

InFoMo - Raider Moto Customer Information sheets

InFoMo 107 – An overview of buying motorcycles and/or conducting business in Japan.

2024

InfoMo 107- Doing business in Japan

The first IMPORTANT aspect you need to know and understand is that in Japan, **NOTHING IS DONE FOR FREE**. Japan is an expensive country in which to do business. There are amazing opportunities to buy well and save considerably, but if you're the type of person that only focuses on the sale price, then Japan is not for you. Similarly, if you expect fixed quotes on every item of service involved it getting a bike from the seller and into a position/location that we can ship it home, then again, you may want to look to the US or UK. The Japanese are seldom interested in wasting time on providing quotes for services. In Japan, everyone expects to pay, that's the mindset, and it's what we have to accept in doing business in there.

Japan is a lot larger than one might think. It can be costly and difficult getting items bought and moved around the mainland, let alone from any of the Japanese Islands. Many people find bikes on Japanese sites like Yahoo Japan, Goobike et al, and think "wow, that's a bargain", but the bike may be on Hokkaido or Shikoku. The latter is now linked by the Great Seto Bridge network, but the tolls are extremely high for commercial carriers. Ferries operate between all the minor islands but getting bikes transported over to the main island of Honshu can be very expensive.

RaiderMoto Australia (RMA) has two agents in Japan, one in Tsukuba City, approximately 100 km's north east of Tokyo, the other near Nagoya. From there we organise and perform all necessary tasks involved with purchasing bikes and parts in Japan. Exporting used bikes from Japan is difficult and time consuming; there are many requirements and functions that must be performed to achieve export approval, and many of these tasks must be performed in person at an official Government office; charges are involved at every step. Our agent charges 36,000 yen (circa 450-500AU) per bike to perform all necessary requirements, including the loading of your bike into our container. The only additional charges are inland transport from the place of purchase to our facility. An average cost for delivery on the main island is between 15,000 and 30,000 yen (200-400AU), plus the Japanese Consumption tax of 10%.

NB: Bikes purchased from the Raidermoto.com web page do not incur any of the above noted charges.

AUD shipping cost Tokyo to Australia via a Raidermoto container - motorcycle:

\$3,500 is a safe estimate to cover all charges, but higher costs are applicable to 3 wheel or larger cruiser type bikes

\$4,500 is a safe estimate for a single shipment (crated motorcycle) sent via LCL general freight.

Discounts may apply to bikes and these prices include all miscellaneous charges commonly referred to as "origin charges", and "arrival charges". The only additional cost is Australian Customs charges, the majority of which is GST plus a number of miscellaneous facility fees and charges applied by each department. A safe figure to use when budgeting for Duty is 11-12% of the purchase price calculated at the official exchange rate at the date of sailing. For more detailed information on Australian Taxes and how they're applied, request copy of InFoMo 102

All international shipping is subject to random audits from regulatory bodies in both the country of departure and arrival. There are very infrequent, but they do occur from time to time. All costs noted above exclude additional charges or fees resulting from a random inspection or audit of paperwork or actual cargo.

What are some of the randomly applied events that incur charges?

SOLAS (Safety Of Life At Sea) Thus regulation was introduced 1 July 2016 to ensure the VGM (Verified Gross Mass) of every container was accurate before loading. This has come into effect due to an alarming increase in the number of containers that have had their weight deliberately under-stated. All countries apply Duty based upon weight or volume, and considerable savings are made by under-stating weight. From a safety perspective, vessel loading is reliant upon accurately placing maximum weight low and proportionately around each vessel to ensure stability and safety at sea. Loading is strategically formulated to have the vessel's roll-centre at or slightly above the water line. Deliberately under quoting weight can lead to a vessel having tens of 1,000's of Tonnes to one side of the vessel, or far more dangerously, too high above the waterline, which, during heavy seas, can lead to capsizing a vessel. The effect in cost to this new regulation causes delays at loading for every container must be weighed by the sender in advance to delivering to Port, they are weighed at the Port before loading. Time is money and the increases are passed on to the owners of every container, but the amounts are never known until arrival. Please be aware there may be some small increase in the prices noted in this document relative to this new international requirement.

Customs administrative audit: Customs carry-out random audits of paperwork to ensure processes are being followed and all cargo in the container is being exported/imported legally and by authorised operators & rightful owners of the cargo being shipped. For this reason, it is imperative that all cargo listed on manifests have a correct paper trail of purchase and payment from AUD to seller, and that RMA owns all container contents when cross-referenced against departure records. Changes introduced to Australian arrival classifications require containers as either FCL (Full Container Load) or LCL (Less than Container Load). FCL is when the consignee is a recognised shipper that holds accounts with the main industry providers (OOCL & Hapag-Llyod et al). FCL shipments are processed as one transaction which provides our customers with the lowest cost of importing. LCL cargo is treated individually despite many LCL items being inside the one container. LCL generates vast profits for the various entities involved in general freight, and while it is regularly the fastest method of having your goods arrive, it is on average 1,000 to 1,500 AUD more expensive.

Customs Cargo Audit: Customs & Border Protection departments in all countries can and do perform random audits of paperwork and in some case, entire container unpack for frame/VIN verification and to inspect for contraband and/or non-declared cargo. When these events occur there are additional costs and delays, and we have no control over the processes. All additional costs are applied evenly to all items in the container i.e., if there are 10 bikes in a container and an audit charge of 3000US is applied to the shipment, an extra \$300USD will be applied to each bike when your final costings are established.

Asbestos Warning: The latest most ridiculous revenue initiative facing all Australian automotive imports comes from the Australian Quarantine Inspection Services (AQIS). AQIS has discovered that brakes, clutches and engine gaskets in all manner of automotive vehicle and motorcycle once contained asbestos, and their approach to dealing with this fact has been, and continues to be, draconian, and nothing but a thinly veiled strategy to increase revenue at the Ports. As anyone with appropriate knowledge of asbestos will attest, the level of asbestos in automotive gaskets was always minimal, and when contained between surfaces like cylinder heads, poses absolutely no risk. There is no scientific data to support any claim to the contrary.

Despite these facts, AQIS continues to impound automotive imports and the results in testing for asbestos in brakes and clutches has caused major disruption and charges to those importing such items. To minimise the risk of being exploited by this ploy, RMA must prepare an asbestos report and disclaimer to state the individual bike has been inspected before loading to confirm the brake pads/shoes comply to Directive 76/769/EEC, or ECE R90. Cost of preparing this disclaimer is \$95.00 p/vehicle/bike and there's a \$60.00 charge by Customs brokerages to fill the disclaimer. HOWEVER, whilst we endeavour to by-pass the risk of inspection, all costs relating to an asbestos impound are responsibility of the customer.

Brown Marmorated Stink Bug (BMSB) - BMSB is a major bio-security concern that comes into effect annually. The BMSB season fluctuates each year but will come into effect on or around October/September and run until April/May. Certain goods manufactured in, or shipped from a rage of countries, including the United States, is subject to BMSB measures. All containers from or containing cargo from 'at risk' countries MUST be fumigated. Additional costs are applicable, as are major delays to shipping and delivery schedules. During high risk seasons many shipping lines will refuse to ship to Australia and New Zealand due to the extended wait times for unloading.

Breach of Procedure policy: Raidermoto has been part of the international shipping industry for a very, very, long time, and from that vast experience we have established procedures & protocols that not only work but allow us to deliver a very unique all-inclusive personal service that to our knowledge, is not offered by any other company. Our processes ensure security of your bike and compliance with the vast array of confusing & complicated legal requirements of all countries involved. From time to time we encounter customers who feel a need to control the flow of information or have a cavalier attitude towards the importance of the task they're

undertaking. Irrespective of whether you're driven to micro-management, or consider you've delegated the responsibility to us and therefore it's 'our problem', be very much aware that the role you play will determine your final cost. We know exactly what we require from customers; we detail clearly what information is required, and if we are forced to make repeated requests for information, chase sellers for information, or are forced to break with our procedures, then costs relevant to the extra time involved will be additional.

Frequency of shipping is entirely dependent upon filling containers, the faster we fill the faster we ship. It is always recommended to check with us on how many spaces are remaining in the next container.

Additional Administration Charges: For most customers there will be no additional administration charges. It is commonplace for RMA to act on behalf of customers once the buyer and seller have reached agreement. If however, RMA is required to negotiate and/or arbitrate in the purchase process, and/or is required to become involved in lengthy correspondence in order to perform what should be a straight forward process, charges will be applied relative to the volume of emails and administrative duties consumed in bringing the purchase to a conclusion, irrespective of the outcome. Similarly, once a bike is locked into shipping there is little need for ongoing correspondence until the vessel arrives into Australian waters. For more detailed information on administrative charges request copy of Info 1, our schedule of fees & charges for consulting services.

How long will my bike take to arrive?

A great deal of work is required after we have a shipment ready. Once the paperwork is prepared and lodged we book a container slot, and the container is delivered to our facility; loading takes 1-3 days depending on difficulty. Once collected most containers are taken to the port and is usually paced on board the ship within 2-4 days. Sea travel takes on average 3-5 weeks from departing Tokyo. For more detailed information on the entire shipping process, request copy of InFoMo 2 – Client notices & scheduling.

PLEASE REMEMBER; shipping lines do nothing but steam their vessels around the globe going port to port; they do not organise cargo, nor deal with the owners of cargo, and their only priority is to maximise their profit, and that includes changing direction and/or adding weeks to the voyage if doing so results in additional revenue. **PLEASE** think of this when you have an urge to ask when your bike is arriving and **BE AWARE** that we cannot answer that question with absolute certainty. As noted above, historically the voyage takes around 3-5 weeks but it can take up to eight. Clients are notified well in advance, up to 2 weeks prior to arrival into port, so there is no need to panic about having sufficient time.

More information on arrival duty can be found on our Duty & GST fact sheet, or <u>here</u>, on the Australian Customs web site. Prices nominated are industry approximations and subject to change & currency market fluctuation.

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NOTE: Engaging RMA to ship your bike implies you have read, understand, and agree to the requirements, Terms and conditions as required in this and all relevant documents. Customers not fully aware of the undertaking are encouraged to make further inquiry and to make sure they are confident in their understanding of costs and processes involved after engaging RMA. All prices nominated in this and all RMA correspondence are subject to change without notice due to the nature of shipping; RMA has no control of pricing and procedure changes introduced by shipping lines and ancillary suppliers of the shipping & transport industry. We do endeavour to supply a broad-based understanding of the complexity of the shipping industry, and do our utmost to supply reasonably accurate approximations of costs involved, but none of the prices supplied should be considered "fixed values".