

## *Distributor Search Best Practices*

<b>Activity</b>	<b>Bad Practice</b>	<b>Best Practice</b>
<b>Distributor Profile</b>	No portfolio synergies.	Representing similar size, premium brands from your aisle/country.
<b>Candidate Model</b>	Agent or third party not based in destination country.	Distributor of international, third party brands.
<b>Web Site</b>	None! Watch out.	Modern/informative site. Lists current companies handled.
<b>Candidate Selection</b>	Evaluate one candidate only.	Consider 3-5 candidates, depending on complexity.
<b>First Contact</b>	Random solicitation by unknown company.	Trade show or formal phone meeting with respected distributor.
<b>Market Visit</b>	Start partnership without market visit.	Local assessment: office meeting, warehouse inspection.
<b>Store Check</b>	No store check to validate distributor capabilities.	Full day store check to measure results for existing brands.
<b>Reference Check</b>	No financial or commercial checks.	Check current principals plus financial institutions (D & B).
<b>Year I Plan</b>	No plan. "Buy and ReSell."	Logical plan with targets, activities, timelines, costs.
<b>Price Calculation</b>	Sell at dead net price. Arbitrary mark-up.	Transparent price calculation from factory to store shelf.