

国际贸易实务(双语版)

Chapter 7

Packing and Marking of Commodity



Chapter 7 Packing and Marking of Commodity

Teaching Plan 3

Teaching Contents

1. Section Three Marking of Packages
2. Section Four Factors Influencing Types of Cargo Packing
3. Section Five Packing clause in sales contract

Teaching time: Two-class hour (90 minutes)

Learning Objectives

1. Understand the functions of the marks in transport packing
2. Master the kinds of marks in transport packing
3. Understand the factors influencing types of cargo packing
4. Master the methods of stipulating packing clauses of commodity in contracts
5. Master the do's and don'ts when stipulating packing clauses in sales contract

Important Points:

1. The kinds of marks in transport packing
2. The methods of stipulating packing clauses of commodity in contracts

Difficult Points:

1. The kinds of marks in transport packing
2. The application of stipulating packing clauses of commodity in contracts

Teaching Methodology:

Questions and Answers; Presentation; Group discussion; Case analysis

Teaching Aids:

PPT, blackboard, multimedia classroom



Section Three Marking of Packages

Marks in transport packing are marks or illustrations specially produced for transportation. It means to have some designs, letters, words, or numbers stenciled in the transport packing of cargoes.

1.Functions of the marks in transport packing

- ☆ Roles played in identifying the goods particularly those dangerous goods and special goods,
- ☆ Understanding the place of origin,
- ☆ Completing the delivery,
- ☆ Indicating essential measures during logistics,
- ☆ Simplifying the examination of documents,
- ☆ Keeping the secret of business, and ensuring the safety of logistics.



Section Three Marking of Packages

2.Kinds of marks in transport packing

Marks can be of various kinds. According to the functions of the marks, marks used in transportation can be divided into:

- 1) Shipping marks,**
- 2) Indicative marks,**
- 3) Warning marks,**
- 4) Other marks (indicating weight and volume and marks of origins)**



Section Three Marking of Packages

1) Shipping marks

Shipping marks are not only stenciled in the transport packing of cargoes but also appear on the invoices, insurance documents, bills of lading and some other documents as basic content of the international sales contract and shipping documents.

Shipping mark usually consists of simple geometrical figures, abbreviations or initials of a consignee, the unloading port, and package numbers.



Section Three Marking of Packages

1) Shipping marks

Now to improve efficiency of cargo handling, promote the application of electronic data interchange, and reduce cost, relative United Nations organizations, such as ISO and some major trading nations have suggested a standardized form of shipping mark.

The standard shipping mark has four parts in total usually with no more than 17 letters in each part and contains no graphs. This has been adopted in China.



Section Three Marking of Packages

I. Transport packing and marks in transport packing

(1) Name of importer

No full names of consignee or buyers, but abbreviations or initials are to be used here. But in railway or highway transportation, full names are required.

(2) Reference Number

It is one of the numbers of the shipping documents such as order number, invoice number, contract number and should not be too long.

Section Three Marking of Packages

I. Transport packing and marks in transport packing

(3) Destination

It should be clear and complete. In case the name refers to more than one place in different countries, it should be followed by the name of its country. If the cargo needs transshipment, the names of the transshipment should be given, i.e., In Transit at Hong Kong or Tokyo via Hong Kong. But if the transshipment is done by multi-model transportation, it is unnecessary to list the transshipment port.

Section Three Marking of Packages

(4) Package number/Piece number

Exporters should list in the shipping mark the total number of the whole lot of cargoes and/or number the individual packages consecutively so as to convenience the verification of each individual consignment of the whole patch, i.e., No.1-100, No.2-100 or No.40/100, No.50/100, Nos.100



Section Three Marking of Packages

Example of Shipping mark

CBC	(short form or abbreviation of the Name of importer, buyer, consignee)
90MKE-47001CF	(Reference number)
Guangzhou	(Destination)
1-300	(Package number/piece number)



Section Three Marking of Packages

Shipping marks can be made by exporters or importers. Generally shipping marks are made by exporters.

The parties need not discuss this matter while negotiating the contract. But the shipping mark must appear in shipping documents.

Should the shipping mark be made by the importer, the seller should get it sometime before the shipping documents are made, and also, the marks must be identical with that designated by the buyer, especially under the payment of L/C.



Section Three Marking of Packages

Suppose you are the exporter, and you are required to make a shipping mark according to the following information.

A Chinese export company Desun Trading Co. Ltd signed a sales contract (No.SHDS03027) with Neo General Trading Co in Canada to export 2030 sets of Chinese Ceramic Dinnerware based on CIF Toronto, packed in 1015 cartons.



Section Three Marking of Packages

2) Indicative marks

Indicative marks are caution marks to remind the porters and the container-openers that improper handling might cause damage to the goods. It is particularly necessary when cargoes are in airtight package.

Indicative marks are composed of figures, graphs and written words (For export commodities, English is used.), such as “HANDLE WITH CARE”, “THIS WAY UP”, “KEEP DRY”, “USE NO HOOK”.



Section Three Marking of Packages

2) Indicative marks

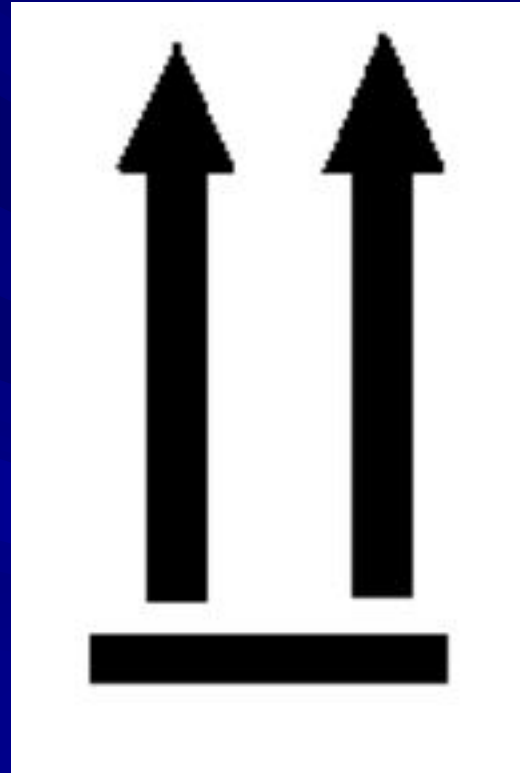
To standardize the figures, graphs or words used for indicative marks, relative United Nations organizations such as ISO, IATA (国际航空运输协会(International Air Transport Association) and RID (Regulations Concerning the International Carriage of Dangerous Goods by Rail 《国际铁路运输危险货物规则》) have respectively developed certain indicative marks and suggested application by the member countries. **China has also developed its own indicative marks, which are very close to those used in the world market.**



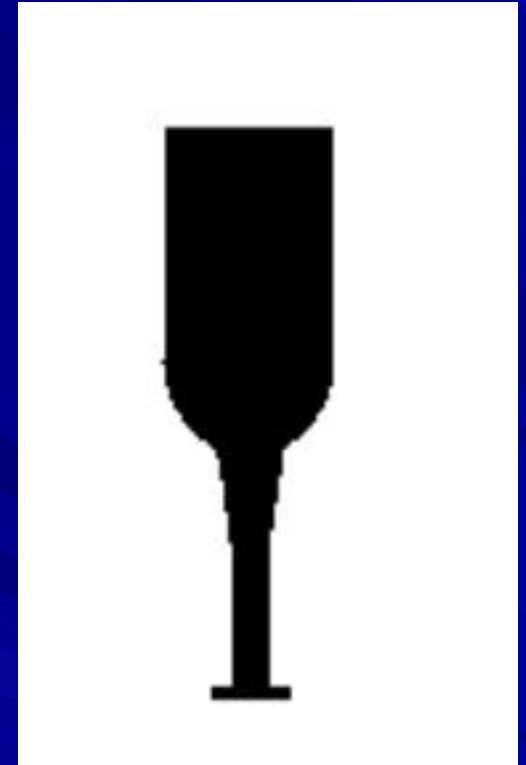
WATERPROOF



THIS SIDE UP



FRANGIBLE



Section Three Marking of Packages



3) **Warning marks**

Warning marks are also called dangerous marks. They are used to indicate dangerous cargoes like explosives, corrosives, radioactive, oxidizers, and combustibles or inflammables.

It is also composed of graphs, pictures or words.



Section Three Marking of Packages



3) Warning marks

The warning marks are to remind the handlers to take necessary safety measures to avoid any possible harm to them and damage to transport vehicles. China and many other countries in the world demand clear warning marks on dangerous cargoes when dangerous products are being delivered.









Section Three Marking of Packages

4)Other marks:Indicating weight and volume mark, and mark of origin

(1)Weight and volume mark refers to the indication of the weight (such as gross weight, net weight) and volume on the packing to facilitate the arrangement of storing, loading and unloading as well as shipping space.



Section Three Marking of Packages

4)Other marks:Indicating weight and volume mark, and mark of origin

(2)Mark of origin refers to the origin of the commodity.

The origin of the commodity is the basis for collecting tariff and having the statistics of tariff. In many countries, the place of origin needs to be printed on both the inner and outer package as an important content to describe the commodity. Products made in China should be indicated with words such as “Made in China”.



Section Three Marking of Packages

3. Marking requirements:

- ◆ Use recognized international cargo marking symbols.
- ◆ Make marks visible
- ◆ Make marks legible
- ◆ Make marks indelible

Section Four Factors Influencing Types of Cargo Packing

1. Value of goods.
2. Nature of the transit.
3. Nature of cargo.
4. Compliance with customs or statutory requirements.
5. Resale value, if any, of packaging materials in the importer's country.
6. General fragility of cargo.

Section Four Factors Influencing Types of Cargo Packing

7. The international consignment delivery terms of sale.
8. Variation in temperature during the course of transportation.
9. Easy handling and stowage.
10. The size of the cargo and its weight.
11. Marketing consideration.
12. Marking of cargo packaging.
13. Cost of packaging

Section Five Packing clause in sales contract

Packing clause is one of the main conditions in sales contract. It is also the main component of Description of Goods. Therefore, it must be carefully negotiated and clearly stipulated in the contract after the agreement is reached.



Section Five Packing clause in sales contract

1.Important points

For better fulfillment of the sales contract, the following should be borne in mind.

1)When products are packed, it is necessary to consider the characteristics of the products and transportation conditions.

2)Packing clause must be clearly stated in the sales contract. Generally, it is not proper to adopt unclear terms in the contract such as “seaworthy packing”, “customary packing”, or “seller’s usual packing”.

3) It is necessary to clearly state the party who will provide the package and bear the packing charges.



Section Five Packing clause in sales contract

2. Main contents of packing clause

In general, packing clause should clearly stipulate the **packing material, methods of packing, packing specification, marks, and packing expenses** to be borne.

3. Examples of packing clauses

- 1)Packing: In cartons/ bags;
- 2)Packing: In woven bags lined with plastic bags;
- 3)Packing: One piece in a plastic bag, 10 pieces to a carton, and 100 cartons to a 20' container



Section Five Packing clause in sales contract



To sum up, all goods traded in the world market have their specific names, bear certain quality and are traded in certain quantity. For most of those products, packing is necessary. Therefore, when the seller and the buyer conclude the transaction and sign the sales contract, name, quality, quantity and packing of the commodities should be clearly stipulated in the sales contract to enhance the fulfillment of the contract and to avoid disputes.

Moreover, to master the terms of name, quality, quantity and packing of commodities and their pertinent clauses is the first skill for all people who engage in foreign trade.





Thank You !