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Article published April 22, 2003 03:00AM

Island shippers making waves on retail scene

By Becky Ausenda

Local retailers may experience a challenge to their “Buy Bermuda” campaign with the growing number of shipping service providers who claim to make it easy for Bermuda residents to shop overseas.

Last month a Toronto-based newcomer, Best Buys Overseas, announced in an advertisement in *the Royal Gazette* in March that they could offer savings on “thousands of quality, name brand products” from stores such as Sears, The Bay, Future Shop, Home Depot and Radio Shack.”

The advertisement claimed: “Finally a Canadian agent that you can rely upon to purchase and ship items to you from Toronto, Canada at low Canadian prices.”

However there are already several established local companies such as Bermuda Forwarders, Sea Venture Overseas Shipping, Fast Forward Freight, Best Shipping, and Bermuda Ocean Shipping Services, to name a few, which offer similar consolidated shipping services.

Judy Hagen of Best Shipping said that Best for example have purchasers in both the United States and Canada who can arrange both purchasing and shipping to Bermuda.

A Bermudian, Allister Simmons, is behind the Best Buys Overseas venture. Last month Mr. Simmons contacted *The Royal Gazette* to publicise his new business and said that goods will be shipped to Bermuda using the freighter *Bermuda Islander*, which arrives every Thursday.

Questioned about the new business, he revealed that there would be no local agent in Bermuda, a situation which local shippers said could be problematic.

Asked what would happen if problems arose at this end, Mr. Simmons said that customers could contact Meyer, who are agents for the *Bermuda Islander*.

However David Dunstan at Meyer freight said he had never spoken to Mr. Simmons and that the only knowledge he has of the Overseas Best Buys operation was from what he had seen in the paper. He added that he had himself attempted to contact Overseas Best Buys and had left a message on the local number shown in the advertisement, but no one had returned his call.

Robin Gray, the local co-owner of Joshua Bate Trading Bermuda Limited (Bate Trading), which has operated an import business here for 11 years, commented that shipping into Bermuda could be horrendously difficult if you were not an experienced operator.

Mr. Gray's US partner, Joshua Bate, commented that the perception of Bermuda as easy target for this sort of business is a mistake: "I took me nine years to have something that we could actually feed ourselves on... Once you see the sophistication of the market, it's not at all as it appears."

He explained that there are several stages in the shipping process where things can go wrong, starting when the consignment arrives at the US dock to be shipped: "We have established receivers who, if they see a box is torn or crunched, will catch it there before it is shipped. If the goods are undamaged they can replace the packaging, but if there's a huge dent on it, we'll stop it."

He said that the entire process includes US freight, shipping to Bermuda, duty and wharfage, stevedoring and stripping down charges, insurance, customs and forwarding in Bermuda.

Bate Trading pride themselves on being able handle all the Customs declarations and provide a detailed quote including the duties for the entire process in advance:

"If you want a quote on a refrigerator, for example, you've got a clear picture of what it's going to cost on the dock in Hamilton." said Mr. Bate.

"We can predict every single cost with the exception of local delivery." This aspect, which is handled by "reliable" subcontractors in Bermuda, is charged on an hourly basis at cost. In fact, the cut taken by Bate Trading is a 15 percent fee based on the cost of the goods.

Mr. Gray said that they mainly deal in consumer durables, appliances, and plumbing, fixtures and fittings. "We're not big on soft furnishings" he said, which is a shame, given the price of beds and sofas in Bermuda.

But they do seem to offer significant savings on appliances. To take a Frigidaire gas range model PLGF389CC for example, the landed price quoted by Bate Trading including their fee of \$159, shipping and duty was \$1,738.32. The same range was spotted yesterday in the Bermuda Gas & Utility Co. Ltd showroom for \$2,270.

As for whether their business undermines the 'Buy Bermuda' campaign, Mr. Gray said "We are a local Bermuda company. We offer an alternative to using the larger local retailers. That's still buying Bermudian." The only difference, he said, is that they have a much leaner profit margin and they are doing it on a consignment basis so they don't have huge overheads and inventories.

According to Mr. Gray, Bate Trading is the only import company to provide a two year warranty for appliances." We have a network of reliable local repairmen."

He added that warranty claims are dealt with as quickly as possible: "If the spare is available locally, I'll get it to you that same day. If the spare part is not available on the Island, we'll have it 'FedEx'd' in."

As for Mr. Simmons, of Best Buys Overseas, back in March he said there were a few loose ends which he needed to tie up before reverting with full details of his service. Contacted again yesterday, he said that he was in the middle of a meeting and would call back. Further messages were left on his answer machine in Canada but at the time of going to press he had not responded.
