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“Feasibility study for importing Max Shine products from China”

**Thesis before obtaining the degree of Bachelor of International Studies, bilingual
mention in foreign trade**

Authors:

Erick Sebastián Jimbo Moreno

Richard Sebastián Goercke Ortega

Tutor: Econ. Gabriela Fajardo

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DEDICATION

I dedicate this thesis primarily to God because he is the one who helps us in the most difficult moments of our lives. I would also like to dedicate this work to my family and friends for the constant support and motivation to complete work.

Erick Jimbo Moreno

He dedicated this first professional triumph to my family members who always supported and guided me to complete the university, especially my parents and brother who have given me unconditional support in good and bad times.

Sebastián Goercke Ortega

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Sebastian Goercke Ortega

RESUMEN

Este trabajo de investigación tiene como fin evaluar la factibilidad de una importación de productos de limpieza para vehículos (detailing) de la marca Max Shine proveniente de China hacia el Ecuador. Mediante el estudio de la situación actual de la empresa Rüstung se podrá realizar un estudio de mercado, análisis de costos y rentabilidad, y la factibilidad operacional que servirá para determinar si las mercancías que se desean importar desde China son rentables para un mercado nacional como lo es el cuencano. Este proyecto busca conocer los precios que las personas estarían dispuestos a pagar por productos para el cuidado del vehículo. Rüstung con este proyecto tendrá una mejor visión del entorno si en un futuro busca realizar la importación de los productos estudiados.

Palabras Clave: Factibilidad, Detailing, Rentabilidad, China, Cuenca

ABSTRACT

This research's purpose is to evaluate the feasibility of importing cleaning products for vehicles (detailing) of the Max Shine brand from China to Ecuador. Through, the study of the current situation of the Rüstung company, it will be possible to carry out a market study, cost and profitability analysis, and the operational feasibility that will serve to determine if the merchandise that is desired to be imported from China is profitable for a national market as it is the Cuenca's market. This project seeks to know the prices that people would be willing to pay for vehicle care products. Rüstung with this project will have a better vision of the environment if in the future it seeks to import the products studied.

Key Words: Feasibility, Detailing, Profitability, China, Cuenca

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CHAPTER 1

DEFINITION OF THE BACKGROUND AND CURRENT SITUATION OF THE RÜSTUNG COMPANY

1.1. Theories of Foreign Trade

The exchange of goods and services was one of the first activities developed by human beings within a mercantile system. For this reason, the process of negotiation and exchange between countries, imports and exports, has evolved, thus adapting to the current circumstances. Over the years, international trade processes have not been static, as they are constantly changing. For this reason, we present a compilation of some theories of international trade that will allow us to have a more concrete image and understand the dynamics of the actors that participate in this international process.

In this sense, the following study will focus on the traditional and modern theories, since these two currents focus on studying the commercial economic doctrine. The first theory focuses on explaining everything related to the commercial phenomenon, to describe the key factors that lead to the creation of competitive advantages in the international market that encourage cross-border commercialization. The second theory seeks to analyze the international market and the existence of international markets in which "competition is achieved in a healthy and well-balanced manner that guarantees a wide variety of goods and services" (Blanco, 2011).

When talking about classical theory, Adam Smith and David Ricardo become the greatest references due to their postulates on absolute advantage and comparative advantage respectively. For his part, Adam Smith analyzes how countries should act concerning international trade. This is described in his work known as "An Inquiry into the Nature and Causes of the Wealth of Nations" (1776). Smith (1776) held a liberal position, which ensured the existence of benefits obtained from free trade between countries that participate in it. Through his postulates, Smith wanted to demonstrate that due to the current trade system each country should specialize in the production of certain goods and services so that in this

way there would be greater efficiency in production and as a consequence, there would be the acquisition of absolute advantage (Smith, 1776; Blanco, 2011).

In other words, Adam Smith's position, also known as the Theory of Absolute Advantage, holds that this advantage is the capacity of a country to produce a product more easily than others (Ibid). In this way, this country will benefit from exports and the rest of the nations will import its specialized product (Pedrosa, 2016). Additionally, Smith argued that the advantage is not necessarily acquired, but could be a natural advantage developed by factors such as climate or endemic raw material of the region (Ibid). From this point of view, Smith's theory supports the self-regulation of the market but does not contemplate the possibility of a nation that does not have natural or material/economic resources to specialize in a specific market (Ibid).

In the face of this theory, David Ricardo took a different position in which, after analyzing absolute advantage, he determined that through this theory a country would not be able to obtain any benefit from international trade. Thus, David Ricardo spread the theory of Comparative Advantage in the book called "Principles of Economic Policy and Taxation" (1817), focusing on the fact that each country should specialize in the good or goods that it can produce more efficiently and that these countries should import the products that would have a less efficient production. In this way, countries would benefit from foreign trade as they would be able to import more goods with a similar amount of labor factor (Wilkins and Hill, 2011).

In this way, his model presents the argument of unrestricted free trade, which takes great importance in the process of international negotiation and marketing, however, Lombana (2011) explains the importance of considering the indirect values of production costs compared to the costs of producing it in the same country are import or export process. For, even if a country has an absolute advantage in the production of several goods simultaneously, trade does not stop since each country has differences in opportunity costs, a crucial factor to take into account, as this will result in the benefits of international trade (Ibid).

David Ricardo's comparative theory received a great deal of criticism, one of which came from Heckscher and Ohlin, two economists from Sweden, who proposed the theory of factor endowment, the amount of land, labor, and capital that a country possesses. In this way "the country that is abundant in a factor exports the good whose production is intensive in that factor" (Krugman, Obstfeld, & Melitz, 2012, p. 91).

Analogous to David Ricardo's theory, Heckscher and Ohlin state that international dynamics are determined by these inequalities between countries. Due to factor endowment, some are endowed with more factors than other countries, making it easier to explain why there are asymmetries in the costs of a factor so that when it is abundant, it is more economical to produce a good (Wilkins and Hill, 2011). Heckscher and Ohlin argue that each nation should specialize in producing products where its most abundant factors are used, and import products made with factors that are not abundant (Ibid).

When there is a context regarding production terms and cost efficiency, the theory of international values, proposed by John Stuart Mill, is presented, which contemplates trade in terms of production and international trade facilities. Mill was firm in his position that all countries should benefit from free trade between countries without trade barriers, such as taxes, tariffs, and other existing protectionist measures, and that it was necessary for there to be a balance between imports and exports, as it increases healthy competition between buyers and sellers, avoiding the isolation of countries within a commercial dynamic (Steinberg, 2007).

1.2. Foreign Trade

As explained by Román, "Foreign Trade is the economic activity based on the exchange of goods, capital and services carried out by a given country with the rest of the countries in the world, regulated by international standards or bilateral agreements" (1999). As a general objective, foreign trade seeks to satisfy consumer demand by making the most of the comparative advantage that each country has, having as a result that each merchandise that is imported or exported is declared to customs, where it must be detailed and specified by the traders to the respective customs workers (Zavala, 2016). According to Zavala, foreign trade

can be categorized by its great power and impact on the economic and cultural aspects, thus potentiating the so-called "Globalization Phenomenon" (Ibid).

Definitions of what we understand as foreign trade or international trade vary according to the author consulted. On the one hand, there is Román's (1999) conception of international trade and the dynamics involved in this process. On the other hand, Alfonso Ballesteros (2001) defines foreign trade as a practice that is as old as any other human activity; therefore, it would be difficult to provide a definition that encompasses all the various facets of the concept of foreign trade. From this point of view, the starting point is the beginning of the Industrial Revolution of the last century, characterized by the international division of labor in industrialized countries.

According to Obstfeld and Krugman (2006), international trade refers to the sale of goods and services by countries to third countries, so that goods that some countries have in abundance should be exported and goods whose production requires greater intensity in the use of scarce resources should be imported. Currently, globalization has made it possible to shorten distances between countries and simultaneously increase accessibility thanks to advances in communication and technology, allowing international trade to be positioned globally as one of the most important economic activities (Wilkins and Hill, 2011).

1.3. Imports

To understand what imports are, we must know that a country is not completely self-sustainable, due to different factors such as limited territory, climate, and scarce raw materials, among others; for these reasons, it is necessary to negotiate with other countries, which possess the raw materials or resources that do. Thus, the best way to carry out an international economic activity is through imports of goods between countries. According to the official website of the Customs of Ecuador (SENAE) the term "import" is defined as the act of bringing foreign goods into the country complying with customs formalities and obligations, depending on the import regime to which it has been declared (SENAE, 2021).

1.4. Exports

Exports occur when a country is a producer of a good and/or service, which seeks to expand its sales to other countries and not be limited to the local country. "Exports of an economy are all the goods that the economy sells to individuals or companies residing in the rest of the world" (Quispe, 2021). In Ecuador, three types of export regimes are present, in which we find: definitive export, temporary export with reimportation in the same state, and Temporary Export for outward processing.

- Definitive export:

"It is the customs regime that allows the definitive exit of goods in free circulation, outside the Ecuadorian customs territory or to a Special Economic Development Zone, subject to the provisions established in the current legislation regulations." (SENAE, 2021).

- Temporary export with re-importation in the same state:

"It is the customs regime that allows the temporary exit from the customs territory of goods in free circulation for a specific purpose and period, during which they must be reimported without having undergone any modification, the goods must be susceptible to the identification." (SENAE, 2021).

- Temporary export for outward processing:

"It is the customs regime by which goods that are in free circulation in the customs territory may be temporarily exported outside the customs territory or to a Special Economic Development Zone located within the customs territory for processing, manufacturing or repair" (SENAE, 2021).

1.5 Terms of Negotiation (INCOTERMS)

Because foreign trade is negotiated between people from different countries who speak different languages, a set of rules and provisions were created between the parties to the

negotiation to agree on costs and when to start-terminates the risk when making an international sale and purchase, this set of rules and regulations are known as International Terms of Trade (Cabrera, 2020).

For export or import to be carried out it is necessary to choose the INCOTERM that best suits the negotiation, as it will help several processes to be much faster for the nationalization of the goods.

INCOTERMS establish the following points between buyer and seller:

- Costs of international negotiation
- Risks of international negotiation
- International Negotiation Responsibilities

1.5.1 Types of INCOTERMS

INCOTERMS are divided into two groups:

1. Rules for any mode of transport

- EXW “Ex works”

"Means that the seller of the goods must make the goods available to the buyer at its facilities or at another place of destination, whether this is a workshop, factory, warehouse, etc. "The buyer company must hire or manage with its means a transport that includes the loading operations at origin since the seller is not obliged by this rule to load the goods in the transport vehicle provided by the transport operator hired by the buyer.” (Cánovas, 2020).

- FCA “Free Carrier”

The selling company delivers the goods to the carrier (person in charge of international transport of goods by road) or another person designated by the buying company, at the premises of the selling company (Commerce, 2019).

- CPT “Carriage Paid To”

The seller is the one who must pay for the transportation of the goods, however, the person who assumes the risks is the buyer. "In CPT, two locations are important: the place or point at which the goods are delivered (to transfer the risk) and the place or point agreed as the destination of the goods (as the point at which the seller is responsible for contracting for carriage)" (Commerce, 2019).

- CIP “Carriage and Insurance Paid To”

The seller delivers the goods to the carrier or other person designated by the seller at an agreed place, the seller must hire and pay the transportation costs necessary to bring the goods to the place. "This term has been specially defined to be used when goods are transported by road or rail, but can be used with any means or system of transport" (Bogota, 2008).

- DAP “Delivered at Place”

The seller delivers when the goods are placed at the disposal of the buyer on the arriving means of transport ready for unloading at the named place of destination. "The seller bears all risks involved in bringing the goods to the named place of destination or the agreed point at that place." (Commerce, 2019).

- DPU “Delivered at Place Unloaded”

"The seller delivers the goods unloaded, preferably at places of destination in the buyer's country that have the means to perform the unloading. These places are transport terminals (land, air, sea), logistics infrastructures (ports, airports, railroad stations) or similar facilities such as docks, warehouses, depots, and free zones." (Llamazares, 2019).

- DDP “Delivered Duty Paid”

It means that the seller delivers the goods to the buyer anywhere in the country of destination, i.e., the seller assumes all the risk of transporting the goods to the place agreed between the parties. "Seller assumes all costs and risks from packing and verification at its warehouses to

delivery at the final destination, including export and import clearance, freight and insurance if contracted." (TIBA, 2020).

2. Maritime transport and waterways

- FAS “Free Alongside Ship”

It means that the seller delivers the goods alongside the vessel, whereas the buyer is the one who designates the place of delivery. "The risk of loss or damage to the goods passes when the goods are alongside the vessel, and the buyer bears all costs from that time onwards." (Commerce, 2019).

- FOB “Free on Board”

“The seller delivers the goods to the warehouse contracted by the buyer, at which time he also transfers the risks, as well as the export clearance and expenses at the origin. It is also responsible for arranging transportation, although this is at the buyer's expense". (TIBA, 2020) This Incoterm is only used for maritime transport.

- CFR “Cost and Freight”

This Incoterm indicates that the seller must deliver the goods to the buyer on board the vessel. Once the goods are on board the vessel, the risk passes to the buyer, since, as stated in this standard, the seller is only responsible for the delivery of the goods on board the vessel. (Commerce, 2019).

- CIF “Insurance and Freight”

Transport and insurance are paid by the seller. Delivery takes place when the goods are placed on board the vessel. (TIBA, 2020).

1.6 ECUADORIAN CUSTOMS REGIMES

All merchandise entering or leaving the country is subject to the customs regimes established in the Organic Code of Production, Commerce, and Investment. The National Customs

Service of Ecuador (2021) defines Customs Regimes as "The treatment applicable to goods, requested by the declarant, by current customs legislation". In other words, the Regimes allow both individuals and companies to identify the different ways in which goods or services can enter or leave the country, choosing the best regime according to the activity to be carried out. Customs regimes are divided into four: import regimes, export regimes, other customs regimes, and exceptional regimes, which in turn are subdivided as will be discussed below.

1.6.1 Import regimes

Non-transformation regimes:

- Importation for consumption (Regime 10)

Regime 10 refers to the entry of goods into the national territory, both from abroad and from a Special Economic Development Zone, to remain in the country and circulate freely, after having complied with the customs tax obligation. (Art. 147 COPCI, 2010).

- Temporary admission for re-export in the same state (Regime 20)

Temporary admission for re-export in the same state is the regime by which goods are allowed to enter the country with a partial or total suspension of customs obligations since they will be used for a specific purpose. The goods that enter under this regime have a term of one year, except goods for the execution of works or provision of services, which are governed by the term established in the contract. Imports under this regime must be individualized and subjected to physical gauging by law (National Customs Service of Ecuador, 2021).

- Reimportation in the same state (Regime 32)

Art. 153 (2010) of the COPCI establishes that Regime 32 allows the entry of goods with the exemption of duties, taxes, and surcharges for all goods that re-enter the country without any transformation, processing, or repair abroad.

- Duty-free replenishment (Regime 11)

- Customs warehouse (Regime 70)

Transformation regimes:

- Temporary admission for inward processing (Regime 21)
- Transformation under customs control (Regime 72)
- Special warehouse (Regime 75)

1.6.2 Export regime

Non-transformation regimes:

- Definitive export (Regime 40)

The definitive export regime refers to the definitive exit of goods out of Ecuadorian territory through the free circulation to a specific Economic Development Zone based on the legislation regulations. (Art. 158 COPCI, 2010).

- Temporary export for reimportation in the same state (Regime 50)

This customs regime is the one that allows the exit temporarily. Once it leaves Ecuadorian territory it must be re-imported to the same Ecuadorian territory without any modification. The goods must be capable of identification (Art. 159 COPCI, 2010).

The reimportation to Ecuadorian territory is valid for 2 years from the date of shipment outside the Ecuadorian territory, except for national or nationalized goods that go to provide services or for the execution of works, these goods may remain outside Ecuadorian territory until 90 days after the completion of the work or 90 days after the end of the contract. (Art. 161 COPCI, 2010).

Transformation regimes:

- Temporary export for outward processing (Regime 51)

This customs regime allows goods that are in free circulation in the customs territory to be exported temporarily outside the customs territory to a Special Economic Development Zone located in said territory for processing (Art. 164 COPCI, 2010).

According to article 167 of the COPCI regulations, temporary exports for outward processing (Regime 51) must be authorized only for these purposes:

- To repair goods, including their restoration or refurbishing
- For the processing of goods
- To proceed with the processing of the goods, including their assembly and incorporation.

Temporarily exported goods have a specific reimportation term of two years, including any extensions thereof, from the date of shipment abroad (Art. 167 COPCI, 2010).

1.6.3 Exception regimes

- International Postal Traffic and Expedited Courier Services

Ecuador's customs service shows us that through this regime "International Postal Traffic" merchandise is transferred to another territory by air with the intervention of two public operators. And those of "Mensajería Acelerada o Courier" is operated by two private operators or one public and one private operator (Importaciones Ecuador, 2022).

- Border Traffic

This regime refers to international agreements allowing the border population to exchange goods, for domestic use or consumption between border populations without payment of taxes on foreign trade, within the limits (Art. 212 COPCI, 2010).

- Household goods and work equipment

According to this regime, household goods, and equipment or work tools may only be brought into the country and will be imported for consumption free of foreign trade taxes (Art. 125 COPCI, 2010).

- Procurement

Using this regime, all merchandise for the supplying of goods must enter the special warehouse regime, in its supplying modality. Such merchandise must be declared as such by the carrier, to make the customs declaration and comply with all the formalities due to its regime. The goods may be for consumption, goods necessary for the operation and maintenance of vessels and aircraft, and goods that are on board at the time of arrival or that are carried on board during the stay of the means of transport (Art. 216 - 218 COPCI, 2010).

- Vehicle for private use by tourists

This special customs regime allows the entry of a tourist's private vehicle into Ecuadorian territory (Art. 219 - 223 COPCI, 2010).

1.6.4 Other customs regimes:

- **Conditional return (Regime 53)**

This regime allows obtaining an automatic total or partial refund of foreign trade taxes paid for the import of goods exported within the terms and percentages established in the COPCI regulations, as in the following cases (2021):

1. Those used in the country in a process of transformation.
2. Those incorporated in the merchandise.
3. Packaging

Only those foreign trade operators that export goods definitively and that use or incorporate raw materials or other materials imported exclusively for subsequent export will be eligible for this regime. (ACAVIR, 2021) The tax refund can be made through a credit note or by bank accreditation, depending on the exporter's request. However, before the refund, any tax debts that the exporter may have with the National Customs Service of Ecuador must be settled, and the deadline for the refund of the values is two months from the date of release of the goods (COPCI, 2021).

- **Free warehouse (Regime 73)**

The free warehouse is a liberatory regime that allows the storage and sale of national or foreign merchandise to passengers leaving the country or entering from abroad, in international ports and airports, without the payment of taxes on foreign trade, which are known as "duty-free", these warehouses are previously qualified and must renew their operating permit every 5 years (ACAVIR, 2021).

- **Special warehouse (Regime 75)**

Special merchandise warehouses are a regime for the provisioning, repair, and maintenance of ships, aircraft, and cargo units for the provision of public passenger and cargo transportation services; to which spare parts and replacement parts for their repair, conditioning, or adaptation may be imported free of all foreign trade taxes, the only condition being that they must fulfill the function for which they were imported within a maximum period of 5 years (COPCI, 2021).

- **International fairs (Regime 24)**

Another special regime authorizes the entry of merchandise that may be imported with the total suspension of payment of taxes, since the merchandise enters for a determined time, generally, items destined for exhibition, such as works of art, may only remain in previously authorized enclosures, goods imported for consumption for tasting, promotion and decoration purposes may also enter under this regime (ACAVIR, 2021).

- **Customs transit (Regime 80 - DTAI)**

Customs regime by which goods are transported under customs control from a district office to a foreign destination, during this journey they enjoy the suspension of payment of duties and taxes and surcharges eventually payable, which are previously guaranteed on the condition that the elements remain under this same regime, even if there is multimodal transport, transshipment (COPCI, 2021).

- **Reshipment (Regimen 83)**

Customs procedure under which goods declared as being in temporary storage, i.e. awaiting the assignment of a definitive customs procedure or destination, may be reshipped to another customs territory. This procedure may be requested by the owner or consignee, or arranged by the Customs Authority when appropriate. The merchandise prepared for reshipment may, with the prior authorization of the district director, be subject to the customs destination of destruction or express abandonment within the term established for this purpose, with which the reshipment will be considered to have been completed (ACAVIR, 2021).

- **Transshipment (Regime 81)**

Customs procedure for the transfer of goods that are removed from a means of transport used for arrival in the customs territory and loaded onto a different means of transport used for departure from the customs territory; the transfer can only be carried out under customs control. The cargo units or goods destined for the transshipment regime must be included in the cargo manifest of the inbound transport to be received as part of the reception process of the means of transport (ACAVIR, 2021).

1.7 Process to be registered as an importer and to be able to carry out the import process

To import into Ecuador, any natural or legal person, whether Ecuadorian or foreign nationals residing in the country, may carry out import procedures as long as they complete the process to be able to apply for an import.

1.7.1 Importer Registration Process

After having established what an import is and the existing regimes within the Ecuadorian customs legislation, it is necessary to emphasize that there are essential steps to follow within the process of entry of a product or good into the country.

According to what is specified on the official website of SENAE (2015), it is necessary to obtain the digital signature or token through its application within the civil registry, then, the

system known as ECUAPASS must be downloaded and registered as an importer. Next, information must be provided on the products and the existence of possible restrictions, prohibitions and tariffs to be canceled. Finally, seek advice from a customs agent authorized by SENA E and transmit the customs declaration, together with the necessary supporting and accompanying documents on the product to be entered (SENA E, 2015). Once the customs declaration has been made, the products will be subjected to an inspection or review that may be physical, electronic, documentary, or automatic, to proceed with the payment of taxes, duties, and fees, lift the goods and be able to be moved to their final destination for the purpose for which this process has been carried out (Importaciones Ecuador, 2019).

The following are some of the most important processes to take into account when importing.

- **Single Taxpayer Registry (RUC)**

As a first requirement for a person to be able to import, it is necessary to have a Single Taxpayer Registry (RUC) and if he/she does not have it, it is necessary to obtain it through the Internal Revenue Service (SRI).

To import or export, the user must register the company with the National Customs Service of Ecuador (SENA E). To register as a Foreign Trade Operator, the following steps must be taken.

- I. Obtaining the Digital Certificate for electronic signature and authentication

The Central Bank of Ecuador is in charge of the issuance of electronic signatures which can be obtained by completing the forms found on its website for an application for an electronic signature.

Complete the Application Form

- a) Personal Data of the Electronic Signature Applicant
- b) Clear copy of the Ballot Paper
- c) Copy of last electric, water, or telephone bill
- d) Color copy of ID card or passport

When the documentation has been completed and after having made the required payments, the Central Bank of Ecuador will send two emails to the user. The first one will indicate that the documents were received correctly and the second one will notice whether or not the application was approved depending on the documents sent. (BCE, 2016).

- **ECUAPASS Registration**

ECUAPASS is the Ecuadorian customs system that will allow Foreign Trade Operators to carry out all their import and export customs operations (SENAE, 2022).

In this way, the Foreign Trade Operators carry out the corresponding customs operations to execute an import or export. Once the user has registered in the portal of the National Customs Service of Ecuador, it will send an email with the confirmation of the user's data (Ibid).

- **Advice with Customs Broker**

According to the Organic Code of Production, Commerce, and Investment (COPCI) a Customs Agent "is the natural or legal person whose license, granted by the Director or the Director General of the National Customs Service of Ecuador, empowers him/her to manage regularly and behalf of others, the clearance of goods, having for this purpose to sign the customs declaration in the cases established by the regulations," (COIP, 2018).

Once the above points are completed, an import or export can be made, however, it is necessary to get a Customs Agent authorized by SENAE for greater security.

1.7.2 Customs Valuation of Good

The valuation of the customs merchandise is a fundamental part of the import process since it is used to determine the values to be paid when making an international purchase. The Andean Community recognizes "that it is necessary to have harmonized legislation containing the provisions relating to the determination of the customs value of goods imported into the customs territory of the Andean Community" (Andean, 2003).

Once the values are agreed upon, they will have six methods (which are established by the WTO Valuation Agreement), which will serve to determine the customs value or taxable base (Andina, 2003).

1. First Method: Transaction value of imported goods
2. Second Method: Transaction value of identical goods
3. Third Method: Transaction value of similar goods
4. Fourth Method: Deductive Value Method
5. Fifth Method: Reconstructed Value Method
6. Sixth Method: Last resort method

CHAPTER 2

ANALYSIS OF THE COMPANY'S IMPORT MANAGEMENT

2.1. History of the company

Rüstung is a company from Cuenca that was born in 2007; Establishing itself as the first in the installation of safety sheets for vehicles in the city, in several lines of the automotive sector, such as vehicle restorations and protection for the vehicle to have a long life through different services, such as the use of the "Bullet Liner" brand used in the buckets of the vans as a protective layer of the same. With the idea of continuing to grow, Rüstung expanded in the search for new services and products, in this way it began with the first import, bringing to the country the distribution of the brand Bullet Liner, A US company with a 30-year track record specializing in vehicle coating products for durability. Rüstung has always had a good reception in the Basin market; because they have worked in the best way, guaranteeing their jobs and giving the best as a company and team. (Rüstung, s/f).

Rüstung starts with the idea of providing special services to clients, even from looking for vehicular accessories with tinted windows and looking to add security for their customers' vehicles. The company started with two people, the person who founded the company and one employee, who was internationally educated on installing tinted windows for security. In the beginning, Rüstung tinted around 1-2 cars each month, this meant that they cannot afford their fixed expenses at that time. As it starts to understand the necessities of tinted vehicles due to the crime increases in the city, as a result, the demand increases for tinted windows. In this way, people become concerned and most interested in security for their vehicles and invest in security. (Cañizares, 2022).

As the company grows, Rüstung starts to offer new services such the automotive upholstery, which had a positive reception due to imported vehicles coming in the most basic form. At that time the automotive upholstery's demand was around 10 cars per month, this continued growth, and the company starts hiring more people and the team grew. Today, the demand for tinted windows per month is between 80 to 100 vehicles. The team focused on tinted

windows is made up of four people (two tinted experts and two assistants) the team focused on automotive upholstery is made up of four people (two seamstresses and two assistants) (Cañizares, 2022).

In 2018 looking for a company expansion, Rüstung started seeking new options to expand its product portfolio. In this way, Bullet Liner, a brand leader in vehicle coatings in the United States, become a product supplier for the company. To give quality service, and become leaders of the car accessories market more options were sought.

2.2 Market

William J Stanton, in 1969, defined the market as "A group of persons and organizations involved to a greater or lesser extent in the purchase of goods and services or the use of them" (Stanton, 1969). The market is a very broad topic, may vary over time, and indirectly affects any product by buyers and consumers. The markets based on the characteristics of the buyers can be classified into different types, where we can find the consumer market and the industrial market/ institutional market. (González, 2002)

Rüstung has a broad product portfolio to offer, the 90% is for the car industry with tinted windows, automotive upholstery, installation of vehicle accessories, complete restorations of the vehicle, installation of PPF to paint protection, detailing, etc. Rüstung's market always has been the car industry, due to the company having several conventions with car dealers in the industry. The car industry is constantly growing because new vehicles imported to Ecuador represent an opportunity to offer new products that satisfy new buyers and new markets.

Nowadays, Rüstung also works with the architectural market, it offers the area of the tinted window to houses, commercial premises, banks, etc. The company uses the Bullet Liner brand to waterproof the walls and roofs in houses and constructions in general, it also has a widely welcome in the mining, oil, and shrimp pools sector, this is why the product is ideal to create a protective layer to prevent corrosion. (Cañizares, 2022).

2.2.1. Main Clients

A major customer could be defined as an “Independent wholesaler who takes legal possession of items produced by a variety of manufacturers and then resells them to other companies. (W. Griffin & J. Ebert, 2004).

Therefore, the main customers to whom Rüstung provides its products and services of safety foils, protectors, and upholstery, are:

- Distributors of accessories for vehicles in the city of Cuenca. These include companies that are dedicated exclusively to vehicle safety sheets, companies dedicated to vehicle upholstery, and companies that distribute cleaning products for vehicles.
- Used cars, which are dedicated to the marketing of cars, but also offer as an additional service product for the care of the same.

2.2.2. Final Consumers

"In all types of businesses, there is a customer who receives the benefits of the product and/or service, that is, there will always be an end consumer for all products and services offered in the market" (Financiera, 2004). The final consumers that Rüstung counts are all those who have been users of the services and products of either these detailing, upholstery for the seats, bucket coating of the vehicles, or safety sheets for the glasses of the vehicle.

2.3. Competitors

Some companies are competitors in the Basin market with similar services to those offered by Rüstung, within which they offer polyurethane coating services, carpeting, and the sale of products in care for the vehicle in general, some of these are:

- Protemax

Protemax is a company that has been practicing in Ecuador for twenty years and has been working with accessories of good material for vehicles, where according to Protemax they intend to provide the best in alternatives of safety and comfort for their customers and turn to be able to offer the best services and adequate guarantees (Protemax, 2022). Among its main products you can find safety sheets, vehicle accessories and carpeting for cars, have 3 locations in the cities of Quito, Guayaquil, and Cuenca.

According to the company's statistics until 2021 have assisted 7,632 vehicles, 8,410 protected families, and received 260 awards.

- Luxor Car Center

It is a company that has different types of accessories for vehicles such as safety sheets, nanotechnology for vehicles, seats and leather coatings, stirrups, bucket coatings, and other accessories for the vehicle, Luxor Car Center has two locations in the city of Quito and Cuenca (Luxor Car Center, 2020).

- D'cache

It is a company of accessories for the vehicle of which they have a broader approach and experience in seat upholstery, are characterized by making them measure, of all kinds and with a one-year warranty, the company D cache also has several outlets in Ecuador such as Guayaquil, Quito, Cuenca, Manta, Ambato, and Machala (D'Cache, 2014)

2.4. Suppliers

The companies that supply Rüstung with the essential goods to carry out the detailing process in the customers' vehicles are:

- Bullet Liner

Bullet Liner is an American brand that recently joined as a supplier to the company Rüstung in 2019 its main product is the polyurethane protective spray for trucks, boats, and motorcycles, and has a network of certified dealers who apply it skillfully with a solid guarantee to ensure that your investment in your vehicle, boat or trailer is safe (Bullet Liner, 2022).

- 3M Ecuador

The company has a variety of products like polarized windows up plotting and vehicle paint, which can be purchased to give a care service and paint repair. Highlighting the company for providing various services such as automotive care and maintenance, collision repair, and vehicle safety and protection. (3M, 2021).

- Llumarecuador

It is one of the brands with the highest production of films for home windows and vehicle glasses, with a production in the United States by Eastman and Llumar Ecuador in which the company is noted for giving a guarantee of up to 10 years for imperfections in the films for vehicle glasses (Llumarecuador, 2022).

2.5. Company's SWOT analysis

The SWOT is an analysis that allows for determining what are the strengths, opportunities, weaknesses, and threats that a business or a project has (Raeburn, 2021). Using this technique, it was possible to recognize the positive aspects that are in favor, as well as the existing shortcomings within the company. This will allow actions to be taken to improve the company and take advantage of its strengths.

Table 1 **Table 1: Rüstung's SWOT analysis**

Internal Analysis	External Analysis
<p style="text-align: center;">Weaknesses</p> <ul style="list-style-type: none"> • A limited team: The company has a small group of sellers. • Reduced storage area for the imported product: generates storage costs. • Unit costs versus competition: The company's prices are higher than the competitors due to the quality of the same. • Advertising and Marketing: lack of physical presence with poor advertising to make itself known to other market niches. 	<p style="text-align: center;">Threats</p> <ul style="list-style-type: none"> • Increase in competitors offering the same services at cheaper prices. • High costs in import tariffs: high fluctuations in freight costs from China. • High presence of alternative products: products that are chosen for low prices
<p style="text-align: center;">Strengths</p> <ul style="list-style-type: none"> • Pioneer with the business concept in Cuenca: Rüstung unveiled this type of high-end service within the city • It offers more services than the competition: which causes it to have causes customers to get indirect marketing and customers advertise the company by word of mouth. • Agreements with local car dealers: the company Rüstung has permanent accounts 	<p style="text-align: center;">Opportunities</p> <ul style="list-style-type: none"> • High demand for transport services due to legal security issues • Expand to new markets through strategic alliances with recognized parking facilities in the city. • Location of the company, as the sector is surrounded by courtyards/car dealers: due to the area in which Rüstung was located is currently surrounded by parking lots that give presence to the brand

and customers, with which agreements have been signed.

. The company manager can keep track of the entire import process: The company manager knowing international trade can carry out continuous monitoring of the import logistics.

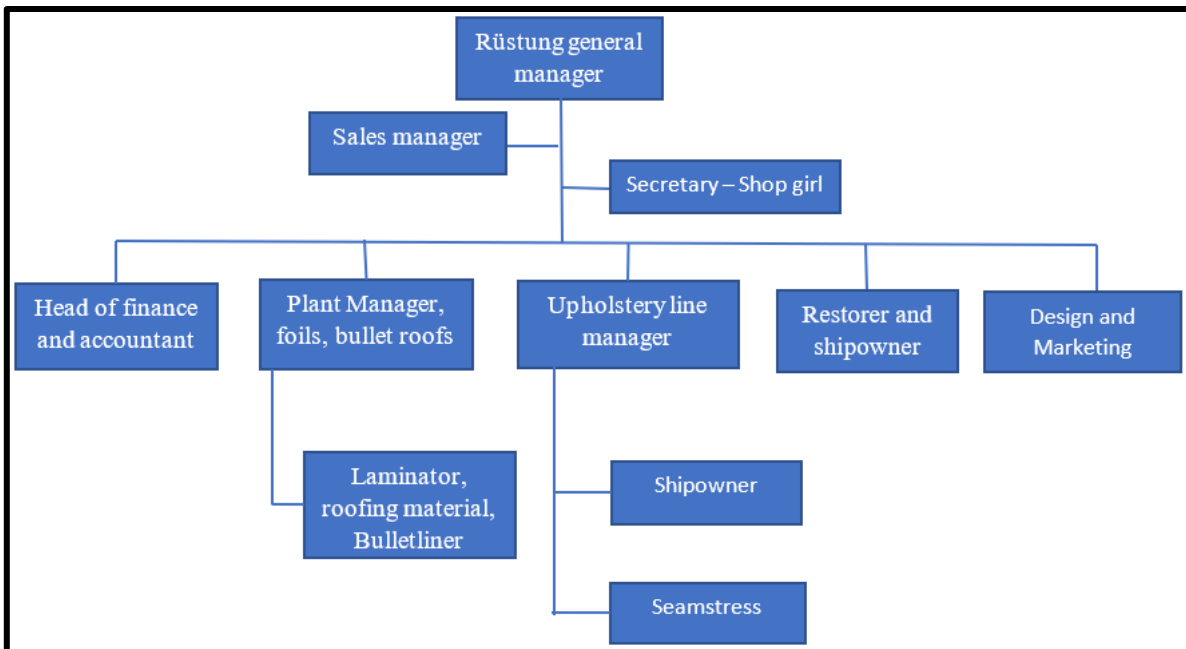
• Diversification of the line of products and services in search of satisfying a greater range of needs of its customers.

Made by: Jimbo, E; Goercke, S. (2022).
 Source: Cañizares N. (2022).

2.6. Company’s organizational chart

The organizational chart of the company Rüstung will allow having an overview of how the company is organized and see what are the channels of command the same. In addition, to be able to determine the designated operations of each department.

Figure 1 Company’s organizational chart



Made by Jimbo, E; Goercke, S. (2022).
 Source: Rüstung’s human resources (2022).

2.7. Justification of Max Shine products

Max Shine is a China-based company, dedicated to "designing and manufacturing the best polishers, pads, and a wide range of dual-action and low-throw products that remain the best in the business to this day" (Shine, 2022). For this reason, the Ecuadorian company Rüstung seeks to make import different products of this brand, being these: Pads for use in polishing machines, multi-purpose microfiber towels, cleaning sponges that are adapted to the hand for a better grip, brush for cleaning tires, and pads that are complements of polishing machines.

Below is an explanatory table on the items to be analyzed.

Table 2 Table 2 **Explanatory table of items analyzed for import**

Product	Characteristics/ Uses	Tariff code
Finish pad Max Shine High Pro 6"	<ul style="list-style-type: none"> • Pad with a wide shape to cover all corners of the car, focused on getting the most shine to the paint • The pad is washable and therefore reusable for the application of waxes and sealants 	3307490000
Microfiber Wash Mitten Max Shine Premium Chenille-Yellow	<ul style="list-style-type: none"> • Its structure helps to put more pressure on the cleaning of the vehicle • Ultra-soft fabric that does not damage the paint of the vehicle and helps it to have a longer service life 	6307100000
Max Shine 330GSM 16"x24" Multi-Purpose Microfiber Towel	<ul style="list-style-type: none"> • Microfiber fabric helps better absorption of liquids difficult to remove after washing the vehicle. • It has a medium fabric on both sides of the towel and can be used effectively wet and dry. 	6307100000
Maxi Shine tire brush	<ul style="list-style-type: none"> • Tire brush with hard, soft, and ultra-soft type bristles each for tire care. • It has a long plastic handle for a much more solid grip that allows pressure on cleaning. 	9603909000

Made by: Jimbo, E; Goercke, S. (2022).
Source: Cañizares N. (2022).

2.8 Ecuadorian Tariffs and Taxes on Foreign Trade

The tariff classification is an assignment of numerical digits for the codification of goods where each of them corresponds to independent merchandise, this is done without identifying them, to eliminate determining the value of their taxes, determine their determining's and rights, taking as a fundamental basis 3 types of tariffs where we can find, Ad Valorem Tariff, Specific Tariff, Mixed Tariffs (Cancinio, 2022).

The Ad Valorem tariff is the tariff that is charged to the value of goods, their freight, and insurance, the specific tariff is the one that encumbers the physical structure of the goods where it could be the weight or volume of the goods, while the mixture is the combination of these two previously explained tariffs. (Ibid). Specific tariff aims to protect domestic products from foreign products. This applies directly to the quantity of the product being imported. While the mixed tariff is a combination of the ad valorem with the specific tariff where the charge is first applied to the price of the imported good and the charge is also applied depending on the units of the good.

The code classification process with merchandise depends on your use or the material made to arrive at its correct coding, for this the general rules for the interpretation of tariff nomenclature where it is subject to 6 general rules that must be carried out to define a tariff item. (Ibid).

In Ecuador, goods can be classified according to their use or the material they are composed of, General rules for interpreting the NANDINA Common Tariff Nomenclature to apply to classify tariffs on goods subject to import or export (Common Nomenclature of the Member Countries of the Andean Community and is based on the Harmonized Commodity Description and Coding System), (2021)

With the result of the search in imports, the national tariff of Ecuador consists of 21 sections, 98 chapters, 1222 items,s and 5387 subheadings that have been issued and reviewed periodically with the foreign trade committee, which stores the tariff codes belonging to each good with their tariff rates and appropriate observations so that they can be used in either import or export activities (2021).

2.9 Logistics focused on Foreign Trade

Logistics in international trade is responsible for managing the transfer of the goods from the point of origin which can be the port or the supplier's warehouse to the buyer's hands. It has to do with all the organizational and management operations that aim to get the goods to their destination. These operations can be both transport, storage, and distribution of imports or export, in the supply chain (Martínez, 2004).

2.9.1 International Transport

According to Juan Gómez Calero, "international transport means any transport in which, as stipulated by the parties, the point of departure and the point of destination, whether or not there is an interruption in the transport or transshipment, is situated either in the territory of two High Contracting Parties, in the territory of a single High Contracting Party if a stopover is provided for in the territory of any other State, even if the latter is not a High Contracting Party" (1984).

To determine the logistics found within international transport, there are several influential factors such as the distance between the origin and destination of the goods, and the documentation required to avoid any inconvenience with the shipment of the product. International transport is dominated by air and sea.

"Importation by sea means that products or goods are brought into a country by ship cargo, whether by means such as sea, rivers or canals." (Ministry of Foreign Trade and Tourism, 2009). On the other hand, air importation refers to the entry of goods by air such as aircraft. Due to the cost, maritime transport is much more used than air transport, however, the transport time between the country of origin and the country of destination is longer due to the travel time and conditions that come into existence. Also, it should be taken into account that, depending on the INCOTERMS chosen in the negotiation between the exporter and the importer, the means of transport to be used will be defined.

2.9.2 Internal Transport in Destination

When carrying out the import process to the destination country, several companies manage to negotiate with international logistics systems in a very simple way, but it turns out that the transport of goods to the destination country becomes something a little more complex. It is important to take into account the costs of transporting merchandise within the import because it is always better if the costs are lower so that in this way a greater profit can be generated.

Ecuador has two main customs ports, the port of the city of Manta and the port of the city of Guayaquil. So, if imports occur from other parts of the country, it directly affects the internal transport of the merchandise increasing costs, changes in logistics for the arrival of containers, etc.,

CHAPTER 3

Feasibility Analysis of the Import

In this chapter we will analyze the feasibility of importing car cleaning products (detailing) from a Chinese company Max Shine to Ecuador, for this purpose a market study will be conducted, which will include an analysis of demand, price analysis and supply analysis. In addition, the analysis of costs and profitability will be carried out in which there are fixed costs and variable expenses of the company Rüstung as well as the execution of a cash flow study to determine the feasibility of the operation of this company in the city of Cuenca.

3.1. Market study

A market study is a process that companies use to know the current market situation, collecting information, conducting surveys with potential customers, comparing price-concerning to competition, to be able to make decisions that favor the company taking into account competition factors (Villena-Manzanares, 2015). The market study will be divided into three analyses: demand analysis, supply analysis, and price analysis.

3.1.1 Demand Analysis

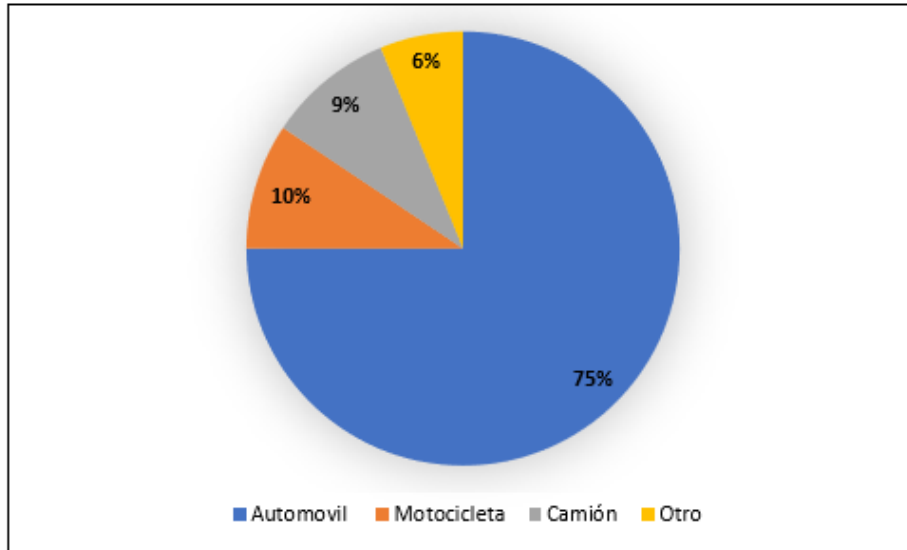
To determine the characteristics and preferences of consumers, a survey was conducted through a questionnaire on aspects related to vehicle cleanliness. The respondents belong to the city of Cuenca, and the sample size was 32.

The surveys were done virtually, sending by emails or WhatsApp messages a link with access to the survey to be answered, and the following results were obtained

1. ¿ What means of transport do you have?

As indicated, 75% of respondents own a car, 10% have a motorcycle, 9% have a truck and 6% of respondents have another type of transport. This first question is important because it can determine the percentage of people who may require the products being sought to study for the feasibility of importing.

Figure 2 **Figure 2 Means of transport available to respondents**

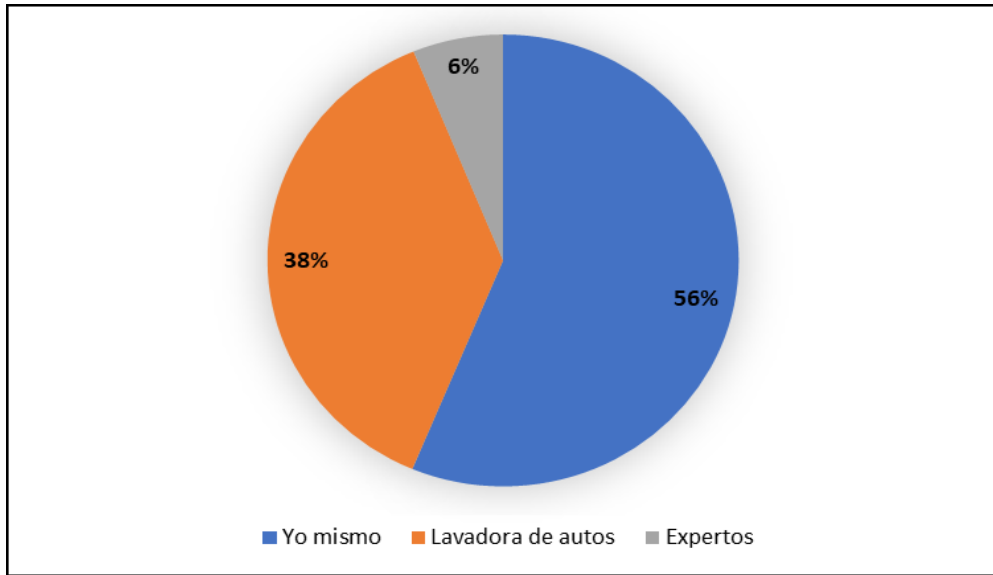


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

2. ¿Who washes your vehicle?

The results in this question were, that 56% of respondents do the washing of their vehicle by themselves, 38% wash their vehicle in a car washing machine and a percent of 6% perform the washing of their vehicle with experts

Figure 3 **Figure 3 Who/Where does your vehicle wash**

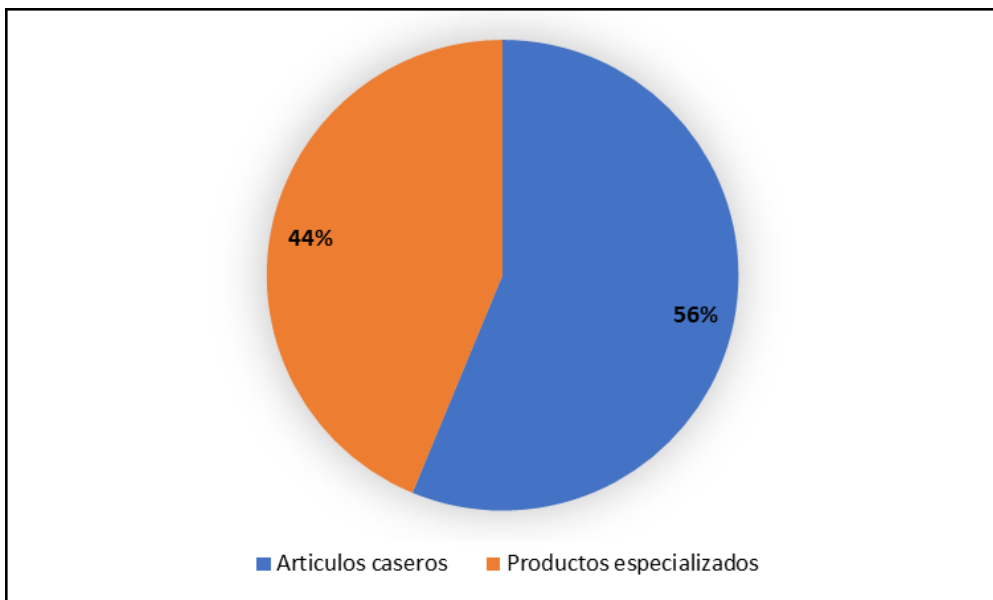


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

3. ¿ What items are used in cleaning your vehicle?

The results indicated in this figure are, with 56% of respondents use home products and 44% use specialized products for washing their vehicles.

Figure 4 **Figure 4 Items that are used in cleaning the vehicle**

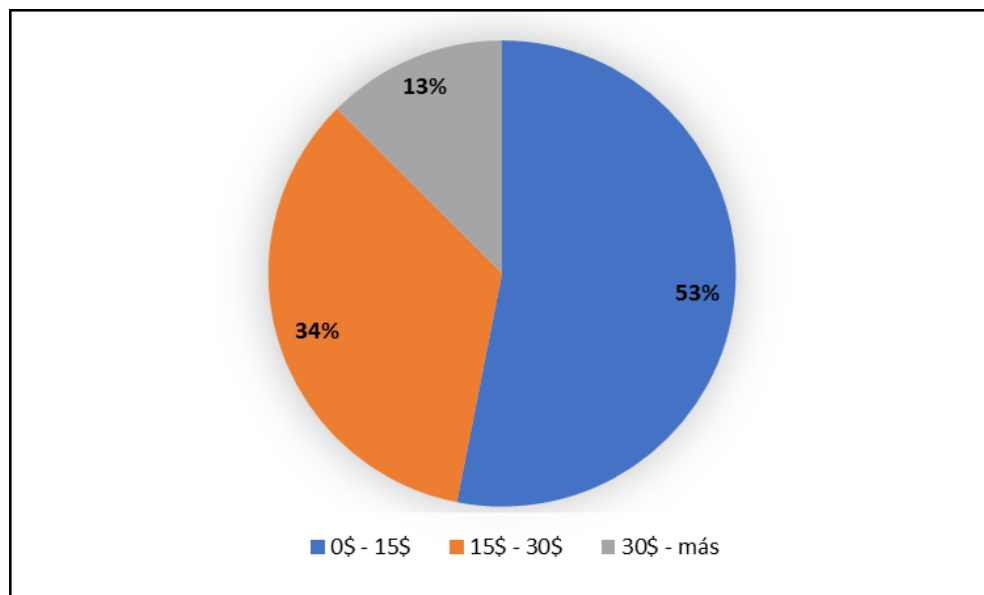


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

4. ¿ What is your budget for washing your vehicle?

53% of respondents spend between zero dollars to fifteen dollars for the washing of their vehicle, 34% spend about fifteen dollars to thirty dollars to wash their vehicle, and finally with a percentage of 13% of respondents spend between thirty dollars or more to wash their vehicle.

Figure 5 **Figure 5 Budget for washing the vehicle**

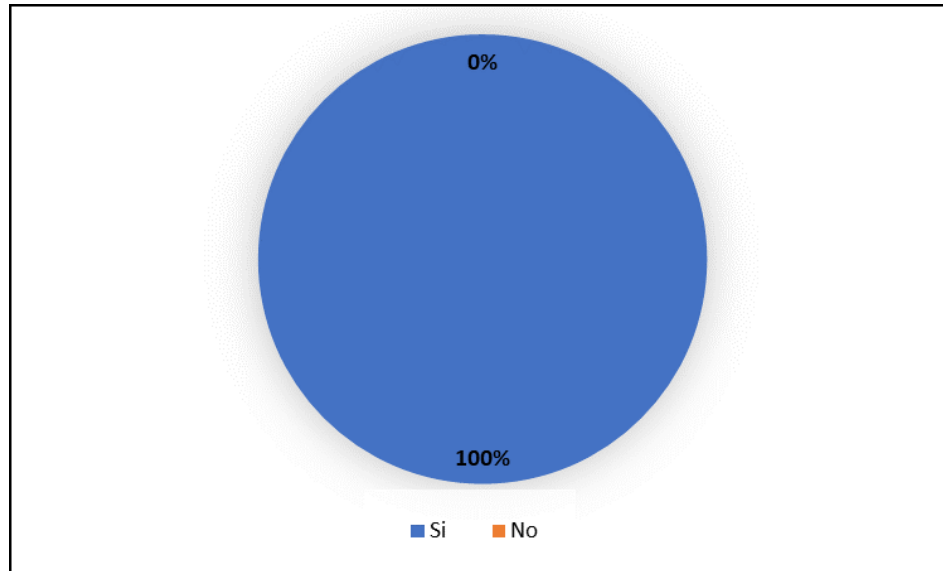


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

5. ¿ Would you buy vehicle cleaners that help rejuvenate paint and vehicle parts? (If the answer is no, the survey ends)

In this question, we obtained a result of 100% of respondents who would buy cleaning products that will help to better maintain the paint and other parts of your vehicle. This percentage is important because they are people who can become potential buyers of the products that are sought to perform in this import study.

Figure 6 **Figure 6 Cleaning products specializing in paint and vehicle parts**

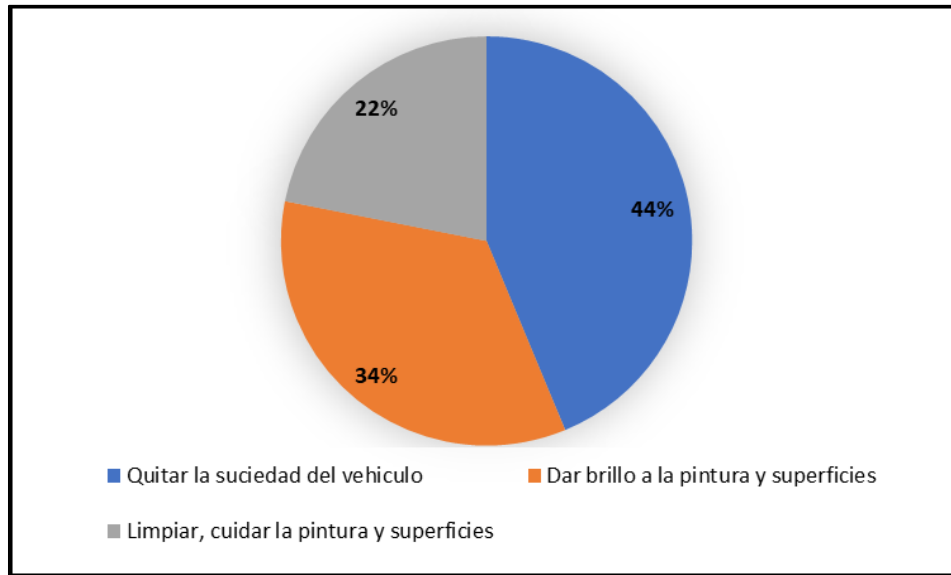


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

6. When purchasing vehicle cleaning products Which function do you consider most important?

44% of surveyors would buy cleaning products to remove dirt from the vehicle, 34% would buy products to brighten paint and surfaces and 22% would buy products to clean, and care for paint and surfaces.

Figure 7 **Figure 7 Most important function according to respondents**

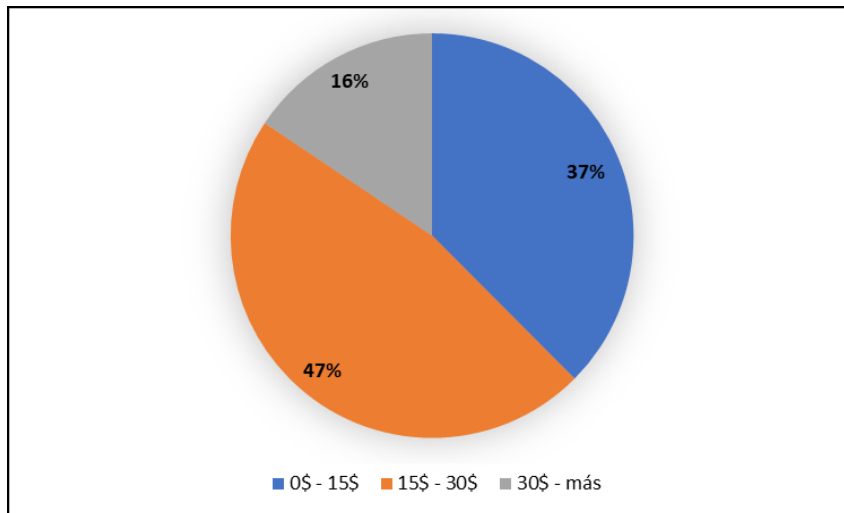


Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

7. ¿ How much would you be willing to pay for a product specialized in detailing vehicle cleaning?

47% would be willing to pay between fifteen and thirty dollars, 37% would pay a range from zero dollars to fifteen dollars and 16% would be willing to pay between 30 or more dollars.

Figure 8 **Figure 8 Money willing to pay for cleaning products according to respondents**



Made by: Jimbo, E; Goercke, S. (2022).
Source: Survey of Rusting store customers. (2022).

The results of these surveys showed that 75% of all respondents owned cars that 56% of these same respondents washed the vehicle themselves, in 56% used home products.

Within the group of respondents 53% would not allocate fifteen dollars or less for the washing of their vehicle and within this group of respondents would all be willing to buy products specialized in cleaning the vehicle.

It was also obtained that 44% seek that the products used for cleaning vehicles are focused on removing dirt from them, with 47% of respondents who would be willing to spend around fifteen to thirty dollars for products specialized in cleaning the vehicle.

3.1.2 Supply analysis

The objective of this analysis will serve to focus on the current situation of the market of cleaning products for the vehicle (detailing) in the city of Cuenca. To perform the analysis of the offer, it is necessary to describe the three types of offers that exist:

First, there is the competitive supply: it is the type of supply where those who dominate the market are the consumers (demand) of the goods or services because they can choose which products suit them most depending on the quality and price of the different options presented. (ConceptoABC, 2022).

Secondly, there is the monopoly offer: this type of offer has only one seller of a product or service, without competition, which allows total control over the price, quantity, and quality. (Ibid).

In addition, the third type of offer is the oligopolistic offer: where there is a limited number of suppliers, allowing them to determine the price of products or services on the market. (Ibid).

Having explained the types of market offer; it is defined that, the market that is being analyzed in this paper is a competitive offer concerning the vehicle care sector by comparing the Max Shine brand (mark which seeks to perform the feasibility study) with other brands that offer similar vehicle cleaning products. A comparison of prices, characteristics, and

colors of products similar to those to which the study is intended will be carried out to allow a more direct comparison.

Below, some tables will be presented, which will help us to compare their advantages and disadvantages between them. The items to be imported from the Max Shine brand are compared with similar items from the Meguiar's and Sonax brands. These companies offer products similar to those for which the import study is intended to determine their current situation of detailing products.

Table 3 Vehicle Cleaning Finishing Pads Comparison

	Pad Max Shine #1	Pad Meguiar's #2	Pad Sonax #3
Characteristics	Pad with a wide shape to cover all corners of the car focused on getting the most shine to the paint	8-inch pad specialized in polishing vehicle paint.	8-inch surface for cleaning vehicle paint
Price	\$9,73	\$8	\$7,50
Colors	Black, Red, and White	Yellow	Green, Red, and White

Source: Jimbo, E; Goercke, S. (2022).

Table 4 Comparison of Vehicle Wash Mitten

	Max Shine Washing Mitten #1	Washing Mitten Meguiar's #2	Washing Mitten Sonax #3

Characteristics	Ultra-soft fabric that does not damage the paint of the vehicle and helps it to have a longer service life.	Super soft, lint-free fabric, can be washed and reused many times.	It attaches to any hand size for balanced cleaning pressure.
Price	\$11,30	\$9,45	\$10
Colors	Yellow, Orange, Green, and Black	Black, Gray, and White	Black

Source: Jimbo, E; Goercke, S. (2022).

Table 5 Microfiber Multipurpose Towels Comparison

	Microfiber multi-purpose towel Max Shine #1	Microfiber multi-purpose towel Meguiar's #2	Microfiber multi-purpose towel Sonax #3
Characteristics	Microfiber fabric helps better absorption of liquids difficult to remove after vehicle washing	Yellow microfiber towel easily removes polished, waxes and sprays used in body cleaning	Microfiber fabric can clean any kind of vehicle paint impurities.
Price	\$10,28	\$9,50	\$9,50
Colors	Yellow, Black, and Green	Yellow	Yellow and Black

Source: Jimbo, E; Goercke, S. (2022).

Tabla 6 Table 6 Comparison of Brushes for tires

	Tire brush Max Shine #1	Tire brush Meguiar´s #2	Tire brush Sonax #3
Characteristics	Tire brush with hard, soft, and ultra-soft bristles each for tire care	Brush for wheels with super soft bristles and with angle variation	Rim brush with soft bristles and surface adaptable head
Price	\$10,24	\$8	\$9
Colors	Handle in black and white	Black handle and yellow bristles	Green handle

Source: Jimbo, E; Goercke, S. (2022).

3.1.3 Price analysis

As can be seen in the comparative tables of characteristics, price, and color of each product that seeks to carry out the feasibility study, it can be seen that there is a margin of difference between Max Shine products and those of the competition. The product of Finishing pad for cleaning the vehicle is priced at \$9.73, the Vehicle Wash Mitten at about \$11.30, the microfiber multipurpose towels at about \$10.28, and finally the price of tire brushes at about \$10.24.

If we compare it with companies like Meguiar s or Sonax (companies that also have products focused on detailing) present lower prices than the Max Shine brand. In the product of Finishing pad for cleaning the vehicle, Meguiar s priced at \$8 and Sonax is priced at \$7.50, the Meguiar s vehicle wash mitten offers at \$9.45 and Sonax at \$10, the Meguiar s microfiber multipurpose towels \$9,50 and Sonax at \$9.50 and finally the price of Meguiar s tire brushes at \$8 and Sonax at \$9.

The products of the brand Meguiar's aim to give safety to vehicles or give the customer some kind of benefit with your car, that is why they do not invest so many resources in accessories that are used for cleaning them. Sonax, on the other hand, focuses more on the cleaning and care of vehicles, but it is not precisely the cleaning accessories for which they are recognized but for the liquids, they produce for cleaning and care of the paint of the car.

Max Shine, specializes in the production of accessories and cleaning liquids of the highest quality for the care of vehicles, applying the best technologies to their products so that there is a guarantee in the same, thereby giving prestige to the company that can be trusted. The market niche of this company is set in a market segment that not only seeks safety but also takes care and prolongs the life of the paint of the vehicle and its parts. It is for this reason that the prices of the Max Shine brand are higher compared to its competitors.

3.2. Analysis of costs and profitability

3.2.1 Fixed and variable costs

For the analysis of the profitability of the import, it is necessary to make a breakdown of the expenses that Rüstung has monthly. This information will then be used for cash flow analysis.

The company currently has a staff of ten, of which five work part-time. All company personnel is recognized for the benefits that Ecuadorian law mandates, such as employer contributions, reserve funds, and social benefits.

In addition, the company has other monthly expenses that it must cover as basic services: water, electricity, telephone, and internet. Table 7 will also include other expenses, including expenses for parcels, office supplies, and mobilization, among others.

Tabla 7 **Table 7 Expenditure of the company Rüstung**

Gastos empresa Rüstung	
Descripción de gastos	Valor
Salarios	\$4.000,00
Aporte Patronal	\$430,75
Beneficios sociales	\$397,69
Fondos de reserva	\$341,49
Servicios básicos	\$250,00
Arriendo	\$0,00
Otros egresos	\$200,00
Total	\$5.619,93

Source: Jimbo, E; Goercke, S. (2022).

3.2.2 Cash flow

The cash flow table will show the liquidity that the company has, that is if the company can pay its payroll, other accounts, and expenses that are generated within it. This table determines the short-term viability of the company. To carry out the analysis of the viability of the import of eight months will be taken as a reference, to make visible the profit to be obtained during this period. In this case, an initial investment of \$20,000 is analyzed to establish the business physically based on the remodeling and adaptation of the premises of the sale. The initial investment amount of \$20,000 is owned by the owner of Rüstung so that its capital allows the operational start of the company. Some important data for cash flow analysis are considered in the table below. As can be analyzed in the proforma sent by our supplier from China, Max Shine (see annex 2), the prices that were negotiated are \$0.60 for each cleaning pad, being the imported quantity of 1440 units, which will be sold at a unit price of \$9.73. As explained in more detail in the previous sub-item. Also, the washing mitten has a cost of \$0.85, with a selling price of \$11.30, this product, is imported 1350 units. On the other hand, the multi-purpose microfiber towel can be negotiated at \$0.62 because it was negotiated for 2000 units. This product has a unit retail price of \$10.28. Finally, tire brushes are imported 1200 units at \$0.97 each brush and their sales value is \$10.24. This import has

a total cost of \$5315, plus \$4572.32 which includes the customs process and payment of import taxes. The following table explains the projected sales and expenditures over the 8 months of study.

Tabla 8 Table 8 Cash Flow

FLUJO DE CAJA MENSUAL		INVERSION \$20.000,00	PERIODO DE TIEMPO								TOTAL	
			JULIO	AGOSTO	SEPTIEMBRE	OCTUBRE	NOVIEMBRE	DICIEMBRE	ENERO	FEBRERO		
SALDO INICIAL			1000	-\$5.317,32	\$9.470,00	\$7.380,07	\$7.380,07	\$7.380,07	\$7.380,07	\$7.380,07	\$2.380,07	1000
INGRESOS	ALMOHADILLA	-	\$2.000,00	\$3.000,00	\$1.895,00	\$3.000,00	\$2.350,00	\$2.000,00	\$1.000,00	\$2.300,00		
	MANOPLA DE LAVADO	-	\$1.600,00	\$4.000,00	\$3.764,00	\$3.000,00	\$3.120,00	\$5.000,00	\$2.750,00	\$2.500,00		
	TOALLA MULTIUSOS MICROFIBRA	-	\$2.400,00	\$1.000,00	\$4.570,00	\$1.800,00	\$3.990,00	\$4.725,00	\$2.250,00	\$1.700,00		
	CEPILLO PARA NEUMATICOS	-	\$2.000,00	\$5.000,00	\$2.771,00	\$5.200,00	\$3.540,00	\$1.275,00	\$2.000,00	\$1.500,00		
	OTROS INGRESOS	-	-	-	-	-	-	-	-	-		
TOTAL INGRESOS		-	\$8.000,00	\$13.000,00	\$13.000,00	\$13.000,00	\$13.000,00	\$13.000,00	\$8.000,00	\$8.000,00		
EGRESOS	IMPORTACIÓN DE PRODUCTOS	-	\$4.572,32									
	PAGO A PROVEEDORES	-	\$5.315,00									
	GASTOS ADMINISTRATIVOS	-										
	SUELDOS Y SALARIOS	-	\$1.200,00	\$2.400,00	\$4.000,00	\$4.000,00	\$4.000,00	\$4.000,00	\$4.000,00	\$4.000,00		
	APORTES DE LEY	-	\$120,00	\$240,00	\$430,75	\$430,75	\$430,75	\$430,75	\$430,75	\$430,75		
	BENEFICIOS SOCIALES	-	\$120,00	\$240,00	\$397,69	\$397,69	\$397,69	\$397,69	\$397,69	\$397,69		
	FONDOS DE RESERVA	-	\$100,00	\$200,00	\$341,49	\$341,49	\$341,49	\$341,49	\$341,49	\$341,49		
	SERVICIOS BASICOS	-	\$250,00	\$250,00	\$250,00	\$250,00	\$250,00	\$250,00	\$250,00	\$250,00		
	IMPUESTOS	-	\$1.440,00	\$0,00	\$0,00	\$0,00	\$0,00	\$0,00	\$0,00	\$0,00		
	OTROS EGRESOS	-	\$200,00	\$200,00	\$200,00	\$200,00	\$200,00	\$200,00	\$200,00	\$200,00		
TOTAL EGRESOS		-	\$13.317,32	\$3.530,00	\$5.619,93	\$5.619,93	\$5.619,93	\$5.619,93	\$5.619,93	\$5.619,93		
FLUJO OPERATIVO		-	-\$5.317,32	\$9.470,00	\$7.380,07	\$7.380,07	\$7.380,07	\$7.380,07	\$2.380,07	\$2.380,07		\$100,00
INGRESOS NO OPERATIVOS	VENTAS DE ACTIVOS FIJOS	-	-	-	-	-	-	-	-	-		
	PRESTAMOS BANCARIOS	-	-	-	-	-	-	-	-	-		
TOTAL INGRESOS NO OPERATIVOS		-	-	-	-	-	-	-	-	-		
EGRESOS NO OPERATIVOS	PAGO PRESTAMOS BANCARIOS	-	-	-	-	-	-	-	-	-		
	OTROS PAGOS	-	-	-	-	-	-	-	-	-		
TOTAL EGRESOS NO OPERATIVOS		-	-	-	-	-	-	-	-	-		
FLUJO DE CAJA NETO		-	-\$5.317,32	\$9.470,00	\$7.380,07	\$7.380,07	\$7.380,07	\$7.380,07	\$2.380,07	\$2.380,07		
FLUJO DE CAJA ACUMULADO		-\$20.000,00	-\$5.317,32	\$4.152,68	\$11.532,75	\$18.912,82	\$26.292,89	\$33.672,96	\$36.053,03	\$38.433,10		

Source: Jimbo, E; Goercke, S. (2022).

Based on the Cash Flow analysis, it was possible to determine the indicators of Internal Rate of Return and Net Present Value to evaluate the financial viability of the business. The following table shows the values considered for the calculation of these indicators and their respective results. Within the table you can enter the values corresponding to income and expenditures, on the one hand, income is obtained from the monthly sale of the four products initially proposed to import. Thus, maintaining sales in 8 months that remain between \$8000 and \$13,000 per month, the amount that varies according to the sale of cleaning pads, washing mittens, microfiber towels, and tire brushes. These sales include cash and debit card values.

On the other hand, the expenditures include all the expenses and costs necessary to maintain the operation of the company. These expenses include the value of the import process and the goods and payment of taxes, which is given for a single time within 8 months, as well as the payment of salaries that rises until the third month, where it is expected to complete the

payroll necessary to fill with the jobs, this item derives the payment of statutory contributions and social benefits mandatory by law. Finally, the payment of basic services such as water, electricity, and internet, is contemplated, this value does not include rent because the local is the investor's property.

Tabla 9 Table 9 TIR AND VAN CALCULATION

Inversión Inicial	-\$20,000.00
Flujo 1	-\$5,317.32
Flujo 2	\$9,470.00
Flujo 3	\$7,380.07
Flujo 4	\$7,380.07
Flujo 5	\$7,380.07
Flujo 6	\$7,380.07
Flujo 7	\$2,380.07
Flujo 8	\$2,380.07
n	8 periodos
i anual	7.70%
i mensual	0.64%
VAN	\$17,286.98
TIR	15.18%

Source Jimbo, E; Goercke, S. (2022).

In the case of Net Present Value, the indicator shows viability in the project since when analyzing over time the flows of income and expenditures considering the initial investment, the project results in a positive balance of \$7,172.96.

In the case of the Internal Rate of Return, the indicator analyzes the viability of the project about the reference rate of an alternative investment. A 15% IRR is a high return and much higher than the rate a Bank pays for investment with minimal risk. Therefore, it is analyzed that according to this indicator the project is also viable.

- **Breakeven point**

Within our analysis, we can highlight some of the products that present greater ease of sale. In this case, there are the pads and multipurpose towels of microfiber, since, according to the analysis carried out within this research, are the two products, within the 4 objects of study, with greater demand.

The pads have a sale price of \$9.73, on the other hand, the multipurpose microfiber towels, have a commercial price of \$11.30. Within the import, the gross value is \$4500.00 US dollars that are divided between \$864 in pads, \$1147.50 in washing mittens, \$1240 in multi-purpose microfiber towels, and finally \$1164 in tire brushes. The prices offered by the supplier are \$0.60 per pad, allowing the import of 1440 units; \$0.85 per towel washing, with the amount imported a total of 1350 units; \$0.62 per unit of multipurpose towel fiber, importing a total of 2000 units; and \$0.97 for each tire brush giving an import of 1200 units.

To calculate the break-even point of each product we have used the formula where the fixed cost is divided by the price per unit minus the variable costs you can present per unit.

$$P.E. = \frac{CF}{P - CV}$$

CF Costos fijos
P Precio unitario
CV Costos variables unitarios

In the case of the pad, the equilibrium point is 95 units, leaving a profit margin for the 1345 units of \$13086.85. On the other hand, the mittens have a balance point of 110 units, leaving a gain of \$14,400.70 for the extra 1239 units. The multipurpose fiber towel finds its balance in unit number 128, producing a profit of 1872 units, with the profit being a total of \$19244.16. Finally, the tire brushes release 1074 units of the imported 1200, since their equilibrium point is 126 units, creating a gain of \$10997.76.

In this specific case of the four study products, it can be observed that the import of these products is viable due to the prices offered by our supplier, which allow us to maintain a competitive price to the consumer and generate a high-profit margin.

3.3 Operational Feasibility

3.3.1 Trade agreements

As is known, Ecuador's diplomatic and commercial relations with China have been strengthened in the last two decades due to the high level of government interaction since the presidency of economist Rafael Correa., and have remained until the current government (Guzmán; Sánchez, 2020). In the case of trade agreements, it is evident that there has been a high level of negotiation since agreements have been reached that facilitate the entry of products of Chinese origin into the Ecuadorian country and vice versa, thus promoting the revitalization of the economy and employment in both nations (Larrea, 2020). Thus creating a kind of economy that seeks a win-win for the countries in question.

Currently, it is expected that until the middle of this year an agreement will be signed between these countries that would allow the lowering of tariffs on both export and import of both plant and animal products as well as machinery, technology, and various tools (Ekos, 2022).

3.3.2 Max Shine Customs Regimes

Within this study, it is known that the products that are imported are for sale and consumption in the Ecuadorian territory, so all the products to be imported within this project enter regime 10, Also known as the consumption regime, that is, imported goods in this regime allow free circulation after payment of import duties and taxes, surcharges and penalties, when applicable, and compliance with customs formalities and obligations (COPCI, 2018). Therefore, there are no prohibitions or steps other than the payment of taxes for the total release of these products for their subsequent sale and/or consumption.

3.3.3 Tariff classification

The National Customs Service of Ecuador has established the taxes that must be paid for the importation of goods into the national territory. Among these are customs duties, taxes established in organic and ordinary laws, and fees for customs services (SENAE, 2018).

Tabla 10 **Table 10 Pad product tariff**

Tariff Subheading: 3307490000
Ad Valorem Tariff: 20% of the tax base
Specific tariff: 5.50% net weight
Fodinfra: 0.5% of the tax base
IVA: 12% of the tax base
Release percentage: There is no release for the import regime for consumption.

Performed by: Jimbo, E; Goercke, S. (2022).

Source: Ecuapass System, of the National Customs Service of Ecuador

Tabla 11 **Table 11 Tariff of the Washing Mitt product**

Subheading: 6307100000
Ad Valorem Tariff: 10% of the tax base
Specific tariff: 5.50% net weight
Fodinfra: 0.5% of the tax base
VAT: 12% of the tax base
Release percentage: There is no release for the import regime for consumption.

Performed by: Jimbo, E; Goercke, S. (2022).

Source: Ecuapass System, of the National Customs Service of Ecuador

Tabla 12 **Table 12 Tariff of the microfiber multipurpose towel product**

Subheading: 6307100000
Ad Valorem Tariff: 10% of the tax base

Specific tariff: 5.50% net weight
Fodinfra: 0.5% of the tax base
VAT: 12% of the tax base
Release percentage: There is no release for the import regime for consumption.

Performed by: Jimbo, E; Goercke, S. (2022).
Source: Ecuapass System, of the National Customs Service of Ecuador

Tabla 13 Table 13 Tariff of the product: Brush for tires

Subheading: 9603909000
Ad Valorem Tariff: 15% of the tax base
Specific tariff: 5.50% net weight
Fodinfra: 0.5% of the tax base
VAT: 12% of the tax base
Release percentage: There is no release for the import regime for consumption.

Performed by: Jimbo, E; Goercke, S. (2022).
Source: Ecuapass System, of the National Customs Service of Ecuador

3.3.4 Technical standard

At the time of importing, the requirements of technical regulations must be met. In Ecuador, the body that controls these standards is the Ecuadorian Standardization Service (INEN). Its main function is to regulate quality policies in the country through technical regulations. This regulation is established under the principles established in the Andean community system of the most favored nation, national treatment, non-discrimination, equivalence, and transparency, also established within the framework of the World Trade Organization (INEN, 2022).

For the importation of products, the labeling established in the NTE INEN 1875 standard, which dictates the requirements for labeling clothing, clothing accessories, and household linen, must be considered. For this standard, the information that the label must contain is:

- 1- Describe in Spanish
- 2. Express the percentage of fibers, leather, and fabrics used
- 3. Care instructions
- 4. Country of origin

In the same way, registration in MIPRO should be considered for this import. The MIPRO is the Ministry of Industries and Production in charge of executing public policies that enable the process of importing and importing regulated products through foreign trade resolutions. Once registered in MIPRO, the license to import products established by this institution will be enabled. In this case, it would be the register of importers of textiles and footwear. The document allows both legal and natural persons to import textiles and footwear, which is regulated in resolution 401 of the COMEX. In the case of this import, this process will be carried out by a customs agent, who will carry out the procedure for \$100.00 (Mise, 2022).

3.3.5 Import volume

The import volume was determined by the cash flow of the Rüstung company, to determine if the company will have enough liquidity to cover this import. In this way, the following values and quantities to be imported were determined jointly with the directors of the company:

Tabla 14 **Table 14 Import Volume**

Producto	Volumen
Max Shine High Pro Finishing Pad of 6	1440,00

Max Shine Premium Microfiber Wash Mitt Chenille-Yellow	1350,00
Max Shine 330GSM 16”x24” Multipurpose microfiber towel	2000,00
Tire brush Max Shine	1200,00

Source: Jimbo, E; Goercke, S. (2022).

3.3.6 Import process and cost

To carry out any importation within Ecuador, a series of steps must be followed before entering the products. In addition, during the import process, continuous monitoring must continue until the merchandise is in the facilities of the importing company. The Customs Service of Ecuador (2022) on its website establishes that the steps before an import are:

1. Obtaining the Token or Digital Certificate for the electronic signature, can be obtained at the Civil Registry or through Security Data.
2. Installation of ECUAPASS on a specific server.
3. Register as an importer in ECUAPASS, this must be done by any natural or legal person residing in the country.
4. Know if the products to be imported have any restrictions or prohibitions. This can be done by entering "Tariff Consultation" on the Ecuapass Server.
5. Clear customs through a customs agent.

To start the import process, the company Max Shine in Wuhu, China was contacted. The company quoted the four products to be imported in a proforma that can be found as Annex 2, in FOB value, obtaining the following values per product:

Tabla 15 **Table 15 Import process and cost**

Descripción	Unit price	Units	Total FOB
Max Shine 6" High Pro Finishing Pad	\$0,60	1440,00	\$864,00

Max Shine Chenille Microfiber Wash Mitt	\$0,85	1350,00	\$1147,50
Max Shine 330GSM 16"x24" All Purpose Microfiber Towel	\$0,62	2000,00	\$1240,00
Max Shine Tire Scrub Brush	\$0,97	1200,00	\$1164,00
			\$4415,00

Source: Jimbo, E; Goercke, S. (2022).

Once the proforma was obtained by Max Shine, the international freight quote was made. Two quotes were made, the first by the exporting company and the second with the logistics company Provexcar. The following table shows the price difference between these two companies.

Tabla 16 **Table 16 Freight Quote**

	Max Shine International Transport	FERCAB	Provexcar
International freight	\$900,00	-	\$ 1545,00
Local Expenses	-	\$600	\$600,00
Total	\$900,00	\$600	\$ 2145,00

Source: Jimbo, E; Goercke, S. (2022).

The international freight that the Max Shine company quoted does not include local expenses, obtaining a total international freight of \$900.00. In this way, the expenses within the country were quoted with the company FERBAB, obtaining a total of \$600.00. Instead, the logistics operator Provexcar gave a quote for international freight plus local expenses of \$2,145.00. Once the quotes were obtained, it was decided to use the transport of Max Shine and the local transport of FERBAB, obtaining a total of international freight and local expenses of \$1,500.00.

In this way, the final cost of the products to be imported to the city of Cuenca is reflected in the following table.

Tabla 17 **Table 17 Final cost of products**

Import details	
Total number of products	\$5.990,00
Total FOB	\$4.415,50
International Freight Anhui-Guayaquil	\$900,00
Insurance 1% of the CFR value	\$53,16
CIF value	\$5.368,66
Settlement of Customs Taxes to Pay	
Ad Valorem (from CIF Value)	\$713,87
Specific Tariff	\$1.529,00
Fodinfra (0.5% value Ex Customs)	\$26,84
VAT (12%)	\$916,60
Local expenses	\$600,00
Storage	\$350,00
Customs paperwork	\$336,00
Importer/MIPRO Registration	\$100,00
TOTAL IMPORT OPERATING COSTS	\$4.572,31
TOTAL CIF + OPERATING COSTS	\$9.940,97

Source: Jimbo, E; Goercke, S. (2022).

Conclusions

To carry out the process of analyzing the import of detailing products, the work began by focusing on the theoretical and conceptual parts that helped the development of the following chapters. In this way, in the first chapter, the different theories of foreign trade were explained, such as the traditional theory and the modern theory; Economists such as Adam Smith, David Ricardo, John Stuart Mill, Heckscher, and Ohlin were key to being able to describe them, based on their interpretation of their theories. This chapter described the history of foreign trade and how it has evolved to the point where it is today. The different types of terms of negotiation (INCOTERMS) that are currently present in foreign trade were defined, to speed up negotiations and not have any type of impediment to the language barrier of merchants.

In chapter two, an analysis of the company is carried out The care, cleaning of vehicles or means of transport in the city of Cuenca means a lot to its users, because the city of Cuenca is considered an automotive city with many lovers of it, the detailing of the vehicle being a detailed cleaning of the vehicle where various techniques and meticulous processes are used with specialized tools and specific products for this job, carrying different techniques and tools depending on the state of each vehicle.

The company Rüstung being one of the pioneers in vehicle safety since 2007 with a very important trajectory in the automotive part of Cuenca, well, it started as a small business of security sheets, having 1 or 2 cars a month as clients, until many of its new clients saw the importance and security that a security sheet provides them in their vehicle, the company began to grow and become known in the city. Thanks to its quality and service with the safety sheets, the company began to incorporate much more into the automotive market, diversifying its services such as upholstery and coating of truck buckets.

The company is interested in the distribution of vehicle detailing products since, today, vehicle detailing is being taken into account thanks to its benefits such as maintaining a good appearance of the vehicle, ease of maintenance and cleaning, the comfort of the occupants, and often very important the value of the resale since this helps to maintain the investment of the property since the vehicle is having detailed care of its parts and paint.

The Rüstung company maintains a good business relationship with its clients, this has resulted in the company already doing business with car parks, dealerships, and companies that have vehicles as heritage. With the trajectory of Rüstung, they have been able to be official distributors of imported products of the Bullet Liner brand since 2019, giving an excellent result for their clients and the experience to be able to handle procedures and international negotiations for the importation of products, encouraging the company. to want to import detailing products from the Max Shine brand.

Max Shine is a company with a history of 16 years and ranked as one of the most important detailing companies worldwide, dedicated solely to the production of high-quality vehicle detailing products and customer service experience. Max Shine products are characterized internationally as they lead innovation in the development of their products, becoming a brand that generates security and trust for its users.

In conclusion of this feasibility study, we can say that, if it is feasible for the Rüstung company to import Max Shine brand products from China because the products that it plans to import are pads, microfiber wash mitts, multipurpose microfiber towels, tire brushes can not only be used in vehicles, but also in motorcycles and trucks, which referred to 94% of the means of transportation used by those surveyed. According to the analysis of a projection of the demand that the products will have once they are imported, since the respondents maintain vehicle care with a continuous washing of the means of transport and the Max Shine products can be used either by the owners of the vehicle, in washing machines or by experts, since the use of these can be applied in a very simple way and fall within the budget range for vehicle care, which is from \$0 to \$15. Although it has a small price difference from its competitors, customers would be willing to pay more for a product that can meet customer expectations, which is the cleaning and care of parts and paint. To carry out the import process, a quote is requested from the company Max Shine, once the prices and quantities to be imported in FOB value have been obtained, the best logistics to transport the merchandise are analyzed. In this way, you opt for the international freight offered by the company, saving \$645 in transportation. Once the CIF values are obtained, the cash flow is performed where it was observed that the cash balance at the end of the year gradually increases positively during the 8 months calculated. The initial investment of the project that covers the operation

and financing activities of the company will be \$20,000 US dollars. With the results of this state, the Internal Rate of Return shows a figure of 15%, which indicates the viability of the project. In this way, based on all the analyzes carried out and the data obtained in the market study and the profitability analysis, it is seen that the company will be able to recover its initial investment and obtain profits in the short term, with a high return about the rate that a bank pays for investment with minimal risk.

Recommendations

Once the feasibility study is finished, it is necessary to issue some points that are recommended to the Rüstung company, so that in this way it can contribute positively and give it a good development.

- The prices obtained from the study are higher than those of the competition but based on the analysis of the offer and the survey of Rüstung's customers, the proposed price range if they are willing to pay that amount, even knowing that the prices of the competition are lower. Customers prefer to pay more, but fully guarantee the guarantee that these products offer to their vehicle, so it is recommended to promote more of the advantages that these products have, such as the quality and reliability of the products for detailing. The products with the highest projection of demand are, according to the analysis, multipurpose microfiber pads and towels, so it would be feasible to promote these products by different means.
- The company Rüstung must be up to date with the trade relations between China and Ecuador because in the future agreements or FTAs may be presented that benefit various sectors of Ecuador in which care products for vehicles are generated, generating in this way that can reduce import costs and generate more profit for the company.
- Promote the Rüstung brand much more as such, since in the City of Cuenca there are a large number of vehicles with the company's products, but people do not know the brand or where they can access its products and services.

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Annexes
Annexes 1 **Annex 1 Survey**

Encuesta

Esta encuesta es para un proyecto de Tesis sobre un estudio de factibilidad de una importación

 **erickjimbo06@gmail.com** (no compartidos) [Cambiar de cuenta](#) 

Que medio de transporte posee?

- Automovil
- Motocicleta
- Camión
- Otro: _____

Quien realiza el lavado de su vehiculo?

- Yo mismo
- Lavadora de autos
- Expertos
- Otro: _____

Qué artículos son empleados en la limpieza de su vehiculo?

- Articulos caseros
- Productos especializados en la limpieza del vehiculo
- Otro: _____

Cuál es el presupuesto que usted destina al lavado de su vehículo?

- 0\$ - 15\$
- 15\$ - 30\$
- 30\$ - más

Compraría productos de limpieza de vehículos que ayuda al rejuvenecimiento de la pintura y partes del vehículo? (Si la respuesta es no, la encuesta termina)

- Si
- No

Cuando compra productos para la limpieza de vehículos ¿Qué función considera más importante?


- Quitar la suciedad del vehiculo
- Dar brillo a la pintura y superficies
- Limpiar y cuidar la pintura y superficies

¿Cuánto estaría dispuesto a pagar por un producto especializado en detailing de limpieza de vehículo?

- 0\$ - 15\$
- 15\$ - 30\$
- 30\$ - mas

Annexes 2 Annex 2 Quotation

MAXSHINE CO.,LTD







proforma invoice(P/I)

COUNTRY:
VENDOR: Maxshine Global Limited
ATTN:
TOTAL MEASUREMENT: 33.422 CBM

Address Office:
 4023rd Floor,28 Building,No.2 Fuyuan Road,
 Free Trade Zone,Wuhu,Anhui,241000,China
 Tel:+86 553 4895 205
 Fax:+86 553 5719 633

INVO.: Date: 05/05/2023
CUSTOMER FUND: R181818004
PORT OF LOADING: SHANGHAI
PORT OF DISCHARGE: CHINA
COUNTRY OF ORIGIN: CHINA
SHIP (M/T): SCS(11)

ITEM NO.	SPECIFICATION	PACKING	QTY	UNIT PRICE	AMOUNT (USD)
VENDOR STYLE NO.:00118008 	DESCRIPTION: CAR MESHANE FRESHENER Name: COLOR: ORANGE HS CODE: 38249000 UNIT PACKCARD WITH SINGLE BUBBLE/CTN BRAND: DESIGN:		1000	0.6	\$604.00
VENDOR STYLE NO.: 00211009 	DESCRIPTION:RINSE MICROFIBER WASH MITT SIZE 20*18CM. WEIGHT: 300GR COLOR: ORANGE HS CODE:50719000 UNIT PACKCARD WITH MITT AND BAG SEAL/CTN BRAND: DESIGN:		1150	0.81	\$1,147.50
VENDOR STYLE NO.: 00211008 	DESCRIPTION:KITTY SUPER BRIOFF MICROFIBER SIZE 40*40CM. WEIGHT: 64GR COLOR:ORANGE HS CODE:50719000 UNIT PACKSEALER CARD 200SETS/CTN BRAND: DESIGN:		3000	0.63	\$1,890.00
VENDOR STYLE NO.:00120011 	DESCRIPTION:TOILET-TUBE BRUSH SIZE 13*5.3*13CM. WEIGHT: COLOR: GERY AND BLACK HS CODE:39249000 UNIT PACKCARD BUZZER 120179/CTN BRAND: DESIGN:		1100	0.87	\$1,146.00
					ORDER AMOUNT: \$4,455.50 EXTRA COST: \$0.00 TOTAL AMOUNT: \$4,455.50
<p>REMARK: TERMS OF PAYMENT: TT BENEFICIARY: Maxshine Global Limited 4023rd Floor,28 Building,No.2 Fuyuan Road Free Trade Zone,Wuhu,Anhui,241000,China ADVISING BANK: SHANGHAI FUDONG DEVELOPMENT BANK, MYSBO BRANCH NO 218 JIANGSU ROAD, MYSBO, CHINA, ZIP 215000 ACCOUNT: 84014817638879 SWIFT CODE: SFOD3333</p> <p>SELLER: BUYER:</p>					

宁波江北宏海进出口贸易有限公司
 NINGBO JIANGBEI HONGHAI TRADING CO.,LTD