

# GOODLUCK

## Highlights about the commission system :

Many exporters from different parts of the world have shown interest in joining with us and in exporting their products to us. Some time they do not understand the concept of commission system which is the most popular way of doing the fresh fruits and vegetables business in Dubai, Malaysia, Sri Lanka and many other countries. For the benefit of these prospective business partners we have listed the points of commission system as follows:

- We do not make any advance payments for any Fresh Produce that will be sold by us on commission system. The exporter will export the products purely on trust basis only and shall enter into a contract with us for selling the products on commission system.
- Once we sign the contract and mutually agree to do the business, the exporter shall be the SHIPPER and shall export the products to us. Our company will be the CONSIGNEE in the port of final discharge.
- Once the shipment arrives at the port of final discharge, we shall pay for the local charges for the clearance at port, local transportation and other charges as applicable like loading and unloading, local cartage within the market, cold storage charges, disposal charges, cleaning of containers, etc.
- We sell the products to few customers here at the best possible highest price as per the current market price prevailing when the product arrives at the market.
- All products shall be sold within the maximum free time given by the shipping company for returning the empty container or usually in about 3-4 business days per container whichever is higher. This is purely based on market dynamics and demand supply situation of the said product. The whole intention is to sell faster and at the highest possible price.
- We shall generate the sales statement for the consignment once all the products are sold.
- Any damages or loss in Quantity will be intimated to the seller once we come to take note of it. Such loss in Quantity / Quality shall be deducted and will be reflected in the final Sales Statement.
- All expenses related to the operation of our local business like staff salary, office expenses will be borne by us.

## Disclaimer :

The commission system follows the market price at the Port of Final Discharge on a daily basis price system. So, the exporter should be aware of the potential losses that can occur due to price dropping at end market. Prices usually drop due to surplus stock arriving at the market and each trader fighting with others to sell off the perishable goods faster than other traders. It can occur due to change in government policies and several other reasons as well. The formula for success would be to keep continuously involved in the trade and average the Profit and Loss and not just quit after a few losses as it can lead to permanent losses

it is also a known fact that many exporters have made huge profits by selling in commission system because the price can also go up several times over when there is huge shortage of products in the market. If commission system is just a loss making venture then why would so many exporters from China, India, South Africa around the world still continue to sell on commission system in many markets around the globe.

With regards,

Krishna

Director

[GOODLUCK GROUP](#)