**European Polytechnic Institute, ltd.** 

# **BACHELOR THESIS**

# European Polytechnic Institute, Ltd., Kunovice

Field of Study: Marketing and Management of Foreign Trade

# Implementation of Olive Oil Import from Italy to the Czech Republic

(Bachelor Thesis)

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# ZADÁNÍ BAKALÁŘSKÉ PRÁCE

Jméno a příjmení: Markéta Caudrová

Studijní obor: Management a marketing zahraničního obchodu

#### Téma práce:

# Realizace dovozu olivového oleje z Itálie do České republiky

Cíl bakalářské práce:

Cílem bakalářské práce je realizace dovozu olivového oleje z Itálie do České Republiky. V úvodu práce vypracujte teoretický základ daně problematiky. V praktické části vypracujte časové řady produkce a cen olivového oleje na světovém trhu za posledních 10 let. Proveď te politicko-obchodní analýzu, včetně legislativních podmínek. Proveď te poptávkové řízení, včetně analýzy dovozců olivového oleje do ČR a tuzemských distributorů. Vyberte nejvhodnějšího dodavatele. Sestavte návrh kontraktu pro trvalé dodávky. Vypracujte projekt ekonomického přínosu. Vypracujte e-learningovou technologii (studijní text, samodiagnostika, otázky a odpovědi, ostrý test, videonahrávka) pro začlenění do výuky předmětu Zahraniční obchod. Vypracujte návrh na pokračování práce (cíle, osnova, literatura). Bakalářskou práci obhájíte před Ústavem ekonomiky a řízení a její hodnocení bude součástí bakalářské práce. Výstupem bude také příspěvek na mezinárodní studentskou konferenci a jeho obhajoba. Bakalářskou práci podrobte testu na plagiátorství a výsledek předložte zkušební komisi pro státní závěrečnou zkoušku.

#### Osnova:

Úvod

- 1.Teoretický základ
- 2. Časové řady produkce a cen oleje na světovém trhu za posledních 10 let
- 3. Politicko-obchodní analýza
- 4. Poptávkové řízení, vč. analýzy tuzemských distributorů
- 5. Analýza dodavatelů a výběr nejvhodnějšího dodavatele
- 6. Návrh kontraktu pro trvalé dodávky
- 7. Projekt ekonomického přínosu
- 8.E-learningové technologie

Závěr

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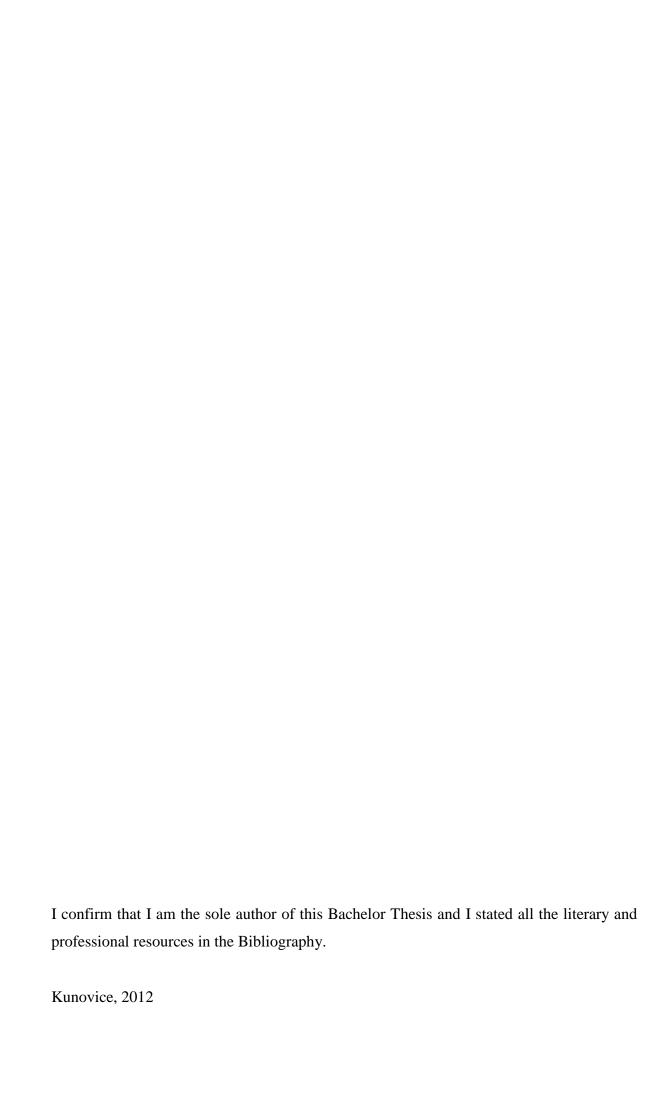
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#### INTRODUCTION

The aim of this work is to analyze the import of olive oil from Italy to the Czech Republic. The work begins with a theoretical basis, where the country is first described, in this case Italy. This is because we are a little more familiar with that country and know where it is located, what is the population, which has a policy, and especially what is important in this work are the conditions for trade with that country. This means, for example local merchants habits that are important for business contact. Anyone who wants to do business in such activities, whether imports of olive oil or other commodity must always find out about the country as much information as possible and make a research.

The next section introduces the theoretical basis of the product necessary for the production of olive oil and olives are. The history of olives goes very far back into the past. Olives are among the oldest foods in general. This part of the thesis also deals with olive-growing, as well as the best conditions for cultivation. It is known that there are many types of olive trees, and today there are over 2 000 known. Of course, species of olives differ in color, taste or texture. They are an integral part of the production of olive oil. Here we describe methods of production. Each company or family farm has different procedures because each oil tastes different, and also has a specific color and smell. From the production are derived oils, which are described in this section. Do not forget about the composition of the oils. As is well known oil contains many vitamins and not without reason it is called liquid gold. This allows us to come across olive oil also in the cosmetic industry. In the following part is described the nutritional value and finally the use of oils in restaurants.

The second part of this work is a practical part. The practical part is focused on the knowledge gained in solving this problem. Before you start a business, whether in international trade or the domestic market, they must first do an analysis of potential suppliers. In this part of the thesis are processed materials obtained from manufacturers and suppliers of Italian olive oils that have been provided. This is mainly on price lists of products, delivery conditions, payment terms and delivery date. After processing all the data were analyzed foreign suppliers and selecting the most suitable. In the analysis were considered delivery terms and prices of products and mainly the speed of delivery, product quality and the manufacturer special offers, for example volume discounts, which means

cutting on much of the total cost of delivery when purchasing a large amount of the product. There were also obtained and processed materials from local distributors. That means the price list and delivery terms. Again, the analysis of domestic distributors and select the most suitable. As it is in foreign trade, the products before you buy a certain amount of contract is an important process for the continuous delivery of products.

Another point in the outline of the project includes the development of economic benefit. Here are the best information processed by the foreign supplier. Again, prices of products are assessed and their transport, which are compared with those for which they were sold on the domestic market.

# 1 Theoretical basis - Italy

Italy is a country located in Southern Europe. It occupies the entire Apennine Peninsula and has the shape of shoes [1]. Italy is a country that has the longest Greece European history. On the other hand, the modern unification took place relatively recently. The long and rich history left the country after an unprecedented number of monuments from the Roman ruins and sculptures, through the medieval castles, the magnificent Renaissance buildings and a number of masterpieces of world painters and sculptors. [4]. It borders with France, Switzerland, Austria and Slovenia. The surface of Italy is mountainous, in the north of the Alps, then the entire peninsula through the Apennines mountains. The Alps Apennines and the Po plain lies - the most fertile part of Italy. [1]

Given the vastness and varied topography, climate conditions in different parts of Italy varies considerably. Generally, they are in Italy, mild winters and hot summers. Towards the south the climate is drier and warmer. [2]

During its long history, Italy was a great power, the foundation of the mighty Roman Empire, the cradle of the Roman Catholic Church and the Renaissance. It has a literary tradition dating back almost without interruption until the Roman era, but also a long history of political instability and fragmentation is still alive. [4]

The capital city is a parliamentary republic Rome (Roma), home to over 3 million people. Italian currency was in 2002, the Italian lira, since 2002, took over its role (as in most countries of the European Union) Euro. On the map you will certainly notice Italy and two other states. One is the Vatican papal state (the Vatican), geographically part of the city of Rome. The second is the Republic of San Marino (Republic of San Marino di), extending near the town of Rimini. [3]

Italy is a developed industrial country and especially in post-war 60th and 70 years has seen enormous economic development, according to the value of the 3rd place in Europe and 6 place in the world. Italy is heavily dependent on imported fuel and food, causing its long-term passive trade balance and a weak currency. [4]

In agriculture, dominated by crop production - grown wheat, corn, rice, sugar beets, potatoes, oilseeds, soybeans, grapes, olives, citrus and other fruits, vegetables, sheep,

cattle, pigs and fish. Industry - mainly machinery (automobiles), chemical (plastics), food, metallurgical, textile, cement production. [5]

## Ethnic composition:

98% of Italians to other linguistic or ethnic groups are:

- German (Alto Adige),
- Slovenian (Friuli Venezia Giulia)
- French (Valle d'Aosta)
- Gypsy (Roma, sintská)
- African, Asian

# religion:

- 97% of the population declares the Catholic religion,
- 1.5% are reported to Valden Evangelical Church
- Muslims and others are undefined

# Official language (s):

- Italian, in areas with special autonomy also:
- German (Alto Adige),
- Slovene (Friuli Venezia Giulia)
- French (Valle d'Aosta) [4]

# Local habits important for business contacts:

Business practices in social relations in Italy is very different from practices in the country. Traders in Italy appreciate a quick answer to your questions and expect that their correspondence will be addressed at least acknowledgment of receipt. Formal Wear in any case recommended. Business meetings are an essential part of developing contacts and punctuality is expected of foreigners automatically. On the other hand, one should keep in mind that the Italians themselves are not very punctual. At a business meeting with Italian clients have paid initially to hold a conversation, business conversation because directness can cause severe and curtly. This is not the Italian culture that is relaxed. Italians in our view, has to "chatty". Indeed, especially in comparison to English Italian works and is much more austere "less bushy." Knowledge of English is among the representatives of

Italian companies is relatively good, especially for larger companies. However, using Italian can be a great competitive advantage when dealing with smaller firms and in contact with the older generation. In the north of Italy are autonomous region, where the population also speaks German and French. [6]

# 1.1 History of olives

Perhaps no other tree is so closely associated with man and the history of mankind just as the olive tree [8]. Olives are one of the oldest food, its origins go back to Crete almost 5-7 years ago and quickly spread to Egypt, Greece, Palestine and Asia Minor (peninsula, where today is the Asian part of Turkey). Many ancient civilizations used olive tree as a source of food, wood and benefited from its therapeutic effects. He was also considered a symbol of peace and wisdom. Olive oil is used for consumption already around the year 3000 BC. [7]

#### 1.1.1 Olive

Olive is currently known over 2000 different cultivars, among which are the best known: Liccino, Frantoio, Moraiolo, Coratina, Nocellara, Carolea. Olive trees require a warm temperate climate without great temperature differences. In any case, do not tolerate temperatures below freezing. Therefore, they prefer the climate that prevails in the Mediterranean. Grow to a height of 5-15 meters. Live for many years, several hundred or even exceptionally a thousand years. The quality of fruits - olives - also influences the composition of the soil from which it draws its nutrients olive tree. [8]

#### Harvest:

European olive tree reaches the age of 1000 years and grow up to 5-8 m. However, begins to bear fully the first ten years, approximately 20-50 kg of olives per tree from which it gets about 7 liters of quality oil. Olives are harvested still immature beating the trees with chestnut poles, where the fall in large, widely spread network. Olives ripen in time period from October to December. [9]

# 1.1.2 Types of olives

There are many varieties of olives, but only about ten have commercial value. Most of the difference in taste and structure of pulp - but it does not depend on the type of olives, but on its stage of maturity at harvest and processing operation. Olives are first green and uzráváním the changes in red wine, red, purple and finally black. Young olives are hard, slightly bitter taste, have a low oil content. Black, not completely ripe, they are soft, a third of them are oil and have a pleasant taste. [12]

#### 1.1.3 Production of olive oil

In traditional production of olive oil with olives crushed with stones between large granite millstones [9]. Harvesting, whether combing, klácením or manual or mechanical setřásáním must be very gently. If the treatment with olives, their transport and storage and bottling of the oil followed the exact procedure increases the acidity of olive oil and peroxide content decreases, thus reducing the antioxidant effects of olive oil. Olives are pressed immediately after harvest, never longer than two days.

Until the late nineteenth century pressed olive oil is still using hand presses from Roman times. Only then formed the first industrial plants for pressing. Obsolete screw presses were able to press a cold only 40% oil. Then it was necessary to pour hot water and pressed for further hot oil. Modern hydraulic presses pressed out up to 90% oil.

Production of olive oil begins cleaning - separating leaves and stems and washing of olives. Thereafter the olives are ground in a crusher, where huge conical cylinder weighing three tons crushed pulp and seeds. Interfere with the plant fibers and there is a material from which the hydraulic press squeezes the oil. In order to preserve the olive oil all its properties, does not exceed its processing temperature of 30 degrees. On the one hand, based on solid prints and oily olive juice consisting of olive oil and goo. Due to the different densities (oil stays on top) are separated by simple centrifugation or sléváním. Pressed olive oil be stored in cool underground in containers protected from light and access of oxygen. The rest of staves and stones goes to refineries, where he again pressed under heat [10]. The olive paste is further kneaded at a controlled temperature diminishes

as its volume and share with any oil and water emulsion, which will facilitate the course of subsequent stages – extraction.

Extraction is the most important phases of the entire production, it is actually a separation of the oil itself from water and waste. We distinguish between the traditional method (olive paste is placed on a special mat and compressed in the press), using centrifuges or so-called drained. For each of these operations to get at the end of oil (about 13 to 25%), the Sansa olive pomace (37 - 50%), which remain chemically processed to obtain a fourth oil category, and waste (35-50%). Individual percentages vary depending on the quality of olives, according to the annual harvest or processing method used. [11]

# 1.2 Types of olive oil

Olive oil is the pearl of the Mediterranean diet. Meals delivered exceptional taste. Olive oil is valued not only because of their taste properties, but primarily for the substances that may significantly affect health. Olive oil has a wide and diverse range of applications - the most famous is in cold dishes (salads taste). Many people still believe that the thermal treatment of cold-pressed oils breaking down. Decomposition point of extra virgin olive oil is in the range 180-210 ° C, so do not be afraid to use it for hot dishes. Olive oil is classified according to the method of production, taste, smell and analytical characteristics for several species. Our designation is generally used olive oil or virgin olive oil for all categories of oil. It is not oil as oil - read the label carefully. Use only extra virgin olive oil - only here you can guarantee quality. [11]

# The main qualitative characteristics of individual groups of olive oils:

# Extra virgin

- must pass a taste test with the highest rating of all the oils
- oil obtained from olives and always fundamentally mechanical pressing without the use of chemicals: washing the olives, crushed, pressed and filtered oil is obtained (for aesthetic reasons, because after pressing are naturally turbid)
- extra virgin olive oil is pure and natural extract from olive and therefore "king" of olive oil
- is suitable for cold and hot dishes

• its acidity must not exceed 0.8% - the maximum permissible limit (acidity parameter is an indicator of quality olive oil. Acidity is measured only in laboratories, so the consumer it does not recognize the taste of oil. Term "extra virgin" but ensures that the oil meets all the required qualitative criteria.)

# Virgin

- passed the taste test with a lower scoring than extra virgin
- oil obtained from olives by mechanical means without using a chemical process as well as extra virgin
- on the Czech market is not virgin oil available, sold separately, usually or in other countries
- For most brands virgin oil used for production of pure olive oil (olive oil) mixed with refined olive oil - virgin olive oil make up approximately 8% of total oil content of pure type - the smallest allowable share of oil in virgin oil is 1% Pure
- maximum permitted acidity of 2%

## Corrente

- may also be called as a "normal oil"
- In the retail network in our own rent
- has a very noticeable flavor defects and is not suitable for immediate bottling
- must be modified in the refinery (reduction of defects with chemical interventions)
- In the oil refining removes odor, taste, but also partially color
- used to obtain "pure" olive oil (Pure)
- refining all the health-promoting substances disappear

# Lampante

- the "tube" oil formerly used for lighting
- characterized by very significant imperfections in either taste or composition
- rafinovací undergoes as a normal process oil at the end of the process may bear signs of the use of chemicals
- after chemical treatment with "lampante" mixes with virgin or extra virgin oil olive oil so there is "Pure"

## Pure

• the so-called "pure" oil

- mixture of refined oil lampante corrente or with virgin or extra virgin olive oil
- virgin olive oil make up approximately 8% of total oil content of the Pure, is suitable only for cooking or frying, not for cold food
- the lack of chemical modifications wholesome ingredients naturally derived oils and natural flavor
- it is recommended only for thermal treatment of food as it is tasteless

#### Sansa

- The oil extracted from olive pulp waste which is left after the first pressing of oil
- is also sold under the names "Olio di di Sansa olive" or "pomace oil"
- a product that lacks the benefits of olive oil and olive oil on the list is the lowest in fact, should not even bear the epithet "olive"
- has a yellow-greenish color, and if necessary it can be used only for cooking and frying, not in cold dishes [13]

# 1.2.1 Composition of olive oil

Olive oil is the only vegetable oil that can eat natural, without any further treatment. Other vegetable oils such as sunflower seed oil, peanut or corn must be fully refining process, so that they can consume. Of all vegetable oils except olive oil has vitamins A, D and Ksoluble and the highest content of vitamin E, which acts as an antioxidant. Vitamin E acts as an antioxidant that can reduce the risk of cell damage caused by free radicals. In addition to vitamin E and MUFA olives also contain a wide range of plant compounds (phytonutrients), such as polyphenols and flavonoids, which are said to have significant anti-inflammatory properties [7]. For medicinal properties is due to unsaturated fatty acids, which represent 56 to 83% of total fatty acids, olive oil contains. Unsaturated fatty acids increase blood levels of HDL-lipoprotein cholesterol and decreases LDL cholesterol levels. Olive oil also contains 4 to 21% linoleic acid (more unsaturated fatty acids), which is for the human body is vital. Prevents atherosclerosis, has a positive effect on the function of the stomach and pancreas, and benefits the liver, intestines and gallbladder. Strengthens and protects human skin and improves calcium absorption and thereby prevents bone decalcification. It is also shown that olive oil helps brain developmentand nervous system. Because it has a similar composition to breast milk is the ideal component of baby food. Researchers at the Medical School at Harvard University from Biomol Laboratories says

that olive oil extends the life of yeast. They believe it could work similarly in humans. [10].

The content of these beneficial substances in olives has a positive effect on the cardiovascular system in particular. We could say that it protects the heart and blood vessels. Free radicals can be created in the body is oxidized cholesterol. This oxidized cholesterol damages blood vessels and accumulates in the arteries leading to atherosclerosis and to ischemic heart disease.

#### 1.2.2 Nutritional value of olives

Olives are good sources of fat, so despite their positive contribution to health, they are not consumed in large quantities, such as increasing energy intake. Moreover, unfortunately, often sell olives in brine, which for our health is not the best. Their calorific value is also different depending on the variety and color:

- Black olives on average 100 g: 1469 kJ.
- Green olives on average 100 g: 577 kJ. [7].

## 1.2.3 Olive oil in gastronomy

In addition to beneficial effects on human health is also important olive oil in the application in gastronomy. It is an essential ingredient of Mediterranean and Arabic cuisine. Withstands high temperatures, making it ideal for frying. Moreover, its delicate flavor showcases flavors of other foods, without overlap. Many Spanish restaurants today not only by guests and diet drinks, but also the oil card, allowing them to choose such where they prepare food. Like wine, each type of olive oil fit to something else. For centuries served the people of the Mediterranean olive oil as a medicine, food tastes, but also as lamp fuel and raw material for the manufacture of candles and olive residues as feed for cattle. The benefits of olive oil began in the seventies of the twentieth century American doctors warn. California, the cradle of many famous fashion trends, olive groves planted by Spanish missionaries, infected the likes of olive oil around the world. [10]

# 1.2.4 What affects the price

Generally, the higher the price, the higher quality, and for several reasons. In economic terms, not all olive oils are made from hand-picked olives. Average should be about 5 kg of olives to produce one kilogram of oil, olives and the smaller, the better the oil. A hand is worth something. Try standing on a ladder every day and collect tiny olives in the usually chilly, typical autumn weather.

Before pressing the olives are stored for some time in the crates. Hand-picked olives are not bruised, and unlike olive padaných under its own weight do not start to deteriorate. It is the same as an apple or tomato, if it falls to the ground, the bruised and the place begins to degrade and change their flavor. Juicing and extraction is also involved in the formation rates significantly. Traditional methods are time-consuming and more expensive than modern methods. And last but not least, the selection of bottles in which the oil reaches the final consumer, affects the price. Oil should be protected from direct light, so with quality oil offers robust dark glass bottles - and they are more expensive than a bottle of clear glass or plastic. [11]

# 2 Foreign trade

The role of foreign trade in the reproductive process (production-distribution-consumption-inning), there were no scientific studies in 17 to 18 Century, at a time when the prevailing mercantilist economic thinking. Mercantilism originated during the early and consolidation of centralized monarchies, at the time of colonial expansion and empire building. [18, p 17].

For the evaluation of foreign trade in the economy of each country we use several criteria:

**Efficiency-**it is an effort to concentrate in the export policy for these products where a country can achieve the maximum savings of social work. These products are the focus for research, development, and other promotional efforts. Even so, an advanced country like Japan is no doubt complex, with its economy in the past has long focused its export promotion priorities for a few industries-electronics and optics, manufacturing of transport equipment, robotics. The economy is smaller and thus more open, it should be a concentration of forces.

to increase and maintain the skills competition, that means the ability to export selected products, stronger.

**Proportionality-**the few countries in the world that have a sufficiently large domestic market and industrial base capable autarkního, that is self-sustaining development. These are countries that have complex resource base and are able to meet the needs of their own domestic industrial production. Such countries include USA, Russia, and some so-called emerging Countries (China, India, partly as other populous countries such as Indonesia, Brazil ...)

**Demonstrative effect -** export programs of each country represents a business card status and levels of economic development of the country. Conversely, the import program is not only way of solving the problem of proportionality - it's getting the rye values for various reasons the country meet, but also ensure faster economic development of the importing country. It is a demonstration of the world's technical, design, fashion trend, which may cause stimulation to the social and economic progress. At the same time to transfer a

certain degree of global trends, such as a spread of environmental elements, safety, new trends in packaging, energy substitution and use non-traditional sources and the like.

The importance of foreign trade can be seen also in finding that the greater the greater the economic interdependence of two or more countries, thus the overall relations of these countries more stable. Therefore, it can indicate external economic relations as a form of relationship, which strongly supports peaceful cooperation and reduces conflict. The neighboring countries are not the phrase when you say that foreign trade is a means of building sustainable and quality-neighborly relations. Foreign trade also contributes to the growth of education. Inhabitants of the export-oriented forces for an intensive study of technical innovations, forms of international cooperation, national languages and cultural specifics. [18, s.21]

Over the centuries, becoming more and more dynamic exchange of the total world trade of services. The term "services" in this case means the sale and purchase of patents, which is implemented through license agreements, know-how - skills in technology, engineering - a comprehensive solution such as machinery manufacturing operations, business and management skills in all spheres of economic life. Also included are services directly related to exports and imports, such as transport of goods, insurance, storage, various financial operations are closely connected with the export and import [17, p 13]. Exports of capital in the form of machinery, equipment, patents, know-how, business, technical and financial management and is very attractive, and today is no standard form of treatment of each country.

The foreign trade in a broader sense, including tourism, which is actually also the export of goods and services. In the case of France, Italy, Germany, Belgium, Greece, Tunisia, Mexico and many other countries represents a very significant share of total gross domestic product (GDP) of the CR. Some countries even form a crucial part of the revenue. These include many small countries such as Seychelles, Monaco, San Marino, the larger ones is necessary Spain - Tourism consists of 8 to 9% of its GDP. [17, p 14].

# 2.1 Legislation

Each state controls its economy through laws, regulations, ordinances and decrees. One can say that every law, ordinance or regulation is a product of lobbying, where different groups pursue their own interests. The category of these tools include standards that are binding on the possibility of placing a particular product on the market. For standards in the Czech Republic is responsible Standards Institute in Prague, which defines the parameters of Czech standards. The Czech standards, especially in the food, we can say that although some decades old and are far stricter than current EU standards. Very strict requirements on work safety and health, which is especially true for children's toys, electrical appliances and for all tools and equipment. Responsibility for product constantly growing and is a mistake to assume that the manufacturer protects warning consumers of the potential future risks through the instruction manual.

The CR has supervisory authorities dealing with the issue. This is mainly on the supervisory bodies:

- The Czech Trade Inspection
- The Czech Agriculture and Food Inspection Authority
- Public Health Service
- Veterinary Administration
- Office for Standards, Meteorology and Testingx

The category of administrative tools include laws that have an impact on freedom of movement. These are the conditions for granting permanent residence or work permit in a particular country. If some countries have issued the law on promotion of investment, but will not allow foreign managers to manage these businesses can not assume that a similar law will be successful in practice. [17, p.15].

# 2.1.1 Preparation foreign trade operations

Analysis of foreign markets is essential for business success companies entering foreign markets or importing goods from particular countries. It is a key step necessary before entering the unknown market, prior to export or import transactions. The twentieth century

brought the first in the sphere of international trade in many significant and serious changes. Many commodity markets are weakening, different parts of the continent is facing financial crisis, the large monetary and financial instability, the world interest rate varies significantly and the situation on world markets is difficult to estimate. In all markets are extremely strong international competition, natural resource prices rise and global demand for basic raw materials in particular often exceeds supply. These are just some of the important factors that affect the environment in world markets.

Today, many manufacturers and retailers realize that the key to success is long-term plans and well-designed long-term strategy. Analysis of foreign markets is a process whose objective is based on available information clearly and accurately as possible, describe the nature of the foreign market. Such an analysis should not only be the starting phase of opening new foreign trade activities in the foreign market, but also critical of activities which will largely depend the success or define "weak points", the risks of failure in a new market. Presents an analysis of how political, economic - especially commercial, social, cultural, and technological conditions of the potential market. [18, s.148].

According to the content and objectives are divided on the surveys:

- Geographical Survey
- Commercial and political survey
- Commodity Survey
- Consumer Survey
- Research the competition
- A survey of prices and related factors
- Survey of business methods
- Technical survey
- Exploration of ways and means of transport
- Survey Contact currency, payment terms and instruments
- Legal Survey
- Tax Survey
- A survey of social and cultural practices [18, s.151-152]

# **2.2** Incoterms 2010

Delivery parity (or conditions) expresses the obligations of the parties in connection with the delivery and receipt of goods. This is part of the relationship between seller and buyer and the resulting establishment:

- manner and place of the customer delivers the goods;
- place and time of transition cost recovery associated with the delivery of goods;
- place and time of the transfer of risk;
- obligations of the parties in the provision of transport, measures accompanying documents, sup ¬ baking insurance, inspection, customs clearance

Terms of delivery / delivery parity / define the rights and obligations of the seller and the buyer and resolves:

- Transfer of risk (risk associated with transportation)
- risk of damage, destruction, or loss during transport,• Transition costs / expenses associated with transportation,
- transport, storage, customs fees, insurance, fees for obtaining documents place of transition risks and costs determine at which point the costs and risks are transferred to the buyer [27 p 45-48]

Because as Incoterms issued by year differences, it is necessary that beside le code designation clause and the site was also featured year of publication of Incoterms, the interpretation of which we refer. In doing so, it is recommended that when establishing a new connection, the parties exchanged full text of the clause as it appears in the publication, in order to avoid the superficial ASSESSMENT ¬ clause in its name, which often leads to problems in implementation.

Proper and adequate reference to the Incoterms should be specified in the contract as follows:

- Incoterms 2000 FOB Hamburg
- Rall Ambus Ankara CIP Incoterms 2000
- Incoterms 2000 CIF Jakartaxx

The issue of INCOTERMS 2000 clauses were grouped into four categories, which are fundamentally different from each other:

Group E

remove the clause

EXW ex works (named place)

Group F

main carriage unpaid

FCA Free Carrier (named place)

FAS free alongside ship (named port of shipment)

FOB FREE ON BOARD (named port of shipment)

Group C

main carriage paid

CFR Cost and Freight (named port of destination)

CIF cost insurance and freight (named port of destination)

CPT Carriage Paid To (named place of destination)

CIP Carriage and Insurance Paid to (named place of destination)

Group D

delivery clauses

DAF delivered at frontier (named place)

DES Delivered Ex Ship (named port of destination)

DEQ delivered ex quay (named port of destination)

DDU Delivered Duty Unpaid (named place of destination)

DDP Delivered Duty Paid (named place of destination)

[27, p 45-48]

# 2.3 Delivery time

Delivery time is very important and standard part of the purchase contract and, where it trades the fixed requirement essential. Sometimes we recognize the business operations

and prompt ¬ batch, the criterion is just the delivery period. Shops can have delivery the following types of delivery dates:

- Approx can be used if there is doubt that the accreditation will open ¬ tiv. He may be in the contract "within 1 month after opening the letter of credit" or "within x months of the conclusion of the purchase contract."
- Accurate determination of lead times, where as mentioned, that the goods will be delivered to 31 12th 2005, or 1 12th 2005 to 31 12th The 2005th Under the exact delivery time
- understands even such a title, such as:
- "early period" means the first 10 days of this period
- "in the middle of the month" 10 to 20 day of Q "in the mid-quarter" -
- second month of quarter
- Gradual delivery time occurs when the total trade to arrange a certain amount of goods supplied and not once, but gradually, either at predetermined specific quantities, or on the references. In this case, the importer asks the exporter to the total agreed amount of a certain amount added to that date. This condition is not ideal for exporters because it makes it impossible, unless the goods from the store, well-programmed production.

# 2.4 The emergence of a purchase contract

The purchase contract expresses the will of one Contracting Party to sell and buy the other party a thing of identical and corresponds to the interests of parties, so there should be agreement on the whole its content.

The content of the text of the sales contract depends on many factors. First, on what questions they want to have parties in the contractual provisions modified. In addition to the commodity, which is the subject of the purchase contract. Of course others will have a purchase contract for the supply of fruit and the other for the supply of agricultural machinery.

The signing of the purchase agreement is in some ways the culmination of each trade. It is a deal on the constituent, and are considered essential for those that either party considers it essential. In addition, commercial codes or other legal rules governing the purchase

contract may specify certain provisions of the purchase contract for an obligatory, or mandatory. It should be noted at least the seller and buyer, the subject of a purchase contractand price. Another part of each contract as delivery and parity, terms of payment and many other arrangements.

#### 2.4.1 The Parties

An integral part of the purchase contract agreement, declaration of the contracting parties - the seller and the buyer - the exact company name, address, the exact name and surname of the statutory representatives, authorized or authorized to enter into contractual obligations. The practical is to introduce the company's name and identification code in the CR school for drivers or Tax Identification Number, a school for drivers abroad often tax code registry office.

# 2.4.2 Scope of the purchase contract

This means determining product name or reference to the mark, sample, catalog, attachment, which is usually the most complicated machinery or capital equipment described in detail. The term we mean the volume of subject goods. In some cases, the subject matter of one or two lines. The export of capital equipment that can be tens of pages.

For some products, the goods are accurately determined by chemical analysis, for example, referring to the sample, etc. As regards the destination of the goods, there were many uncertainties that were sometimes in a deliberate attempt to trick a partner. If we say the machine, it may mean metal machine or woodworking machine, too. Therefore, the precision of description is so important.

On the issue of determining the amount of foreign trade in many practices. For each transaction used weights and measures that are no longer common in retail. So, for example, oil is not purchased in tonnes, but in a unit called a barrel. Grain is purchased in a unit called buláš. Very often it is used for pound, ounce for buying gold, silver and other metals.

An inherent aspect of the purchase agreement is subject package whose function primarily protective. Nature is highly dependent on the type of transport. Other claims are in the

transport container, the other open items. Especially we must pay great attention to packaging by sea transport, where there is a risk of corrosion. The purchase contract is why it is a provision that the goods are to protect against these risks. Each consignment abroad must bear sign. This designation is accompanied by consignment on all transport documents. It serves to identify the customs clearance of goods under the Export and import management.

The seller is legally obliged to deliver goods as specified in the purchase contract. This means that the parties must agree on how the goods will be protected, which will cover, whether on a variety of what kind of range the customer wants. The agreement is binding on supplying.

Seller's obligation in relation to packages delivered goods Incoterms 2000 is designed so that they must conform to requirements that require transport, but only if the seller was aware of circumstances related to traffic before entering into a purchase contract.

As a result of a contractual agreement, it would mean the proper packing of goods subject to the following principles:

The packaging should provide adequate protection of goods throughout the transportation from place of departure to final destination against damage, deterioration, loss and theft. Goods are handed over to the transport carrier, which confirms its acceptance of delivery in apparently good condition with a commitment that this state can deliver the intended recipient. The outer packaging should therefore be designed so that any intervention was the recipient of goods and readily detectable damage taken steps to secure the legal rights. The packaging of the consignment can be used as a promotional tool by placing suitable advertisements for the exporter or importer throughout shipping. [17, pp. 73-77]

# 2.5 Rights and obligations of the parties

The rights and obligations of the parties are defined by the Vienna Convention - United Nations Convention on Contracts for the International Sale of Goods (including the process of concluding KS) arising from the purchase contract for the seller's obligations

• deliver the goods;

- agreed on the exact location;
- transmission of the first carrier;
- in the place of business;
- the exact date, time;
- at any time during the period;
- within a reasonable time in relation to the nature of the delivery.

Liability for defects is given by the agreed parity - the seller is liable pursuant to KS for any defect which the goods at the time the transfer of the purchaser.

Latest deadline for notification of defects in goods by the buyer the seller is fixed at two years of receipt of goods by the buyer.

If the seller fails to comply with or contravenes any of his obligations, the buyer has the right to:

- withdraw from the contract;
- require transactions to which the seller is committed;
- require compensation for defective goods;
- removal of defective goods;
- ask for a discount;
- require compensation.

# 2.5.1 Withdrawal from the contract buyer

We can resign if occurs:

- Breach of essential procedural requirements (not paid, has been delivered to other goods, was only partially paid).
- It was not delivered the goods and in spare time.

The purchase contract belongs to the buyer the following duties:

First pay the purchase price for the goods delivered

- the location specified in KS
- the seller's place of business

- at the transmission of documents (if paid in cash)
- at the time specified in KS
- within a reasonable time (if not set time)

# Second accept the goods

- is to perform all tasks that can reasonably be expected of him for that purpose;
- receipt of the goods covered by the contract.

When an infringement by the buyer the seller has the right to:

- withdraw from the KS
- require transactions to which the buyer is committed to
- require compensation

#### Withdraw from the seller KS

- in breach of essential terms by the buyer;
- the purchaser paid the purchase price;
- the buyer refused to take in spare time. [17, s.85-86]

# 2.5.2 Payment terms and tools

A fundamental part of any offer and the contract payment terms. Below are the basic payment terms with it, but that there are a number of divergent variants and mutual combinations:

- Advance
- Documentary Letter of Credit
- delivery on open account
- supplier credit
- bill
- Check

# Documentary letters of Credit

Among the most important and safest banking tools that are used to finance foreign trade. Documentary Letter of Credit

(Documentary Credit, Letter of Credit, L / C) is a written commitment from the bank that will provide a third party performance

# bill of exchange

The promissory note is a security designed to order their essential requirements laid down by mandatory law. The security, Endorsements on negotiable rightful owner.

# Cheques

A check is a security and simultaneously payment instrument issuer which instructs your bank (drawee) to pay the owner the amount of the check. The maturity of the check as a payment instrument is at sight. If the exporter determines the terms of payment and decides to check, it should require a bank check. The highest-quality type check, because it is the issuer bank. Bank checks can be recognized by:

On the form of bank check there are two.

Bank name with full address of the drawee (usually in the form of a check in the bottom left corner.)

Designation with bank officials autographs bank issuer (in the form of a check in the bottom right corner).

If the document exists only one bank, it is the drawee. Instrument then is the issue identified and signed by the person or entity. This is a private check (at least kind of quality check). [17, p. 96, p. 117-120]

# 2.6 Methods of exports and imports

This chapter aims to familiarize themselves with methods of exports and imports as a way to penetrate a certain territory and stay on it with their products.

# Direct business method

**The concept** of direct sales to consumers is the clearest concept of a direct relationship with manufacturers

and consumer (eg sale of cement construction company in the country of residence). For direct business relations, the one in which at least is what the brokers and mediators. For some specific types of trade can not be another way to vote. These are mainly:

- Menus and sale "of public tenders, tenders," which are particularly government contracts and contracts or polosoukromého public sector.
- When dealing with countries with monopoly of foreign trade in some commodities-oil, drugs, weapons and explosives, basic needs goods.
- When selling to the areas where our goods have been so well "established" that the market is not necessary to the processing agent or other intermediary.

## Indirect business method

Does the sale of goods and services using the "third parties. This form is usually not avoid the sale of such goods, which is further distributed to the retail network, such as consumer goods.

Indirect business method is characterized by a number of intermediaries (the exporter-importer-agent-distributor-wholesale-retail). This group also includes methods of commercial contractual arrangements such as "exclusive sale".

## Distributor

Distributor - or a seller, importer, wholesaler, etc. import company imported into your account and also sells its own behalf. The exporter is not in contact with the end customer, and therefore the possibilities and problems confronting the pros products with competitors usually learns indirectly in connection with problems.

Distributor may be exclusive and nonexclusive.

Exclusive (exclusive) distributor (retailer) operates on the market so that he is the only exclusive right to sell a product.

The mediator may be called as a representative, agent, representative, it is substantial that is an assumed name.

Broker represents the exporter (principal) potential clients and the resulting contract (including price) is a common part of the exporter, importer and broker.

Intermediary relationship has a negative side. Rewards representatives - commission-burden calculation supply and sale prices sometimes disproportionately high share. Provider, unless agreed otherwise, shall not be liable for collection. But it depends on the collection, since under a contract with the Principal is usually a reward for recovery is bound.

Provider (representative) may be:

- Ad hoc, one-time
- Non-exclusive
- Exclusive
- a different type

Ad hoc is better and more concise single-agent response type, because such a relationship can sometimes take a very long time, especially when associated with the delivery of capital equipment, which in time may take up to several years.

Non-exclusive agreement allows the principal to the market to work with multiple partners, which at first glance seems very convenient for the represented.

Exclusive means that exclusively represents the principal on a certain territory (territories).

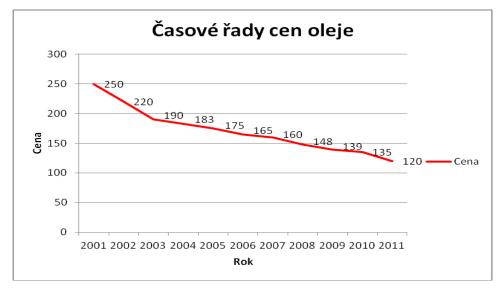
A different type - for example by means representative who is responsible for collection, which is not in the current business relationship quite common. [19 20-21]

# 3 Time series of prices and production of olive oil

This chapter describes and graphically depicts the time series of olive oil in the years between 2001-2011 and also represented graphically world production and consumption of olive oil over the past 10 years.

# 3.1 Prices of olive oil

The following chart shows the trend in prices of olive oil over the past 10 years. Price olive in 2001 was the highest, because of the olive oil in the Czech Republic was not so well known and used. Over time, declining price of olive oil. Now the price is lowest and therefore my opinion that the Czech market appear more and more types of oils from different manufacturers wishing to sell their products.

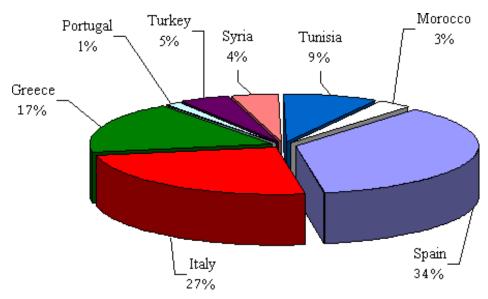


Graph: 1 The prices of olive oil over the last 10 years (prices are in Czech crowns)

Source: own

# 3.2 Production of olive oil

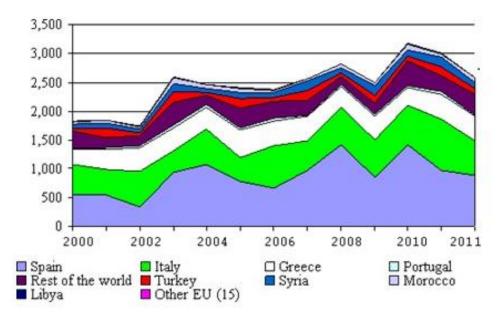
Olive oil production is concentrated mainly in the Mediterranean countries, mainly because it is part of their culture and gastronomy. These are Spain, Italy, Portugal, Morocco, Turkey and Tunisia. These countries represent about 92% of world production of olive oil. Total production reached about 2.498 million tons.



Graph No. 2 The main producing countries in the last 10 years Source: own

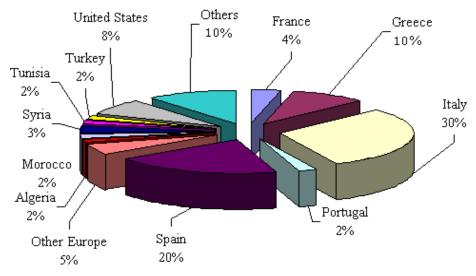
# 3.3 Production of olive oil

The graph shows the evolution of the olive oil over the past 10 years. Production of olive oil among countries is increasing year by year. As shown in the graph's largest oil producers, Spain and Italy. Italy is the second largest producer of olive oil production worldwide. In Italy, a large number of mills and the amount of processed olives is estimated at 3.4 million tons.



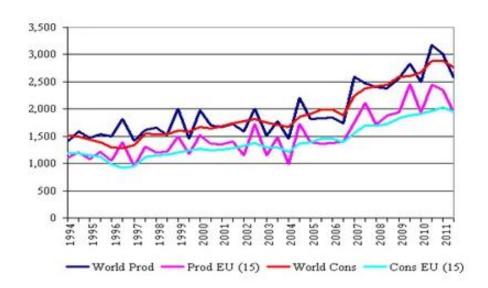
# 3.4 Consumption of olive oil

From the graph we can see the main consumer of olive oil. These are states of the European Union, the world production is about 80%. Other consumers include Japan and the United States. Italians consume about 10 liters of olive oil per person per year.



Graph No. 4 The main consumer countries in the last 10 years Source: own

The graph shows how increased consumption of olive oil in European Union countries.

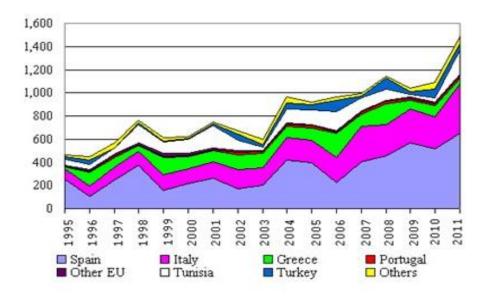


Graph No. 5 Consumption and production of olive oil in the EU

Source: own

# 3.5 International trade

The graph is shown, as already mentioned, there are Mediterranean countries, representing 92% of global exports.



Graph No. 6 olive oil-exports (in tonnes)

Source: own

# 4 Political and business analysis

Italy is one of the industrialized countries of the EU. In the field crops are still regional differences and productivity depends on the size of agricultural goods, because most of them are family.

# 4.1 Export

In 2008, exports declined significantly in Italy. Exports decreased from \$ 545.6 billion in 2008 to \$ 381 billion in 2010. Despite these facts, the Italian economy remains strong and is still one of the leading exporters of the European Union.

The main export commodities include:

- Engineering Products
- Tobacco
- Non-ferrous metals
- Minerals
- Chemicals
- Textiles and clothing

The main export partners include:

- United Kingdom
- United States
- Germany
- France
- Spain

# 4.2 Import

Imports fell in Italy in 2008 from \$544.8 billion to \$360.8 billion in 2010.

The main import commodities include:

- Food
- Beverages
- Vehicles

- Engineering Products
- Chemicals and Minerals

The main import partners include:

- Germany
- Russia
- China
- Libya
- Germany

The largest trading partners are Italy, especially countries of the European Union, with which Italy made about 62% of its business.

# 4.3 Foreign trade of the country-Italy

The trade balance for the last 5 years - exports, imports, balance

(mil. EUR)	export	import	balance
2006	332.013	352.465	- 20.452
2007	364.744	373.340	- 8.596
2008	365.806	377.284	- 11.478
2009	290.113	294.213	-4.100
2010	337.672	364.979	-27.308

Table 1 balance, exports and imports

Source:[15]

# Italian imports in 2010

tis. eur	2009	2010	The annual growth (%)
EU	167.787.848	193.001.338	15,0

Table 2 Imports of the European Union

Source: [15]

# 4.4 Import requirements and documents, customs system, export controls

Italy belongs to the customs territory of the European Union. Opening of the European single market (JVT) in January 1993 (with subsequent accession of other countries) has abolished customs controls at the internal borders of the European Union. The internal relations of the EU customs duties shall be levied. The accession of the CR; 1 May 2004 EU bilateral trade with Italy became part of the intra-trade (of trade between), which is not subject to customs control or customs duties choice.

Goods originating from outside the European Union (the so-called "third countries") must be cleared in order to be admitted to the inner circulation. In Italy, from 1 First Customs Code of 1994 European Communities, which complements the common customs tariff, which is updated annually and includes inter alia the customs tariffs on imports from third countries. The rules and rates are common for import into the Republic and in Italy from third countries and can be found on the website of Customs Administration. [15]

# 4.5 Membership in international organizations and regional groupings

Italy is a member of the most important international organizations: UN (UNESCO, WHO, etc.) Significant regional groupings: Union for the Mediterranean, the CEI (Central European Initiative), the Trilateral Italy-Slovenia-Hungary, the Mediterranean Forum.

Italy is one of the founding members of the European Union. In its foreign policy attaches great importance to developing relations with the Mediterranean countries and seeks to ensure that the common foreign

and security policy of the EU in the Mediterranean region was significant. It therefore supports activities including recently announced by the Union for the Mediterranean. Mediterranean for Italy is a source of problems with migration, but also an important source of energy. Imported oil and natural gas from Libya respectively. from Algeria - for details see Italy's energy profile. Italy belongs to a group of economically advanced economies of the world's G-8. [14]

#### 4.5.1 Free Trade Zones

In Italy there are two free trade zones - in Venice and Trieste. These zones may be dutyfree goods arrive, if this is intended, either directly or after further processing for export. Benefits of free trade areas are:

- 180 day suspension of customs duties from the moment they left the goods dutyfree zone and goes to EU countries
- the goods may be duty-free zone, processed, assembled and repacked without being subject to the payment of duty
- foreign companies in these zones may employ their own citizens on the basis of Labour and Social Security laws in force in the home country firms. [15]

5 Demand Management

The inquiry proceedings I have contacted a number of Italian manufacturers and suppliers

of the famous olive oil production areas, as well as several domestic retailers who sell the

commodities involved.

Among the most famous Italian region include Apulia, Calabria and Tuscany.

5.1 Analysis of domestic distributors

I spoke to many domestic retailers olive oil, but not all of the answer came to me. Prices as

I stated in individual bottles and cans, which I also miscalculated, because I counted on to

take a 50 liters .All prices include VAT.

1. Hana Sonsini

It deals with the sale and importation of extra virgin olive oil, then wine

and other Italian specialties such as jams various sauces, etc. These specialties are

imported from the Italian region of Abruzzo, which is also called as the green heart of

Italy. Located in central Italy. All products have certificates DOP and organic.

Extra-virgin olive oil 1 liter metal -290 CZK

Extra-virgin olive oil 5 liters metal-1 305 CZK

Prices: (Annex 2)

Prices for the collection of 50 liters:

liter tank for the collection of 50 liters - 13,050 CZK

1 liter canister for the collection of 50 liters - 14,500 CZK

Payment Terms:

personal-subscription right in our store retailer

-bank transfer or postal order, after receipt of payment dispatch of goods

-COD-payment for goods delivery charges required

Delivery time:

40

-Goods will be sent within 3 days after receipt of the required amount to the reseller account through the Czech Post

# 2.Radim Netopilík

Seller offers olive oil, the olive tree comes from a family farm Fragassi of Abruzzo, in the town of Sant'Angelo Cittá.

Offer Oil - Olio di Oliva Extra Vergene -149 CZK 0.5 liter

Extra-Monini Poggilio Vergene 1 liter - 185 CZK, by taking 2 or more pieces price is 165 CZK

Prices are for retail customers.

Prices for the collection of 50 liters:

- After half-liter glasses, the prices were CZK 14,900
- After the jars liter price was CZK 8,250

# Payment Terms:

Unfortunately, the seller hasn't an online store, so goods can be purchased only in its store.

# 3. Andrea Zahornacká

It deals with the sale of delicious Italian specialties including olive oils.

Prices (see Appendix 3)

Prices for the collection of 50 liters:

bottle of 250 ml of oil, when sampling 50 liters was 21.200kč

bottle of 250 ml of oil with the lemon flavor, when sampling 50 liters was 19,000 CZK

bottle of 250 ml of oil with the basil flavor was by taking 50 l 19 000 CZK

This dealer does not have internet sales so it is taking his goods only possible in a shop and therefore I do not have payment and delivery terms. Neither the delivery dates.

#### 3. Přemysl Zedek

It deals with the sale of quality Italian foods including olive oils from southern Italy, particularly from Sicily and Calabria. Products sampled from family farms in organic quality.

Offer Oil: - 5 liters tin canister-extra virgin - price CZK 1,089 including VAT -Glass 1 liter - extra virgin - the price of CZK 249 including VAT

# Wholesale prices:

Extra virgin - sheet 5 1-990 CZK

Extra-virgin glass 1 liter - 219 CZK

Seller provides that any increase in excise duty from 10% to 14% the prices of its products.

They are the same. Is not increased.

Prices for the collection of 50 liters:

When retail prices:

price 5 liter cans for the collection of 50 liters would be based on 10,890 CZK

Price-liter jars for sampling 50 liters would be 12,450 CZK

When wholesale prices:

price 5 liter cans for the collection of 50 liters would be 9,900 CZK

Price-liter jars for sampling 50 liters would be 10,950 CZK

# **Payment Terms:**

- Purchase of the sale in our store
- Cash on delivery-payment after receipt of the goods

# Delivery terms:

- Courier companies DPL
- Vendor provides customers with large orders in Olomouc and Zlín region free transport of goods ordered.

# 4. Martina Cianci

It deals with the distribution of about 30 brands of food products, among them the olive oil.

On the market since 1998.

Prices for all products offered in the enclosed Annex.

Offer oil: 1 liter extra-virgin -171 CZK

0.5 liter, extra-virgin - 90 CZK
200 ml extra virgin-Spray-102 CZK
250 ml extra virgin-CZK-70
1 l-extra virgin FIORE OLIO D-136 CZK

#### Prices for the collection of 50 liters:

price of 1 liter at sampling 50 liters would be 8550 CZK

The price of 0.5 liters to 50 liters of collection would be 9.000 CZK

The price of 200 ml for the collection of 50 liters would be 25,500 CZK

The price of 250 ml for the collection of 50 liters would be 14,000 CZK

The price of 1 liter in 50 liters of collection would be 6,800 CZK

Order of the vendor must be a minimum of CZK 3,000.

Seller offers discounts:-for the collection of over 3,000 CZK 2% discount

-by taking over CZK 80,000 8% discount

# Payment Terms:

Pay cash on delivery

#### Delivery terms:

Seller offers transportation of goods ordered over the Czech Republic free of charge. Time of delivery is within 14 days.

# 5.2 Selecting the most suitable domestic supplier

Based on my analysis of domestic distributors I came to the conclusion the best supplier in terms of price, quality and delivery options will be Mr. Martina Cianci of company CANO. Seller offers products certified organic quality. Prices are olive oils of this quality available for most customers. Seller also offers discounts for orders above a certain value, which many customers appreciate. Transport is in the Czech Republic free of charge, to be delivered within 14 days of purchase.

On the other hand, is comparable to Mr. Han Sonsini supplier that offers the olive oil at reasonable prices consistent with quality, but unfortunately the seller does not offer any

quantity at a higher price subscription. Its range is too wide as the previous vendor. Transportation paid by the buyer himself.

P.Přemysl Zedek offers oil in both the retail and wholesale prices at which wholesale prices are slightly lower, but his offer of olive oil is not too large. Customers who are not even in the Zlin Region Olomouc where the seller offers free shipping, it must pay for themselves. The seller does not offer any quantitative cost or other benefits from a larger collection.

P.Andrea Záhorňácká as I wrote in previous sellers that is, at Mr. Hana Sonsini and Mr. Premysl Zedka, does not have a large selection of olive oils. Prices for this seller are acceptable, but for consumption at a large number of disadvantages. Unfortunately, this shop does not have a distributor and therefore offers its products only in their store.

# 6 Analysis of foreign suppliers

This chapter provides an analysis of foreign contractors I worked with retailers surveyed prices of products, delivery conditions and terms and conditions. But not all the manufacturers I contacted were sent a reply and not all sent me what I requested.

# 1.Francesco Gangemi

It deals with the production of olive oil for over 40 years. Their company is located in the town of Reggio Calabria, at a height of about 500 meters above sea level, which is ideal for the cultivation of olive trees.

All products are produced in organic quality. Besides the production of olive oil, this company also engaged in growing citrus, making soap from olive oil or essential oils.

#### Prices olive oils:

# Extra virgin:

- 0.250 ml 3.75 Euro
- 0.500 ml 5.5 Euro
- 1 liter 9 Euro

# Organic olive oil:

- 0.250 ml 4.50 Euro
- 0.500 ml 7 Euro
- 1 liter of 12 Euro

# Organic olive oil with rosemary:

- 0.250 ml 5.25 Euro
- 0.500 ml 8.50 Euro
- 0.750 ml 11.75 Euro
- 1 liter 13 Euro

# Organic olive oil with chilli peppers

• 0.250 ml 5.25 Euro

- 0.500 ml 8.50 Euro
- 0.750 ml 11.75 Euro
- 1 liter 13Euro

Complete price list enclosed in Annex No. 5

# Prices for the collection of 50 liters:

# Extra virgin:

- The price of oil at 0.250 ml sampling 50 liters would be  $\in$  750 = CZK 19,500
- cena0, 500 ml of oil for the collection of 50 liters would be € 550 = CZK 14,300
- cenal liter of oil by taking 50 liters would be  $\in$  450 = CZK 11,700

# Organic olive oil:

- The price of oil at 0.250 ml sampling 50 liters would be  $\in$  900 = CZK 23,400
- cena0, 500 ml of oil for the collection of 50 liters would be € 700 = CZK 18,200
- cenal liter of oil by taking 50 liters would be  $\in$  600 = CZK 15,600

# Organic olive oil with rosemary:

- The price of oil at 0.250 ml sampling 50 liters would be  $\in$  1,050 = CZK 27,300
- The price of oil at 0.500 ml sampling 50 liters would be  $\in$  850 = CZK 22,100
- The price of a liter of oil by taking 50 liters would be  $\in$  650 = CZK 16,900

# Organic olive oil with chilli peppers

- The price of oil at 0.250 ml sampling 50 liters would be  $\in$  1,050 = CZK 27,300
- The price of oil at 0.500 ml sampling 50 liters would be  $\in$  825 = CZK 21,450
- The price of a liter of oil by taking 50 liters would be  $\in$  650 = 16.900 CZK

Prices are converted to Czech crowns at a rate of 26 CZK / 1 euro

Terms of payment: bank transfer

letter of credit

# 2. Marco Catanzano

Company for the production of olive oil in a small village located in the province of Lecce, where olive trees are grown in fields Taurisano. Producing olive oil not low acidity, less than 3%.

#### Oil Prices:

Type T: extra virgin lit a € 3.06 5 liter can of € 14.85 Olive oil 1 liter € 2.56 5 liter can of € 12.38

Type P: extra virgin 1 liter € 2.73

5 liter can of € 13.20

5 liter jerry can pay € 12.65

Type C: extra virgin 1 liter € 3.39 5 liter can of € 16.50

Complete price list enclosed in Annex 6

# Prices for the collection of 50 liters of oil:

# Type T:

- price 1 liter extra-virgin olive oil at 50 liters would be based on € 153 =3978 CZK
- price 5-liter tin of extra virgin oil would be based on 148.5 euro = 3861 CZK
- price of 1 liter of oil for sampling olovového 50 liters would be based on 128 eur
   = 3,328 CZK
- price 5-liter canister for the collection would be based 50 l = € 123.8 3.219 CZK

# Type P-

- price of 1 liter of extra virgin oil at 50 liters would take based on 136.5 euro = 3,549 CZK
- price 5-liter cans of 50 liters for sampling based on the  $\in$  132 = 3,432 CZK
- price 5-liter plastic canister for the collection of 50 liters would be based on 126.5
   euro = 3,289 CZK

Type C-

price for 1 liter of extra virgin oil at 50 would receive based on 169.5 euro = 4,407

CZK

price 5-liter cans of 50 liters for sampling based on the € 165 = CZK 4,290

Prices transferred to the Czech koruna is calculated at a rate of 26 CZK for 1 euro

Terms of delivery: delivery of ordered goods immediately after receipt of payment

Payment Terms: Payment before receipt of the goods

The seller sends goods minimum purchase 1 euro pallet, which is about 350-400 bottles of

oil on one pallet.

For example, type T to a range of 400 bottles of 1 liter glasses based on 1,224 euros, which

at the exchange rate of 26 CZK / 1 euro is 31,824 CZK.

The P-type extra virgin olive oil in 1 liter jars to a variety of 400lahvích based on € 1,092,

at the exchange rate of 26 CZK / 1 euro is 28,392 CZK.

3.Tenuta La Vigna

The company was founded in 1955. Located in Tuscany. The company owns about 70

hectares, divided into 30 ha, where there are vineyards, olive groves are situated on 15

hectares and the rest of the forests and arable land. Harvest usually takes place there in

September and October, and it all manually.

Oil Prices: (attach complete price list in Annex No. 7)

Extra virgin olive oil:

• 1 liter - 11€

• 0.750 ml -8.7€

• 0.500 ml 6, 3€

• 0.250 ml-4.1€

• 0.100 ml- 2.5€

5 liter tank 45 €

Prices for the collection of 50 liters:

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Price 1 liter of oil by taking 50 liters would be  $\in$  550 = CZK 14,300

Price 0.750 ml oil for the collection of 50 liters would be  $\notin$  580 = CZK 15,080

Price 0.500 ml oil for the collection of 50 liters would be  $\in$  630 = CZK 16,380

Price 0.250 ml oil for the collection of 50 liters would be  $\in$  820 = CZK 21,320

Price 0.100 ml oil for the collection of 50 liters would be € 1,250 = CZK 32,500

Price 5 liter canister for the collection of 50 liters would be € 450 = CZK 11,700

Prices are calculated on the Czech koruna exchange rate 26 CZK / 1 Euro.

Vendor gives to any oil from the price list discount of 20%.

Delivery terms: Delivery time is within 20 days of order.

Payment Terms: Payment transfer prior to delivery of goods.

6.1 Selecting the most suitable foreign suppliers

Based on my analysis of foreign suppliers and producers of olive oil, I concluded that the

most appropriate supplier is Marco Centopuro Catanzano from the company. Although the

minimum order is bottle manufacturer of a variety of one euro, equivalent to about 350-

400 bottles of oil, the price of the full range of offsets only take 50 liters a Czech dealer.

Dealer prices are, in my opinion, beneficial for both retailers and to wholesalers. Payment

terms of the dealer is only advance payment to a bank account. Upon receipt of your order

immediately dispatched.

The next best seller I chose the company Tenuta La Vigna. The range offered is indeed

wide, but the price in comparison with the first manufacturer are not so good even though

the dealer for every product has a 20% discount. vendor

Preference for an advance payment to a bank account. After crediting the amount of goods

sent within 20 days of order.

As the third best supplier I chose Mr. Francesco gang. Seller has a wide range of products,

prices and olive oils are available, but unfortunately the seller has not provided any

information on delivery terms, payment terms and delivery of the consignment, which in

my opinion, very important information.

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# 7 Draft contract for the supply of permanent

Company Centopuro Italy, hereinafter referred to as "Seller", on behalf of Marco Catanzano, works in sales of olive oil, Czech Republic, hereinafter referred to as "Buyer", on behalf of Margaret Caudrová, operating on the basis of law, from the second part, the conclusion of this contract under the following conditions:

#### 1.OBJECT OF THE CONTRACT

Contract of sale is 1 Euro pallet with olive oil

- 1.1 The seller must deliver and the buyer properly and pay Olive oil (hereinafter goods).
- 1.2 The quantity of goods, their price and specifications listed in Annex 1, which is an integral part of the contract.
- 1.3 Prices are in CZK.
- 1.4 All costs related to receipt of goods and customs clearance are the buyers.
- 2. Total contract value
- 1.2 The total contract amount is equal to ....... CZK.

#### 3. DELIVERY

- 1.3 Goods should be dealt with in the country and give the seller in accordance with the rules of "INCOTERMS 2010"
- 2.3 Date as soon as the seller has received payment to bank account

The seller is obliged to inform the buyer of goods transport on the preparedness of 3 (three) days before in any written form using means of communication.

- 2.3 Goods are sent by the buyer in a vehicle.
- 3.3 CMR date of signature of the buyer or the seller is considered to be the day of delivery.
- 4. Packaging and labeling. Accompanying document
- 1.4 Goods must be packed in cardboard boxes or other containers suitable for transport trucks. It is necessary to protect goods from damage during transport to their final destination in accordance with international rules and provide additional storage of goods.
- 4.3 The following supporting documents should be attached to the goods:
  - 1 copy of invoice and 1 copy;
  - CMR and 1 and 3 copies of copies;

- Certificate of Quality in the factory 20 copies;
- 1 copy of packing list and 3 duplicates;

Packing list should include the following:

- Product Name
- Number of units
- Gross weight, net weight;
- Transport number;
- Contract number, invoice number
- List of returnable packaging

One copy of delivery note in a waterproof container should be placed in a suitable container with the goods and the other is located outside.

-certificate of origin, 1 copy.

The first copies of these documents should be sent by express mail to the purchaser on the day of dispatch, or should be passed to the buyer agent personally.

- 5.GOODS admission to the quantity and quality
- 5.1 Buyer (representative) took over the goods in a quantity corresponding to the delivery note and invoice.
- 5.2 The buyer accepts the goods according to quality under this contract regardless of delivery date.

In case of defective goods, the buyer arranges for the claim and sends it to the seller. The seller is obliged to change the defective goods, and deliver them to the buyer within 30 (thirty) days at the expense of the seller according to agreed conditions, complaints, or negotiate with the buyer to reduce the price, amount of defective goods.

The seller has the right to take a look at the faulty goods. All changes in the way payments should be agreed by both parties shall be made in writing by any means of communication.

#### 6th PAYMENT TERMS

6.1 Payment for goods must be made for each order separately in accordance with the Agreement as follows:

After receipt of the invoice for the goods ordered must be paid by bank transfer within 30 days (thirty) otherwise the order will be canceled sellers

All bank charges are the buyer.

# 7. Criminal penalties

7.1 In the event that the goods will be delayed more than 10 (ten) days because of an error the seller is obligated to pay a fine of 0.1% of the undelivered goods for each day of delay.

In case of delayed supplies more than 30 (thirty) days of dealer error, the buyer has the right to withdraw from the contract. In this case the seller is obliged to pay the 6 (six)% of the undelivered goods and any damage caused.

# 8. Escape from responsibility

- 8.1 The Contracting Parties shall be exempt from liability for partial or complete failure to comply with this agreement or unforeseen circumstances.
- 8.2 The unforeseen circumstances are considered accidents, fires, strikes, governmental actions, floods, earthquakes, etc., which arise out of control parties and have a direct impact on the performance of this contract.
- 8.3 Parties may be deprived of responsibility for partial or complete failure to comply with this Agreement, unless it is proved that it is the result of circumstances beyond their control.
- 8.4 In such circumstances the other party, in which unforeseen circumstance occurred within 3 days to inform the other side.

Time for execution of the contract (Annex), shall be extended depending on their contractual agreements during these circumstances, if no other decision.

If the party does not accede to the agreement, as described in the preceding paragraph, the party that suffered unforeseeable circumstances has the right to reject the contract and full compensation.

Party shall notify the other Party of its decision within 3 days.

#### 9. ARBITRATION

9.1 All disputes which may arise in connection with this agreement are subject to negotiations between the parties

#### 10. The final state

10.1 After the treaty enters into force, all previous negotiations and correspondence

becomes invalid.

10.2 The Parties agree that the obligations under this contract may be assigned to a third

party. The parties should inform each other about writing.

11. Changes and additions

11.1 All changes and additions to this contract must be in writing in the form of additional

contracts should be signed by both parties. They are considered a contract is an integral

part

These agreements can be sent by fax. Party receiving such an agreement the stamp and

signature, and inform partners and fax.

The current agreement is made in 4 copies in Czech and English, which have the same

effect from the date of signing by both parties.

12. Legal addresses and signatures of the parties.

Seller: Marco Catanzano

Buyer: Margaret Caudrová

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# 8 The project's economic benefits

In chapter 8 project's economic benefits are calculated price of olive oil supplied by the Italian manufacturer. From the table we can see the olive oil, which is divided by type, the packaging either 1 liter bottles or 5 liter canisters. Furthermore, the total number of bottles collected which is 400 bottles at 1 euro pallet. The next column, prices are per 1 liter of olive oil, followed by the total amount of oil and the last is the total price in euros.

TYPE T	Packing	Liters	Euro / 1 liter	Total liter	Total euro
Extra virgin	11	400	3,06	400	1.224
Extra virgin	51	400	2,97	400	1.188
Olive oil	11	400	2,56	400	1.024
Olive oil	51	400	2,48	400	992

Table 3: Calculation type T

Source: own

Total liters of oil: 1.600 l

Total euro: 4428 = 115 128 CZK

When taking the T olive oil, the price per 1,600 liters based on 4,428 euros at the conversion rate for the Czech koruna CZK 26/1 euro would price was CZK 115,128.

Type P	Packing	Liters	Euro /1 liter	total liter	Total euro
Extra virgin	11	400	2,73	400	1.092
Extra virgin	51	400	2,64	400	1.056
Extra virgin	51	400	2,53	400	1.012
Olive oil	51	400	2,42	400	968

Table 4: Calculation type P

Source: own

Total liters of oil: 1.600 l

Total euro: 4128 = 107 328 CZK

When taking the olive oil, the price of P per 1,600 liters based on 4,128 euros at the conversion rate for the Czech koruna CZK 26/1 euro would price was CZK 107,328.

Type C	Packing	Liters	Euro / 1 liter	Total liter	Total euro
Extra virgin	11	400	3,39	400	1.356
Extra virgin	51	400	3,3	400	1.320

**Table 5: Calculation type C** 

Source: own

Total liters of oil: 800 l

Total euro: 2676 = 69 576 CZK

Similarly, both the T and P and U of C by taking 800 liters of olive oils based on the prices of € 2676, when converting to Czech Crowns at the exchange rate 26 CZK / 1 euro would price was CZK 69,576

# Calculation of sales in the Czech Republic:

# Type C

Transport	540 euro	14.040 CZK
Total oil	2.676 euro	69.576 CZK

Table 6: Calculation of CR type C

Source: own

Total price: 83,616 CZK

# Sales in the CR:

	Packing	total liter	Price/ 1 litr	profit
Extra virgin	11	400	120 Kč	48.000 Kč
Extra virgin	51	400	100 Kč	40.000 Kč

Table 7 Calculation of sales in the CR

Source: own

profit: 88.000 Kč

Net profit after deduction of costs: CZK 4,384

When taking olive oil type C is the total price with shipping 83,616 CZK. If sold in the Czech Republic 1 liter bottle for 120 CZK and 5 liter tank for 100 CZK, the profit amounted to CZK 88,000. When deducting the total cost of the overall profit of C amounted to CZK 4,384.

Type T

Transport	1.080 euro	28.080 CZK
Total oil	4.128 euro	107.328 CZK

Table 8 Calculation of CR type T

Source: own

Total price: 135.408 Kč

# Sales in the CR:

	packing	total liter	Price / 1 lietr	profit
Extra virgin	11	400	110 CZK	44.000 CZK
Extra virgin	51	400	100 CZK	40.000 CZK
Olive oil	11	400	100 CZK	40.000 CZK
Olive oil	51	400	90 CZK	36.000 CZK

Table 9: Calculation of sales in the CR

Source: own

Profit:160.000 CZK

Net profit after deduction of costs:24.592 CZK

When taking olive oil type T is the total transportation cost is 135,408 CZK. If sold in the Czech Republic 1 liter bottle of extra virgin olive oil for 110 CZK and 5-liter jerry can of extra virgin for 100 CZK, 1 liter bottle of olive oil for 100 CZK and 5-liter jerry can of olive oil for 90 CZK, the profit amounted to CZK 160,000. When deducting the total cost of the overall profit of type T was CZK 24,592.

Type P:

Transport	1.080 euro	28.080 CZK
Total oil	4.428 euro	115.128 CZK

Table 10: Calculation of CR type P

Source: own

Total price: 143.208 CZK

Sales in the CR:

Total liter Úrice / 1 liter packing profit 90 CZK Extra virgin 11 400 36.000 CZK 400 100 CZK 40.000 CZK Extra virgin 51 51 100 CZK 40.000 CZK Extra virgin 400 Olive oil 51 400 100 CZK 40.000 CZK

Table 11: Calculation of sales in the CR

Source: own

Profit:156.000 CZK

Net profit after deduction of costs: 12.792 Kč

When taking olive oil type P is the total transportation cost is 143,208 CZK. If sold in the Czech Republic 1 liter bottle of extra virgin olive oil for 90 CZK and 5-liter jerry can of extra virgin for 100 CZK, 1 liter bottle of extra virgin olive oil for 100 CZK and 5-liter jerry can of olive oil for 100 CZK, the profit amounted to CZK 156,000. When deducting the total cost of the overall profit of P was CZK 12,792.

Were calculated for all transportation costs and quantities of olive oil shipped from the Italian retailer. Furthermore, the initial amount of slightly increased its sales on the Czech market. After considering the prices at which with us sells olive oil, I think that inflated prices are acceptable, maybe even too much to take account of their quality. So I came to the conclusion that the sale of olive oil from the best seller would be profitable.

# 9 E-learning technology

Ouestions to answer:

5. What climate olive trees require:

a) warm climate

c) tropical climate

b) subtropical climate

In the chapter e-learning technologies are processed a few questions and answers that can be used for example in self-diagnosis tests, tests, or just sharp as questions and answers for inclusion in the teaching of foreign trade. Correct answers are highlighted in bold.

1.Italy is:
a) in southern Europe
b) in Northern Europe
c) in Asia
d) in America
2. The capital of Italy is:
a) Barcelona
b) Rome
c) Athena
d) Paris
3. What was the currency in Italy before joining the euro:
a) Mark
b) Dollar
c) The Italian lira
d) Frank
4. How much is currently known species of olive trees:
a) 100
b) 2000
c) 1453
d) 457

a) 5-15 m
,
b) 2-5 m
c) 20-30 m
d) 1-2 m
7. When clives riner.
7. When olives ripen:
a) March-July
b) from August to January
c) October-December
d) from December to April
0 what are the colors of alives.
8. what are the colors of olives:
a) green
b) red
c) blue
d) purple
9. When the olives are pressed:
a) within 2 days after harvest
b) within 10 days of harvest
c) within 14 days of harvest
d) within a week of harvest
a) within a week of harvest
10. Temperature at which the olives are pressed:
a) to 30 degrees Celsius
b) to 90 degrees Celsius
c) to 60 degrees Celsius
d) to 40 degrees Celsius
11. pressed oil is stored before:
a) the sun and oxygen
b) the darkness and dirt

d) artictic

6. How high can grow olive trees:

c) only the oxygen
d) dust
12. Decomposition point of extra virgin oil is:
a) 80 to 120 degrees Celsius
b) 100 to 150 degrees Celsius
c) 180 to 210 degrees Celsius
d) 90 to 110 degrees Celsius
13. What acidity of extra virgin oil must not exceed:
a) 0.3%
b) 0.8%
c) 0.5%
d) 0.4%
14. How many kilos of olives are needed to produce 1 liter of oil:
a) 2 kg
b) 10 kg
c) 5 kg
d) 15 kg
15. It belongs to the tourism trade:
a) no
b) yes
c) only partially
d) possible
16. Each state is governed by:
a) laws
b) decrees
c) regulations
d) All answers are correct
17. Which office is responsible for standards in the Czech Republic

a) The Czech Trade Inspection

- b) Social Security Administration
- c) The Czech Standards Institute in Prague
- d) Health Administration
- 18. What supervisory authorities in the Czech Republic there are:
- a) Veterinary Administration
- b) Public Health Service
- c) The Czech Agriculture and Food Inspection Authority
- d) All answers are correct
- 19. As surveys are divided:
- a) Territorial competition survey, the survey prices
- b) exploration of taste of the product
- c) a survey package
- d) exploration of the product composition
- 20. Which groups are divided Incoterms 2000:
- a) Group E, F, D, C
- b) the group K, L, M, P
- c) Group A, B, C, N
- d) the group G, M, O
- 21. What are the delivery times:
- a) the approximate
- b) the gradual
- c) the exact
- d) All answers are correct
- 22. Parties are an integral part of the purchase contract:
- a) yes
- b) only in exceptional cases
- c) no
- d) possible
- 23. In what unit is sold gold:

a) kilograms b) an ounce c) grams d) grams of 24. What is the function of packaging: a) Hygiene b) aesthetic c) protection d) none 25. Obligation of the seller is: a) deliver the goods b) not to deliver goods c) keep the goods d) not to send all goods 26. what is this note: a) Securities b) yellow paper c) white paper d) green paper 27. Distributor sells: a) on its own account, own name b) the name of the company c) on behalf of colleagues from work, his name

#### 28.Italians eat:

d) no account

- a) 10 liters of oil per capita per year
- b) 5 liters of oil per capita per year
- c) 3 quarts of oil per capita per year
- d) 50 liters of oil per capita per year

29. Exports in Italy:
a) decreased
b) increased
c) remained the same
d) All answers are correct
30. Imports in Italy:
a) decreased
b) increased
c) remained the same
d) All answers are correct
31. Italy is a member of:
a) United Nations, UNESCO, WHO
b) Red Cross
c) drops of hope
c) neither answer is correct
32. Italy belongs to the group of economies:
a) G-8
b) G-5
c) G-9
d) G-10
33. Where in Italy is a free trade area:
a) in Rome
b) in Venice and Trieste
c) nowhere
d) all
34. Which area of Hana Sonsini imported oil:
a) Abruzzo

b) Sicily

c) Tuscany

d) All answers are wrong
35. From what the Premysl Zedek imported oil:
a) Sicily, Calabria
b) Tuscany
c) Abruzzo
c) All answers are correct
36. How long has Martin Cianci on the Czech market:
a) since 1998
b) Since 2000
c) from 2010
d) from 2012
37. At what height is Mr. Francesco Ranch Gang:
a) 120 meters to the sea
b) 800 meters to the sea
c) 500 meters to the sea
d) 1034 meters on sea level
38. Mr. Francesco Gang sells oil in organic quality:
a) only some
b) all
c) no
d) possible
39. Where is the company p. Marc Catanzano
a) in Tuscany
b) in the province of Lecce
c) in Calabria
d) in Sicily
40. Where is the company Tenuta La Vigna
a) in Calabria
b) in Sicil

# c) in Tuscany d) Abruzzo

- 41. Criteria for evaluation of foreign trade in the economy:
- a) efficiency
- b) proportionality
- c) demonstrative effect
- d) All answers are correct
- 42. What is Sigma:
- a) a numerical identification of the consignment
- b) the picture on the box
- c) the name of the consignment
- d) All answers are wrong
- 43. The purchase contract to the seller under the following obligations:
- a) deliver the goods
- b) deliver to the agreed place
- c) the precise date and time
- d) All answers are correct
- 44. The buyer has the right:
- a) withdraw from the contract
- b) not to pay goods
- c) take over defective goods
- d) All answers are correct
- 45. What are the methods of export and import:
- a) Complete and incomplete business method
- b) direct and indirect sales method
- c) there is no method
- d) All answers are correct
- 46. The provider may be:
- a) non-exclusive

4	7. What are the payment terms:
a	) Advance
b	note
c	) check
d	) All answers are correct
4	8. How many people does Rome have:
a	3,000,000
b	2,000,000
c	) 1,500,000
d	) 4,000,000
4	9. The official languages of Italy:
a	) Italian
b	) German
c	) Slovenian
d	) All answers are correct
5	0. Division of Oil:
a	) extra virgin
b	) virgin
c	) cedenti
d	) All answers are correct
S	Study Text
S	tudy text is from the thesis drawn up for possible inclusion in the subject of foreign tra-
О	or for other applications.

b) the exclusive

c) Ad hoc

Italy is a country located in Southern Europe. It occupies the entire Apennine Peninsula and has the shape of shoes [1]. Italy is a country that has the longest Greece European history. On the other hand, the modern unification took place relatively recently. The long and rich history left the country after an unprecedented number of monuments from the Roman ruins and sculptures, through the medieval castles, the magnificent Renaissance buildings and a number of masterpieces of world painters and sculptors. [4]. It borders with France, Switzerland, Austria and Slovenia. The surface of Italy is mountainous,

in the north of the Alps, then the entire peninsula through the Apennines mountains. The Alps Apennines and the Po plain lies - the most fertile part of Italy. [1]

Given the vastness and varied topography, climate conditions in different parts of Italy varies considerably. Generally, they are in Italy, mild winters and hot summers. Towards the south the climate is drier and warmer. [2]

# **Foreign Trade**

The role of foreign trade in the reproductive process (production-distribution-consumption-inning), there were no scientific studies in 17 to 18 Century, at a time when the prevailing mercantilist economic thinking. Mercantilism originated during the early and consolidation of centralized monarchies, at the time of colonial expansion and empire building. [18, p 17]

For the evaluation of foreign trade in the economy of each country we use several criteria:

**Efficiency-**it is an effort to concentrate in the export policy for these products where a country can achieve the maximum savings of social work. These products are the focus for research, development, and other promotional efforts. Even so, an advanced country like Japan is no doubt complex, with its economy in the past has long focused its export promotion priorities for a few industries-electronics and optics, manufacturing of transport equipment, robotics. The economy is smaller and thus more open, it should be a concentration of forces to increase and maintain the skills competition, that means the ability to export selected products, stronger.

**Proportionality-**the few countries in the world that have a sufficiently large domestic market and industrial base capable autarkního, that is self-sustaining development. These

are countries that have complex resource base and are able to meet the needs of their own domestic industrial production. Such countries include USA, Russia, and some so-called emerging Countries (China, India, partly as other populous countries such as Indonesia, Brazil ...)

**Demonstrative effect -** export programs of each country represents a business card status and levels of economic development of the country. Conversely, the import program is not only way of solving the problem of proportionality - it's getting the rye values for various reasons the country meet, but also ensure faster economic development of the importing country. It is a demonstration of the world's technical, design, fashion trend, which may cause stimulation to the social and economic progress. At the same time to transfer a certain degree of global trends, such as a spread of environmental elements, safety, new trends in packaging, energy substitution and use non-traditional sources and the like.

The importance of foreign trade can be seen also in finding that the greater the greater the economic interdependence of two or more countries, thus the overall relations of these countries more stable. Therefore, it can indicate external economic relations as a form of relationship, which strongly supports peaceful cooperation and reduces conflict. The neighboring countries are not the phrase when you say that foreign trade is a means of building sustainable and quality-neighborly relations. Foreign trade also contributes to the growth of education. Inhabitants of the export-oriented forces for an intensive study of technical innovations, forms of international cooperation, national languages and cultural specifics. [18, s.21]

#### **Delivery time**

Delivery time is very important and standard part of the purchase contract and, where it trades the fixed requirement essential.

- Approx can be used if there is doubt that the accreditation will open ¬ tiv. He may be in the contract "within 1 month after opening the letter of credit" or "within x months of the conclusion of the purchase contract."
- Accurate determination of lead times, where as mentioned, that the goods will be delivered to 31 12th 2005, or from 1.12. 2005 to 31.12. The 2005th Under the exact delivery time

ro ¬ understands even such a title, such as:

- "early period" means the first 10 days of this period
- "in the middle of the month" 10 to 20 day of Q "in the mid-quarter" second month of quarter
- Gradual delivery time occurs when the total trade to arrange a certain amount of goods supplied and not once, but gradually, either at predetermined specific quantities, or on the references. In this case, the importer asks the exporter to the total agreed amount of a certain amount added to that date. This condition is not ideal for exporters because it makes it impossible, unless the goods from the store, well-programmed production.

#### The emergence of a purchase contract

The purchase contract expresses the will of one Contracting Party to sell and buy the other party a thing of identical and corresponds to the interests of parties, so there should be agreement on the whole its content. The content of the text of the sales contract depends on many factors. First, on what questions they want to have parties in the contractual provisions modified. In addition to the commodity, which is the subject of the purchase contract. Of course others will have a purchase contract for the supply of fruit and the other for the supply of agricultural machinery. The signing of the purchase agreement is in some ways the culmination of each trade. It is a deal on the constituent, and are considered essential for those that either party considers it essential. In addition, commercial codes or other legal rules governing the purchase contract may specify certain provisions of the purchase contract for an obligatory, or mandatory. It should be noted at least the seller and buyer, the subject of a purchase contract and price. Another part of each contract as delivery and parity, terms of payment and many other arrangements.

# The Parties

An integral part of the purchase contract agreement, declaration of the contracting parties - the seller and the buyer - the exact company name, address, the exact name and surname of the statutory representatives, authorized or authorized to enter into contractual obligations. The practical is to introduce the company's name and identification code in the CR school for drivers or Tax Identification Number, a school for drivers abroad often tax code registry office.

#### The subject of the purchase contract

This means determining product name or reference to the mark, sample, catalog, attachment, which is usually the most complicated machinery or capital equipment described in detail. The term we mean the volume of subject goods. In some cases, the subject matter of one or two lines. The export of capital equipment that can be tens of pages.

For some products, the goods are accurately determined by chemical analysis, for example, referring to the sample, etc. As regards the destination of the goods, there were many uncertainties that were sometimes in a deliberate attempt to trick a partner. If we say the machine, it may mean metal machine or woodworking machine, too. Therefore, the precision of description is so important. On the issue of determining the amount of foreign trade in many practices. For each transaction used weights and measures that are no longer common in retail. So, for example, oil is not purchased in tonnes, but in a unit called a barrel. Grain is purchased in a unit called buláš. Very often it is used for pound, ounce for buying gold, silver and other metals.

An inherent aspect of the purchase agreement is subject package whose function primarily protective. Nature is highly dependent on the type of transport. Other claims are in the transport container, the other open items. Especially we must pay great attention to packaging by sea transport, where there is a risk of corrosion. The purchase contract is why it is a provision that the goods are to protect against these risks. Each consignment abroad must bear sign. This designation is accompanied by consignment on all transport documents. It serves to identify the customs clearance of goods under the Export and import management.

The seller is legally obliged to deliver goods as specified in the purchase contract. This means that the parties must agree on how the goods will be protected, which will cover, whether on a variety of what kind of range the customer wants. The agreement is binding on supplying.

Seller's obligation in relation to packages delivered goods Incoterms 2000 is designed so that they must conform to requirements that require transport, but only if the seller was aware of circumstances related to traffic before entering into a purchase contract.

As a result of a contractual agreement, it would mean the proper packing of goods subject to the following principles:

The packaging should provide adequate protection of goods throughout the transportation from place of departure to final destination against damage, deterioration, loss and theft. Goods are handed over to the transport carrier, which confirms its acceptance of delivery in apparently good condition with a commitment that this state can deliver the intended recipient. The outer packaging should therefore be designed so that any intervention was the recipient of goods and readily detectable damage taken steps to secure the legal rights. The packaging of the consignment can be used as a promotional tool by placing suitable advertisements for the exporter or importer throughout shipping. [17, s.73-77]

#### Payment terms and tools

A fundamental part of any offer and the contract payment terms. Below are the basic payment terms with it, but that there are a number of divergent variants and mutual combinations:

- Advance
- Documentary Letter of Credit
- delivery on open account
- supplier credit
- bill
- check

### Documentary letters of Credit

Among the most important and safest banking tools that are used to finance foreign trade. Documentary Letter of Credit (Documentary Credit, Letter of Credit, L / C) is a written commitment from the bank that will provide a third party performance.

#### Bill of exchange

The promissory note is a security designed to order their essential requirements laid down by mandatory law. The security, Endorsements on negotiable rightful owner.

#### Cheques

A check is a security and simultaneously payment instrument issuer which instructs your bank (drawee) to pay the owner the amount of the check. The maturity of the check as a

payment instrument is at sight. If the exporter determines the terms of payment and decides to check, it should require a bank check. The highest-quality type check, because it is the issuer bank.

Bank checks can be recognized by:

On the form of bank check there are two.

Bank name with full address of the drawee (usually in the form of a check in the bottom left corner.). Designation with bank officials autographs bank issuer (in the form of a check in the bottom right corner).

If the document exists only one bank, it is the drawee. Instrument then is the issue identified and signed by the person or entity. This is a private check (at least kind of quality check). [17, s.96,117-120]

#### Political and business analysis

Italy is one of the industrialized countries of the EU. In the field crops are still regional differences and productivity depends on the size of agricultural goods, because most of them are family.

#### **Export**

In 2008, exports declined significantly in Italy. Exports decreased from \$ 545.6 billion in 2008 to \$ 381 billion in 2010. Despite these facts, the Italian economy remains strong and is still one of the leading exporters of the European Union.

The main export commodities include:

- Engineering Products
- Tobacco
- Non-ferrous metals
- Minerals
- Chemicals
- Textiles and clothing

The main export partners include:

- United Kingdom
- United States

- Germany
- France
- Spain

### **Import**

Imports fell in Italy in 2008 from \$ 544.8 billion to \$ 360.8 billion in 2010.

The main import commodities include:

- Food
- Beverages
- Vehicles
- Engineering Products
- Chemicals and Minerals

The main import partners include:

- Germany
- Russia
- China
- Libya
- Germany

The largest trading partners are Italy, especially countries of the European Union, with which Italy made about 62% of its business.

- Beverages
- Vehicles
- Engineering Products
- Chemicals and Minerals

The main import partners include:

- Germany
- Russia
- China
- Libya
- Germany

The largest trading partners are Italy, especially countries of the European Union, with which Italy made about 62% of its business.

#### History of olive

Perhaps no other tree is so closely associated with man and the history of mankind just as the olive tree [8]. Olives are one of the oldest food, its origins go back to Crete almost 5-7 years ago and quickly spread to Egypt, Greece, Palestine and Asia Minor (peninsula, where today is the Asian part of Turkey). Many ancient civilizations used olive tree as a source of food, wood and benefited from its therapeutic effects. He was also considered a symbol of peace and wisdom. Olive oil is used for consumption

already around the year 3000 BC [7].

#### Olive

Olive is currently known over 2000 different cultivars, among which are the best known: Liccino, Frantoio, Moraiolo, Coratina, Nocellara, Carolea. Olive trees require a warm temperate climate without great temperature differences. In any case, do not tolerate temperatures below freezing. Therefore, they prefer the climate that prevails in the Mediterranean. Grow to a height of 5-15 meters. Live for many years, several hundred or even exceptionally a thousand years. The quality of fruits - olives - also influences the composition of the soil from which it draws its nutrients olive tree. [8]

#### Harvest:

European olive tree reaches the age of 1000 years and grow up to 5-8 m. However, begins to bear fully the first ten years, approximately 20-50 kg of olives per tree from which it gets about 7 liters of quality oil. Olives are harvested still immature beating the trees with chestnut poles, where the fall in large, widely spread network. Olives ripen in time period from October to December. [9]

Import conditions and documents, customs system, export controls

Italy belongs to the customs territory of the European Union. Opening of the European single market (JVT) in January 1993 (with subsequent accession of other countries) has abolished customs controls at the internal borders of the European Union. The internal relations of the EU customs duties shall be levied. The accession of the CR; 1 May 2004 EU bilateral trade with Italy became part of the intra-trade (of trade between), which is not subject to customs control or customs duties choice.

Goods originating from outside the European Union (the so-called "third countries") must be cleared in order to be admitted to the inner circulation. In Italy, in force since 1 January 1994 the Customs Code of the European Communities, which complements the common customs tariff, which is updated annually and includes inter alia the customs tariffs on imports from third countries. The rules and rates are common for import into the Republic and in Italy from third countries and can be found on the website of Customs Administration. [15]

Membership in international organizations and regional groupings Italy is a member of the most important international organizations: UN (UNESCO, WHO, etc.) Significant regional groupings: Union for the Mediterranean, the CEI (Central European Initiative), the Trilateral Italy-Slovenia-Hungary, the Mediterranean Forum.

Italy is one of the founding members of the European Union. In its foreign policy attaches great importance to developing relations with the Mediterranean countries and seeks to ensure that the common foreign and security policy of the EU in the Mediterranean region was significant. It therefore supports activities including recently announced by the Union for the Mediterranean. Mediterranean for Italy is a source of problems with migration, but also an important source of energy. Imported oil and natural gas from Libya respectively. from Algeria - for details see Italy's energy profile. Italy belongs to a group of economically advanced economies of the world's G-8. [14]

#### Free Trade Zones

In Italy there are two free trade zones - in Venice and Trieste. These zones may be dutyfree goods arrive, if this is intended, either directly or after further processing for export. Benefits of free trade areas are:

- 180 day suspension of customs duties from the moment they left the goods duty-free zone and goes to EU countries
- the goods may be duty-free zone, processed, assembled and repacked without being subject to the payment of duty
- foreign companies in these zones may employ their own citizens on the basis of Labour and Social Security laws in force in the home country firms. [15]

#### CONCLUSION

The Bachelor thesis was focused on the implementation of import olive oil from Italy to the Czech Republic. I describe the issue in detail. The thesis is divided into two parts. The first part is a theoretical basis. Here is described the country's geography, ethnic composition, religion, official languages and in our case and probably the most important way to trade local merchants.

There is also described crop used for producing olive oil. The cultivation conditions for growing, harvesting, which is most suitable harvest time, the production of olive oil, what are the ways of processing olives, followed by oils, how to divide the composition according to each type of oil processed. Composition of olive oil must not be forgotten.. Here is described what substances and vitamins olive oil contains and what are its effects on the human organism. This chapter is also about what affects the price of olive oil. It mainly takes into consideration whether it is harvested manually or using machinery. The emphasis is also, for example, in what bottle the oil is sold to final consumers. Amber glass bottle protects the oil from the sun. These bottles are more expensive than clear glass bottles and therefore such a little thing affects the price of olive oil.

The second part describes the theoretical basis for what is foreign trade all about. Whether foreign trade forms a part of the GDP of certain countries. Before entering the foreign market it is necessary to analyze foreign markets. Surveys are listed for which we should focus, if we want to do business or trade with other countries.

The second part of this work is a practical part. It focuses on lessons learned in dealing with this work. The first section describes the practical part of the time series of prices of olive oil over the last ten years. From the graph shown here is clearly seen that the price of olive oil decreases and becomes more affordable. Additionally, you may see for example the consumption of olive oil over the last ten years in the world. It is mainly the EU. Another point of this work involves political and business analysis. What has been described here is Italian exports and imports. What commodities the country exports and, on the other hand, which it has to import due to shortages.

An integral part of this work is also demand management. The demand management was approached by Italian manufacturers and retailers of olive oil. Out of a number of vendors

contacted unfortunately only a few responded. From these suppliers were required price lists of products they offer. An important role is played by payment terms, delivery conditions and terms of delivery. An analysis, which compared the prices of sellers, under what conditions they are willing to deliver the goods, was made from received price lists.. After evaluation of the analysis we came out with the best supplier that would be an ideal supplier of olive oil. As for foreign suppliers were also contacted domestic distributors and resellers who trade with olive oil in the Czech market. From these retailers price lists were requested and the most optimal supplier was subsequently analyzed.

As in foreign trade is customary, before you buy a certain quantity of products is important to prepare a contract for continuous delivery of products. This contract is processed in the 6th point of the outline of the thesis. These lists contain all the essentials which should be included in each contract. This means parties, the subject of the purchase contract, the quantity, the rights and obligations of the seller and buyer signatures.

Another point includes the processing of economic return. Here is information processed by the best foreign supplier. Again, prices of products are assessed and their transport, which are compared with those for which they were sold on the domestic market. It was necessary to analyze the competition to determine the price at which olive oils are offered in this country, and according to the price increased. In my opinion, the prices increased so that it was profitable for us. All prices are converted to Czech crowns with a rate of 26 CZK per one euro.

The last point is developed e-learning technology. It is rather a series of questions and answers that can be incorporated into the teaching of foreign trade or used as self-assessment and semester credit test. Questions are selected from the text of the thesis.

The goal is to continue processing the application of this thesis. In my opinion, continuation would be possible in few years because of the time series which are actual in the thesis. It also arises from new technologies in the production of olive oil (streamlining existing procedures).

Objective: (draft)

The aim of the thesis is the implementation of import olive oil from Italy to the Czech Republic. In the introduction is developed a theoretical basis for the issue. The author presents a description of the commodity from which olive oil is produced. I develop a description of the technology used in the production of olive oil. In the practical part, there

is described a time series of production and price of olive oil over the past 10 years, mas well as the time series of the consumption of olive oil exported from Italy. I make political-business analysis, geographic and demographic analysis of the country. I perform demand management, analysis of foreign suppliers and domestic distributors. I select the best suppliers and implement samples. I develop e-learning technology – self-study tests and real' tests that can be incorporated into the teaching of foreign trade. I will be defending the Bachelor Thesis before the Department of Economics and Management and its evaluation will be part of the thesis. The Bachelor Thesis is subject to plagiarism test the results of which will be shown to the examiners.

#### Introduction

- 1. The theoretical basis
- 2. Description of commodity
- 3. Political and business analysis, geographic and demographic analysis
- 4. Time series of output and prices over the past 10 years, time series of consumption and export of olive oil
- 5. Description of technology for the production of olive oil
- 6. Demand management, analysis of foreign suppliers and domestic distributors
- 7. E-learning technology

Conclusion

The theme of this work caught my attention. It forced me to find and study conditions, prices, history, shipping options, as well as culture of the people engaged in the cultivation and production of olive oil. Because I am studying foreign trade seemed to be an ideal subject.

ABSTRACT

Markéta CAUDROVÁ Implementation of Import of Olive Oil from Italy to the Czech

Republic

Kunovice, 2012. Bachelor Thesis. European Polytechnic Institute, Ltd.

Supervisor: Ing. Kristýny Hrubošová

Key words: Time series of prices of olive oil, political and business analysis, demand

processing, analysis of domestic distributors, analysis of foreign suppliers, contrack for

pernament supply, economic return.

Bachelor thesis aims at elaborating on the import of olive oil from Italy to the Czech

Republic. In the introduction into the work is described demographic and geographic

environment of Italy. There is provided information about the country, what is important to

know if one wants to trade or do business on this territory. It describes the legislation of the

country. The following is information about the olives, from growing, harvesting,

production olive oil to use of olive oil in gastronomy. The next section draws on

information from suppliers of Italian olive oil and from domestic suppliers.

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**ABSTRAKT** 

Markéta CAUDROVÁ Realizace dovozu olivového oleje z Itálie do České republiky

Kunovice, 2012. Bakalářská práce. Evropský polytechnický institut, s.r.o.

Vedoucí práce: Ing. Kristýna Hrubošová

Klíčová slova: Časové řady cen olivového oleje, politicko-obchodní analýza, poptávkové

řízení, analýza tuzemských distributorů, analýza zahraničních dodavatelů, kontrakt pro

trvalé dodávky, ekonomická návratnost

Bakalářská práce má za cíl realizovat dovoz olivového oleje z Itálie do České republiky.

V úvodu práce je popsáno demografické a geografické prostředí Itálie. Informace o zemi,

které je důležité vědět, pokud s ní chce obchodovat nebo podnikat na jejím území. Je zde

popsána také legislativa země. Následují informace o olivách, od pěstovaní, sklizně,

výrobu olivového oleje až po použití olivového oleje v gastronomii. V další části jsou

zpracovány informace od italských dodavatelů a prodejců olivového oleje i od tuzemských

prodejců.

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### **Internal resources:**

- [28] Internal sources Olive oil company
- [29] Internal sources of business Bistro Cafe Matinee
- [30] Internal sources of business Cano
- [31] Internal sources company Azienda Agricola Francesco Gang
- [32] Internal sources of business Centopuro
- [33] Internal sources of business Tenuta La Vigna
- [34] Internal sources of business Piccante
- [35] Internal sources of the Italian oil company

# **List of Abbreviations**

% percent

° C degrees Celsius

etc. and other

VAT tax with value added

CR Czech Republic

EU European Union

**GDP Gross Domestic Product** 

CZK Czech Koruna

**KS** Purchase Contract

**UN United Nations** 

respectively. or

the so-called

UNESCO United Nations Educational, Scientific and Cultural Organization

WHO World Health Organization-World Health Organization

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Graph 1: Time series of prices of olive oil

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# Annex. 1: map of Italy



#### Annex 2: Oil Prices Hana Mr. Sonsini + e-mail

# CENÍK – olivové oleje extra vergine Forte Gentile 2012



olivový olej extra vergine 1 litr ruční sběr - nejvyšší kvalita olivového oleje, který byl získán z prvního lisování oliv za studena pouze mechanickými postupy. baleno v praktické plechovce cena 290 Kč

AKCE 250Kč

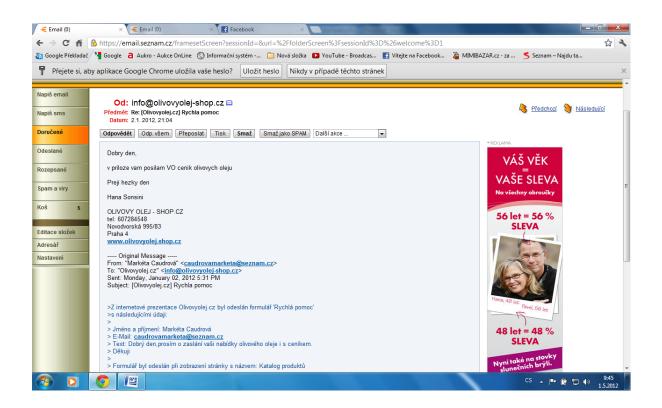


olivový olej extra vergine 5 litrů

ruční sběr - nejvyšší kvalita olivového oleje, který byl získán z prvního lisování oliv za studena pouze mechanickými postupy. baleno v praktické plechovce cena 1.305 Kč

**AKCE 1.000 Kč** 

Zdroj: [28] interní zdroje podniku Hana Sonsini-Olivový olej



#### Annex 3: Mr. Andrei Zahornacké Price + e-mail

### Olivové oleje

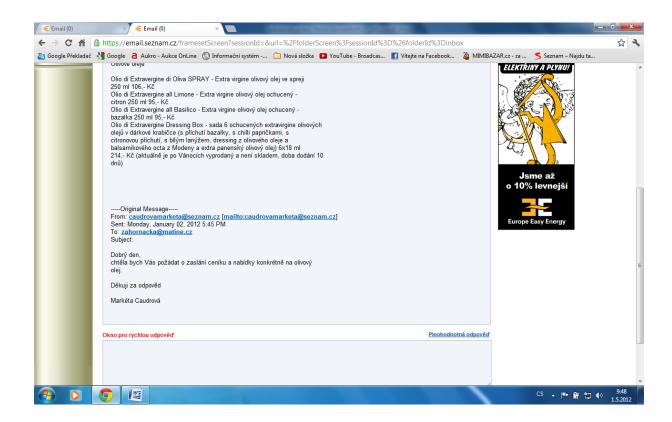
Olio di Extravergine di Oliva SPRAY - Extra virgine olivový olej ve spreji 250 ml 106,- Kč

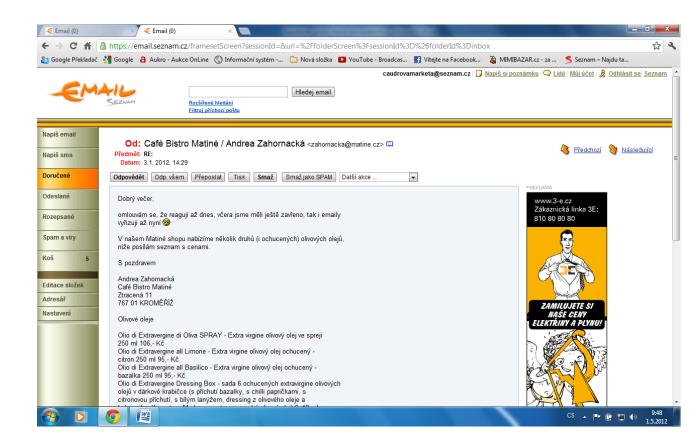
Olio di Extravergine all Limone - Extra virgine olivový olej ochucený - citron 250 ml 95,- Kč

Olio di Extravergine all Basilico - Extra virgine olivový olej ochucený - bazalka 250 ml 95,- Kč

Olio di Extravergine Dressing Box - sada 6 ochucených extravirgine olivových olejů v dárkové krabičce (s příchutí bazalky, s chilli papričkami, s citronovou příchutí, s bílým lanýžem, dressing z olivového oleje a balsamikového octa z Modeny a extra panenský olivový olej) 6x18 ml 214,- Kč (aktuálně je po Vánocích vyprodaný a není skladem, doba dodání 10 dnů)

Zdroj: [29] interní zdoj podniku Café bistro Matiné



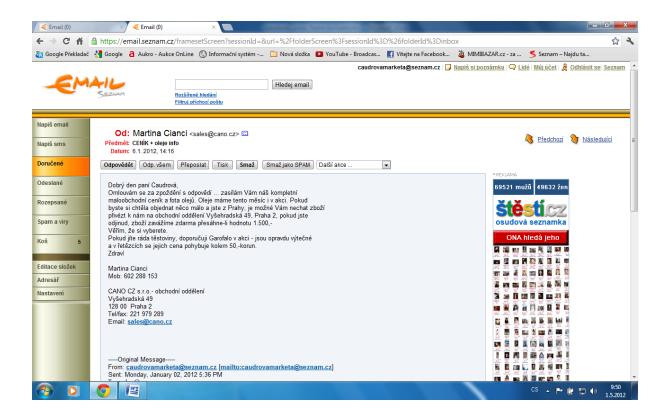


# Annex 4: Mr. Martin Price Cianci + e-mail

Olivové oleje OLITALIA - cateringová bal	oní						Olitalia
Olivove dieje OLITALIA - cateringova bar	Extra panenský olivový	5000					
4-10005	olej		8,007E+12	2	560,00 Kč	14%	638,40 Kč
		5000	1		,		
4-10006	Sansa olivový olej	ml	8,007E+12	2	390,00 Kč	14%	444,60 K
Ochucené extra panenské olivové oleje OLITALIA							
	EV olivový olej s chilli a	250					
4-20000	česnekem	ml	8,007E+12	12	84,00 Kč	14%	95,76 K
	EV olivový olej s	250					
4-20002	oregánem	ml	8,007E+12	12	84,00 Kč	14%	95,76 K
	EV olivový olej s	250					
4-20003	citronem	ml	8,007E+12	12	84,00 Kč	14%	95,76 Kč
	EV olivový olej s	250					
4-20004	bazalkou	ml	8,007E+12	12	84,00 Kč	14%	95,76 Kč
	EV olivový olej s	250					
4-20005	rozmarýnem	ml	8,007E+12	12	84,00 Kč	14%	95,76 Kč
Regionální extra panenské olivové oleje OLITALIA							
4-30001	EV olivový olej Ligurie D.O.P.	250 ml	8,007E+12	12	175,00 Kč	14%	199,50 Kč
	EV olivový olej Toscano	250					
4-30002	I.G.P.		8,007E+12	12	142,00 Kč	14%	161,88 K
	EV olivový olej Umbria	250					
4-30003	D.O.P.		8,007E+12	12	130,00 Kč	14%	148,20 K
	EV olivový olej Val di	250					_
4-30004	Mazara D.O.P.	ml	8,007E+12	12	138,00 Kč	14%	157,32 K
Dárkové sety extra panenských olivových olejů OLITALIA		·					
4-30030	Dárková kazeta regionálních olejů		NOVINKA	1	########	14%	2 622,00 Kč
	Dárková kazeta	5 x					
4-30031	regionálních olejů		NOVINKA	1	########	14%	1 197,00 K
	Stojánek s regionálními	5 x					
4-30032	oleji	250 ml	NOVINKA	1	########	14%	1 767,00 Kd
	ORO 100% Italský EV	1000					
4-30033	olej v krabičce	ml	NOVINKA	1	290,00 Kč	14%	330,60 Kč

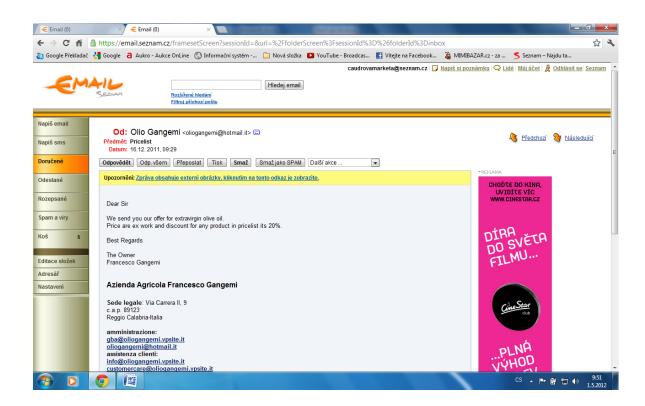
ا	á a vestilianá eleje OLITALIA						Olitalia
4-	é a rostlinné oleje OLITALIA	1000					
10001	Extra panenský olivový olej	ml	8,00715E+12	12	150,00 Kč	14%	171,00 Kč
4- 10002	Extra panenský olivový olej	500 ml	8,00715E+12	12	79,00 Kč	14%	90,06 Kč
4- 10004	Sansa olivový olej	500 ml	8,00715E+12	12	54,00 Kč	14%	61,56 Kč
4- 10008	Sansa olivový olej	1000 ml	8,00715E+12	12	99,00 Kč	14%	112,86 Kč
4- 10007	Arašídový olej ve skle	1000 ml	8,00715E+12	12	88,00 Kč	14%	100,32 Kč
4- 10010	Olej z vinných semínek ve skle	1000 ml	8,00715E+12	12	112,00 Kč	14%	127,68 Kč
4- 10011	Kukuričný olej ve skle	1000 ml	8,00715E+12	12	59,00 Kč	14%	67,26 Kč
4- 10013	Rýžový olej ve skle	1000 ml	8,00715E+12	12	98,00 Kč	14%	111,72 Kč
4- 10020	Extra panenský olivový olej SPRAY	200 ml	8,00715E+12	12	89,00 Kč	14%	101,46 Kč
4- 40001	Extra panenský olivový olej	250 ml	8,00715E+12	12	61,00 Kč	14%	69,54 Kč
4- 50001	Extra panenský olivový olej FIOR D OLIO	1000 ml	8,00715E+12	12	119,00 Kč	14%	135,66 Kč

Zdroj: [30] Interní zdroje podniku Cano

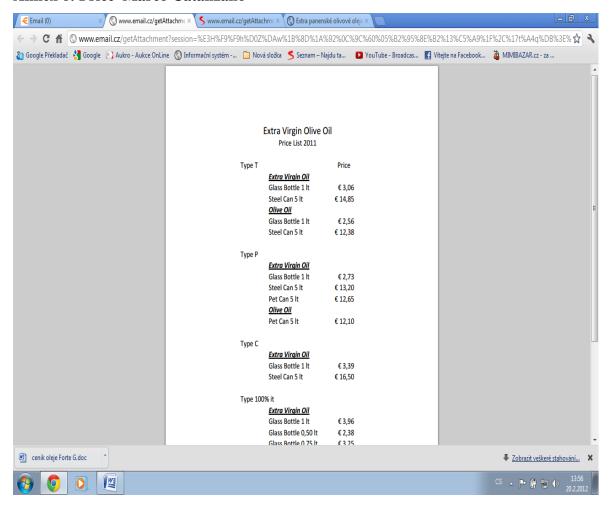


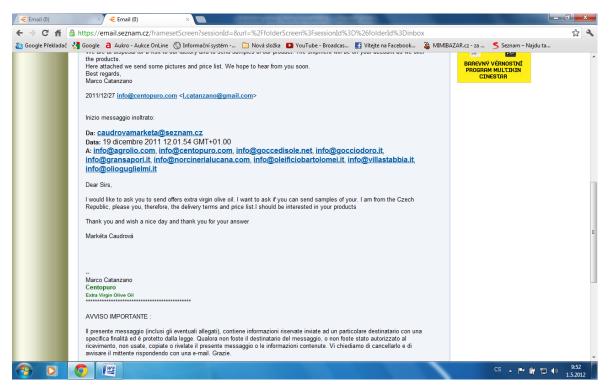
## Annex 5: Oil Prices Mr. Francesco Gang





#### **Annex 6: Price Marco Catanzano**





Zdroj: [32] Interní zdroje podniku Centopuro

# Annex 7: Prices Tenuta La Vigna

# TENUTA LA VIGNA

di Mora Giuseppe & figli S.S Società Agricola

# Loc. Santa Maria 22 B - Tel e Fax +39 0577 / 950045

# 53037 San Gimignano (SI)

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### Email: info@tenutalavigna.com

www.tenutalavigna.com

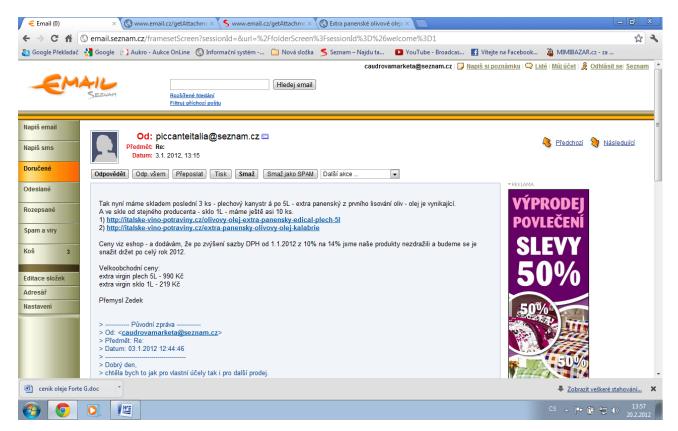
Price list 2011

### Extra virgin olive oil 2011

Contai	ner 5l	€ 45	5.00
Bottle	0,100 ml	€ 2	.50
Bottle	0,250 ml	€ 4	.10
Bottle	0,500 ml	€ 6	.30
Bottle	0.750 ml	€ 8	.70
Bottle	11	€ 11	.00

Zdroj: [33] Interní zdroje podniku Tenuta La Vigna

#### Annex 8: Price from Premysl Zedka + e-mail



Zdroj: [34] Interní zdroje podniku Piccante

# Annex 9: Prices from Radim Netopilíka



Zdroj: [35] Interní zdroje podniku Italské oleje

#### **Annex 10: Contribution to the International Conference**

## Implementation of import olive oil from Italy to the Czech Republic

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Abstract: This paper aims to realize the import of olive oil from Italy to the Czech Republic. The first part describes the demographic and geographic environment of Italy. Information about the country, which is important to know if it wants to trade or business in its territory. It describes the legislation of the country. The following information about the olives, from growing, harvesting, production of olive oil to use olive oil in gastronomy. The next section draws on information from suppliers and vendors Italian olive oils and from domestic vendors.

Keywords: Time series of prices of olive oil, political and business analysis, demand management, analysis of domestic distributors, analysis of foreign suppliers for permanent supply contract, the economic return

Italy is a country located in Southern Europe. It occupies the entire Apennine Peninsula and has the shape of shoes [1]. Italy is a country that has the longest Greece European history. On the other hand, the modern unification took place relatively recently. The long and rich history left the country after an unprecedented number of monuments from the Roman ruins and sculptures, through the medieval castles, the magnificent Renaissance buildings and a number of masterpieces of world painters and sculptors. [4]. It borders with France, Switzerland, Austria and Slovenia. The surface of Italy is mountainous in the north of the Alps, then the entire peninsula through the Apennines mountains. Between the Alps and the Apennines lies the Po Valley - the most fertile part of Italy. [1] Due to the size and varied topography, climate conditions in different parts of Italy varies considerably. Generally, they are in Italy, mild winters and hot summers. Towards the south the climate is drier and warmer. [2]

During its long history, Italy was a great power, the foundation of the mighty Roman Empire, the cradle of the Roman Catholic Church and the Renaissance. It has a literary tradition dating back almost without interruption until the Roman era, but also a long history of political instability and fragmentation is still alive. [4]

The capital city is a parliamentary republic Rome (Roma), home to over 3 million people. Italian currency was in 2002, the Italian lira, since 2002, took over its role (as in most countries of the European Union) Euro. On the map you will certainly notice Italy and two other states. One is the Vatican papal state (the Vatican), geographically part of the city of Rome. The second is the Republic of San Marino (Republic of San Marino di), situated near the town of Rimini. [3]

Italy is a developed industrial country and especially in post-war 60th and 70 years has seen enormous economic development, according to the value of the 3rd place in Europe and 6 place in the world. Italy is heavily dependent on imported fuel and food, causing its long-term passive trade balance and a weak currency. [4]

The work is focused on the import of olive oil, so it is good to know something about this commodity Perhaps no other tree is so closely associated with man and the history of mankind just as the olive tree [8]. Olives are one of the oldest food, its origins go back to Crete almost 5-7 years ago and quickly spread to Egypt, Greece, Palestine and Asia Minor (peninsula, where today is the Asian part of Turkey). Many ancient civilizations used olive tree as a source of food, wood and benefited from its therapeutic effects. He was also considered a symbol of peace and wisdom. Olive oil is used for consumption as early as about 3000 BC [7]

Olive is currently known over 2000 different cultivars, among which are the best known: Liccino, Frantoio, Moraiolo, Coratina, Nocellara, Carolea. Olive trees require a warm temperate climate without great temperature differences. In any case, do not tolerate temperatures below freezing. Therefore, they prefer the climate that prevails in the Mediterranean. Grow to a height of 5-15 meters. Live for many years, several hundred or even exceptionally

a thousand years. The quality of fruits - olives - also influences the composition of the soil from which it draws its nutrients olive tree. [8]

There are many varieties of olives, but only about ten have commercial value. Most of the difference in taste and structure of pulp - but it does not depend on the type of olives, but on its stage of maturity at harvest and processing operation. Olives are first green and uzráváním the changes in red wine, red, purple and finally black. Young olives are hard, slightly bitter taste, have a low oil content. Black, not completely ripe, they are soft, a third of them are oil and have a pleasant taste. [12]

Olive oil is the only vegetable oil that can eat natural, without any further treatment. Other vegetable oils such as sunflower seed oil, peanut or corn must be fully refining process, so that they can consume.

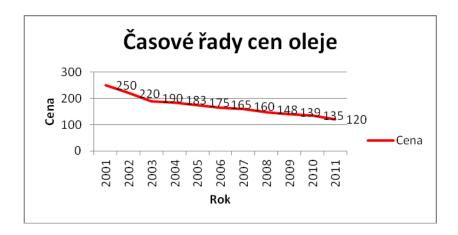
Of all vegetable oils except olive oil has vitamins A, D and K-soluble and the highest content of vitamin E, which acts as an antioxidant. Vitamin E acts as an antioxidant that can reduce the risk of cell damage caused by free radicals. In addition to vitamin E and MUFA olives also contain a wide range of plant compounds (phytonutrients), such as polyphenols and flavonoids, which are said to have significant anti-inflammatory properties. For medicinal properties is due to unsaturated fatty acids, which represent 56 to 83% of total fatty acids, that olive oil contains.

Before you start a business, whether in international trade or the domestic market, they must first do an analysis of potential suppliers. Among the fundamental researches such as territorial exploration, trade and political survey, commodity research, consumer survey, survey the competition, a survey of prices and the related factors, a survey of business methods, technical research, survey routes and resources, exploration of social and cultural practices. It is also good to know the habits of local merchants. Business practices in social relations in Italy is very different from practices in the country. Traders in Italy appreciate a quick answer to your questions and expect that their correspondence will be addressed at least acknowledgment of receipt. Formal Wear in any case recommended. Business meetings are an essential part of developing contacts and punctuality is expected of foreigners automatically.

On the other hand, one should keep in mind that the Italians themselves are not very punctual. At a business meeting with Italian clients have paid initially to hold a conversation, business conversation because directness can cause severe and curtly. This is not the Italian culture that is relaxed. Italians in our view, has to "chatty". Indeed, especially in comparison to English Italian works and is much more austere "less bushy." Knowledge of English is among the representatives of Italian companies is relatively good, especially for larger companies. However, using Italian can be a great competitive advantage when dealing with smaller firms and in contact with the older generation. In the north of Italy are autonomous region, where the population also speaks German and French. [6]

The work is processed materials derived from the Italian manufacturers and suppliers of olive oil that was provided. This is mainly on price lists of products, delivery conditions, payment terms and delivery date. After processing all the data were analyzed foreign suppliers and selecting the most suitable. In the analysis were considered as delivery terms and prices of products and mainly the speed of delivery, product quality and that the manufacturer offers such as volume discounts, which make taking a large number of much of the total cost of delivery.

Based on my analysis of foreign suppliers and producers of olive oil, I concluded that the most appropriate supplier is Marco Centopuro Catanzano from the company. Although the minimum order is bottle manufacturer of a variety of one euro, equivalent to about 350-400 bottles of oil, the price of the full range of offsets only take 50 liters a Czech dealer. Dealer prices are, in my opinion, beneficial for both retailers and to wholesalers. Payment terms of the dealer is only advance payment to a bank account. Upon receipt of your order immediately dispatched.



The following chart shows the trend in prices of olive oil over the past 10 years. Price olive in 2001 was the highest, because of the olive oil in the Czech Republic was not so well known and used. Over time, declining price of olive oil. Now the price is lowest and therefore my opinion that the Czech market appear more and more types of oils from different manufacturers wishing to sell their products.

Were also obtained and processed materials from local distributors. That means the price list and delivery terms. Again, the analysis of domestic distributors and select the most suitable. As it is in foreign trade, the products before you buy a certain amount of contract is an important process for the continuous delivery of products.

Based on my analysis of domestic distributors I came to the conclusion that the best supplier in terms of price, quality and delivery options will be Mr. Martin's company of Cianci CANOE. Seller offers products certified organic quality. Prices are olive oils of this quality available for most customers. Seller also offers discounts for orders above a certain value, which many customers appreciate. Transport is in the Czech Republic free of charge, to be delivered within 14 days of purchase.

The work also includes development of the project's economic benefits. Here are the best information processed by the foreign supplier. Again, prices of products are assessed and their transport, which are compared with those for which they were sold on the domestic prices are calculated trhu. Zde olive oil supplied by the Italian manufacturer. From the table we can see the olive oil, which is divided by type, the packaging either 1 liter bottles or 5 liter canisters. Furthermore, the total number of bottles collected which is 400 bottles at 1 euro pallet. The next column, prices are per 1 liter of olive oil, followed by the total amount of oil and finally the total price in euros.

TYP T	balení	Počet litrů	Euro za 1 litr	Celkem litrů	Celkem euro
Extra panenský	11	400	3,06	400	1.224
Extra panenský	51	400	2,97	400	1.188
Olivový olej	11	400	2,56	400	1.024
Olivový olej	51	400	2,48	400	992

Total liters of oil: 1.600 l Total euro: 4428 = 115 128 CZK

When taking the T olive oil, the price per 1,600 liters based on 4,428 euros at the conversion rate for the Czech koruna CZK 26/1 euro would price was CZK 115,128.

Calculation of sales in the Czech Republic:Typ C

doprava	540 euro	14.040 Kč
Celkem oleje	2.676 euro	69.576 Kč

Celková cena: 83.616 Kč

#### Prodei v ČR:

	Balení	Celkem litrů	Cena za 1 litr	zisk			

Extra panenský	11	400	120 Kč	48.000 Kč
Extra panenský	51	400	100 Kč	40.000 Kč

Proft: 88,000 CZK

[12]

Olivový

klub

http://www.olivovyklub.cz/olivy/

[online].

Net profit after deduction of costs: CZK 4,384

When taking olive oil type C is the total price with shipping 83,616 CZK. If sold in the Czech Republic 1 liter bottle for 120 CZK and 5 liter tank for 100 CZK, the profit amounted to CZK 88,000. When deducting the total cost of the overall profit of C amounted to CZK 4,384.

[1] Italie průvodce [online]. 2008-2012 [cit. 2011-10-20]. Dostupné z WWW: http://www.italiepruvodce.cz/web/info/zakladni udaje [2] Světadíly.cz [online]. 2007-2008 ſcit. 2011-10-20]. www: Dostupný http://italie.svetadilv.cz/info/ 2003-2008 [online]. [3] Itálie-info [cit. 2011-10-20]. Dostupný **WWW:** http://www.italia.wz.cz/zemepis-italie.php [4] Ministerstvo zahraničních věcí Česká Republika [online]. 2010 [cit. 2011-10-20]. Dostupný z www: http://www.mzv.cz/rome/cz/obchod\_a\_ekonomika/souhrnna\_teritorialni\_informace/souhrnna <u>teritorialni informace za rok.html-OBR</u> *Zeměpis* [online]. 2005-2010 [ci [5] [cit. 2011-10-20]. Dostupný **WWW:** http://www.zemepis.net/zeme-italie [cit. Odmaturuj.cz. [online]. 2007-2012 2011-10-20]. Dostupný [6] WWW: http://www.odmaturuj.cz/zemepis/italie-italska-republika/ BusinessInfo.cz [online]. 1997-2011 [cit. 2011-10-20]. Dostupné **WWW:** [7] http://www.businessinfo.cz/cz/sti/italie-zakladni-informace-o-teritoriu/1/1000683/ Viviente [online]. 2008-2012 [cit. 2011-10-20]. Dostupný z WWW: http://www.viviente.cz/olivy/ [8] 2009 2011-10-20]. [9] Kastamonitsa [online]. [cit. Dostupný www: http://www.bestingraf.cz/kastamonitsaoil/200.html www: [10] Dáma.cz. [online]. 1999-2010 [cit. 2011-10-20]. Dostupný http://zdravi.dama.cz/clanek.php?id=8909 [11] Oko [online]. 2010 [cit. 2011-10-20]. Dostupný z WWW: http://oko.yin.cz/23/olivovy-olej/

[cit.

2011-10-20].

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