



WORLDWIDE ERC®

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# International Relocation: Where The \$ Goes

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It is the policy of Worldwide ERC®, Inc. (“ERC”) that its business (and for the purpose of this communication, that of the Foundation) is conducted in full compliance with all applicable laws, including federal and state antitrust laws, of the United States, Canada, and other nations of its members, and that its affairs are conducted with the highest ethical standards.

In accordance with this policy, members of the association should avoid discussing matters involving price or pricing policy, terms and conditions of sale, the allocation of territories or customers, bid rigging or any other subjects that would restrain competition or raise antitrust issues. Violation of the antitrust policy will subject the member to appropriate disciplinary action.

The responsibility for antitrust compliance, which includes an avoidance of even an appearance of improper activity, rests with the individual directors, officers, employees and members of ERC. It is a basic principle of American antitrust laws that competitors may not restrain competition with reference to the price, quality, or distribution of any products or services, and they may not act in concert to restrict the competitive capabilities or opportunities of their competitors, suppliers, or customers.

Penalties for violating the antitrust laws are severe, subjecting corporations to criminal penalties, as well as civil damage judgments and injunctive decrees. Individuals also are subject to criminal prosecution and may be punished by fines or imprisonment for terms of up to 10 years.

It is imperative that Foundation trustees, officers, volunteer leaders, staff and members work conscientiously to avoid any discussion that may have unintended implications. In the event any questions or concerns arise, please consult with Worldwide ERC® legal counsel.





# Top Destinations

Most common locations currently ranked by business for long-term assignments:



USA



China



Germany



UK



France

Countries that businesses rank as most likely destinations for new international expansion in the next five years:



China



USA



France



Russia



Japan





# Our Pie: Long-Term Assignee

- Family of four
- Two-year assignment
- Carmel, Indiana, USA to Shanghai, China

In our example, the total relocation cost for a long-term assignment is **\$1,111,578**

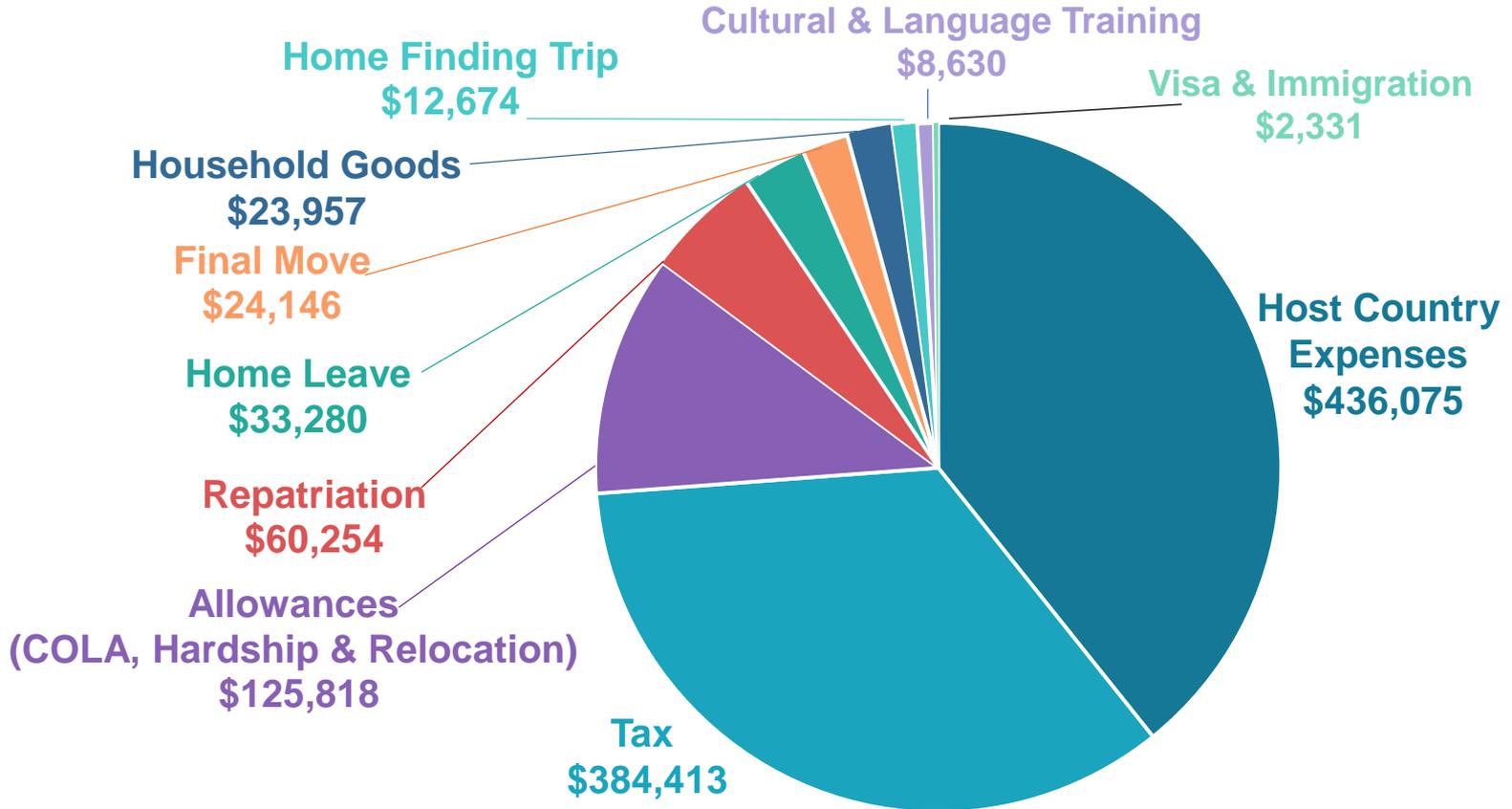
**We are going to focus on 3 pieces of the pie:**

- Household Goods Shipment
- Host Country Expenses
- Tax



# Our Pie: Long-Term Assignee

DESTINATION: SEATTLE





DESTINATION: SEATTLE

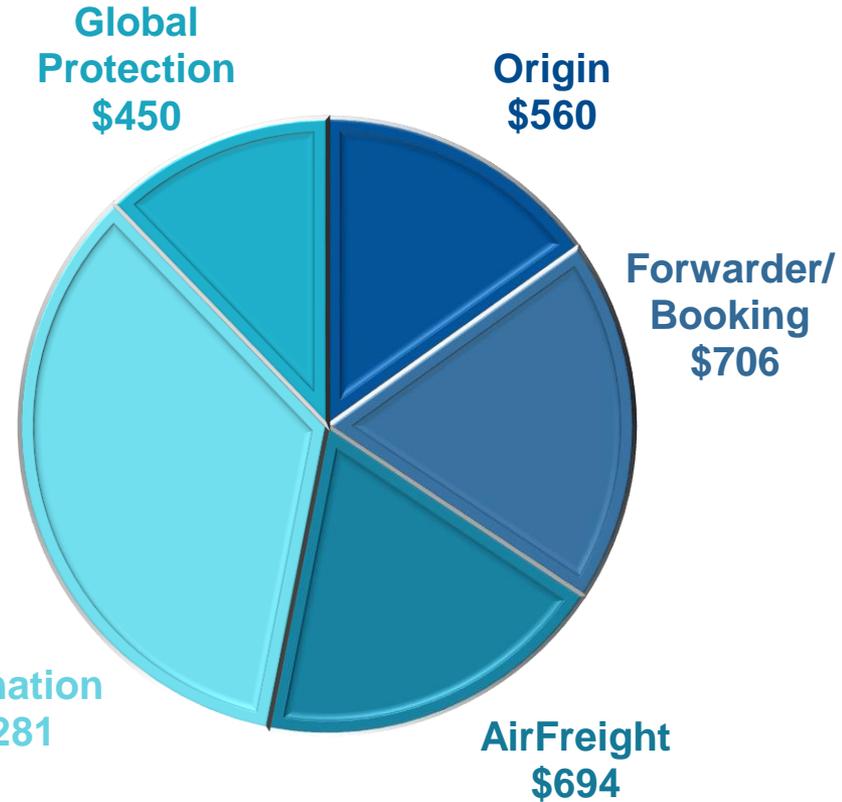
# Piece of the Pie: Household Goods Move

Air Shipment: 500lbs

Time: 6-9 days plus 7-9 business days

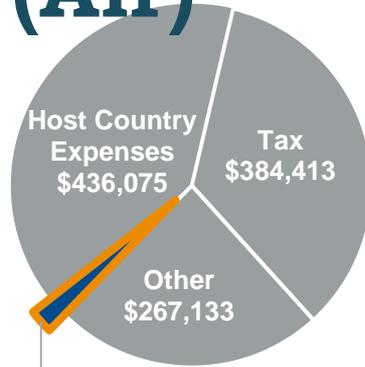
Priority Customs Clearance

**Total Air Shipment Cost: \$3,691**



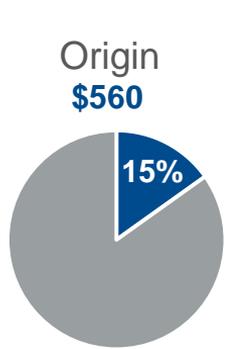
# Piece of the Pie: Household Goods Move (Air)

DESTINATION: SEATTLE

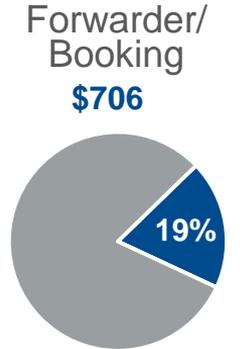


**Household Goods Move**  
\$23,957

**Air Shipment Total: \$3,691**



- Packing Materials
- Packing Labor
- Fuel
- Transportation to Airport
- Documentation



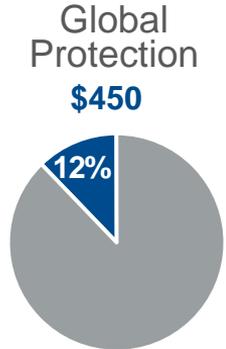
- Coordination Staff
- Consultation
- Coordination Air/Crew/Customer
- Documentation
- Billing/AR
- Facilities
- Technology
- Compliance



- Transportation to Location
- Airline Fee
- Documentation



- Customs Documents & Clearance
- Transportation from Airport
- Delivery to Residence
- Labor to Unwrap
- Trash Removal
- Documentation



- Policy includes:
- Sets/Pairs
  - Mechanical Derangement
  - Mold



DESTINATION: SEATTLE

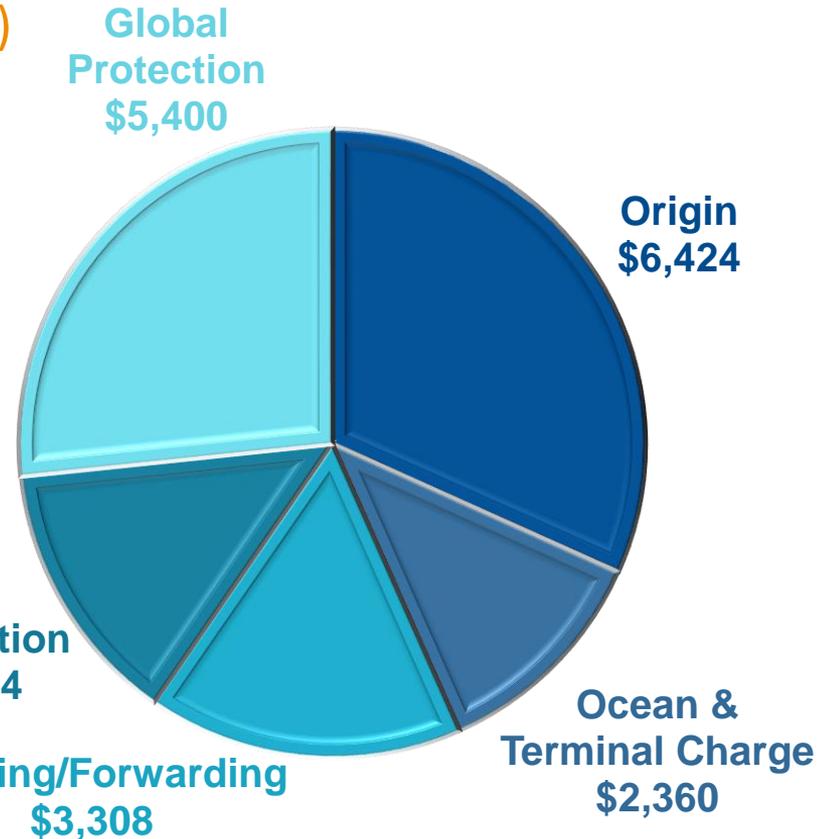
# Piece of the Pie: Household Goods Move

Sea Shipment: 40 ft container (12,000 lbs)

Time: 40 days transit plus 2-3 weeks

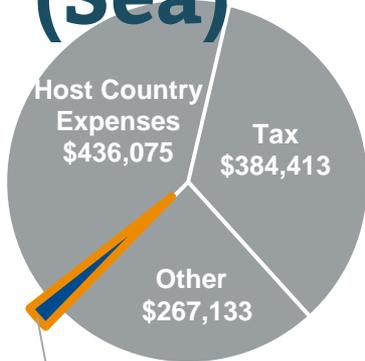
Priority Customs Clearance

**Total Sea Shipment Cost: \$20,266**



# Piece of the Pie: Household Goods Move (Sea)

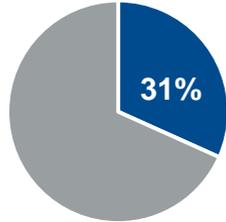
DESTINATION: SEATTLE



**Household Goods Move**  
\$23,957

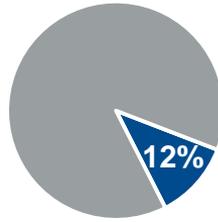
**Sea Shipment Total: \$20,266**

**Origin**  
\$6,424



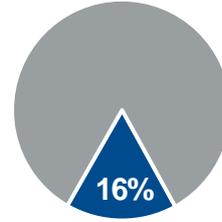
- Inland Transport of Container to/from Terminal/Port
- Packing Materials
- Labor - Packing
- Bulkhead Materials
- Labor – Bulkheading
- Fuel
- Simple Disassembly
- Documentation

**Ocean & Terminal Charge**  
\$2,360



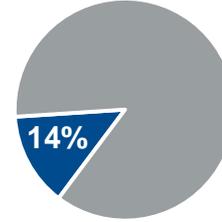
- Transportation to Location
- Container Rental
- Chassis
- Documentation

**Booking/ Forwarding**  
\$3,308



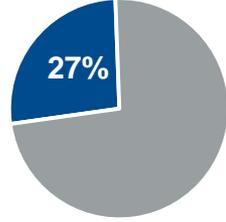
- Coordination Staff
- Consultation
- Coordination Air/Crew/ Customer
- Documentation
- Billing/AR
- Facilities
- Technology
- Compliance

**Destination**  
\$2,774



- Customs Documents & Clearance
- Inland Transport of Container to/from Terminal/Port
- Delivery
- Unwrap Crew/ Unload
- Simple Reassembly
- Debris Removal
- Documentation

**Global Protection**  
\$5,400



- Policy includes:
- Sets/Pairs
  - Mechanical Derangement
  - Mold



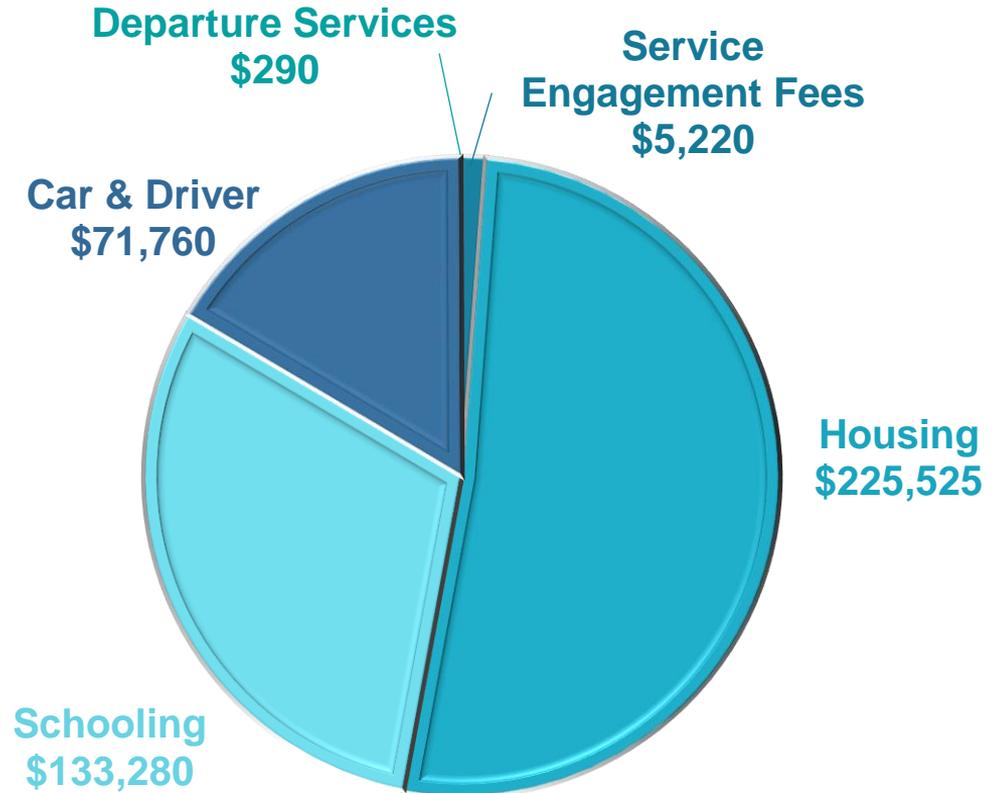
# Piece of the Pie: Host Country Expenses

Origin: Carmel, IN, USA

Destination: Shanghai, China

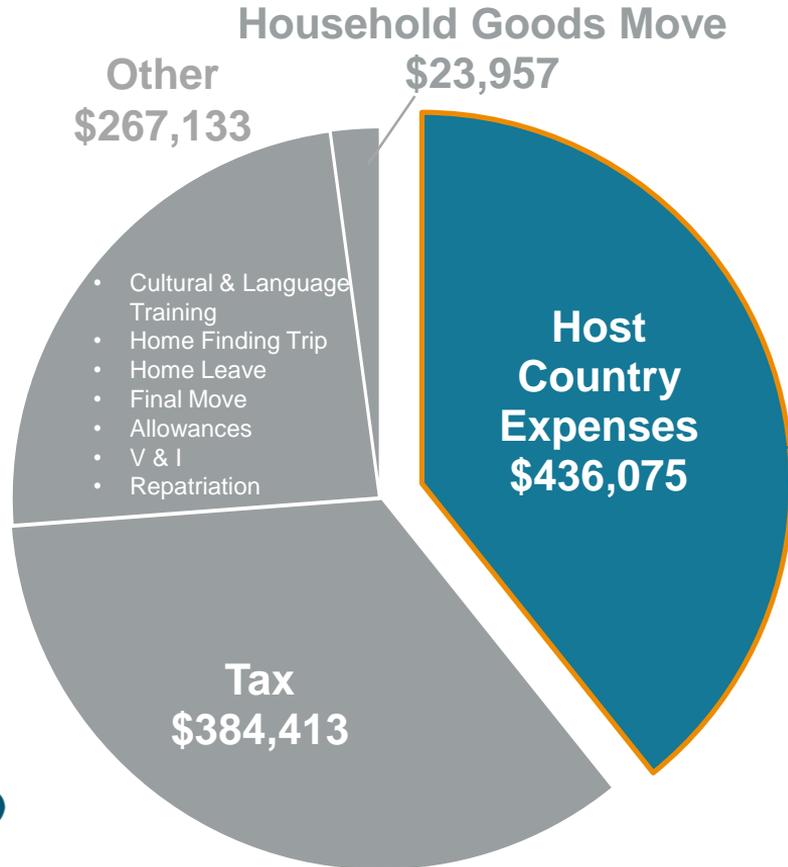
Family Size: 4

Total Host Country Expenses:  
**\$436,075**



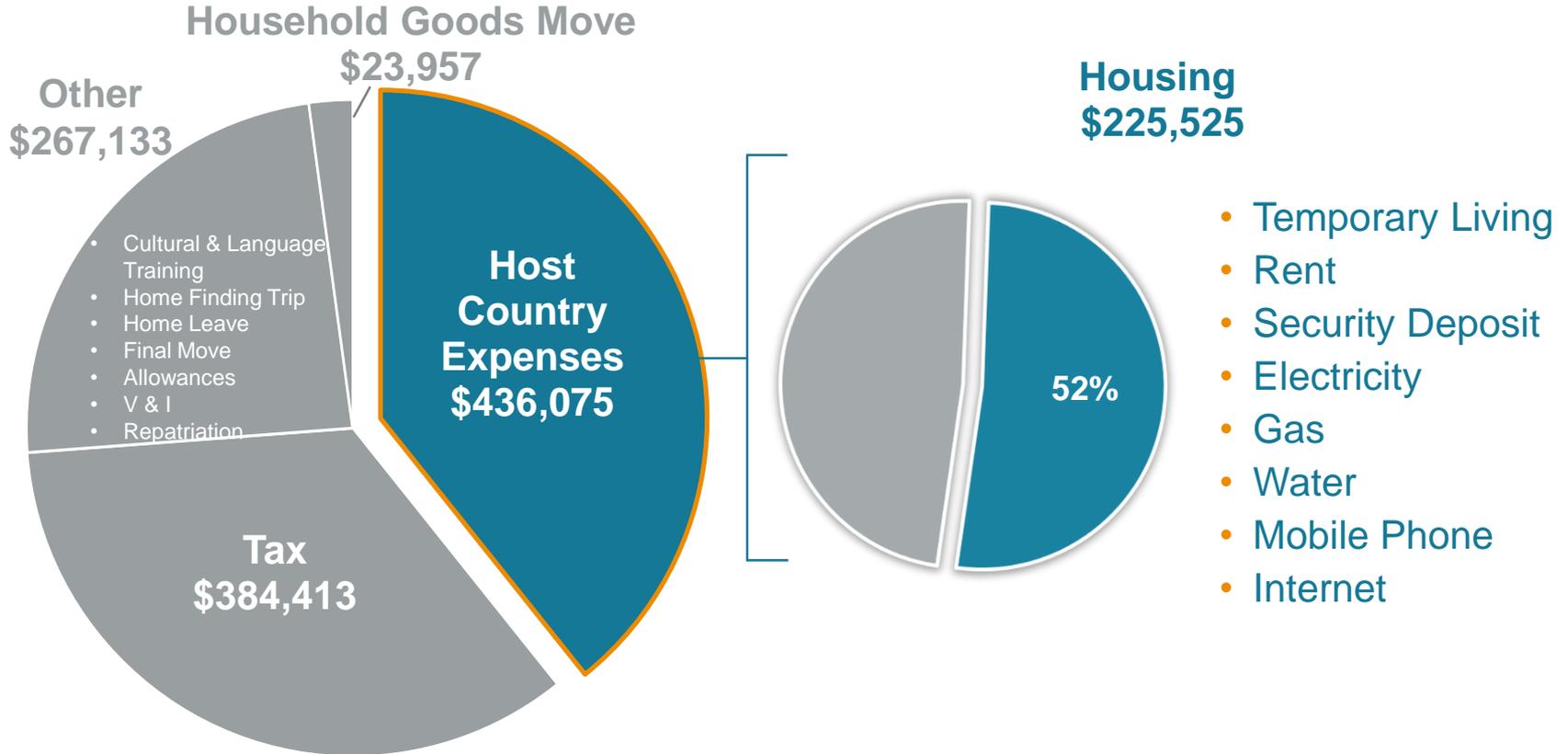


# Piece of the Pie: Host Country Expenses



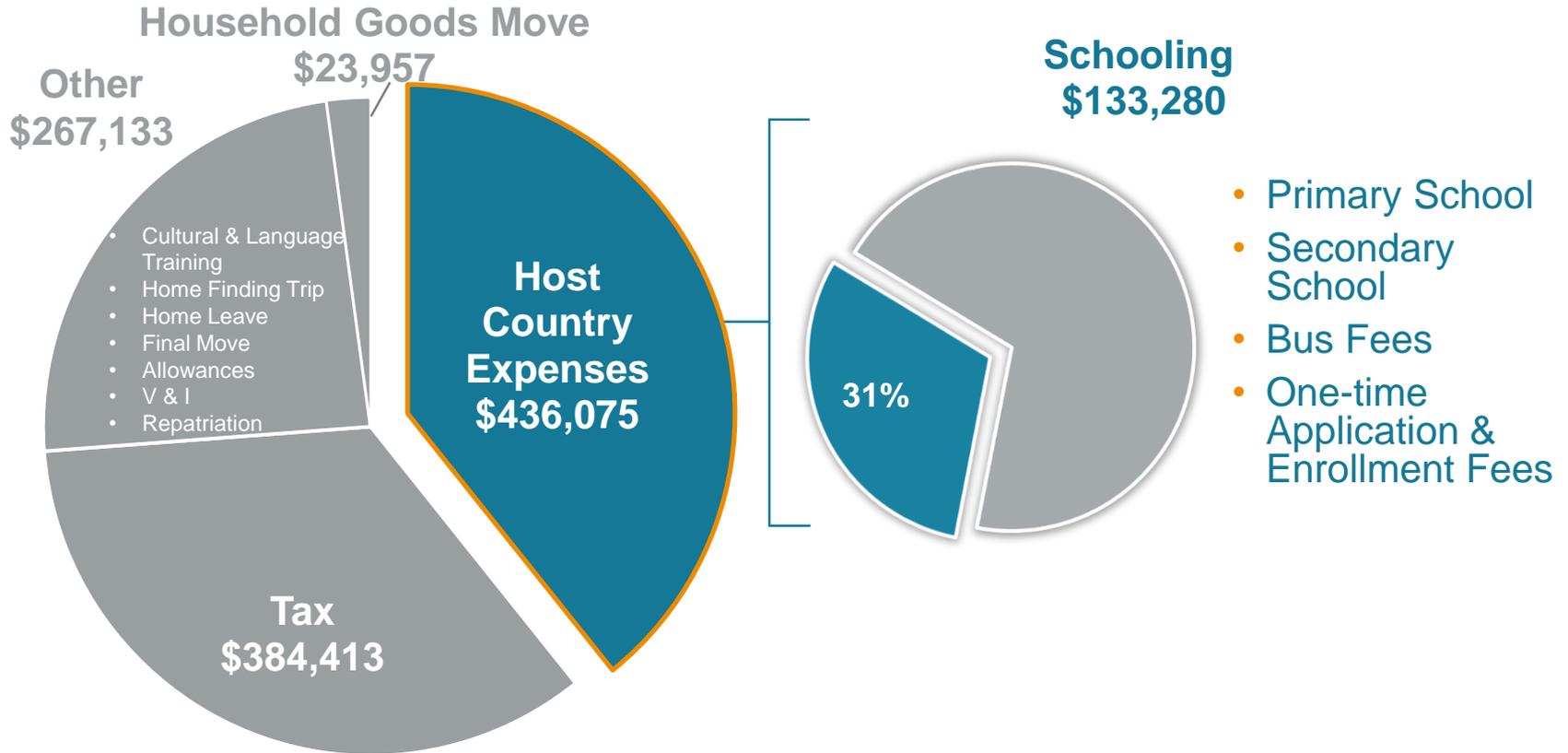


# Piece of the Pie: Host Country Expenses



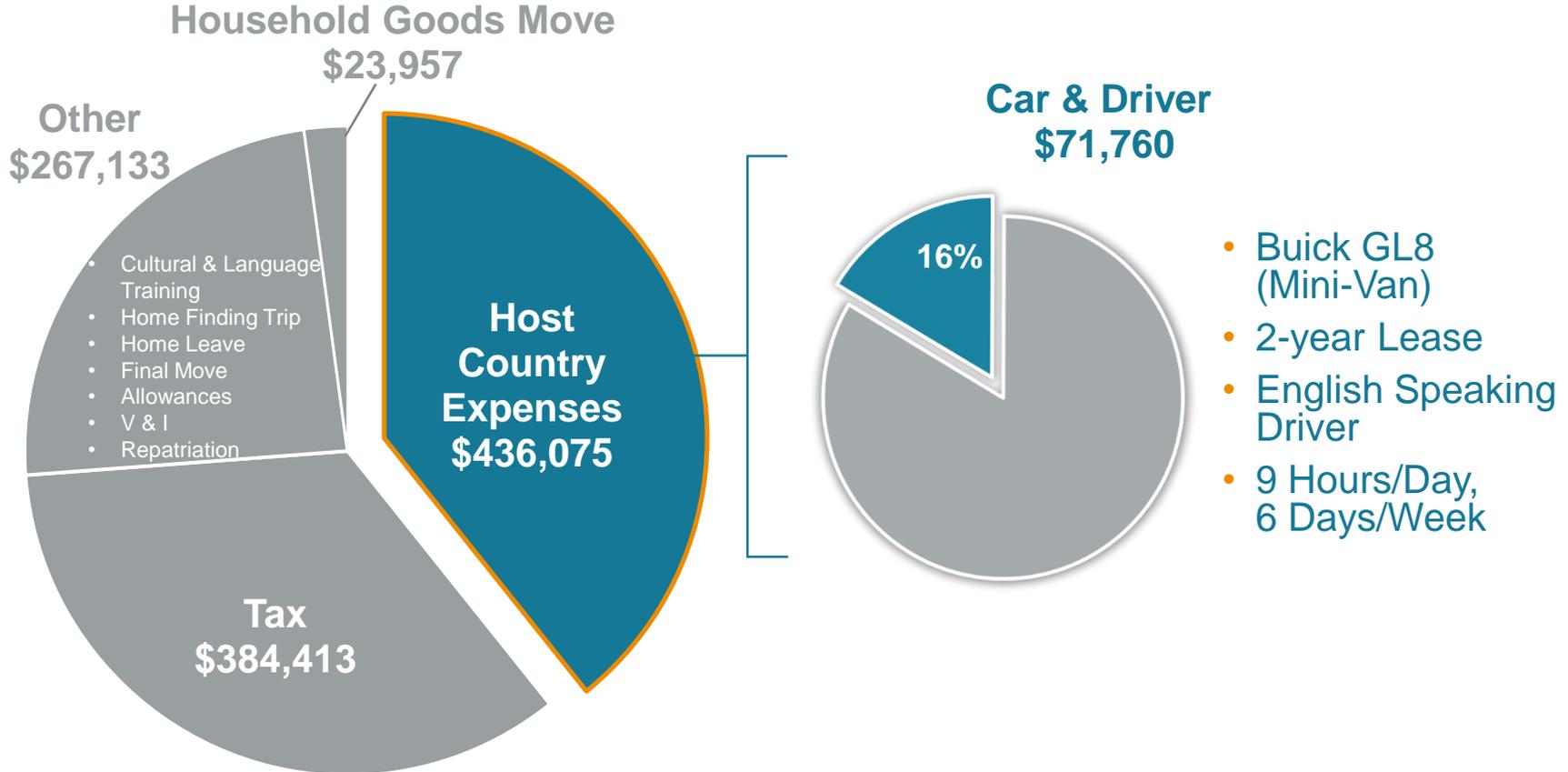


# Piece of the Pie: Host Country Expenses



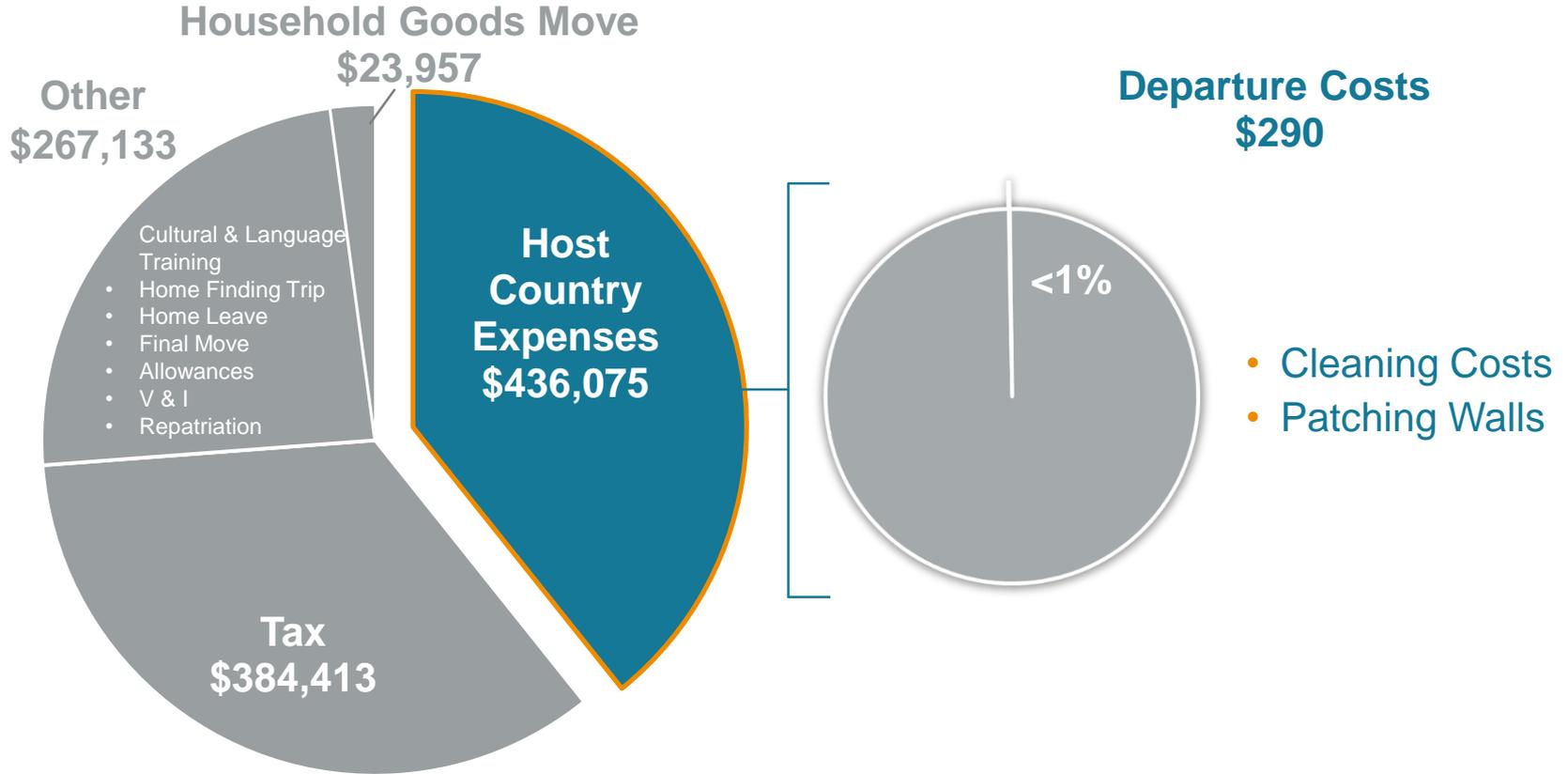


# Piece of the Pie: Host Country Expenses





# Piece of the Pie: Host Country Expenses





# Piece of the Pie: Tax

Origin: Carmel, IN, USA

Destination: Shanghai, China

Assignment Length: 2 Years

Annual Salary: \$150,000 USD

**Total Tax Cost: \$384,413**

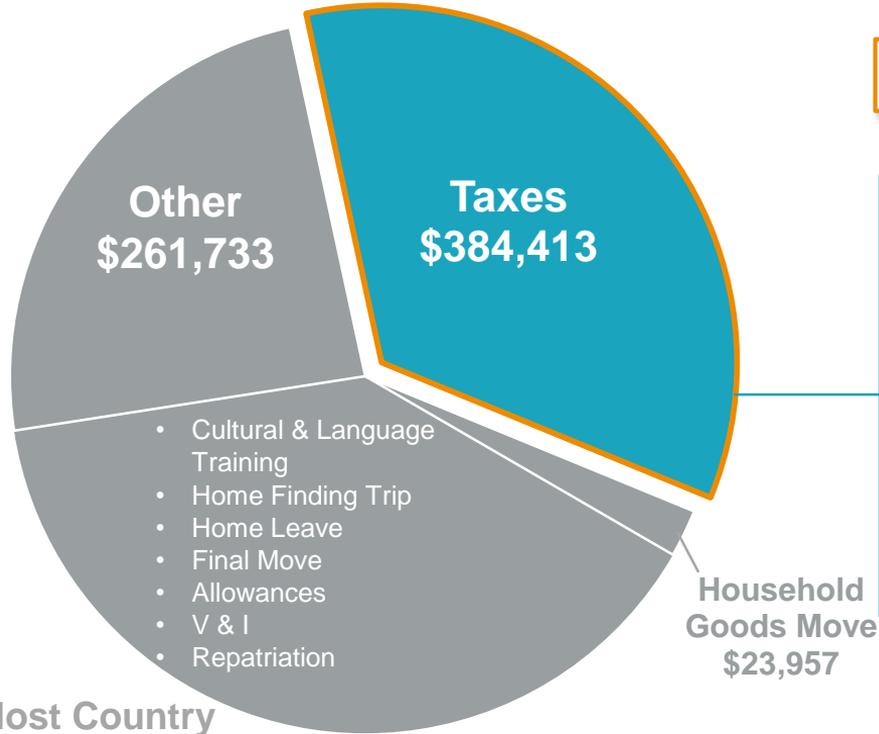


## Taxes Per Assignment Year



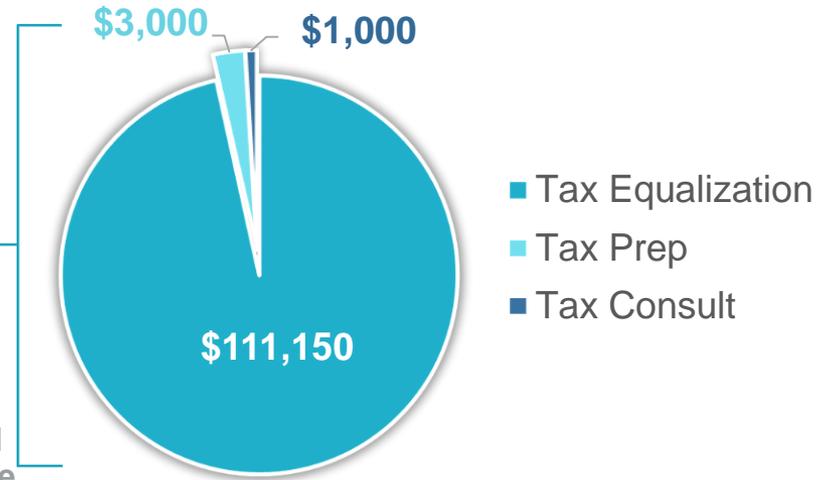


# Piece of the Pie: Tax



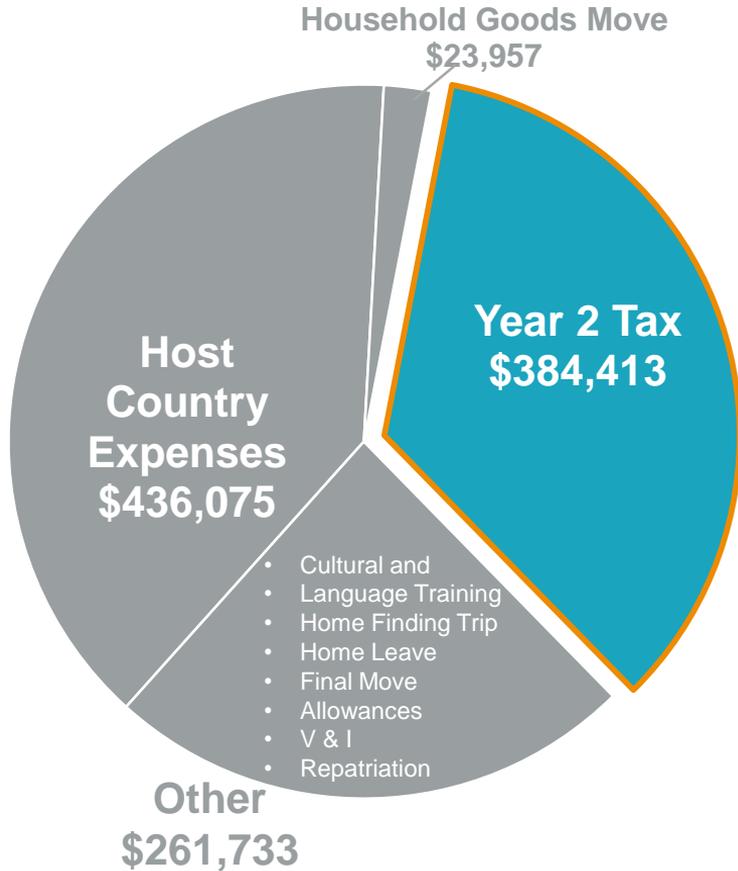
Host Country Expenses  
\$436,075

Year 1 Tax Costs: \$115,150

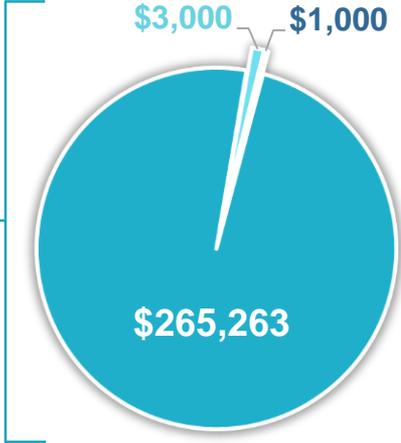




# Piece of the Pie: Tax



**Year 2 Tax Costs: \$269,263**



- Tax Equalization
- Tax Prep
- Tax Consult





DESTINATION: SEATTLE



# Q & A