Doing Business in Canada Distribution & Logistics Fundamentals Broad Reach

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How do I get my goods into Canada?

Shipping from US warehouse: NFR vs Commercial Stream

Using a Canadian Warehouse (own or 3PL)



Shipping from US Warehouse

Can be more cost effective

Commercial

Canadian entity (Importer of Record)

Products are applicable for sale in Canada: bilingual labeling/registered or compliant with applicable agency- Health Canada/CFIA





Shipping from US Warehouse

NFR (Not For Resale)

Consumer is the Importer of Record

US products

Direct Selling companies should have products applicable for sale in Canada: bilingual labeling/registered or compliant with applicable agency-Health Canada/CFIA...or other applicable agency

Shipping from CAD Warehouse

Canadian entity is the Importer of Record

Faster transit times

Easier returns management- customer service ease/return to inventory/samples to field

Direct Freight to Canada of manufactured products- escaping some tariffs

Tax advantages



Own Warehouse vs 3PL

Many companies transitioning to 3PL model or hybrid (US & CAD/CAD)

Ability to scale up or down as required

Fewer resources/less expensive to work with 3PL

Option for several warehouses across Canada (West & East Coast)

Access to Warehouse Management System or tied to company's own

3PL can manage shipping contracts & deal with shipping issues alleviating customer service issues



CAD Presence: Returns

Just because it can be imported into Canadadoesn't mean it can be returned back to the US or other country

Goods that fall under FDA Guidelines
Others



Carrier Costs/Surcharges

Final Mile Delivery can be higher in Canada than US

Outside of UPS/FedEx/Canada Post- lots of additional carriers for Urban areas

Easier to negotiate down on surcharges (including fuel surcharge)

What's your Fuel Surcharge?

Week of October 16th

Canada Post: 29.50%/UPS: 31.50%

Other Surcharges

Residential/Peak/Covid/Remote





Thank you

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