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Export plan for Maurertown trailers to Vietnam

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Export Plan for Maurertown Trailers to Vietnam

An Honors College Project Presented to
the Faculty of the Undergraduate
College of Business
James Madison University

by Dan M. Ford

Accepted by the faculty of the Program of International Business, James Madison University, in partial fulfillment of the requirements for the Honors College.

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Executive Summary

Because of the scant information available on the market and competition in Vietnam, I recommend that Maurertown Trailers does not immediately enter the Vietnamese market. Prior to exporting to Vietnam, it would be best if Maurertown exports to other countries that are more similar to the United States market, such as Canada and Western Europe. If the company does determine that it is in its best interest to export to Vietnam, it should begin by engaging with trade shows, where it can showcase its product (most preferably its dump trailer since this attracts a wide customer base in the US) and gain an understanding of the Vietnamese market while necessarily building relationships with potential consumers and the general public.

Keeping in line with the company's current market base, it is recommended that Maurertown sell to the country's construction companies, with a potential of someday selling to the large farming network found throughout Vietnam. The way by which Maurertown sells its trailers to these companies can vary, from using a distributor to selling it directly. Greater information on this and much more is found in this export plan.

Introduction

Maurertown Trailers of Woodstock, Virginia is a distributor of trailers and is seeking to export its trailers. This plan focuses on the potential for Maurertown to export its trailers to Vietnam. Because of the impressive attraction the company gets from its dump trailers in the United States, this is the trailer that it should most certainly consider selling to Vietnam. If Maurertown agrees with my recommendation and showcases its trailers in trade shows, the dump trailer should be the one presented at such events, as its uniqueness will be likely to attract considerable interest.

Country Analysis—Brief Overview

Demographics and basic country characteristics

Vietnam is a populationally large country, with its 95 million inhabitants making it the fifteenth most-populated country in the world. This, combined with the country's thin, elongated geographic structure—in which its territory covers over a thousand miles from its northern-most point to its southern-most border—makes for a high population density. In fact, Vietnam's population is among the densest in the world. However, this density varies dramatically throughout the country, with the most densely populated regions being those located along the coastline of the South China Sea and Gulf of Tonkin, while the Mekong Delta (located in the south of the country) and Red River Valley (located in the north) experience the largest concentration of inhabitants. Naturally, the country's major cities—of which are most notably Ho Chi Minh City and Hanoi, the country's capital—are also very densely populated (CIA Fact Book). The rest of the country is quite rural and populationally sparse, being heavily composed of many farmers who utilize wide plots of farming plantation, used most commonly for rice cultivation: This is particularly true in the Mekong Delta (Smith, 2013). (Exhibit 1 is a map of Vietnam and may help visualize these areas). The overall population of Vietnam has been growing steadily each year, with an almost 1% increase in the country's population annually occurring in recent years (CIA). This growth rate is above the average annual population growth of 0.7% found in the neighboring countries of East Asia and the Pacific region (World Bank).

Despite Vietnam's rather wide poverty and poor per capita income rates (further discussed in the section entitled *Economy*), the literacy rate of the country's population is quite strong, with its 2009 adult literacy rate (the last year recorded by the World Bank) being 94%. Its adult female literacy rate that same year is recorded as being 91% (World Bank). As would be expected, the literacy rate is found to be higher in the country's urban centers, with a projected literacy rate of virtually 100% in Vietnam's urban, city-centers (Van, 2016). Although it can naturally be expected that those running large corporations and engaging in established business practices will be literate and knowledgeable of the current affairs in governance, international relations, and business, it is unquestionably of benefit to know that the vast majority of a country's non-professional population is able to read and understand some of the complex elements of the contemporary world. This provides hope that the country's normal population will also be able to engage in professional business activities in the future.

Despite these high literacy rates, however, the country struggles with poor health conditions, leading to a rather low at-birth life expectancy rate of 74 years, which ranks Vietnam 132nd in the world (CIA Fact Book). The country's general healthcare practices are not, however, considered to be terribly poor, with nearly 60% of the nation's population having a form of health insurance and available access to health facilities. Naturally, the health centers located in the country's urban areas are of better quality and expertise than those located in rural areas. Yet, since much of the country's health insurance is state-provided, the risk of losing health insurance funding is of perpetual concern (Tien, Phuong, Mathauer, and Phuong, 2011).

Given Vietnam's elongated geographic structure, in which 2,000 miles of coastline exist on the eastern edge of the country, Vietnam is quite vulnerable to sea rises as well as other weather effects of climate change, such as droughts and floods, which would most certainly be catastrophic to the country's important agricultural and farming sectors. The negative effects of climate change are particularly concerning to those residing in the southern Mekong River Delta, who make up nearly a quarter of the country's total population (Friedlander, 2016). Migration away from the Mekong River Delta has increased to great levels in recent years, bringing some to conclude that a recent surge in migration away from the river delta is a direct result of climate change and the worsening physical condition of the area (Chapman and Tri, 2018). A 2016 study by Vietnamese researchers (Kim and Minh, 2016) found that 15% of all migrations away from the river delta are directly caused from the effects of climate change. This continues to be a great concern and the effects of it on the country's economy and basic demographics should be monitored by all who conduct business in Vietnam.

Politics and government

Ever since the end of the Vietnam War in the 1970s, Vietnam has been a nominally communist nation. But in parallel to other notable "communist" countries, such as China, Vietnam has shifted from a centrally planned economy in which it was the government's role to police the financial, business, and general production sectors of the country, to a more economically open nation which supports entrepreneurial ventures and the facilitation of trade. As such, Vietnam's current economy is far removed from that which existed in the waning years of the Vietnam War through to the subsequent decade (Britannica).

Yet, although the country is largely economically capitalistic, the Communist Party's stranglehold on the nation's politics makes for a weak democracy without the basic freedoms common to those residing in countries considered to be consolidated democracies (Freedom House). Basic democratic rights are further infringed by the fact that the government holds a strong and often unyielding grip on the nation's media (BBC Country Profile). Freedom House—one of the world's leading thinktanks relating to matters of democracy—considers Vietnam's press and internet access use to be “not free.” With the government's hand being so firmly on the pulse of media content and online interaction, any use of the media or the internet in Vietnam should be done without engaging in political statements or controversial matters.

The country's national legislature—called the National Assembly—has the sole legislative power in the government and is afforded the authority to elect the country's president and prime minister. Because of the stranglehold of the Communist Party on the nation's democracy, the vast majority of the Assembly is perpetually composed of those from this party, with only a select few seats being awarded to independents and others, who often join with the Communist Party when voting on important matters (Britannica; vietnamembassy-usa.org).

The country's current head of state is President Tran Dai Quang, while the head of government is Prime Minister Nguyen Xuan Phuc—both of whom are members of the Communist Party and were elected into office via a vote by the National Assembly, as per the country's constitution. Because of the country's one-party system, government officials are typically elected with an overwhelming percent of the vote: Often over 90% of the citizens vote for the candidate of the Communist Party (BBC Country Profile). As such, simply because a single candidate gains the vast majority of the vote does not mean that a candidate holds popular support or fairly represents the views of the broader population. This understanding is cemented by the fact that media restrictions do not allow for public discourse on current and political affairs.

Despite the strength of the Communist Party, there exist growing movements in support of democracy and against the communists' agenda. These movements, however, are quite small and have yet to lead to substantial change, as it is quite common for them to support the important points of the Communists' agenda so as not to be entirely shut down by the government. Certain groups involved in this pro-democracy movement are the following: the Democratic Party of Vietnam (DPV), the People's Action Party of Vietnam, and the Alliance for Democracy (Britannica). The groups should be watched closely over the next few years in order to see if democratic rights become more proliferated throughout the country.

Economy

As stated in the preceding section, although Vietnam was for decades a communist country utilizing a centrally planned economic policy, in which production was the duty of government and private ownership was largely nonexistent, Vietnam's economic reforms launched in 1986—known as Doi Moi (Albert, 2018)—solidified its status as a country willing to liberalize its domestic industries and open itself up to foreign economic and financial interests (Schellhorn, 1992). The country has subsequently experienced sustained economic success. In the years since the reforms of the 1980s, Vietnam's economy has experienced an average annual growth of 5.3%, which sits as the second highest growth rate in Asia over that span, with only China's rate

of growth being stronger (CIA Fact Book). Projected future economic growth is of similar stature, with PricewaterhouseCoopers (PwC) showing confidence in the possibility of an average GDP growth rate of 5.1% in Vietnam through 2050. If this were to be the case, Vietnam's economy would improve from being the 32nd largest in the world to being about the 20th largest in 2050 (CIA Fact Book). Indeed, this is why so many business practitioners and scholars consider Vietnam to be a vitally important part of the growing Asian market.

With such strong economic figures, however, comes the potential for an economy to grow too fast which could lead to a potential recession. Because of Vietnam's relative inexperience with such sustainably strong economic growth as well as basic fiscal and monetary policy, one must be attentive to the potential of dramatic inflation giving way to economic trouble. Despite this possibility, it is reassuring to know that the country's currency (the Vietnamese dong (VND)) is loosely pegged to the US dollar (East Asia Forum, 2015). If this remains the case, the country may avoid crises resulting from currency mismanagement. The Vietnamese dong is a high-denominated currency, with the exchange rate between the dong and the US dollar projected to be 22,815 VND per US dollar by the end of April 2018 (Trading Economics).

Vietnam's economic success is further evinced in the strong rise of its Gross Domestic Product (GDP), which has increased from a value of \$31 billion in 2000 to \$205 billion in 2016. This has been met with a decrease in the country's poverty level, from nearly 60% of its population being impoverished in the early 1990s to 14% in 2014. It is estimated that nearly 30 million people have been lifted out of poverty during that span of time (World Bank). Much of this is thought to be related to the country's greater investment in childhood education (Viet, 2013), with more than 90% of the country's population now being enrolled in primary education, with about 70% enrolled in secondary education (World Bank). This has led to more children moving away from occupational farming, thus breaking through the barrier of structural poverty that had for so long kept children on the rice fields well into adulthood in order to carry on their parents' farming practices.

The US and Vietnam hold close diplomatic relations as well as a sustained trading relationship, which has grown dramatically in the decades since the US lifted its embargo on Vietnam in 1994 and subsequently renewed its diplomatic relations the following year. This is most evident when understanding that Vietnam is the United States' leading export market and that Vietnam is the fastest-growing export market for US firms, with Vietnamese demand for American goods and technologies dramatically growing over the past two decades. Much of this US trade to Vietnam, however, is from the US agricultural sector, which accounts for nearly half of all US exports to Vietnam. Despite this, companies outside the agricultural sector also compose a considerable portion of trade between the two countries (US State Department). All of this, combined with the broader understanding that Vietnam's trade with much of the rest of the world has also dramatically risen since it joined the World Trade Organization (WTO) in 2007, has played a critical role in improving the economic condition of the country (Albert, 2018).

Culture

Vietnam's contemporary culture is based quite heavily on tradition and an affinity for respecting ancestry. This can be seen by the fact that it remains common in Vietnam to share a residence

with numerous family members. Several generations of one's immediate and extended family therefore interact with one another on a regular, if not daily, basis. This feeds into the common reality in Vietnam that familial relations are of greater importance than individualistic desires (Nag, 2017). Generally speaking, familial decisions are made by the eldest man of the family, evidencing the patriarchal structure that has persisted throughout the centuries in Vietnam. This patriarchy extends outside the domicile, with businesses and general culture viewing men as being the more aggressive and therefore more likely bread winner for the family, while females are often viewed as belonging inside the house rather than being involved in corporate or governmental affairs (LaBourde, 1996). In an effort to combat these problematic gender norms, Vietnam's government has taken recent legislative action. Most notably among these is the government's Law on Marriage and Family, which, among many other things, affords women greater domestic rights than they previously had. These include protection against certain forms of abuse and others relating to matters of family life, such as what constitutes a family and the importance of equal rights afforded to both husband and wife in a marriage (Johnson, 2015). This is an example of the progressing importance of human rights in Vietnam.

As is further discussed in the section entitled *Business Practices*, an important cultural celebration is the Lunar New Year, (known as known as "Tết" or "Tet" in Vietnam, and also referred to as the Vietnamese New Year), which occurs annually around the end of January or the beginning of February, changing slightly each year. This festival is, as would be expected in a heavily collectivist society, one that has much to do with family relations and the celebration of the collective unit of the country. This is viewed as a time to engage with those who are cherished in an effort to place the stresses of life aside for the enjoyment of time spent together. The importance of family in social activities is reinforced when studying the Van Lan festival, which is dedicated to the remembrance of deceased family members. This celebration stems from the famous Vietnamese proverb: "when eating fruit, think of who planted the tree." Understanding this proverb and the mentality derived from it is of critical importance when conducting business or private affairs with the Vietnamese (vietnamembassy-usa.org).

Market Analysis

Tariffs and quotas

Many of Vietnam's tariff and quota barriers with the United States ended following the 2001 United States-Vietnam Bilateral Trade Agreement (BTA), which granted each nation "Most Favored Nation Status" (also known as "Normal Trade Relations") by the other. This assured that trade between the two countries would not be slowed by any barriers that are not also in existence for third countries. Among the barriers that cannot exist for goods at any level above those existing for third parties are, as outlined in Article 1, Section 1 of the agreement: customs duties, the international transfer of financing, certain rules pertaining to customs clearance, general taxes, and any licenses, among others. As such, it is a generally true statement to claim that US firms have as good or better an opportunity in achieving business success when exporting to Vietnam than do traders of any other country, as US exporters do not face stricter trade restrictions than what those of other countries face (with one exception that will be discussed shortly). This includes all matters pertaining to tariffs and quotas, all internal taxation, and the requirement of "national treatment," which demands that all imports from the other

nation be afforded the same privileges as domestic products. This assures that no US product being imported into Vietnam will face barriers once within the country that will hinder its sale or increase its expense that domestic, Vietnamese companies do not also have to deal with. The only barriers faced by a US firm, therefore, are those specific to importing the product, such as tariffs (the BTA agreement did not entirely end trade barriers, it simply ended barriers that were higher than those Vietnam has with other countries; so Maurertown will still need to pay an import tariff, as discussed later). Also, no technical regulations or standards may be applied to products from the US, thereby assuring that arcane and difficult-to-measure trade barriers do not make the importation of US products more difficult than it appears on paper. This is because, unlike licenses and other local content requirements, tariff-based trade barriers are visible and easy to measure. This agreement also covers matters relating to intellectual property rights, trade in services, and investments. Furthermore, this agreement requires that “Vietnam provide advanced notice of all laws, regulations and other administrative procedures relating to any matter covered in the agreement, and requiring their publication, and an indication therein of effective dates and government contact points,” which provides security in knowing that advanced warning of trade barriers will occur (export.gov; Agreement Between the United States of America and the Socialist Republic of Vietnam on Trade Relations).

Vietnam’s importation tariffs have further decreased since it joined the WTO in 2007. Because of this, most goods face an import tax rate of 15% or less, with certain high-end products having to pay a special consumption tax (SCT) and harmful products required to pay an environmental protection tax (EPT). Neither the SCT nor the EPT would be required to be paid by Maurertown, given the company’s current set of goods; however, the company’s management should be perpetually aware of these rates as well as to changes in laws that may place Maurertown’s goods within the parameters put forth by these trade agreements, thereby mandating additional tax payments (export.gov; PwC *Vietnam Pocket Tax Book*, 2017).

Most goods are also taxed with value added tax (VAT), which does not exist in the US. Maurertown’s goods would be taxed at this rate: This tax is paid by the buyer of the goods, not the seller. As such, the company or consumer Maurertown sells a trailer to must pay the VAT tax—the sole issue for Maurertown is realizing that the price of the good must be increased by the VAT tax amount, similar to the way in which a sales tax increases the price of a product for purchase. Vietnam has three VAT tax rates—0%, 5%, and 10%. The two lower rates are applied to special items, the 10% rate is the far more common rate that applies to all other goods. Maurertown’s VAT rate is 10% (PwC *Vietnam Pocket Tax Book*, 2017).

Maurertown would face an import tariff rate of 20%, which would be paid upon the importation of a product. Except for a select few goods, all products sold in Vietnam include a 10% sales tax, including Maurertown’s; as such, the price of Maurertown’s final good would increase by 10% to account for this tax paid by the purchases of the good. There are no current quota restrictions Maurertown would face when importing to Vietnam. It should be noted that the HS Code—this code helps determine information specific to a product sold in Vietnam, such as tariff rates that are needed to be paid—for Maurertown Trailers is 87164000. If Maurertown were to sell its trailers to the agricultural industry, its HS Code would be 87163940. These codes are under the

8716 umbrella code which relates to all “[t]railers and semi-trailers; other vehicles, not mechanically propelled; [and] parts thereof” (customs.gov.vn).

Non-tariff barriers

Following Vietnam’s entrance to the WTO in 2007, the country has dismantled many of its former non-tariff barriers. Despite this, US companies have complained that Vietnam’s customs offices are often filled with red tape and do not publish information clearly—some information and legal requirements, in fact, are difficult to find in English. There are no equity limitations, required local ownership, or joint ventures for any retailing or distributing of products in Vietnam. As such, Maurertown would be able to distribute its products in Vietnam without concern about legal barriers relating to local ownership or equity limitations (export.gov).

US companies doing business in Vietnam are known to complain about rampant corruption in the country, which hinders their ability to conduct successful business. The non-profit group Transparency International ranks Vietnam 112th among all nations on corruption levels. This places the country in considerably worse terrain than many of its neighboring states. Within the past couple years, however, the government has strongly cracked down on the corruption that once ran rampant throughout the country. Yet, some people, as discussed by Meyers (2018), have decried these crackdowns as being too severe and see these efforts as entirely unnecessary. Although these crackdowns have thus far been quite extreme in bringing people with true economic power to justice (Jennings, 2017), the power and position of the country’s Communist Party may be strengthening as a result, since several powerful economic interests are being destroyed in the crackdowns, thus handing over more power to the government’s single party rulers (Reuters, 2017). Because of this disturbing reality, the recent crackdown on corruption should not be viewed as being wholly beneficial.

Although, as aforementioned, much of the country’s economic structure is quite different from the infamous communist image it portrayed in the decades leading up to the 1980s, one aspect of communism and central planning that has remained is that the government has ownership over all of the country’s land: No nationals or foreigners have the right to any ownership of land. This also provides the government with the authority to legally confiscate land with little to no notice. The right to use land in Vietnam is referred to as “Land Use Right” (LUR), and is afforded by the government to a particular individual or entity. Although a person who receives and LUR does not own the land—the government does—an LUR can be acquired in order to have land be used by a private person in one of three ways. The first is “allocation,” and occurs when the government distributes land to national entities and Vietnamese citizens only, not to foreigners. Often times, a fee is paid to the government for this. The second—“recognition”—gives land to a national entity as part of an LUR, but no fee is paid to the government. The third is “leasing,” and this is where the government gives out land to either national or foreign entities on the basis of contracting out land. If Maurertown were to seek out any land, it would do so through a lease, since this is the only LUR available to foreign entities. A full description of leasing can be found here: <http://vietnamembassy-usa.org/basic-page/land-regulations>.

Trade agreements

As already noted, in 2001 Vietnam and the United States signed the United States-Vietnam Bilateral Trade Agreement (BTA), which opened the door to trade between the two nations on a most favored nation trading basis. This allows for US companies to be treated fairly in all matters relating to trade with Vietnam, with one critical exception. The nations of East Asia that make up the ASEAN Free Trade Area—of which Vietnam is a member—have struck a trading agreement forming what is known as the ASEAN Free Trade Area (AFTA). These nations are able to trade with each other on a trading status that is better than a most-favored-nation status. As such, the countries composing this block are able to have their companies receive better tariff rates than American companies seeking to enter Vietnam. Because of this, Maurertown may legitimately face greater competition from those companies importing into Vietnam from these ASEAN countries, which would be able to sell their products cheaper since they can avoid the heavier tariff rates (export.gov).

Beyond simply being a WTO member, Vietnam has signed the WTO Customs Valuation Agreement, which requires that a country use a fair, uniform, and neutral system when determining the value of imported goods (export.gov). As such, there should be no fear that Maurertown's exports to Vietnam would face unfair requirements of trade and suffer any unnecessary duties or importation requirements relative to those of other companies. On top of this, Vietnam is a party to some international intellectual property protection agreements, which are further discussed in the section entitled *Patent, Trademark, and General Intellectual Laws*.

Import regulations

Although no import license is required for the importation of Maurertown's trailers, it is required that the company follow the procedures demanded of all other importers and register its imported products with Vietnam's Ministry of Planning and Investment and obtain an Investment Certificate. There are also strict labelling requirements that are discussed later in this document.

Documentation and certification

Because Maurertown's trailers are classified by the Bureau of Industry and Security's (this is under the US Department of Commerce) Export Control Classification Number (ECCN) system as Export Administration Regulation 99 (EAR99), and is likely to not be sold to an end user of concern, there is no specific export license required to export from the US. If, however, the products were to be sold to an end user considered to be concerning by the US government, then an export license would be required for exporting the good, and certain export restrictions may then exist. A bureau's full denied parties list can be found at this address:

<https://www.bis.doc.gov/index.php/the-denied-persons-list>. The general point worth understanding is that there should be a full understanding of who the end user is and what the product is being used for. This will often dictate the type of export license—if any—that is required to export from the US (bis.doc.gov).

The general documents required for the importation of goods to Vietnam are as follows: a Customs declaration form, a commercial invoice, a purchase and sale contract or equivalent document, an import permit if the good requires one (the goods currently sold by Maurertown do not currently need this permit), a Bill of Lading if shipped by boat, a detailed package list, and a

certificate of origin. All customs procedures are completed at customs offices at seaports or airports. As such, once the goods arrive, the proper documentation can then be completed. All goods are expected at the port or reception in Vietnam (vietnamembassy-usa.org).

Patent, trademark, and general intellectual property laws

Intellectual property (IP) is generally well protected in Vietnam, with national laws requiring that a company register its trademark within the country. Because no system of international intellectual property exists, a company seeking intellectual property protection in Vietnam must do so within the country's structure. As such, all patents must be registered within Vietnam (export.gov).

In Vietnam, all individuals and entities involved in business can register for a trademark or patent. Whether they are granted the intellectual property protection is dependent upon whether they are judged to have met the requirements for protection, as outlined below. All intellectual property applications must be submitted to the country's National Office of Intellectual Property (NOIP), which is an agency under the country's Ministry of Science and Technology.

Intellectual property protection is administered on a first-to-file basis. A trademark must meet eight specifications:

“(1) It is created from one or a number of elements that are prominent and easily recognized, or from elements that are, as a whole, prominent and easily recognized; (2) It is not identical with or confusingly similar to another person's trademark currently protected in Vietnam; (3) It is not identical with or confusingly similar to a trademark of another person claimed in prior-filed applications in Vietnam including those trademarks filed under the Madrid Agreement; (4) It is not identical with or confusingly similar to a trademark of another person, the protection validity of which has expired or been suspended within the last 5 years, except where the validity was suspended on the basis of non-use; (5) It is not identical with or confusingly similar to a trademark of another person recognized as well-known in accordance with Article 6bis of the Paris Convention, or a trademark that has been widely used and recognized; (6) It is not identical with or confusingly similar to a protected trade name or geographical indication; (7) It is not identical with or confusingly similar to a patented industrial design or a prior-filed industrial design; or (8) It is not identical with or confusingly similar to a symbol or character subject to another person's copyright, which has been widely known, unless permitted by such person.”

Trademark protection lasts for 10 years from the date of the application. It is renewable without limit (vision-associates.com).

Patent protection is outlined in the Law on Intellectual Property 50/2005/QH11. The country offers patents to three types of goods: inventions, utility solutions, and industrial design. For each of these types of patents, an entity must be new, inventive, and useful in order to be patentable.

This just-mentioned Law on Intellectual Property codified many of the country's intellectual property protection measures and has subsequently led to better protected IP in the country. These legal protections have been augmented by Vietnam's participation in numerous international IP agreements, including the Stockholm Convention of 1967, which established the

World Intellectual Property Organization (WIPO). Other important international agreements having to do with IP protection to which Vietnam is a party include the Trade-Related Aspects of Intellectual Property (TRIPs agreement) and the Berne Convention. These agreements solidify Vietnam's more recent attention to the protection of many facets of intellectual property, including those specific to Maurertown, such as trademark protection (noip.gov.vn).

Cultural business practices

As mentioned above, a critical element to conducting business in Vietnam is building and expanding upon relationships. Because of this, business should be expected to operate slowly, which is quite different from what would be expected in many Western societies, including the US. Entering a contract negotiation is therefore likely to be a long process and require complete trust by the Vietnamese before a complete contract is structured. Because negotiations will likely be conducted within Vietnam, it is vital that Maurertown engage with issues relating to negotiations as is customary in Vietnam: slow and steady, building on personal relationships through the discussion of family and daily life. If the potential customer is struggling to make a decision, it is likely just the result of Vietnamese party building up a relationship and waiting for the proper time to engage in a final agreement. This is a key reason why any party engaging in business with a Vietnamese party should do so patiently, with negotiations focused on personal stories—discuss interests and do not be afraid to converse about family life and personal hobbies—prior to talking about business. Essentially, any person conducting business in Vietnam should follow the lead of the Vietnamese when it comes to engaging in personal dialogue before and during the discussion of business (export.gov).

Relating to the importance of building up relationships is the notion that introductions are best to occur through a third party. As such, finding someone in the other person's inner circle to introduce you to them may help accelerate the process by which they will gain trust in you. This is a primary reason why it is recommended that Maurertown introduce its product through trade shows in the country. This is further discussed in the section entitled *Marketing*. Maurertown must build relationships with potential buyers and understand who would desire to purchase its trailers. Building a strong relationship with customers and those in their social network is quite similar to that which occurs in China—known as *guanxi*.

An important note is that names in Vietnam are reversed to those given in the US: the family names comes first, followed by the middle name and then the given name. People are referred to by their given name in professional settings. So, for Mr. Nguyen Anh Quang, “Nguyen” is his family's name, “Anh” is his middle name, and “Quang” is his given name. When addressing him professionally, refer to him as “Mr. Quang” (export.gov).

Business attire is the same as in the US, with a business professional outfit consisting of a suit and tie. Business cards should be handed to the other person with both hands, and all business cards that are received should be handled with care. Do not write on the business cards that are received. So important is the care of business cards, that it is recommended that those conducting business in Vietnam have a separate wallet in which to carry business cards (export.gov).

Consumer Preferences

The Vietnamese are generally a frugal people, with great concern being perpetually placed on the price of a good prior to purchase. This interest in frugality is not, however, unique to the Vietnamese in Southeast Asia: in fact, this is a characteristic attributable to many people residing in Southeast Asian countries. The Q1/2015 Nielson Global Confidence Report found that the increased savings rate common in Southeast Asian countries is on an upward trend. In the countries of Southeast Asia, the report says that citizens claim a 71% savings rate, which was a nine-point hike from the year before (Saigoneer, 2015). These high savings rates are occurring despite the fact that the countries of Southeast Asia, including Vietnam, are experiencing increased economic prosperity: the tradition thinking on this matter is that as a country's level of macroeconomic prosperity rises, the savings rate of its people decreases (Palmer, 2015). Although this frugality should be expected to continue in Vietnam over the coming years, the common understanding that savings rates decrease as a country's prosperity increases should not be ignored. As such, one should expect that the rate of individual and corporate spending will increase in Vietnam as its economy continues to grow. Because of Vietnam's economic prosperity, Nielson's Q2/2017 Global Confidence Report ranks the country as having the fifth highest consumer confidence in the world. This is similar to the ranking of neighboring countries, with six of the top 10 consumer confident countries being located in Southeast Asia. Furthermore, as Vietnam's economy continues to improve, local businesses will also be willing to spend more in order to meet increased demand. This will then snowball forward into increased spending by virtually all businesses and people in the country, expanding the possibility of successfully finding and retaining customers.

Although the Vietnamese affinity with certain holidays was mentioned in the section entitled *Society and culture*, it is important to understand how business relates to these celebrations. Two holidays in which the Vietnamese are most likely to purchase goods occur during the Christmas holiday as well as the Lunar New Year (known as known as "Tê't" or "Tet" in Vietnam, and also referred to as the Vietnamese New Year), which, as already mentioned, occurs on a particular day between the end of January and mid-February, changing slightly each year. Because these two holidays are quite close in occurrence, the general time frame between these celebrations is often when commodity items increase their price levels, since the demand jumps dramatically during this period, while sellers of larger and more expensive items tend to offer discounts (vietnamembassy-usa.org). This is, of course, quite similar to what occurs in the US during this country's holiday season, with larger and more expensive items being discounted while smaller or seasonally specific items are priced higher. If Maurertown were to eventually seek to sell its trailers to individual consumers, it would want to consider offering certain holiday discounts in order to entice potential consumers to purchase its trailers. It is also worth noting that many businesses slow down or even stop their operations entirely during the Lunar New Year. This includes the construction industry, which is the primary potential buyer of Maurertown's trailers. Maurertown would therefore have to be prepared for a possible decrease in sales to its business-to-business (B2B) customers during this period.

Potential Buyers

Potential Vietnamese buyers of Maurertown's trailers fit into two categories. The first is identical to a primary buyer of the company's trailers in the United States—the construction industry. The

second group of potential buyers—the agricultural and farming sectors—is not recommended to be sold to immediately; rather, this group of buyers serves as a potential market long after Maurertown has established itself in the country and already has strong relational connections. It should be noted that in this section I analyze the potential end purchasers of the trailers. In the section entitled *Agent/Distribution identification*, I analyze the possibility of selling to a distributor. I first recommend that Maurertown tries to contact end users directly; if this is unsuccessful, it should consider contacting distributors. Regardless, the company's potential buyers may change if Maurertown agrees with my recommendation to showcase its dump trailers at specific Vietnamese trade shows, where it can come into contact with individuals and companies that may be interested in purchasing its goods, many of which may not be listed here.

Vietnam's construction industry plays a key role in the improvement of urban living conditions by taking on the many projects requested by the government. The dramatic urbanization of the country has created a strong demand for well developed areas; as such, there has been a growth in construction projects geared towards the building of bridges, roads, and buildings throughout the country's major cities. Moreover, the government has heightened its focus on the industrialization of rural communities, thus providing construction companies with large contracts to expand the country's network of roads throughout rural areas. Specific among these projects is the Railway Development Strategy 2020, which seeks to increase the total freight and passenger transport on railway. A specific part of this project is to complete a train transportation line connecting the north of the country to its south—the Ministry of Transport (MOT) has sought construction companies to complete this task.

So important is the country's construction sector that it reached a value of \$47.3 billion in 2015, which is a 10% increase from the previous year. This strong increase in construction output was the result of the government removing previous obstacles while simultaneously expanding the real estate market, with the passage of the Law on Real Estate Business in 2014, clearing the path for easier real estate construction and facilitating the process by which a company receives a permit. It is vital to understand that the country's construction industry is large and incorporates a wide variety of projects, from airport and seaport industrialization to real estate, city development, and rural development. Because each of these sectors has promise, any of these specific sectors could be potential buyers of Maurertown's trailers (export.gov).

Using the Mergent Intellect data source provides over 9,000 construction companies working in Vietnam. As such, this industry must be further narrowed in order to properly identify potential purchasers of Maurertown's trailers—working with a market base this large is simply not practicable and provides little direction. According to Mergent Intellect, the vast majority of these companies (66,375 companies) are engaged in the construction of new multifamily housing units (NAICS 23616). The next largest subindustries are quite similarly proportioned, with 6,008 companies working in highway, street, and bridge construction (NAICS 237310), and 5,851 working in operative building (NAICS 236117)—which refers to builders that construct and then themselves sell or lease out those constructed buildings. A list of the 10 largest subindustries of Vietnam's construction industry, in terms of number of companies, along with the NAICS code for each is provided in Exhibit 2.

Because of the significantly larger size of the subindustry relating to the construction of multifamily housing units, this is where Maurertown would find the greatest likelihood of securing a stable market for its trailers. Within this subindustry, a few specific firms are clearly the market's leaders. With sales figures of \$375 billion, Vietnam Construction and Import Export Joint Stock Company (known as Vinaconex) is by far the leader in the subindustry. The next largest—Thuan Viet Trading and Construction Company, LTD—has sales figures of just over \$200 billion. Tuong Viet Trading and Production Company, LTD is the third largest, with sales figures of \$198 billion. The companies whose sales figures immediately follow these three are quite similarly proportioned, with sales figures hovering slightly above or below \$150 billion. A list of the top 20 companies in this subindustry can be found in Exhibit 3. For companies with no English website, I include either their phone number or another website that provides information about the company. These are the companies that Maurertown should focus on selling its trailers to, as they are the ones with the largest liquid capital that can be spent on high-quality trailers. Many of the smaller construction companies are unable to spend on equipment above those that are the most basic, simple, and inexpensive. Although a rising economic tide could bring these companies along with it (and probably will), Maurertown would do best to focus on the largest and economically wealthiest construction companies for the time being. More detailed information about many of these companies can be found on Bloomberg's company lookup, which can be accessed by typing in the company name into Google, and then typing "Bloomberg company lookup."

It is recommended that once Maurertown finds consistent and successful business in a particular subindustry of this broader market, it considers selling to other subindustries prior to moving to another industry entirely. It is vital, however, that Maurertown maintain a pulse on the state of the industry, always attentive to which companies hold the greatest market share and which subindustries are gaining the largest construction contracts. Much of this knowledge can be gained by analyzing the legislative action of the country's National Assembly, as doing so will provide an understanding of specific construction projects that the government is focused on: the company should also be aware of which companies are winning these contracts. As mentioned in a preceding section, the government has been attempting to ease the access of financing and business opportunities for all companies—this is particularly true of the construction industry, and bodes well for Maurertown's efforts in the coming months and years (export.gov).

The second grouping of consumers previously mentioned is that of the farming and agricultural sector. The importance of rice farming for the economic strength of the country has already been mentioned and must certainly not be understated. Because of such a strong economic reliance on agriculture and farming, one might assume that a potential market exists for the selling of trailers to farmers or agriculturalists in the country.

The transportation of rice is a struggle which plagues farmers in the country; yet, the low level of financing available to many of these farmers makes the purchase of expensive agricultural aids, manufacturing equipment, and transportation equipment nearly impossible. However, with the improving economic condition of many Vietnamese, including rice farmers, one might assume that someday within the next few decades, selling Maurertown's trailers to rice farmers may be a legitimate possibility. Of course, it must be acknowledged that with the industrialization and

urbanization of the country, the number of rice farmers will be decreasing over the next many years. Yet, even if fewer farmers exist in Vietnam, if those who do still farm have a high per capita economic standing, they might be interested in purchasing some trailers.

It should be stated, though, that Maurertown should not yet seek out farmers as potential customers because their poor economic condition persists; instead, Maurertown should be primarily focused on selling to construction companies for the foreseeable future. Moreover, Maurertown should be aware of the fact that selling to local farmers will require a strong relational connection, which will take time to build. This connection could be gained through business interactions, as well as visiting local communities and gaining an understanding of local agricultural concerns. As such, time and great effort is required before Maurertown should consider selling to these farmers.

Product-specific Barriers to Trade

No product-specific barriers to trade currently exist. All barriers to trade are those listed above relating to tariffs and documentation.

Competitor Analysis

Generally speaking, information on specific trailer sellers in Vietnam is difficult to attain. Speaking with James Madison University's business librarian confirmed this disappointing reality. Data resources and publications simply tend to overlook the sale of trailers to Vietnam that are similar to those sold by Maurertown, instead opting to analyze the sale of semi-trailers or large containers and trucks in the country. As such, a full analysis of the competitive aspects of trailer sales in Vietnam would need to occur personally or anecdotally rather than relying on the use of data resources and the accumulation of large, quantitative information—at least not until such information becomes readily available, which has yet to occur. If Maurertown personally showcases its products in Vietnamese trade shows, it should use some time to get to know what the competition in the country is like, by engaging with construction companies and local individuals on the subject.

Regardless, certain assumptions about the trailer industry in Vietnam can be made based upon an analysis of the sale of similar vehicles in Vietnam and analyzing the trailers sold in similar and neighboring countries. Also, certain trailer companies are known to sell in Southeast Asia, including Vietnam, although the final purchaser of these trailers is difficult to nail down. Vietnam has historically been flooded with low-quality vehicles predominantly manufactured in China (Tuoi Tre News, 2015). Those companies selling trailers in Southeast Asian countries are listed in Exhibit 4 (it should be noted that information about whether or not their trailers are purchased by construction companies or simply by farmers is not available). The trailers these companies sell are of far inferior quality than those sold by Maurertown, meaning that they are more likely to have a strong advantage when being sold to farmers, who are willing to use the poorer quality trailers. This further decreases the possibility of immediately selling to Vietnamese farmers, as they have some access to these cheap trailers and would likely not be interested in the more complex and expensive trailers sold by Maurertown.

Extensive information does, however, exist on large semi-trailers sold in the country. The most notable company selling semi-trailers and large containers in Vietnam is Tran Than Mechanic Company. This company makes and sells its own semi-trailers and containers to trucking companies, among other buyers. The company provides a strong three-year warranty on several of its goods, thus solidifying the security a buyer may attain with the purchase of one of the company's trailers. As is rather clear when reviewing the items sold by this company, the quality of the semi-trailers and containers sold in Vietnam is quite high, which is different from the sale of smaller trailers in the region that come from Chinese companies and are often of very poor quality, as mentioned in the preceding paragraph. This lends itself to the notion that companies in Vietnam are interested in sturdy and technologically advanced vehicles rather than the cheaper quality that is sold to private individuals and farmers. Since I was unable to find information suggesting that dump trailers like those sold by Maurertown exist in Vietnam, there is reason to be hopeful that Maurertown will be able to successfully sell its dump trailers specifically to construction companies in Vietnam because of their unique ability to dump out material, which most trailers are unable to do. It is worth noting, however, that although I have not found any indicator that dump trailers are popularly sold in Vietnam, there is evidence to suggest that dump trucks are sold in the country. In fact, Tran Than Mechanic Company sells these trucks in Vietnam. This provides even further evidence to suggest that Maurertown's dump trailers could find a successful market in the country, given that they could serve the purpose of these dump trucks, expect be cheaper and smaller, which may provide a strong contrast to these larger dump trucks, allowing companies to still have the dumping mechanism but for smaller and lighter items.

Recommendations

Channels of distribution

There are two general methods by which Maurertown can decide to sell its trailers in Vietnam. The first is by simply directly selling its trailers to end-user consumers, such as the aforementioned construction companies. This would require contacting potential buyers and settling on a mode of exchange. Contacting these companies for a potential sale can be attempted through their web address presented in Exhibit 3. Many of these companies have very easily accessible contact information. Although contacting these companies could result in a successful exchange, none of the several companies I contacted to solicit information about their interest in purchasing Maurertown's trailers responded to my request for contact. Because of the difficulty in contacting local buyers (such as construction companies), Maurertown will either need to engage with a distributor or showcase its trailers in Vietnamese trade shows—this latter point is further elaborated upon in the section entitled *Marketing*.

No matter if Maurertown determines that it is best to sell its trailers directly to the end user or if it decides to sell the product to a distributor who will then sell it to the final consumer, Maurertown's distribution options for importing its trailers to Vietnam are identical. The company has two practical methods by which to bring its trailers into the country. The first of these would be to itself import the item into the country and store it at a storage facility prior to having the purchaser pick up the trailer at that facility upon payment. The advantages of this method are that Maurertown can control the entire importation process and learn about how best

to import the product in case knowing how to do so may prove important at a future date. For example, if the company were to receive persistently high sales figures, it may determine that it is best to establish a permanent location in the country: if it were to already have a storage facility in Vietnam and already have a firm understanding of the complexities of importing trailers to the country, it would have knowledge about importation procedures which would ease this transition. The second, and suggested, method by which to hand off a product to a customer is by having the purchaser pick up the item at the port of entry, at which time title is turned over to the buyer. Of course, the intricacies of carrying out an exchange of title and risk can be determined by using the internationally recognized incoterms, as described in Exhibit 5. Determining which of these terms to use would be a matter left up to the negotiation of the transfer between Maurertown and its buyer.

Agent/Distribution Identification

Although, as is similar with the fact that information about the specific trailer industry in Vietnam is hard to find, it is not clear which companies distribute trailers in the country, there is a possibility that Maurertown can sell its trailers to companies currently selling semi-trailers, large containers, or dump trucks in Vietnam, which will then seek themselves to sell these trailers to construction companies or other potential buyers. Tan Thanh Container Company Limited is the one Vietnamese company that manufactures and sells semi-trailers in the country; this company is therefore one that Maurertown may want to contact to see if it would be interested in distributing trailers. The company's website is: <http://tanthanhcontainer.com/en/>. Although this company does not currently sell smaller trailers of similar specs to those sold by Maurertown, it may be interested in distributing the high-quality trailers—perhaps most likely the dump trailers—that Maurertown currently sells. Although this is certainly a potential way by which Maurertown can enter the Vietnamese market, it is difficult to simply assume that this company will be interested in purchasing Maurertown's trailers for further distribution. As such, it is still recommended that Maurertown showcase its dump trailer via a trade show in Vietnam if contacting these companies does not yield any sales.

Transportation

The least expensive method by which to transport a trailer to Vietnam would be by shipping it over the Pacific Ocean. Mr. Jordan McMullen says that the typical method by which the company transports its trailers over land to a customer is by single-pulling them to the destination. Doing so is significantly cheaper than having a freight company transport the trailer. Mr. McMullen's estimation is that a trailer could be single pulled to California for about \$1,500. The trailer would then need to be shipped to Vietnam. The most practical port by which to ship the material to Vietnam would be the Port of Los Angeles—known as America's Port—which has direct shipping lines to Vietnam. The most logical arrival port will depend upon who Maurertown sells to and where the two companies agree to send the trailer. The Port of Ho Chi Minh is the most popular port in the country, making it the most likely destination port for any of Maurertown goods. WorldFreightRates.com estimates that the maritime transportation of one trailer from Los Angeles to Ho Chi Minh would be around \$900. Numerous maritime companies

that conduct maritime transport operations from Los Angeles to Vietnam are shown in Exhibit 4. AIT Worldwide Logistics is a freight forwarder that carries out business in Hanoi, Vietnam. Contracting with them would ease the process by which one can transport goods to Vietnam. Here is the company's website: <https://www.aitworldwide.com/Location/Hanoi-Vietnam++67>. Another possible freight forwarder is T&M Forwarding; the company's address can be found here: <http://www.tmforwarding.com/>. One final freight forwarder that does extensive business with logistical operations to Vietnam is AsiaTrans Vietnam. The company's website is as follows: <http://www.asiatrans.com.vn/>. Several more companies are listed in Exhibit 6.

Pricing

The exact price Maurertown sells its trailers for in Vietnam will need to take into account the price of competitors. Because information on the competition is lacking, it is difficult to determine the exact price for which Maurertown should sell its trailers. What can, however, be said is that the company can likely seek to sell its dump trailers for a higher price than its competition, given that these trailers have unique quality which could attract consumers. If Maurertown were to sell these trailers based upon their price, it could most likely find success in doing so.

Although the vast majority of Vietnamese citizens are poor and therefore highly price sensitive, the construction companies are often looking for high quality goods. If Maurertown does someday decide to sell to individual farmers, they would need to be certain that the price is well within that which the consumer base would be willing to pay for. This requires contact with individual consumers, understanding what price total they would desire to pay for (export.gov).

Branding, labeling, and packaging

In 2006, the Vietnamese national legislature issued a decree specifying the labelling requirements for all goods sold within the country with certain exceptions. There are certain specifications that would be required on the trailers sold by Maurertown (export.gov). Decree 89/2006/ND-CP requires that all labels on goods to Vietnam are written in Vietnamese. English is allowed on the labels only if it is written in a smaller font than the Vietnamese text (Article 9). There are three contents that must be shown on the label of all goods sold in Vietnam: 1) the name of the good, 2) name and address of the organization selling the good, and 3) the country of origin of the good. The specific type of good requires further labelling (Article 11). Those related to the trailers sold by Maurertown are as follows: 1) model of the trailer, 2) technical specifications (such as size and max weight load, etc.), and 3) the year of manufacturing (Article 12). Any violation of this law will fall under the inspection of the Vietnamese agency responsible for the specific provision that has been violated (Article 24).

Classification, documents, and method of payment

The method by which Maurertown receives payment for its trailers could be very similar to that which it currently uses. Credit offerings would most certainly be important, particularly when selling to smaller buyers. Maurertown can establish a relationship with a bank operating in Vietnam and accept the payment through it. Several large international banks operate in

Vietnam, including BNP Paribas, ANZ, and Citibank. Many other US banks also allow the opportunity for the international transfer of money by utilizing a wide network of member banks.

Marketing

A way by which Maurertown can seek to get local Vietnamese companies to know of its products and its interest in selling is to contact them directly. The contact information of these companies is listed alongside each company in Exhibit 2. If, however, Maurertown struggles to receive a response (which is likely), it is in its best interest to showcase its trailers at a trade show in Vietnam—after all, the physical superiority of its trailers (particularly its dump trailers) are what sets it apart from the competition in the US. The importance of trade shows is common across many industries, with companies that successfully promote their products at trade shows being more profitable (Smith, Gopalakrishnan, and Smith, 2004). The wide variety of trade shows around the world—including in Vietnam, as mentioned in detail below—makes the use of trade shows a common and extremely efficient means by which to showcase the ability of a product (Shi, White, Zou, and Cavusgil, 2011). Taking full advantage of this opportunity to showcase its products would thus benefit Maurertown’s effort to sell its trailers, as nearly any market can be found through the use of trade shows around the world (Bradsher, 2013). Because Maurertown’s most unique trailer is its dump trailer, which attracts attention from a wide audience in the US, this is the trailer that it should showcase at these events, as it would likely gain the greatest attention from those who attend. Rather than continuously transporting a trailer back and forth for each trade show, Maurertown would do well to keep a trailer at a storage facility in Vietnam in between trade shows. A number of possible storage facilities along with their location and web address are listed in Exhibit 7. Because of the importance of personal contact and relationship building as well as because of the difficulty of finding certain information on the competition, showcasing its trailers via trade shows is highly recommended for Maurertown. The trade shows listed here are synthesized in Exhibit 8.

Perhaps the most prominent of these is the Vietnam International Construction & Building Exhibition, in which companies from around the world exhibit their technology relating to the construction industry. It would be logical for Maurertown to showcase its dump trailer at this exhibit. Another trade exhibition that could be of use to Maurertown is the Vietnamese Manufacturing Expo (VME), which is a leading Vietnamese trade show for basic machinery and technology to be used in a wide variety of industries. In the 2018 expo, over 200 brands from 20 countries will be showcasing their products at the event: a major industry that will be present is that of construction and building. Yet another possible trade show worth entering is the Vietnam Auto Expo, which showcases technologies relating to general automation as well as supporting industries. Among the companies that enter this exhibit are many well-known car brands, which increases the demand of visitors for this event. A fourth potential trade show worth participating in is the Vietnam International Machinery Fair, which presents a wide range of technologies and machinery in the industrial/machinery and construction industries. A subcategory within this trade show is known as “Construction Machinery Parts & Logistic Equipment.” Maurertown Trailers would fit well in that subsection. A final trade show worth considering is the Vietnam Expo, which is a non-specific trade exhibit showcasing a wide variety of products. Among those appearing at this year’s expo are numerous different types of vehicles and industrial machinery.

Promotion

There are often two methods of promotion considered to be proper for marketing and promoting a product. The “push method” seeks to distribute information about a product directly to potential consumers so as to increase the knowledge base consumers have about the product and attract interest in it. The second is the “pull method,” and relies on the product’s unique specs to pull consumers toward purchasing the product. Although Maurertown should hope that someday it can allow the products to themselves pull in potential customers, the company must first push its product onto the community of potential buyers. This point relates to the previously mentioned marketing strategy of entering trade shows in order to build a relational network with potential customers and to convince them of the benefits derived from purchasing the trailers. In order to ensure that customers are confident in their purchase of trailers, Maurertown would do well to provide a warranty—perhaps a year-long warranty—on the trailers it sells in the country. Moreover, Maurertown should provide a clear contact line by which customers can ask questions they may have about the products to Maurertown. Because the expectation should be that someday the sale of trailers will snowball into a large affair in which word-of-mouth generates extensive interest in the company’s trailers, the company should consider selling the initial trailers at discounted prices so as to facilitate this occurrence. Indeed, perhaps the first trailer sold to each new company can be sold at a discounted price to generate interest, with each subsequent purchase being priced fully. Even if doing so shrinks the profit margin dramatically, it could lead to an increase in customer base.

Limitations

The basic limitations that Maurertown Trailers will face when exporting to Vietnam are rather clearly outlined in this plan. The most substantial limitation is the lack of readily available information about the trailer market in the country. Related to this point is the general understanding that the company will need to build and maintain relationships with potential consumers prior to securing long-term sales figures in the country. This will require in-person interaction and cannot be fully conducted through the use of technology. These are the most prevalent limitations Maurertown will face when seeking to do business in Vietnam.

Conclusion

Ultimately, the decision to export to Vietnam is one that will require a substantial analysis of the market. Although this plan lays the basic groundwork for this understanding, it is far from being a sufficient means by which to understand the market. I recommend that Maurertown consider exporting to other countries that are more similar to the United States prior to exporting to Vietnam. Among these may include Canada and Western Europe. After doing so, the company’s management should travel to Vietnam and engage with the potential market prior to finalizing decisions about a market entrance strategy. It is for this reason that I strongly support the notion of entering trade shows, whereby Maurertown will be able to showcase its technologically advanced dump trailers as well as being to build important professional relationships in the country.

Exhibit 1
Map of Vietnam



Exhibit 2
Construction Industry

Subindustry Name	Subindustry Size (# of companies)	NAICS Code
New Multifamily Housing Construction (Except Operative Building)	66,375	236116
Highway, Street, and Bridge Construction	6,008	237310
New Housing Operative Builders	5,851	236117
Electrical Contractors	5,800	238210
Other Heavy and Civil Construction	2,874	237990
Commercial and Institutional Building Construction	2,641	236220
Water and Sewer Line Related Structures Construction	2,267	237110
All Other Specialty Trade Contractors	1,924	238990
Framing Contractors	1,411	238130
Site Preparation Contractors	794	238910

Exhibit 3
Potential End Users

Company	Sales	Website (or phone number)
VIETNAM CONSTRUCTION AND IMPORT EXPORT JOINT STOCK CORPORATION	\$375,459,832	http://www.vinaconex.com.vn/?setlang=e
THUAN VIET TRADING AND CONSTRUCTION CO. LTD	\$201,428,656	https://www.thuanviet.com.vn/
TUONG VIET TRADING AND PRODUCTION CO., LTD.	\$198,371,052	https://tuongviet.vn/en/
VINCOM 1 CONSTRUCTION MANAGEMENT COMPANY LIMITED	\$170,200,008	https://vietnamcredit.com.vn/products/company-report/vincom-1-construction-management-limited-liability-company_71468
36 CORPORATION	\$168,012,900	tongcongy36.com
THANG HOA JOINT - STOCK COMPANY	\$164,014,400	http://www.hoovers.com/company-information/cs/company-profile.thang_hoa_joint_-_stock_company.96f97ab1fbd951bb.html
FLC FAROS CONSTRUCTION JOINT STOCK COMPANY	\$139,763,228	https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=376457236
319 CORPORATION	\$137,216,552	Phone number: 2438319319
F.D.C BUILDING AND INVESTING REAL ESTATE JSC	\$118,864,768	http://www.fdcc.com.vn/en
HANOI CONSTRUCTION CORPORATION - JSC	\$118,177,796	http://www.hancorp.vn/En/
URBAN INFRASTRUCTURE DEVELOPMENT INVESTMENT CORPORATION	\$103,676,220	https://www.shb.com.vn/language/en/urban-infrastructure-development-investment-corporation-udic/
VAN PHU - TRUNG KINH INVESTMENT ONE MEMBER COMPANY LIMITED	\$99,722,172	http://vanphu.vn/english/
29 ONE MEMBER COMPANY LIMITED	\$94,108,300	N/A
LUNG LO CONSTRUCTION CORPORATION	\$92,353,410	http://www.vietnambiz.org/LUNG_LO_CONSTRUCTION_COMPANY_726.html
IDICO URBAN AND HOUSE DEVELOPMENT INVESTMENT JOINT-STOCK COMPANY	\$87,533,010	http://www.idico-udico.com.vn/welcome/en
VINACONEX ENGINEERING CONSTRUCTION AND INVESTMENT JOINT STOCK COMPANY	\$78,493,725	https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=137081231
LCI INVESTMENT AND TRADE JOINT STOCK COMPANY.	\$75,874,500	Phone number: 915896399

PHUC LOC GROUP JOINT STOCK COMPANY	\$74,421,908	http://en.vietnamexport.com/index.php/component/k2/item/8605-phuc-loc-group.html
THAI NGUYEN INDUSTRIAL INVESTMENT AND SERVICES CORPORATION	\$74,203,492	Phone number: 934616453
HOA PHAT FURNITURE JSC	\$73,877,130	https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapid=47764998

Exhibit 4
Trailer sellers in and around Vietnam

Company Name	Site with more information
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Shandong Shenzong Machinery Co., Ltd	http://www.sztrailer.com
Jiaxing Scandi Machinery Manufacturing Co.	https://scandi.en.alibaba.com/company_profile.html#top-nav-bar
Qingdao Alfine Machinery Co., Ltd	https://alfine.en.alibaba.com/company_profile.html#top-nav-bar
Ningbo Frey RV Co., Ltd	https://freyrv.en.alibaba.com/

Exhibit 5

INCOTERMS® 2010

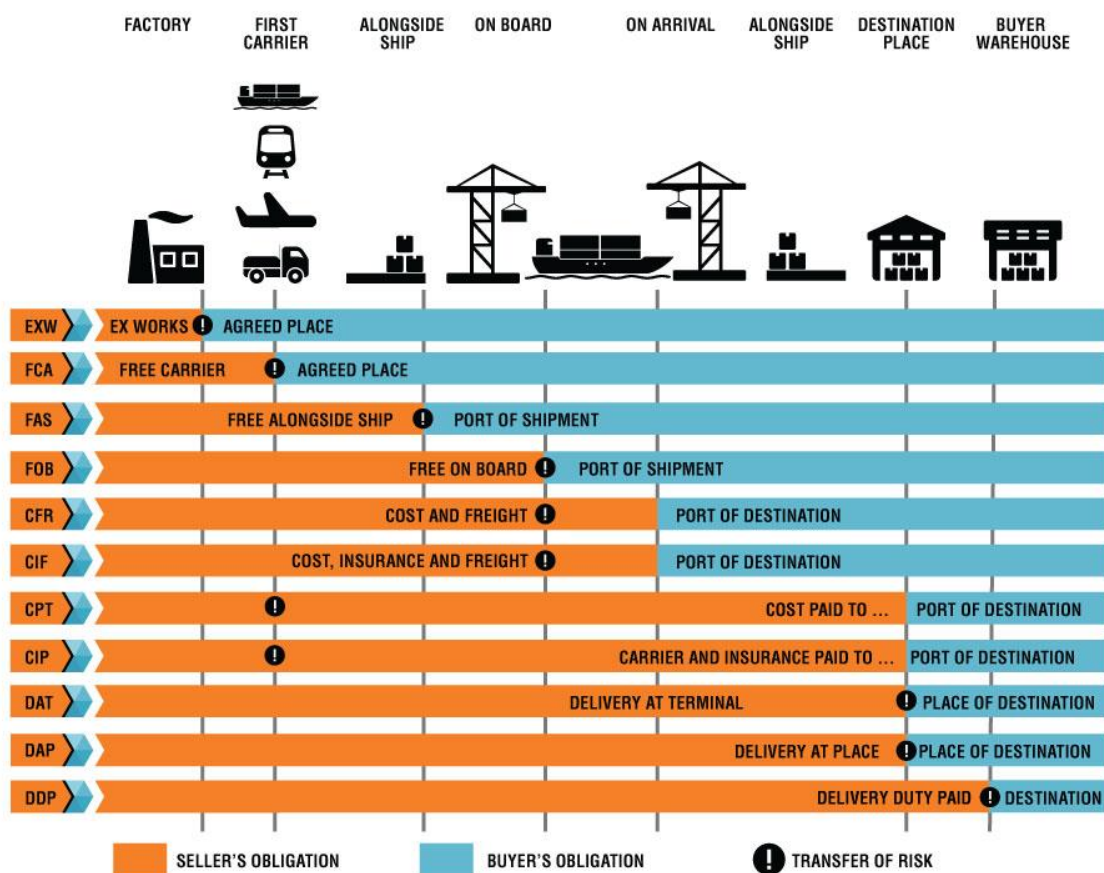
Source: internationalcommercialterms.guru

Exhibit 6
Freight Forwarders

Freight Forward Company	Website
Morrison Express Vietnam Limited	http://www.morrisonexpress.com/
Clasquin Vietnam Ho Chi Minh	http://www.clasquin.com/en
Expo Freight (EFL)	https://expofreight.com/en/
Headway Co	http://www.headway.com.vn/
Altus Logistics Vietnam	http://www.altuslogistics.com/
Blue Water Shipping Vietnam	https://www.bws.net/contact/vietnam/ho-chi-minh
Fr. Meyer's Sohn Vietnam	http://www.fms-logistics.com/en/

Exhibit 7
Storage Facility

Storage Facility Name	Location	Website
Saigon Storage	Ho Chi Minh City	https://www.hcmstorage.com/
Santa Fe Relocation	Ho Chi Minh City	https://www.santaferelo.com/
Vietnam Moving	Ho Chi Minh City	https://vietnammoving.com/en/
Intersky Moving and Storage	Ho Chi Minh City	http://www.intersky.com.vn/en
Crown Relocations – Hanoi	Hanoi	https://www.crownrelo.com/vietnam
Tan Tien Phong Co.	Hanoi	http://www.tantienphong.com/warehousing.html
Aviation Logistics Corporation (ALS)	Hanoi	https://als.com.vn/en/cong-ty-thanh-vien/our-services-alsb.html

Exhibit 8
Trade Shows

Trade Show	Location	Website
Vietnam International Construction & Building Exhibition	Ho Chi Minh City	https://10times.com/vicb
Vietnamese Manufacturing Expo (VME)	Hanoi	https://www.vietnammanufacturingexpo.com/
Vietnam Auto Expo	Hanoi	http://vietnam-autoexpo.com
Vietnam International Machinery Fair	Ho Chi Minh City	https://10times.com/imf-vietnam
Vietnam Expo	Hanoi	http://vietnamexpo.com.vn/en
Gia Long Advertising & Constructions Co.,Ltd (this company holds many trade shows)	Varies	http://vietnamexhibition.com.vn/en/

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