

Kyiv National University of Trade and Economics
The Department of World Economy

FINAL QUALIFYING PAPER (PROJECT)

on the topic:

«STRATEGY OF IMPORT PURCHASES OF TRADING ENTERPRISE»

(based on the data of LLC “SF GROUP”, Kyiv)

Student of the 2nd year, group 2,
speciality 051 «Economics»,
specialization «International
Economics»

Bebkevych Kateryna

Scientific adviser

Candidate of Sciences (Economics)

Associate Professor

Manager of the educational
program

Candidate of Sciences (Economics),

Associate Professor

Kravets K.P.

Kravets K.P.

Kyiv, 2019

CONTENTS

INTRODUCTION.....	3
PART 1 RESEARCH OF MODERN STATE OF SF GROUP LLC.....	6
1.1 Analysis of the international market of coffee and tea.....	6
1.2 Analysis of the financial and economic activity of SF GROUP LLC.....	13
CONCLUSIONS TO PART 1.....	27
PART 2 RESEARCH OF THE STRATEGY OF IMPORT PURCHASES OF SF GROUP LLC.....	29
2.1. Assessment of environmental impact factors on the import purchases of SF GROUP LLC.....	29
2.2 Analysis of the efficiency of import purchases of the enterprise of SF GROUP LLC.....	35
CONCLUSIONS TO PART 2.....	41
PART 3 DIRECTIONS FOR INCREASING OF EFFECTIVENESS OF STRATEGY OF IMPORT PURCHASES OF SF GROUP LLC.....	43
3.1. Justification of measures of increasing effectiveness of the strategy of import purchases of SF GROUP LLC.....	43
3.2. Forecast evaluation of the effectiveness of proposed measures for SF GROUP LLC.....	51
CONCLUSIONS TO PART 3.....	58
CONCLUSIONS AND PROPOSITIONS.....	60
REFERENCES.....	62
APPENDIXES.....	67

INTRODUCTION

The actuality of theme. In a market environment, retailers have acquired autonomy in choosing the strategy of their activity in the commodity market; have developed certain bases of their work in the formation of commodity resources and interaction with suppliers. Import purchase is one of the core issues in the organization of trading business, since it lays the foundation of all economic indicators - from the volume of turnover, the level of commercial income and trade profit, to the volume of assets, capital structure, economic risks, forms the prerequisites for meeting the consumer needs and needs of the population.

Research into the problems of a strategy of import purchases has been reflected in the works of such scientists as E.A. Ahipova, I.V. Nikolayenko, V.M. Konovalenko, I.V. Bagrova, N.I. Redina, V.E. Vlasyuk, O.O. Getman, Y.G. Kozak, N.S. Logvinova, J. Stevens, N. Kendall. In the works of some domestic economists as I.A. Abramovich., V.N. Naumov, K.S. Dumanskaya, A.P. Rumyantsev, A.V. Mazhar, N.S. Kubyshina and others reflected issues of assortment policy at enterprises. Works of such ukrainian researchers as R.R. Larina., A. Branch, M.I. Belyavtsev and others cover the theoretical and methodological substantiation of certain aspects of the strategy of import purchases. However, according to the research results, today there is no comprehensive study of the nature and organization of import purchases in the national scientific literature.

The purpose of the work is to analyze the strategy of import purchases of the trading enterprise and develop recommendations for improving import purchases. Achieving this goal leads to the following tasks:

- to analyze the international market of coffee and tea
- to carry out organizational and economic characteristics of SF Group LLC and to identify problems of its development;

- to evaluate the impact of the environmental factors on the import purchase of the trading enterprise;
- to evaluate the import purchases of the company and investigate their effectiveness;
- to optimize the strategy of import purchases of the trading enterprise;
- to evaluate the effectiveness of proposed measures.

The object of the study is the process of implementation a strategy of import purchases of the trading enterprise.

The subject of research is the theoretical and practical aspects of justification of implementation efficiency of the strategy of import purchases of the trading enterprise.

The research base is activity of SF GROUP LLC, which is engaged in the wholesale and retail sale of coffee, tea, professional equipment for restaurants and mineral water.

We apply budgeting methods - forecasting production volumes and sales; in the analysis of economic (including foreign economic activity) statistical methods of numerical data research were applied: vertical (structure of indicators) and horizontal (dynamics of indicators) analysis; the discounting method was used in calculating performance indicators.

The theoretical basis of the research is modern theories of market economy, scientific concepts, monographs and periodicals of Ukrainian and foreign scientists on entrepreneurship, management, formation of mechanisms for managing enterprise development, formation of competitive strategies. This work uses legislative and regulatory acts of Ukraine, guidance departmental materials.

The information base of the research was: economic literature and periodicals, analytic data from various areas of activity of small business, materials of state statistics of Ukraine, programs of enterprise development, decisions of state authorities and local self-government on small business, as well as the results of researches made by the author. Statistical and heuristic methods, comparative and technical-economic analysis, generalization of expert estimations.

Elements of scientific novelty:

- an improved methodological approach to the application of methods of analysis of the range of enterprise;
- expanded the list of risks of import purchases, in particular, take into account the security and quality risks in the implementation of import purchases;
- clarified and deepened the influence of external factors on the activity of the enterprise and the implementation of the strategy of import purchases of the trading enterprise;
- developed its methodology for evaluating an international project;
- directions for improvement of the strategy of import purchases for retail enterprises are revealed.

Practical importance. SF Group LLC and other enterprises specializing in retail trade can use proposed approaches to optimize import purchases by optimizing the range at the enterprise in practice.

The work consists of an introduction, three sections, conclusions to them, the general conclusion, a list of used literature sources and appendixes.

Aprobation and utilization of research results: article “Wholesale purchases goods in foreign companies” in collection of scientific articles part 2 “International economics”, KNUTE, Kyiv, 2019.

PART 1

RESEARCH OF MODERN STATE OF SF GROUP LLC

1.1 Analysis of the international market of coffee and tea

The global tea market is highly fragmented and competitive. The market has key players competing for major market share and small regional players catering to small regions. The key global players are in North America and Europe, while various small players are in Asia-Pacific, South America, and Eastern Europe. The key strategies adopted by the players in the market are expansions, innovations, and new product launches. For instance, Unilever is strengthening its presence with more products innovations such as machine compatible tea capsules [1].

More than 5 280 million kg of tea was produced globally in 2018, of which more than 1 998 million kg or 38 percent of total production found a place in the international export market. Numerous countries produce tea; such countries like China, India, Kenya and Sri Lanka dominate in tea production (Table 1.1). These four countries account for more than 75% of production and 60% of global export in recent years. China, India, Kenya and Sri Lanka are the world's major tea producing and exporting countries. In China and India, domestic consumption prevails. Kenya and Sri Lanka, however, mainly export tea, and their domestic consumption is limited. In addition, countries like Vietnam and Indonesia have increased their shares substantially both in production and in export recently.

The Middle East and Africa expect to have considerable growth during the forecast period. The tradition of mint tea in the region of North Africa and the heavy consumption of black tea is driving the growth of the tea market in the region. Increasing demand for hot beverages and increasing awareness regarding health benefits of tea is driving the tea market in the region. In regions such as

South Africa, tea is preferred multiple times in a day. Moreover, increasing launch of various innovative products is affecting the Middle East and Africa tea market positively.

Table 1.1

Top 10 producing countries of tea in 2014-2018, million kg

Country	2014	2015	2016	2017	2018
China	1623	1789,753	1924,457	2095,57	2278
India	1095,46	1135,07	1208,78	1207,31	1208,66
Kenya	377,912	369,4	432,4	445,105	399,211
Sri Lanka	327,5	330	340,23	338,032	328,964
Turkey	221,6	225	217,7	228,36	258,541
Vietnam	206,6	211,5	212,4	226,8	170
Indonesia	150,2	143,4	145,8	154,4	129,293
Iran	103,89	95,272	116,818	119,388	83
Argentina	92,892	94,6	96,3	98,6	76,4
Japan	82,1	85,9	84,8	85,401	66,347
World	4561	4693	4993	5195	5285

Source: developed by the author based on [1], [2]

Total world export in 2018 was 1998,4 million kg, in 2014 – 2148,1 million kg, this data shows that tea export is unstable and differs from year to year. Mostly export of tea depends on climatic conditions in the region of tea growing and from the volume of domestic consumption. Kenya, Sri Lanka and India are among the largest tea exporters in the world. In total, in 2018, they exported about 42% of world tea exports (Table 1.2).

Table 1.2

Top 10 exporting countries of tea in 2014-2018, million kg

Country	2014	2015	2016	2017	2018
Kenya	388,344	380,357	448,809	458,728	410,039
Sri Lanka	321,074	318,397	355,25	212,606	235,132
India	322,548	313,484	325,806	301,484	324,949
China	322,52	225,082	254,841	325,141	304,835
Vietnam	134,528	146,899	141,021	132,252	125,186
Argentina	86,65	78,056	77,335	76,892	76,029
Indonesia	75,45	70,071	70,842	66,399	61,915
Uganda	55,256	55,21	62,018	59,687	53,319
UAE	62,323	48,551	61,788	71,342	39,26
Malawi	46,007	42,494	43,245	48,227	38,785
World	2148,092	2039,587	2210,972	2123,831	1998,377

Source: developed by the author based on [1], [2]

China increases its exports of tea every year and in 2018, its share of world exports was 16,26%. The top 10 exporting countries include countries such as Malawi, Uganda, and the Arab Emirates, which are not on the top 10 of produced countries.

The largest importers include the Russian Federation, the United Kingdom and the United States (Table 1.3). In 2018, the total volume of world tea imports is 1980,3 thousand tons, increased 38,8% of the import volume in 2014. Russian Federation, Pakistan, UK and the USA are the four largest tea-importing countries in the world. Russian Federation imports more than 150 thousand tons of tea every year, accounting for about 10 percent of the total world's tea imports.

Table 1.3

Top 10 importing countries of tea in 2014-2018, million kg

	2014	2015	2016	2017	2018
Russian Federation	187,77	180,49	173,07	172,61	173,07
UK	154,6	144,11	137,62	128,12	135,23
USA	127,54	125,59	130,16	129,25	129,71
Pakistan	119,23	122,3	121,9	150,95	164,64
Egypt	100,42	109,38	104,7	103,25	87,95
Morocco	65,84	53,08	57,31	59	64,44
Afghanistan	63,22	135,64	81,98	85,08	72,36
Germany	57,64	58,86	55,23	97,01	221,34
Iran	56,27	77,88	122,93	73,38	70,25
UAE	48,78	123,19	147,88	149,15	104,21
World	1866,8	1993,96	1980,67	2160,52	1974,92

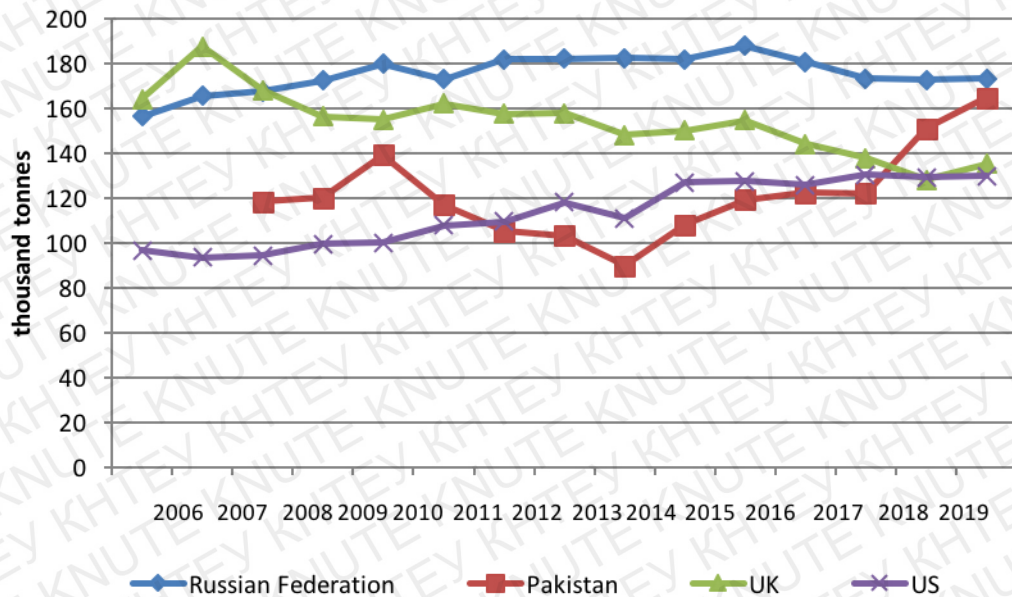
Source: developed by the author based on [1], [2]

Tea imports in Pakistan decreased to 89,7 million kg in 2009 to 139,3 million kg in 2005, and increased to 164,6 million kg in 2015. Tea importing in UK falls in fluctuation during 2001 to 2015, and has dropped 32% in 10 ten years

from 2002 to 2012. US tea imports have steadily increased, and surpassed the UK in 2014 (Figure 1.2).

Figure 1.2

The world's four largest tea-importing countries, [3]



Global tea market shares on form, product type, distribution channel, and geography. By form, the tea market includes market of leaf tea, CTC tea, and other forms of tea. By type, the tea market includes the market of black tea, green tea, fermented tea, herbal tea, and other types of tea. By distribution channel, the market includes supermarkets/hypermarkets, specialist retailer, convenience stores, Online Retail Stores and other distribution channels. The other distribution channels include online retail stores and vending machines [2].

Four main factors - coffee production, its export, import, and pricing in the coffee market determine the state of the world coffee market [3]. Not all countries where coffee beans of different varieties are grown in the same volume export their raw materials to the world coffee market. Therefore, for example, in some countries, the cultivation of grains occurs in small quantities; therefore, the volume

of exports may be several times different from another state located in the same region. Everything is ambiguous in the global coffee production, so it is advisable to consider those countries that account for the majority of all supplies to the planet.

Coffee grows for sale in nearly 60 countries. The leaders in production are Brazil, Colombia, Vietnam, Indonesia, and India - they produce about 70% of the total world coffee volume. Ethiopia occupies a place of honor in the historical ancestral home of coffee. There are two main varieties of coffee - arabica and robusta. In global production, the share of arabica is about 75% [4]. By mixing roasted coffee fruits of different varieties and varying degrees of roasting, manufacturers achieve unique taste combinations, and keep the compositions of the blends obtained in the strictest confidence.

Considering that the world coffee market is unstable, and the production and trade of coffee has a big impact on the global economy (about 5 million tons of coffee are sold annually in the world). In 1962, after lengthy negotiations, the main coffee producing countries and consumers signed and ratified the International Coffee Agreement, which is in force to date [5]. The purpose of this agreement is to help regulate the global coffee market and stabilize prices.

World prices should reimburse coffee producers for their production costs, and for consumers to remain acceptable. Optimum prices are set to maintain a high demand for coffee and at the same time contribute to the continuous improvement of coffee production technology. To comply with the International Coffee Agreement, the International Coffee Organization (ICO) is located in London. The ICO is trying to regulate the supply-demand ratio in the world market using an export quotas system (restrictions on the export of coffee) [5]. Certificates of origin of coffee raw materials control the use of export quotas, which are defined for individual producing countries. Coffee market players need to take into account external risks - above all, the rise in world prices for coffee beans.

The South American continent exports half of the world's grain. From Brazil, exports of more than 50 million bags of coffee are recorded annually (Table

1.4). The countries producing coffee in the world are gaining immense popularity due to bulk harvest and regular deliveries.

Table 1.4

World coffee export in 2013-2019 years, thousands cases (60kg)

Country	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Brazil	34146	36573	35543	33081	30222	35530
Vietnam	2829	21530	29500	27550	27650	27900
Columbia	11040	12420	12390	13755	13015	13500
Indonesia	10380	8720	9896	8174	7970	8280
Honduras	3940	4760	5000	7290	7100	7050
India	5013	4894	5693	6158	6225	5425
Uganda	3600	3400	3500	4600	4500	4600
Peru	4100	2750	3300	4025	4175	4200
Ethiopia	3285	3500	3405	3853	3950	3980
Guatemala	3175	3070	3044	3305	3505	3605
Another	21909	22026	221150	21761	22515	22102
Total	128877	123643	133421	133552	130827	136172

Source: developed by the author based on Statista [6]

The leader in the export of coffee, as well as in its production, is Brazil. Climatic conditions of each particular year explain changes in the dynamics of exports, and as a result - the uneven gross collection of coffee. Vietnam takes second place in the world coffee export and the first in the export of robusta [6]. The export of all varieties of coffee from Vietnam in the current agricultural year will exceed 1,8 million tons, Intimex Group CEO and Deputy Chairman of the Vietnam Coffee and Cocoa Manufacturers Association Do Ha Nam said in an interview with Bloomberg. Intimex is Vietnam's largest agricultural exporter. [4]

From a continental perspective, European countries consumed the highest dollar worth of imported coffee during 2018 with purchases valued at \$18,2 billion or 58.8% of the global total. In second place were North American importers at 22.6% while 13.6% of coffee imports were delivered to Asia. Smaller percentages arrived in Africa (1.8%), Oceania (also 1.8%) led by Australia and New Zealand,

then Latin America (1.3%) excluding Mexico but including the Caribbean [7]. Today, the main importers and consumers of coffee in the world are European Union, USA, and Japan (Table 1.5).

Table 1.5

World coffee import in 2013-2019 years, thousands cases (60kg)

Country	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
European Union	44650	45140	46150	46050	47000	48000
USA	24915	23995	25185	26485	25275	27600
Japan	7870	8110	8195	8040	8280	8780
Filipinos	3145	3755	6185	6420	5300	5400
Russia	4230	4050	4395	4740	4650	4950
Canada	4650	4495	4545	4550	4585	4685
China	1682	1889	2938	3534	3550	3700
South Korea	2160	2305	2465	2725	2725	2950
Sweden	2300	2420	2460	2600	2800	2900
Algeria	2300	2195	2320	2205	2240	2340
Other	19154	19050	19629	19195	20554	20328
Total	117011	117404	124467	126544	126959	131633

Source: developed by the author based on Statista [6]

The import of coffee in the world increased over the period under review by 12,5% or by 14662 thousand bags. 36,4% of imports are in the European Union, which is due to the historical traditions of the use of this drink in Europe. The USA takes second place in coffee import – 21,0%, and the third-place - Japan – 6,7%. The Philippines, Russia, and Canada import 4,1%, 3,8%, and 3,6%, respectively. For all major coffee importing countries, there has been a steady increase in imports, because an increase in coffee consumption in individual countries and the world as a whole [7].

The global market for the export and import of coffee is divided into three categories: the market for green coffee (which did not succumb to heat treatment), coffee extract, and roasted coffee. (Appendix A, B, C, D, E, F)

Thus, we can conclude that the main share of green coffee exports to the world coffee market belongs to the countries of South America and Asia, as the region's leaders in the global coffee production (Appendix A, B). Countries in North America and Europe import green coffee for subsequent roasting and

processing (Appendix B). There is a tendency to increase the global coffee market, due to the growing popularity of this drink in the world. Nevertheless, at the same time, the volume of its production has a significant impact on the export and import of coffee.

1.2 Analysis of the financial and economic activity of SF GROUP LLC

Among economic activities such as manufacturing, commercial, financial and credit, in Ukraine, because of the objective circumstances, commercial activity has the greatest potential. Moreover, it is trading companies that are one of the most representative business entities. The increasing number of employees leads to increased competition in this segment of the market, and the key to their market sustainability is the implementation of effective development strategies, including competitive ones. Also, commercial activity provides up to 20-30% profitability of the enterprise, while production only 10-12% respectively [7].

SF Group LLC is a limited company responsibility and conducts its activities based on the legislation of Ukraine. SF Group LLC is an independent entity. It is also a legal entity governed by the laws of Ukraine. The enterprise has an independent balance, its letterhead, the seal with the full name in the Ukrainian language, operates on the principles of economic calculation. SF Group LLC was founded in 2013 in Kyiv [8].

The main activity of the company is the wholesale of EU imported goods, as coffee beans, tea, mineral water, and equipment for coffee preparing on domestic market. Legal address: 02100, Kyiv, Filatova str, 2a.

The purpose of the enterprise is to make a profit. At present, the company can provide the maximum quality of the delivered products and its uninterrupted maintenance. The carefully thought out structure of the company plays the main role in ensuring stability by a carefully thought out structure of the company, which includes:

- 1) The program of development of the trading network;

2) System of centers of service and guarantee service of goods;

3) Training program for employees (technicians, managers, etc.) Work in the field of delivered equipment. The company's product range focuses on the needs of the end-user. To this end, offers the most cost-effective solution for buyers.

An important function of management is the function of the organization, which is to establish permanent and temporary relationships between all divisions of the firm, determining the order and conditions of operation of the company. Organization realize functions in two ways: through administrative and organizational management and operational management.

Administrative and organizational management involves defining the structure of the firm, establishing relationships and distribution of functions between all units, the granting of rights and establishing responsibility between employees of the management apparatus. Operational management ensures the functioning of the firm by the approved plan. It is to compare periodically or continuously the results obtained with the results outlined in the plan and their subsequent adjustments. Operational management is closely linking to current planning.

The total number of employees is 24. Of these, 3 people work in the import department, 3 people work in the repair department. Two drivers work on two cars and are engaged in the delivery of production. 4 sellers work directly in the commercial department. The rest of the staff are management staff: Director, COO, Accountant, Distributor Manager, HoReCa Manager, Marketer, as well as 2 Suppliers and Economists - a total of 16 employees. The charter of the company determines the powers of the general meeting of the director of the company.

The functions of the manager include:

- Assistanting accountant;
- Monitoring, analysis, and planning of the current activity of the enterprise;
- Enterprise inventory planning and management;

The functions of a marketer include:

- Promotion of products in the market
- Justification of choice of niches for sale of products
- Development of activities to increase sales at sales points

The functions of the technical department include:

- Execution of maintenance orders;
- Customer response work;
- Technical advice of users;

Provider functions include:

- Establishment of trade relations;
- Purchase and support of goods;
- Conclusion of contracts and contracts.

To understand the financial position of an enterprise, it is necessary to analyze its financial statements. The condition and guarantee of the survival and development of any enterprise as a business process is its financial stability. If the company is financially sound, it will be able to "withstand" the unexpected changes in the market situation and not be on the verge of bankruptcy. Moreover, the higher its stability, the greater the advantages over other enterprises in the same sector of the economy in obtaining loans and attracting investments.

A financially sound enterprise pays off in time for its obligations to the state, extra-budgetary funds, staff, and counterparties. The financial statements of SF Group LLC are prepared following the methodological recommendations of the Ministry of Finance of Ukraine. Accounting at the enterprise follows the requirements of the national accounting standards (PSBO). For the economic characteristics of the enterprise, an analysis of key performance indicators for 2016-2018 was conducted and an analytic table was constructed (Table 1.6).

Table 1.6

Dynamics of the main indicators of economic activity of the LLC SF GROUP

Indicators	2014	2015	2016	2017	Deviation 17/16	2018	Deviation 18/17
Sales revenue, thousand UAH	183379,4	197182,2	221553	202201,9	-8,73%	245530,8	21,4 %
Cost of production, thousand UAH	130496,0	140318,3	157661	170817,8	8,34%	206360,4	20,8%
Financial results from operating activities, thousand UAH	2657,0	2857,0	3210,1	586,3	-50,58%	624,3	6,5%
Financial result before taxes, thousand UAH	2366,2	2544,3	2858,8	439,6	-49,64%	470,3	7,0%
Net financial result, thousand UAH	1600,2	1720,6	1933,3	343,1	-30,53%	420	22,4%

Source: Developed by the author based on enterprise reporting

According to the table 1.6 «Dynamics of the main indicators of economic activity of the LLC SF GROUP» all key activity indicators in 2018 compared to 2017 have increased, which indicates stable business development and increased sales, but compared to 2016, all business activity indicators decreased. In 2018, revenue increased by 21.4%, which in monetary terms is UAH 43 328.9 thousand. However, as the price of production also increased by 20.8%, the company's net income in 2018 increased by 6.5%, or 38 thousand UAH and amounted to 624.3 thousand USD.

The company's short-term liquidity or solvency is affected by its ability to generate profit. In this connection, this aspect of the business activity is considered as profitability. This is both a qualitative and quantitative indicator of the effectiveness of each enterprise.

The main indicators of profitability used in the analysis of the financial condition of the enterprise include (Table 1.7):

- The ratio of return on assets;

- Cost-effectiveness;
- Overall profitability of activities;
- Return on assets;
- Return on current assets;
- Return on Equity.

Table 1.7

Indicators of profitability of the LLC SF Group

	2014	2015	2016	2017	2018
Profitability of product sales) (PP)	14,7	14,7	14,7	13,9	17,7
Cost-effectiveness (Pb)	20,7	20,7	20,7	19,6	26,7
Overall profitability of activities (CL)	0,9	0,9	0,9	0,7	0,6
Return on assets (Ra)	-	14,0	13,5	6,5	5,0
Return on current assets (ROA)	-	19,7	19,1	9,3	7,3
Return on Equity (RVK)	-	28,2	28,4	18,6	20,3

Source: Developed by the author based on enterprise reporting

The calculated figures show that in 2017, by all indicators, there was a decline in profitability, but in 2018 these indicators show a positive trend, which indicates an improvement in the effectiveness of the company. The coefficient of return on assets (economic return) characterizes - the level of profit generated by all assets of the enterprise, which are in its use by the balance sheet.

The ratio of return on equity (financial return) characterizes the level of return on equity invested in the enterprise, so the greatest interest is for the existing and potential owners and shareholders and is one of the main indicators of investment attractiveness of the enterprise because its level shows the upper limit of pay.

A profitability ratio is calculated as the ratio of net profit of the enterprise to the net proceeds from the sale of products (works, services). An increase in this indicator indicates an increase in the efficiency of the business activity of the enterprise and a decrease on the contrary.

The stability of the financial condition of an enterprise in a market economy is due to a large extent to its business activity, which depends on the

sprout of markets for products, its business reputation, the degree of implementation of the plan on the main indicators of economic activity, the level of resource efficiency and stability of economic growth. The business activity of the enterprise in the financial aspect is manifested primarily in the speed of turnover of its funds. Business activity analysis is to study the levels and dynamics of different turnover ratios (Table 1.8)

Table 1.8

Indicators of business activity of the LLC SF GROUP

	2015	2016	2017	2018
1. Asset turnover period	22,4	23,3	37,0	41,4
2. Period of turnover of current assets	17,2	18,5	23,4	34,8
3. Period of turnover of tangible current assets	3,0	3,2	5,8	8,7
4. The period of repayment of receivables	6,6	7,4	5,2	5,6
5. Asset Turnover Ratio	16,1	15,5	9,7	8,7
6. Ratio of current assets	22,5	21,9	14,1	12,6
7. The turnover ratio of tangible current assets	119,2	111,4	62,6	41,4
8. Receivables turnover ratio	58,4	54,9	63,1	78,5

Source: Developed by the author based on enterprise reporting

The period of one turnover of current assets in 2018 was 41.4 days, and in 2015 this indicator was 22.4 days, which indicates a decrease in the efficiency of management of current assets. The reasons for this tendency are a disproportionate increase in current assets and sales revenue. The same trend is observed in other indicators: the period of turnover of current assets is 34,8 days, + 17,6 days from 2015; period of turnover of tangible current assets is 8,7 days, + 5 days from 2015. These data show that the efficiency of management of business activity of the enterprise decreases.

In the short term, the criterion for assessing the financial condition of the company is its liquidity and solvency. The term "liquid" implies the unimpeded conversion of property into means of payment. The less time it takes to convert a particular type of asset, the higher its liquidity. Thus, an entity's liquidity is its ability to convert its assets into a means of payment to settle short-term liabilities (Table 1.9).

Table 1.9

Indicators of liquidity of the LLC SF GROUP

	31.12.2013	31.12.2014	31.12.2015	31.12.2016	31.12.2017
1.General Coefficient of Coverage (CPC)	2,1	2,3	2,2	1,2	1,1
2.The intermediate coverage ratio (PPC)	0,97	1,03	1,05	0,24	0,35
3.The absolute liquidity ratio (Cal)	0,14	0,16	0,14	0,11	0,13

Source: Developed by the author based on enterprise reporting

The value in the range of general coefficient of coverage is 1-3 is normative, but the value 2-3 is more desirable. An indicator below the regular level indicates a problematic solvency condition, as current assets are insufficient to meet current liabilities. This leads to diminished trust in the company by creditors, suppliers, investors and partners. In addition problems with solvency lead to an increase in the cost of borrowing and, as a result, to direct financial losses. General coefficient of coverage in 2018 was 1,1, and decreases from 2014, when it was 2,1. The data in the table below shows that mangment of enterprise is not effective enough, and current assents doesn't meet current liabilities efficiently.

The essence of the relative indicators of financial soundness indicates the level of financial risks for enterprises and the level of their dependence on borrowed capital. High financial stability indicates the ability to respond promptly to external and internal stresses without reducing the financial and production capacity of the entity owner (Table 1.10).

Table 1.10

Indicators of financial stability of the LLC SF GROUP

	31.12.13	31.12.14	31.12.15	31.12.16	31.12.17
Coefficient of financial autonomy (Cavt)	1,05	0,95	0,95	0,55	0,45
Long-term liabilities ratio (CDC)	0,21	0,31	0,30	0,36	0,37
solvency ratio (autonomy, financial stability)	1,10	0,90	0,91	0,38	0,29
the ratio of the security of own working capital	0,34	0,26	0,26	-0,06	-0,11

the coefficient of maneuverability of equity	0,53	0,56	0,55	0,16	0,08
--	------	------	------	------	------

Source: Developed by the author based on enterprise reporting

The coefficient of financial autonomy indicates which part of the assets an entity is able to finance at the expense of equity. The normative value of the indicator is 0.4 - 0.6. In 2018 Cavt was 0,45 which shows that enterprise is able to finance 45% of own assets. In 2015 this indicator was 1,05 which shows that company use their own assets inefficient. The ratio of the security of own working capital has decreased. In 2018, the company is not able to finance 10% of its current assets at the expense of equity. In 2014, this indicator was 0,34.

For a more detailed consideration of such an indicator as revenue from sales, consider it in terms of revenues through the sales channels of SF Group LLC, as well as the structure of revenues presented in the range of brands (Table 2.3).

At present, the SF GROUP works with 12 catering establishments in Kyiv, 20 establishments in Ukraine. Distribution system presents in the largest cities of Ukraine in Kharkiv, Dnipro, Odesa, Lviv, and Kherson (Table 1.11).

Table 1.11

Sales revenue by channels, thousand UAH

Chanel	2014	2015	2016	2017	2018
Horeca Kiev	68026,5	64592,7	77543,6	70770,7	85935,8
Distribution total	115352,9	132589,5	144009,5	131431,2	159595,0
Odesa	17477,7	20089,3	21601,4	19714,7	23939,3
Lviv	11651,8	13392,9	14400,9	13143,1	15959,5
Kherson	16312,5	18750,0	20161,3	18400,4	22343,3
Dnipro	39616,1	45535,8	48963,2	44686,6	54262,3
Kharkiv	30294,7	34821,5	37442,5	34172,1	41494,7

Source: Developed by the author based on enterprise reporting

According to the table 1.11, in 2018, direct sales in a channel such as HoReCa accounted for 35% of total revenue. Distribution accounted for 65% of revenue, which was unevenly distributed among the largest cities in Ukraine. The largest income in the distribution in the city of Dnipro, followed Kharkiv. For a

complete description of the revenue structure in the Table 1.12 shows revenue by major brands.

Table 1.12

Sales revenue by major product brands, thousand UAH

Brand	2014	2015	2016	2017	2018	Devation 18/17
Tea Brodies	3890,3	4127,4	5678	3457	4521,8	30,8
Coffee Segafredo Teramia	4795,6	5134,6	4578	5234,5	5467	4,4
Le brazile	0	0	0	2890	3678	27,3
Le peru	6134	6875	6543	5678	4337	-23,6
Le costa rica	6987,5	7845,3	8760	7568,4	7895	4,3
Acqua Morelli	17654	19678	20879	26789	28967	8,1
Astoria	96754	92305	89000	70589	65678	-7,0
La san Marco	47164	61216,9	86115	79996	124987	56,2
Total	183379,4	197182,2	221553	202201,9	245530,8	

Source: Developed by the author based on enterprise reporting

According to table 1.12, in 2018, the biggest revenue comes from the brands La San Marco, Astoria, Acqua Morelli. However, due to the different cost of production, such sales comparisons are not sufficiently reliable, so product brands need to be compared by brand profitability and profitability.

The main activity of the company is the sale of imported products, the range of products is:

- Segafredo Zanetti coffee: Terramia, Le origini Brazile, Peru, Costa Rica
- Mineral water Acqua Morelli
- Coffee machines La San Marco
- Coffee machines Astoria
- Tea Brodies

The company cooperates with Italy, Germany and Romania, namely companies such as MBG Global, MCE, Segafredo LTD, Brodies LTD.

If goods of different quantity and assortment come under the contract, then the price is set separately for a unit of goods of each type, variety, brand. In such cases, the prices of the goods are indicated in the annexes to the contract -

specifications. When supplying complete equipment, the specification specifies the price for each component product.

Exports of goods at this price will be most effective if the price:

- covers direct costs;
- compensates for indirect costs attributed to the product;
- brings profit;
- is competitive and provides a place on the market.

We give the initial data for the calculations for each product brand. Because the products are quite different which the company sells on the market, we create four tables with different types of products at different prices to evaluate their profitability and the profit they bring for the company (table 1.13, table 1.14, table 1.15, and table 1.16).

Table 1.13

Dynamics of financial resources of SF GROUP LLC for 2016-2018 Tea Brodies, thousand UAH

Indicators	2016	2017	Absolutely deviation	Growth rate, %	2018	Absolutely deviation	Growth rate, %
Sales volume	64520	39280	-25240	-39,1	49150	986	25,1
Revenues from sales, thousand uah.	5678,0	3457,0	-2221,0	-39,1	4521,8	1064,8	30,8
Cost of sales, thousand uah	3419,7	2003,5	-1416,2	-41,4	2654,1	650,6	32,5
Profit (loss) from sales, thousand uah.	2258,3	1453,5	-804,8	-35,6	1867,7	414,2	28,5
Average selling price, uah / pc	88,0	88,0	0,0	0,0	92,0	4,0	4,5
Unit cost of production, uah / pc	53,0	51,0	-2,0	-3,8	54,0	3,0	5,9
Profitability, %	66,0	72,55	6,5	9,9	70,37	-2,18	-3,0

Source: Developed by the author based on enterprise reporting

Brodies were established in 1867 in Scotland, UK. International company which works international, imports tea from Shri Lanka, China and India, imports

coffee from Brazilia, Peru, Costa Rica. Exports products mostly in the EU, but also the USA, Ukraine, UAE, Russia and other markets worldwide. Brodies is an artisan coffee roaster based in Edinburgh supplying leading coffee shops, hotels, and Michelin Star restaurants across the UK. Segafredo Zanetti is the international coffee brand of the Massimo Zanetti Beverage Group.

LLC SF Group has had a partnership with Brodies since 2014. Import 23 positions of tea (different types and packing) from Brodies. Profitability from selling Brodies tea in Ukraine in 2018 is 77,37%. The level of profitability mostly depends on currency changes in Ukraine. Sales volume in 2018 amounted to 49150 thousand UAH.

Table 1.14

Dynamics of financial resources of SF GROUP LLC for 2016-2018

Coffee Segafredo, thousand UAH

Indicators	2016	2017	Absolutel y deviation	Growt h rate, %	2018	Absolutel y deviation	Growt h rate, %
Sales volume	302140	31661	1447	4,8	32267	606	1,9
Revenues from sales, thousand uah.	19881	21370,9	1489,9	7,5	21377	6,1	0
Cost of sales, thousand uah	13228,1	15499,8	2271,6	17,2	14934,5	-565,2	-3,6
Profit (loss) from sales, thousand uah.	6652,9	5871,1	-781,7	-11,8	6442,5	571,3	9,7
Average selling price, uah / pc	658	675	17	2,6	662,5	-12,5	-1,9
Unit cost of production, uah / pc	437,8	489,6	51,8	11,8	462,8	-26,7	-5,5
Profitability, %	50,3	37,9	-12,4	-24,7	43,1	5,3	13,9

Source: Developed by the author based on enterprise reporting

[Massimo Zanetti](#) Beverage Group is an Italian coffee company that owns brands such as Segafredo and MJB. With a turnover of around US\$1,2 billion per year, it claims to be the biggest private company in the coffee industry. Today, the

Bologna, Italy-based group sells 120,000 tons of coffee annually. The Massimo Zanetti Beverage Group owns more than 20 consumer brands worldwide.

LLC SF GROUP has cooperated with Massimo Zanetti Beverage Group since 2014. Total sales volume in 2018 was 32267 units, revenues were 21377 thousand UAH, which is different from 2017 in 7 units. Profitability in 2018 – 43,1%, which is higher in 5% comparing to 2017.

Table 1.15

Dynamics of financial resources of SF GROUP LLC for 2016-2018 water

Acqua Morelli

Indicators	2016	2017	Absolutely deviation	Growth rate, %	2018	Absolutely deviation	Growth rate, %
Sales volume	578366	706834	128468	22,2	842064	135230	19,1
Revenues from sales, thousand uah.	20879	26789	5910	28,3	28967	2178	8,1
Cost of sales, thousand uah	6170,6	7862,9	1692,3	27,4	8448,7	585,8	7,5
Profit (loss) from sales, thousand uah.	14708,4	18926,1	4217,7	28,7	20518,3	1592,2	8,4
Average selling price, uah / pc	36,1	37,9	1,8	5	34,4	-3,5	-9,2
Unit cost of production, uah / pc	10,7	11,1	0,5	4,3	10	-1,1	-9,7
Profitability, %	238,36	240,70	2,3	1	242,86	2,2	0,9

Source: Developed by the author based on enterprise reporting

MBG Group, headquartered in Paderborn, is an international beverage distribution company. Distributed brands of various manufacturers and private labels. The group, which operates under the umbrella of MBG Holding GmbH, also appears in Europe as "MBG International Premium Brands Group". MBG International Premium Brands GmbH was the parent company of the group until it was incorporated into MBG Holding GmbH in 2010 and generates about one-third of the group's turnover. "MBG" was originally an abbreviation for Miller Brands Germany.

LLC SF GROUP has cooperated with MBG Group since 2015, importing mineral water Acqua Morelli, a brand that owned by MBG group. Annual volume sales are in 578366 pc in 2016, 706834 pc in 2017 and 842064 pc in 2018. Sales volume shows an annual increase, as well as profitability. Profitability in 2016 was 238,36%, in 2017 – 240,7% and in 2018 - 242,86%.

Table 1.16

Dynamics of financial resources of SF GROUP LLC for 2016-2018 Coffee machines Astoria

Indicators	2016	2017	Absolutely deviation	Growth rate, %	2018	Absolutely deviation	Growth rate,%
Sales volume	1621	1303	-318	-19,6	1271	-32	-2,4
Revenues from sales, thousand uah.	89000	70589	-18411	-20,7	65678	-4911	-7,0
Cost of sales, thousand uah	51944,9	39765,1	-12180	-23,4	37015,8	-2749	-6,9
Profit (loss) from sales, thousand uah.	37055,1	30823,9	-6231	-16,8	28662,2	-2162	-7,0
Average selling price, uah / pc	54900	54180	-720	-1,3	51660	-2520	-4,7
Unit cost of production, uah / pc	32042,4	30521,4	-1521	-4,7	29115,3	-1406	-4,6
Profitability, %	71,34	77,53	6	8,7	77,43	-0,1	-0,1

Source: Developed by the author based on enterprise reporting

MCE – Machine per Caffè Espresso S.r.l. is an industrial plant in Romania, which belongs entirely to Astoria. MCE began its manufacturing activities in Timisoara at the end of 2002, it became well known in all Central-Eastern Europe. MCE S.r.l. is one of the two Astoria production plants, which is more focused on the price-quality ratio. In this way completes, with the entry-level equipment, the wide range of products that Astoria provides on the market. MCE

S.r.l. – is specialized in the production of professional Espresso Coffee Machines, the production process in which is invested time, dedication and passion, all of this combined with a price that is more than competitive.

LLC SF GROUP has cooperated with MCE since 2014, in 2018 company sold 1271 units of coffee machines Astoria, sales volume shows decreasing in sales, as the company selling as well La San Marco coffee machines. The revenue in 2018 was 65678 thousand UAH, the profit was 28662,2 thousand UAH, an indicator of profitability was 77,43%, which increased in 2017 up to 77,53%, plus 6% from 2016, and was stable for 2017 and 2018.

Table 1.17

Dynamics of financial resources of SF GROUP LLC for 2016-2018 Coffee machines La San Marco

Indicators	2016	2017	Absolutel y deviation	Growt h rate, %	2018	Absolutel y deviation	Growth rate, %
Sales volume	1266	1176	-90	-7,1	1923	746	63,5
Revenues from sales, thousand UAH	86115	79996	-6119	-7,1	124987	44991	56,2
Cost of sales, thousand UAH	72524,1	64172,8	-8351	-11,5	100014	35841	55,9
Profit (loss) from sales, thousand UAH	13590,9	15823,2	2232	16,4	24973,5	9150	57,8
Average selling price, UAH / pc	68000	68000	0	0	65000	-3000	-4,4
Unit cost of production, UAH / pc	57268	54549,6	-2718	-4,7	52012,4	-2537	-4,7
Profitability, %	18,74	24,66	6	31,58	24,97	0,31	1,27

Source: Developed by the author based on enterprise reporting

La San Marco S.p.A., established in 1920, is one of the largest and most well-known professional espresso machine manufacturers in the world, including espresso grinders and other commercial Food Service equipment for coffee cafe's, restaurants, and hotels. The company is one of the leading brands in Italy with more than 20% of the market share, and about 70% of production exported

worldwide. All our products are widely acclaimed for their high quality at a competitive price.

Cooperation between LLC SF GROUP and La San Marco expanded in 2018 when the company imported new types of coffee machines. Expanded range gave +63,5% to volume sales and +57,8 % to profit from sales compared to 2017. Moreover, the price for one machine decreased up to 65 thousand UAH per unit in 2018, in 2017 and 2016 price per unit was 68 thousand UAH.

Analysis of the dynamic of financial resources divided by brands shows that the profitability of each brand is different from 242% to 20%, this is due primarily to the demand for products and its popularity in the market. In addition, the intrinsic price depends on the money spent on promoting the brand and expanding the market.

CONCLUSIONS TO PART 1

SF Group LLC - the official distributor of world-renowned brands in Ukraine deals with the import of goods from the European Union, in the territory of Ukraine engaged in wholesale and retail trade. It has a developed distribution network in the largest cities in the country. The company's brand portfolio includes Brodies (UK), Segafredo Zanetti (IT), Astoria (RO), La San Marco (IT), and Acqua Morelli (GE). The first section analyzes the global coffee and tea market, as this is a priority for the company, and changes in the global market directly affect the pricing policy of the major players in the coffee and tea market. The main exporters in the world are the USA, Japan, and Europe. In 2017-2018, coffee imports in the world increased by 12.4%, and demand in countries where 10 years ago coffee was not a popular beverage is steadily increasing. Such countries include Ukraine.

Major coffee exporters are Brazil, Colombia, and in 2014, Vietnam increased its exports by more than 10 times and ranked second among the world is

leading suppliers of coffee. Since coffee beans are a natural product, the supply is first and foremost influenced by the climatic conditions of the region where the coffee beans are grown, the quality of the grain also depends on the region and, as a consequence, its price. However, the coffee market has a direct effect on the world economy (5 million tonnes of coffee are sold annually) and, due to its volatility, has been regulated by the International Coffee Organization (ICO) since 1962.

The second paragraph explores the financial and economic condition of the enterprise. According to the financial results presented by the company, the revenue in 2018 is UAH 420,000, and compared to 2017 it increased by 22,4%. The profitability of operations in 2018 is 28.01%, which indicates the effective operating activity and efficiency of the enterprise as a whole. In the part we present revenue structure for the brands and profitability of each brand separately. Brodies tea was the most profitable in 2018, with a profitability ratio of 70.37%, but it is lower than in 2017 by 3%. Segafredo Zanetti's profitability rose the most, up 13.9% to 43.1% in 2018, up from 37.9% in 2017.

In general, the company is profitable and shows good results of the effectiveness of its activities, which testifies to the effectively organized structure of activity of the enterprise and the well-functioning work of all divisions. The most successful criterion for determining the price level in a contract is the price of actual transactions and the prices of offers from competing firms.

Granting of certain benefits to the buyer in the form of discounts to the price is one of the effective factors for successful entry into the market in a competitive environment. The amount of discounts depends on the nature of the transaction, terms of delivery and payment, relationship with the buyer, market conditions at the time of the transaction.

PART 2

RESEARCH OF THE STRATEGY OF IMPORT PURCHASES OF SF GROUP LLC

2.1. Assessment of environmental impact factors on the import purchases of the SF GROUP LLC.

The retailer, entering the consumer market, aims at the successful sale of goods and profit. Because of this, the tasks of a retail trade enterprise in a market-oriented economy are [9]:

- study of demand and needs of buyers in goods (services), their purchasing power;
- definition of assortment policy for the future;
- organization of purchase, supply, storage, preparation for sale and sale of goods;
- providing planned activities with material and labor resources.

In a market-oriented economy, no trading company can compete successfully without the widespread use of advertising, whose main task is to stimulate sales of goods. Retail businesses use various types of advertising - from oral advertising to sellers, window and in-store showcases, and organizing product exhibitions to print, radio and television [10]. Rationally organized advertising and information work greatly facilitates the selection of goods, reduces the time spent on making a purchase, accelerates the process of sales and sales services, and increases the efficiency of salespeople.

A trading enterprise, regardless of its scale and profile of activity, should be engaged in internal planning, that is, defining the goals of the enterprise for a certain perspective, finding and analyzing ways of its implementation and

resources [11]. Planning is determined by the tasks that the enterprise sets itself in perspective.

To ensure the implementation of a trading company strategy, it is necessary to follow a certain sequence. Strategy development is carried out according to defined stages, the overall logical sequence of which is unified and defined for any enterprise.

We define the main stages for a trading company based on the multivariate strategic directions of development (even changing the basic profile of activity) [11]:

- the main purpose of the activity (mission);
- assessment of the internal capabilities of the enterprise;
- determining the state of the immediate environment;
- determination of the state of the external environment;
- harmonization of internal potential with the external environment;
- formation of strategic alternatives to development;
- choice of the strategic direction of development;
- implementation of measures aimed at the realization of strategic alternative;
- monitoring the progress of implementation of the strategy of activity development;
- decision making based on the state of implementation of the strategy.

This strategy development sequence is close for the trading company, based on the stage of the enterprise life cycle and strategic tasks at the appropriate stage of development. It can be adjusted and refined and may contain other sections. Each trading company independently determines how it should develop its strategy of activity [12].

The current conditions of unstable economic development and increased competitive pressure have led to significant differentiation of enterprises. Reduced turnover, a high degree of uncertainty in the macro environment, and restrictions

on socio-economic nature led to the conclusion that a simple increase in activities will not ensure success.

Strategic areas of the economy that it wants to gain or remain in characterize the segment of the external environment of a trading enterprise. In this way, we carry out the strategic positioning of the company. Indication of the business areas is a difficult problem as it is necessary to analyze a considerable number of different characteristics of their activity. Their number depends on the width of the diversification, each of which is described by a specific set of factors. In our case, it is necessary to focus on trade, which is characterized by the following parameters [12]:

- the need (demand) to satisfy the enterprise in the market of its activity;
- technology, which is the basis for the activity (it is the choice of sales methods, the choice of means, with the help what will be their activities, etc.);
- the type of clients is the contingent of consumers on whom the enterprise will be oriented;
- the geographical market is the territory in which the enterprise operates.

Purchasing activity is the most significant subsystem in the general operating system of a trading enterprise, since it is in the process of its implementation that the basis of its financial results, efficiency and competitiveness [9]. Import purchase means the purchase of goods and services abroad. They are, therefore, part of the production functions along with internal production activities, sales, financing and management. Therefore, properly organized purchase of goods is an important condition for the normal functioning of the enterprise and the performance of planned tasks [10, p.14]. In international practice, there is still the concept of "international procurement" which is a very highly professional international business. It is driven by many elements, including technology, marketing, cyberspace, logistics, finance, innovation, socioeconomic well-being, etc. In general, it is a fast-growing market that focuses on buying value-added goods to meet consumer or industrial needs, available in the

competitive market [11]. Changes in the business environment; insufficient internal capacity; lower prices, better quality, better deliveries; mutual trade and countermeasures drive the need for import purchases; access to the best technologies [11].

Aside from the company's internal resources and industry factors, several other macro-economic factors can have a profound impact on the performance of a company. In particular situations such as new ventures or product launch ideas, these factors need to be carefully analyzed to determine how big their role in the organization's success would be. One of the most commonly used analytical tools for assessing external macro-economic factors related to a particular situation is PEST Analysis.

1. Political. New state tax policies for accounting, new employment laws for employee handbook maintenance, political instability in a foreign partner country. Changes in government, politics, or international politics can have a massive impact on whom your customers are dealing with and how [13]. Changes in government or policy in foreign countries, regions, and territories create problems for financial management and suppliers, not to mention breaches of the supply chain in the event of political collapse, division or insurrection [14]. The Purchase Department needs to keep abreast of political developments around the world and act quickly to minimize risks and maximize opportunities. The tax on imports of goods from the European Union is currently 0%, but with possible changes in legislation, trade relations between Ukraine and the European Union. The introduction of an import tax will entail an increase in the cost of the product, reducing the profitability and efficiency of the enterprise, reducing demand for import products in the domestic market, loss of part of the market and consumers.

2. Economic. International economic growth, changes in interest rates. The financial environment, including economic performance, has a significant impact on how buyers conduct their purchasing operations. One of the main problems of the financial environment for business is the fluctuations in exchange rates [13]. Thus, a change in the exchange rate of 5% or more leads to an increase in the

import price of the contract, that is, an increase in the cost price of the imported goods, which in turn leads to an increase in the price of selling the goods in the domestic market.

3. Social. The shift in educational requirements and changing career attitudes, population growth rate. Businesses that ignore sociocultural externalities may be at risk. Purchase departments need to understand how social and cultural factors affect customer attitudes and expectations [13]. At present, demand for coffee is increasing in the domestic market, one of the factors of increasing demand in Ukraine is the influence of Western culture, European countries and the USA are the largest importers of coffee in the world, and consumption of coffee has become a cult [17].

5. Technological. Automated processes in the industry, rate of innovation, changes in technology incentives. Technologies are constantly changing, progressing, and customers have come to expect the business to run faster and will be able to offer them the latest developments. Organizations need to be aware of changes in the technological environment and understand how it affects their business [14]. Technology has a huge impact on import purchases, from the products and services offered to how buyers interact with suppliers. Heat treatment of coffee and tea is a high-tech process, the development of technology for the preparation, roasting, packaging, and storage of the product directly affects the price of coffee beans. Changing technology can lead to both a decrease and an increase in the cost of importing a product [16].

One of the methods for identifying and describing the influence of external factors on an enterprise's activity is SWOT analysis. SWOT analysis aims to identify the key internal and external factors seen as important to achieving an objective. SWOT analysis groups key pieces of information into two main categories:

- Internal factors — the strengths and weaknesses internal to the organization

- External factors — the opportunities and threats presented by the environment external to the organization [19].

The SWOT analysis focuses on four elements Strengths, Weaknesses, Opportunities and Threats. The main idea is first to identify the problem, analyze, conclude, and to create an action plan. When the positive and negative factors are identified, the business can maximize strengths and use them to reduce weaknesses, take advantage of opportunities, and avoid or minimize threats. The SWOT analysis is the easiest and helpful tool when supporting the vision, mission, and objectives that exist in the company. In the table 2.1, we present a SWOT analysis of the strategy of import purchase of LLC SF Group.

Table 2.1

SWOT analysis of strategy of import purchases of LLC SF GROUP

	Strengths: 1. High quality products 2. Participates in international projects, exhibitions. 3. Extensive experience in the food market 4. Availability of environmental certificates. 5. Increase in the number of consumers. 6. Introduction of the latest technologies in the field of food production. 7. The presence of regular consumers. 8. Stable relationships with regular customers established. 9. Perspective and dynamic of the policy pursued by the management of the enterprise	Weak sides: 1. The constant need for large innovative investments. 2. Inflexible tariff policy due to state regulation of product tariffs. 3. The influence of suppliers on the choice of the market, the choice of marketing communications and activities
Opportunities	SO strategy	WO strategy
1. The emergence of new business partners.	Strategy for strengthening market position Ensure a high level of consumer awareness. Recruitment of highly qualified employees.	Improving the collection of marketing information
2. Increasing the purchasing power of the population		
3. Changing consumer preferences	Drawing the attention of potential customers	Participation in charitable and humanitarian actions
Threats:	ST strategy	WT strategy

1. A large number of competitors.	Attracting new customers by forming the optimal range of affordable prices for different segments of consumers of services and products, attracting new customers
2. Improve competing organizations with their marketing programs.	Implementation of a specialist training program Recruitment of qualified personnel
3. Economic and political instability in Ukraine.	Introduction of lower prices, new promotions, discounts
4. High cost of advertising.	Choose more effective means of marketing communications
5. Aggressive competition policy.	Improving the collection of marketing information Opening of the innovative services department

Source: Developed by the author based on enterprise reporting

The SWOT analysis showed that the enterprise in the implementation of the strategy of long-term procurement has both strengths and weaknesses, shows the influence of various factors and describes possible strategic decisions, to improve the activity of the enterprise and increase the efficiency of the implementation of the strategy in the internal market [20]. As well as internal, external factors have a huge influence on the economical activity of the enterprise. The environment is one of the most serious problems for import purchases. The lack of resources or natural disasters influences on purchase departments. Purchase departments should plan to manage resource scarcity and disseminate information about their suppliers to minimize disaster in the event of a disaster. The basic operational activity of wholesale trade enterprises, the purpose of which is to ensure the systematic and uninterrupted supply of goods to the retail trade network is the wholesale purchase of goods [12]. For trade enterprises, it is a guarantee of the timely receipt of goods to achieve their own goal, and for all participants of trade promotion - a guarantee of survival in the conditions of market competition [15].

2.2 Analysis of the efficiency of import purchases of the enterprise of SF GROUP LLC

Import is considered as a customs' procedure whereby foreign goods, for which customs duties are paid following the laws of the country for the import of these goods, as well as for the completion of all obligatory customs formalities, are issued for free circulation in the territory of the country [21]. Customs-cleared goods are granted the status of Ukrainian goods. The customs declaration, which released the goods free circulation in the customs territory of the country, confirms the Ukrainian status of the goods. Import efficiency is the advantage of imports, which we measure by the ratio of the value of imported goods sold domestically to domestic prices to the value of goods at foreign trade prices [22].

The import price shall consist of the price of the supplying country and the elements included in it by the recipient country. At the same time, the recipient country includes the import duty in addition to the export duty. Import duty rates are calculated based on the Common Customs Tariff at full rates. The goods whose country of origin, which forms a special customs zone with Ukraine or enters the customs unions with Ukraine together with Ukraine, are exempted from customs duties. Discounted rates apply to goods and other items originating from countries or economic unions that are most favored in Ukraine [24].

In this regard, the import price consists of customs value of goods, export and import duties, other customs duties, excise duty (for excise goods), VAT, single duty.

Customs duties are calculating based on the customs value of the goods, which means the price paid or payable for the goods at the time of crossing the customs border of Ukraine.

In determining the customs value, it shall include the price of the goods specified in the invoice, as well as the actual costs, if not included in the invoice [26]:

- transportation, loading, unloading, transportation and insurance to the point of crossing the customs border of Ukraine;
- commissions and brokerages;

- fees for the use of intellectual property related to these goods and other items and must be paid directly or indirectly by the exporter as a condition of export.

Four import contracts with different types of products we use to analyze the efficiency of foreign trade activity of the enterprise and to analyze the efficiency of import purchases of the trade enterprise. Invoice for the purchase of coffee from Italy, invoice for the purchase of equipment, namely coffee machines from Romania, as well as two invoices for the purchase of mineral water, for comparative characterization of the effect of changes in the exchange rate on the efficiency of export activities.

We cannot provide analyzing the effectiveness of import purchases without counting the import price of the contract. This work provided four invoices for import goods to Ukraine (Table 2.1).

Table 2.2

Analysis of import contracts SF GROUP

Product name	Coffee Segafredo	Coffee machines Astoria (MCE)	Water Acqua (MBG)	Morelli
Country of export	Italia	Romania	Italia 2019	Italia 2018
Unit price	7,64	1014,47	0,35	0,38
Quantity	1172	24	30134	23968
Terms of delivery	FCA	FCA Timisoara	FCA Calizzano	FCA Callizzano
UAH/EURO	30,3	30,3	27,9	31,8
Transportation to the border	73259,22	199186,50	83064,00	87916,36
Insurance	135665,22	368863,90	13484,02	9705,00
Customs		0	0,00	
Custom clearance	2500	2500	2500,00	2500,00
Vat	54266,09	147545,56	59539,21	53976,04
Transortation	5426,61	14754,56	6186,00	6103,00
Unloading	0,00	0,00	0,00	0,00
Invoice value	271330,44	737727,80	297696,07	269880,20
Customs value	271330,44	737727,80	297696,07	269880,20

Import Value	542447,58	1470578,31	462469,30	430080,60
--------------	-----------	------------	-----------	-----------

Source: Developed by the author based on appendix I, J,K,L

According to the table 2.2, the import price of the contract with Segafredo Zanetti for coffee import is 542 477, 58 UAH. The country of export is Italia. The average unit price is 7,64 euros. Quantity of goods for one delivery is 1172 kg of coffee packed in bags per 1 kg each, a total to 1172 bags of coffee. The exchange rate at the time of payment is 30,3 UAH per euro, terms of payment are in advance. In the table 2.1, you can see other expenses for transportation, insurance, customs clearance, and others.

The price of imported goods is 199% of the purchase price and adds up 462,84 UAH per kilo. The domestic sales price on average is 662,5 UAH. Price difference depending on the channel of sales, the amount of one-time purchase, marketing expenses and so on. The company's margin is 199,66 UAH which is 30%.

The import value with MCE, for buying coffee machines for retail and leasing services for restaurants, is 1 470 578, 31 UAH. Due to this contract were bought 24 coffee machines, the cost of apiece 1014,47 euro. The domestic price of the coffee machine is 1800 euros. But SF GROUP LLC provides such service as leasing for restaurants. Not all coffee machines are selling, some of them is using with rent payment each month.

Mineral water Acqua Morelli is a product of MBG, the main office is located in Germany, but the mineral water bottling factory is located in Italy and the goods are shipped directly from the factory. The table provides an analysis of the two invoices in 2018 and 2019. In the purchase of goods, there are different positions on the volume and packaging of goods, therefore, to simplify the calculations for one supply, the average price of the goods was found. Due to calculation in 2018: the average price apiece is 0,38 euro, quantity 23968 bottles, terms of delivery – FCA Callizano, the exchange rate on the time of payment –

31,8 UAH per euro. To count import value we need to add transportation to the border, custom clearance, VAT, insurance and uploading/unloading.

$$IV_{2018} = \text{invoice value} + \text{custom clearance} + \text{VAT} + \text{FCA Callizano} = \\ = 0,38 * 23968 * 31,8 + (0,38 * 23968 * 31,8) * 0,2 + 9705 + 87916,36 + 2500 + 6103 = 430080$$

Due to calculation in 2019: the average price for unit is 0,35 euro, quantity 30134 bottles, terms of delivery – FCA Callizano, exchange rate on the time of payment – 27,8. To count contract price of import purchase we need to add transportation to border, custom clearance, VAT, insurance and uploading/unloading.

$$IV_{2019} = \text{invoice value} + \text{custom clearance} + \text{VAT} + \text{FCA Callizano} = \\ = 0,35 * 30134 * 27,8 + (0,35 * 30134 * 27,8) * 0,2 + 6186,00 + 13482,02 + 2500 = 462469,30$$

Among the main indicators used to evaluate the efficiency of import operations at an enterprise are the foreign exchange efficiency of imports, the basis of which is the exchange rate. Although comparison is made with the value of the direct quotation; economic (absolute) efficiency of imports; economic effect of imports; profitability of imports, which shows the amount of profit from the sale of imports by 1 UAH the cost of purchasing it [28]. These indicators provide the company with the reliability and timeliness of information support of management decisions in the system of foreign economic activity.

Table 2.2 shows the calculations of the main performance indicators for assessing the effectiveness of import operations at enterprises for different types of products, following the contracts analyzed previously.

Currency efficiency of imports

$$CEI = \frac{DP}{IV} \cdot Cr \quad (2.1)$$

where is *CEI* the monetary efficiency of imports;

DP is the price of the *i*-th product in the domestic market;

IV is the volume of import of the *i*-th commodity;

Cr - the currency price of the *i*-th commodity.

Economic (absolute) efficiency of imports

$$Eef = \frac{Vid - Cip}{Vid} \quad (2.2)$$

where *Eef* is the economic (absolute) efficiency of imports;
Vid. - the value of imported products in the domestic market;
Cip - the cost of purchasing imported products

Economic effect of imports

$$Eei = \frac{Vid - Cip}{Cip} \quad (2.3)$$

where *Eei* is the economic (absolute) efficiency of imports;
Vid. - the value of imported products in the domestic market;
Cip - the cost of purchasing imported products

Return on imports

$$Roi = \frac{Vid - Cip}{Cip} \quad (2.4)$$

where *Eei* is the economic (absolute) efficiency of imports;
Cip - the cost of purchasing imported products

Table 2.2

Main performance indicators for assessing the effectiveness of import operations at enterprises

Indicator	Contract 1	Contract 2	Contract 3	Contract 4
Currency efficiency of imports	2,86	1,77	3,25	2,15
Economic (absolute) efficiency of imports	1,43	0,89	2,9	2,51
Economic effect of imports	234002,42	-161618,31	893560,7	648479,4
Return on imports	0,43	-0,11	1,93	1,51

Source: developed by author based on appendix I, J,K,L

According to Table 2.2 supply under contract 2 of Astoria coffee machines, the operation is not effective, the efficiency indicator is 0,89, which indicates a loss in the sale of goods in the domestic market. Moreover, the amount of losses from the import for 1 UAH is 0,11 UAH. The absolute loss amount is 161618,31 UAH.

Other deliveries are effective, according to the performance indicators for the sales of products in the domestic market - the company makes a profit. The economic efficiency of the supply of coffee Segafredo is 1,43, which indicates the profitability of such an operation, the profit from such an operation is 234002,42 UAH, excluding the costs of advertising, sales and other expenses associated with the operation of the firm. The operations on import of Aqua Morelli mineral water have the highest efficiency, and therefore profitability. When comparing these transactions, due to the exchange rate fluctuation of the Euro / UAH in 2019, the currency efficiency of the operation changed from 2,15 to 3,25, and the efficiency of the operation increased to 2,9, in the delivery from 2018 it was 2, 51.

CONCLUSIONS TO PART 2

Factors of the external environment constantly change and can exert various impacts on organization activity. Factors of the external environment are subdivided into direct and indirect impact depending on the extent of the impact on the organization. The environment of direct impact is called still a direct business environment of the organization: suppliers, consumers, competitors. Factors of the environment of indirect impact or general external environment usually influence the organization also considered as factors of the environment of direct impact (technological, economic, sociocultural, and political).

Political and economic factors have the largest impact on LLC “SF GROUP” activity. Especially it is tax and regulation policy because the company is dealing with authorities in customs clearance of goods. Moreover, in export-import operations, economic growth, currency rates and globalization have huge

importance. Sociocultural and technological don't influence so much for logistic company.

The company LLC "SF GROUP" uses the competitive strategy of specialization. It focuses on one segment of logistics services. It is a segment of customs clearance. The competitive strategy of focusing or the strategy of concentrated marketing means the concentration of all efforts of the company on a certain group of consumers, type of a product or service or a geographical market segment, namely creation of product or price advantage in a narrow segment of the market. In our case, the enterprise concentrates on the type of service.

There are two main forms of application of the strategy of focusing: on costs and on differentiation. At the same time, both strategies are admissible for application. Focusing on costs means that the company working in a narrow segment of goods tries to get a competitive advantage due to the maximum depreciation of expenses. Focusing on differentiation assumes that the producer seeks to receive benefits due to sales of production focused on various groups of consumers in the borders of one segment. The specifics of concentration on a certain consumer and a certain type of production show obvious advantages to business, but at the same time, such refusal of the mass consumer involves many risks.

LLC "SF GROUP" provides a wide range of services in this segment, so this enterprise has chosen the strategy of focusing on differentiation. It specializes in a specific type of service and tries to differentiate providing it for different consumers.

Analysis of the import activity of the enterprise based on existing import contracts showed that the purchasing activity of the enterprise is effective. The profitability of goods ranges from 20% to 248%, which indicates the profitability of sales of goods in the domestic market and the efficiency of import purchases. Depending on the type of product, the profitability indicator depends on the cost of goods in the purchase, transport costs, customs clearance and insurance. Payment for all contracts is made on a prepayment basis and the terms of delivery of the

FCA. The goods are imported from Romania and Italy. Import costs range from 45% to 57% of the purchase value of goods.

PART 3

DIRECTIONS FOR INCREASING OF EFFECTIVENESS OF STRATEGY OF IMPORT PURCHASES OF SF GROUP LLC

3.1. Justification of measures of increasing effectiveness of the strategy of import purchases of SF GROUP LLC

During the conducted research, we identify the problem of necessity of increase the efficiency of import purchases, imperfection and incompleteness of modern methods of calculation of coefficients of import efficiency, absence of methods of avoiding risks of foreign economic activity. Methods and tools we propose to optimize the effectiveness of foreign trade operations are:

1. Use a logistic system approach to operations.
2. Create an integrated system for receiving and sharing information.
3. Use graphical and tabular methods when processing information in foreign economic transactions.

The integration of logistics methods, systems approach and graphical method is the basis for further study of aspects of foreign trade operations' efficiency.

Improving the efficiency of foreign trade operations requires solving the issues in foreign markets:

- develop a more efficient purchase plan based on reducing logistics costs and associated one-time costs for each import operation.
- develop a plan to increase the product range by signing new contracts with new suppliers, as well as increasing the range of purchases from existing suppliers.
- increasing the volume of income in the markets by increasing assortment and by the market launch of new products.

The second section found a slight increase in the profitability of imports, which means a decrease in the cost of imports compared to the profit from import operations. This revealed a decrease in the volume of import costs in general and its reduction. An analysis of the structure and dynamics of import costs has shown an increase in overhead, which includes transport costs. From this, we can conclude that it is necessary to reduce the share of transport costs in the overall structure of the costs of import operations.

We note, that the calculation of the integral indicators, namely the induces of growth in the volume of deliveries and profitability showed a direct correlation between the volume of commodity lots and the profitability of the enterprise. Thus, based on the analysis, we can conclude that the logistics supply scheme needs to be revised. The most appropriate solution is to increase the volume of raw materials in each supply and reduce the number of deliveries per year.

Table 3.1

Problems and solutions

Problems and conclusions	Ways to solve
Increase in the share of overhead in the overall structure of import costs	Increase in the volume of goods in each delivery against the background of reduced imports and profitability
The direct relationship between the volume of a shipment per year	

Source: Developed by the author based on enterprise reporting

To make a new delivery schedule, consider the delivery schedule in 2018. As can be seen from the table 3.2, there were 10 deliveries in the year. At the same time, full trucks of up to 25 tons are used for water transportation, but freight services from the European Union are used for the transportation of coffee. The table does not indicate the supply of equipment, as they are not regular and we not planning to have a shipment of equipment in 2018.

The company fulfilled its planned obligations to suppliers for the 2018-2019 years to purchase equipment. In the future, company plans to purchase equipment only with previous order from client, to avoid risks.

Table 3.2

Delivery schedule of LLC SF GROUP

Date of delivery	Cargo weight, t	The contracted cost of cargo, thousand UAH	Transportation costs, thousand UAH
15.01.2019	3	1266	151,92
02.02.2019	2	913,56	109,6272
05.03.2019	12	5306,88	636,8256
15.04.2019	22	260,3	26,03
05.05.2019	2	844,45	135,112
15.07.2019	22	238,5	23,85
15.08.2019	10	4220	633
01.09.2019	5	2110	316,5
01.11.2019	22	258,3	25,83
15.12.2019	5	2311,8	211
total	105	17729,79	2269,6948

Source: company logistic documents

The delivery system must be reviewed. In order to optimize it, you might consider using 20 tonnes of coffee trucks, but twice per year. In this case, the annual weight of 39 tonnes will be loaded into two trucks. Then the delivery schedule will look something like this.

Table 3.3

The proposed delivery schedule of LLC SF GROUP

Date of delivery	Cargo weight, t	The contracted cost of cargo, thousand UAH	Transportation costs, thousand UAH
15.01.2019	19	7364,4	883,728
15.04.2019	22	260,3	26
15.07.2019	22	238,5	23,9
15.08.2019	20	9190,87	1102,9
01.11.2019	22	258,3	25,8
total	105	17312,4	2062,33

Source: Developed by the author

Comparing table 3.2 and table 3.3, we see that the contract price and the price of transportation have changed, since the price for transportation of

consolidated cargo is higher than if you load a full truck, the manufacturer also offers a discount on large volumes of purchases - 12% for loading from 20 tons at once.

In the proposed version of the supply plan, savings on the contract price are 2.35% - 416.6 thousand UAH, and the cost of transportation is reduced by 9.13% - by 2062.33 thousand UAH. In general, the costs of importing goods are reduced by 207 thousand UAH.

Any product stream moves in stages. Initially trading the company works with the supplier, who makes the order of the goods. This is one of the main links in the chain, which ensures timely and uninterrupted supply. The choice of the supplier is made by the whole set of criteria, the main of which is the acceptable price/quality ratio of the goods [24]. Successfully choosing a supplier can guarantee that it will make or deliver the required quantity of goods at the right time, as this delivery system requires a clear ordering. When calculating the order volume, you can use different methods, the most popular of which is ordering at regular intervals or when reaching a minimum stock. The ABC analysis is used to more accurately determine the volume of purchases [23].

It is also necessary to develop a supply system - it must be timely and inexpensive. This is just about changing the conditions of work with suppliers. Also, it is possible to enter into contracts with additional suppliers, if their terms suit us more [20]. It is necessary to keep in mind that each of the links in the supply chain works with its logistical component and only effective integration of them into the system will allow providing a constant and timely supply of the required quantity of production. This should be taken into account in the contracts with suppliers: to agree on the terms of shipment of raw materials from the moment of receipt of the order. Failure to do so will result in a shortage of raw materials leading to a reduction in service levels, or, conversely, an increase in warehousing costs or liquidity.

Optimization of commodity flow management is carried out at each structural stage of this process. With the right approach, the company significantly

increases its profits at the expense of profitable purchase of goods, as well as savings on its delivery [25].

Other terms and conditions must be reflected in the vendor agreement [26]:

- the possibility of a rapid increase in deliveries or their reduction without penalties,
- the availability of a logistics base that will allow deliveries at different frequencies,
- flexible pricing policy,
- willingness to enter into long-term agreements.

In determining the volume of the order should analyze the demand for each of the items and the need for insurance stock. This is done based on analysis when the product is broken down into demand and profitability groups.

Products that are in constant demand, as well as commodities, with low or episodic demand, do not require insurance stock [27]. Regular parties, and the latter - mainly under the order, import the former. There are many items in Class C goods that make up 80% of the total are in unstable demand, so insurance classes need to be created for this class [28].

For successful regular delivery, you must synchronize all logistic operations necessary for the successful delivery of the goods. Frequency and volume of delivery are discussed in the contracts between the supplier and our company [10]. Also, when concluding supply contracts with suppliers, you should pay attention to the possibility of the supplier to arrange deliveries independently and to fix this item in the contract.

Optimization of transportation costs is achieved by placing an adequate amount of insurance stock on them. There are several ways to do this. First of all, using ABC analysis to determine the optimal order volume. Product under this method is ordered at reducing inventory to critical levels. Automation of the ordering process will improve the accuracy of the calculations and significantly reduce the time [31].

The movement of goods is monitored by the Navy system [10]. This system allows you to automatically monitor the movement of goods, optimize loading and unloading processes, maximize the use of the equipment and reduce the cost of the fund remuneration.

We define the main activities of the project.

1. Search for a new logistic partner to supply products.

This area involves discussing the possibility of collaborating with other logistic company to supply goods from the EU [18].

3. Discussion with new and existing partners of logistic conditions. To do this, contact them, find out their working conditions, offer their favorable options.

4. Determining the level of service for each product category.

As revealed in the second section, each type of heading in the product range has different profitability and different level of sales.

It is suggested to enter (or save) the following types of service [16]:

- delivery of goods to the client;
- unloading of goods;
- postpay for delivery;

5. Put all the data on suppliers and goods in the database.

This work involves making information that the company works with and that affects the logistics system in the first place.

The development of a project to expand the range of goods includes both the possibility of purchasing new products, by signing new cooperation agreements with other brands, and the possibility of purchasing other positions from existing partner companies [20].

In the period of economic crisis, the formation of a balanced product range - an important factor in the profitability of the enterprise. Consumer needs are the main drivers of market development, they determine the products and services that provide the enterprise with the required level of competitiveness.

There are different types of product range:

1. By the degree of importance for the enterprise [21, p.56]:

a) the main range is the main component of the range, which brings in the vast majority of profits. The sale, first of all, of these goods, is the purpose of the enterprise;

b) the additional assortment complements the main form of non-traditional services provided by the company. For the most part, the additional range only sells products and services that guarantee a mandatory profit. The latter is achieved in cases where the consumer does not expect such goods to be available for sale (pleasant surprise, surprise).

2. Depending on the number of product groups in the assortment [22]:

a) wide range - consists of many product groups, which represents a large number of goods;

b) narrow assortment - consists of a few goods of several product groups.

Advantages and disadvantages of the above types of assortment are presented in table 3.4

Table 3.4

Advantages and disadvantages of different range type of assortment

	Advantages	Disadvantages
Wide range	<ul style="list-style-type: none"> - attracts different categories of buyers and increases their number; - increases the number of unplanned purchases; - allows you to manage your profits more efficiently by varying trading margins 	<ul style="list-style-type: none"> - additional space and equipment are needed; - the overall turnover of inventories slows down; - the complexity of accounting increases; - difficult to maintain
Narrow range	<ul style="list-style-type: none"> easier to maintain the stability of the range; the ability to concentrate on meeting the specific needs of customers; easier to keep track of and manage 	<ul style="list-style-type: none"> - high risk of lack of necessary profit while reducing demand for these product groups; - buyers may prefer sellers with a wide or specialized range.

Source: Developed by the author

For the consumer, the optimal range is a set of goods that meets the needs as much as possible, and for the manufacturer - a set of goods, the realization of which allows the company to achieve the most effective functioning.

One of the options to complement the existing range is to purchase products that are presented by companies with which the affiliated partner. Consider a plan to launch a new product - tonic drinks from the company MBG International, suppliers of mineral water Acqua Morelli. The company releases tonic water with 9 different tastes Goldberg. It is a premium product for the HoReCa market, presented in restaurants, bars and cafes. Uses alone as sparkling drinks with tonic effect and as part of alcoholic drinks.

Analysis of the market of tonic water shows that in Ukraine exist four brands of tonic water, which are used to prepare cocktails and to mix with alcohol – Fentimos, Franklin, Royal Club, Emmi. That means that the market is not competitive enough and in the last years HoReCa increase steadily, so we can conclude that good investments in marketing and sales operation can help to acquire part of the market.

Plan to market new product Goldberg:

1. Negotiations with the manufacturer to agree on the purchase of a new product
2. Reconciliation of price and terms of supply, marketing costs and volumes
3. Development of marketing plan and sales plan in the territory of Ukraine
4. Conducting negotiations with existing customers to expand the range in retail and in
5. Order trial delivery
6. Shipment to several customers of the goods
7. Market monitoring, sales tracking, reviews and reactions to new product
8. Full party order
9. Starting marketing activities

Reducing the costs of logistics and expanding the range of the enterprise reduces the risks of reducing the profitability of the business, expanding opportunities for market expansion. Adding a non-alcoholic beverage to the range makes it possible to sell a new product to existing restaurant customers in the first phase, who prefer to interact with one supplier for many products.

3.2. Forecast evaluation of the effectiveness of proposed measures for SF GROUP LLC

We will calculate the efficiency of import purchases based on the proposed logistic changes (Table 3.5). Based on the analysis, we will be able to evaluate how effective the import activity of the enterprise will be, the change in the structure of costs and revenues in connection with the change of the supply plan.

Table 3.5

Costs of import operations of LLC SF GROUP, thousand UAH

	2016	2017	2018	Forecast
Import value	203828,8	186025,7	16453,52	16453,52
Transportation costs	26586,36	24264,23	2269,69	2062,33
Customs	44310,6	40440,38	3545,958	3462,48
Total expenses for import	221553	202201,9	17729,79	17312,4

Source: Developed by the author based on enterprise reporting

We expect in the forecast to reduce the share of the costs of import operations in the total cost of production at the expense of transport costs. Net profit per monetary unit of import turnover (Table 3.6).

Table 3.6

Calculation of net profit per monetary unit of imported turnover of LLC SF GROUP, thousand UAH

	2016	2017	2018	Forecast
The amount of gross profit, thousand UAH	221553	202201,9	245530,8	245530,8
Total expenses for import, thousand UAH	157661	170817,8	177297,9	173120,4
Net income per monetary unit, UAH	1,41	1,18	1,38	1,42

Source: Developed by the author based on enterprise reporting

The effectiveness in the forecast: $245530,8 / 173120,4 = 1,42$

We note an increase in performance over the forecast period to 1,42 versus 1,38 in 2018. The profitability of imports in the forecast period is calculated as a ratio of profit to cost, multiplied by 100%.

Forecast: $39637,08/212757,5 * 100 = 22,9$. Calculation is provided in the table 3.7 per each year.

Table 3.7

Import performance of LLC SF GROUP, thousand UAH

	2016	2017	2018	Forecast
Total expenses for import, thousand uah	157661	170817,8	177297,9	173120,4
Cost of implementation of import goods, thousand uah	189193,2	204981,4	212757,5	212757,5
Revenue, thousand uah	31532,2	34163,56	35459,58	39637,08
Profitability, %	20	20	20	22,9

Source: Developed by the author based on enterprise reporting

In the forecast period, we expect the changing the structure of import revenue due to an increase in the profit share (Table 3.8).

Table 3.8

Costs of import operations of LLC SF GROUP, thousand UAH.

	2016	2017	Growth index, %	2018	Growth index, %	Forecast	Growth index, %
Import value	145048,1	157152,4	8,34	164529	4,7	164529	0,0
Transportation cost	18919,32	20498,14	8,34	22690,69	10,7	20620,33	-9,1
Customs expenses	31532,2	34163,56	8,34	35459,58	3,8	34624,08	-2,4
Total expenses for import goods	157661	170817,8	8,34	177297,9	3,8	173120,4	-2,4

Source: Developed by the author based on enterprise reporting

Calculate the index of an increase in transport costs in the forecast:

$20620,33/ 22690,69 * 100 - 100 = -9,1$

It will also affect the overall cost of import operations:

$$173120,4/177297,9 * 100 - 100 = -2,4$$

Thus, against the backdrop of maintaining revenue from imports, we expect a decrease in the index of growth in transport costs - it will be negative. Due to this, the overall costs will also be negative. Consider a change in transportation costs.

In the forecast TC = 20620,33 thousand UAH.

The index of increase of transport expenses was: $20620,33 / 22690,69 * 100 = 90,87\%$

The calculations show that in the case of reduced transport costs, an increase in profitability is expected.

In the previous paragraph, we propose to add in the existing shopping card a new brand of tonic water Goldberg.

For the purchase and sale of tonic water of Goldberg LLC "SF GROUP", we develop the content of this project, which includes the stages and time limits of its implementation (Table 3.9).

Table 3.9

Stages and time limits of project implementation of LLC SF GROUP

WBS	Stage	Duration of work, days	Previous work	Costs
CO1	Developing of project (trial order)	15	-	100000
CO2	Market analysis	15	CO1	25000
CO3	Order	40	CO2	1385200
CO4	Selling goods	260	CO3	2356500
CO5	Marketing activities	260	CO3	500000
CO6	Evaluation of results	10	CO4, CO5	45000
Total				2926500

Source: Developed by the author based on product presentation for Goldberg

Consider the payback period of the investment project on the understanding that the SF GROUP invests 2,9 million investments for a period of 1 year. Discount rate -10%. It includes a minimum guaranteed level of profitability;

inflation rate; a factor that takes into account the degree of risk of a particular investment. Such a low discount rate is because the investor of the project is the owner of the company SF GROUP. The discount rate for similar projects, previously implemented by SF GROUP LLC and funded by the owner, was unchanged at 10%.

To analyze the feasibility of the project, we also apply the method of assessing the effectiveness of the foreign trade agreement (Table 3.6-3.7), which assumes that the company that imports the goods, also carries out its retail implementation.

Using the main provisions of this methodology, it is possible to determine the maximum level of the purchase price of the goods, which will provide an average planned indicator of the effectiveness of the foreign trade agreement. Taking into account the average level of trade allowance for this group of goods and the possible selling price per unit of imported goods in the domestic market [42, p.52].

The following price can be determined by the formula:

$$P_i = P_d * \frac{100 - t}{t} \quad (3.1)$$

P_i – import price

P_d – possible price on the domestic market

t - the average level of trade allowance for a given group of goods, determined in the development of enterprise pricing policy.

$$P_i = 80 * (100-80)/100 = 17,2 \text{ UAH}$$

To calculate the performance evaluation of the transaction, a formal and productive procedure to measure an employee's work and results based on their job responsibilities. Using to gauge the amount of value added by an employee in terms of increased business revenue, in comparison to industry standards and overall employee return on investment (ROI).

In Table 3.10, we provide data of basic price, the price for sale, quantity, and level of expenses for the proposed operation of import purchase of tonic water GoldBerg.

Table 3.10

Data to calculate the performance evaluation of the transaction of LLC SF GROUP

Indicator	
Basic Price, UAH	17,2
Price sale, %	5%
Quantity, pc	90666
Evaluate level of add price, %	80%
Evaluate level of expenses, %	3%
Import expenses, %	7%
Expenses for delivery transport	2500

Source: Developed by the author based on enterprise reporting

In the table 3.11, we calculate main indicators to determine efficiency of proposed import purchase with a purpose to expand range of products, which LLC SF GROUP present on Ukrainian market.

Table 3.11

Performance evaluation of the agreement of LLC SF GROUP

Unit price including sale, UAH	16,34
Total cost of import, UAH	1481487
The amount of possible profit on import party, UAH	2666676,6
The amount of value added tax imported, UAH	533335,32
The total amount of sales of the imported batch is possible, UAH	4148163,6
Adjusted cost of import batch, %	1,16
The amount of possible transaction costs under the agreement, UAH	48118,7
Amount of possible carrying profit on the transaction, UAH	2085222,6
The amount of possible net profit on the transaction, UAH	1709882,5
Level of net profit under agreement on total value of import, %	115,41

Level of net profit under the agreement on the possible amount of sales of the import, %	64,12
The level of net profit on the transaction relative to the amount of possible costs of the transaction under the transaction, %	3553,47

Source: Developed by the author based on enterprise reporting

Thus, the import of tonic water is effective. After determining the expected effectiveness of a foreign trade agreement (or the maximum level of the purchase price). When clarifying the terms of the contract with the counterparty of the agreement, it is necessary to seek the possibility of improving previous commercial positions based on consideration of the terms of delivery of goods ("Incoterms 2020"), terms of payment for imported goods, etc.

To evaluate the impact of the project implementation on the net profit of SF GROUP LLC we will use the scenario method. The Saati method was chosen for this because it is based on the "causal" perspective of processes, which is the basis for the development of scenarios of the future and takes into account the estimation of both experts and mathematical calculations. As well as its main advantage is the high versatility - the method we use to solve various tasks [45].

The subject of the study is the net profit of SF GROUP LLC, as it most thoroughly reflects the state of the enterprise. Net profit is the profit that remains at the disposal of the enterprise after taxes and is a source of formation of consumption and accumulation funds [46]. Net income planning is based on the financial planning of the enterprise. Analyzing the impact of project results on net profit is necessary because profit is the purpose of the enterprise. For structuring, to begin with, we define the goal of the first level - to increase the net profit through the implementation of the proposed project and define the main evaluation criteria that can affect the main goal. In our case, the criteria are to reduce the cost, increase product turnover, marketing activity.

To evaluate the proposed scenarios, as well as to assess the significance of the criteria that influence changes in the volume of sales of finished products, experts of SF Group LLC were involved. Sufficient knowledge of an expert on the problem under study, a high level of erudition, and his ability to give clear and

comprehensive answers are important for effective application. Also, the expert should not be interested in one or another solution to the problem posed to him. We provide the evaluation of the importance of the criteria for achieving main objectives in table 3.12.

Table 3.12

Assessing the importance of criteria for increasing sales of LLC SF GROUP

Expert	Criteria		
	Product turnover	Cost of production	Marketing activity
1	10	8	10
2	9	9	8
3	9	8	9
4	10	9	8
5	10	8	9
Total	48	42	46
Everage	9,6	8,4	9,2

Source: Developed by the author based on survey of company experts

Note: The score is on a scale of 1 to 10, where 1- is not important, 10 is very important.

Experts estimate that all 3 criteria have a significant impact on net profit, but the most important is the turnover of products. That is, to increase the volume of sales, it is necessary to pay a lot of attention to marketing activity. The planning and implementation of projects take place in a context of uncertainty, which is caused by changes in the internal and external environment. Uncertainty means the lack of complete and reliable information about the project implementation conditions.

The uncertainty associated with the possibility of adverse conditions, situations and consequences occurring during the project is called risk. In a market economy, the risk is an inherent attribute of management. Uncertainty leads to the avoidance of risk. But this does not mean that we should look for solutions in which a well-known result is usually ineffective. It is necessary to learn to anticipate risk, to estimate its size, to plan measures for its prevention. Risk is a

complex economic and managerial category, in which a number of contradictions occur [48].

In our view, the main risks associated with this project are economic, marketing and consumer risks, which directly affect the activities and revenues of the enterprise, and can lead to reduced demand for products.

CONCLUSIONS TO PART 3

Thus, in the third section, a project to improve the efficiency of import activities was developed. The second section found a slight increase in the profitability of imports, which meant a reduction in import costs compared to the profit from import operations.

An analysis of the structure and dynamics of import costs has shown an increased overhead, which includes transportation costs. From this, we can conclude that the share of transport costs in the overall structure of the costs of import operations should be reduced. It should be noted that the profitability calculation showed a direct correlation between the volume of imported products and the profitability of the enterprise.

Thus, based on the analysis, we can conclude that the logistics supply scheme needs to be revised. The most appropriate solution to the problem is to increase the volume of the product in each delivery and reduce the number of deliveries per year.

The forecast is expected to reduce the share of costs of import operations in the total cost of production due to transport costs, reduce the cost of import operations by reducing transport costs. Thus, in the third section, a project to improve the efficiency of import activities. The second section identified a decrease in import profitability, which means an increase in import costs compared to the profit from import operations. At the same time, we detected a decrease in the volume of import costs. It also found a decrease in the share of import costs in the total cost of production.

An analysis of the structure and dynamics of import costs has shown an increased overhead, which includes transportation costs. So we can conclude that the share of transport costs in the overall structure of costs of import operations should be reduced. It should be noted that the profitability calculation showed a direct correlation between the volume of imported raw materials and the profitability of the enterprise.

Thus, based on the analysis, we can conclude that the logistics supply scheme needs to be revised. The most appropriate solution to the problem is to increase the volume of raw materials in each supply and reduce the number of deliveries per year.

This delivery system requires clear ordering. For this purpose, it is necessary to provide the enterprise with appropriate conditions for cooperation with suppliers. The main purpose of reviewing the terms of cooperation with suppliers is to effectively manage inventories while reducing supply and maintaining their tonnage volume.

The forecast is expected to reduce the cost of import operations by reducing transport costs.

For improving a range of goods, we developed a project of import purchases of new product – tonic water GoldBerg, from existed partner company. The proposed project for implementation for 1 year, the amount of investment for the implementation of this project is 2.9 million UAH. The profitability ratio is 115% and the advantage of this project is that the new product can be sold together with other goods for restaurants and separately in retail.

CONCLUSIONS AND PROPOSITIONS

Import operations are operations that bring into the domestic market goods purchased from another country. Taking into account the main criteria for the effectiveness of commercial transactions and the specifics of the content and performance of the import contract, the most common factors. For its effectiveness can be considered the following: the degree of market efficiency of the importing company; essential conditions of the contract of sale and purchase of imported goods; limiting factors that cause the contract budget.

The analysis of import operations is carried out with the following objectives: to assess the level of efficiency of import operations, to identify the factors that affect the efficiency of import operations and to assess the level of their impact; to predict the further development of import operations

The main areas of analysis of import operations include a cost analysis of the organization of import operations; income from the organization of import operations; analysis of the structure and dynamics of import operations; factors affecting the effectiveness of import operations.

The analysis of the efficiency of import activity is calculated by evaluating the economic efficiency and by calculating the integral index. Factor analysis is needed to assess the impact of various factors on imports and their effectiveness. As factors we consider inflation, the dollar, impact of import volume on company profits, impact of import volume on transportation costs.

The second section analyzes the import activity of the enterprises of LLC «SF GROUP». The main activity of the enterprise - wholesale and retail trade of coffee, tea, mineral water, and coffee brewing equipment. Analysis of the dynamics of the financial results of SF GROUP LLC shows, that in 2018, revenue increased by 21,4%, which in monetary terms is UAH 43 328,9 thousand. However, as the price of production also increased by 20,8%, the company's net

income in 2018 increased by 6,5%, or 38 thousand UAH and amounted to 624,3 thousand USD.

The analysis showed that all the analyzed factors: inflation, dollar exchange rate, purchase volumes affect the profitability level of import operations efficiency and profit of the company as a whole. The main problem of import operations in the company is the decline in imports, as well as a slight increase in the profitability of import operations.

The second section found a slight increase in the profitability of imports, which means a slight decrease in the cost of imports compared to the profit from import operations. At the same time, a decrease in the volume of import costs was detected. An analysis of the structure and dynamics of import costs has shown an increase in overhead, which includes transport costs. From here it can be concluded that the share of transport costs in the overall structure of costs of import operations should be reduced. It should be noted that the calculation of the integral indicator showed a direct relationship between the volume of importation of imported products and the profitability of the enterprise. Thus, based on the analysis, we can conclude that the logistics supply scheme needs to be revised.

In the third section, we developed a project to improve the efficiency of import activities. The most appropriate solution to the problem is to increase the volume of raw materials in each supply and reduce the number of deliveries per year. This delivery system requires a clear assembly order. The main purpose of the software installation is to manage effectively the inventory while reducing the number of deliveries and maintaining their tonnage volume.

The forecast is expected to reduce the share of the costs of import operations in the total cost of production due to transport costs, reducing the cost of import operations by reducing transport costs.

REFERENCES

1. International Tea Committee / Web summary// [Electronic resource]. - Access mode: <https://inttea.com/web-summary/>
2. Value of the global tea market from 2014 to 2018 (in billion U.S. dollars)/ Statista/ [Electronic resource]. - Access mode: <https://www.statista.com/statistics/326384/global-tea-beverage-market-size/>
3. Coffee: World Markets and Trade/ United States Department of Agriculture/ [Electronic resource]. - Access mode: <https://apps.fas.usda.gov/psdonline/circulars/coffee.pdf>
4. Coffee Producing Countries 2019/ World Population Review/ [Electronic resource]. - Access mode: <http://worldpopulationreview.com/countries/coffee-producing-countries/>
5. International Coffee Organization/ [Electronic resource]. - Access mode: http://www.ico.org/show_news.asp?id=688
6. Coffee export volumes worldwide in January 2019, by leading countries (in 1,000 60-kilo sacks)/ [Electronic resource]. - Access mode: <https://www.statista.com/statistics/268135/ranking-of-coffee-exporting-countries/>
7. Coffee Imports by Country/World's Top Exports [Electronic resource]. - Access mode: <http://www.worldstopexports.com/coffee-imports-by-country/>
8. SF GROUP LLC [Electronic resource]. - Access mode: <http://sf-group.com.ua/>
9. Konovalenko V.M. Management of purchasing activity of a retail trade enterprise: author's abstract for the sciences. degree of Cand. econom. Sciences. Kyiv: KNUTE, 2009. 24 p.
10. Matvienko-Bilyaeva G.L., Chumak G.M. Logistic: synopsis of lectures in schemes for students. Kharkiv. : KhNEU them. S. Kuznetsya. 2015. 127 p.

11. Ligonenko L.O. Management of Purchasing Activity at Trade Enterprises: Conceptual Solutions / Science and Economy. 2015. Vol. 1.
12. Nikolaenko I.V. Procurement Marketing. Lecture notes for students of the 6.030507 "Marketing" and 6.030510 "Commodity and Trade Entrepreneurship" courses of full-time and correspondence forms of education, including retraining of specialists in the specialty 7.03050701 "Marketing" Kyiv .: NUKHT, 2016. 50 p.
13. Analysis of the influence of external and internal environmental factors on business performance: a study on micro small and medium enterprises (msmes) of food and beverage [Electronic resource]. - Access mode: https://www.researchgate.net/publication/318214243_analysis_of_the_influence_of_external_and_internal_environmental_factors_on_business_performance_a_study_on_micro_small_and_medium_enterprises_msmes_of_food_and_beverage
14. How external factors can affect procurement // Achilles: Supplier Information & Supply Chain Management. 2014. [Electronic resource]. - Access mode: <http://www.achilles.com/en/about-achilles/industry-insights/1308-how-external-factors-can-affect-procurement>
15. Apopiy V.V. Trade organization / [Electronic resource]. - Access mode: <http://webstudents.com.ua/knigi/285-organzatsya-torgvl-apopy-vv.html>
16. Savoschenko A.S. Infrastructure of product market. Kyiv.: KNEU, 2015. 333 p.
17. Larina Y.S., Ryanchyk A.V. Behaviour of costumers. Kyiv.: Center of study literature, 2018. 176 p.
18. Abramovich I.A. Product variety of enterprise: meanings and source to form it/ scientific bulletin of Uzhgorod National University. International economic relationships and world productivity. Uzhgorod, 2017.
19. Voynarenko M.P. Marketing. Kyiv: National academy of management 2018. 213 p.
20. Yermoshenko M.M., Erohin S.A., Bazyluk A.V. Marketing: studybook. Kyiv: National academy of management, 2015.631p

21. Kardash V.Y., Pavlenko I.A., Shafaluik O.K. Product innovation politics: studybook. Kyiv. :KNEU, 2018. 226 p
22. Branch A. International Purchasing and Management., Cengage Learning EMEA, 2017, 352p
23. Goedhart M. The six types of successful acquisitions/ M. Goedhart, T. Koller, D. Wessels// McKinsey&Company. - May,2017 [Electronic resource]. - Access mode: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/the-six-types-of-successful-acquisitions>.
24. Gorelov D. Enterprise import strategy/ D. Gorelov, S. Bolshenko// Kharkiv National Academy of Public Administration [Electronic resource]. - Access mode: <http://buklib.net/books/36600/>.
25. Pralea S. References of The New Theory Of Trade And Economic Growth. CES Working Papers, 4(4), 2016. P. 824-836.
26. Grynko P.O. Diagnostics of environmental factors that influence the development of export/import activities of enterprises. 2018.
27. Andrishin, V.P. Factors of efficiency of export activity of the enterprise. 2018: Naukovui visnik Hersonskogo derzhavnogo universitetu, 2018. 5(2)
28. Grinko, P.O. (2017) A meaningful filling of the diagnostics of the export-import activity of the enterprise. Materialu mizhnarodnoi naykovoii konferentsii "Ekomicnuyi rozvitok I spadshina Semena Kuzneta" Khakiv. 2017. KhNEU im. Semena Kuzneta, pp.47-50.
29. Rohanova, H.O., "Factors of influence on the security production and trading enterprises working capital", available at: www.rusnauka.com/12_KPSN_2013/Economics/10_135036.doc.htm (access February 26, 2016).
30. Kulakova, S.Yu. and Lozovskyi, D.M., "Methodological aspects managing circulating assets of the enterprise", Efektyvna ekonomika, no. 11, available at: www.economy.nayka.com.ua/?op=1&z=2516 (access February 26, 2016).

31. Horielov, D.O. and Bolshenko, S.F. *Stratehiia pidpryemstva* [Enterprise strategy], tutorial, KhNADU, Kharkiv. 2017.
32. Bielova, O.I. Determinants of the motivational mechanism of strategic management in retail chains: classification and features, *Innovative economy*. 2016. Ser.: *Marketynh v rynkovi vidnosyny*, no. 6(44), pp. 235-241.
33. Minina, I.O. The indicators in the system of strategic cost management. 2018. *Visnyk sotsialno- ekonomichnykh doslidzhen*, no. 4(47), pp. 224-228.
34. Niemtsov V.D., Dovhan L.Ye. *Stratehichniy menedzhment*. – K.: TOV "UVPK EksOb, 2019. – 560 s.
35. Mischenko A. O. The system of indicators of the competitive advantages of a trading company. *Herald of KNUTE*. Kyiv: KNUTE, 2015, № 4. P. 45–53.
36. Skybytsiy O. M. *Strategic management: scientific publication*. Kyiv: CSL, 2016. 312 p.
37. Barabash N. S., Nykonovych M. O., Mischenko A. O. Algorithmization of the complex analysis of the activity of the trade enterprise on the criteria of its management quality. *Problems and prospects of economy and management*. Chernigiv : ChNUT, 2015, № 3. P. 107–111.
38. Shumilo, O.S. (2014), “The dynamics of modern development of retail enterprises in Ukraine” [“Dynamika suchasnoho rozvytku pidpryemstv rozdribnoi torhivli v Ukraini”], *Business Inform*, No. 11, pp. 171-176.
39. Frolova, L.V. *Lohistychne upravlinnia torhovelnyh pidpryemstvom: teoriia ta metodolohiia: avtoref. dys. dokt. ekon. nauk: spets*. 2015. 39 p.
40. Piddubna, L.I. *International Competitiveness of Enterprise: Theory and Mechanism of Provision: monograph* [“Mizhnarodna konkurentospromozhnist pidpryemstva: teoriia ta mekhanizm zabezpechennia”], VD «INZhEK», Kharkiv. 2017. 400 p.
41. Vynohradova O. V. *Reengineering of the trading enterprises: theory and methodology: dissertation, Ph. D. in Economics*, 2016.

42. Baldin V. V. Statistical analysis and forecasting of the pharmaceutical trading company activities : Dis. cand. econ. sciences / Baldin Victor Victorovich. Kyiv 2015.
43. Bautov A. N. Formation and calculation of the optimal assortment for random demand. 2018..
44. Bezpartochnyi M. Methodological tools for assessing suppliers of trade enterprises. Formation strategy of economic structures: the tools and practices: [Collective monograph] / edited by A. Berezin, M. Bezpartochnyi. Riga: «Landmark» SIA, 2016.
45. Lisak G.G. Comprehensive assessment of commercial activity at a wholesale company. Current Trends in Economics and Management: A New Look: Materials VIII International. Research Practice Conf. (Zaporozhye, August 14-15, 2015). Zaporizhzhia, 2015.
46. Sidorova T.O., Lisak G.G. Financial analysis as a tool for supporting managerial decision making. Economic strategy and prospects for development of trade and services, 2015.
47. Frolova L.V., Semerun L.V. Efficiency of managing financial results of trading enterprises: a monograph. Kyiv, 2016.
48. Yancheva L.M., Chernikova I.B., Kuznetsova S.O .Accounting system of profit management of trading enterprises: a monograph. Kharkiv, 2017.
49. Ponomareva Y.V. Formation of effective purchasing policy of retailers: author. diss. ... Cand. econom. Sciences: 08.07.05. Kharkiv, 2018.

APPENDIXES

Appendix A

Export of green coffee among regions 2012-2018, million kg

Region	2012	2013	2014	2015	2016	2017	2018	2018 to 2012 in %
Africa	675,4	563,3	683,5	737,1	704,5	719,8	625,3	92,58
North America	48,8	76	61,6	50,6	62,8	54,5	55,5	113,8
Central America	797,2	895,5	978	858,1	744,8	761,1	796,6	99,92
South America	2456	2559,1	2197,5	2495,9	2800,1	2901,3	2804,4	114,15
Asia	1921	1937,3	2485,8	2204,4	2088,5	2040,4	2182,9	113,62
Europe	619,1	627,7	643,9	568,1	559,3	589,6	639,8	103,35
other	63,2	69,1	69,6	51,8	53,5	45,5	58,5	92,67
Total in world	6581,9	6727,9	7119,8	6966	7013,6	7112,1	7163,2	108,83

Appendix B

Structure of export of green coffee worldwide, million kg

Region	2010	2011	2012	2013	2014	2015	2016	2016 to 2010 in %
Africa	10,26	8,37	9,6	10,58	10,05	10,12	8,73	-1,53
North America	0,74	1,13	0,86	0,73	0,9	0,77	0,77	0,03
Central America	12,11	13,31	13,74	12,32	10,62	10,7	11,12	-0,99
South America	37,33	38,04	30,86	35,83	39,92	40,79	39,15	1,82
Asia	29,19	28,79	34,91	31,65	29,78	28,69	30,47	1,28
Europe	9,41	9,33	9,04	8,16	7,98	8,29	8,93	-0,48
other	0,96	1,03	0,98	0,74	0,76	0,64	0,82	-0,14
Total in world	100	100	100	100	100	100	100	

Appendix C

Export of coffee extract worldwide, tonns

Region	2010	2011	2012	2013	2014	2015	2016	2016 to 2010 in %
Africa	13531	17414	16850	15104	15443	15863	18662	137,92
North America	32705	34344	41750	44054	43220	36929	44554	136,23
Central America	21137	23032	20072	2529	25022	22474	18537	87,7
South America	126511	134140	126532	130449	126965	124350	136841	108,17
Asia	397818	343381	402916	377882	452360	457452	532761	173,08
Europe	277099	397206	322301	330434	339263	336471	394992	142,55
other	3287	3192	3103	4683	5892	5691	6247	190,05
Total in	782088	862709	933524	905135	1008165	999230	1152594	147,37

world								
-------	--	--	--	--	--	--	--	--

Appendix D

Structure of export of coffee extract, %

Region	2010	2011	2012	2013	2014	2015	2016	2016 to 2010 in %
Africa	1,73	2,02	1,8	1,67	1,53	1,59	1,62	-0,11
North America	4,18	3,98	4,47	4,87	4,29	3,7	3,87	-0,31
Central America	2,7	2,67	2,15	0,28	2,48	2,25	1,61	-1,09
South America	16,18	15,55	13,55	14,41	12,59	12,44	11,87	-4,31
Asia	39,39	39,8	43,16	41,75	44,87	45,78	46,22	6,86
Europe	35,43	35,61	34,53	36,51	33,65	33,67	34,27	-1,16
other	0,42	0,37	0,33	0,52	0,58	0,57	0,54	0,12
Total in world	100	100	100	100	100	100	100	

Appendix E

Export of roasted coffee worldwide, millions USD

Region	2010	2011	2012	2013	2014	2015	2016	2016 to 2010 in %
Africa	9,6	33,2	10,2	14,5	18,8	20,3	16,3	169,8
North America	859,1	1238,2	1306,8	1209,4	1168	1196,4	1224,1	142,5
Central America	29,1	50,1	33,7	41	40,1	50	47,9	164,7
South America	48,2	62,5	62,6	54,4	54,4	57,8	54,9	114
Asia	68,8	85,8	128,5	132,8	141,2	204,6	731,3	1062,6
Europe	5143,8	7108,8	7202,1	7897,1	8631,8	8351,2	8496,6	165,2
other	23,3	23,4	41,4	24,8	21,2	20,9	26	111,4
Total in world	6182	8602	8785,3	9374	10075,3	9901,4	19597,2	171,4

Enterprise report Financial Statement

Фінансові результати

Стаття	Код рядка	2014	2015	2016	2017	2018
1	2	3	4	5	6	7
Доход (виручка) від реалізації продукції (товарів, робіт, послуг)	10	183379,4	197182,2	221553	202201,9	245530,8
Податок на додану вартість	15	(25872,3)	(27819,7)	(31258,1)	(31384,1)	(39170,4)
Акцизний збір	20	(0)	(0)	(0)	(0)	(0)
	25	(0)	(0)	(0)	(0)	(0)
Інші вирахування з доходу	30	(0)	(0)	(0)	(0)	(0)
Чистий доход (виручка) від реалізації продукції (товарів, робіт, послуг)	35	157507,2	169362,6	190295	170817,8	206360,4
Собівартість реалізованої продукції (товарів, робіт, послуг)	40	130496,0	140318,3	157661	142790,4	162900,1
Валовий:						
прибуток	50	27011,1	29044,2	32633,9	28027,4	43460,3
збиток	55	(0)	(0)		(0)	(0)
Інші операційні доходи	60	2629,8	2827,7	3177,2	2839,6	3101,8
Адміністративні витрати	70	(5647,4)	(6072,5)	(6823)	(7026,9)	(1766,6)
Витрати на збут	80	(18357,5)	(19739,2)	(22178,9)	(21292,6)	(2556,5)
Інші операційні витрати	90	(2979,0)	(3203,2)	(3599,1)	(433,8)	(286,8)
Фінансові результати від операційної діяльності:						
прибуток	100	2657,0	2857,0	3210,1	1586,3	1624,3
збиток	105	0	0	0	0	0
Доход від участі в капіталі	110	1165,9	1253,7	1408,6	1986,1	642
Інші фінансові доходи	120	8,3	8,9	10	7,3	132,3
Інші доходи	130	3388,7	3643,7	4094,1	6010,7	2328,3
Фінансові витрати	140	(1576,0)	(1694,6)	(1904,1)	(2632,8)	(429,7)
Втрати від участі в капіталі	150	(662,2)	(712,0)	(800)	(268,1)	(24,2)
Інші витрати	160	(2615,4)	(2812,3)	(3159,9)	(4956,5)	(2584,2)
Фінансові результати від звичайної діяльності до оподаткування:						
прибуток	170	2366,2	2544,3	2858,8	1439,6	1470,3
збиток	175	(0)	(0)	(0)	(0)	(0)
Податок на прибуток від звичайної діяльності	180	766,0	823,7	925,5	96,5	79,7
Дохід з податку на прибуток від звичайної діяльності	185	1600,2	1720,6	1933,3	0	0

Фінансові результати від звичайної діяльності:						
прибуток	190	0	0	0	0	0
збиток	195	0	0	0	(343.1)	(177)
Надзвичайні:		0	0			
доходи	200	0	0	0	0	0
витрати	205	0	0	0	(0)	(0)
Податки з надзвичайного прибутку	210	0	0	0	0	0
Чистий:						
прибуток	220	1600,2	1720,637	1933,3	1343,1	1420
збиток	225	0	0	0	0	0
II. ЕЛЕМЕНТИ ОПЕРАЦІЙНИХ ВИТРАТ						
Найменування показника	Код рядка	2014	2015	2016	2017	2018
1	2	3	4	5	6	7
Матеріальні затрати	230	781,6	840,4	944,3	768,7	895,6
Витрати на оплату праці	240	5670,7	6097,5	6851,1	6537,4	6612
Відрахування на соціальні заходи	250	2104,9	2263,4	2543,1	2418,8	2890,1
Амортизація	260	1393,8	1498,8	1684	1961,1	1198,7
Інші операційні витрати	270	17032,8	18314,9	20578,5	17067,3	19140,4
Разом	280	26983,8	29014,9	32601	28753,3	30736,8
III. РОЗРАХУНОК ПОКАЗНИКІВ ПРИБУТКОВОСТІ АКЦІЙ						
Назва статті	Код рядка	2014	2015	2016	2017	2018
1	2	3	4	5	6	7
Середньорічна кількість простих акцій	300	0	0	0	0	0
Скоригована середньорічна кількість простих акцій	310	0	0	0	0	0
Чистий прибуток, (збиток) на одну просту акцію	320	0	0	0	0	0
Скоригований чистий прибуток, (збиток) на одну просту акцію	330	0	0	0	0	0
Дивіденди на одну просту акцію	340	0	0	0	0	0



Баланс

Актив	Код рядка	2014	2015	2016	2017	2018
1	2	3	4	5	6	7
I. Необоротні активи						
Нематеріальні активи:						
залишкова вартість	10	4,1	6,3	7,2	43,7	87
первісна вартість	11	207,4	319,0	366,7	358	309,6
накопичена амортизація	12	203,3	312,8	359,5	314,3	222,6
Незавершене будівництво	20	0,0	0,0	0	1477,1	0
Основні засоби:						
залишкова вартість	30	1991,8	3064,3	3522,2	5703,3	7868,6
первісна вартість	31	3085,9	4747,5	5456,9	7938,2	9560,3
знос	32	1094,1	1683,2	1934,7	2234,9	1691,7
Довгострокові фінансові інвестиції:						
які обліковуються за методом участі в капіталі інших підприємств	40	303,6	467,0	536,8	814,1	998,9
інші фінансові інвестиції	45	0,0	0,0	0	0	0
Довгострокова дебіторська заборгованість	50	0,0	0,0	0	0	77,6
Відстрочені податкові активи	60	242,3	372,8	428,5	302,8	312,1
Інші необоротні активи	70	0,0	0,0	0	0	0
Усього за розділом I	80	2541,8	3910,4	4494,7	8341	9344
II. Оборотні активи						
Запаси:						
виробничі запаси	100	4,3	6,6	7,6	199,6	317,3
тварини на вирощуванні відгодівлі	110	0,0	0,0	0	0	0
незавершене виробництво	120	0,0	0,0	0	8,2	0
готова продукція	130	0,0	0,0	0	0	0
товари	140	296,6	456,3	524,5	4326,1	7517,1
Векселі одержані	150	103,4	159,1	182,9	182,9	2152,3
Дебіторська заборгованість за товари, роботи, послуги:						
чиста реалізаційна вартість	160	1,0	1,5	1,7	3746,8	1084,5
первісна вартість	161	11,6	17,8	20,5	3844,5	1235
резерв сумнівних боргів	162	10,6	16,4	18,8	97,7	150,5
Дебіторська заборгованість за розрахунками:						
з бюджетом	170	38,7	59,5	68,4	426,4	735,5

за виданими авансами	180	28,6	44,0	50,6	462,8	1544,3
з нарахованих доходів	190	66,2	101,9	117,1	609,7	770,1
із внутрішніх розрахунків	200	1991,1	3063,3	3521	248,8	534
Інша поточна дебіторська заборгованість	210	147,0	226,1	259,9	585,5	938,8
Поточні фінансові інвестиції	220	696,1	1071,0	1231	0	0
Грошові кошти та їх еквіваленти:						
в національній валюті	230	97,5	150,1	172,5	668,9	2480,1
в іноземній валюті	240	0,0	0,0	0	0	0
Інші оборотні активи	250	11,1	17,1	19,7	0	0
Усього за розділом II	260	3481,7	5356,5	6156,9	11465,7	32074
III. Витрати майбутніх періодів	270	0,6	0,9	1	30,3	78,9
Баланс	280	6024,0	9267,8	10652,6	19837	26333,3
Пасив	Код рядка	2014	2015	2016	2017	2018
1	2	3	4	5	6	7
I. Власний капітал						
Статутний капітал	300	2827,5	4350,0	5000	5000	5000
Пайовий капітал	310	0,0	0,0	0	0	0
Додатковий вкладений капітал	320	0,0	0,0	0	0	0
Інший додатковий капітал	330	835,3	1285,1	1477,1	1153,9	0
Резервний капітал	340	99,0	152,3	175	175	175
Нерозподілений прибуток (непокритий збиток)	350	355,3	546,6	628,3	542,9	1825,1
Неоплачений капітал	360	0,0	0,0	0	0	1930,5
Вилучений капітал	370	0,0	0,0	0	0	0
Усього за розділом I	380	4117,1	6333,9	7280,4	6871,8	5069,6
Частка меншості	385	0,0	0,0	0	0	0
II. Забезпечення наступних витрат і платежів						
Забезпечення виплат персоналу	400	25,9	39,8	45,8	0	0
Інші забезпечення	410	0,0	0,0	0	0	0
Вписуваний рядок - сума страхових резервів	415	0,0	0,0	0	0	0
Вписуваний рядок - сума часток перестраховиків у	416	0,0	0,0	0	0	0

страхових резервах						
Цільове фінансування	420	0,0	0,0	0	0	0
Усього за розділом II	430	25,9	39,8	45,8	0	0
III. Довгострокові зобов'язання						
Довгострокові кредити банків	440	0	0	0	1143	2771,5
Інші довгострокові фінансові зобов'язання	450	21,3	32,7	37,6	2897,9	12385,2
Відстрочені податкові зобов'язання	460	0,0	0,0	0	0	0
Інші довгострокові зобов'язання	470	0,0	0,0	0	0	0
Усього за розділом III	480	21,3	32,7	37,6	4040,9	15156,7
IV. Поточні зобов'язання						
Короткострокові кредити банків	500	0,0	0,0	0	0	3388,4
Поточна заборгованість за довгостроковими зобов'язаннями	510	235,9	363,0	417,2	0	0
Векселі видані	520	0,0	0,0	0	0	0
Кредиторська заборгованість за товари, роботи, послуги	530	245,1	377,1	433,4	8447	17482,1
Поточні зобов'язання за розрахунками:						
з одержаних авансів	540	11,1	17,1	19,6	38,6	544,1
з бюджетом	550	38,8	59,7	68,6	285,8	304,6
з позабюджетних платежів	560	0	59,7	0	0	0
зі страхування	570	0,0	0,0	47,7	40,5	121,1
з оплати праці	580	0,0	0,0	70,2	86,9	304,1
з учасниками	590	27,0	41,5	100	0	3729,2
із внутрішніх розрахунків	600	39,7	61,1	70,2	6	20,5
Інші поточні зобов'язання	610	56,6	87,0	4,2	19,5	212,9
Усього за розділом IV	620	1203,3	1851,3	2127,9	8924,3	26107
V. Доходи майбутніх періодів	630	2,4	3,7	0	0	0
Баланс	640	1859,8	2861,3	3288,8	19837	46333,3



Pro-forma Invoice MBG Ltd.

SF-Group LLC
str. A. Filatova, 10-a of 2/53
01042 Kiev
Ukraine

Tel.-Nr.: +380679133300

Page 1 of 2

: 01.10.2019

Proforma Invoice

AU2015206

Invoice date:

01.10.2019

Account-no.: 0014754

VAT-ID: 418622326559

Item	Qty.	Unit	Price	Total EUR
Delivery Note: LS2012342 01.10.2019 Order: AU2015206 Route LU von Lager Calizzano collected by: 0014754 SF-Group LLC Kiev, str. A. Filatova, 10-a of 2/53				
Your order no: OOT ID 2894 + 2893				
000505	Add. charges/products	22 pcs.	8,1000/pc	178,20
002916	Acqua Morelli (20x 0,5l) Non Sparkling EW - UK/ES	392 cases	8,6100/ca	3.375,12
Country of Origin: Italien HS-Code: 22011011				
weight net: 3920,00 gross: 6938,40 Country of Origin: Italien				
002917	Acqua Morelli - Non Sparkling (6 x 1,00l) PET - EW	105 6-pack	2,3900/6-	250,95
Country of Origin: Italien HS-Code: 22011011				
weight net: 630,00 gross: 651,00 Country of Origin: Italien				
002922	Acqua Morelli - Non Sparkling (12 x 0,5l) PET - EW	252 tray	2,8900/tr	728,28
Country of Origin: Italien HS-Code: 22011011				
weight net: 1512,00 gross: 1612,80 Country of Origin: Italien				
002940	Acqua Morelli - Non Sparkling (12 x 0,75l)EW-UK/ES	60 cases	7,1600/ca	429,60
Country of Origin: Italien HS-Code: 22011011				
weight net: 540,00 gross: 912,00 Country of Origin: Italien				
002950	Acqua Morelli (24 x 0,25l) EW -UK/ES	260 cases	7,7200/ca	2.161,60
Country of Origin: Italien HS-Code: 22011019				
weight net: 1680,00 gross: 3304,00 Country of Origin: Italien				
002960	Acqua Morelli - Non Sparkling (24 x 0,25l)EW-UK/ES	420 cases	7,7200/ca	3.242,40
Country of Origin: Italien HS-Code: 22011011				
weight net: 2520,00 gross: 4956,00 Country of Origin: Italien				

SF-Group LLC
str. A. Filatova, 10-a of 2/53
01042 Kiev
Ukraine

Page 2 of 2 : 01.10.2019
Proforma Invoice **AU2015206**
Invoice date: **01.10.2019**
Account-no.: 0014754
VAT-ID: 418622326559

Tel.-Nr.: +380679133300

Item		Qty.	Unit	Price	Total EUR
002904	Acqua Morelli (20x 0,5l) Sparkling EW - UK/ES	56	cases	8,6100/ca	482,16
	Country of Origin: Italien HS-Code: 22011019				
	weight net: 560,00 gross: 991,20 Country of Origin: Italien				

Pick up location:

Steuerfreie Ausfuhrlieferung/ Tax free export

Registration ID: 41862230

Additional Contract number : 15/10/18

Merchandise Value:	10.848,31
+ VAT 0% of 10.848,31	0,00
Total amount:	10.848,31

Vorkasse

The invoice is due 01.10.2019

BANK DETAILS:

Commerzbank

SWIFT/BIC: COBADEFFXXX

SEPA/IBAN: DE46 4724 0047 0620 1412 00

Appendix J

Pro-forma Invoice Segafredo Zanetti



NS. RIFERIM. - Our ref.		R19/000150		CLIENTE - Customer		CX610292					
PARTITA IVA CLIENTE - Customer VAT Code				SF GROUP LLC							
MERCE RESA - Delivery		Ex Works		STR. A.FILATOVA 10-A, OF.2/53							
SPEDIZIONE A MEZZO - Dispatched by				01042 KIEV - UKRAINE		UCRAINA					
PAGAMENTO - Payment terms		Bank Transfer Advance Payment									
BANCA - Bank		CARISBO-IBAN IT15 C 06385 37000 07400000570K Swift: IBSPT2B		FATTURA N. - Invoice No.		DATA - Date					
				19/0000000		19/03/19					
				PROFORMA INVOICE		PAGINA - Page					
						1 / 1					
CODICE DOG. Customs Code	CODICE ARTICOLO Item Code	DESCRIZIONE Description	U.M. Unit	QUANTITA' Quantity	PREZZO UNITARIO Unit Price	IMPORTO Amount	AL.				
Order	N. 0C19002735	Vs.Rif CLAIM del 13/03/19									
	22A	CAFFE' TERRAMIA GRANI 1KG TOSTATURA CHIA	N	576	6,60	3.801,60					
	22B	CAFFE' TOSTATO SZ 100% PERU' GRANI 1KG T	N	576	8,20	4.723,20					
Net prices ref. offer dd 11.01.18											
NON IMPONIBILE IVA ART.8											
No V.A.T. - Art. 8 and 9 DPR 633/72											
The exporter of the products covered by this document (customs authorisation n. IT/004/BO/15) declares that, except where otherwise clearly indicated, these products are of European Union preferential origin.											
The Company Segafredo Zanetti S.p.A. adopts the Code of Ethics D.Lgs.231/01 available on the website www.segafredo.it											
MARCHÉ - Marks		NUMERO COLLI - No. of Cases		TARA PALLET - Pallet Tare		PESO NETTO MERCE - Goods Net W.		PESO LORDO MERCE - Goods Gross W			
IMPORTO TOTALE - Total Amount		SCONTO - Discount		NETTO TOT. - Total Net Amount		SPESE TRASPORTO - Transport Charges		SPESE IMBALLO - Packing Charges		VALORE DOGANALE - Customs Value	
8.524,80				8.524,80							
N.I. ART.8											
8.524,80											
IMPONIBILE		%IVA		IMPOSTA		IMPONIBILE		%IVA		IMPOSTA	
										TOTALE - Grand Total S.E.&O.	
SCADENZE / Date of Payment										EUR 8.524,80	
ANNOVAZIONI/VARIAZIONI											



Segafredo Zanetti S.p.A. a socio unico (Direzione e coordinamento Massimo Zanetti Beverage Group S.p.A.)
Via G. Puccini, 1 - 40067 Sesto di Rastignano (Bologna) Italia Telefono (+39) 051.6202.111 Fax (+39) 051.742.898 - 051.742.464
Codice fiscale e n° iscrizione Reg. delle imprese Bo 00895860377 Partita IVA IT00526881206
Capitale sociale € 38.800.000 int. vers. R.E.A. n° 140533 Mecc. Bo 014622 www.segafredo.it E-mail: info@segafredo.it

Appendix K

Pro-forma invoice MBG Ltd.

SF-Group LLC
str. A. Filatova, 10-a of 2/53
01042 Kiev
Ukraine

Tel.-Nr.: +380679133300

Page 1 of 3

: 23.10.2018

Proforma Invoice

AU2012978

Invoice date:

01.11.2018

Account-no.: 0014754

VAT-ID: 418622326559

Item	Qty.	Unit	Price	Total EUR
Delivery Note: LS2010280 01.11.2018 Order: AU2012978 Route LU von Lager Calizzano collected by: 0014754 SF-Group LLC Kiev, str. A. Filatova, 10-a of 2/53				
Registration ID: 41862230				
000163	treated europallets	24	EURO-Pa	
002922	Acqua Morelli - Non Sparkling (12 x 0,5l) PET - EW	630	tray	2,8900/tr 1.820,70
Country of Origin: Italien HS-Code: 22011011				
weight net: 3780,00 brutto: 4032,00 Country of Origin: Italien				
002960	Acqua Morelli - Non Sparkling (24 x 0,25l)EW-UK/ES	229	cases	7,7200/ca 1.767,88
Country of Origin: Italien HS-Code: 22011011				
weight net: 1374,00 brutto: 2702,20 Country of Origin: Italien				
002907	Acqua Morelli (12 x 0,5l) PET - EW	1075	tray	2,8900/tr 3.106,75
Country of Origin: Italien HS-Code: 22011019				
weight net: 6450,00 brutto: 6880,00 Country of Origin: Italien				
002952	Acqua Morelli (24 x 0,25l) EW -VAE	210	cases	7,7200/ca 1.621,20
Country of Origin: Italien HS-Code: 22011019				
weight net: 1260,00 brutto: 2478,00 Country of Origin: Italien				
002902	Acqua Morelli (6 x 1,00l) PET - EW	210	6-pack	2,3900/6- 501,90
Country of Origin: Italien HS-Code: 22011019				
weight net: 1260,00 brutto: 1302,00 Country of Origin: Italien				

SF-Group LLC
str. A. Filatova, 10-a of 2/53
01042 Kiev
Ukraine

Page 2 of 3

: 23.10.2018

Proforma Invoice**AU2012978****Invoice date:****01.11.2018**

Account-no.: 0014754

VAT-ID: 418622326559

Tel.-Nr.: +380679133300

Item	Qty.	Unit	Price	Total EUR
002917 Acqua Morelli - Non Sparkling (6 x 1,00l) PET - EW Country of Origin: Italien HS-Code: 22011011 weight net: 1260,00 brutto: 1302,00 Country of OriginItalien	210	6-pack	2,3900/6-	501,90

Pick up location:
Acqua Minerale di Calizzano S.p.A.
Via Madonna delle Grazie
17057 Calizzano (SV)

Gross weight:
Net weight:

Container No.:
Seal:

Steuerfreie Ausfuhrlieferung/ Tax free export

Contracting Partner:
MBG Global Brands GmbH - Oberes Feld 13 - 33106 Paderborn

Returns	Delivered	Returned	Balance	Deposit	Total
000163 treated europallets	24	0	24	8,1000	194,40

Merchandise Value:	9.320,33
Deposit:	194,40
+ VAT 0% of 9.514,73	0,00
Total amount:	9.514,73

Pro-forma invoice MCE



Proforma Invoice

LLC SF GROUP

10-A Academician Filatov str.,
Kyiv, 01042, Ukraine

TIMISOARA (RO) , 22-11-18

Delivery Terms : FCA Timisoara

Paym. : in advance

Plan. Del. Date: 22-11-2018

BANK : UNICREDIT-TIRIAC BANK TIM

IBAN COD : RO84BACX000000510594001

Customer Code:

Order Number : 817009

Order Date : 22-11-2018

Customer P.O. :

Ref. :

Item	Price	Quantity	Value
OVAEP.2SA30001 Espresso coffee machine, Start AEP/2, 380V, semiautomatic version, anthracite grey color, built-in motor pump, AWR, one water spout, two steam wands.	952,8550	pcs 11,00	10481,41
OVSAE.2SA30001 Espresso coffee machine, Start SAE/2, 380V, electronic version, anthracite grey color, built-in motor pump, AWR, one water spout, two steam wands.	1066,6190	pcs 11,00	11732,81

Goods	N°Boxes	Netto kg	Gross Kos	Volume mc	Total EUR
22214,22	22	1424,500	1838,100	9,4336	22214,22

Please control and send us back by fax the present proforma invoice signed and stamped.

Present Proforma Invoice cancels automatically if the merchandise is not picked up within maximum 15 days from the Delivery date mentioned above

In case of surpassing payment terms we'll require forints of 0.1% from the total amount for every day of delay

Any contest among the contractual present parts in connection with translation, execution or cancellation of the present act will be resolved on the way of arbitration, according to arbitrage courts of Commercial Arbitrage Court from the side of Chamber of Commerce, Industry and Agriculture from Timisoara

The present proforma invoice is keeping instead of contract.

Macchine per Caffè Espresso - MCE S.R.L.

Calcea Şagului, DN 59 km 8+300, O.P. 1, C.P. 446, 300516 Timișoara - România. Tel: +40.256.306492/4. Fax +40.256.306496
e-mail: mce@mcesa.com; www.mcesa.com; C.U.I.: RO13864360; O.R.C. Timiș: J35/506/2001