



# 3 Hurdles High-Tech Companies Can Clear When Going Global

For midsize high-tech manufacturers, the market has never been so fierce – or held so much potential. The rise of the middle class, wireless devices and networks, and new selling platforms mean that it's easier than ever to access global consumers.

Here are three key solutions to common barriers that high-tech manufacturers face:



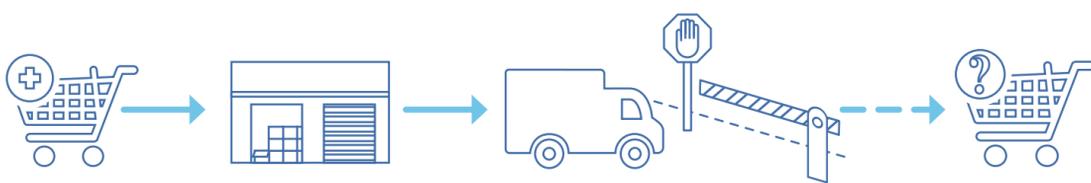
## 1 Border Bureaucracy

### Challenges

Inaccurate or incomplete customs paperwork can cause costly delays. And tracking frequently changing regulations to ensure compliance requires expertise and vigilance. For example:

**43%** of high-tech executives cite the regulatory environment as a top barrier to expansion.

**37%** of high-tech firms say country-specific trade requirements are a barrier to cross-border e-commerce.



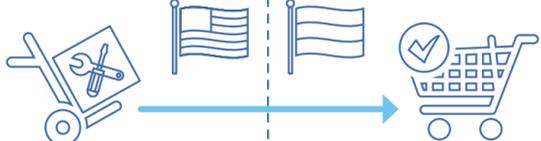
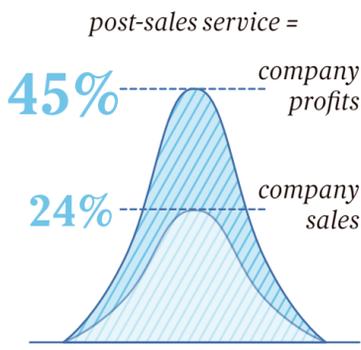
### Solutions

Access to the expertise of a third party logistics provider (3PL) in navigating **international trade requirements** can help ensure country-by-country compliance. Choosing a Logistics Provider that also handles **customs brokerage**, such as **UPS**, allows you to collaborate with one partner instead of two. This may make exporting simpler, and can help you get products to market faster and more reliably.

## 2 Slow Post-Sales Service

### Challenges

High-tech companies with no in-country presence in new markets may struggle to respond speedily to the post-sales needs of their customers. Yet responsive customer service in case of repairs or returns can be a key competitive differentiator. An AMR Research report found that post-sales service accounts for about **45% of a company's profits, but only 24% of sales**. In a competitive market with little differentiation between products, strong post-sales service can help a company stand out, as well as help boost its bottom line. Don't let poor logistics put service level agreements (SLAs)—and possibly future business—at risk.



**1/3** of high-tech manufacturing executives say enhancing reverse logistics and repair parts management is a global risk-management priority.

### Solutions

Minimize your customers' downtime. **UPS maintains over 950 global field stocking locations** so companies that need to supply inventory or replacement parts quickly to their customers can better serve them. Combined with **UPS's strategically placed global distribution centers**, our network allows high-tech companies to get replacement products or parts to customers and service techs around the world sooner—often on a same- or next-day basis.

strategically placed global distribution centers over **950** global field stocking locations



## 3 New Supply Chain Risks

### Challenges

Concern about in-transit security grows as products become more complex and travel further to new markets.

Theft losses = **\$26 B.**

Natural Disaster impact = **\$33 B.**

According to the **British Standards Institute**, there were **\$22.6 billion** worth of losses due to **cargo theft** in 2015 and a **\$33 billion impact** from 2015's worst five **natural disasters**.

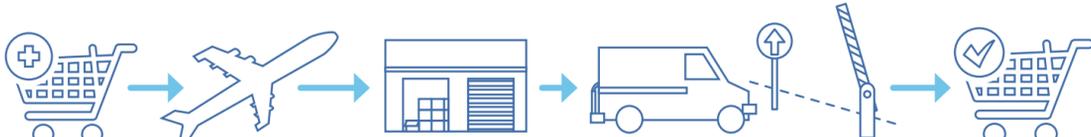
Yet, in a **2014 UPS study**, little more than **a third** of North American technology firms purchased, or were considering purchasing, **third-party insurance**.

In addition, **poor supply chain visibility** and too many supply chain handoffs was cited by half of healthcare manufacturers in North America as a top global challenge to product security in a 2015 **UPS survey**.



### Solutions

The simplest way to reduce overall supply chain risk may be to turn it over to a **single provider with global expertise**, established infrastructure, and reliable transportation solutions. Risk can be innately reduced when handoffs are conducted between people who wear the same uniform, from Baltimore to Beijing, and when a single visibility system can show the location of your inventory in transit.



**UPS Proactive Response® Secure** provides 24/7 monitoring and intervention services for critical small-package shipments and includes Flexible Parcel Insurance from **UPS Capital®** insurance to cover any costs incurred to expedite a delayed shipment via other means. In the event of a loss, the insurance covers the value of the shipment up to the full selling price of goods. This can reduce the financial impact of disruptions.



Partnering with a global logistics provider such as UPS can provide you with a competitive advantage by offering access to cross-border logistics expertise and services. You can increase reliability and speed to market, and give your customers the best impression, through real-life experience, of how seriously you prioritize their needs.

**Learn how UPS can help take your tech business global.**