

Issues in International Trade

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Agency

- Problem
- Agent in the EU
- Can Principal stop the Agent dealing with customers outside his territory?
 - Exclusive Territory?
 - Passive or Active selling?



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Legal Position

- Article 81 EC Treaty (Ch.1 Competition Act 1998)
 - Anti competition agreements
- Article 81(3) and Block Exemption
 - Permitted restraints in vertical agreements
- Guidelines on Vertical Agreements
- Commercial Agents (Council Directive) Regulations 1993
 - Cannot contract out
- Article 82



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What can we do?

- Written Agency Agreement
- Seek professional advice

Overseas Transactions

- Problem:-
- Overseas customer on open account
- Non payment
 - Breach of contract?

Legal position

- Depends on the country
- Recovery of costs: is it worth it?
- Seek advice: foreign lawyer?
- Civil Jurisdiction and Judgments Act 1991/Lugano Convention
- Reciprocal Enforcement Treaties?
- United Nations Convention on Contracts for the International Sale of Goods 1980
 - If it applies



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What can we do?

- Seek professional advice before
- Any assets?- Freeze them?
- Jurisdiction Clauses /Arbitration Clauses
- Warranties/Indemnities
- Documentary Credits/Confirming Houses
- Retention of Title?



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Defective goods from overseas

- Problem:-
- Paid for goods and taken delivery
- Defective goods
 - Put it right or
 - Recovery of money paid?



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Legal position

- Ability to enforce contract?
- CJJA 1991/Lugano Convention
- Any Reciprocal Enforcement Treaties?
- United Nations Convention on Contracts for the International Sale of Goods 1980
 - If it applies



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What can we do?

- Seek professional advice before
- Conditional/Deferred payment?
- Documentary Credits?
- Warranties/Indemnities?
- Jurisdiction Clauses?
- Arbitration Clauses?
- QC provisions?

Summary

- Always seek professional advice before entering any into any contract
- Get it in writing
- Get protection :—
warranties, documentary credits,
jurisdiction clauses
- Be careful out there

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