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Check Export Controls Before You Send the Demo, Code or Hardware

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An export can be more than a shipment

The Export Administration Regulations can apply to commodities, software and technology subject to U.S. jurisdiction. Depending on the item and circumstances, releasing controlled technology or source code to a foreign person can raise export-control questions even without a physical shipment.

Technology companies should not wait until logistics asks for a customs form. Put export review near the beginning of the deal when a prospect requests technical data, source access, encryption details, remote administration or hardware delivery.

Classify what you are actually selling

Determine whether the item is subject to the EAR and, when applicable, its Export Control Classification Number or EAR99 status. Classification depends on technical characteristics, not the marketing category. Review the Commerce Control List and official BIS guidance or seek qualified counsel for uncertain cases. Record the basis for the classification and version because software and hardware change. A reseller saying 'we have exported this before' is not a substitute for your own reasonable compliance process.

Screen destination, end user and end use together

The Commerce Country Chart is one part of the analysis; restricted-party lists, embargoes, military or intelligence end uses and other controls can matter as well. Know the buyer's legal entity, location and actual end user. Ask what the technology will be used for and where it will be deployed. A transaction can be problematic even when the destination country is generally open if a restricted party or prohibited end use is involved. Keep screening records as part of the deal file.

Treat encryption, advanced computing and AI as change-sensitive areas

Controls affecting encryption, semiconductors, advanced computing and certain technology can change quickly. Do not hard-code a 2026 blog summary into a five-year sales process. Assign someone to monitor BIS updates and re-check high-risk transactions close to shipment or access. If the product includes strong encryption, specialized chips, model weights, technical data or remote access to controlled equipment, get item-specific advice. The cost of a qualified review is smaller than redesigning an overseas deal after promises have been made.

Build the export gate into CRM and engineering handoff

Add fields for customer legal name, country, end user, intended use, product version, classification status, screening date and reviewer. Define which events stop the deal: unknown end user, unresolved restricted-party match, uncertain classification or a request for controlled technical information. Technical teams should know what they may share during demos and support. Sales compensation should not reward bypassing compliance. A clear gate protects both revenue and staff from last-minute ambiguity.

The five-question pre-demo check

Before a high-risk international demo or transfer, answer: What exactly will be shown, sent or accessed? What is its export classification? Where is the recipient and who is the actual end user? What will they use it for? Has current restricted-party and sanctions screening been completed? If any answer is uncertain, pause and escalate to qualified export counsel or a knowledgeable compliance professional. This is not legal advice; it is the operational habit that keeps the legal question visible before the irreversible transfer occurs.

Create a technology-transfer traffic light

Give every international sales opportunity a red, yellow or green status before technical access. Green: commodity product, known classification, screened customer, ordinary end use and no restricted-party concerns. Yellow: unclear classification, encryption or advanced-computing feature, foreign national access to sensitive technical information, distributor with incomplete end-user details, or destination/end use requiring more review. Red: a restricted-party match, prohibited end use, embargo/sanctions problem, request to conceal end user, request to route through another country, or any unresolved issue your compliance owner or counsel says must stop. Put this status in the CRM and block source repositories, high-detail engineering documents or remote administration until the gate clears. Train sales engineers on a safe-demo tier containing information already approved for broad sharing. Keep a screening record with date because lists and controls change. For repeated product configurations, maintain an approved classification memo and revalidate it after material hardware or software changes. Do not turn engineers into export lawyers; give them a simple escalation rule. The business benefit is speed with discipline: ordinary deals move quickly because the normal path is pre-cleared, while unusual requests trigger expertise before data leaves your control. This is how compliance supports sales instead of appearing at the last minute as a surprise veto.

Keep counsel in the escalation lane

Your operating team should be able to clear routine, previously classified transactions, while ambiguous cases move to a knowledgeable export professional or counsel. Document the questions that trigger escalation so employees do not guess. This keeps legal spending focused on real uncertainty and makes the ordinary sales path faster.

Research behind this guide

Use the primary sources below to verify current rules, eligibility and program details before acting. Program terms can change.

Bureau of Industry and Security — EAR Part 734, Scope of the Export Administration Regulations



Bureau of Industry and Security — Export compliance guidance and FAQs



Bureau of Industry and Security — Commerce Country Chart



U.S. Treasury Office of Foreign Assets Control — Sanctions programs and country information



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