

LEEDS METROPOLITAN UNIVERSITY

Faculty of Business and Law

DISSERTATION ON

**SOLUTIONS TO PROMOTE VIETNAMESE PANGASIU EXPORT
THE CASE STUDY OF HUNGCA: PUSH UP PANGASIU EXPORT
ACTIVITIES TO THE EU MARKET AND CONDUCT THE STRATEGY TO
ENTER THE U.S. MARKET IN THE PERIOD 2013-2020.**

Masters of Arts in International Trade and Finance

Prepared by : **NGUYEN, NGOC NHU HUONG**
Student ID : **77119777**
Supervisor : **Professor CHUCK WILSON**

Ho Chi Minh City, 05/2013



FACULTY OF BUSINESS AND LAW
MAITF VIETNAM ASSIGNMENT HAND-IN FORM

I certify by my signature that this is my own work. The work has not, in whole or part, been presented elsewhere for assessment. Where material has been used from other sources it has been properly acknowledged and referenced. If this statement is untrue I acknowledge that I will have committed an assessment offence.

Student ID: 77119777

Level of Study: MASTER

Module Title: **DISSERTATION**

Course Title: MA INTERNATIONAL TRADE AND FINANCE

Module Tutor: Mr. STEPHEN WOOD

Full text word count: 28,880 words

Student Name: NGUYEN, NGOC NHU HUONG

Student Signature: _____

Date of Submission: May 13, 2013

Name of first marker: Mark:

Name of second marker: Mark:

TABLE OF CONTENTS

TABLE OF CONTENTS	2
ACKNOWLEDGEMENTS	8
LISTS OF TABLES	9
LISTS OF FIGURES	9
ABBREVIATIONS	10
ABSTRACT	11
CHAPTER 1: INTRODUCTION.....	12
1.1. Research background.....	12
1.2. Overall research aim and individual objectives	14
1.3. Significance of the study.....	15
1.4. Research objectives.....	17
1.4.1. Research questions.....	17
1.4.2. Research objectives.....	18
1.5. Outline Structured.....	18
CHAPTER 2: LITERATURE REVIEW	20
2.1. International Marketing.	20
2.1.1. The concept of International Marketing.	20
2.1.2. The content of international marketing activities.	22
2.2. The Theory of export activities of Fisheries.....	29
2.2.1. The concept of export	29
2.2.2. The factors affecting the export of Fisheries.....	29
2.2.2.1. The impact factors from the external environment.....	30
2.2.2.1.1. Environmental laws.	30
2.2.2.1.2. Political environment.....	30
2.2.2.1.3. Economic environment.....	30

2.2.2.1.4. Environment Climate.	31
2.2.2.1.5. Competitive environment.....	31
2.3. Overview of the EU market.	32
2.3.1. Characteristics of the political institutions.....	32
2.3.2. European’s seafood market characteristics.	35
2.3.3. Bilateral Relations	36
2.4. Overview of the U.S. market.....	37
2.4.1. Overview of the U.S. economy.....	37
2.4.2. Trade relations between Vietnam - U.S.....	38
2.4.3. Distribution of seafood in the U.S. market.....	39
2.4.3.1.The wholesale channel	40
2.4.3.2. Retail channel.	41
2.4.3.3. Institutions of the US to import Fishery.	41
2.4.3.4. Technical Barriers of the US to seafood imported from Vietnam.	42
2.5. Practical basis.....	44
2.5.1. Overview of the world's Tra catfish market and Vietnam’s.....	44
2.5.1.1. In the World	44
2.5.1.2. Vietnam	47
2.5.1.2.1. Overview	47
2.5.1.2.2. The Tra catfish production in Mekong Delta region.....	49
CHAPTER 3: RESEARCH METHODOLOGY	55
3.1. Introduction.....	55
3.2. Research strategy.....	56
3.3. Research paradigm and design	57
3.4. Data collection.....	57
3.4.1. Sources of data	58
3.4.2. Interviews.....	58

3.5. Framework for data analysis.....	59
3.6. Ethics.....	60
CHAPTER 4: DATA ANALYSIS (FINDING) AND RESULTS	
DISCUSSION	61
4.1. Overview of HungCa Company	61
4.1.1. The process of formation and development of the company.....	61
4.1.1.1. Introduction.....	61
4.1.1.2. Company history	62
4.1.1.3. Achievements.....	63
4.1.1.4. Company culture.....	67
4.1.2. Products	70
4.1.3. Market.....	71
4.1.4. Functions of the company.	73
4.1.5. Organizational structure of the company.....	74
4.1.6. The use of capital.	75
4.2. The actual situation of Seafood Export.	75
4.2.1. Status of the export activities.....	75
4.2.1.1 Export turnover.	76
4.2.1.2 The main export markets of Hung Ca.	77
4.2.2. Other forms of export.....	78
4.2.2.1 Directly Export.....	78
4.2.2.2. Entrusted Export.	78
4.2.3. The actual situation of Tra, Basa catfish export to the EU market..	79
4.2.3.1. Export turnover.	79
4.2.3.2. Tra catfish market structure export to EU.	80
4.2.4. Overall assessment export activities.	81
4.2.4.1. Achievements.....	81

4.2.4.2. Limited.	83
4.2.4.3. Difficulties.	84
4.3. Some solutions to step up company's export activities to EU market and enter us market.	85
4.3.1. Objectives, directions and activities of the company in the future... ..	85
4.3.1.1. The export quantity.	86
4.3.1.2. Export value.....	86
4.3.1.3. Measures.	86
4.3.2. A number of measures to promote the export of Tra catfish to the EU market in the future.....	87
4.3.2.1. To Hung Ca.....	87
4.3.2.1.1. Completing the procurement of raw materials of feeding and creating a source of Tra, Basa catfish for export.....	89
4.3.2.1.2. Focus on improving product quality.....	89
4.3.2.1.3. Improving the export method.....	90
4.3.2.1.4. Using effective and flexible marketing - Mix tools on the market.	91
4.3.2.1.5. Human Resources Training.	92
4.3.2.2. To the Vietnam State and the authorities of the fisheries sector. ..	93
4.3.2.2.1. Exemption of taxes on production and export of aquatic products.....	93
4.3.2.2.2. Promote activities of pushing up Vietnamese Tra, Basa catfish in the EU market.	93
4.3.2.2.3 Increasing investment and better management of fishing offshore and aquaculture to ensure raw materials for production and processing of seafood export enterprises.....	94

4.3.3. Solutions for Tra, Basa catfish to enter the U.S market in the near future.....	95
4.3.3.1 Distribution of seafood in the U.S.....	95
4.3.3.2. Strategy of export to the U.S market.	96
4.3.3.3. Strategy of Export Product.....	98
4.3.3.3.1. Manage product quality according to US standards.....	98
4.3.3.3.2. Design product packaging and labeling in accordance with the U.S requirements.....	99
4.3.3.4. Exports Strategy.....	100
4.3.3.4.1. The methods for calculating the export price.	100
4.3.3.4.2 The method of regulating the export price to the U.S. market in the imposition of anti-dumping duties.	101
4.3.3.5 Strategy for distribution in the U.S market.	102
4.3.3.6. Promotion Strategy when entering U.S market.....	104
4.3.3.6.1. Improving quality.	105
4.3.3.6.2. Participating in international seafood fairs.....	106
4.3.3.6.3. Advertisements through the company's Website.	108
4.3.3.6.4. Email.	109
CHAPTER 5: CONCLUSION, (PRACTICAL IMPLICATION) AND RECOMMENDATIONS.....	111
5.1. Conclusion	111
5.2. Recommendations.....	112
5.2.1. To the State of Vietnam.....	112
5.2.2. To the To Vietnam Association of Seafood Exporters and Producers (VASEP).....	119
5.2.3. For exporters.	121
5.2.4. Solution for general development.....	122

5.3. The limitations of research and the initiation of further research. 124

REFERENCES.....	125
APPENDICES	130
APPENDIX I: INTERVIEW QUESTIONS.....	130
APPENDIX II: LIST OF FIGURES	131
APPENDIX III: RESEARCH ETHICS CLEARANCE FORMS	137
APPENDIX IV: LEARNING STATEMENT	138
APPENDIX V: REASEARCH PROPOSAL.....	143

ACKNOWLEDGEMENTS

First of all, I would like to thank the Leeds Metropolitan University and Academic of Finance since they give me the chance to study MA International Trade and Finance in Vietnam through the Co-operation Program.

I would like to express my sincere gratitude to my supervisor, professor Chuck Wilson. Thank for his enthusiastic guidance, helping and encouraging me when implementing the dissertation as well as creating favorable conditions so that I can complete the thesis on time.

I would also like to extend my great thank to the lecturer of dissertation module, Mr. Stephen Wood for his contributing many useful ideas to make my dissertation more complete.

My deeply thanks are conveyed to the deputy director of Hung CA Co., Ltd - Mr. Tran, Van Hung who supply a lot of documents about this theme and take his time for supporting me to do the study.

I honorably thank the admin team at AOF who are always enthusiastic to help and share their experiences for me to overcome the difficulties encountered during the time I conduct this thesis.

Finally, my grateful acknowledgement is extended to my family and my friends at MAITF 04SG for always sharing and helping me to face with any challenges.

LISTS OF TABLES

Table 1. Comparison of the value of Vietnam's Pangasius export in 2012 compared to 2011.

Table 2. Revenue and profit in the last 3 year of Hung Ca.

Table 3: The actual situation of HungCa's export activities in the last 3 year.

Table 4: The export turnover to EU market of HungCa.

Table 5: Export situation of Hung CA in EU follow each specific market.

LISTS OF FIGURES

Figure 1 - Model of international marketing activities.

Figure 2: Diagram of aquatic wholesale channels in the U.S market.

Figure 3. The farmer is collecting pangasius.

Figure 4. A little boy is harvesting pangasius.

Figure 5. The worker is checking fish nets.

Figure 6. SWOT analysis (from google image).

Figure 7. Global Gap farm area.

Figure 8. Hung Ca's logo image.

Figure 9. The HungCa's workers are working professionally.

Figure 10. Some kinds of Pangasius Fish products.

Figure 11. Diagram of Hung CA's organization structure.

Figure 12. Profit after tax in the last 3 year of Hung Ca.

Figure 13. The image displayed the factors affect the brand.

Figure 14: Retail schematic of seafood in the U.S market.

Figure 15. Distribution system diagrams.

ABBREVIATIONS

BTA: Bilateral Trade Agreement.

EU: The European Union.

GLOBAL G.A.P: The Global Partnership for Good Agricultural Practice.

HACCP: Hazard Analysis and Critical Control Points.

IFS: The International Foundation for Science.

ISO: International Organization for Standardization.

PNTA: Pacific Northwest Trail Association.

Tra, Basa catfish: Pangasius's trade name.

U.S.: The United States of America

UK: The United Kingdom.

VASEP: Vietnam Association of Seafood Exporters and Producers.

VND: Vietnam dong (local currency).

WTO: The World Trade Organization.

DOC: The United States Department of Commerce.

ABSTRACT

In 2006, Vietnam became the 150th official member of the World Trade Organization (WTO). This gives Vietnam a lot of opportunities but also many challenges. However, Vietnam's position in the international arena is increasingly raised and confirmed. The Vietnamese Party and the State has clearly identified the strategic importance of external economic export-oriented commodities that Vietnam has the advantage. Fisheries is one of the important export in that strategy. Obtaining many great results is due to the contribution of thousands of businesses throughout the country. HungCa Co., Ltd is also in the system of production and processing company exporting seafood. Although the company has achieved good results, it needs to set out and build more appropriate strategies and solutions in order to achieve growth and development in the future. This thesis is undertaken to bringing theory to reality applications, thereby clarifying the scientific arguments on the use of International Marketing in seafood exports, especially Tra and Basa catfish. To perform the aim, the research questions are pointed out to study strengths and weaknesses, shortcomings and limitations in order to sum and propose measures and recommendations for the improvement of the application of International Marketing on export activity. The major aim of this dissertation suggest solutions to promote export of Tra catfish of HungCa Co., Ltd to the difficult EU market as well as imply some measures to look for opportunities for helping HungCa's products can be entered staley in the U.S. market in the coming time effectively. This research found that the promotion of seafood exports, especially the Vietnam's *Pangasius* in general and HungCa's in particular is a critical issue. To achieve more success and increase competitiveness of catfish compared with rivals in domestic and foreign, the author suggested that HungCa has to identify the opportunities and challenges of the international integration's process. Besides these achievements, there are still numerous difficulties and challenges. The company must exert all its strength as well as set out the strategy and direction in accordance with the new trend of development international integration. Moreover, the Vietnamese State and the Vietnam Association of Seafood Exporters and Producers (VASEP) need to consider and create more favorable conditions for the development of fisheries exports.

CHAPTER 1: INTRODUCTION

1.1 Research background

After 20 years of renovation, Vietnam has actively entered international economic integration, participated in world economic institutions: APEC, ASEAN ... and has signed bilateral trade agreements with partners trade, including the EU, US... Vietnam - EU Framework Agreement was signed in 1995 has opened up new relations in economic cooperation, especially in international trade between Vietnam and the EU. In the process of gradual integration into the world economy, Vietnam's economy has gradually established itself as a position in the international arena. In 2006, Vietnam became the 150th official member of the World Trade Organization (WTO). This gives Vietnam a lot of opportunities but also many challenges. However, Vietnam's position in the international arena is increasingly raised and confirmed. Today, when global integration is a general trend of development in over the world, if any country does not stopped efforts to integrate into the general trend and generates power for its national competition, it will face the risk of being left out of the development. Like many other countries, Vietnam is also aware of the urgent demands of the general situation and is constantly reforming, converting various fields which can't fail to mention the import and export issue that play a very important role to help Vietnam expand the relationship as well as give Vietnamese businesses more opportunities to penetrate the international market. [6], [8]

Thus, the Vietnam State has clearly identified the strategic importance of external economic export-oriented commodities that Vietnam has the advantage. Fisheries is one of the important export in that strategy. This is confirmed by the decision of Vietnam Prime Minister of issued No. 242/2006/QĐ-TTg approving seafood export development program to 2010 and orientations up to 2020. Accordingly, the fisheries sector continues to restructure export by promoting the

export of high value-added goods, gradually reducing crude exports. In particular, seafood export is both a goal and driving force to promote economic restructuring across sectors in the agriculture, to promote aquaculture development and exploitation of marine resources effectively. WTO accession, Vietnam seafood industry faced with the market trends and requirements of the aquatic world increasingly stringent about quality and food safety; environmental protection; product traceability. The common barriers of international trade for seafood products export such as: tariff barriers (percentage tax; specific duty tariff quotas, countervailing duty and anti-dumping duty, additional services tax) and non-tariff barriers (sanctions, import and export quotas, export licenses, customs procedures, food safety, technical barriers ...).

Follow to VASEP, from 1994 to August 2006, Vietnam had 28 cases for export products; including 23 cases of anti-dumping, 5 safeguard cases; 20 cases with final conclusion. Vietnam seafood industry has faced many difficulties upon the occurrence of two cases of anti-dumping pangasius frozen fillets (2003) and shrimp (2005). It is known as “catfish war”. Although the Vietnamese pangasius industry is young and facing many problems, e.g. technical barriers to trade and trade disputes, its development has changed in a spectacular way from the “production oriented approach” to the “market oriented approach” [L.cuyvers, T.Van Binh, 2008].

Seafood export industry plays an important role in the economy since it has helped increasing the Vietnam State’s budget revenues, bringing foreign currency for Vietnam while ensuring jobs and income for workers. In 2012, the important year of Vietnamese export, it is the first time when national export turnover exceeded \$ 100 billion and also the first time in 20 years, Vietnam has trade surplus back. According to the General Department of Customs, in 2012, Vietnam has 22 items with export turnover exceeding \$ 1 billion: textiles, electrical goods,

mobile phones and parts, crude oil, computer, electronic products and components, footwear, rice, seafood, coffee, etc... including seafood export turnover of \$ 6 billion. In 2012, Vietnam seafood exports mainly to the U.S. and Japan. For the EU, Vietnam is always a provider of high-quality seafood, especially the Pangasius products and meet the tastes of consumers in this market. The quality of Pangasius is the result of all the activities performed and all the facilities and equipments used during production, harvesting, processing, distribution and export. Fish quality management directly affects the fish yield and quality, as well as the production costs and profit level of the fish farming practices. [Le Nguyen Doan Khoi, 2007]. However, a major challenge for Vietnamese seafood exporters are non-tariff barrier system of the EU is very strict and continuous amendment, this is fully consistent with international economic and consumer protection principles of the WTO. The EU's seafood import demand in the coming period with many changes which affect the structural adjustment of Vietnam's seafood products in the future. In addition, Vietnam's seafood exports to the EU are affected by many other factors such as income per capita of the EU, from the U.S. anti-dumping case for Vietnamese seafood, impact from foreign currency market...

1.2 Overall research aim and individual objectives

With the aim of bringing theory to reality applications, thereby clarifying the scientific arguments on the use of International Marketing in seafood exports, especially Tra and Basa catfish. Based on this basis, assessing strengths and weaknesses, shortcomings and limitations in order to sum and propose measures and recommendations for the improvement of the application of International Marketing on export activity as well as suggest solutions to promote export of Tra catfish of HungCa to the difficult EU market. Besides, the author would like to

imply some measures to look for opportunities for helping HungCa's products can be entered steadily in the U.S. market in the coming time effectively.

1.3 Significance of the study

Global trade is growing rapidly with many trends as today, any country participate in the international market can't easily facilitate foreign trade without obstacles. Vietnamese catfish exporters faced the first commercial disputes when the Association of American catfish farms sue them for dumping the product of catfish fillet to this market. The case lasted for two years, there are lessons for Vietnam enterprises and also many problems, including finding new markets for the product and considering the market again. Vietnamese seafood is available in many different market areas and are quite strong consumption in Japan, the United States, the European Union. This is a remarkable success of the fishery. The quantity and scale of the market is increasing. To obtain these results is due to the contribution of thousands of businesses throughout the country. HungCa is also in the system of production and processing company exporting seafood. Since it established and put into operation so far, the company has obtained very encouraging results, it is always one of the top seafood export companies in DongThap province. Vietnamese pangasius export market has been extended to the countries and territories. In the specific conditions of DongThap Province which is one of the largest fish producing province in Mekong Delta region, Tra and Basa catfish market has had recently also many changes according to the general area. The firm has achieved initial results such as: aquaculture production export is increasing, creating credibility and trust with customers in a number of key markets such as the EU, Africa, Russia ... Although the company has achieved such a good record, to achieve growth and development in the future, company need to set out and build more appropriate strategies and solutions.

Previously, the tariff and non-tariff barriers in general are to protect European manufacturers. But today, the environmental protection and consumer protection increased gradually replaced for the protection of producers and workers. The use of technical barriers to be adjusted through the technical barriers in trade agreements of the WTO. Regulations, laws are not only applied by the government to determine the standards in safety, health and environment, but also because consumers are increasingly more stringent requirements for the quality of products. This has led to tougher regulations derived from the market. Therefore, EU has taken the difficult technical standards to apply to goods imported into the EU, especially seafood. In fact, the seafood exports to Europe have been facing many difficulties, they mainly face non-tariff barriers that the EU has set. Many studies showed that profits from exporting seafood to the EU market is only 1-2%, while the risk is up to 100%. The main reason is that Vietnam has encountered technical barriers from the EU market. The posed problem is how Vietnam can understand and overcome barriers wisely and in accordance with the general regulation as well as match their own production capacity. Besides, the company also should promote and expand new markets, including the U.S. market. Noticed, in 2005, many other companies of the fisheries sector in Vietnam that have been considered for application of anti-dumping tariffs by American companies when they exported fisheries into US market. So, this has a huge impact on fisheries export activities of the companies to this vast and potential market. Being received a higher tax rate, the products are not competitive in the U.S. market and most of companies did not export to this market so far. However, the U.S. seafood market is a large market, high consumption and potential one that HungCa should focus on exploiting, therefore, HungCa is removed from this market is a major difficulty in the development of company in the future. Finding ways in order to overcome that problem is urgent at present. But, especially in

today's conditions, the methods as the tariff measures and quotas are no longer in vogue, technical barriers are increasingly for import countries concerned with more intensive diverse forms because of their many benefits. Thus, analyzing a specific part of the US in the field of seafood, especially Tra and Basa catfish, measures of technical barriers that the US applies to seafood imports from countries , especially from Vietnam, which outlined a number of measures to improve the performance for HungCa in the near future. The thesis is conducted due to the pressing problems mentioned above.

1.4 Research questions and research objectives.

1.4.1 Research questions.

- After joining WTO, how did Vietnam's seafood industry face the trends and requirements of the seafood world market?
- What do manufacturing seafood exporters contribute to the economy of Vietnam?
- How can HungCa grasp and overcome technical barriers wisely and in accordance with the general provisions of export activity to EU?
- What is Hung Ca's distinct advantage of tra, basa catfish compared to other vendors in the domestic seafood market?
- In 2012, the EU's demand for tra, basa catfish is less than the previous years due to the impacts of the economic crisis. Will HungCa have plans to boost exports to the EU market in the coming time?
- Anti-dumping tra catfish lawsuit in the U.S. today is a big problem for many Vietnamese businesses, Is it a great opportunity for HungCa since the company is one of 8 companies who don't export tra catfish to the U.S. during the period from August 01, 2010 to July 31, 2011?

- What are the characteristics of the U.S. market in the field of fisheries and measures of technical barriers applied to fishery products imported from other countries, especially for Tra catfish from Vietnam ?
- What is the development orientation of HungCa by 2020?
- What does HungCa need to do in order to achieve growth and development in the near future?

1.4.2. Research objectives

- Objects of research: theoretical and practical issues of import and export activities of Hung Ca. By real survey, then observing and recording all the stages of feeding, processing and export pangasius product so that the author can find the status of the export activities, export turnover, the forms of export and the market structure as well as the main export market of Hung Ca. Understanding practical combined with theoretical to find ways to improve products and export activities.

- Scope of the study: Hung Ca's export activities to the EU market recently time from 2010 to 2013, and aims to enter the U.S. market 2013-2020 period. Suggest some solutions for promoting HungCa's Tra, Basa catfish export to the EU market with higher revenue as well as helping them enter the U.S market in the near future due to its big advantage today which are presented in next chapters.

1.5. Outline Structured

Chapter 1: Introduction

This chapter introduces the background theme of the Tra, Basa catfish export of Vietnam in general and HungCa in particular. HungCa's export activity is examined to give the basic understanding of the research issues. The last part of introduction chapter gives reader the brief summary of the dissertation content, methodology applied and the results. As of this fact, research questions are raised in this part to achieve as well as discuss objectives of this research.

Chapter 2: Literature Review

This chapter discusses in detail the concept of export and its activities. The theoretical knowledge of international marketing also provided. The chapter then examines the importance of understanding EU and US fishery market. After that, many factors that are discussed. Moreover, this chapter recognizes the overview of the Tra, Basa catfish market in Vietnam and even the world.

Chapter 3: Research Methodology

This chapter discusses research strategy, data collection and data analysis method to undertake this research.

Chapter 4: Data Analysis and results discussion

This chapter begins with the introduction about HungCa, its current export situation. Then the conclusion about research objectives can be reached.

Chapter 5: Conclusion, (Practical Implication) And Recommendations

This chapter summarizes the main findings of this research. As a result, it draw out recommendations from those findings. Finally, the limitations of the research for future research are discussed.

CHAPTER 2: LITERATURE REVIEW.

2.1. International Marketing.

2.1.1. The concept of International Marketing.

The growing storm of science and technology along with the trend of globalization makes the separation of the countries increasingly smaller, marketing does not stop within a country that has been extended to marketing between many countries. Along with globalization, international marketing is established and growing [39].

According to marketing expert P. Cateora: "International Marketing is the business with direction of flow of goods and services of the company to the consumer or buyer in many different countries for profit". Or by Joel R. Evans, "International Marketing is the marketing of goods and services outside the national boundaries of the enterprise". American Marketing Association AMA 1985 with definition: " International Marketing is an multi-national process to develop plans and implement the policy of product, price, distribution, business promotion and support of commodities, ideas and services to carry out exchange activities in order to satisfy the goal of the organization and individual ". These definitions indicate that the process of International Marketing is not just a repetition of strategies of companies on the foreign market. Marketing activities are carried out in many countries and they need to be combined together by administrators when implementing marketing programs on different national markets. Besides, the definition also shows the distribution of just one component of the marketing mix and four 4P tools need to be unitary and should be adjusted for each individual national market.

Currently, due to the trend of liberalization and internationalization, international marketing is not necessarily conducted operations overseas, and

enterprises can conduct and participate in international trade on the domestic market. [56]

International Marketing is usually divided into three main parts [13]:

Export Marketing: Marketing of export enterprises with the basic requirement is to adapt the marketing policy to the needs of the export outside market.

Penetration Marketing: Marketing of the business have created a foothold in the export market. In fact, it is the domestic marketing of multinational firms in the export market.

Global Marketing: Marketing of a number of large firms pursuing towards the world market and meet the needs of the international market or of the entire world market.

2.1.2. The content of international marketing activities.

International marketing process is outlined in the following models [13], [17]:

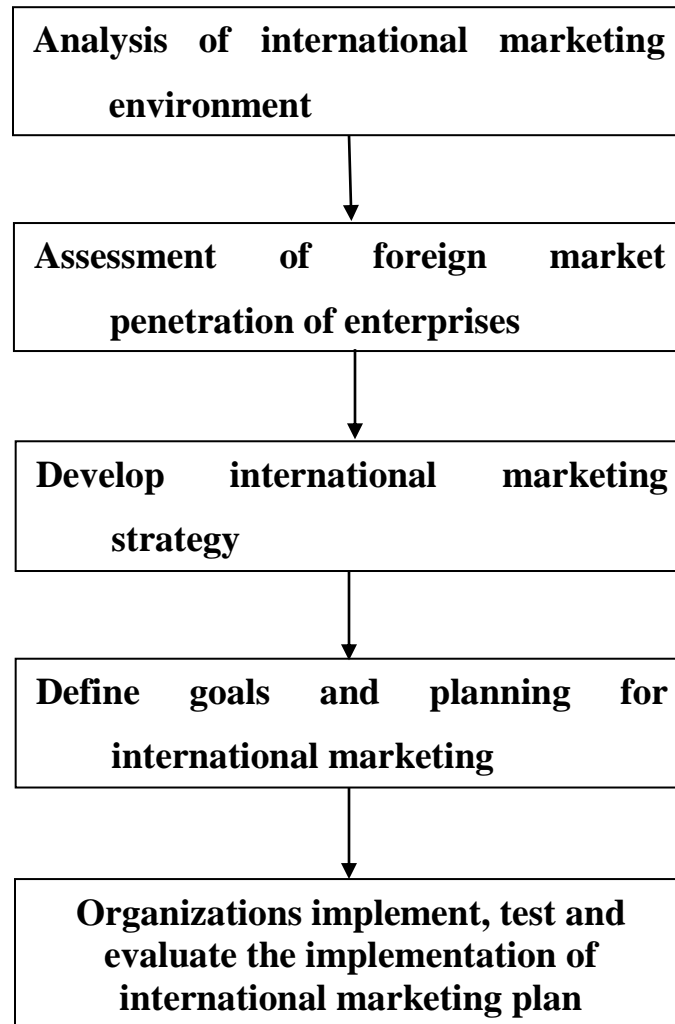


Figure 1 - Model of international marketing activities.

Details of each step in the model of international marketing activities:

Analysis of international marketing environment: from the concept, the nature of international marketing have been presented above. To the firms, the international marketing environment analysis is the first and very important because the marketing environment have a direct effect access to production and business activities of each enterprise.

Therefore, it's need to study the habits and practices of use and tastes of foreign consumers for products that companies want to get into. Moreover, having to research marketing not only on all factors like domestic marketing research but also to study political factors, legal, international economics, international finance and international cultural sectors. Thus, the marketing planner should always analyze the marketing environment related to business activities, including the inside and outside environments. Doing this well is to premise or to support for the development of the next step.

Evaluation of foreign market penetration of the enterprise.

After analyzing the international marketing environment carefully, the next step in the model to do international marketing activities is to assess the ability of foreign market entry of business or to analyze strengths, weaknesses, opportunities and threats (SWOT analysis). The work includes consideration of the benefits of entering the market, risk assessment and the company's ability to compete in the market that aim to highlight the competitive advantage of the business from the competition, search capabilities and business prospects as well as profits from the market. Based on these data, assumptions and information gathered from the first step, the evaluation focuses on the aspects:

- Technology is applied of business.
- Design, product design and brand.
- Quality products, quality management and product lifecycle.
- The completion of the industry.
- Customer service.
- Ability to provide materials.
- Price and distribution structure.

Strengths comes from inside subjective factors can be expressed in corporate reputation, customer loyalty, corporate culture, its position in the field of business, finance, forms and methods of effective export assistance ...

Also stem from factors within the enterprise, Weaknesses that a business can face is the weakness of the industry, so strange products, so new that customers are not familiar with them, the planning is not possible due to the poor of the international business team, distribution costs are too high...

Opportunity comes from external factors, objectively. These are the favorable external environment factors, the rapid development of major market segments, competition is not strong enough, business opportunity for the right time ... which require businesses to quickly grasp and seize opportunities and take advantage of and promote to gain advantage over competitors.

However, if firms don't recognize the opportunity, likely it will turn into a challenge when other business gets that opportunities.

The Threats may be a poor development of the international economy, legal barriers, political conflict, adverse changes in customer tastes ... From these analysis, marketing decision makers can rely on that to make the strategy consistent with the ability of enterprises in the international market.

Develop international marketing strategy.

Selecting target market: After researching and analyzing international marketing carefully, the next step in the model to do international marketing activities is target market selection. Based on the research factors above, this time the company will take over the sorting, filtering and selection of the target market. The choice of target market how is up to each company and product that the firm will enter the foreign market. The selection of the target market here related to a number of issues which companies pay attention to the demands of the market, market size, market growth, the competitive situation on the market, risk factors ...

Through all these factors, the company will carry out selection of the potential market that it feels the most dominant and the most likely to succeed.

Forms decision to enter the market [14].

This is a very important job and an indispensable stage in the international marketing model because it shows the most effective form of penetration that the companies can use. Can select one of the following forms:

- Exports
- Business links
- Direct investment

Exports [13],[14]

This is the simplest way to enter a foreign market. Actually there are two basic forms of export companies may choose to use it : indirect export and direct exports.

In indirect export is possible through:

Export trading company based in domestic market.

Export agent based in internal country.

The coordinating organization.

In direct export may be through:

- The basis of domestic sales.
- Export sales representative.
- Sales in foreign affiliates.
- Agents and distributors abroad.

Companies often start indirect export because of its less investment and risk since the international marketing intermediaries is often organizations which already have the knowledge, experience, methods and services and export relationships. Once having all the necessary conditions and experience, companies often conduct new forms of direct export to potential greater profit.

Business Links [17],[14]

This is the form of a company associated with a different partner sales or market access abroad and together with partners to establish a new company. There are our types of joint-venture:

License: The company will have to agree with the license used manufacturing process, trademark, patent inventions, trade secrets ... and to pay a fee or use the patented invention. This form will be beneficial for both sides: One side does not have to bear the risk of doing business in foreign markets while the other may be able to use the know-how, well-known brand without having to start from scratch .

Contract Manufacturing: The company signs the contract with foreign manufacturer to produce products and services. This form gives the opportunity for company to come faster with less risk, the opportunity to contribute capital or to buy local manufacturers but limited control over the production process and maybe loss of prospective profits from production.

Contract management: The company has also signed a contract in which domestic companies to provide know-how to a foreign company having the capital. This form is widely used in the fields of hotel, office and has the advantage of limiting risk and can profit from the beginning.

Joint-Venture: including a link with foreign investors for the establishment, share ownership and local businesses management. The downside of this method is easy to generate conflict between the parties on issues management, investment, marketing policy ... The advantage is to overcome a lack of financial resources, material or management in order to conduct business activities.

Direct investment [14], [17]

This form is applied when the company has large enough experiences in export and foreign market. At that time, production costs can be reduced, the

company can create an image in the host country, have full control of the capital and can work out strategies for long-term international objectives. Besides, this method also has many risks such as adverse changes in the government of the host country's foreign currency exchange rates, political, economic, social, market conditions decline ...

Define objectives and international marketing planning [11], [14]. This means that given marketing objectives and a program of international marketing and marketing research content, product positioning, establishing the elements of marketing - mix.

Define international marketing objectives: Based on steps 1 and 2, the company will build the long, medium and short-term for each sector, each item, each different market. Depending on the point time that having the flexible adjustment of the target, not necessarily done too rigid because many opportunities in foreign markets do not always go along with the posed objectives. International marketing planning: Like local Marketing - mix, Marketing-mix in international marketing has four factors that should also be established: product, price, distribution and sales promotion in which all this elements will serve and support other activities in international marketing or in other words, this four factors have been established to connect closely to foreign markets.

To organize, supervise and evaluate the implementation of international marketing plan [14], [18].

This is the final step and important step in international marketing model.

Organizational performance: this is the process done to answer the question "who?", "Where?", "When?" And "how?".

Typically, companies conduct international marketing activities at least three ways: established export sales department, international branches and become a global organization.

+ Export Sales Department is responsible for organizing and conducting company's export goods to overseas. Then, export marketing services can be expanded for supporting export.

+ International Branch handles the company's overseas operations. Employees in these branches are the experts on marketing, production, research, finance, and personnel plans.

+ Global Organization: the company beyond the national scope to really become a transnational company. At this time, the transnational companies establish international marketing plan, production facilities around the world, a lot of financial resources and extensive distribution system. They established organizations worldwide operations, reporting directly to the general manager or CEO of the company. Companies can hire the managers from many countries, purchase of cheapest raw materials and investment components in which get the highest profit.

Test and Evaluation: To check the implementation of international marketing plan well, it can be applied in three ways [12], [18]:

- Check yearly plan.
- Check the profitability.
- Quality inspection.

Checking content can be the implementation of the product plan, the ability to achieve profitability, the effectiveness of marketing activities - mix in the first year and as a basis for international marketing planning in subsequent years . Background checking may be based on sales results, market share analysis on the market, cost analysis, financial analysis and customer response. That's all the stages should be carried out in the model of international marketing activities. It is necessary for any company operating in a competitive environment to identify one factor which plays a very important role in their success or failure is a marketing

strategy and in order to implement strategies well this marketing model, having built the construction of international marketing activities as detailed as possible, then the company is more likely becoming a successful business and stable competition in the market.

2.2. The Theory of export activities of Fisheries:

2.2.1. The concept of export.

Export is a basic content of foreign trade, in which goods and services are sold to foreigners for foreign exchange earnings, increased accrued to the State budget, and business development as well as improve people's lives [14],[23].

Though there are many reasons for a country conducting export and increase export capacity to the maximum, there are two basic reasons:

According to the theory of comparative advantage [12]: The country will export the commodities having comparative advantage and import commodities with less advantage.

Engaging in the process of international economic integration and international trends: When a market is not restricted by tariffs and quotas (quotas), the strict regulations on technical standards, with little competition on market or the production of goods that having the advantage or the capacity of the international business enterprise is not afford to make the higher forms such as: investments and sales in host countries which always be selected by businesses. Compared to investment, exports requires less capital and gains profits in a short time.

2.2.2. The factors affecting the export of Fisheries.

Seafood export activities of business are aimed at profitable transaction by signing the contract of sale and implementation of the contract. Therefore, like other foreign trade, fisheries export activity suffers the influence and impact of

many factors of the external environment as well as within the enterprise. [34], [42], [58]

2.2.2.1. The impact factors from the external environment.

2.2.2.1.1. Environmental laws.

One of the objective factors having a strong impact on fisheries export activity of business is the legal system including: international law, the laws of each country and the common bond of nations ... Thus, during the business process, it requires the seafood exporters have to pay attention and to understand the legal system, the provisions of each marketing order to meet the regulations flexibly such as rules on food hygiene and safety, anti-dumping and other technical barriers if they want to survive and expand export markets. [50]

2.2.2.1.2. Political environment.

Politic is a very influential factor to business in general and seafood export activities in particular. If a country is politically stable and consistent, it will create favorable conditions for exporters and conversely, it will make difficult for export activity of businesses. [51]

2.2.2.1.3. Economic environment.

To import and export business of fisheries, firms need to have certain knowledge economy to adjust their business operations suitably. Economic system plays a crucial role, it is set to the optimal distribution of scarce resources. Business based on the allocation of resources and economic operating mechanism, it can divide the world into groups of countries according to the market mechanism, command economy and mixed economy. Economic model that countries pursue will impact the ability to penetrate the market, the level of participation of business activity in the market. Economic stability is the constancy of the monetary, inflation that businesses involved in exporting care because it directly affects the business operations of the enterprise, especially "foreign

exchange risk ". The indicators reflect the economic strength of a country is: GDP, GNP, GDP / person, the balance of payments, inflation rates, and exchange rates. Those are indicators that will be used to assess a country's economy. [54]

2.2.2.1.4. Environment Climate.

Weather and climate have a huge impact on fisheries export business activities of the enterprise. Because fishing is mainly rely on nature. So, when the weather or climate is unstable, it will affect the exploitation of fish, seafood,... for supplying raw materials for the production and processing of enterprises since the quality of material is not guaranteed and unstable causing difficulties for seafood exporters. It is common that the enterprise often lack of material resources on the phases of the moon, the billowy sea, storms, floods, etc. Thus, the businesses should concern about climatic conditions from which a plan and measures to limit the effects of weather on their business activities. [53]

2.2.2.1.5. Competitive environment.

Operating environment of every business is dissimilar and even more different between the countries in the region and over the world. The geographic isolation make international business companies pay more expenditure for their business activities. Today, with the development of modern science and technology, especially in the electronics and telecommunications industry which shorten the geographical distance between countries thereby reducing the difficulty of each type of business .

Five factors in the competitive environment faced by a business:

- The threat of new potential competitors in the market.
- The bargaining power of suppliers.
- The bargaining power of customers.
- The threat of substitute products.
- The intensity of competition internally.

All five factors affect the level of competitiveness of each business. However, the main impact of each factor depends on the industry, specific products and depending on specific conditions. [23], [53]

2.3. Overview of the EU market.

2.3.1 Characteristics of the political institutions. [9], [58]

EU political system has many characteristics that bring the functions of a state without territorial organization. The development of the European Union is gradually turning the EU into a united Europe based on cultural diversity, basic fundamental rights and democratic policy-making procedures. The political system of the European Union have the following characteristics:

- The integration of dynamic and depth of the member. The main objective is to build and strengthen peace among the European countries, the original member countries to cooperate in the field of coal and steel. General institutional development is the result of extensive integration of all aspects of the members. Especially, the members agreed to extend the decision-making mechanisms of the EU's institutions, from the consultation procedures, consent, collaborating and to the application of the co-decision procedure, especially in new areas and national sovereignty as sensitive security policy and home affairs, foreign and security policy of the Union.

- The EU shifts from form of "intergovernmental organization" to the characteristics of the legal structure of a "super-state". EU is a "super-state" institution includes the institutions of the European Commission, the European Parliament, the Council of Ministers, the European Court, the Central Bank with the use of a common currency for 12 members. At the Union level, the EU has "independence" on the Supreme law of the Member States, but its members remain independent in their functional state and still have a right on decision making process policy at Union level.

- The EU institutions implement their management rights within the "territory". All political systems in the EU come from individual interest groups and the community. The rivalry of each political group will impact on policy-making process which promote or defend their interests.

- The decision issued (law) at the EU level is the mainly associated problem and almost impact at EU level. More than 80% of the regulations on the production, distribution and exchange of goods, services and capital were flown in the Member States; Over 100 legal documents were adopted by the institutions of the Union; The laws of the Union is the primary source of national law and is a law with higher value of member countries.

- The politicized process of the EU institutional system is one of the main characteristics of European political life. The meeting of the European Council is similar to the operation of other organizations and councils which have a role on orientating of EU politics. But the main role of the board is strong communication between the institutions themselves, between the national government and the EU, among agencies in the Member States, between personal interests and EU officials and with officials in member countries. With this relationship, the operation of the EU are monitored daily.

- The EU political system characterized by democratic political one. The basic institutions of the EU are formed and built from 1952 include: the European Commission, the Council of Ministers, the European Parliament and the European Court. The treaty provisions and additional authority for these institutions have the powers of a state organization, which are the "legislative, executive and judicial powers." Moreover, in the process of institutional reform, the EU has launched a system of rules to solve effectively and gave regulations for the EU institutions to implement this right.

- The clearly defined competence between the Union and the Member States. In the European Union, member states still have more "right" than the state governments in the United States on the policy-making process as well as the issue of veto over legislation. While the policy is implemented, the Member States retain the right to use it as domestic law and conduct the directives of the Union into reality in their country. In addition, the decentralization of the Union level about "executive, legislative, and judicial powers" is still "messy", not the "separation of powers" sharply between the branches of power as in the US.

- Political life. In the EU, the European Council of Ministers is elected indirectly by the specified member governments and the people of the member states directly elected their representatives in the European Parliament. However, the activities of the parties in the EU are just the presence and political discourse usually placed in compromise, consensus for the common interests. European elections often become the identity for that of the elected officials in the Member States, especially in the mid-term election.

- Finally, the policy-making process of the EU. Decision-making mechanisms of the EU institutions is a combination of factors such as super-state, inter-governmental and inter-national. EU political system does not focus as the order of the state model, and no separation of powers in a certain order. Decision making and implementation are given to various community institutions, organizations at Union level and not in a management order in Europe. The way operating of the political system of EU is the multi-level governance model because it based on a complex structure, division of powers, each and every department has different the state of a structure according to the principle of separation of powers between the legislative, executive and judicial right. Power is divided into several levels, horizontal vertical "realm" and between the Member States and the Union level.

2.3.2. European's seafood market characteristics. [9], [58]

EU is the deepest and closest economic alliance in the world and also a stable economic development areas and have their own stable money. On the other hand, the EU market has great demand, diverse and rich products. This market has purchasing power, stability and is also the most difficult market on seafood consumer preferences as shrimp, fish, ... with medium quality and small size can be added for the Japanese and American market about goods structure, creating balance for activities of Vietnam's seafood exports. Therefore, increasing exports to the EU is one of the solutions to ensure stably the production of Vietnamese businesses seafood exporters. However, the expansion of the Vietnam seafood here is not easy.

In fact, the EU is not a cultural entity, heterogeneous culinary habits of living, consumer tastes and behavior. EU market is only technically consistent , in fact it includes many national and regional markets. There are many different points, each country has its own cultural and consumer's demand for seafood products is not the same also. The EU is a member of the WTO, it should be imported mainly management regime based on the principles of this organization. Items managed by quotas is not much but the tariff measures were used much but lower tariffs while the EU is still a market sponsored closely with strict non-tariff barriers. The main technical barrier is the general import regulations and other measures to protect the interests of EU consumers are specified in 5 standard products as following: quality standards, safety standards for users, protect the environment and labor standards. EU market is a very difficult designs and tastes.

2.3.3 Bilateral Relations. [53], [54], [56], [58]

The EU has been and will be one of the main partners of Vietnam. To eleven EU Member States, by the year 2004 there were 372 direct investment projects (FDI), with a total registered capital of over \$ 6 billion, which made more than 4.2 billion, total revenue \$ 1.13 billion per year, create job for 39,350 workers directly.

The EU is the largest donor of Vietnam, accounting for over one third of total ODA, most are non-refundable.

In 2009, the EU has adopted a new strategic partnership with Vietnam in the period 2009-2015, in order to create conditions for accelerated poverty reduction strategy of sustainable development, to help Vietnam build the country and quickly integration with the world. In this new strategic partnership, the EU is expected to support 262 million euros focus on two priority areas:

(1) Strengthen human resource development, especially development assistance some poor provinces through support education;

(2) Help Vietnam's economic reforms under the market mechanism to quickly integrate into the economy of the region and the world. In 2009, Vietnam has actively put out "the overall scheme of Vietnam-EU relations in 2010 and orientations towards 2015" for improving the relationship of two parties to a new level, on the basis of the relationship equal partnership, long-term cooperation for peace and development.

Bilateral and multilateral cooperation between Vietnam and the EU member states took place in all areas before 1990 with many great achievements, which is one of the external resources contributing positively to the innovation economy of Vietnam.

2.4. Overview of the U.S. market.

2.4.1 Overview of the U.S. economy. [59]

The US is one of the countries having the largest area in the world, with a total area of 9,631,418 km², accounting for 6.2 Global area and population of 295.7 million people (2005). US is a federal country with 50 states, including 48 states located adjacent to each other in the North American continent and the two states outside - Alaska and Hawaii. Since the mid-nineteenth century the US has made remarkable progress in economic, science and technology, becoming the number one economic power in the world. In 2005, U.S's GDP was estimated at approximately \$ 12.5 trillion, accounting for about 28% of the total GDP of the entire world. Average GDP growth rate of 4.2% / year. Income per capita in the U.S. in 2005 was \$ 42,000. America is a member of the World Trade Organization WTO, is also one of the three founding members of the North American Free Trade Area (NAFTA). US is in relations with over 230 countries and territories around the world on trade. In 2005 US export turnover is estimated at 2,570 billion, 20% of GDP. Their important and large customer are Canada, Japan, China, Mexico The US's economy is very strong and plays a dominant role in the world economy in many important areas such as: monetary financial, e-commerce, information, information technology, health, education ... However, the current level of the US economy's dependence on international trade is increasing as shown in the balance of trade with other countries. In 2005, the deficit of U.S. international trade in goods was \$ 716.7 million up 17.5% from 2004 and is mainly due to the trade deficit with China. Priority in the coming years in the U.S. foreign trade policy is to strengthen the exploration and expansion of the potential new export markets, including Vietnam.

May extend to the racial diversity of the American population, high income per capita, purchasing power and consumer psychology make US become a huge market for all kinds of goods services; create powerful suction from the exporting country worldwide.

From the general preliminary data above, some general characteristics of the U.S. economic environment such as:

- Market size: a very large market with the largest number of people, the demand for diversity and abundance of species, structure of consumer products. Besides, the US's affordability is very high, high purchase frequency since the citizens have the highest income per capita.

- The growth rate of the market: Although there are certain difficulties in the U.S. market last time but it still achieved a positive growth rate and quality of growth.

- The level of attractiveness of the market: the U.S. market is very large and the potential for all kinds of products and exporters worldwide. So, everyone considers the U.S. market is potential one currently or targeted one towards in the future. Therefore, the level of competition in this market with all kinds of products is very intense.

2.4.2 Trade relations between Vietnam - U.S. [53], [56], [59]

Vietnam has established diplomatic relations with the US since 1995, US-Vietnam Trade Agreement signed in late 2000. In 2006, Vietnam joined the World Trade Organization (WTO) and the US granted PNTR trade Regulation. On trade, investment relations of U.S - Vietnam has developed rapidly.

Vietnam and the US started formal negotiations on the normalization of relation in 1991. On February 1994, the US removes the economic embargo against Vietnam, the two countries established diplomatic relations on 12/7/1995. On December 2001, the bilateral trade agreements between two countries (BTA)

started effectively. On 20/12/2006, the US former president, G.Bush signed establishing legislation permanently normal trade relations (PNTA) to Vietnam. It is considered as an important point in trade relations between two countries. Parallel with the political and diplomatic relations, trade and economic relations between Vietnam and the U.S has not stopped growing in recent times. Two-way trade turnover between two countries has grown from \$ 220 million in 1994 to \$ 9.5 billion in 2006.

Vietnam has become the 40th largest trading partners of the US. Vietnam's exports to the U.S. have jumped from about \$ 1 billion in 2001 to \$ 8.5 billion in 2006. The main export items of Vietnam to the U.S. market in recent years mainly include: textiles, shoes, furniture, seafood, agricultural products ... The Tra catfish is high value, not just in terms of individual items, this commodity exceeded the fisheries sector turnover in 2000, but also its position in the U.S. market. National Fisheries Association published a list of 10 most popular seafood in the US in 2010, in which the Tra catfish ranks 9, up one place from 2009 which was the first year the Tra catfish entered the list of the most popular seafood in the US and ranked No. 10 with an average consumption of 0.78 kg / person, in 2010 it was increased to 0.89 kg / person, it ranked ninth. Tra catfish with tilapia, tuna, cod - 4/10 seafood consumption increase over the previous year while the remaining six types of consumption were reduced. Thus, Tra catfish proved increasingly affirmed the U.S. - the largest address market of 133 imported this commodity of Vietnam.

2.4.3 Distribution of seafood in the U.S. market. [34], [59]

U.S seafood distribution system is massive scale, and advanced science. Association of US seafood distributors includes 300,000 restaurants and 26,000 retail stores in domestic. Distribution of aquatic systems in the U.S. market is divided into two categories: the wholesale market and the retail one. Characteristic of the distribution of fisheries in the US is subject to the union of retail through

supermarkets, stores, shops and the development of the restaurant industry.

2.4.3.1 The wholesale channel. [34], [42]

It was undertaken by the leading seafood company. Through wholesale, seafood system is provided for over 1,300 fishery processing facilities across the country and supermarkets, large dealers, distributors and retailers.

The operation and coordination of seafood in the U.S. market are as follows: seafood is supplied from the exporter or the domestic fishing, aquaculture and the processing fisheries. After processing into refined products or value-added products with high value, fishery is transferred directly to the big dealers in the country. From the outlets, aquatic continues to be transferred to the retailer to provide for consumers through a system of supermarkets and restaurants. Or processed fishery is shifted to the major importers and dealers, then moved to the distributor and the retailer. To become a seafood supplier for the US's wholesale channel, the company must meet the following requirements:

- Ability to deliver high and stable quantity.
- Products have a variety of types and designs to meet the need of many customers in many different areas and regions across the US.
- Providing competitive price for wholesalers.
- Reputation, reliable and willing to work in long-term.

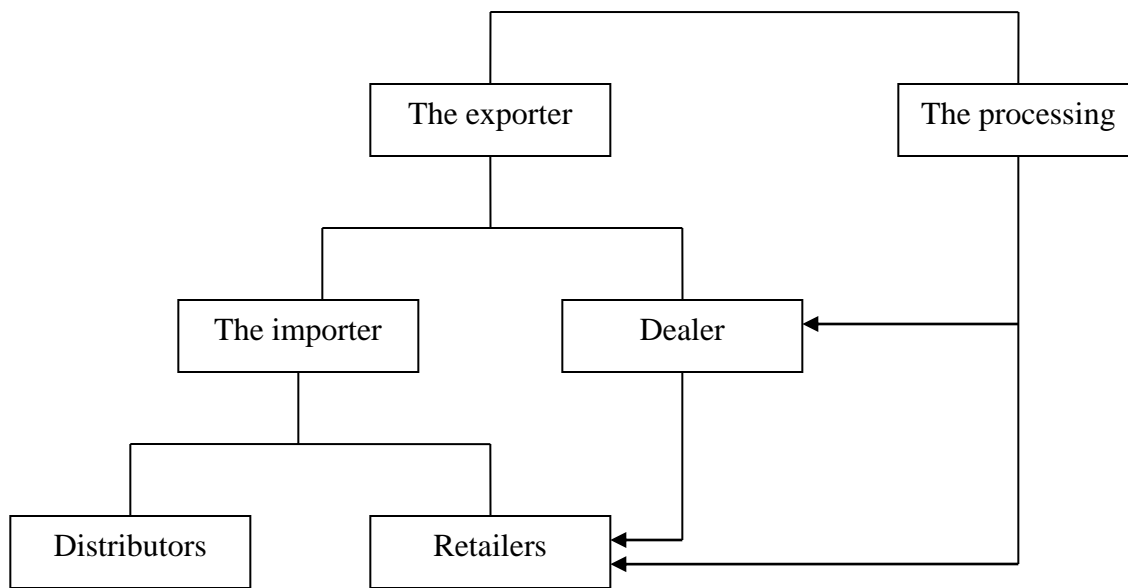


Figure 2: Diagram of aquatic wholesale channels in the U.S market. [34]

2.4.3.2. Retail channel. [34]

Aquatic products are sold through the retail channel accounted for over 50% of total consumption in the U.S market, the average annual revenue is \$ 13 billion. Retail seafood distribution system of the US is operated as follows: origin foreign seafood or processed products in the US are distributed to large commercial companies, supermarkets, large importers or agents and moved from this seafood dealers to other great restaurants.

2.4.3.3. Institutions of the US to import Fishery. [34], [51], [59]

Food and Drug Administration (FDA) is an agency of the Ministry of Health and the health care community in US. All food must be produced in accordance with the standards of the FDA. FDA is responsible for food safety (except meat, poultry, eggs, alcoholic beverages, tobacco, cosmetics, pharmaceuticals, biological products, medical devices International and X-rays). FDA is responsible for ensuring that the food is imported into the United States products having safe, clean, non-toxic, properly labeled with complete information about the product. In

1994, the FDA proposed regulations on Critical Control Point System and Hazard Analysis (HACCP) for seafood. HACCP has been endorsed by agencies such as the National Academy of Sciences, Committee for Food Standards International (Codex Alimentations Commission) and the National Advisory Committee on microbiological criteria for foodstuffs.

The US Customs Department is an agency under the Ministry of Finance, it is responsible for the assessment and collection of import duties and control of goods, people and objects imported into or exported out of the US. National Marine Fisheries Service (NMFS) under the National Oceanographic Department, U.S Department of Commerce. The import seafood products must meet the requirements of this agency and the FDA.

2.4.3.4 Technical Barriers of the US to seafood imported from Vietnam. [54], [55], [56]

The U.S applies system tools of sophisticated nature protection measures and in accordance with the principles of WTO. Technical barriers and quotas were erected closely. Depending on the object, the nature of the barriers will change the level.

US divided the nations of the world into three groups of countries to apply these standards.

Group 1: The policy deals with countries considered allies such as Japan, EU and a number of important partners of WTO members.

Group 2: the pursuit of the communist regime, especially the countries of the former socialist regime, the US often apply restrictions to trade relations, there are cases where the application of sanctions policy .

Group 3: The US implemented sanctions policy against countries considered its enemies such as the support for terrorists, storing used nuclear weapons ... as North Korea, Iraq, and Pakistan...

Vietnam belongs to group 2, but Vietnam has normal relations with the US and signed the bilateral trade agreements Vietnam - US. Vietnam can use “most favored nation” status (MFN) and Generalized System of Preferences (GSP) which are the cornerstones of WTO trade law.

The technical barriers to trade that the US applies to Vietnam, including all rules and common standards for imported seafood must meet the standards, regulations, and institutions of the U.S. administrations. Besides these provisions, Vietnamese enterprises have to meet standards of safety and ensure the health of consumers (HACCP), regulations on corporate social responsibility (Standard SA8000), the provisions of protect the environment (ISO14000 standards). In addition to enhancing competitiveness in the U.S market, enterprises should adopt regulations on quality standards (ISO9000). Fishery products must meet all the requirements to pass the check point at the border of the US, the Vietnamese exporters need to know the rules and standards of the US about the quality and size , packaging, labeling, etc.. The Vietnamese processors should focus on strengthening risk prevention programs through the assessment of compliance with HACCP in production and processing. This will help the exporters to ensure food safety and a more efficient way of processing to be able to pass any import check point at the border in the US. Vietnamese seafood companies have to demonstrate their competitiveness and their position in the U.S market, they need to consider how to ensure the high quality of their products when exported to US.

2.5. Practical basis.

2.5.1 Overview of the world's Tra catfish market and Vietnam's.

2.5.1.1. In the World.

The situation of the world's Tra catfish production [50], [51], [54], [56]:

Classification and distribution of Tra catfish:

Tra catfish is popular in Asia, one of 30 species of Pangasiidae. Pangasiidae was found firstly in freshwater in countries adjacent downstream areas of the Indian Ocean; the diversity of this species concentrated in Southeast Asia (Roberts and Vidthayanon, 1991; Gustiano, 2003).

Tra catfish distributes in some South East Asian countries such as Cambodia, Thailand, Indonesia and Vietnam. It is raised in most of Southeast Asia and is one of the important fish species of the region (especially in Vietnam). Four countries in the Lower Mekong River area had traditional Tra catfish farming in Thailand, Cambodia, Laos and Vietnam due to abundant natural resource. In Cambodia, Tra catfish stocking rate accounted for 98% in three species of Pangasiidae, only 2% is Basa and Vodem catfish, farmed Tra catfish accounted for half of total output of domestic farmed fish species. In Thailand, in eight provinces that feed fish, there are up to 50% of Tra catfish farms. Some countries in the region, such as Malaysia, Indonesia also nourish Tra catfish effectively from the 70-80 decade of the last century.

The previous year in Vietnam, when there is no breeding fish, meal fish,... little Tra catfish was picked up on the Tien and Hau rivers. Mature fish is found in ponds and is relatively rare in the wild region of Vietnam, due to fish migration upstream the Mekong River to live and find out where natural reproduction is. Survey of fish migration cycle in the territory of Cambodia showed that fish moves upstream from October to March and migrate downstream from May to September

every year. Currently there are 11 species of Tra catfish found in Vietnam, including five important species are farmed in ponds and rafts.

The main producing countries: Pangasius catfishes are raised in Southeast Asia, America, China, and a few in South America. The main species with the scientific name as *Ictalurus punctatus* (U.S. catfish), *Pangasius* spp (Tra catfish), *Pangasius hypophthalmus*, *Silurus asotus*, *Leiocassis longirostris*, *Pelteobagrus fulvidraco*, ... in which pangasius species, *Ictalurus punctatus*, *Silurus asotus* are raised in large quantities and are concentrated in Vietnam, the US and China account for over 99% of total output.

- Southeast Asia: Pangasius is feed as one of the most important fish species in Southeast Asia. Four countries in the Lower Mekong River have traditional fish farming in Thailand, Cambodia, Laos and Vietnam due to abundant natural fish. It is the important catfish production region of the world. In particular, Vietnam is the main producer, followed by Thailand, Indonesia and Malaysia. Other countries in the region produce negligible.

The world's fish consumption: [51], [54]

In the last decade, Tra catfish mainly is consumed in the domestic market but it has become a widely commercial commodity in the international market and is popular items sold in US, Europe and Southeast Asia. Vietnamese Tra catfish and American catfish (*Ictalurus punctatus*) are the two main species consumed in the international market, while other species such as *Clarias* sp is mainly for domestic consumption in Asia and Africa.

In the US, the catfish was ranked at fifth among the most popular items sold in this country after shrimp, tuna, salmon and pollock. However, the U.S catfish industry is facing many difficulties when rising production costs. Currently, some states fish skin catfish such as the state of Mississippi (state has an largest area of America's catfish) was closed and the remaining farms are also very hard to

maintain raising output. Whereas demand for catfish on the market will also increase since the supply of whitefish species such as pollock, cod are reduced as well as the Tra catfish in stock is running out. Thus, US also preferred this kind of fish for a reasonable price, preparing easily and nutritious. So, the next time the U.S will increase catfish imports to offset the shortage in the market. In EU market, including Eastern Europe such as Russia and Poland, Vietnam's tra catfish has become a "phenomenon" in the previous year. In Asia and Africa, Tra catfish has become a popular food for consumers and in recent years it has appeared a new wave of frozen Tra catfish fillets from Vietnam by penetrating supermarket chains and seafood restaurants in major cities in Asia.

2.5.1.2 Vietnam.

2.5.1.2.1. Overview. [54]

Table 1. Comparison of the value of Vietnam's Pangasius export in 2012 compared to 2011.

MARKET	11/2012 (V)	12/2012 (V)	Rate of V (%)	Compaired to 2011 (%)	In 2012	Rate of V (%)	Compaired to 2011 (%)
EU	29,831	34,160	23,1	-14,6	425,836	24,4	-19,1
Spain	4,736	6,821	4,6	-17,8	86,710	5,0	-20,3
Netherlands	4,637	4,807	3,3	-27,7	68,437	3,9	-22,3
Germany	4,324	5,468	3,7	+0,5	57,435	3,3	-35,0
English	2,950	2,522	1,7	-21,6	36,165	2,1	-2,2
U.S.	25,540	22,982	15,6	-38,3	358,865	20,6	+8,2
ASEAN	9,740	9,222	6,2	+6,8	110,407	6,3	-0,4
Singapore	2,676	3,043	2,1	-4,0	35,549	2,0	-3,0
Philippines	2,920	2,040	1,4	+23,2	27,437	1,6	+11,7
Malaysia	1,685	2,457	1,7	+59,5	22,062	1,3	+2,9
Mexico	10,704	11,212	7,6	-39,9	101,506	5,8	-6,9
Brazil	10,364	11,133	7,5	+6,0	79,099	4,5	-6,4
China	5,903	7,063	4,8	+12,9	72,967	4,2	+31,5
Hong Kong	3,187	3,454	2,3	-9,5	42,232	2,4	+7,9
Saudi Arabia	3,935	4,674	3,2	-5,5	52,295	3,0	-10,7
Colombia	5,435	5,318	3,6	-23,8	52,291	3,0	-0,004
Other markets	40,489	41,988	28,4	+14,0	491,503	28,2	+3,0
Sum	141,941	147,753	100	-13,1	1.744,769	100	-3,4
<i>V: Value (million USD)</i>							

Since 2005 up to now, Vietnam emerged as the production and the largest exporter of the world's catfish. The species is capable of providing for export processing scientific named *Pangasius* spp. Vietnam's success make many countries in Southeast Asia more interested in this subject.

In 2012, the largest fish import market of Vietnam is still the EU with nearly 292 million U.S dollars, accounting for over 25% of the total export value of fish. Viet Nam's *Pangasius* exports in 2012 declined by 3.4% year on year to US\$1.7 billion. EU, the largest importer of *Pangasius* from Viet Nam, experienced a sharp decline of almost 20%. Imports to the US increase slightly by 8.2%. Together, EU and the US accounted for over 45% of the market share. China & Hong Kong is an emerging market that reported significant increase of over 30% last year.. Also in 2012, Tra catfish exports reached \$ 1.74 billion, down 3.4% compared to 2011 and lower than the target of \$ 1.8 billion by the funding difficulties for production and exports, quiet market, unstable supply of raw materials and low average export price. In 2012, Vietnam pangasius was exported to 142 markets, up from 136 countries and territories in 2011.

By the end of August 2012, the single markets having the largest import turnover of Tra catfish from Vietnam in the EU are: Spain (64 million), the Netherlands (\$ 49 million), Germany (36 million) , Italy and the UK (25 million), Belgium (\$ 20 million) ... After EU, Tra catfish is exported to traditional markets such as the U.S, ASEAN, China and Hong Kong continued with significant turnover. In particular, exports to the U.S. reached U.S. \$ 254 million, ASEAN got \$ 73 million, China and Hong Kong reached \$ 47 million.

In sum, Vietnamese seafood exported to 156 markets. Top 10 major markets includes: the U.S., EU, Japan, Korea, China & Hong Kong, ASEAN, Australia, Canada, Mexico and Russia ,accounted for 85% of export value in 2012.



Figure 3. The farmer is collecting pangasius.

2.5.1.2.2. The Tra catfish production in Mekong Delta region Farming area. [54], [56]

Tra catfish is raised relatively common in the provinces in Mekong Delta, especially in the provinces along the Tien and Hau rivers. Tra catfish production in the Mekong Delta is accounted for over 95% of the country's catfish. Compared to other species, Pangasius farming area is not large but with very high yield and generally tend to rise slowly in the last stage , its productions have played an important part in the total aquaculture output of Mekong Delta river and Vietnam.

Intensive fish farming is mainly along the Tien and Hau rivers and river islet (also on the Tien and Hau rivers). The regions with unfavorable drainage conditions (located away from the main river), people feeds fish with lower level intensive,

mainly associated and utilize available gardens, ditches. Particularly, CaMau and BacLieu province adopted VAC model to provide local food processing for export. The Tra catfish cages in the rivers also tend to decrease, especially in recent years due to high yield of fish pond while the cage is high production cost, low production efficiency.

Output

According to the final report of the localities in the Mekong Delta, Tra catfish production from ponds, dunes increase continuously in the period 1997 to 2005, from 22,550 tons in 1997 to 371,482 tons in 2005 (increased by 16.47 times). The average growth rate of output in the period 1997-2005 is 41.94% / year, much higher than the average growth of an area about 19.3% / year. In 2006, Tra catfish production was 567,082 tons, of which: Tra catfish pond production got 562 051 tones (99% of total production); fish production in cages is 4211 tons (1%); in 2007, Tra catfish production rose to 900,332 tons and in 2008, moved to 1.2 million tones, the average growth from 2005-2008 is 47.83% / year.

The form of fish production.

- Tra catfish farming in ponds and swamps: most of the provinces and cities in the region have the form of ponds and swamps. The small-scale farmers often make use of available ponds, ditches, and garden. The large-scale farmers usually use ponds near rivers to get the advantage of supplying and eliminating water, transport the harvest and seed supply, food service for production. The pond has an area ranging from 500 to 5,000 m², mainly in the range of 1,000 - 2,000 m². The depth of the pond is from 2 to 4 m, concentrated in the range of 2.5 - 3m. They are usually combined to plant fruit trees on the shore to take advantage of the area and increase income.



Figure 4. A little boy is harvesting pangasius.

- Pangasius is fed in hillock, warps: a new form of culture is applied in recent years and tend to thrive because the high density of fish can drop to increase productivity, favorable water supply, easy collection and transport.

- Pangasius is fed on pens: tra catfish is usually kept at the low river flow speed, or hidden in the section of the river. This farming has appeared in most of the provinces along the Tien and Hau rivers. Pens construction costs lower than ponds, not invest sluices, water pump, ... Pens yield is an average of 120 - 250 tones / ha / crop.

- Fish farming in rafts: These cages are often located in clusters of about 4 - 5 rafts along the major rivers (grades I and II). Each cluster is separated from 70 - 150 m; sizes of rafts is from 50 - 500 m³, concentrated in the range of 200 - 300 m³. The rafts are designed with steel frame, stainless steel mesh surrounding. The depth of the rafts from 3 - 5m. Fish production is ranging from 80 - 150 kg/m³,

depending on the density. The feed time is 5-7 months / 3 months, commercial fish size ranged from 1.0 to 1.2 kg / fish.

In general, Tra catfish is fed with different forms like pond, river islet, breeding pens, rafts. In recent years, people mainly feed in the form of intensive farming in ponds, basement with high yield from 150 to 500 tones / ha / crop.



Figure 5. The worker is checking fish nets.

The value of fish production in the Mekong Delta. [54]

Commercial Tra catfish prices depending on the quality of meat (white meat, red, golden meat), fish size and market prices from time to time. In general, the average annual catfish the Mekong Delta fluctuates 9.235 VND/kg (2005) to 15.000VND/kg (2007). Currently, the average tra catfish of the provinces in the region is 22.000 VND / kg, white fish prices higher gold fish about 3.000 VND/kg.

The provinces having a high average fish price are TraVinh, BenTre, SocTrang compared with other provinces in the region. This proves that culture is guaranteed and white meat fish is higher proportion.

DongThap in particular: Tra Catfish production in DongThap step by step operates following the market mechanism, for DongThap province, besides traditional customers, enterprises in the province has added almost 10 new customers in the US, EU and Africa. Tra Catfish are exported to the U.S market is: 3.2 USD / kg, EU 2.6 USD / kg and Asia is 2.4 USD / kg. From July 2012, The Tra catfish's quantity of VinhHoan Company has increased dramatically. It has increased 70% processing capacity, equivalent to 450 tons raw material / day. TruongGiang Co., Ltd also increased its capacity to 100 tons raw material / day, instead of 70 tons / day before. Similarly, HungCa Co., Ltd also increased its processing capacity by signed delivery contracts until 2013. According to DongThap Department of Trade and Industry in September 2012, processed seafood (Tra catfish) reached 17,845 tons, up 3.44 % from August and increasing 12.81% over the same period in 2011. Most export fish processing enterprises in DongThap have increased processing capacity to meet orders. Current concern is the difficult situation of farmers in DongThap because raw material prices are still low (22,000 VND / kg to 23,000 VND / kg) which do not cover the costs, while the feed price increased, so the Tra catfish reproduction of the province is difficult. The raw material for processing is low, while processing and export demand is growing strongly.

According to the Department of Agriculture and Rural Development of DongThap, the total area of pangasius farming in 2012 is 1943 hectares, 89.3% of annual output of 386,910 tons of pangasius, 110.46% of the plan, average rate is about 366 tons / ha. The exporter and the fish farmers said, the current raw material prices have increased up, but still lower than the production cost. By the year 2012,

the price of feed food has increased many times, with an increase of about 900 VND / kg compared to the beginning of 2012, farmers who suffered losses, shortage of raw materials for processing. Besides, the companies said that if the industry functions uncontrolled dumping situation between enterprises, it will be difficult to pull off the price of raw material. Most of Pangasius farming area of the province focused on farming enterprises (accounting for 64.5% of the total area) with 36 enterprises, including company with the largest provincial Tra catfish area is HungCa Co., Ltd with 187ha, VinhHoan Company with 116ha, Docifish with 61ha, ToChau Co., with 47 ha, CuuLong with 44ha. Number of fish farms has decreased over the years since quantity of small farmers and outside the planning area is down,. In 2012, there are total of 428 farmers, most concentrated in ChauThanh, ThanhBinh district. In general, tra catfish production has gradually operated under the market mechanism and moved to large-scale and focus production of goods. Highlights of catfish production in the past is the reorganization of production, built the catfish industry. Some great seafood businesses as VinhHoan, HungCa, HoangLong, and HungVuong organized link the export processing, raw material production, providing fishery food, medicine and fishing supplies, gradually forming large corporations model. Besides, smallholders have made the horizontal and vertical links in the supply of materials and consumer products. Ineligible households has transformed farming for enterprises, thereby expanding the area of the farming sector to 64.5% of the total area. This shift opens for a new step in the production of aquatic products toward large-scale commodity production operation of the market mechanism, competitive and accept the risk if it occurs.

CHAPTER 3: RESEARCH METHODOLOGY

3.1. Introduction

The previous chapter of literature review has provided background of international marketing, export activities, the EU and U.S. market as well as pangasius products.

This chapter shall deal with the detail research strategy and the means of collecting data for analysis which is composed of site and sample selection. In this chapter, the author will critically discuss the methodologies applied in this research paper to achieve the defined objectives of this dissertation. Research methods and methodologies do not share the same meaning. The methodology is considered as series of methods or a system of research methods that will be applied to collect data and information from both primary source and secondary source to verify and reach each objective of the dissertation. The three goals were briefly mentioned in the previous chapters. And thus, to prepare for the good analysis of data and information in the following chapter, the author will carefully select the appropriate research methods and methodologies that may help the author to collect and analyze the obtained data and information in the best way. The author selects the methodologies and research methods in the basis of what information and data needed to verify the objective. The author will heavily focus on the research results obtained from practicing and interviewing with high reliability and validity experts in HungCa Co.,Ltd to get information about their actual pangasius export situation and then drawn the conclusions from the findings. The second goal of this dissertation is to evaluate the strengths, weaknesses, opportunities and threats of pangasius export of HungCa through the data and information collected from the surveys and interviews with many experts in HungCa, of which SWOT analysis and assessment will be mentioned in the interviews for respondents to express their ideas and opinions. The final objective of this dissertation is to

propose some solutions for improving the Tra, Basa catfish export of HungCa to foreign markets in order to make contribution to the economic development of DongThap in particular and Vietnam economy in general. The author will get data and information for verifying and reaching this research goal from designed questionnaires on the interviews and then jump to the final conclusions. The author strongly believes that this method will help the author to obtain data and information in the best way.

The study uses practice, interviews, historical materialism, analysis, comparison, synthesis, dialectical materialism, deductive, as mainstream research methods.

3.2. Research strategy

The research strategy which is used to implement empirical study is a case study. According to Charles Schell (1992) and Yin (1994), in all different research strategies, the case study is the most flexibly empirical inquiry which helps the research examine “a contemporary phenomenon in its real-life context” to achieve the holistic and substantial understanding. The Case study is: “push up pangasius export activities to the EU market and conduct the strategy to enter the U.S. market in the period 2013-2020”. The purpose of case study approach is to use case study to get deep understanding about HungCa Co., Ltd which exports pangasius fish to foreign markets. The research objectives and questions of this study is solved down from findings in the literature review part or from secondary data of existing journals, articles, books, papers, etc.. or especially in the practice and interviews when the author does actual survey in HungCa during the stages as: feeding, processing, packing, transport to export Tra, Basa catfish.

Most of the data will be illustrated in tables, charts, figures based on which findings will be inferred so that the researcher can draw conclusions and contribute appropriate recommendations for the study aims.

3.3. Research paradigm and design

This research will focus on the facts. In other words, as the research objectives is to examine the actual situation of export activities on the performance and market share of pangasius manufacturers in Vietnam in general and HungCa in particular. The one respond can be expected from positivism philosophy. With this stand, the researcher with apply the deductive research approach and use the quantitative research method. The author will get information for verifying as the secondary data and reaching this research goal from the interviews with experts and employees of HungCa and then jump to the final conclusions.

3.4. Data collection

Biggam (2008) mentioned that “data collection methods include a diversified of techniques like sampling, secondary data, observation, interviews and questionnaires”.

The definition of primary data is the directly collection of the researcher to achieve the identified purposes or studies. This data presents the highest relevance for the study and the researcher probably receives the greater control and the holistic and realistic perspectives as well as the better understanding (Srivastava and Rego, 2011).

In comparison with primary data, secondary data indicates some advantages. Firstly, the data collection from secondary sources is usually quick and is willing to use (Srivastava and Rego, 2011). Moreover, the gathering of secondary data is regarded as being less expensive and even free (Hair Jr., Celsi, Money, Samouel and Page, 2011). In particular, Srivastava and Rego (2011) also asserted that this data collection is likely to achieve more extensive range about geography or temporal problem than primary data.

In this research, the researcher conducts a case study about HungCa– A large pangasius manufacturer in Vietnam. The researcher collects information and data

about HungCa through its official website; the analysis and report from newspaper as well as from the internet. There is only some direct explanation via email or chatting tool or even orally to help respondents better understand the actual situation of Hung Ca. Based on the data collected, the researcher presents a case study about HungCa and expresses some findings from this case study.

3.4.1. Sources of data

Synthesizing and analyzing of information obtained from textbooks books, newspapers and magazines. Using materials from various sources from both internal and external Vietnam. Document is inherited and the selective use of information in a number of research works of earlier authors. Information sources used in the study were collected directly from HungCa, Vietnam Association of Seafood Exporters and Producers (VASEP), Ministry of Agriculture and Rural Development, Statistical Yearbook, the statistics of the relevant ministries, website of the EU and the U.S....

3.4.2. Interviews

Interviewing is an adventure in learning. The way one person interviews that depends on what he wants to know. The result is to understand the major points of other people message and how it compares to one own situation. Not only do people need to be a good conversationalist, but also a good listener.

A qualitative interview is different from everyday conversation in the following ways. First it is a research tool and a good interviewer must prepare questions in advance, and later analyze and report results. The interviewer guides the questions and focuses the study. Good interview skills require practice and reflection. Finally, beyond the acquisition of interview skills, interviewing is a philosophy of learning. The interviewer becomes a student and then tries to get people to describe their experiences in their own terms. The results are imposed obligations on both sides. The qualitative researcher philosophy determines what is

important, what is ethical, and the completeness and accuracy of the results (Rubin & Rubin, 1995, p.2).

This researcher use directly interview with the Hung Ca's Deputy of director and their employees to find out exactly information about the study.

3.5. Framework for data analysis

The data collected in the practice and directly interview with experts. Only when the reliability of data was ensured, the researcher will record and put into the thesis.

The data primary collection method: Data collection through the direct interviews with managers or related about the information in the enterprise.

Methods of secondary data collection: Look at the available documents, meta-analysis of relevant documents, summary of experiences.

Methods of analysis, check and compare data for reliable results and work out the relative importance of a number of different options, issues.

SWOT analysis: Discuss about Strengs, Weakness, Opportunities, Threats of HungCa's capacity of promoting export Tra, Basa catfish to foreign markets (at servey fields).

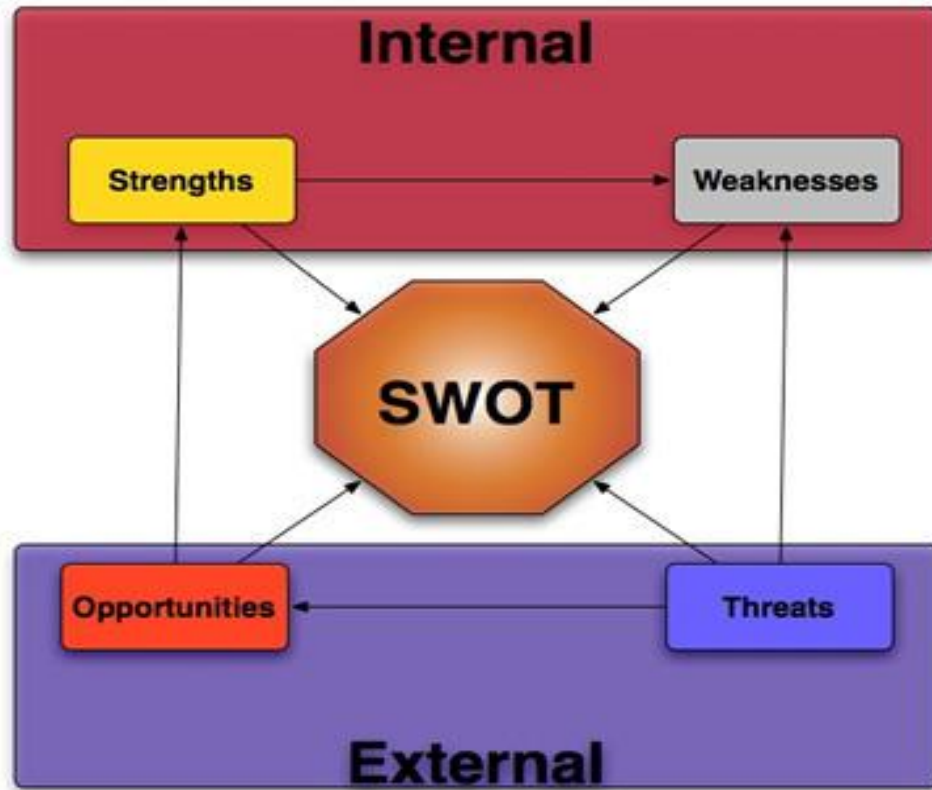


Figure 6. SWOT analysis (from google image).

3.6. Ethics

The researcher has the permissions given by HungCa Co., Ltd to conduct and develop this study, using all collected data in right way to avoid unauthorized acquisition of data and this is my own work.

This paper includes interviewed data, this will ensure that the information and opinions obtained will be used for academic purposes only and wholly private and confidential issues, commercial sensitive data will not reveal or share to anyone.

The researcher also completed and signed the ethic form as required by Leeds Metropolitan University. This form can be found in the appendix of this research.

CHAPTER 4: DATA ANALYSIS (FINDING) AND RESULTS DISCUSSION

4.1. Overview of HungCa Company.

4.1.1. The process of formation and development of the company.

4.1.1.1. Introduction

HungCa Co., Ltd was official established in February 2006 in BinhThanh Industrial Zone, DongThap Province. Nowadays, with total area 312 ha and the investment capital USD 45,000,000, HungCa has become one of the largest Seafood farming, processing, and exporting companies in Viet Nam.

With more than 30 years of experience in farming Tra & Basa catfish and 181 ponds in HongNgu, TamNong and ThanhBinh, HungCa is proud of being the unique company, who has its own biggest farm in Vietnam.

HungCa factory and VanY factory, reaching the total capacity of 370 MT of raw material/day.

With 312 hectares farming area for 181 ponds placed in HongNgu, TamNong, ThanhBinh, etc. HUNGCA becomes one of the companies that have the biggest fish farming area in Mekong Delta.

In 2009, HungCa got the exporting value USD 31 million, and provided more than 90,000 MT raw material per year. For the purpose of producing the best quality products, HungCa applies the international standard close process from farming, processing and exporting, supervises strictly the production process that guarantees for stable raw material source and makes up the reputation of HungCa in the international market.

Specializing in Tra & Basa Products such as Pangasius fillet, portion, skewer, steak, roll, value added products and industrial block which follow the international standard ISO, HACCP, BRC, HALAL, IFS, Global Gap, HungCa is the top supplier of many importers all over the world.

4.1.1.2. *Company history*

- 1979, Beginning: With more than 30 years experienced in farming Basa & Tra Pangasius fish in Mekong delta, Mr. Tran Van Hung – HungCa founder carried out to exploit a large number of canal areas in HongNgu – DongThap, starting in to farm and exploit in large scale.

- 1989, expanding farm scale: focus on ThuongLai Commune, HongNgu District, DongThap Province. The harvest capacity is about 70 MT per day, providing mainly for domestic market.

- 1992, Investment: Investing in farming in floating raft, including 9 big rafts, providing 100 – 300 MT Pangasius raw material for the processing factories.

- 1996, Development: Widening the lake and raft's area, standardizing farming and production.

- 2003, turning point : DongThap Province appealed for developing the farming seafood career in alluvial flat. HungCa invested in dredging 34 ha hillock in TanThanh and TanBinh Commune, ThanhBinh District in order to continue to expanding the farm.

- Besides expanding the farm, HungCa focuses on improving the fountain-head, raise fish by industrial feed meal made from broken rice, bran, marine fish that improved the fish's quality, reduced farming cost, enhanced the cost price, tended to the exportation.

- Getting successful in farming and providing high quality Pangasius raw material, HungCa built the prestige gradually in the seafood field and tended to expand the distribution channel, especially in exportation.

- 2006, HungCa Establishment: April 2006: HungCa built the processing seafood factory in DongThap Province with capacity 45,000 raw material per year that completes HungCa's close process: Farming – Processing – Exporting. From

then, HungCa became the unique exporter which had close process that helped control the raw material and be flexible in exportation.

- 6 Feb 2006, HungCa Co., Ltd was official established with 80 ponds along HongNgu, TamNong and ThanhBinh, and 1 processing factory with capacity 50,000 MT per year.

- 26 Dec 2006, HungCa Branch was founded in Ho Chi Minh City. HungCa Products, Pangasius fillet has been launched in the international market, especially in Europe, Middle East, Russia, Asia, South America...

- 2007, Awarded “Viet Nam’s Creative Symbol”: Mr. Tran Van Hung – Chairman of HungCa Co., Ltd was awarded “Viet Nam’s Creative Symbol” for research work entitled “Converting the Pangasius farming model in the floating rafts to ponds” by Viet Nam Union of Science and Technology Associations.

- 2008A, achievements: HungCa got the EU code – DL 126

- HungCa got many certificates continuously including: ISO 22000:2005, BRC, HACCP, and IFS.

- 2010, Improvement: June 2010: HungCa is one of six companies who get Global Gap certificate that helps HungCa penetrate easily to the strict markets and consolidate HungCa trade mark in the international market.

- August 2010: Putting the second Seafood processing – Van Y in operation with the capacity 80.000 MT per year, getting the total capacity 120.000 MT per year.

4.1.1.3 Achievements

As a company with over 30 years of experience in farming, processing and exporting Pangasius, HungCa is proving itself to be a business which is able to learn from traditions and develop strongly in the age of integration. In the whole-hearted effort since founded years, HungCa firstly reaches considerable achievements contributing to building a prestigious brand.

2007 ♦ Golden Brand Award 2007

2008 ♦ Golden Brand Award 2008

- ♦ Golden Cup for Excellent Product – Service 2008
- ♦ Top 100 Excellent Businesses 2008
- ♦ Excellent Brand 2008
- ♦ Viet's Trademarks in WTO Integration Award
- ♦ Typical Entrepreneurs Vietnam – Laos - Cambodia
- ♦ Top 100 Vietnamese Leading 2008

2009 ♦ Viet Nam Gold Star Award 2009

- ♦ Commendation of National Committee for International Economic Corporation
- ♦ Golden Cup for Vietnamese Excellent Enterprises
- ♦ Golden Brand Award 2009
- ♦ Top 500 Vietnamese Largest Enterprises – VNR 500
- ♦ Reliable Exporters 2009
- ♦ Viet Nam Gold Seafood Quality 2009

2010 ♦ Viet Nam Gold Star Award 2010

- ♦ Top 500 Vietnamese Largest Enterprises – VNR 500
- ♦ Trusted Brand 2010
- ♦ Excellent Brand 2010
- ♦ Top 500 Fastest Growing Enterprises - FAST500
- ♦ International Quality Crown Award London 2010
- ♦ Reliable Exporters 2010

2011 ♦ Viet Nam Gold Star Award

Quality certificate

Over several years of production and business, HungCa has built its position and prestige in the international market by a range of high quality products, and good services. These are confirmed by many international certificates such as HACCP, ISO, IFS... In 2010, in order to improve the product quality and develop the environmentally and friendly production system, HungCa tries its best to get Global Gap, and becomes one of six businesses who got this certificate firstly in Viet Nam. This achievement helps HungCa satisfy many fastidious customers from Europe and improve HungCa's position in the international.



Figure 7. Global Gap farm area

ASC: One step closer to the target

Under the agreement signed among VASEP, VINA FIS, WWF Viet Nam and WWF International in December 2010, Viet Nam will try to have 25% of pangasius export production certified sustainable standards, with at least 10% ASC certified in 2011- 2012. So far, twenty-five farms, accounting for 11% of the total export volume in 2011, are on their way to the certification.

The involved farms belong to 19 Pangasius companies, including Anvifish, Biendong, Cl-Fish, CP Vietnam, DongA, Godaco, Hoang Long, HungCa, HungVuong, Navico, NgocHa, Ntaco, Saigon-Mekong Fishery Co Ltd., Sohafood, Southvina, ToChau, VinhHoan, Docifish, and VinhQuang, reported Mr. Jose R Villalon, Chairman of Aquaculture Stewardship Council (ASC) during a meeting held on June 27, 2012 in Ho Chi Minh City. ASC is a certification and labeling programme for responsible farmed seafood, founded by WWF and IDH in 2009. ASC standards, which cover abalone, bivalves, Pangasius, tilapia, shrimp, salmon, trout, cobia, are developed through the Aquaculture Dialogues, a programme initiated and coordinated by WWF.

ASC Pangasius Standards comprise of 115 indicators, which address 7 principles, including legal compliance, biodiversity, water and land resources, species diversity, feed and resources, animal health, social responsibility. In the social component, ASC addresses both the inside farm issues (worker safety, worker age, slave labor etc.) and the community around the farm.

4.1.1.4. Company culture



Figure 8. HungCa's logo image.

Slogan: Quality from Nature

The meaning of the logo: The logo includes 2 main images. The letter “H” is an abbreviation of HungCa and the symbol of fish illustrates the main product of HungCa. The letter “H” expresses the message of HungCa’s founder, which are Hand, Head, and Heart. It demonstrates the whole-heartedness of the farmer with his career, he used his hand, head and heart to make the dream come true, built up HungCa strongly nowadays.

Two main colors: green and blue symbolize the nature that gives HungCa’s message “Quality from Nature”. That combines with the guarantee for the best natural quality product.

The symbol of 3 tails – fish is the close relationship between the founder and three successors of HungCa family, which shows the desire of inheriting and developing HungCa trademark in future.

Vision: They aim to maintain their position as one of the leading seafood manufacturer in Viet Nam under the motto “Best Quality, Natural Products”.

Mission: To balance the expectations of company, customers, shareholders, workers, and the community

Core value: Warm-hearted – Self-improvement - Dynamic – Responsible – Unified – Customer.

Attitude towards Customer:

Professionalism: providing the best product and services from selling to exporting, solving the arising problems thoroughly, supporting and meeting customer's demand

Enthusiasm: to be ready in right position to serve the customer, giving feedback effectively and quickly

Bonafides: working on business ethics basic, no fraud, no cheating.

Working attitude:

Warm-hearted: giving the best effort, contribute one's knowledge and ability to the success of company

Self-improvement: effort to improve themselves at work, perfect oneself in working, desire to promote and distribute all one best to the benefits of company

Dynamic: self-motivated to learn, share experience, contribute creative ideas to develop company

Responsibility: to be in the position of Member of HungCa family, each member is responsible for one's job and duty, bringing the maximum benefits to company

Attitude to colleagues:

Respecting: to be friendly with colleagues, do not spread rumors that affects to the honor of the colleague in the company

Solidarity, support cooperation: be ready to share information and experience to colleagues for the purpose of creating strong alliance, contribute to develop the strong company.



Figure 9. The HungCa's workers are working professionally.

Development orientation: In 2010, there are many difficulties in the seafood field, especially Pangasius fish exportation. Although a lot of general disadvantages occurred, HungCa still has got the stable exporting value until now and continued to develop infrastructure as well as new technology to improve product quality by carrying out the plan of 2010 and the development orientation in many next years.

Making effort to reach the sales target in 2010 – VND 1000 billion

Launching the second seafood processing factory Van Y with the capacity 250 MT raw material per day, attain the total capacity 370 MT per day

Focus on applying the latest technology in production

Developing the modern management system, perfecting the better company policy which is applied for all employees in the branch as well as the factory

Promoting marketing activities with many domestic and international exhibitions, presenting HungCa trademark all over the world

Building up the international door to door distribution plan by developing professional logistic system, supplying products directly to the supermarkets and importers.

Affiliates:

- Van Y Food Factory
- HoanChau Investment Co., Ltd.
- HungCa forage Factory.

4.1.2. Products.

- Pangasius Hypophthalmus: Pangasius is a tasty fish with a delicate texture and nice white flesh. The fast-flowing waters of the Mekong delta gives the meat a clean, fresh flavor. Cooked meat is ivory colored.

- Scientific name: Pangasius Hypophthalmus
- Business name: Pangasius, Basa, Tra, Catfish.





	
<u>Pangasius Fish Fillet</u>	<u>Pangasius Whole Fish</u>
	
<u>Value Added Products</u>	<u>Block, Loin and Portion</u>

Figure 10. Some kinds of Pangasius Fish products.

4.1.3. Market.

Due to upgrading business scale and improving the product quality, HungCa has presented at more than 50 countries in the world such as Europe, Russia, Middle East and becomes one the largest Tra & Basa exportation companies in Viet Nam. In 2010, in order to expand the exporting distribution network all over the world, Hung CA not only focuses on main markets but also continues to penetrate to prospective markets as well as provides high quality diversified product system, professional customer services to satisfy the international customer more and more.

North America: This is a high potential market, especially in The US, attracting many importers from Viet Nam. According to this estimate, HungCa has been penetrating gradually into this market and got the first success with 7.56% sales in 2009. And getting 0% antidumping rate for exports to the U.S market is the main goals of HungCa in future.

South America: This is a new market with high prospective Pangasius demand. In 2009, HungCa cooperated with many importers in Peru, Mexico... and continued to export to Brazil, Chile. This is an important effort of HungCa to expand exporting distribution channel in South America.

Europe: This is the main market which HungCa has targeted from the early years. Europe market has the highest Pangasius consumption at this moment which occupies 49.45% of the total sales in 2009. With the great developing potential, Europe is assessed to be the traditional market of HungCa in many next years and it is continued to be the biggest market in Pangasius exportation field all over the world. In 2010, HungCa continues to maintain and expand this market by providing many kinds of value added product, industrial block, Global Gap standard products in order to meet demand of this strict market.

Africa: Motivating the exportation to Africa countries such as Morocco, Algeria, Nigeria. With 2.89% total sales, Africa is continuously a potential market in future.

Asia: With high demand of Pangasius, Asia is very potential but it has not been popular. So, planning to develop this market is in HungCa's strategy.

Middle East: Middle East is evaluated as the potential market with high seafood consumption in future. At present, Tra & Basa fillet is very popular in this market with high demand. In 2009, HungCa developed and widened the Middle East by more than ten importing countries; it brought 5.96% of the total sales. It is estimated that this figure would increase in next few years.

Russia: HungCa is one of ten businesses who are authorized to export to Russia. While the Europe usually requires the fish with small size and high quality, Russia is an easy-to-please market with the demand of fish with big size and simple specification. It brings 17.94% of the total sales in 2009, stays at the second position behind EU.

4.1.4. Functions of the company.

HungCa is an independent accounting business unit, so its main function is producing and processing frozen Tra, Basa catfish with high quality to meet customers' needs. It is critical to the survival of the company. At present, the company's products are processed and exported to many countries in many continents. With its own existence, the company has contributed significantly in the promotion and development of the fisheries sector in DongThap province in particular and Vietnam in general. To implement the functions, the company should implement the following tasks:

- Pursuant to the policies of socio-economic development of Vietnam State, the targets of the superior authorities in order to build the business plan, including related plans (short and long term) of the company and the plan implementation measures are assigned, responsible to the customer, the implementation of the signed contract.

- Research of seafood export market as well as organize and implement marketing policies well.

- Research the application of scientific and technological advances in production and processing, create more high-quality goods to meet customer needs.

- Always focusing and giving attention to the training of professional technical and management staffs and leaders of the company, effectively using of

assets, materials, capital and labor, implementing the optimal cost savings, preservation and development of the company's capital.

4.1.5. Organizational structure of the company.

Organizational diagram of the company.

The organizational structure of the company is shown in the following outline:

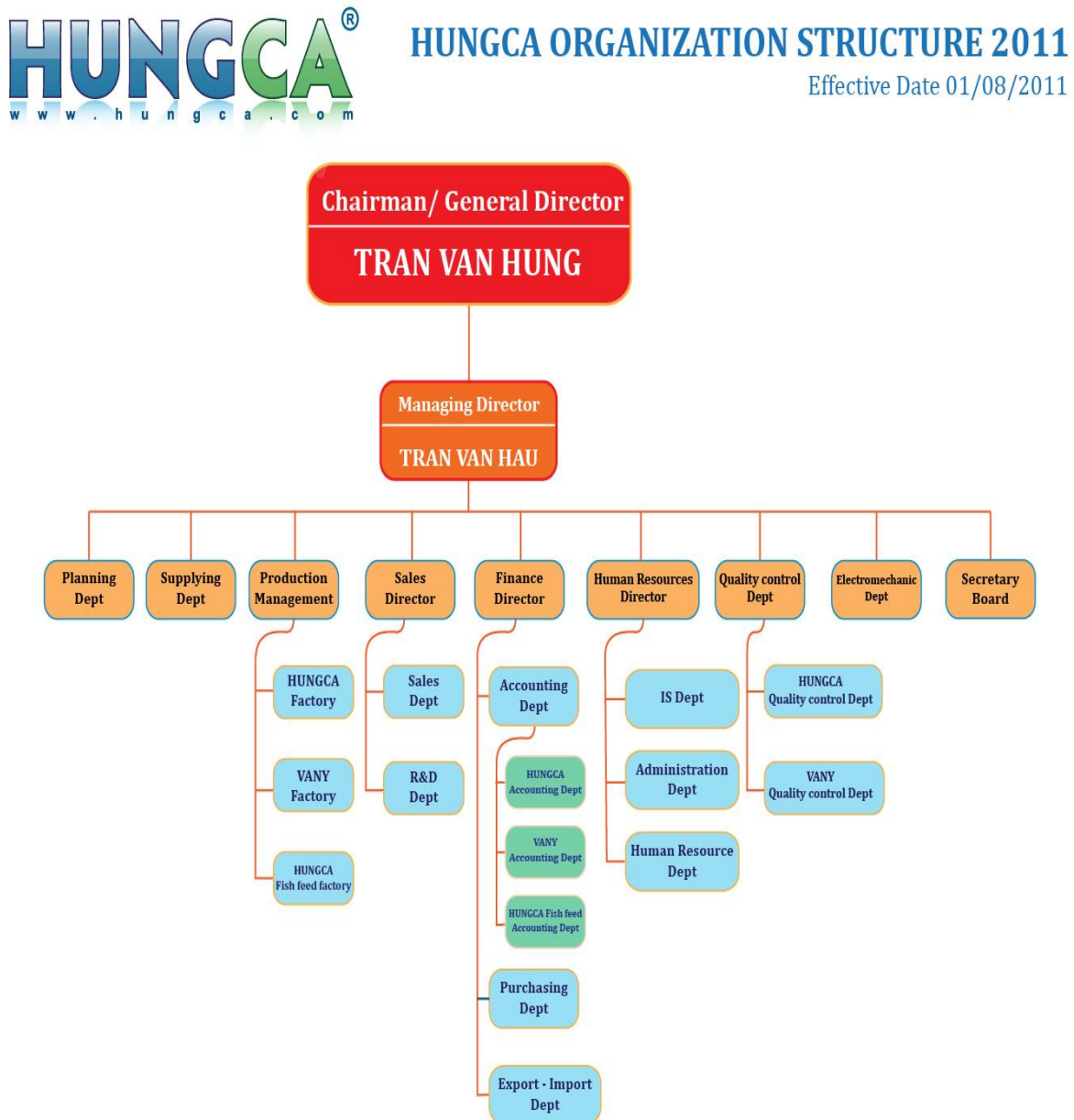


Figure 11. Diagram of HungCa's organization structure.

4.1.6. The use of capital.

-Technical facilities:

Machinery and equipment: The company has almost a full range of modern machinery, cold storage and convey or system capable of serving for the production of high-technology processes for completing quickly, effectively with high-quality.

Means of transport, buildings and structures: All of vehicles used to transport goods are its own ones, the company's factories are made of the roof religion which are very solid, relatively spacious, get the standards of a frozen processing plant, good infrastructure, the way for entering the company are made of concrete to get convenient in transportation and freight.

- Type of ownership: HungCa Co., Ltd.

Capital is from production and business activities of the business. The ability to raise capital: Capital resources are contributed by the investors and can be mobilized from other investors and funds such as: investment and development, the financial reserve fund. Capital support from DongA bank, Agribank (Vietnam Bank for Agriculture and Rural Development).

4.2. The actual situation of Seafood Export.

4.2.1 Status of the export activities.

Along with the development of the fisheries sector, in recent years the company has certain steps to contribute to the development of Vietnam's seafood export sector. The company in the development process it was inexperienced, faced many difficulties in the beginning. Besides, the seafood export sector facing many problems and was prohibited to sell some export seafood (anti-dumping) such as: tra and basa catfish, shrimp, etc. Those have little influence and impact to business operations of the company. On the other hand, the competitive environment constantly changes, fierce competition and the fish export processing

enterprises in domestic and abroad. But, HungCa moves beyond all strive by the best efforts of all officers and employees of the company and the right leading of the board of directors. So, in recent years HungCa has achieved great achievements for contributing to the overall development of Vietnam's seafood export sector.

4.2.1.1 Export turnover.

HungCa has achieved the following accomplishments: In 2006, the company achieved turnover of 89 billion - \$ 5,562,500, the end of 2011, revenue was increased 9 times , USD 1000 billion -50,000,000.

Table 2: Revenue and profit in the last 3 year of Hung Ca.

Year	2010	2011	2012
Revenue (USD)	29,402,512	50,000,000	31,819,722.7
Profit after tax (USD)	499,842.7	950,000	604,574.732

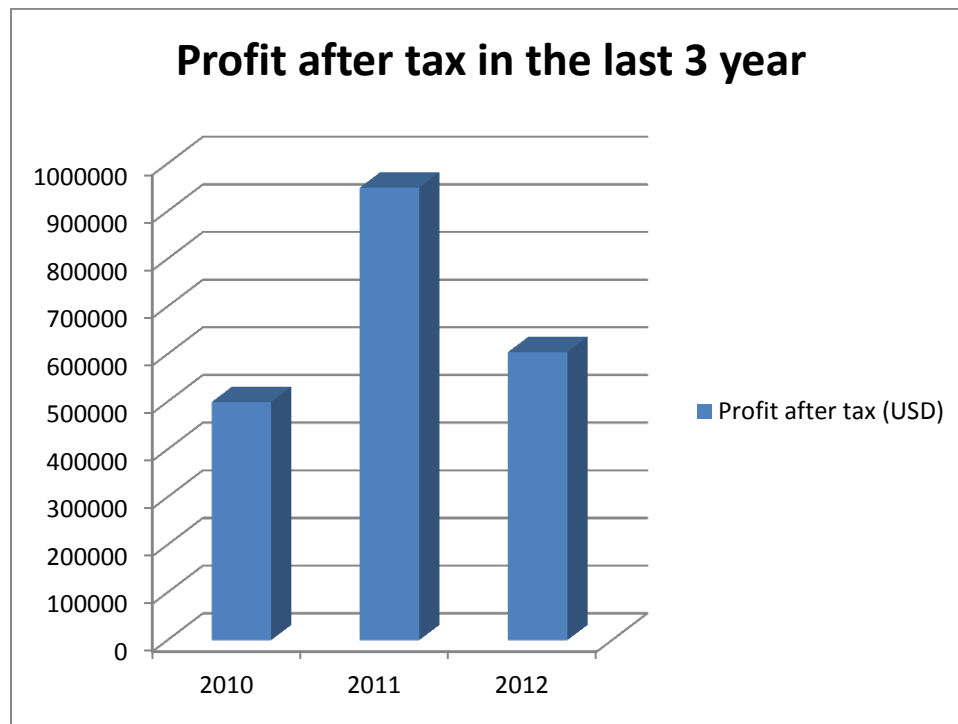


Figure 12. Profit after tax in the last 3 year of Hung Ca.

Table 3: The actual situation of HungCa's export activities in the last 3 year.

Year	Quantity (Kg)	Value (USD)	The growth rate (%)
2010	11,706,047	25,050,940	100
2011	142,00,000	42,600,000	170.05
2012	8,485,259	28,001,356	111.78
Sum	34,391,306	95,652,296	

Follow the above table, it can be seen that despite difficulties in the course of operations, HungCa has made significant progress in the production of import-export business. From 2010 to 2011, the export turnovers have increased from \$ 25 million to over \$ 42 million and quantity of fishery exports also increased significantly. However, by 2012 the export value is over \$ 28 million, down compared to 2011 because the factory has to suspend operations and maintenance activities in the first few months of 2012 due to lack of raw materials. Overall, the company has achieved many outstanding accomplishments which will facilitate for the company to develop in the later stages.

4.2.1.2 The main export markets of Hung Ca.

Its market strategy is to maintain the traditional market as well as take advantage of search and expand into new markets with new products. The seafood export market structure is expanding not only in quantity but also in terms of market size. HungCa began orientation, expansion and export market access to new attractive and potential markets as EU, Asian ... increasing market share in these markets and declining failed, ineffective markets.

In 2011, HungCa had the highest export sales in the past year and had market-oriented strategy in the high efficiency especially in the EU market. Minimize the limitations of depending on a number of markets.

To domestic market: This is the solution to the initial consumption of products when the company has just established and put into operation because there were not many foreign customers. However, the domestic market has failed to provide economic efficiency and HungCa always determines its target market is the customers abroad. So, it may be seen that along with the development process, finding and entering the foreign market are main tasks while the proportion of turnover consumption in the domestic market is declining. In 2010 and 2011, the rate of turnover in the domestic market accounted for 15%, but by 2012, it only accounted for 12%.

4.2.2 Other forms of export.

With the goal of maximizing profit, HungCa is currently applied variety of forms to improve export turnover.

4.2.2.1 Directly Export.

The number of direct exports are accounted for 90% of the export value. The company directly feed tra, basa catfish, then brought to the processing plant, production and export to abroad.

4.2.2.2. Entrusted Export.

Besides applying directly export method, HungCa also purchases Tra and Basa catfish from other enterprises for export. This form is still giving a small profit for company, accounting for about 10% of export value. HungCa acts as an intermediary, on behalf of other manufacturers signed export contracts and received a certain commission. However, this form sometimes makes the company get passive situation because it depends on that unit, if the unit does not need to

export or the quantity is not stable, the revenue of company also reduces.

4.2.3. The actual situation of Tra, Basa catfish export to the EU market.

4.2.3.1. Export turnover.

From 2006 - 2007 was a period that HungCa had established and gone into operation. So, the company's pangasius products are mainly exported to Korea and Japan market (accounting for over 90%), the rest are domestic and some other Asian countries. The process of survival and development as well as the company's strategy is to continue to maintain the traditional market, at the same time taking advantage of searching, extending into potential and potential market.

Especially, HungCa has found that the EU is great with large population, high standard of living, diverse cuisine, attractive prices, and market reputation. With the determination of the basic innovation, process innovation in the export of Tra, Basa catfish processing was carried out on all aspects: from the upgrading of production conditions; technological innovation equipment; change in approach safety and quality management according to HACCP standards. These efforts have brought significant results.

Table 4: The export turnover to EU market of Hung Ca.

Year	2010	2011	2012
Revenue (USD)	417515.67	655384.62	400019.37
Quantity (Kg)	195100.78	218461.54	121217.99

In 2010, the company's tra, basa catfish products have been exported to the EU market with 195.1 tones, worth \$ 417.5 million, 60% per total turnover export of the year. Especially, in 2011, pangasius exports to EU reached 655.4 million

USD, increasing more than 1.5 times compared to 2010 and accounted for 65% / the total value of export for the whole year. In 2012, its turnover to the EU market reached \$400 million, accounting for 70% / export of years. Hence, the EU has become the main export market of the company.

4.2.3.2. Tra catfish market structure export to EU.

The market structure of export pangasius to EU market is also expanding in quantity and scope. This is shown in the following table:

Table 5: Export situation of HungCa in EU follow each specific market.

Unit price: \$1000

Market	2010	2011	2012
Spain	77.18	96.91	66.92
Italy	167.45	174.48	279.04
Germany	26.18	117.21	51.44
Denmark	145.52	137.19	74.48
Belgium	-	79.13	25.48
Czech Republic	-	57.49	41.36
Sweden	-	-	20.24
English	-	-	15.28
France	-	13.42	19.56

According to the above table: in 2010, the pangasius products of HungCa exporting to four countries in the EU market such as Germany, Italy, Spain and Denmark. In 2011, the company's products have been exported to three new markets which are Belgium, the Czech Republic and France. By 2012, these products were exported to new countries that were the UK and Sweden, thereby increasing the total pangasius export market of HungCa to the EU up to night.

Therefore, the company had good strategy and direction of the pangasius export to the EU market. Though the structure of export markets to EU is increased, the total export turnover of the company in each market in 2012 is lower than 2011. This is because the EU's demands are reduced due to the impact of the economic crisis.

4.2.4. Overall assessment export activities.

4.2.4.1. Achievements.

HungCa has shown a continuous effort to survive and grow. In terms of the crisis economy and inflation, there are many large and small businesses in trouble, losses, inefficient or even bankruptcy, HungCa has developed well. This is extremely valuable achievement, the deserved results for the continuous efforts of team officials and employees of the company. Capturing new trends, identifying market to reach out to expand the market and dominating the market to further enhance export turnover so that HungCa can survive and thrive in the future. The company has gradually asserted its position with domestic suppliers and foreign customers. With reasonable strategy, now the products have been exported to many countries in the world, especially the EU is the main market. To achieve that success, the company has good strategies as following:

- The first is: HungCa is more active in research and access to foreign markets, from mainly dealing with two countries which are Korea and Japan, the company had a business relationship with many countries, the EU in particular. The market structure is expanded, market size is increased both in volume and value. Products are diversity, abundance and increasing value.

- Second: HungCa has successfully implemented the policy of diversification of goods: commodities, product categories meet the increasing needs of the clients in general and EU in particular. Even in the traditional markets as Japan, HungCa has maintained and increasingly consolidated its market share by appropriating measures such as improving design, product quality, product

standardization, promoting new items, increasing small packaging to penetrate the supermarket which has attracted the attention of customers. In addition, to have the ability to penetrate and maintain market share in many difficult markets, it's essential to ensure about food safety issues as the EU and Japan require. HungCa with enhanced quality policy to have persevered competitive advantage constantly way and enhance the reputation and tradition of quality. They have applied research methods in HACCP quality management. This trend is a welcome first step innovation system quality and safety of the world.

- Third: The Company has determined fix export price: Due to the quality of export products of Vietnam in general as well as HungCa's are pretty high, to sell the product easily, the prices have to be relatively low. So, the company has made great efforts in determining the export price for the market to suit each and every customer. This increases the competitiveness of its export products compared to other companies in foreign countries and in all the markets in general and in the EU market in particular.

- Finally: the company's distribution policy in recent years has made major contributions to the penetrating and expanding new market, typically the EU. The company negotiates and signs the contracts with foreign customers directly without through any intermediary organizations, this has reduced the cost, contributing to improve their export performance. On the other hand, HungCa directly contacts with customers, gather the necessary feedback from customers about the types, prices, designs and goods from the company for satisfying the increasingly diversified needs of customers.

Thus, the export of HungCa over the years has achieved great success due to the efforts of the firm which can be listed as:

- Having the opportunity to directly access the market especially the foreign market, HungCa has accumulated rich experience in international trade, creates

trust and credibility with customers. The company regularly learns about the tastes of each market needs to detect deficiencies and timely remedy and has measures to satisfy customer needs.

- One of the important reasons leading to the success is the human factor. HungCa has a team of staff is dedicated, enthusiastic, dynamic and always strives for the development of the company.

4.2.4.2. Limited.

Besides the achieved results, there are many obstacles to overcome for boosting exports in the near future.

Firstly, the quality of Tra, Basa catfish is lower than other large companies: Although the company has made great efforts to improve the quality of the product, the products when enter the difficult market are very difficult. Therefore, its product hasn't had to reach some countries in the EU yet and especially the US. The product is diversity but mainly in processed form that reduces the value of goods. So, customers have the opportunity to give pressure and difficulties to business. Thus, HungCa needs to quickly research and introduce measures to improve the quality of products, study to find high added value for increasing competitiveness in the international market. Secondly, the promotion of advertising and marketing are at a low level, not effectiveness yet. The Company does not actively create new items to offer to foreign customers, some items are considered new, value-added mainly made by customer request. Thirdly, the market structure is differences in density: Whether the company is trying to restructure the market following the direction of development to potential market, only the Japanese, Asia and EU is still mainly market in the total export value of the company. Especially the US market, the company is not accessible.

Finally, the company is not active in the production and consumption of products due to the unstable source of raw materials although the company has its

own feed fish; Sometimes, the production process is slowed or even stopped due to lack of raw material, especially on the first time in 2012. This is due to the difficult economic situation, raw materials for feeding continued to rise.

4.2.4.3. Difficulties.

Last year, HungCa is also difficult to deal with technical barriers of import countries that also make farmers worry about production. In addition, the risks and challenges of the stages in the chain as follows:

(1) Raw materials:

- Rising input costs (feed organization, planning of raw materials for processing feed, fuel, etc.);
- Quality of the food industry is not high due to fraud in the business (improper industry food of protein, fraud in packaging);
- Do not assess the quality of aquatic medicine;

(2) Manufacturing / processing:

- Water contamination leads easily for fish to get disease and death;
- Weather fluctuations affect the ecological environment of the fish as vulnerable to disease;
- Lack of quality of little fish;
- Technical barriers to export value-added products from fish;
- Lack of work experience in processing and high labor competition between the processing plants.

(3) Market

- Price the little, commercial fish are unstable;
- Demand for fish consumers in the domestic market is saturated;
- The processing companies give pressure on competitive prices to win customers that make value-added products from Tra catfish is low.
- Increasing requirements for food safety.

- Conditions of anti-dumping and other criminal.
- Consistent quality requirements of large customers.
- Requirements traceability capabilities.
- Competing with China, ASEAN, South Asia, the domestic companies.
- A tendency to reduce prices for aquaculture products.
- The increasing requirements of environmental protection importers, ensuring social responsibility. Green Peace organization (Greenpeace) has put Vietnamese tra fish to the list of gold: gold list of recommended fish that can move through the list of red if not handled well (color list red of the fish farming and processing inhumane, or if breeding and processing it will adversely affect the environment and the product is "shut" in many countries around the world.

4.3. Some solutions to step up company's export activities to EU market and enter us market.

4.3.1. Objectives, directions and activities of the company in the future.

In the near future, there are many difficulties and challenges in the business of importing seafood in general. HungCa has to rise up and assert itself to continue to exist and develop, worthy contribution to the development of Vietnam in general and the fishery sector in particular. So, the goal in the near future is to promote democracy, solidarity and autonomy to fulfill tasks well, comprehensive targets and business plan in 2013. And The Company continuously concerns about improving life for all its officials and employees. The specific targets:

4.3.1.1. The export quantity.

Striving total end of 2013 increased by 20% compared to 2012 including:

- Allocation of logical structure in a stable output and efficiency to meet the needs of customers.

- Do not happen any violations of the product or the breach of the slow delivery time, improper packaging specifications lack of labeling, delivery ...

4.3.1.2. Export value.

- Striving to get total export value this year reached 36 million, up 30% compared to 2012. In which, export turnover to the European market is about 55% of the total value of export, minimize market share in the market that provides low efficiency.

- Promoting research activities and exploring new potential markets, especially the big goal in 2015 is the ability to penetrate the U.S market.

4.3.1.3. Measures.

Continue to strengthen the management and supervision thoroughly all stages in the production process from the source to the processing and export. Raising awareness of the professional qualifications of each worker, each official, strictly handle violations. Enhancing quality control check, focus all special conditions required of professional staff, in collaboration with the authorities to implement the process of sampling, testing and quality standards hygiene and food safety in order to best meet the needs of customers.

Continue to maintain and develop market research as well as focus, explore and penetrate new markets, implement plans to diversify markets commodities. Promote democracy and creativity of every employee. Announce savings program against waste in the company.

4.3.2. A number of measures to promote the export of Tra catfish to the EU market in the future.

A number of measures to promote the export of Tra, Basa catfish to the EU market in the future.

To achieve this goal and confirm its position on the domestic as well as international market. To deserve being a big company of the fisheries sector in Vietnam in general and also in DongThap province in particular. The board of managers is gradually researching and building a comprehensive development strategy for the future based on the general direction in the 2012. A number of measures to improve fisheries export of HungCa to the EU market in the near future:

4.3.2.1. To Hung Ca.

The EU is a very difficult market with the strict requirements of quality standards and food safety. EU's technical barriers to seafood increasingly more stringent. Therefore, Vietnamese enterprises should also pay attention to the barriers to take precautions, avoid commercial litigations affecting the prestige of Vietnamese brands. On the other hand, HungCa needs to improve itself to meet the requirements of the difficult EU importers. Thereby, also enhancing the brand of Tra, Basa catfish in particular and Vietnamese goods in the EU market in general . The impact of this development on the perception of the Natura brand.

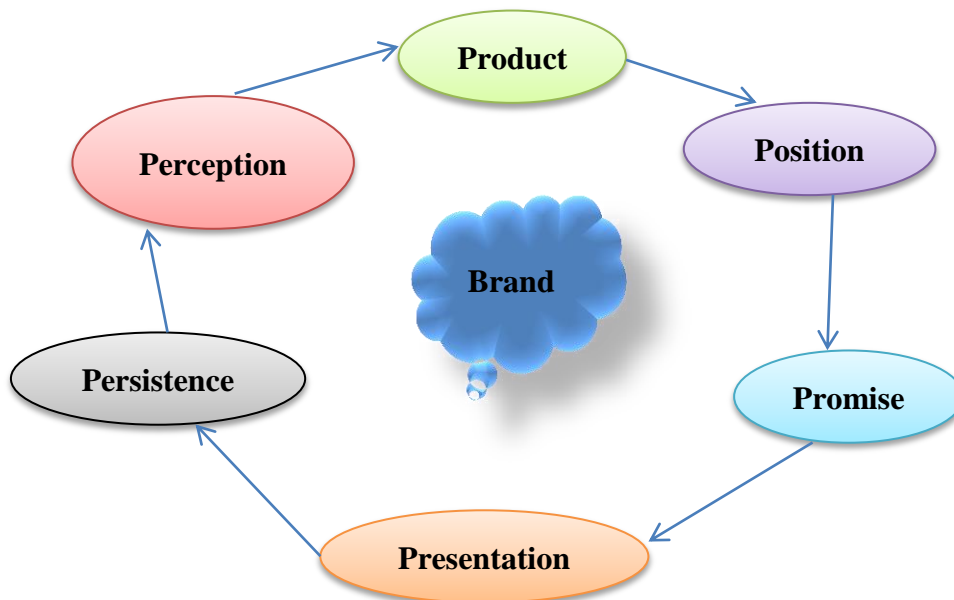


Figure 13. The image displayed the factors affect the brand.

“Brand perceptions are shaped by functional experiences (speed, quality, reliability, ease of use) as well as emotional experiences (make me feel better, improve performance, make one life/job more gratifying or easier) the customer associates with the product and company.

When a brand perception is negative and requires a change, that change is likely to include one or more of the following:

- Competitive strategy
- Business model
- Vertical or horizontal integration
- Hours
- Pricing strategy
- Distribution strategy
- Product functions, features and styling

So the main point is that brand repositioning is not just a marketing activity. It goes well beyond marketing communication and requires real changes in product/service delivery across multiple functions. Therefore, to promote and enhance Tra, Basa catfish exports to EU companies, HungCa needs to implement these solutions.

4.3.2.1.1. Completing the procurement of raw materials of feeding and creating a source of Tra, Basa catfish for export.

Improving the efficiency of purchasing food source for feeding Tra, Basa catfish to export is one of the important factors to ensure the success of the export activities of a business. Thus, HungCa is not exception. Creating a source of good, high quality, cheap price, fast delivery which will make the company conduct export contract favorably, ensure credibility with customers. HunCa applies business model in accordance with the process "feeding fish-processing and

consumption”. The purchasing food for fish has a very important meaning to ensure the continuity in the stages of the business process.

4.3.2.1.2. Focus on improving product quality.

- Improve product quality with lower costs. Quality, price and the level of marketing are crucial to the survival and development of the company because they affect to sales and revenue as well as the competitiveness compared to other competitors. Therefore, it is critical to continuously improve product quality and reduce product cost. Then, the company needs to solve a number of problems as below:

Firstly, improving measures of feeding Tra, Basa catfish to get higher quality which are the indispensable basis to improve the quality of the product.

Secondly, strictly control effective antibiotic residue tra and basa catfish material in the process of feeding. The third is to upgrade production conditions include: workshops, technological lines, equipment. The fourth is to raise awareness and professional qualifications of each worker, staff. Having the education advocacy for all individuals within the company about the requirements and benefits as well as the role of members of improving product quality. And training for workers the necessary skills for effectively using the equipment, advanced modern facilities. To quality managers , it's important to take training for improving their professional skills to handle quality of goods from putting feed materials in warehouse - processing - product acceptance.

- Construct the quality administration system in accordance with international quality standard. To overcome the weakness and lack of proficiency testing equipment measuring conditions to check product quality, the company needs to invest in building laboratories at the factory which have the ability to check product quality before export and prevent that customer returns or feel bad about the company's products.

To meet the quality requirements for export to EU, HungCa should focus on investment management of quality goods by engaging with the international standard ISO 9000, because this standard mentions the key elements of quality management: quality policy direction; market research; product design implementation; supply process; packaging; distribution; internal considering and assessment; after-sales services; control document; training ... and apply the quality management system standards such as GMP, HACCP, Global GAP, etc.

4.3.2.1.3. Improving the export method.

As the reality, HungCa exports almost 100% follow the FOB price to the market. Net exports in the long run are so hard to maintain and develop a sustainable manner because: In foreign trade (import and export), the transportation of goods from the seller to the buyer is obliged at the same time as the interest of each party - the seller and the buyer. The seller or buyer can't move goods directly, they have to hire a third party known as the carrier. The purchase contract, signed between the seller and buyer specify lease obligations of transportation, the cost of transport. Which party has the right about transport that has the following benefits:

- Be proactive in organizing transport negotiations, sign the contract.
- That party can choose the carrier on transport routes and methods of transportation to his advantage.
- Utilization of the fleet and its vehicles for the transport of goods in order to increase revenue and reduce expenditure in foreign currency.
- Possible impact on the freight market to stabilize or reduce the rates thereby improving profits when exporting the product. So, the research and development of the sales method under CIF instead of FOB type is very urgent for the company.

4.3.2.1.4. Using effective and flexible marketing - Mix tools on the market.

Marketing - mix policy is a powerful tool in the pursuit of business objectives especially for exporters and their customers who have the different nationality and therefore, they are dissimilar in many aspects such as consumer habits, Legal System ... So, Hung CA needs to apply and coordinate the harmonization of policy tools in the marketing- mix policy.

- The first is product policy: In order to create competitive products, attract and build trust with customers compared to other competitors, the company must continuously improve product quality, multi- diversified products, create new high-value products in order to best meet the requirements of EU customers, as well as replace many products in the recession. As the requirement, the company has to minimize the harmful effects of impurities in the injection operation into Tra, Basa catfish for ensuring clean raw material for the processing of export products.

- The second is with the pricing policy, the seafood prices fluctuate constantly, so the company must apply flexible pricing policy with their export products for each customer of each region for ensuring the profitability and attracting customers, giving confidence to customers. To be applied a flexible price policy in the business, HungCa needs to analyze prices based on research of inputs, labor costs, seasonality, and solvency thereby it may build and set prices to suit each customer. The company has to regularly monitor, update and anticipate factors that increase price in order to make quotation for customers as well as set the price when signing the contracts to minimize the damage of wrong price.

- Thirdly, the distribution policy in order to bring products to customers are quickly and efficiently. HungCa needs to have good relationships with the suppliers, carriers, houses for rent cold storage, stakeholders and even competitors. This is a problem to be solved soon to uniformly strong links between suppliers

with such HungCa that it can attract new customers and increase its competitiveness.

- Finally, promoting and advertising policies: Advertising is one of the components of the marketing - mix policy since it plays an important role in promoting the consumption of a business, especially with business enterprises in the field of exports like Tra, Basa catfish export, advertising promotion is importance issues. It is not easy to make clients know the company's products because they are foreigners. The cost of advertising by means of radio or television is expensive whereas its capital is limited. Therefore, the best measure is to advertise through the logo, address, telephone, the website, or on the packaging ...

4.3.2.1.5. Human Resources Training.

The experiences of many businesses and companies in Vietnam and other countries show that training is one of the decisive factors for the success of a company's development. Human is the subject of every action, so it is crucial to the success or failure of the company. Thus, HungCa needs to focus on new training, training management staff, technical staff, and market staff in order to have the capacity and adapt to the requirements of the economy and market integration. It is the key to the success of the strategy to promote Tra, Basa catfish exports to the EU market in the future. Therefore, to improve staffs and workers, the company must consider this task as a strategy of both immediate and long term.

Human resource is always the most important factor in the development projects of all businesses in general. For individual fisheries sector, the development of human resource through training of qualified staff to adapt to the requirements of the regulated market economy, especially the high demand in the world's fish market which is always changes. That is the key to the success of tra, Basa export strategy next time of Hung Ca.

4.3.2.2. To the Vietnam State and the authorities of the fisheries sector.

4.3.2.2.1. Exemption of taxes on production and export of aquatic products.

Competitive advantage of Vietnam seafood products are now greatly reduced because the costs boats, labor costs are increased due to the economic situation of high inflation over time, while machinery and equipment for catching and processing are in the backward condition compared to the general level. Therefore, to enhance the competitiveness of producing, processing aquatic products for export of enterprises, the Vietnam State needs to issue the appropriate tax policy to help them enhance export price competitiveness. Resource tax exemption, value added tax, export tax, the cost of road traffic ... the State should encourage investment in innovative equipment for the processing of export aquatic products through regulations which are import tax or appropriate depreciation method to stimulate business's investment for new equipment.

4.3.2.2.2. Promote activities of pushing up Vietnamese Tra, Basa catfish in the EU market.

To boost the business of market information and trade promotion activities to meet the necessary information for the business. In addition to their own efforts in maintaining the business and market expansion, the State should have specific policies to support enterprises in searching for new markets.

As the representative for the seafood export business, VASEP should provide full and timely information on the EU market for businesses and help solve problems arising in businesses who export Tra, Basa catfish to the EU market. In addition, VASEP should conduct to research about EU's fisheries market, propose research and participate in fairs, organize events to advertise Vietnamese Tra, Basa catfish in the EU countries. Giving technical assistance and training for the staffs of relevant enterprises.

4.3.2.2.3 Increasing investment and better management of fishing offshore and aquaculture to ensure raw materials for production and processing of seafood export enterprises.

To achieve the objectives, orientations and tasks in seafood exports to the EU and all markets, the first thing is to solve the problem of raw materials for processing. Therefore, in order to exploit the potential of diverse, rich materials of Vietnamese seafood for providing to businesses, the State must play a role by making a clear legal environment, encouraging all economic sectors and the State itself enforce management policies, adequate investment to ensure better exploitation of offshore resources as well as improve support, aquaculture techniques. The State support for aquaculture through activities such as: building infrastructure and irrigation, extension services, and application of scientific and technical, marketing guidance information, credit ...

4.3.3. Solutions for Tra, Basa catfish to enter the U.S market in the near future.

4.3.3.1 Distribution of seafood in the U.S.

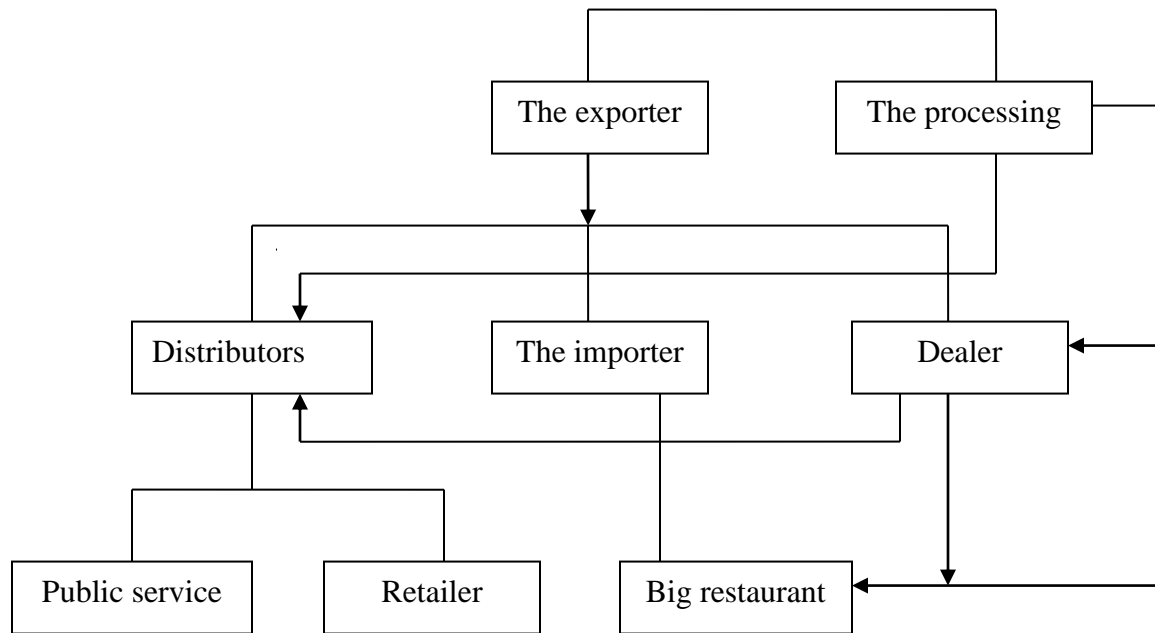


Figure 14: Retail schematic of seafood in the U.S market.

The distribution of aquatic products mainly give commodities to public service system or the small restaurant serving a public place. This is a process that has multiple floors, levels which were built scientifically for appropriating to the characteristics of U.S. market. Two important factors in the U.S. seafood retail are supermarkets and restaurants.

- Sales through supermarkets: supermarkets consume over 40% of the retail value of seafood. Seafood at the supermarket is very diverse and rich, not only frozen seafood but also fresh produce to satisfy all customer needs.

- Sell through the restaurant, public restaurant and snack service: aquatic products are sold through this system accounted for nearly 60% of the retail value and it is growing as a trend.

4.3.3.2. Strategy of export to the U.S market.

Currently, for all kinds of commodities and services, there are two basic competitive strategy that are competitive prices and product differences. Price-competitive strategies commonly used low prices in order to attract attention and encourage action to buy low price products of customers. Product differences is a strategy using the difference in utility, user, threads, patterns, fashion, product quality, service - add ... Similar to other seafood exporters in Vietnam, HungCa comes later in the U.S market than the export company as China, Thailand ... Those who came before them have occupied a good and stable position in this market. So, to be able to compete in the U.S. market, HungCa must prove to the U.S. importer about the ability to provide stability in quantity and quality as well as ensure on time delivery and especially, price must be lower than other exporters. Most of Vietnamese enterprises are using price as the main competitive tool when exporting to the U.S. market. This comes from the fact that production conditions in Vietnam as cheap labor, abundant raw material ... However, they haven't managed business costs in the production process leading to the Vietnamese seafood products and a variety of other items such as textiles, footwear have been investigated on anti-dumping in the US. And most businesses bear a high anti-dumping tax rate which having a large impact on business operations and competitiveness of enterprises to export to U.S. market. Prior to the actual situation, the board of managers of HungCa has outlined its own competitive strategy and specific to the U.S market in the near future. The company will use both tools competitive price and quality products. However, the performance of

two competing strategies will not take place at the same time and follow a specific process which is divided into two main phases:

- Phase 1: using competitive strategies on product quality. In the current situation. Besides, now the U.S importers are also very wary of low price products with not transparent costs... so they do not consider the low price as a top criteria when selecting suppliers. Thus, the company will seek to improve the quality of products, invest in technological chains in order to develop the current production capacity to meet the requirements of the importers on quality, the ability to provide single large numbers and long-term stability. This will be a considerable competitive advantage of HungCa compared to the seafood export companies in Vietnam as well as in the world.

- Phase 2: Using strategic of price-competitive product, the selling price is lower than competitors. After attracting importers and customers by quality products, HungCa will reduce the price of products in order to increase competitiveness. This is done since the company uses advantage competent economies of scale. In the early stages of the process of technological innovation culture, product processing and production management, the unit cost is still quite high. However, after about 3 to 5 years, the company will achieve maximum capacity, management experience so that the cost per unit of the product is low. Thereby, the company can reduce the selling price to the customer.

In the process of implementation of competitive strategy, Hung Ca also has to calculate the change of the business environment in Vietnam as well as in the US. Especially, paying attention to the changes in the U.S legal environment, policy for all imported products in general and seafood such as tra, basa catfish in particular.

4.3.3.3. Strategy of Export Product.

The important decisions of product strategy including: product characteristics, brand, packaging, sales support services. The current capital is still limited, the company can't promote organizational branding and distribute direct channels in the U.S market. So, the decision on the brand and consumption support services have not been more development attention. Now, for the first step into the U.S. market, the company should focus on other more important issues as: improving the quality of products in order to meet the requirements of the U.S. market at the same as well as adjust the decision on product packaging.

4.3.3.3.1. Manage product quality according to US standards.

Besides the anti-dumping investigation, a major cause of reducing the value of Vietnam seafood exports to the U.S market is the quality of aquatic products which is not guaranteed, do not meet the statutory standard of US quality. Vietnamese seafood export's quality is low because they don't control of antibiotic residues in aquaculture.

Typically, aquaculture in many countries is banned to use some antibiotics, many other types are still used. In contrast, in the U.S, exception for a few antibiotic, all the rest are prohibited. In the U.S, there are six types of antibiotics and 18 others are not allowed to use for aquaculture. In addition to the forensic provisions issued by the U.S government, there are number of voluntary regulations by a number of influential non-governmental organizations issued. Despite the voluntary of standards, these are the requirements set by the importer, it is also considered as mandatory for all companies who export to the U.S. market. As the above request and provisions, HungCa needs to have timely adjustment to manage fishery quality in the growing stage in order to meet these demands. Along with fisheries quality management according to the HACCP, HungCa should

consider, check the current use of antibiotics. The tasks need to be done now as below:

- Find out about the regulations of the U.S list of the antibiotics are used to know which antibiotics are banned.

- Check the manufacturing process to reduce gradually the antibiotics included in the list of prohibited antibiotics in the US. The company can control all process from farming to processing fish products since tra, basa catfish materials are mainly fed by itself. This method requires a lot of cost but more long-lasting.

4.3.3.3.2. Design product packaging and labeling in accordance with the U.S requirements.

Packaging for fishery products has to be beautiful design, convenient, safe storage and use, it also must comply with certain rules prescribed by the importing country. When deciding to export Tra, Basa catfish to the U.S. market, HungCa needs to pay attention to get knowledge on the regulations for labeling, packaging of food items in general and seafood in particular. Follow the US Law, any information on the label must be clear for the ordinary consumer can read and understand in the most common conditions of purchase and use. Language required to write on the label, the product packaging is English, especially the name of origin country. The necessary information listed on the labels, packaging products are:

- The name and full address of the manufacturer, packer, distributor.
- Record the exact number of inside food. Weight must be noted in the unit of the UK-US measurement.
- Common name of the product must be listed on the front along with the image of the product.

- Information about nutrients: calories, composition (%) of nutrients.

In addition to the general information under the provisions of the U.S government,

on the packaging of export products, the company also must add the information requirements of the importing company.

4.3.3.4. Exports Strategy.

4.3.3.4.1. The methods for calculating the export price.

Export prices are determined based on the following main grounds:

- Costs of purchasing materials.
- Costs incurred when implementing of the export contract.
- The current price of product on the market
- The price compared to competitor's in the market
- Market demand
- The export policies prescribed by the State
- Import policies of the U.S. and international countries.

Depending on every commodity, market and the company's strategy in order to determine what factors are most important in setting the export price. Currently, there are many methods to calculate the export price but there are two common methods: FOB and CIF prices.

- FOB (Free on Board) price:

+ FOB price is used when the goods are agreed upon delivery at the port of Vietnam.

+ Formula:

FOB = purchase price + interest of bank + management costs + import duty + corporate income tax + shipping costs + expected interest.

This calculation method has the advantage of safety, the enterprises don't bear risks arising in the course of transportation or storage products on the market.

- CIF price (Cost, Insurance and Freight):

+ CIF price is used when customers request to deliver goods at the port specified by the buyer.

+ Formula:

$$\text{CIF} = \text{FOB price} + \text{shipping cost to buyer's port} + \text{insurance costs.}$$

The methods may also change depend on different time and market. Contrary to the FOB price, CIF price calculation method has a higher risk because the company must take full responsibility if any problem occurs with the product during transportation to the port of the buyer.

In both methods, to companies whose products are rated "anti-dumping" when exporting to the U.S market, they should add this tax to the general formula for calculating the export price.

According to the US, buying a bond or paying annual escrow payment of the U.S. seafood import business from the enterprises or countries who being subject to anti-dumping duties, these export enterprises have to bear the expenses. So, HungCa should consider whether to make deductible expenses towards the export price of the product or not.

4.3.3.4.2 The method of regulating the export price to the U.S. market in the imposition of anti-dumping duties.

This is the nature of trade barriers to set the owner of the U.S., most companies can't afford instead blowing the decision in the near future. Therefore, the need of the company right now is to find ways to balance the cost of production, reduce the cost of producing a maximum, thereby reducing production costs and export prices, increased competitiveness in the market. However, it should be noted that cutting costs must be reasonable, must be coupled with the transparency of costs to avoid being sued for dumping later. The lower their prices to compete must be coupled with ensuring product quality and other standards of the U.S. market for seafood such as catfish, basa imports.

4.3.3.5 Strategy for distribution in the U.S market.

When entering the U.S. market, the products of Vietnamese seafood businesses are accessible in the form of direct export through importers in foreign markets. The importers may be purely commercial companies, large distributors or manufacturers importing raw materials for further processing. Those companies can be in the U.S. or maybe the company of a third country only acting as intermediary exporter such as: Singapore, Hong Kong ... This export method turns out to be consistent with the conditions of the current situation of HungCa in particular and all Vietnamese seafood export company entering the US market in general. This is due to a number of subjective reasons:

- Due to limited resources, lack of information on the market, most of the businesses don't have the ability to establish and develop their individual distribution system in the U.S. Only products of China and Thailand are almost set up their own distribution channels in this market.

- The company has not find many customers, import partner yet. Besides, it must prepare to expand scale to supply orders fully in long-term for US. Especially, if HungCa can't resolve the problem of antibiotic residues blocked or excessive, it isn't able to build its own brand and credibility to U.S customers.

Therefore, the currently important and necessary task for the company is to enter the U.S market as quickly as possible: reorganization of production in order to become competitive contract manufacturers for foreign companies, including U.S companies. Today, in the U.S, there are many companies as wholesale, retail, distribution, commercial business that sell products manufactured by other companies. Thus, this organization of HungCa's international channel also has similarities with the distribution channels in the Marketing Industry because their main customer at that time is the importing companies. Distribution system diagrams can be organized as follows:



Figure 15. Distribution system diagrams.

The function of each party involved in the distribution channel:

HungCa's tasks:

- Production and processing of products according to design, style, size which the importers have requested.

- Delivery commodity on time, right place and regulations of importer.

The importing company is responsible for:

- Design product.

- Labeling its brand on imported products.

- Can contribute to increasing the value of imported products by more processing.

- Set up distribution systems in the U.S. market which offers products directly to US consumers.

Now, this form of distribution is used by a lot of companies in many countries around the world applied and achieved great effect, notably China. For example, in 2005, Chinese exports to the U.S totaled \$ 250 billion, but no brand named "made in China". This form includes certain benefits and also some limitations:

Benefits:

- Achieving the export target with high output and great value.

- High safety for avoiding risks which may occur in the process of delivering products to consumers.

- The company doesn't need to pay branding cost, the cost of establishing and maintaining distribution channels which are very high expenses for export companies in general.

Restrictions:

- The company can't directly contact with final consumers.
- Export of products bringing brand name of other companies thereby the value added per unit of product is not high.
- Can't be active in finding markets because it depends on the orders of import companies.

However, this is only the way to organize distribution in the early stage of new product entering the U.S market. The next step, the company will design and manufacture products to offer for foreign importing companies in order to not depend on their orders. When producing is stability with more large-scale and financial accumulation, HungCa may consider branding and design; maintain their own distribution channels in US.

4.3.3.6. Promotion Strategy when entering U.S market.

With the recent decision of the U.S Department of Commerce on application of anti-dumping duties on imported frozen tra, basa catfish fillets from Vietnam into the US in the period from August 01, 2010 to July 31, 2011; the Vietnamese enterprises have been accepted higher tax rates about 25-44 times than before. The new tax rates of anti-dumping tra, basa catfish investigation on eighth applied new deposit rate, having legal effect from 21-3-2013.

However, it is fortunate that there are eight companies who didn't join to export into the U.S. market during the period mentioned above, these companies can continue to export to the US at the old tax. This is a big advantage and chance

for many businesses, for example Hung Ca. However, it takes time to find customers or generate relationships; many new companies as well as HungCa are very difficult to be able to immediately replace the previous key enterprises. Yet, follow the information that the US market is running out of inventory. This is an opportunity for Vietnamese enterprises to adjust the market and raise the price of tra, basa catfish sold in the U.S market. HungCa will focus on improving the quality, developing product value instead of increasing export quantity to the US.

4.3.3.6.1. Improving quality.

U.S is the third largest market importing seafood in the world and it is attractive to Vietnamese seafood exporters. Americans have high consumer demand and the prices in this market are also higher compared to other markets and the Vietnamese domestic market. American's demand for seafood, especially tra, basa catfish is increasing through time.

The technical standards of the US ranked as rigorous and demanding type, if Vietnam exporters can overcome technical barriers, they may reduce successfully the difference in standards between Vietnam products and products of other countries, decrease the pressure to defeat technical barriers.

The U.S. standards is applicable as: Hazard Analysis and Critical Control Points (HACCP), regulations on social responsibility (SA8000), the provisions on the environment protection (ISO14000), quality standards (ISO9000). The U.S consumers are so difficult, and they concern about the products of dubious origin, famous brand. So, if HungCa wants to have the ability to compete in the U.S. market on tra, basa catfish product, it should increases investment in brand building, brand value register, design and label design, packaging for products associated with the production of raw materials to register the origin of goods, ensuring the necessary certificates for export markets.

4.3.3.6.2. Participating in international seafood fairs.

Display samples and advertising at trade fairs is the most popular method of promotion that governments as well as businesses often use. Specialized Fair is where most businesses can survey the market, look for partners. Through these fairs, enterprises can identify what the market needs and market trends, recognize competitors and their potential. A convergence of buyers and sellers of the same industry is concentrated, therefore those would be the most ideal place to introduce new products, explore the market's reaction to the products, meet the partners including partners unprecedented cooperation before.

However, the cost of showing at international trade fairs and generally fair in the US in particular is very high. The fee to exhibit a standard booth (3x3m) in the US in accordance with international standards cost about 13 to 15 thousand USD. On the other hand, if the display at the fair are not prepared and conducted thoughtfully and carefully, it's not only wasteful but also bad impression with customers. Therefore, it is necessary to study the market carefully before making a decision to participate fairs or not, HungCa should be involved in the most appropriate fair, considering which products should show out. In general, before participating in a fair, the company needs to study, review and prepare the following issues:

- Selection of the fair: Every year in US, there are thousands of trade fairs held in various States. To seafood product, there also are hundreds of large fairs: international fisheries Fair in Boston and international fair of fisheries in the West Coast.

International fisheries Fair in Boston is America's largest fair on frozen seafood, seafood processing and aquaculture equipment. This fair is held every year in March with over 750 processing companies, import-export, distribution in the U.S. and other countries.

International fair of fisheries in the West Coast: held annually in Long Beach on November every year with the participation of about 300 companies. Considering the current conditions and the ability of the company as well as the competitive situation on the market, HungCa can be able to participate in two major fairs. Besides, the company can choose one of the following directions:

- + Participating in trade fairs with smaller-scale such as the state fair. This method has many advantages and in accordance with Vietnamese businesses because: small scale but wide range of effects leading the cost of participation is much smaller, and the company can also can contact closely to their target customers.

- + Link to other seafood exporters in Vietnam together joined the fair to be able to share common costs and support each other in the process of preparing and conducting fairs.

- + Link to importers, distributors in the U.S to join the fair in order to bring benefits to each party.

- Selection of samples for display: when participating in the fair, the company should only display a few type and design products. The company should focus on promoting the ability to produce in the form follow to the importers, the ability to meet orders ... thereby attracting import partners in the U.S market.

- Prepare Catalogue, gifts and other promotional materials: Catalogue and promotional materials will contribute to the promotion of supply capacity and product diversity of the company. The importers mainly look at this document to assess the capacity and professionalism of the supplier. These materials have been designed and printed in a professional manner so that they will make a good first impression with customers and the promoting efficiency will be much higher. Information on the document should focus on the things that customers are interested in as business, production capacity, the company's reputation in the past

... Language in the promotional materials should be printed in a single language (in the U.S, should be in English), not in bilingual English – Vietnamese causing both increasing costs and making discomfort to customers. Besides catalogs and brochures, the company should also prepare a number of samples having its name, logo and address to give to the customers. This is a very effective way of advertising because it attracts attention of customers.

- Design and stage the exhibition booth: Due to limited financial or not fully aware of the importance of designing and staging the exhibition booth so far, when participating in international trade fairs, Vietnamese enterprises often design the booth themselves. So, the booth is often very sketchy, monotonous and lacks professionalism which can't attract the initial attention of customers. To reduce the cost and increase the effectiveness of HungCa, it can hire professional designers in Vietnam. It's necessary to hire the designers of the U.S. higher cost but it is safer and more effective because the U.S. market is still very new to the Vietnamese businesses in general and HungCa in particular.

- Promoting the participation in fairs: To attract more customers to visit and do business, the company needs to inform, advertise their presence at the fair. The best way is to post or advertise on marketing journals associated with the fair.

4.3.3.6.3. Advertisements through the company's Website.

Today, the website becomes an indispensable means to the business. The website is a significant advantage for Vietnamese businesses to penetrate the U.S market where there are over 200 million people (about 2/3 of the population) using the Internet. Vietnam is a new market to U.S businesses, so they are still in the process of learning, studying and exploration of the Vietnamese market and partners in Vietnam. Americans have a habit of looking for information before directly contact with customers and the Internet is the most used tools. The transactions through the website giving the company the benefits:

- Save time: the foreign partner will quickly get information about the company after only a few minutes when visiting the website. This will be beneficial to both parties taking advantage of every opportunity to do business.

- Saving cost because the company no need to send catalogs or brochures to the U.S, whereas the cost of printing and sending documents are often very expensive, waste of time.

HungCa also has developed its own website at: <http://www.hungca.com/>. Offering a number of recommendations and measures to improve the situation and increase the effectiveness of the company's website as:

- Always update the information that customers interested in to the website (can be updated daily or weekly, depending on the required level of information.

- Redesign interface for dynamic website, post more illustrations, introduction about the company.

4.3.3.6.4. Email.

Email is becoming increasingly important in the current business environment because of its great benefits such as: low cost, time saving and much more convenient than writing paper. When using e-mail tool for dealing with U.S. customers, the company should pay attention to the following issues:

- The company should not use e-mail free of charge as Yahoo or Hotmail ... in business transactions because it will be considered as a lack of trust and professionalism.

- When writing the e-mail, the company should note briefly on the matter and state main ideas, avoid cumbersome offensive to the reader. To U.S customers, the English language is required, so the company must be careful in the use of words to avoid committing mistakes in spelling, slang ...

Currently, HungCa also has electronic mailboxes using for all employees. However, to focus on foreign customers and mainly in import and export trading,

the company should open a separate mailbox for Import and Export Chamber besides the common mailbox. Thus, if the customers want to buy or import the goods, they will directly contact with the import-export Department, much more quick and convenient.

Offering Mail: This is a very important promotional tool used by many companies, especially export companies. Americans are very precious to saving time, offering letters must be short and concise. Normally, a sales letter should include four main stages:

The opening paragraph: this is the most important part because it is well up the purpose of the letter and attract attention, stimulate curiosity of customers to read more.

- Section 2: To develop the interest of customers with the company's products.

- Section 3: convince customers to purchase.

- Section 4: To encourage and guide the customer to purchase or contact with the company.

CHAPTER 5: CONCLUSION, (PRACTICAL IMPLICATION) AND RECOMMENDATIONS

5.1. Conclusion

After more than 20 years of innovation, along with becoming the 150th member of the World Trade Organization (WTO) which has brought many opportunities and challenges to Vietnam's economy. In general, the face of the economy of Vietnam has made progress, it has to mention the contribution of international trade to this development. However, to the market mechanism, import and export activities in particular is inevitable initial difficulties. This issue requires businesses together with the State and the authorities try harder to make production process and commodity circulation develop smoothly, taking the country forward quickly on the path of industrialization and modernization.

Vietnam is increasingly deeper integration into the world economy by global trends. This is both an opportunity but also creates challenges for small and developing countries as Vietnam. Today, to survive and grow in the competitive conditions, the nation in general and businesses in particular such as HungCa must constantly strive to operate well. In recent years, the Vietnamese fisheries sector has achieved outstanding growth. Seafood export businesses have accessed many markets around the world, including the difficult markets such as the U.S., EU or Japan. Aquatic products export structure is quite diverse, rich and quality of these items initially recognized. The Vietnamese fisheries sector has many advantages to participate in the world's fish market. However, Vietnam can't be satisfied with the results achieved, they must try harder to grow up and take the country forward to a new position on the international market. Therefore, the promotion of seafood exports, especially the Vietnam's *Pangasius* in general and HungCa's in particular is a critical issue. To achieve more success and increase competitiveness of catfish compared with rivals in domestic and foreign, HungCa has to identify the

opportunities and challenges of the international integration's process. Besides these achievements, there are still numerous difficulties and challenges. To promote exports to the many markets in general and the European market in particular, HungCa must exert all its strength as well as set out the strategy and direction in accordance with the new trend of development international integration.

The U.S. market is opening up prospects for Tra, Basa catfish products. However, to further enhance the penetration into the difficult market and to create a more stable position of this item in the U.S. market, HungCa needs to do a research on U.S. market carefully, get the market information completely, accurately and on time; appreciate the ability to produce and invest renewal of equipment, improve processing and apply strict quality processes in managed aquatic products for export; strengthen referral advertising and marketing products in various forms. The development of Tra, Basa catfish export activities of HungCa contribute to the restructure of the local economy. It sets out requirements for seafood processing capacity and generates large amounts of jobs for employees as well as contributes for increasing income and improving living standards for local people in DongThap specially and Vietnam in general.

5.2. Recommendations

5.2.1 To the State of Vietnam.

Business efforts is just not enough to make international business successful, it is essential to have the support and assistance from the Vietnamese State which has an important role in promoting export activities of the companies. The production, processing and export of tra, basa catfish in DongThap still encounter some difficulties such as: infrastructure investment Pangasius farming areas doesn't commensurate with the growth of the fisheries sector. The price of input and output materials of the catfish farming isn't stable, lack of policies to support

stable and sustainable development of production. Unfair competition between the processing plants, few businesses offer products with low price. The tra, basa catfish products are now increasingly bear more barriers from importing countries such as: anti-dumping, antibiotics, traceability ...

To stabilize the production and processing of tra, basa catfish consumption, businesses are investing seafood cold storage preservation systems and recommends that the Vietnamese Government reviews and has policy supporting for processing seafood business, feeding fish farmers at an interest rate of 8% / year to maintain and develop pangasius production is declining now. To promote this role, the State should make the following adjustments:

1. Continuing to modify and perfect the legal system to be compatible with the laws of the US as well as the US-Vietnam Trade Agreement.

The US Law and the US-Vietnam Trade Agreement are so much different than the law of Vietnam. Those are the difference in tax policies, customs, trade, competition law, dispute resolution, etc. This has caused many difficulties and embarrassing for businesses to participate in this market. Thus, to remove some difficulties for enterprises, the State will also need to modify, supplement and perfect the legal system that are consistent with U.S law and trade agreements between two countries. The perfect thing is to do well the following tasks:

- To review the entire legal system of Vietnam to detect problems shortcomings, loopholes, the point is inconsistent with U.S law. This is a very difficult and complex task which can't be completed in a short time since it takes time, even years. It's also very expensive, but the State still have to do regularly to be able to promptly adjust to suit the international law and the U.S law in particular.

- Further improving, amending trade laws.

- Develop and perfect competition law and antitrust law to create a fair competition environment among enterprises.
- Perfect import and export policies.
- Simplifying administrative procedures, customs procedures, creating favorable conditions for the import and export activities of the business.
- Introduction to business the addresses of reputable consultancy.

2. Implement strictly the obligations undertaken in the US-Vietnam Trade Agreement:

Agreement provides for the rights and obligations of the parties Vietnam and the U.S. Follow the Agreement, both parties must open their markets for the other enter into. On the U.S side, they are particularly interested in Vietnam market services which is also their strength. However, Vietnam still hasn't opened this kind of market for the U.S. To be done Agreement, it is important to require the collaborative efforts of both sides. To Vietnam, the State should directly guide enterprises to actively prepare all conditions to be ready to open for the U.S. This means that Vietnam's goods also have the opportunity to more favorable to the U.S., including seafood, especially Tra, basa catfish.

3. Communication and dissemination of information about the U.S. market, import and export policies of the U.S. and the US-Vietnam Trade Agreement:

In recent years, the U.S. market has opened for penetrating of Vietnamese goods. For Vietnamese enterprises, it is still relatively new market and they are lack of experiences when participating in. When involving in the U.S. market, businesses need to understand the provisions of U.S. trade. They must know their obligations and responsibilities when contracting international trade, as well as learn about the barriers to trade, import and export policy, competition law, anti-dumping laws ...

On the other hand, the laws of the US as well as the US-Vietnam Trade Agreement are complex and have many differences compared to the law of Vietnam. So, grasping and understanding all of these problems are very difficult for companies. Now, Vietnamese enterprises need support and assistance from the State. Only the State can afford in human and material resources to provide businesses with the necessary information. To do this, the State must make well the followings:

- Propagate on the mass media the information about the U.S. market, its import and export policy, the US-Vietnam Trade Agreement.

- Nominating qualified firms go to the U.S for surveying its market with fund by the State, as well as encouraging the self-sufficiency of funds by enterprises.

- Create good relationships with Vietnamese American businesses in the U.S. to help in the understanding of the U.S. market as well as search partners.

4. Promote activities to promote Vietnamese seafood, especially Tra, Basa catfish in the EU market.

To boost the market information and trade promotion activities to meet the information necessary for the businesses; in addition to their own efforts in maintaining the business and market expansion, the State should have specific policies to support enterprises in the search for new markets.

As a representative for seafood export businesses, VASEP should provide full and timely information on the EU market for businesses and help to solve the issues arising in the business in the export Tra, Basa catfish to the EU market. In addition, a positive association should conduct market research the fisheries of EU, research and propose participation in fairs, organize Vietnamese seafood

advertising events in the EU countries. Technical assistance and training for the staffs of the relevant enterprises.

5. Complete the import and export management mechanism:

- The State should have antitrust policy in export activities and create fair competition for businesses.

- The State should also have a policy on the exchange rate, the appropriate interest rate to encourage exports.

- Increased use of non-tariff instruments to protect domestic production which does not violate the provisions of international law as well as the US-Vietnam Trade Agreement.

- Clearly define the function of State management agencies with the mission of the business, create autonomy for enterprises.

- Strengthen the export support fund and encourage VASEP established hedge funds to share the difficulties for enterprises.

- The State needs to have the policy for requiring staff training, improving capacity for the State management staff, especially foreign language proficiency for those engaged in external economic relations.

6. Tax policies and export subsidies

- Export tax policy:

The State should continue to improve the export tax policy. It is a leading tool for regulating the export activities in the process of international integration. Vietnam's export taxes have been changed, but there are still many shortcomings such as: high tax rates, the tax provisions redundant, duplicate ... affecting the price and competitiveness of the companies on market. They don't facilitate the accumulation of capital of companies, the tax liability is not equal between firms leading many businesses seeking to evade tax. So, to complete tax policy, the State

should aim to ensure equality for the firms in the export business. These tax incentives are not determined by economic sectors, investment sources that distinguished by firm size, by region, the impact on the resolution of socio-economic issues such as job creation... The collection taxes of State is still insufficient, especially the discount and refund. The State should consider and take measures to fix the problems for ensuring fair competition between businesses.

- Export subsidies:

With this policy, the companies are exempted or reduced tax of export commodities. It could be about a unit of USD per unit of export product. Aims to increase the income and improve the competitiveness of enterprises in the international market.

The State should further develop and expand the form of direct subsidies to enterprises such as profit incentives for businesses, improve their income tax exemption for investment in technological innovation base, build infrastructure. Along with the form of direct subsidies, the State should have the form of indirect subsidies as incentives directed at the domestic market, opening of international markets by the measures providing information about the market, science and technology, law, customers and competitors. The State can help businesses showcase, exhibition, advertising, training for experts on export business and international trade.

7. Improve credit policies:

To dominate the market, many companies sometimes have to sell goods with deferred payments for the customers, but their financial resources are limited. So, the support of the State's capital is essential for firms who conduct import and export activities , including Hung Ca. The State should have the preferential policies on credit for companies to help their sources and customers stable. Supplying credit activities may be before or after the delivery time or even the

companies give their customers with preferential interest rates for purchasing their products. Besides, the State can support for companies to borrow abroad by easing regulations on guarantee the business of foreign borrowing, and payment of products produced from that loan. The State may give property license for its enterprises. Maximize the operation of the state-owned banking system credit in the payment voucher between firms that are more convenient.

Moreover, the State may use credit guarantee policy for the import and export businesses not to worry when customers defer the payments, or move to evade performance of the contract has been signed in order to avoid risks for domestic companies. The State should promote the efficient services of insurance to protect the interests of businesses, establish credit warrant fund as guarantee commercial documents.

8. Promote international trade promotion system of the State for supporting the producers and export businesses.

So far, Vietnam does not have a specialized agency of the State to promote foreign trade and the role of the overseas Vietnamese businesses in promoting foreign trade between Vietnam and foreigners is very limited in macro. According to the experience of countries such as Japan or South Korea, Vietnam needs a competent State agencies in the field of export promotion to manage and direct the activities in order to implement the State's foreign policy. So, it is essential to set up an export promotion institutions such as JETRO and KOTRA to assume the function of managing and directing guide or directly conduct programs to promote Vietnam's exports to the world market. Vietnam may form a sub-committee to promote export of aquatic products including officials of the Ministry of Trade and the Ministry of Fisheries. In addition to managing, directing and guiding the promotion of export to foreign markets, that agency can provide marketing services fees for the seafood exporters in Viet Nam to: research the world's

fisheries market, study and propose to participate in the fair, organize advertising Vietnamese seafood campaigns overseas, co-ordinate with importers and distributors in the potential market to promote Vietnamese seafood products in specific markets or technical assistance and training for staffs of the concerned enterprise.

For current situation:

Vietnam's Tra catfish industry is facing serious difficulties because it lack of capital, raw materials, markets narrow, irrational planning. The solutions:

Regulate processing and exporting pangasius industry is a specific one in order to promote the production capacity, recreate customer confidence and return the value of Vietnamese Tra catfish.

Perform rescheduling and debt restructuring for the fish businesses, converting short-term loans used to invest in fish farming to medium term; restructure loans to increase the allocation for medium-term loans for the purpose of feeding Tra catfish; Enhanced support for short-term credit, and continue to increase the lending limit and loan follow business needs to maintain farming and fish processing for export.

Budget priorities for the implementation of major projects and the promotion of professional development of commercial Tra catfish in 2013 and the coming years.

5.2.2 To the To Vietnam Association of Seafood Exporters and Producers (VASEP):

Enhancing the role of the Association in supporting businesses on fisheries export development:

- Improve the leadership capacity of VASEP.
- Promote the capacity of support for businesses through the provision of information and advice for businesses.

- VASEP needs to support of business training, contribute to build a team of qualified professional staffs and meet the international requirements.

- Enhancing the trade promotion of VASEP, Developing promotion, support services to help businesses enter markets.

- Strengthen the relationship of VASEP and authorities to enhance the role of the Association in promoting export for producing and exporting Tra, Basa catfish products businesses.

- It is necessary to further strengthen the role of VASEP in foreign relations and handle disputes in international trade.

- The Office of the VASEP needs to take measures to strengthen the network of collaborators as well as the establishment of information centers. These activities are aimed at strengthening market forecast, introducing new technologies products and new customers, reply opinions and expectations of members as well as advice on legal, technology, market to members.

- It is also need to improve the quality of the magazine "Commercial Fisheries" - Official Journal of VASEP. This Journal will play an important role in the introduction of the achievements of Vietnam seafood to the world. Vietnamese seafood export products will get the attention of foreign importers, thereby enhancing the competitiveness of these commodities in the international market, especially the Tra, Basa Catfish.

For the anti-dumping duty:

Entering 2013, seafood exports in general and pangasius in particular will face difficulties, because the export market is increasingly shrinking. Prior information that the U.S. Department of Commerce (DOC) decides to increase anti-dumping duty of Vietnam pangasius higher than 70 times - the eighth antidumping duty administrative review (POR8) which makes Vietnam's businesses fall into difficult situations than ever before and maybe the export

output into America markets will decline. The reason is that DOC has moved to the national reference price of Tra catfish from Bangladesh to Indonesia. It is expected that this decision will have the effect of DOC lasted until early 2014, after the agency carried out a subsequent administrative review. In addition, it is also a negative impact on other markets, since the Vietnam's businesses will sell pangasius to the EU, the Middle East ... instead of US market, and their partners in those markets have the opportunity to force the price of Tra catfish.

To face this problem, Vietnam's firms sue DOC to International Trade Court of the United States is capable of change the results. This is the only way can change this situation. VASEP is also very indignant at the sudden change of DOC about the National Reference of Vietnam, and opposed the tariffs in the POR8. However, VASEP and the Vietnam's pangasius enterprises should continue to implement measures to protect fish industry through legal and operational requirements necessary to revise the decision of the DOC on POR8 under U.S. law and WTO agreements. They shouldn't be confused because it's not late to prepare the necessary documents to prove Vietnamese firms are not dumping Tra catfish in the U.S. market.

5.2.3. For exporters.

After joining the WTO, Vietnamese enterprises need to find a better understanding of general business law of the World as well as of the target market towards. Besides, having the measures must be taken to cope with many unfair problems happen. In short, from now on, Vietnamese firms need to build a unified mechanism. The businesses must unite, strictly implement the rules and standards of product quality, process and production conditions, safety, sanitation.... In addition, the companies must quickly registered trademarks in the foreign market penetration they expected, especially in markets where the action happens as daily such as the U.S., EU. Enterprises need to store sufficient evidence to use the brand

in commercial activities to meet the situation of trademark disputes, it may be used to gain their rights.

The fact that a handful of lawsuits between foreign and domestic enterprises are derived from effective dispute about brand name and Tra catfish is not an exception. It is essential to build a business marketing strategy in the U.S... Firstly, penetrating a large market to find big buyers. Vietnamese enterprises should pay attention to retailers nationwide. Should invite them to Vietnam, built a relationship with them, and then invite them to order. They are great customers and will help to develop Vietnam's businesses. They will receive Vietnamese goods on a certain time and distribute them throughout the US. Then, they can control the general price level and avoid Vietnamese businesses sell commodity with dumping price to compete with each other. Link with U.S. importers to produce Tra catfish in US. It not only reduces transportation costs for export but also help businesses better understand how American business in the market as well as create the main supporters of the American people. Promote the brand and improve the quality of products through trade fairs, advertising campaigns.

5.2.4. Solution for general development.

From the practical situation, in order to make farming, processing and exporting pangasius gain development and sustainable growth in the future, it is important to address the following fundamental issues:

The Ministry of Agriculture and Rural Development of Vietnam must have projet plans for Tra catfish farming in the whole country according to market demand; avoid self-development leading to imbalance of supply and demand. The locals plan to have fish farming follow general scheme of the Ministry of Agriculture and Rural Development, strengthening science and technology transfer to farmers, encouraging farmers to apply the modern processes towards sustainable farming firm, especially urgently implement the farms numbered to build product

traceability, production system statistics, market information more effectively; especially in the U.S. market, Vietnamese must have appropriate plans to maintain pangasius export to this market in short and long term.

The Bank of State reviews and creates favorable conditions for farmers who borrow under the program of government stimulus.

The imported seafood countries have always taken the technical barriers, new regulations on antibiotic residues. Therefore, the authorities should provide and regularly update the list of permitted antibiotics used in aquaculture as well as banned substances, avoid the processing plants or farmers blame each another when products are infected with antibiotic products.

The exporters in each separate market should discuss together to have a consensus on price, build Vietnamese Seafood brand, avoid dumping cases affecting the overall price level.

The government must effectively implement the policies to stabilize prices for feed items, forcing businesses to the transparency of prices. The processing and exporting pangasius businesses and farmers must have the cooperation, mutual resource and prices support. Avoid their own benefits is the reason that break product sales contracts were signed, especially businesses that need to sign a contract to purchase the output from the beginning of the production plan for assured farmers production and more favorable investment loan problems. In Vietnam, every province in the regions have to promote regional planning for aquaculture historical focus on the management and implementation of the plan on the basis of regional links. Besides, improving the quality of trade promotion and branding product, promote research and application of science, technology transfer and environmental protection.

The regional Association needs to be established to become seafood-centered associated the activities of development of seafood processing industry

among local fisheries will develop internal power. Since then facilitate mutual assistance between the State agencies, to business processing pangasius farmers, enabling industry fish processing speed in the future.

5.3. The limitations of research and the initiation of further research

There is much flaw in this dissertation since the author lacks of experience and knowledge while time is limited. Having more time, the writer will examine the operations of manufacturing and trading companies about aquaculture, seafood processing in the DongThap province to get further document about supply chain industry of Tra and Basa catfish in DongThap province in order to take measures to promote and improve the efficiency of aquaculture and catfish exports which contribute and increase the export turnover for DongThap in particular and Vietnam in general.

REFERENCES

1. Aqeel Ahmad, Abdul Rashid Kausar, Mohmad Yazam Sharif, A study of Line Managers in Banking Sector, Proceesings of 2nd International Conference on Business Management (ISBN: 978-969-9368-06-6).
2. Bassi, L. J., & McMurrer, D. P. (1998), Training investment can mean financial performance. *Training and Development*, 52(5), 40-42.
3. Biggam, J (2009) *Succeeding with your master's dissertation*, 2nd ed, Open University Press.
4. Biggam, J. (2008) *Open Up Study Skills: Succeeding with your Master's dissertation – A step-by-step handbook*, UK, The McGraw Hill, Open University Press.
5. Bryman, A. and Bell, E (2007) *Business Research Methods*, 2nd edition, New York, Oxford University Press.
6. ChieuVuotKhungHoangCuaDoanhNghiepViet, [Accessed online. <http://vnexpress.net/gl/kinh-doanh/2012/08/chieu-vuot-khung-hoang-cua-doanh-nghiep-viet/>, accessed Date August 29, 2012].
7. Collins, J and Hussey, R (2003) *Business research: a practical guide for undergraduate and postgraduate student*, 2nd ed, London: Palgrave MacMillan.
8. Collins, N. (2009), *Economic reform and employment relations in Viet Nam*.
9. Craig, P, De Burca, G., *EU law: Text, Cases and Materials*, 5th ed., OUP, 2011.
10. Denisi, A S, Hitt, M A and Jackson, S E (2003) *The knowledge-based approach to sustainable competitive advantage*.

11. Depperu, D and Cerrato, D (2005) Analyzing international competitiveness at the firm level: concepts and measures, Working papers.
12. Doole, I (2000) How Small And Medium Sized Enterprises Learn To Compete Effectively On International Markets Ph.D. thesis, Sheffield Hallam University.
13. Doole, I., Lowe, R. (2008) International Marketing Strategy: Analysis, development and Implementation, Fifth Edition, Cengage Learning.
14. G Johnson and K Scholes, Exploring Corporate Strategy, 6th Edition, Pearson, 2002, p10.
15. Hair, JF, Celsi, MW, Money, AH, Samouel, P and Page, MJ (2011) Essentials of business research methods, 2th ed, ME Shape, Inc.
16. Hamel, G. & Prahalad, C.K., Competing for future, Harvard Business School Press, 1994.
17. Hollensen, S. (2011) Global Marketing: A Decision-Oriented Approach, Fifth edition, England, Pearson Education.
18. Kotler, P (2000), Marketing Management, 10th ed, New Jersey, Prentice Hall, pp36.
19. Kumar, R (2005) Research methodology: a step-by-step guide for beginners, 2rd ed, SAGE Publication Ltd.
20. L. Cuyvers and T. Van Binh, Aquaculture export development in Vietnam an the changing environment: the case of Pangasius in the Mekong Delta, CAS Discussion paper No 59, January 2008.
21. Le Nguyen Doan Khoi, Vertical intergration as an alternative governance structure of value chain quality management: The case of Pangasius industry in the Mekong River Delta, Vietnam, CAS Discussion paper No, October 2007.

- 22.Lemmergaard, L. (2009) ,From Administrative Expert to Strategic Partner, Employee Relations, 31 (2), 182-196.
- 23.Lynch, JE (1996) BRP: a marketing perspective, Managing Business Process: BRP and beyond, Chichester: Chapter 10, pp 103-114.
- 24.Ma, H (2000) Of competitive advantage: Kinetic and positional, Journal of Business Horizon, Vol 43, Issue 1, pp 53-64.
- 25.Mack, N, Woodsong, C, Macqueen, K, Guest, G & Namey, E (2005), Qualitative research methods: a data collector's field guide. Family Health International.
- 26.Madura, J. (2008), International Corporate Finance, Nine Edition, South-Western Cengage Learning.
- 27.Micheal J.Trebilcock and Robert Howse, The regulation of International Trade, 3Rd ed., Taylor and Francis Books, 2005.
- 28.Neville, C (2005) Introduction to research and research methods, Bradford university school of management.
- 29.Ngan Collins, N. (2011). Viet Nam's Labour Relations and the Global Financial Crisis, Research and Practice in Human Resource Management, 19(2), 60-70.
- 30.Nguyen Van Don, The case study's information, the deputy of director of HungCa Co., Ltd, DongThap, Vietnam.
- 31.Nosrati, L (2008), The impact of website quality on customer satisfaction – a research on Iranian Online Bookstores, Master's thesis, Lulea University of Technology.
- 32.PavelRepyeuski, Julian Creasey, Kate ShawandSteve Wood, International trade 2012.31.1.1984 – case 40/82 and Law Work book 2012-2013 Vietnam Cohorts, Leeds Metropolitan University.

33. Remenyi, D, William, B, Money, A and Swartz, E (1998), Doing research in business and management: An introduction to process and method, Sage Publication Ltd.
34. Report of the U.S. workshop about seafood market, the Ministry of Fisheries (2002).
35. Richard Wainwright, Commission of the European Communities.
36. Rubin, H., & Rubin, I. (1995), Qualitative interviewing: The art of hearing data, Thousand Oaks, CA: Sage.
37. Sanchez, R and Heene, A (2010), Enhancing competences for competitive advantage, 1st ed, Emerald Group Publishing Limited, UK.
38. Saunders, Lewis, Thornhill (2009) , Research Methods for Business Students 5E, Pearson, Prentice Hall.
39. Schmukler, SL (2004) Financial Globalization: Gain and Pain for developing countries, Journal of Economic Review, Federal Reserve Bank of Atlanta, pp. 39-66.
40. Shell, C (1992), The value of the case study as a research strategy, Manchester Business School.
41. Srivastava, TN and Rego, S (2011) Business Research Methodology, Tata MC Graw Hill Education Private Limited.
42. Sustaining Ethical Aquaculture Trade, FP7 Cooperation Work Programme: Theme 2- Food, Agriculture and Fisheries, and Biotechnology, University of Stirling.
43. Understanding and Managing Interest Rate Risk, Finance & Treasury, April 2008.
44. United States –Anti-Dumping Act of 1916.
45. Van den Bossche, P., The Law and Policy of The World Trade Organization, 2Th ed., Cambridge, 2008.

46. Wiber, J (2000) Branding for law firms: What is it and can it create competitive advantage?, The Report to Legal Management.
47. Wilson, J (2010) Essential of business research: A guide to doing your research project, 1st ed, Sage Publication Ltd.
48. Woodside, A G (2010) Organizational culture business-to-business relationship, and inter-firm networks: Advances in business marketing and purchasing volume 16, 1st ed, Emerald Group Publishing Limited.
49. Yin, R (1994) Case study research: Design and methods, 2nd ed, Sage Publishing.

Website addresses:

50. <http://www.fao.org>, [Access online, April 10,2013]
51. <http://www.fishbase.org>, [Access online, April 02,2013]
52. <http://www.infotrends.com/public/content/mrd/projectdescriptions/brandperception.html>, [Access online, April 06, 2013]
53. <http://www.mofi.gov.vn>, [Access online, March 18, 2013]
54. <http://www.vasep.com.vn>, [Access online, Febuary 06,2013]
55. <http://www.vinanet.com.vn>, [Access online, March 17,2013]
56. <http://www.vneconomy.com.vn>, [Access online, Febuary 05,2013]
57. <http://hungca.com/>, [Access online, January 04,2013]
58. http://europa.eu/index_en.htm [Access online, January 04,2013]
59. <http://www.usa.gov/> [Access online, May 01,2013]
60. www.fistenet.gov.vn,[Access online, march 15, 2013]

APPENDICES

APPENDIX I: INTERVIEW QUESTIONS

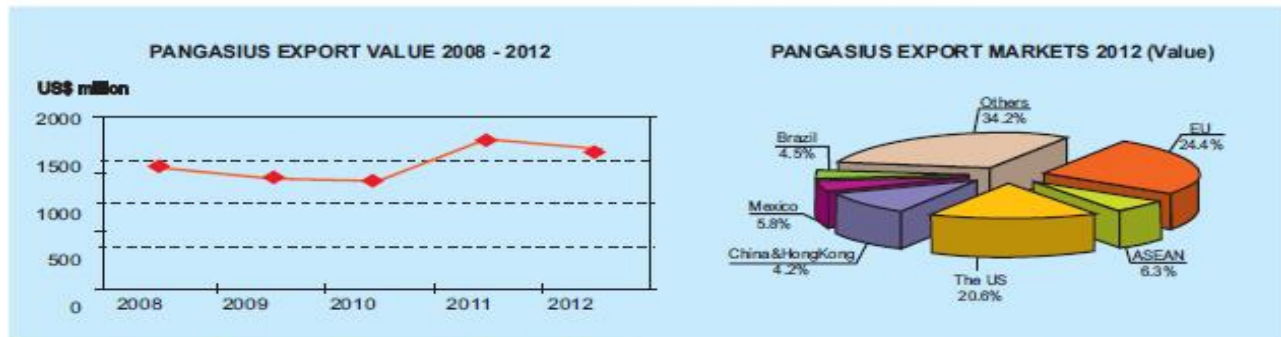
- 1/ Could you summarize preliminary views on the history of formation and development of HungCa Co., Ltd?
- 2/ What are vision and strategic views of HungCa?
- 3/ What is the greatest achievement of HungCa so far?
- 4/ HungCa has a reputation of a very excellent employee's team. How could the company have taken to attract a good team like that?
- 5/ What is HungCa's distinct advantage of tra, basa catfish compared to other vendors in the domestic seafood market?
- 6/ What are the advantages and difficulties which HungCa faces up to now?
- 7/ In 2012, the EU's demand for tra, basa catfish is less than the previous years due to the impacts of the economic crisis. Will HungCa have plans to boost exports to the EU market in the coming time?
- 8/ Currently, occurring anti-dumping lawsuit tra catfish from Vietnam by U.S. businesses, What is HungCa's view of point about this problem?
- 9/ Anti-dumping tra catfish lawsuit in the U.S. today is a big problem for many Vietnamese businesses, Is it a great opportunity for HungCa since the company is one of 8 companies who don't export tra catfish to the U.S. during the period from August 01, 2010 to July 31, 2011?
- 10/ What does HungCa predict on how the Vietnamese seafood market outlook in 2013, especially pangasius?
- 11/ In 2013, what are the messages which the board of manages is sending to investors as well as customers?
- 12/ What is the development orientation of HungCa by 2020?
- 13/ Due to the Global economic crisis, Vietnam economic are also difficulties. What does HungCa think about the growth prospects of companies manufacturing and exporting aquatic products in Vietnam in the future?

APPENDIX II: LIST OF FIGURES. PANGASIOUS EXPORT IN 2012

PANGASIOUS EXPORTS IN 2012

Source: VASEP (Based on Viet Nam Customs' data)

Viet Nam's Pangasius exports in 2012 declined by 3.4% year on year to US\$1.7 billion. EU, the largest importer of Pangasius from Viet Nam, experienced a sharp decline of almost 20%. Imports to the US increase slightly by 8.2%. Together, EU and the US accounted for over 45% of the market share. China & Hong Kong is an emerging market that reported significant increase of over 30% last year.



Markets	Nov 2012 (US\$ million)	Dec 2012 (US\$ million)	Value (%)	Compared with December 2011 (%)	Jan - Dec 2012 (US\$ million)	Value (%)	Compared with 2011 (%)
EU	29.831	34.160	23.1	-14.6	425.836	24.4	-19.1
Spain	4.736	6.821	4.6	-17.8	86.710	5.0	-20.3
The Netherlands	4.637	4.807	3.3	-27.7	68.437	3.9	-22.3
Germany	4.324	5.468	3.7	+0.5	57.435	3.3	-35.0
The UK	2.950	2.522	1.7	-21.6	36.165	2.1	-2.2
The US	25.540	22.982	15.6	-38.3	358.865	20.6	+8.2
ASEAN	9.740	9.222	6.2	+6.8	110.407	6.3	-0.4
Singapore	2.676	3.043	2.1	-4.0	35.549	2.0	-3.0
The Philippines	2.920	2.040	1.4	+23.2	27.437	1.6	+11.7
Malaysia	1.685	2.457	1.7	+59.5	22.062	1.3	+2.9
Mexico	10.704	11.212	7.6	-39.9	101.506	5.8	-6.9
Brazil	10.364	11.133	7.5	+6.0	79.099	4.5	-6.4
China & Hong Kong	5.903	7.063	4.8	+12.9	72.967	4.2	+31.5
Hong Kong	3.187	3.454	2.3	-9.5	42.232	2.4	+7.9
Saudi Arabia	3.935	4.674	3.2	-5.5	52.295	3.0	-10.7
Colombia	5.435	5.318	3.6	-23.8	52.291	3.0	-0.004
Others	40.489	41.988	28.4	+14.0	491.503	28.2	+3.0
Total	141.941	147.753	100	-13.1	1,744.769	100	-3.4

Pangasius (live/ fresh/frozen/ dried (HS 03))				Processed Pangasius (HS 1604)			
No	Markets	Value (US\$ million)	Proportion %	No	Markets	Value (US\$ million)	Proportion %
1	The US	358.536	20.69	1	The Netherlands	4.396	36.93
2	Mexico	101.503	5.86	2	Germany	1.654	13.89
3	Spain	86.710	5.00	3	Australia	1.270	10.67
4	Brazil	79.090	4.56	4	Singapore	1.045	8.78
5	China & Hong Kong	72.696	4.20	5	Switzerland	0.704	5.91
6	The Netherlands	64.041	3.70	6	Portugal	0.506	4.25
7	Germany	55.781	3.22	7	Saudi Arabia	0.349	2.93
8	Russia	53.991	3.12	8	The U.S.	0.329	2.77
9	Colombia	52.291	3.02	9	Belgium	0.320	2.69
10	Saudi Arabia	51.946	3.00	10	China & Hong Kong	0.271	2.27
Subtotal		976.585	56.36	Subtotal		10.844	91.09
Others		756.279	43.64	Others		1.061	8.91
Total		1,732.864	100.00	Total		11.905	100.00

PICTURES:



Figure 3. The farmer is collecting pangasius.



Figure 5. The worker is checking fish nets.

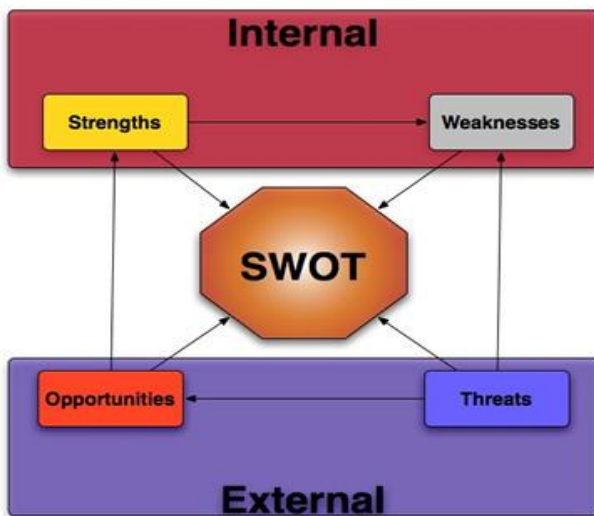


Figure 6. SWOT analysis (from google image).



Figure 7. Global Gap farm area



Figure 9. The HungCa's workers are working professionally.



Figure 8. HungCa's logo image.





	
<u>Pangasius Fish Fillet</u>	<u>Pangasius Whole Fish</u>
	
<u>Value Added Products</u>	<u>Block, Loin and Portion</u>

Figure 10. Some kinds of Pangasius Fish products.

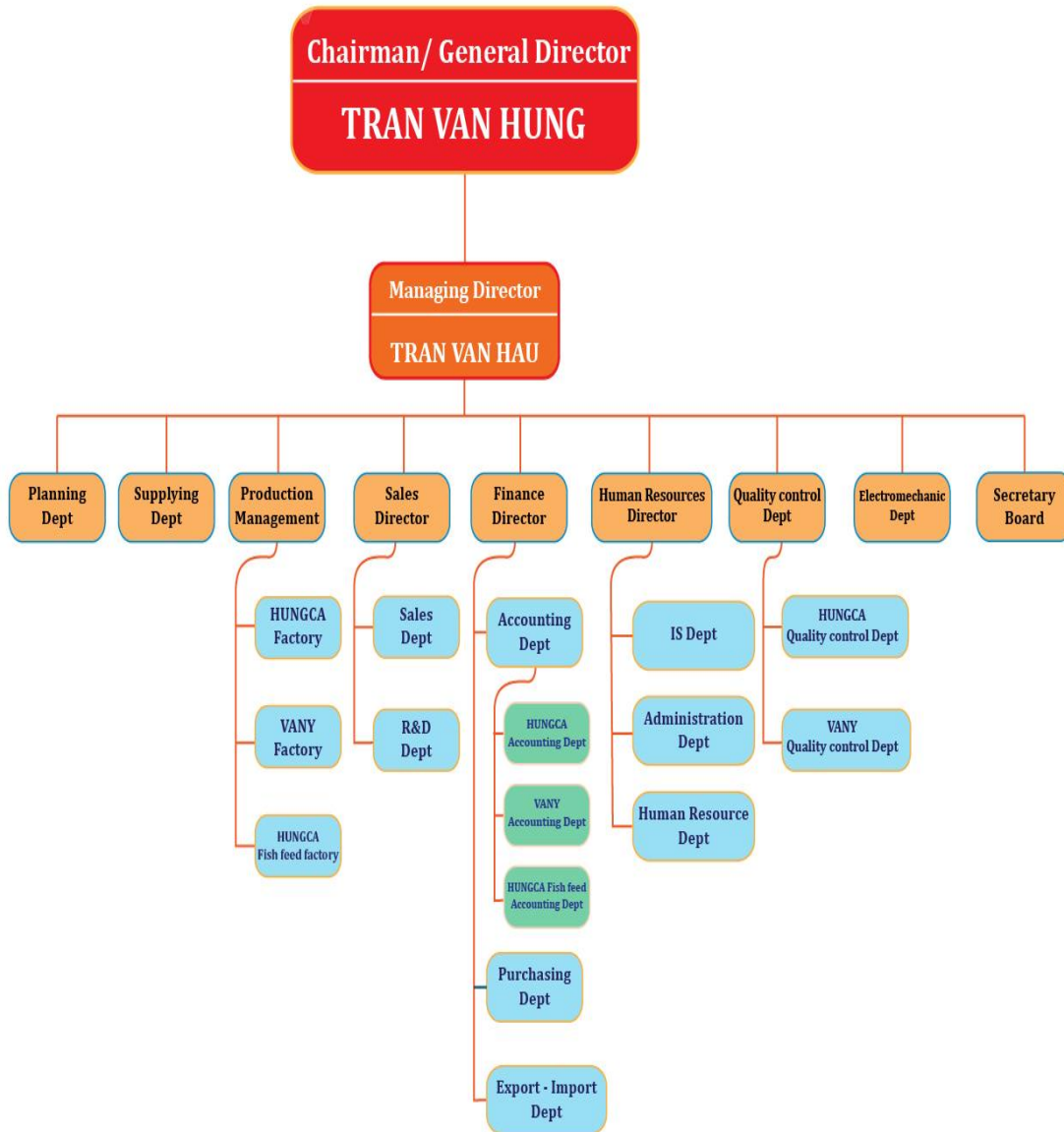


Figure 11. Diagram of HungCa's organization structure.

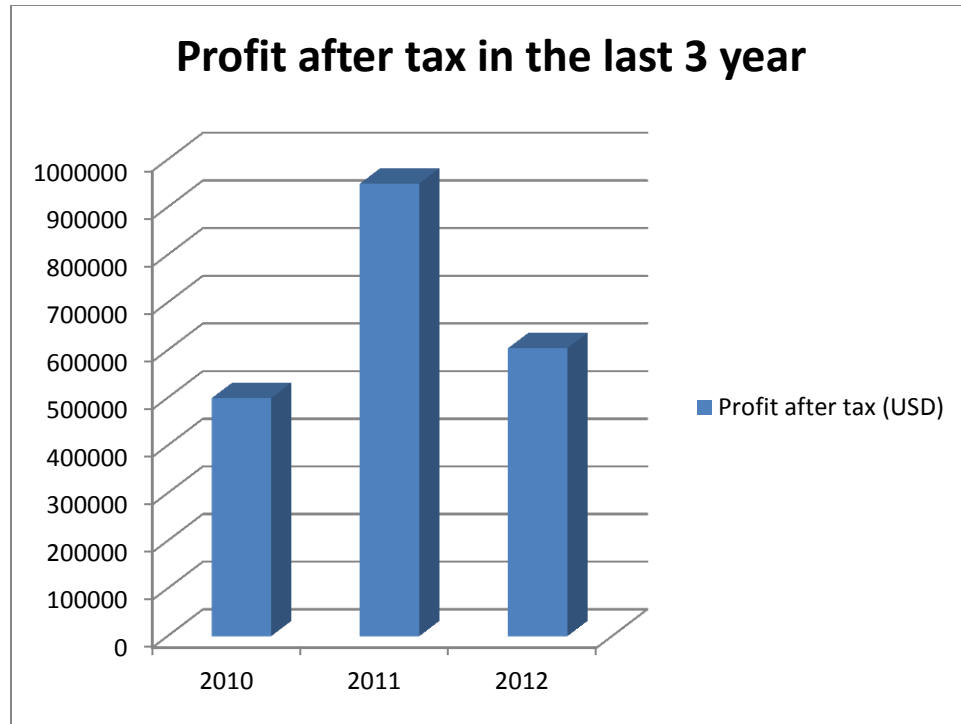


Figure 12. Profit after tax in the last 3 year of Hung Ca.

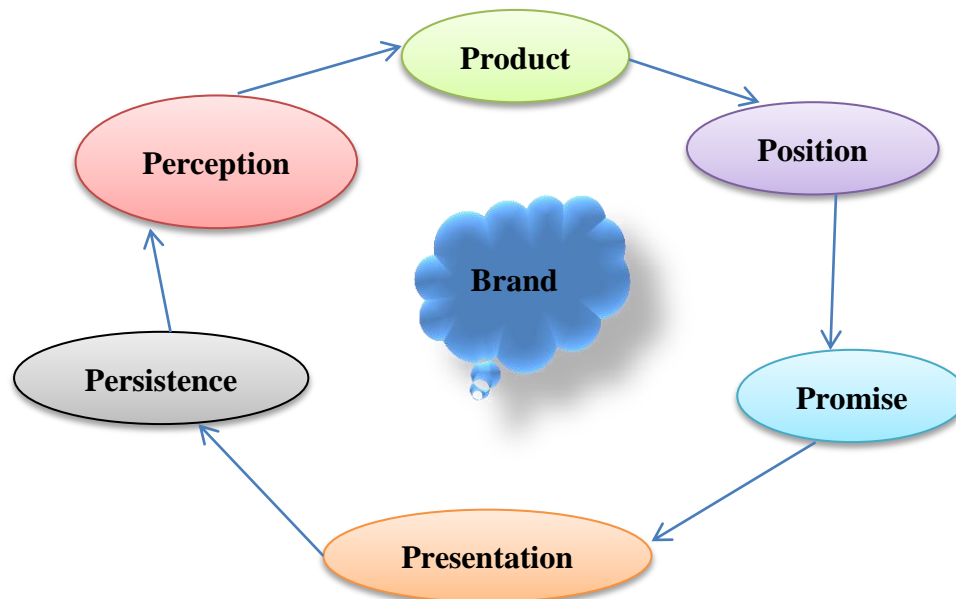


Figure 13. The image displayed the factors affect the brand.

APPENDIX III: RESEARCH ETHICS CLEARANCE FORMS

LOCAL LEVEL APPROVAL: POSTGRADUATE RESEARCH PROJECT

Low risk project involving human participants

Name: Nguyen, Ngoc Nhu Huong

Programme: Master of International Trade and Finance

Project Title: “ Solutions to promote Vietnamese Pangasius export. The case study of HungCa: Push up pangasius export activities to the EU market and conduct the strategy to enter the U.S. market in the period 2013-2020.”

Human Participants Involved

- Teachers of Leeds Metropolitan University and Vietnam’s Academic of Finance.
- The deputy director of HungCa Co., Ltd and HungCa’s employees.

Relations with Human Participants

None.

Student Undertaking

I confirm that I am proposing to undertake this research project in the manner described. I understand that I am required to abide by the terms of this approval throughout the life of the project. I also understand that I may not make any substantial amendments to this project without consent; and that if I wish to make significant amendments to the project I will seek approval for this immediately, and will not undertake such research unless and until approval is granted. I understand that if I infringe the terms of this approval my work may not be marked.

Signed

Date

.....

.....

Supervisor’s agreement

Name

Signature

Date

Pro. CHUCK WILSON

.....

.....

Approval– Research Ethics Co-ordinator

Name

Signature

Date

.....

.....

.....

This form will be retained for the purposes of assurance of compliance and audit for the duration of the research project and for five calendar years thereafter.

APPENDIX IV: LEARNING STATEMENT

I graduated from Ho Chi Minh City University of Natural Science with Polymer & Composite Materials as my major. There are a lot of reasons for my choice, but the most important reason is to enhance background and master knowledge in another area. Actually, it suits me in terms of overview knowledge of international trade and finance which I am interested in, time committed to complete the course and last but not least factor is affordable cost.

A brief information I have just provided above is to explain how hard I felt to keep up with this course and especially to overcome in the dissertation process to complete the course. Dissertation is a last challenge of my master course in international trade and finance. But it is also the hardest challenge during the course. After taking part in this course, I have gained a lot of new knowledge, and research skills.

Right from the early period of topic selection for dissertation, I found too confused to pick out a topic which I have enough knowledge and resources to follow. Lastly, I decided to come to a topic that is close to my hometown business with hope that it is familiar with me. HungCa Co., Ltd is also in the system of production and processing company exporting seafood. Although the company has achieved good results, it needs to set out and build more appropriate strategies and solutions in order to achieve growth and development in the future. This thesis is undertaken to bringing theory to reality applications, thereby clarifying the scientific arguments on the use of International Marketing in seafood exports, especially Tra and Basa catfish. The major aim of this dissertation suggest solutions to promote export of Tra catfish of HungCa Co., Ltd to the difficult EU market as well as imply some measures to look for opportunities for helping HungCa's products can be entered steadily in the U.S. market in the coming time

effectively. With my great efforts as well as supervisor's guidance, I finally tried to complete this dissertation and I am writing down this learning statement as an evidence to show fulfillment of the dissertation. It is concluded that the dissertation process brought me about both chance to deeply explore the topic I had selected and improvement of research skills as well as other related skills that help me much in my life. Besides, I expect that working on this dissertation would enhance other skills which are critical for my personal and career development such as statistical and analytical skills, independent learning, problem solving, and time management in order to work under pressure. This was my first experience in the Marketing and Economics domain. In consequence, my lack of knowledge in Marketing and Economics put me through a vast literature research in the beginning of this very challenging study.

The literature research provided me a rich experience I never had before. The obtained knowledge helped me to have a more clear vision into what is happening with e-commerce today. Particularly, it provided me most important basis to explain why some online B2C businesses are extremely successful, whereas others fails miserably. The understanding of catfish export is however still limited, thus my domain of research is wide open for more ideas to come. This is the main reason I desire to put more time in the future to explore more deeply to strengthen my current experience. Moreover, this study offered me the real first experience to make a complete survey. As in the literature study, the survey was not done with ease. But the time consumption was too high and it was way too much than I have ever thought. This is one important skill I learnt from the study: how to make an efficient plan and follow it under heavy time-constraints. As the matter of fact, if the time-constraints were not too strict, one would have more alternative possibilities and the probability of achieving final goals is much higher.

Besides, the dissertation process gave me an in-depth understanding of marketing theoretical knowledge's and components which are very important and helpful to the topic. From this theoretical knowledge, it is fully applicable to expansion of my dissertation topic.

My energy and excitement for this researched topic has motivated me to work on this project with serious attitude. After finishing this dissertation, I not only have the deep understanding about theory but also know the way how to apply and test the theory in practice. It is the great achievement to me.

Additionally, dissertation implementation improves my knowledge of research methods. At the beginning of this course I was taught Research Method subject. However, I did not actually grasped knowledge of research methodology until this study was carried out. This dissertation led me come to practice from theory. During my writing I found out that literature review was time-consuming because this chapter required intensive reading and critical reviewing. I recognize that independent study is extremely important not only to individual study but also to knowledge enhancement.

Moreover, doing dissertation helped me to gain more skills in searching data from reliable sources. Previously, I just did researches and exploited data from Google website. However, with the support from Leeds Met, I have found dissertation easier because of reliable information gathered from library online. And I have learnt that I must write all reference right after I cited the data, content or information from the material. In terms of implementing the empirical research, I identified the research methods as well as research strategy to collect and analyze data, including primary and secondary data. To do dissertation successfully, it is required to read as much related literature as possible and no one tell me what minimum literature or what need to read for the dissertation.

Furthermore, my solving skill of problem enhanced when I offers the recommendations to solve the limitation of the empirical research.

Furthermore, a skill I want to mention is interview experience. I have never had any interview experience before. By doing this dissertation, I started to learn how to set up questionnaires which were not too long but useful to collect necessary information. Moreover, I also gained the skill to persuade and develop ideas when having direct opportunities to interview with the HungCa's deputy director and the employees from their other department. I also created a friendly atmosphere and expressed respect to their ideas. By applying these techniques, I was able to keep the interviewees interested and encouraged them to express their opinions openly. In addition to communication skill, my time management ability is also improved. The deputy Director and team leaders were busy with their job that they could not arrange sufficient time for the interview. In some cases, I had to reschedule the interview several times before actually met them. Despite the difficulty in the interview process, the knowledge that I gained after the interview is useful.

To me, the writing was also a tough challenge. English is not my first language; on the other hand, I am not fairly good at reading and writing since university. I sincerely thought that this slight disadvantage would make me to spend more time on writing so that I couldn't allocate more in the literature research and survey process. So, when I just began the writing, I recognized that the writing was tough mainly due to the high academic characteristic of the study. Sometimes I spent days only to write a single paragraph to make it as clear as possible. The writing greatly improved and enhanced my English skill, together with the study. I am more confident in expressing very complex academic ideas. At the same time, I developed the ability to convey my thought, opinion and argument in an efficient and logical way. This experience will be very useful in future

research of the same domain, which is already planned as soon as I graduate. There will be certainly more challenges to come, but acquired knowledge and skills will help me achieve my objectives as I did in this study.

Finally, the important related skills that I got through the dissertation process is organized, time management and self-discipline skills. All these things made me sometimes hard to try, messy and despair especially at the time of processing assignment and dissertation. To overcome, I have gradually to adjust myself, reorganize to balance my work, study and life in a scientifically way. The last improved skill to me is independent skill. Studying at master degree requires student working independently while learning methods in Vietnam in general does not teach how to be independent. These benefits not only help me complete the dissertation but also can create many potential successes in the future career and study. Especially, the tutor gave me the orientation for the dissertation, which made me easier to finish the thesis. In order to gain these positive results, the roles of my tutor – Pro. Chuck Wilson, the lecturers of Leeds Metropolitan University and Academy of Finance as well as their staff are very important. Therefore, I would like to send the sincerest thanks to the above individuals and organizations.

APPENDIX V: RESEARCH METHOD



FACULTY OF BUSINESS AND LAW MAITF VIETNAM ASSIGNMENT HAND-IN FORM

I certify by my signature that this is my own work. The work has not, in whole or part, been presented elsewhere for assessment. Where material has been used from other sources it has been properly acknowledged and referenced. If this statement is untrue I acknowledge that I will have committed an assessment offence.

Student ID: 77119777

Level of Study: Master

Module Title: **Research Methods**

Course Title: MA INTERNATIONAL TRADE AND FINANCE

Module Tutor: **Dr. TIM BICKERSTAFFE**

Dissertation Supervisor: **Pro. CHUCK WILSON**

Full text word count: 3,457 words

Student Name: NGUYEN, NGOC NHU HUONG

Student Signature: _____

Date of Submission: May 13, 2013

Name of first marker: Mark:

Name of second marker: Mark:

DISSERTATION PROPOSAL ON
SOLUTIONS TO PROMOTE VIETNAMESE PANGASIUS
EXPORT.

THE CASE STUDY OF HUNG CA: PUSH UP PANGASIUS
EXPORT ACTIVITIES TO THE EU MARKET AND
CONDUCT THE STRATEGY TO ENTER THE U.S.
MARKET IN THE PERIOD 2013-2020.

SUPERVISOR: PRO. CHUCK WILSON

BY: NGUYEN, NGOC NHU HUONG

ID: 77119777

Table of contents

1. Background Of Study	4
2. Significance Of Study.....	6
3. Research Objectives And Questions.....	8
4. Structure Of Literature Review.....	9
5. Theoretical Framework	13
6. Research Methodology.....	14
6.1. Research strategy	16
6.2. Research paradigm and design.....	16
7. Ethical Permission.....	17
8. Time Scales Of Main Stages Of The Study.....	17
9. Resources.....	17
References	18
Appendix	19

1. Background Of Study

After 20 years of renovation, Vietnam has actively entered international economic integration, participated in world economic institutions: APEC, ASEAN... and has signed bilateral trade agreements with partners trade, including the EU, US... Vietnam - EU Framework Agreement was signed in 1995 has opened up new relations in economic cooperation, especially in international trade between Vietnam and the EU. In the process of gradual integration into the world economy, Vietnam's economy has gradually established itself as a position in the international arena. In 2006, Vietnam became the 150th official member of the World Trade Organization (WTO). This gives Vietnam a lot of opportunities but also many challenges. However, Vietnam's position in the international arena is increasingly raised and confirmed. Today, when global integration is a general trend of development in over the world, if any country does not stopped efforts to integrate into the general trend and generates power for its national competition, it will face the risk of being left out of the development. Like many other countries, Vietnam is also aware of the urgent demands of the general situation and is constantly reforming, converting various fields which can't fail to mention the import and export issue that play a very important role to help Vietnam expand the relationship as well as give Vietnamese businesses more opportunities to penetrate the international market.

Thus, the Party and the Vietnam State has clearly identified the strategic importance of external economic export-oriented commodities that Vietnam has the advantage. Fisheries is one of the important export in that strategy. This is confirmed by the decision of Vietnam Prime Minister of issued No. 242/2006/QĐ-TTg approving seafood export development program to 2010 and orientations up to 2020. Accordingly, the fisheries sector continues to restructure export by promoting the export of high value-added goods, gradually reducing crude exports.

In particular, seafood export is both a goal and driving force to promote economic restructuring across sectors in the agriculture, to promote aquaculture development and exploitation of marine resources effectively. WTO accession, Vietnam seafood industry faced with the market trends and requirements of the aquatic world increasingly stringent about quality and food safety; environmental protection; product traceability. The common barriers of international trade for seafood products export such as: tariff barriers (percentage tax; specific duty tariff quotas, countervailing duty and anti-dumping duty, additional services tax) and non-tariff barriers (sanctions, import and export quotas, export licenses, customs procedures, food safety, technical barriers ...)

From 1994 to August 2006, Vietnam had 28 cases for export products; including 23 cases of anti-dumping, 5 safeguard cases; 20 cases with final conclusion. Vietnam seafood industry has faced many difficulties upon the occurrence of two cases of anti-dumping Tra, Basa catfish frozen fillets (2003) and shrimp (2005).

Seafood export industry plays an important role in the economy since it has helped increasing the Vietnam State's budget revenues, bringing foreign currency for Vietnam while ensuring jobs and income for workers. In 2012, the important year of Vietnamese export, it is the first time when national export turnover exceeded \$ 100 billion and also the first time in 20 years, Vietnam has trade surplus back. According to the General Department of Customs, in 2012, Vietnam has 22 items with export turnover exceeding \$ 1 billion: textiles, electrical goods, mobile phones and parts, crude oil, computer, electronic products and components, footwear, rice, seafood, coffee, etc... including seafood export turnover of \$ 6 billion. In 2012, Vietnam seafood exports mainly to the U.S. and Japan. For the EU, Vietnam is always a provider of high-quality seafood and meet the tastes of consumers in this market. However, a major challenge for Vietnamese

seafood exporters are non-tariff barrier system of the EU is very strict and continuous amendment, this is fully consistent with international economic and consumer protection principles of the WTO. The EU's seafood import demand in the coming period with many changes which affect the structural adjustment of Vietnam's seafood products in the future. In addition, Vietnam's seafood exports to the EU are affected by many other factors such as income per capita of the EU, from the U.S. dumping case for Vietnamese seafood, impact from foreign currency market...

2. Significance Of Study

Global trade is growing rapidly with many trends as today, any country participate in the international market can't easily facilitate foreign trade without obstacles. Vietnamese catfish exporters faced the first commercial disputes when the Association of American catfish farms sue them for dumping the product of catfish fillet to this market. The case lasted for two years, there are lessons for Vietnam enterprises and also many problems, including finding new markets for the product and considering the market again. Vietnamese seafood is available in many different market areas and are quite strong consumption in Japan, the United States, the European Union. This is a remarkable success of the fishery. The quantity and scale of the market is increasing. To obtain these results is due to the contribution of thousands of businesses throughout the country. HungCa Co. is also in the system of production and processing company exporting seafood. Since it established and put into operation so far, the company has obtained very encouraging results, it is always one of the top seafood export companies in DongThap province. Vietnamese pangasius export market has been extended to the countries and territories. In the specific conditions of DongThap Province which is one of the largest fish producing province in Mekong Delta region, Tra and Basa catfish market has had recently also many changes according

to the general area. The firm has achieved initial results such as: aquaculture production export is increasing, creating credibility and trust with customers in a number of key markets such as the EU, Africa, Russia ... Although the company has achieved such a good record, to achieve growth and development in the future, company need to set out and build more appropriate strategies and solutions.

Previously, the tariff and non-tariff barriers in general are to protect European manufacturers. But today, the environmental protection and consumer protection increased gradually replaced for the protection of producers and workers. The use of technical barriers to be adjusted through the technical barriers in trade agreements of the WTO. Regulations, laws are not only applied by the government to determine the standards in safety, health and environment, but also because consumers are increasingly more stringent requirements for the quality of products. This has led to tougher regulations derived from the market. Therefore, EU has taken the difficult technical standards to apply to goods imported into the EU, especially seafood. In fact, the seafood exports to Europe have been facing many difficulties, they mainly face non-tariff barriers that the EU has set. Many studies showed that profits from exporting seafood to the EU market is only 1-2%, while the risk is up to 100%. The main reason is that Vietnam has encountered technical barriers from the EU market. The posed problem is how Vietnam can understand and overcome barriers wisely and in accordance with the general regulation as well as match their own production capacity. Besides, the company also should promote and expand new markets, including the U.S. market. Noticed, in 2005, many other companies of the fisheries sector in Vietnam that have been considered for application of anti-dumping tariffs by American companies when they exported fisheries into US market. So, this has a huge impact on fisheries export activities of the companies to this vast and potential market. Being received a higher tax rate, the products are not competitive in the U.S. market and most of companies did not

export to this market so far. However, the U.S. seafood market is a large market, high consumption and potential one that HungCa should focus on exploiting, therefore, HungCa is removed from this market is a major difficulty in the development of company in the future. Finding ways in order to overcome that problem is urgent at present. But, especially in today's conditions, the methods as the tariff measures and quotas are no longer in vogue, technical barriers are increasingly for import countries concerned with more intensive diverse forms because of their many benefits. Thus, analyzing a specific part of the US in the field of seafood, especially Tra and Basa catfish, measures of technical barriers that the US applies to seafood imports from countries , especially from Vietnam, which outlined a number of measures to improve the performance for HungCa in the near future. The thesis is conducted due to the pressing problems mentioned above.

3. Research Objectives And Questions

Research questions

- After joining WTO, How did Vietnam's seafood industry face the trends and requirements of the seafood world market?
- What do manufacturing seafood exporters contribute to the economy of Vietnam?
- What does HungCa need to do in order to achieve growth and development in the near future?
- How can HungCa grasp and overcome technical barriers wisely and in accordance with the general provisions of export activity to EU?
- What are the characteristics of the U.S. market in the field of fisheries and measures of technical barriers applied to fishery products imported from other countries, especially for Tra catfish from Vietnam ?

Research objectives

- Objects of research: theoretical and practical issues of import and export activities of Hung Ca.

- Scope of the study: HungCa's export activities to the EU market recently time from 2010 to 2013, and aims to enter the U.S. market 2013-2020 period.

4. Structure Of Literature Review

The thesis will follow a consistent structure as below:

CHAPTER 1: INTRODUCTION

- 1.4. Research background
- 1.5. Overall research aim and individual objectives
- 1.6. Significance of the study
- 1.7. Research objectives
 - 1.7.1. Research questions
 - 1.7.2. Research objectives
- 1.8. Outline Structured

CHAPTER 2: LITERATURE REVIEW

- 2.1. International Marketing.
 - 2.1.1. The concept of International Marketing.
 - 2.1.2. The content of international marketing activities.
- 2.2. The Theory of export activities of Fisheries:
 - 2.2.1. The concept of export
 - 2.2.2. The factors affecting the export of Fisheries.
 - 2.2.2.1. The impact factors from the external environment.
 - 2.2.2.1.1. Environmental laws.
 - 2.2.2.1.2. Political environment.
 - 2.2.2.1.3. Economic environment.
 - 2.2.2.1.4. Environment Climate.

- 2.2.2.1.5. Competitive environment.
 - 2.3. Overview of the EU market.
 - 2.3.1 Characteristics of the political institutions.
 - 2.3.2. European's seafood market characteristics.
 - 2.3.3 Bilateral Relations
 - 2.4. Overview of the U.S. market.
 - 2.4.1 Overview of the U.S. economy.
 - 2.4.2 Trade relations between Vietnam - U.S.
 - 2.4.3 Distribution of seafood in the U.S. market
 - 2.4.3.1 The wholesale channel
 - 2.4.3.2. Retail channel.
 - 2.4.3.3. Institutions of the US to import Fishery.
 - 2.4.3.4 Technical Barriers of the US to seafood imported from Vietnam.
 - 2.5. Practical basis.
 - 2.5.1 Overview of the world's Tra catfish market and Vietnam's.
 - 2.5.1.1 In the World
 - 2.5.1.2 Vietnam.
 - 2.5.1.2.1. Overview
 - 2.5.1.2.2. The Tra catfish production in Mekong Delta region
- CHAPTER 3: RESEARCH METHODOLOGY
- 3.1. Introduction
 - 3.2. Research strategy
 - 3.3. Research paradigm and design
 - 3.4. Data collection
 - 3.4.1. Sources of data
 - 3.4.2. Interviews
 - 3.5. Framework for data analysis

3.6. Ethics

CHAPTER 4: DATA ANALYSIS (FINDING) AND RESULTS DISCUSSION

4.1. Overview of Hung Ca.

4.1.1. The process of formation and development of the company.

4.1.1.1. Introduction

4.1.1.2. Company history

4.1.1.3 Achievements

4.1.1.4. Company culture

4.1.3. Products

4.1.3. Market

4.1.4. Functions of the company.

4.1.5. Organizational structure of the company.

4.1.6. The use of capital.

4.2. The actual situation of Seafood Export.

4.2.1 Status of the export activities.

4.2.1.1 Export turnover.

4.2.1.2 The main export markets of Hung Ca.

4.2.2 Other forms of export.

4.2.2.1 Directly Export.

4.2.2.2. Entrusted Export.

4.2.3. The actual situation of Tra, Basa catfish export to the EU market.

4.2.3.1. Export turnover.

4.2.3.2. Tra catfish market structure export to EU.

4.2.4. Overall assessment export activities.

4.2.4.1. Achievements.

4.2.4.2. Limited.

4.2.4.3. Difficulties.

4.3. Some solutions to step up company's export activities to EU market and enter us market.

4.3.1. Objectives, directions and activities of the company in the future.

4.3.1.1. The export quantity.

4.3.1.2. Export value.

4.3.1.3. Measures.

4.3.2. A number of measures to promote the export of Tra catfish to the EU market in the future.

4.3.2.1. To Hung Ca.

4.3.2.1.1. Completing the procurement of raw materials of feeding and creating a source of Tra, Basa catfish for export.

4.3.2.1.2. Focus on improving product quality.

4.3.2.1.3. Improving the export method.

4.3.2.1.4. Using effective and flexible marketing - Mix tools on the market.

4.3.2.1.5. Human Resources Training.

4.3.2.2. To the Vietnam State and the authorities of the fisheries sector.

4.3.2.2.1. Exemption of taxes on production and export of aquatic products.

4.3.2.2.2. Promote activities of pushing up Vietnamese Tra, Basa catfish in the EU market.

4.3.2.2.3 Increasing investment and better management of fishing offshore and aquaculture to ensure raw materials for production and processing of seafood export enterprises.

4.3.3. Solutions for Tra, Basa catfish to enter the U.S market in the near future.

4.3.3.1 Distribution of seafood in the U.S.

4.3.3.2. Strategy of export to the U.S market.

4.3.3.3. Strategy of Export Product.

4.3.3.3.1. Manage product quality according to US standards.

4.3.3.3.2. Design product packaging and labeling in accordance with the U.S requirements.

4.3.3.4. Exports Strategy.

4.3.3.4.1. The methods for calculating the export price.

4.3.3.4.2 The method of regulating the export price to the U.S. market in the imposition of anti-dumping duties.

4.3.3.5 Strategy for distribution in the U.S market.

4.3.3.6. Promotion Strategy when entering U.S market.

4.3.3.6.1. Improving quality.

4.3.3.6.2. Participating in international seafood fairs.

4.3.3.6.3. Advertisements through the company's Website.

4.3.3.6.4. Email.

CHAPTER 5: CONCLUSION, (PRACTICAL IMPLICATION) AND RECOMMENDATIONS.

5.1. Conclusion

5.2. Recommendations

5.2.1 To the State of Vietnam.

5.2.2 To the To Vietnam Association of Seafood Exporters and Producers (VASEP).

5.3. The limitations of research and the initiation of further research.

5. Theoretical Framework

Methods of primary data collection: Look at the available documents, meta-analysis of relevant documents, Summary of experiences.

The secondary data collection method: Data collection through the direct interviews with managers or related about the information in the enterprise. Ddirectly and indirectly survey.

Methods of analysis, check and compare data for reliable results and work out the relative importance of a number of different options, issues.

SWOT analysis: Discuss about Strengths, Weakness, Opportunities, Threats of HungCa's capacity of promoting export Tra, Basa catfish to foreign markets (at survey fields).

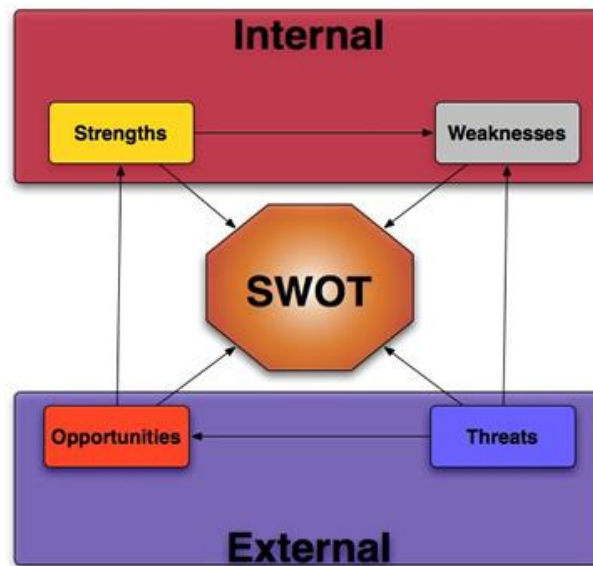


Figure 1. SWOT analysis (from google image).

6. Research Methodology

The previous chapter of literature review has provided background of international marketing, export activities, the EU and U.S. market as well as pangasius products.

This chapter shall deal with the detail research strategy and the means of collecting data for analysis which is composed of site and sample selection.

In this chapter, the author will critically discuss the methodologies applied in this research paper to achieve the defined objectives of this dissertation. Research methods and methodologies do not share the same meaning. The methodology is considered as series of methods or a system of research methods that will be applied to collect data and information from both primary source and secondary

source to verify and reach each objective of the dissertation. The three goals were briefly mentioned in the previous chapters. And thus, to prepare for the good analysis of data and information in the following chapter, the author will carefully select the appropriate research methods and methodologies that may help the author to collect and analyze the obtained data and information in the best way. The author selects the methodologies and research methods in the basis of what information and data needed to verify the objective. The author will heavily focus on the research results obtained from practicing and interviewing with high reliability and validity experts in HungCa Co.,Ltd to get information about their actual pangasius export situation and then drawn the conclusions from the findings. The second goal of this dissertation is to evaluate the strengths, weaknesses, opportunities and threats of pangasius export of HungCa through the data and information collected from the surveys and interviews with many experts in HungCa, of which SWOT analysis and assessment will be mentioned in the interviews for respondents to express their ideas and opinions. The final objective of this dissertation is to propose some solutions for improving the Tra, Basa catfish export of HungCa to foreign markets in order to make contribution to the economic development of DongThap in particular and Vietnam economy in general. The author will get data and information for verifying and reaching this research goal from designed questionnaires on the interviews and then jump to the final conclusions. The author strongly believes that this method will help the author to obtain data and information in the best way.

The study uses practice, interviews, historical materialism, analysis, comparison, synthesis, dialectical materialism, deductive, as mainstream research methods.

6.1. Research strategy

The research strategy which is used to implement empirical study is a case study. According to Charles Schell (1992) and Yin (1994), in all different research strategies, the case study is the most flexibly empirical inquiry which helps the research examine “a contemporary phenomenon in its real-life context” to achieve the holistic and substantial understanding. The Case study is: “push up pangasius export activities to the EU market and conduct the strategy to enter the U.S. market in the period 2013-2020”. The purpose of case study approach is to use case study to get deep understanding about Hung CA Co., Ltd which exports pangasius fish to foreign markets. The research objectives and questions of this study is solved down from findings in the literature review part or from secondary data of existing journals, articles, books, papers, etc.. or especially in the practice and interviews when the author does actual survey in HungCa during the stages as: feeding, processing, packing, transport to export Tra, Basa catfish.

Most of the data will be illustrated in tables, charts, figures based on which findings will be inferred so that the researcher can draw conclusions and contribute appropriate recommendations for the study aims.

6.2. Research paradigm and design

This research will focus on the facts. In other words, as the research objectives is to examine the actual situation of export activities on the performance and market share of pangasius manufacturers in Vietnam in general and HungCa in particular. The one respond can be expected from positivism philosophy. With this stand, the researcher with apply the deductive research approach and use the quantitative research method. The author will get information for verifying as the secondary data and reaching this research goal from the interviews with experts and employees of HungCa and then jump to the final conclusions.

7. Ethical Permission

The researcher has the permissions given by HungCa Co., Ltd to conduct and develop this study, using all collected data in right way to avoid unauthorized acquisition of data.

This paper includes interviewed data, this will ensure that the information and opinions obtained will be used for academic purposes only and wholly private and confidential issues, commercial sensitive data will not reveal or share to anyone.

8. Time Scales Of Main Stages Of The Study

The research process is estimated and divided into time schedule as below:

Stages	Implementation	Duration
1	Seeking, reviewing literature	4 weeks
2	Collecting necessary data	5 weeks
3	Data analysis	4 weeks
4	Draft report	4 weeks
5	Final dissertation	3 weeks

The research time is shown to achieve the aim and each stage can take a longer time than planned due to unexpected problems and thus, this adjusted time allows the author avoid the tardiness.

9. Resources

The researcher need many resources to make certain this study conducted handily and swimmingly during the study:

- An individual laptop, internet modem, books, materials (journal articles, newspaper,...)
- An electronic recording device for interviewing.
- Assistance from classmates, friends to meet the experts and collect the data.

References

Aqeel Ahmad, Abdul Rashid Kausar, Mohmad Yazam Sharif. A study of Line Managers in Banking Sector. Proceedings of 2nd International Conference on Business Management (ISBN: 978-969-9368-06-6).

Biggam, J. (2008) . Open Up Study Skills: Succeeding with your Master's dissertation – A step-by-step handbook, UK, The McGraw Hill, Open University Press.

Bryman, A. and Bell, E. (2007) Business Research Methods, 2nd edition, New York, Oxford University Press.

Draft, R. (2000). Organisational theory and design. New York: West Publishing company.

Ngan Collins, N. (2011). Viet Nam's Labour Relations and the Global Financial Crisis, Research and Practice in Human Resource Management, 19(2), 60-70.

Saunders, Lewis, Thornhill (2009) . Research Methods for Business Students 5E, Pearson, Prentice Hall.

Website addresses:

<http://www.fao.org>, [Access online, April 10,2013]

<http://www.fishbase.org>, [Access online, April 02,2013]

<http://www.mofi.gov.vn>, [Access online, March 18,2013]

<http://www.vasep.com.vn>, [Access online, February 06,2013]

<http://www.vinanet.com.vn>, [Access online, March 17,2013]

<http://www.vneconomy.com.vn>, [Access online, February 05,2013]

<http://hungca.com/>, [Access online, January 04,2013]

www.fistenet.gov.vn, [Access online, February 13,2013]

Appendix

LOCAL LEVEL APPROVAL: POSTGRADUATE RESEARCH PROJECT

Low risk project involving human participants

Name: NGUYEN, NGOC NHU HUONG

Programme: MA INTERNATIONAL TRADE AND FINANCE

Project Title: “ Solutions to promote Vietnamese Pangasius export. The case study of HungCa: Push up pangasius export activities to the EU market and conduct the strategy to enter the U.S. market in the period 2013-2020.”

Human Participants Involved

- Teachers of Leeds Metropolitan University and Vietnam’s Academic of Finance.
- Mr. Tran Van Don The deputy director of HungCa Co., Ltd and HungCa’s employees.

Relations with Human Participants

None

Student Undertaking

I confirm that I am proposing to undertake this research project in the manner described. I understand that I am required to abide by the terms of this approval throughout the life of the project. I also understand that I may not make any substantial amendments to this project without consent; and that if I wish to make significant amendments to the project I will seek approval for this immediately, and will not undertake such research unless and until approval is granted. I understand that if I infringe the terms of this approval my work may not be marked.

Signed

Date May 13, 2013

Supervisor’s agreement

Name

Signature

Date

Approval– Research Ethics Co-ordinator

Name

Signature

Date

This form will be retained for the purposes of assurance of compliance and audit for the duration of the research project and for five calendar years thereafter.

