

Exporting Heat Sealers to Nepal

Hamna Ishtiaq

Introduction

A continuous problem many Nepalese experience is poverty, more than 30% of the population lives off US \$14.00 per person per month (Human Development Reports, 2013). Majority of those who live in poverty are in rural areas and constantly face food insecurity and poor nutrition (Human Development Reports, 2013). Thus, any advances in agricultural practices that will increase profit of different commodities while contributing towards improved food security and better nutrition intake is highly encouraged. There are countless benefits for a consumer to buy frozen products. Some of these advantages are that it reduces the chances of microorganisms to grow during transportation, large variety of fruits and vegetables available throughout all seasons and with the growing demand for ready to eat products, frozen foods are affordable (Delgado and Sun, 2000). In Nepal majority of the population is dependent on subsistence farming for their livelihood (Human Development Reports, 2013). By introducing heat sealers, farmers will be able greatly increase the shelf life of their commodity which will also increase the product value. This means that there will be a decrease in food insecurity because they will always have food stored in the freezer ready to be used, if packaged properly and still have some goods left over to sell in food markets for profit.

Description of Heat Sealers

The heat sealer is a product that is perfect for small scale farmers to use in order to pack their fruits and vegetables into a bag that will later be frozen. This product works by using pressure and heat to melt two layers of plastic together to seals a bag. This machine can be used with polypropylene and foam by adjusting the pressure and intensity of the heat (Uihlein, 1980). The company Uline provides four different types of heat sealers as shown in figure 1. The most

basic type of heat sealer available is the Tabletop Poly Bag Sealer - Impulse, the only issue with this product is the fact that it does not have a cutter within the machine, which means that farmers would have to use scissors to cut the excess plastic. However, this machine has the lowest price making it the most affordable. Although, Uline has other products that have an in-built cutter, such as the Tabletop Poly Bag Sealer - Impulse With Cutter and Foot-operated Poly Bag Sealer - Impulse With Cutter, the price is not ideal as shown in figure 1. The only input required for this product is electric power, which would only be used while the light bar is pushed down (Uihlein, 1980).. Also, it will require someone to hold the plastic bag in place while pushing the light bar down (Uihlein, 1980).. There is very little concern with the Tabletop Poly Bag Sealer - Impulse because it required low maintenance. For instance, if the plastic gets stuck to the light surface due to overheating the plastic will peel off once the surface becomes cool (Uihlein, 1980). Also, to keep the product in best condition it is suggested to be cleaned weekly with a dry cloth(Uihlein, 1980).

	Model Number	Seal L x W (Inches)	Max Seal Thickness (Mil)	Price (Canadian Dollar)	Shipping (lbs)
Tabletop Poly Bag Sealer - Impulse	H- 190	12 x 1/16"	12	146	6
Tabletop Poly Bag Sealer - Impulse With Cutter	H-293	12 x 1/16"	12	207	11
Foot-operated Poly Bag Sealer - Impulse	H-87	12 x 1/16"	16	349	48
Foot-operated Poly Bag Sealer - Impulse With Cutter	H-4015	18 x 1/16"	16	707	53

Figure 1: This table displays all the different heat sealing products available by the company Uline. This table also presents a comparison between the different seal sizes, thickness, prices and shipping weight of the products available.

Description of Where The Product is manufactured in Canada

The Canadian company involved in this export idea is Uline corporation, Figure 2 exhibits the company logo. Uline corporation is known throughout North America for providing high quality material used in shipping, packing and industrial work (Uihlein, 1980). They have also been recognized by the public for their outstanding customer service. Although, the company is not originated in Canada, they manufacture and use many supplies that are owned by Canadian companies (Uihlein, 1980). Uline, currently has three locations in Canada where they manufacture and store the supplies that are ready for transportation and own multiple warehouses throughout America and Mexico. Two of the three locations in Canada are located in Brampton and Milton Ontario. Therefore, Uline is a trustworthy company that will provide high quality equipment to export from Canada to Nepal that will help Nepalese reduce food insecurity by improving agricultural practices.

Contact Information

Operating Name: Uline Corporation

Mailing addresses: 60 Hereford St, Brampton, ON L6Y 0N3

Corporate Headquarters Address: Uline Dr, Pleasant Prairie, WI 53158, USA

Tel: 1-800-295-5510 Fax: 1-800-295-5571

Email: customer.service@uline.ca



Figure 2: Uline Corporation Logo, (Source www.uline.ca)

Benefits to Canada

Exporting heat sealers to Nepal is very beneficial to Canada for multiple reasons. One of the positive effects that will come from exporting this product is that it will influence the economy by creating more job opportunities. Since this is an international trade, there will be communication boundaries, which is evident as 44.4% of the population in Nepal speak Nepali, whereas the language spoken mainly in Canada is English (Gauchan, 2014). To eliminate this problem, Uline will have to hire employees that have good communication skills to understand the Nepalese and report it back to their fellow workers. Thus, this creates more job opportunities. In addition, the main goal is to introduce and encourage farmers to freeze their commodity for their personal use and for profit to ultimately contribute to reduced food insecurity and lack of nutritional intake. The first step of this process is to provide them with proper equipment to store the goods; however, in the future they will need better quality freezers and packaging material, which Uline and many other Canadian companies have the opportunity to export to increase their yearly profit.

Transportation Logistics

The following transportation information is based on exporting 10 units of Tabletop Poly Bag Sealer-Impulse. The product will be packaged at the Uline location in Brampton, Ontario and then transported through the truck company that Uline specifically works with to Toronto.

Pearson Airport located in Toronto, Ontario. This portion of the transportation cost is included in the product fee. Then the product will be transported to Tribhuvan International Airport that is located in Kathmandu, Nepal. This will occur through A1 Freight Forwarding. Once, the product is within Nepal, transporting it to the buyer would vary depending the the buyer's location. One of the options is to work with Noble Logistics Nepal (P) Ltd a trucking company (figure 3 displays the company's logo) to distribute the product to the buyer's address. Figure 4 is a flow chart displaying the transportation logistics.



Figure 3: Noble Logistics Nepal (P) Ltd logo (Source:www.noblefreight.com)

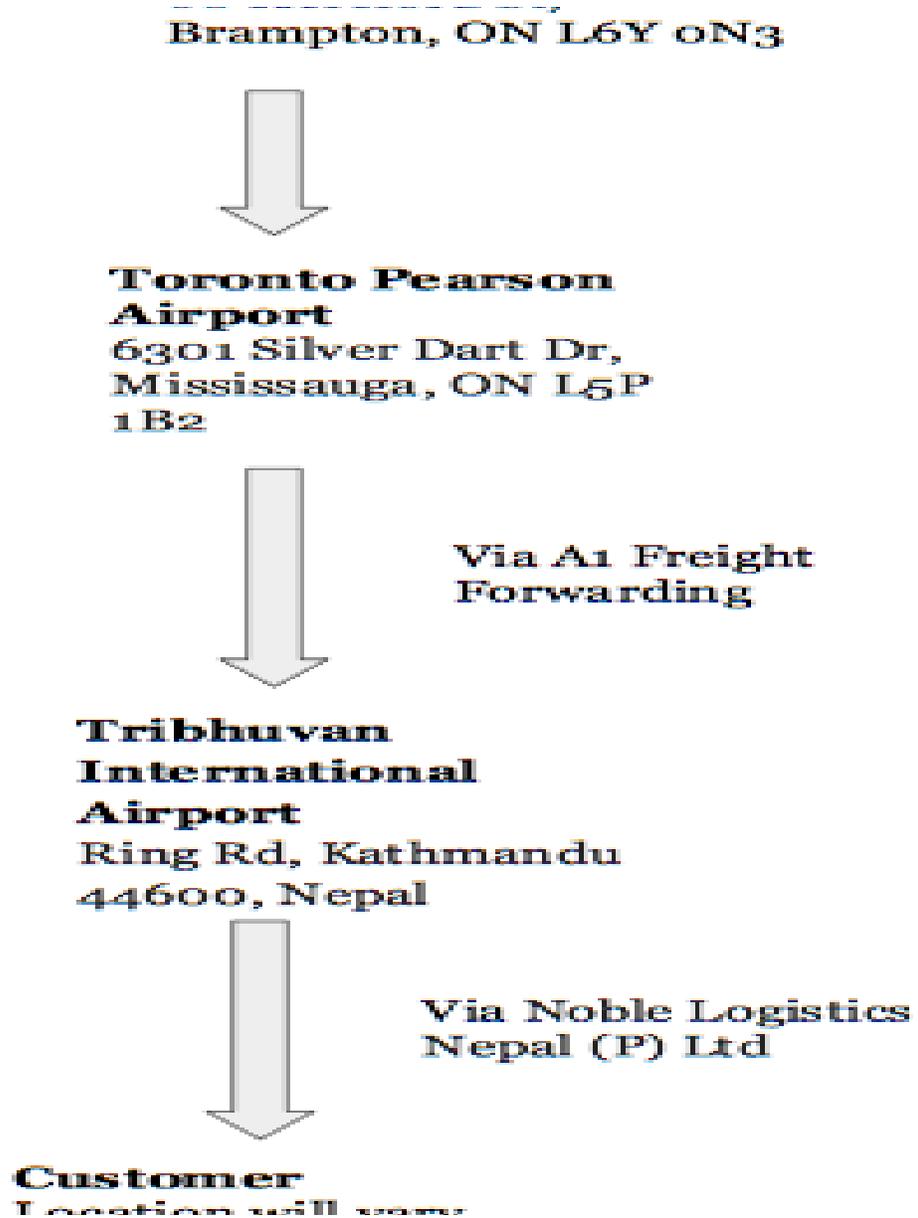


Figure 4: Flow chart displaying the transportation logistics.

Comparing and Contrasting Competitive Heat Sealer Products Globally

An issue that arises from exporting from Canada to Nepal is affordability. Taking into consideration that 30% of the population in Nepal lives off US \$14.00 per person per month, means that a farmer cannot afford to pay the transportation cost needed to transport the heat

sealer from Uline in Ontario, Canada to Nepal (Human Development Reports, 2013). However, there are multiple ways to resolve this issue. Considering the earnings of a regular farmer in Nepal, it is more reasonable to find a company in India or China that manufactures heat sealers to be exported into Nepal. This is because the transportation cost will decrease significantly. Hongzhan is a company in China that manufactures a impulse heat sealer for plastic bags (Mike, 2000). The cost of a Hongzhan Hi450 Long Type Hand Impulse Heat Sealer for Plastic Bag cost about \$50.5 (Mike, 2000). This is much cheaper than the heat sealer being sold by Uline in Canada. The product would be transported to Nepal by truck that will cost additionally \$63.87. Therefore, the total cost of the product is significantly lower than exporting from Canada to Nepal.

Introduction to Agriculture in Nepal

Nepal is a landlocked country between the borders of China and India (Nepal Tourism Board, 2012). In Nepal there are three different regions known as Terai, Hills and Mountain (refer to figure 5). The terai regions has many plains and is known for harvesting rice, the hills region has terraces suitable for growing corn and mountain region is steep and cold making it a suitable area for grazing livestock. Each type of region influences the population density and agricultural practices differently (Government of Nepal ,2014). Nepal's agriculture is important to the economy, this is evident as agriculture employs 70% of the population and contributes more than a third to the gross national product (Government of Nepal ,2014). Nepal has very high poverty rates leading to many other problems causing death. A problem that 80% of the nepalese who live in rural areas continue to fight is food insecurity and malnutrition, due to the fact that they are dependent on subsistence farming. Statistics show that half of the children under the age of five are undernourished. With the following knowledge it is evident that the

Nepalese are in need of improvement in the agriculture department that will help store commodity for a longer period of time without losing its nutrition while increasing the product value. If this problem is fixed there will be a great decrease in poverty and food insecurity.



Figure 5: Visual Nepal Geographical Map (Source: www.kullabs.com)

Benefits of Heat Sealers to Nepal

Exporting Uline Tabletop Poly Bag Sealer - Impulse to Nepal will be very beneficial for multiple reasons. It is evident that the country is already having issues with food security due to poverty and with the population expected to keep growing 27% per year, a solution is needed immediately (FAO, 1996). Introducing frozen food products is a solution that will decline poverty rates and food insecurity.

Heat sealer is a great way to store commodity such as fruits and vegetables in the freezer. This method will ensure that the commodity does not lose its nutrients because it reduces the changes of microorganisms to grow (Delgado and Sun, 2000). Additionally, freezing fruits and vegetables will mean that parts of Nepal that are not able to grow specific fruits and vegetables will still be able to include it in their daily meals, if transported to those areas. Thus, large variety of fruits and vegetables available throughout all seasons in Nepal. Furthermore, freezing commodity will increase fruits and vegetables shelf-life. Subsistence farmers can grow the commodity for their families that will last them at least double the time the commodity usually lasts without freezing. This means that the next time they collect the fruits and vegetables instead

of saving it for their families that can sell at food markets for profit. Since, frozen foods are in demand the farmers can sell the commodity for a much higher price. Statistics show that India, which is similar in type of agriculture to Nepal, having an accelerated demand in ready to eat foods (Jain et al.). Nepal can take advantage of this demand by having few farmers collectively growing vegetables used in traditional meals. After harvesting those vegetables they can create dinner meals with it such as vegetable curry and then freezing the meal. They then can transport ready to eat dinner meals to the food street stand markets in India. This will provide the community with more jobs, contributing to lower poverty in addition, create alliance between India and Nepal over time (Jain et al.). Therefore, it is evident that farmers in Nepal can increase their earning significantly by creating frozen products which would be achieved by buying Uline Tabletop Poly Bag Sealer - Impulse.

Problems

One of the problems that comes with exporting Tabletop Poly Bag Sealer - Impulse. From Uline to Nepal is that the input required is electrical power. Electrical power is an issue in Nepal because only 43.6% of the population has access to electricity (Helene, 2016). Also, it is important to take into consideration that some regions of Nepal only have access to electricity for a limited period of time (Helene, 2016). Creating electrical power lines throughout a community will cost a ton of money. Therefore, the usage of this particular heat sealer will depend on the geographical location of farmer. In addition, as stated before buying a heat sealer from a company in India or China will be more cost efficient rather than exporting from Canada to Nepal, due to the transportation cost. If a company in India or China was to export heat sealers into Nepal the total price will reduce greatly because the package would only need one method of transportation, unlike exporting from Canada that involves multiple resources.

Summary

Nepal is currently one of the world's poorest country, which is evident as the society faces issues regarding poverty, food security and malnutrition (Pasquali, 2016) . With agriculture playing a huge role in the country, any change in that sector will have an impact on poverty, food security and malnutrition. One of the ways of solving or improving these ongoing issues is by introducing frozen products into the country. This will create more jobs opportunities, reduce the wastage of food products and has the potential to strengthen the nation's relationship with its neighboring country India. All these benefits are at the same time contributing to lower poverty levels and food insecurity and ensuring that the young children are well nourished. This chain will only begin if Uline agrees to start exporting its Tabletop Poly Bag Sealer - Impulse from Canada to different towns throughout Nepal. If Uline disagrees, Nepal will not have the adequate equipment to store their food properly and safely.

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