

TRADE TALK TUESDAY

CALCULATE LANDED COSTS

RESOURCE GUIDE

What are Landed Costs?

Landed costs in simple terms, can be defined as the total cost of getting a product from the factory to a customer's door. It includes: the original price of the product, plus freight costs, customs clearance fees, and insurance costs needed to cross borders.

How to Determine Landed Costs?

- Identify your [HS codes](#) to classify your products.
- Identify/calculate the tariffs and duties for the country to which you are selling.
- Compare quotes from freight providers to identify packing fees, freight costs, and customs broker/clearance fees.
- Determine if additional taxes (such as VAT or national/local sales taxes) might be imposed.
- Consider insurance costs and determine if the duties will be levied on product cost, or on the full CIF (cost + insurance + freight) amount.

Additional Tips

- Knowing the landed costs in advance enables you to make more strategic business decisions.
- HS codes and rates can change. Stay informed to minimize surprise costs.
- Consider building in a buffer for pricing.
- Negotiate Incoterms with your buyer and document this on your Pro Forma Invoice.
- Explore duty or tax exemptions.
- If shipping to a Free Trade Agreement country, check if your product is eligible.
- Work with buyer/partner to ship larger volumes, reducing per item costs.
- Ask your freight provider or [Small Business Development Center](#) to utilize a landed cost estimator tool.

Trade Talk Tuesday

Please join us for the next 20-minute free webinar in October.

Registration information coming soon

Your Local CS Office

U.S. Commercial Service Michigan

- [CS Grand Rapids](#)
- [CS Detroit](#)
- [CS Pontiac](#)

Additional Offices

<https://www.trade.gov/commercial-service-offices-us>

Resource Links:

- <https://www.trade.gov/determine-total-export-price>
- <https://www.trade.gov/customs-info-database-user-guide>
- <https://www.trade.gov/export-solutions>
- <https://www.trade.gov/import-tariffs-fees-overview-and-resources>



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Featured Speaker

Mark Bleckley is the Associate Director at the [Van Andel Global Trade Center](#). With more than 25 years dedicated to global trade, he is a licensed customs broker overseeing a wide array of import and export operations. His expertise spans logistics, customs clearance, export documentation, compliance, and the management of Harmonized Tariff Schedule and country of origin requirements.



Acknowledgments:

Thank you to our speaker, Mark Bleckley, for sharing his knowledge regarding landed costs. Appreciation is also given to the [East Michigan](#) and [West Michigan](#) District Export Councils for supporting the Trade Talk Tuesday series.



View Trade Talk Tuesday Recordings: <https://www.eastmichigandec.org/>

For additional insights, contact your [local U.S. Commercial Service office](#).

