

THE WHOLESALE FORMULA

Module 1 – Getting Started: International Students

One of our most common questions is from international students, wanting to know how they can take advantage of the Amazon opportunity. This video will supply you with everything you need to start making sales in the US Marketplace, as well as setting up with US based brand owners. I realize that you will often hear us say something about a resale certificate. This does not apply to you.

In this video, we will cover everything you need to get started.

Getting Started

If you follow this video, you should be able to get EVERYTHING that you need to start selling your physical products. In many cases, we will suggest to use professional help. That is very important as professional services will make sure that you are in compliance with US tax or other laws.

1) Getting Started with Wholesale!

Our first bit of advice is whether you want to sell on Amazon.com or another Amazon marketplace that you speak to a CPA or Attorney/Solicitor. A CPA will be able to advise on applicable tax laws, while an attorney can advise on formation questions. In some instances, it may make MORE sense for you to form a company inside the US, but a licensed professional would need to advise on that.

To get started with US based brand owners, you simply need to have a business. That can and will likely be a business that is registered in your own country. You will need to show documented proof. In the US the document that we show is a Resale Certificate.

2) Getting Started on Amazon!

- a) A credit card that can be charged internationally (typically a Visa or Mastercard)
- b) A local bank, in your country that supports ACH (Automated Clearing House). This means that your bank can accept electronic transfers. If you choose to go that route, check out the [Amazon Currency Converter for sellers](#) (ACCS):

Similarly, you can set up a US-based bank account and handle transfers yourself. This is usually done to save additional money. This should be considered and investigated as an option. If your currency is not supported by ACCS you will need to get set up with a US bank account to get started.

We suggest checking with World First, and are currently looking at an expedited option to help with this, as you can save quite a bit with transfers.

c) Your local address.

d) A phone number (with your international prefix. As an alternative, we suggest setting up a US-based phone number with a service like Skype.

e) A US Employer Identification Number (EIN). You don't have to be a US based corporation or of any legal status in relation to the US to get this number. You would simply need to fill out the online form 10-BEN on the irs.gov website (the US government tax collection agency).

3) Compliance with US taxes.

We are NOT tax professionals, and you will need to speak with one concerning this. You should ask your US based tax professional which forms need to be filled out with the IRS to make sure that you are in compliance. You can mention the following forms and ask them which of these may apply:

- W9-BEN
- W8-BEN
- IRS 1040
- W8-ECI

I get it. This probably sounds confusing. Don't worry. This is a routine question that your tax professional can easily advise you on. They may know of another form that might be applicable to your situation.

Many members of our course uses these firms, and you should consider them (as we haven't heard of any poor experiences):

- Bottomlineaccounting.net
- Catchingclouds.net
- windwardtax.com

When you contact them, you should also ask about any tax requirements about the state level nexus tax laws. This sounds more complicated than it is, and should be done in literal minutes.

4) Shipping and Storing Inventory

Once you are set up, the next challenge is actually storing and shipping your goods. Luckily, this is very simple as well. We handle our entire Amazon business through Amazon FBA, and HIGHLY suggest that our students do the same whether they are international OR US based. At this point, your only challenge is getting your goods from the supplier to the Amazon Fulfillment center.

Many suppliers will ship direct to Amazon, and this should be explored as an option. If an item has prep required. Prep centers are also an option. These are third party businesses that receive, inspect, prep per Amazon's standards and send the product onwards to Amazon.

Our suggestion for such as company is to use Prep It Pack It Ship It (on the west coast) as a prep center. There are LOTS of options for this and you should investigate to see who might work best for you.

5) Dealing with Returns

There is something awesome about dealing with this! It means that we are selling stuff, and are hopefully doing very well. Returns are a part of business, so you need a strategy on dealing with them. Your CPA can advise how these should be handled in terms of taxes, but in this we can talk about physically dealing with the product.

Here are a few options:

- 1) Contact a US Based charity to see if you can create a removal order to them and get credit for this on your taxes. We donate a good portion of our returns. This may be more difficult for you as you will be operating internationally, but many charities will be set up to receive shipments. Removal fees cost \$.50/per item from Amazon.
- 2) You can have Amazon destroy these items. Amazon charges \$.10/per item (cheaper than the removal fee). Similarly, this prevents paying future storage fees.
- 3) You can have these returned to a returns center and processed/sold. Here are a few of these services. We have not personally used them, but have heard good things from other people. Please check them out to see if they are right for you:

- Amzexpiry.com
- Gogambit.com

So, as far as selling on Amazon goes, that covers it. Again, we suggest using licensed professionals to help get you started. We are neither CPA's or attorneys and our suggestions are to consult with one before taking action. Thanks for watching, and until next time.

