of :—

1. A transit shed in Delhi and possibly also at the port of shipment.
2. A road to the transit sheds.
3. An open platform siding.
4. A crane siding.
5. A train formation siding.
6. An enclosure with separate gate for railway siding and road entrance.
7. Office accomodation for the staff.

In addition, office requisites, such as furniture, typewriters etc. as also trolleys for moving cargo will have to be provided. Recurring expenditure will be incurred on the following :—

1. Clerical and supervisory staff required to attend to the work of receiving, storing and loading of goods.
2. Watch and ward staff.
3. Labour for loading, unloading etc.
4. Salaries and overtime of Customs staff for examination and supervision.
5. Maintenance of sheds.
6. Miscellaneous items such as stationery, postage, etc.

It is difficult at this stage to place a money value on each of the above-mentioned items. After a decision has been taken as to the machinery which should be devised to

operate the Dry Port, and the plan on which it should function has been finally selected, it would be possible to deal with the question of cost in more concrete and realistic terms. Any estimate given now would be misleading and may well prove illusory specially as some of the costs expected to be incurred at the Dry Port may on further consideration, not be found to be necessary or may be offset by savings effected at the port of shipment. Therefore, we do not propose going into the question of cost in any great detail though we fully recognise its importance.

We should like to emphasise the manifold advantages which will accrue to the benefit of the export trade when Delhi begins to function as a Dry Port. These include the saving of time and expense to the exporter because of his closer proximity to the Dry Port, the relief of congestion in the warehouses located at the major ports which will result from quicker despatch of imported goods upcountry and from timely despatch of export goods to the port of shipment, the saving of time in settlement of disputes, the prospect of securing financial accommodation from the banks immediately after the goods have been loaded on railway wagons, coupled with such intangible but significant benefits as the general impetus to the export trade, the incentive to diversify production and acquire skills, and the prospect of a substantial improvement in employment potential. Undoubtedly they would more than offset the additional cost involved in the establishment of a Dry Port in Delhi.



## CONCLUSION

This report is in the nature of a preliminary survey which has been conducted to focus attention on the principal elements of the problem of establishing a Dry Port in Delhi. We have suggested three alternative plans for implementation of the proposal. After a decision has been taken in regard to the plan which would be most suitable, it would be advisable to arrange a meeting of representatives of Railways, the Port Trust and the Shipping Companies with a view to arriving at an agreed allocation of functions and responsibilities between these three bodies and to evolve a procedure acceptable to customs and other Governmental Agencies concerned for the effective functioning of the Dry Port. We suggest also the appointment of a Committee to consult with the concerned Ministries of the Central Government and Industrial and commercial organisations so that consequential action arising out of the decision to establish a Dry Port may be initiated and finalised in the Ministries as expeditiously as possible, and the support of the Industrial and commercial organisations may be enlisted for the scheme. This Committee will be glad to assist in this task as much as possible and to prepare, if so required, the final blue print of this project in the light of the decisions reached on its various aspects brought-out in this report.

## ANNEXURE—'A'

### CONTAINERS FOR SHIPPING

The container and chassis described here are used for the international transportation of cargo. The container, either mounted on the chassis or separate from it, is loaded at an inland point and brought to the sea port terminal by either road or railways. At the terminal, the container is removed from the chassis or the means of conveyance and placed aboard a ship, either below deck or in the weather, for transportation overseas. On completion of its passage, the container is shipped inland; again either with, or separate from, the chassis, and on either truck or railways. All plans, design calculation etc. used by the manufacturer for the construction of the container and chassis are approved by the shipping line prior to the start of construction or ordering of material.

### CONTAINERS

#### (i) Size

Each container is standardised to have the following nominal dimensions :

Length	20'-0"
Width	8'-0"
Height	8'-0"
Cubic Capacity	1100 cu. ft. (Approx.)
Gross weight	44,800 lbs.
Tare weight	4,400 lbs.

#### (ii) Strength Criteria

Each container has to be designed to withstand the loads described in Appendix B of this report.

**(iii) Handling**

Containers must be capable of road transportation either on the chassis described below or on a conventional flat bed truck. While transported by railways, they should be capable of being carried either by piggy-back or conventional flat cars.

During its voyage, the containers have to be capable of transportation either in cellular structure below deck or exposed to weather.

Mechanical handling of the containers is done by crane, straddle carrier or fork lift truck, whichever is appropriate.

**(iv) Securing**

Each container must have means of being firmly secured to its carrying vehicle. Securing is normally done by locking or lashing to the container's corner castings.

**(v) Construction**

**(a) Frame**

The frame and corner posts are made of weldable aluminum alloy.

**(b) Doors**

Maximum size double doors are provided at the rear of the container, providing clear opening of at least 90"x85". The doors are designed to open 270° flush against the side wall of the container. Fasteners are welded from both sides, as shown in Appendix C. The doors are fitted with for external locking and equipped with four vertical anti-rack steel locking bars, four hinges per leaf are required. Hinge pins are made of stainless steel. The doors are weather proof and the minimum acceptable

seal is double or two step seals for full periphery of each door except overlapping doors which may be sealed only at the overlap.

For aluminium containers, the doors are made of plymetal using heavy-duty double aluminium sheathing. Eyepads for custom's seals are installed on doors as approved.

Document holder is installed on lower right side rear as drawn and described in Appendix D.

**(c) Sides and End Panel**

The aluminium container has stiffened 0.060" aluminium sides and end panel. It has its interior flush lines completely with 1/4" weather sealed ply-wood.

**(d) Roof**

The roof of aluminium container is constructed of a single 0.080" aluminium sheet. Bows of extruded aluminium, bat channel type, on 18" centres, is used for roof support.

**(e) Floor**

The floor is constructed of 1-1/8" edge grain oak, laminated. Joints are ship lapped. The floor is fastened to its supports with recessed self-tapping, stainless screws. The oak floor is pressurised with pentachlorophenol.

**(f) Fork Lift Pockets**

Two sets of fork lift pockets, fabricated from steel are provided on each side. The pocket guards have a minimum thickness of 1/2 inch and are reinforced to prevent damage to pocket side and bottom when fork lifting an unbalanced container.

**(g) Joints and fittings**

All joints are effectively sealed and made water tight. Fastening is done by welding, bolts, rivets

or screws as necessary. Only stainless steel or aluminium fasteners of adequate strength are used. When joining aluminium to steel, care is taken to prevent direct contact between the dissimilar metals.

#### **(h) Finishing**

Aluminium surfaces are usually left uncoated and steel surfaces covered with two prime coats of zinc chromate plus an aluminium pigmented finish coat.

The container should show on each side the maximum gross, tare and net weight in pounds and kilos, and inside capacity in cubic feet and meters.

### **CHASSIS**

#### **(i) Size**

The size of the chassis is determined by that of the container which it has to accommodate. The overall dimensions of two chassis coupled together have also to comply with highway regulations of the countries where they might have to be used.

#### **(ii) Strength Criteria**

Each chassis and all of its components have to support the container and a load analysis is accordingly carried out.

#### **(iii) Handling**

In addition to being capable of easily accommodating the container, the chassis has also to fulfil the condition that coupling or uncoupling for tandem operation shall be accomplished without any loose pieces or special tools.

**(iv) Securing**

Each chassis is equipped with fittings capable of firmly securing twenty foot long containers. These fittings engage the bottom corner castings of the container. No loose pieces or special tools are required to secure the container to the chassis.

**(v) Construction**

**(a) Frame**

The chassis frame is fabricated of steel.

**(b) Axle**

The axle has a load carrying capacity of 22,400 lbs. and is capable of shifting longitudinally to give optimum tandem performance. The axle on the forward chassis is pivoted during tandem operation to prevent scuffing.

**(c) Suspension**

Minimum spring capacity is 11000 lbs.

**(d) Running Gear**

The chassis is supported by single tiers of suitable size mounted on steel wheels.

**(e) Landing Gear**

A dual speed 35 ton capacity landing gear is provided for each chassis. The landing gear is capable of shifting longitudinally to prevent tipping when loading without tractor.

**(f) Coupling**

The coupling permits movement in the vertical direction and is constrained to move horizontally.

I N T E R N A T I O N A L M A R K E T I N G

1. SCOPE OF INTERNATIONAL MARKETING

- 1.1 Principles and practice of international marketing:
- (a) The marketing concept;
  - (b) Extension of the marketing concept to international spheres;
  - (c) Distinction between national and international marketing;
  - (d) Recognition, stimulation and satisfaction of international demand;
  - (e) Elements of the marketing mix;
  - (f) Appraising international market opportunities;
  - (g) Market segmentation strategy.

Reference: 1. Leighton, International Marketing, Chapters I, II & III.

- 1.2 The behavioural approach to international marketing:
- (a) The need for scientific understanding of foreign markets;
  - (b) Contributions of cultural anthropologists to the understanding of markets;
  - (c) Psychic and philosophic factors in international marketing;
  - (d) Marketing and society including social relations.

Reference: 1. Carson, International Marketing, Chapters 4, 5 & 6;  
2. Otteson, et al, Marketing the Firm's Viewpoint, Part 4;  
3. Weinstein, Marketing the Management Way, pp. 24 - 42.

- 1.3 Corporate objectives and policies:
- (a) Corporate objectives in general;
  - (b) Sustenance through profit;
  - (c) Policies behind increasing sales through exports;
  - (d) Situations and policy variations;
  - (e) Components of a sound export policy.

References: 1. Jones, The Marketing Process, pp. 55-57  
2. Otteson, op cit, pp. 16-34,  
3. Stanley, Handbook of International Marketing, Chapter I  
4. Peter Drucker, The Practice of Management, pp. 55-60.

1.4 Marketing of industrial products:

- (a) The characteristic features of industrial products;
- (b) Distinct approaches to marketing of such products;
- (c) Nature of the market of industrial products.

Reference: 1. Wilson (Ed.), The Marketing of Industrial Products, Chapter 2.

1.5 Marketing of Consumer Products abroad:

- (a) The characteristic features of consumer products;
- (b) Charting of consumption behaviour in foreign markets;
- (c) Distinct approaches for consumer durables and non-durables;
- (d) Nature of the market of consumer products.

Reference: 1. Tousley, et al, Principles of Marketing, pp. 23-43.

2. PRODUCT DEVELOPMENT AND PRODUCT POLICIES

2.1. Product development for exports:

- (a) Mortality of product ideas;
- (b) New product development;
- (c) Role of research and development in planning products for future growth.

Reference: 1. Jones, Marketing Process, pp. 300-340.

2.2 Product policy and product strategy:

- (a) Product line policy - addition and elimination of products;
- (b) Product differentiation;
- (c) Product strategy;
- (d) Branding policies;
- (e) Packing and Packaging.

References: 1. Jones, The Marketing Process, pp. 300-340;  
2. Leighton, op cit, pp. 177-280;  
3. Wilson (Ed.), op cit, pp. 24-56;  
4. Bursk, op cit, pp. 115-218; and  
5. Shultz, American Marketing, pp. 325-329.



### 3. EXPORT PRICING

#### 3.1 Export pricing policies and strategies:

- (a) Cost plus pricing;
- (b) Premium pricing;
- (c) Marginal cost pricing;
- (d) Pricing and the break-even system;
- (e) Differential pricing for different commodities and different markets;
- (f) Pricing and profit.

#### 3.2 Export price quotations:

- (a) Export price quotations and terms such as f.o.b., c.i.f., etc.;
- (b) Quantity, quality and time bases of price quotations;
- (c) Calculation of landed price and delivered price in foreign markets.

References: 1. Otteson, et al op cit, pp. 434-538;  
2. Bursk, op cit, pp. 300-352;  
3. Jones, op cit, pp. 379-450;  
4. Milvhill, Price Policies and Practice; and  
5. Weinstein, pp. 96-119.

### 4. DISTRIBUTION CHANNELS ABROAD

#### 4.1 Distribution channels in the domestic market:

- (a) Export agencies;
- (b) Export houses;
- (c) Merchant Exporters;
- (d) Manufacturer exporters;

#### 4.2 Distribution channels abroad:

- (a) Types of outlets - Department stores, chain stores, super markets, discount houses, etc.;
- (b) Marketing through agents, breakers and distributors;
- (c) Services rendered by agents and distributors;

(d) Problems in channel selection.

- References: 1. Jones, pp. 187-225;  
2. Otteson, pp. 302-433;  
3. Weinstein, pp. 120-146; and  
4. Baker (Ed.), Effective Marketing Coordination,  
pp. 296-306.

5. SALES PROMOTION ABROAD

5.15 Export publicity and advertising:

- (a) Different forms of export publicity;
- (b) Institutional and brand advertising;
- (c) Advertising media and media characteristics;
- (d) Media selection and media scheduling;
- (e) Cost of advertising: advertising appropriations;
- (f) ~~Majoring effectiveness of advertising on sales.~~

5.16 Trade fairs and exhibitions.

5.17 Displays at point of sale.

5.18 Other forms of sales promotion:

- (a) Sales contests and sales campaigns;
- (b) Point-of-sale literature.

5.19 Selling operations abroad.

5.20 After sales service.

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2. Otteson, Part 9, pp. 530-643;  
3. Heigton, Chapter 7, pp. 281-269.

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