

# Export Express

Insights to Accelerate International Expansion



Our Mission: Help Manufacturers "Spend time *Selling* to Distributors versus *Searching* for Distributors"

## Sell to 96 Countries

Looking for new customers and distributors in international markets? Export Solutions' distributor database covers more than 8,600 distributors in 96 countries. Our database features extensive coverage of leading food, confectionery, and beverage distributors. New! Export Solutions' retailer database now tracks 2,500 retailers in 96 countries. Order now at [www.exportsolutions.com](http://www.exportsolutions.com).

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## New Distributor – Cooperation Model

Good news! You've just met a promising new distributor candidate (or two) for a top priority expansion country. A high level of enthusiasm exists from both sides, but many questions need answers prior to a confirmed agreement. Experienced export managers can confirm a long road from a positive first meeting to securing an initial order and distributor commitment to a serious launch plan.

Export Solutions helps to answer the question "Where do we go from here?" "Cooperation Model" is a term that we assign to describe the follow up process from initial meeting to formal agreement. This includes our "10 C" method of developing the joint work plan. These action steps include preparation of a year one plan and costs, understanding the proposed value chain, and consumer marketing plan. Another essential element is the establishment of a year one scorecard identifying shared business objectives.



Export Solutions has participated in more than 300 distributor search projects on six continents. This includes more than 50 distributor interviews per year. We believe that a clear Cooperation Model is the critical decision point in selecting your preferred partner. The Cooperation Model establishes a road map to translate "Export Dreams to Retail Reality."

## Greg's Guidance: Cooperation Model

1. What is the year one business plan?  
Investments required?
2. What is the proposed value chain?  
Factory gate to store shelf?
3. Who is my brand manager or first point of contact?
4. What is the calendar of milestones through  
consumer launch?
5. What mutual goals are established in a  
year one scorecard?

## Ten Tips: Converting Promising Leads to New Partnerships

Have you ever experienced an incredible first meeting with a distributor? Strong alignment, good fit, everyone smiling, timelines agreed. Then, nothing happens! The export manager may take up to six months to translate his outlook from “done deal” to “dead deal.” There are two reasons why this occurs.

First, distributors are positive, competitive athletes, always striving to win new business. However, in some cases, the distributors wake up after time to reflect and decide they really weren't that interested in the brand after all. Failure also results when a strong first personal meeting at a trade show or distributor's office is followed by a relationship buried in email communication, with no personal touch. Below are Export Solutions' Ten Tips on converting promising new business leads into tangible business partnerships.

### 1. Call/Skype – Don't Depend on Email

Motivated distributors still return phone calls, but frequently receive up to 200 emails a day, many from existing brand partners. Top distributors' business days are captured by a continuous flow of meetings with customers, principals, and their own employees. Best bet is to call a potential partner or set up Skype meetings. Email is okay for routine correspondence, but too easy to ignore or delete.

### 2. Follow Up Immediately & Frequently

Time slips away, as Export Managers focus on existing businesses and “problems of the day.” One tip is to put regular follow up reminders on your computer calendar.

### 3. Focus on 10 C's: Category Review, Calculation, Cost of Plan, Compliance, Contract, etc.

Described below are critical elements to translate a “lead” into shipments.

**Category Review:** How does your category look in target country? Category size, competition, pricing, margins, and merchandising activity.

**Calculation:** What is the distributor's proposed calculation from your factory gate to the store shelf? What are standard costs like duties and taxes? What are flexible or negotiable like trade discounts and distributor margin?

**Cost of Plan:** Each brand needs a plan to gain market entry. This includes key

account “sell in,” followed by consumer and trade promotion activities. Look at the distributor's proposed plan, as well as several options with different price tags.

**Compliance:** Many countries feature a product registration process and labeling requirements. In some countries, this step is easy with automatic compliance for a USA or European brand. Or a simple solution with a small distributor applied sticker. In other countries like Japan or Indonesia, plan on one year or more to navigate the complex process.

**Contract:** “Ready, Set, Go” can be delayed by 3-6 months due to contract negotiations. Company lawyers demand 20 page agreements in English that even the Brits can't understand. Distributors prefer two page letters of understanding or a handshake deal. Do what is right for your business, but expect delays and frustration.

### 4. Request References

A good idea is to quickly request distributor references from other brands they handle. Motivated distributors will send impressive references right away. Also, have your credit department run a Dun and Bradstreet or Equifax report as soon as possible. Many trade show meetings are with “pretenders” who state exaggerated claims and are ultimately too small to handle your brand. Better to discover this sooner versus later.

### 5. Move Beyond the Distributor Owner/MD

The distributor owner “writes the checks,” but frequently serves as a “bottleneck.” The key is to quickly get your brand assigned to a “worker” whose task is to move your project through the system and produce an order!

### 6. Establish Realistic Timelines

Sync with category review dates and avoid holiday periods. Update timelines frequently. New distributor relationships always take longer. Plan on six months from first meeting to first shipment. Be pleasantly surprised if things move quicker.



### 7. Distributor Response Time Signals Interest Level

How often do you check your emails? Probably every hour. When I work on distributor search projects for well known brands like Pringles, Tabasco, or Barilla, distributor response is lightening fast. Motivated distributors will chase you if they are interested because they are anxious to start selling your brand!

### 8. Establish Regular Checkpoint Calls

I suggest every two weeks at a minimum. Use a common document of priorities, action steps, and due dates.

### 9. Visit the Distributor

It's amazing the amount of progress that will be made during a meeting at the distributor's office. Also, the distributor will work hard in advance of your visit as your project moves up the priority list and they want to guarantee a favorable impression. A visit to the distributor's market signals your commitment. Beware if the distributor is reluctant to schedule your visit. Either he has changed his mind about a partnership or his office and capabilities do not match the bold promises made at the initial trade show meeting.

### 10. Parallel Path Two Candidates per Country

A favorable first meeting represents an excellent start. However, there are still many steps (think 10 C's in point 3) before you sign a contract and receive your first order. Always keep two candidates in the process, in case your top choice disappoints. This can be tough, but represents a better option than needing to start the entire process over again.

## 10 C's – Cooperation Model

### 1. Case

Manufacturer supplies a business case confirming brand "aspirations" for the country: Key items in portfolio, estimated base pricing, volume/market share expectations, and investment model.

### 2. Category Review

Distributor supplies a local review of category competitors, pricing, and merchandising practices.

### 3. Capabilities

Distributor shares detailed organizational capability and customer coverage. Could include references from existing suppliers represented. An important step when there are two or more candidates under consideration.

### 4. Commitment and Costs

What is the Year 1 Plan and Forecast? Targeted listings, marketing activities, launch budget and volume estimate associated with the spending plan.

### 5. Calculation – Value Chain

Line by line, build up from port to retail store shelf. Include currency assumptions.

### 6. Compliance

Highlight product registration and label requirements. Typical timelines for compliance?



### 7. Captain of Team

Who will be our day-to-day brand manager or first point of contact? Which senior executive will serve as our "Brand Champion?"

### 8. Contract

Options include formal contract, letter of understanding, or handshake deal. Begin this process early!

### 9. Consumer Marketing

What are planned activities to generate consumer trial and repeat purchases? Trade marketing, consumer marketing, social media, etc.

### 10. Calendar /Close

Distributor supplies a detailed timeline of all activities. When can we expect first order and delivery to support launch? Frequent checkpoint calls or meetings.

## Looking for Good Distributors?

Export Solutions' database covers  
8,600 distributors in 96 countries.

[www.exportsolutions.com](http://www.exportsolutions.com)



**Export Solutions**  
Distributor Identification Experts

## *Export Solutions' New Distributor Checklist*

- \_\_\_ Contract/Agreement
- \_\_\_ Price Calculation Model
- \_\_\_ Business Plan: objectives, marketing, spending, key dates
- \_\_\_ Category Review: Pricing, Shelf, Assortment, Merchandising
- \_\_\_ Label Compliance
- \_\_\_ Shelf Life
- \_\_\_ Order Lead Time
- \_\_\_ Minimum Order
- \_\_\_ Pick up Point
- \_\_\_ Payment Terms
- \_\_\_ Payment Currency
- \_\_\_ Damage Policy
- \_\_\_ Product Registration
- \_\_\_ Forecast: Year 1
- \_\_\_ Pipeline Order & Inventory
- \_\_\_ Brand Facts
- \_\_\_ Product Samples
- \_\_\_ Appointment Letter
- \_\_\_ Brand Specifications in System: Distributor & Customers
- \_\_\_ Training: Key Account Managers, Retail, Administrative Staff, Warehouse
- \_\_\_ In Store Standards: Pricing, Shelf Management, Merchandising
- \_\_\_ FAQ's/Handling Common Objections
- \_\_\_ Key Account Presentation
- \_\_\_ Customer Appointment Dates
- \_\_\_ Category/Business Review: Tailored to Each Key Account
- \_\_\_ Retail Sales Contest
- \_\_\_ Checkpoint Calls
- \_\_\_ Market Audit Date
- \_\_\_ Reporting: Track Distribution, Pricing, Shelf Positioning, Merchandising, etc.



### **Talk to an Expert**

- Find Distributors in 96 Countries
- International Strategy Road Map
- Fix Problem Markets
- Entry Plans
- Export Workshops
- Motivational Meeting Speaker



Contact Greg Seminara at (001)-404-255-8387 to discuss your business development project.

[www.exportsolutions.com](http://www.exportsolutions.com)

## *“The Right Way” – New Country Launch*

Retail buyers and distributors are receptive to brand launches from multinationals. Why? Multinationals succeed, as they introduce new products “The Right Way.” Export Solutions recaps 30 components of launching “The Right Way.” Exporters create magic with limited budgets! Winners check as many boxes as possible on “The Right Way” scorecard.

<b>Product</b>	<b>Retailer</b>
<input type="checkbox"/> Meaningful innovation – not “me too”	<input type="checkbox"/> Boost category sales, margin, and profit
<input type="checkbox"/> Consumer market research insights	<input type="checkbox"/> Syndicated data (Nielsen) – category facts
<input type="checkbox"/> Technical confirmation of product differentiation	<input type="checkbox"/> Invest in retailer “push” programs
<input type="checkbox"/> Reasonable retail price – premium (not sky high)	<input type="checkbox"/> 4-6 high value promotional events per year
<input type="checkbox"/> Test market results – similar country or retailer	<input type="checkbox"/> Retailer VP, distributor CEO at intro call
<b>Marketing</b>	<b>Excitement</b>
<input type="checkbox"/> 360 marketing plan: TV, in-store, social, PR	<input type="checkbox"/> Launch party – memorable location
<input type="checkbox"/> Sampling	<input type="checkbox"/> PR, social media, trade press
<input type="checkbox"/> Social media	<input type="checkbox"/> Celebrity endorsement
<input type="checkbox"/> Displays: end of aisle and shelf blocks	<input type="checkbox"/> Distributor sales contest
<input type="checkbox"/> Special offers – retailer fliers	<input type="checkbox"/> Donation to local charity
<b>Team</b>	<b>Scorecard</b>
<input type="checkbox"/> Distributor – best in class, category expert	<input type="checkbox"/> Year 1: invest; year 2: break even; year 3: profit
<input type="checkbox"/> Local manager – launch oversight	<input type="checkbox"/> Sales volume (retail sell-out)
<input type="checkbox"/> Marketing, social media, PR agencies	<input type="checkbox"/> Market share
<input type="checkbox"/> Brand/technical resource from headquarters	<input type="checkbox"/> Retail availability (weighted distribution)
<input type="checkbox"/> Total distributor engagement: reps. to CEO	<input type="checkbox"/> Year 2 commitment and enthusiasm

## *Business Case Template – Brand Owner* **Request for Information – New Distributor**

<b>Activity</b>	<b>Comments</b>
<b>Brand Owner Profile</b>	<ul style="list-style-type: none"><li>• Founding date, headquarter location</li><li>• Annual sales</li><li>• Category, point of difference, international sales</li></ul>
<b>Opportunity</b>	<ul style="list-style-type: none"><li>• Anticipated Year 1, Year 3, Year 5 revenues</li><li>• Market share aspirations</li></ul>
<b>Product Portfolio</b>	<ul style="list-style-type: none"><li>• Core items from product portfolio</li></ul>
<b>Retail Price Range</b>	<ul style="list-style-type: none"><li>• Estimated retail price or premium vs. current category items</li></ul>
<b>Channels/Customers</b>	<ul style="list-style-type: none"><li>• Target trade channels, customers</li></ul>
<b>Marketing Budget</b>	<ul style="list-style-type: none"><li>• Spending range or percent of sales</li><li>• Any contingencies</li></ul>
<b>Marketing Activities</b>	<ul style="list-style-type: none"><li>• Consumer promotion, sampling, media</li><li>• Trade promotion, listing fees</li><li>• Social media, community engagement</li></ul>
<b>Launch Timing</b>	<ul style="list-style-type: none"><li>• Launch date</li><li>• Retail availability date</li></ul>
<b>Information Required</b>	<ul style="list-style-type: none"><li>• Category Review, Year 1 Business Plan</li><li>• Value Chain, Team Members</li><li>• Timeline</li></ul>

# *Sample Business Case Template- Brand Owner "CerealCo\*"*

## **Request for Information – New Distributor for CerealCo**

### **Summary**

CerealCo was founded in 1960 and is based in Atlanta, Georgia (USA). 2019 sales exceeded \$300 million, including more than \$100 million in export sales to 25 countries outside the USA. CerealCo is a leader in organic/gluten free cereals.

### **Oppportunity**

CerealCo's goal is to achieve retail sales of \$500,000 in year one, growing to \$1 million by year three and \$2 million by year five. Market share objective is 15% of the premium international cereal category. The size of the prize translates to roughly \$1.5 million in distributor sales to retailers and \$1.1 million in Cerealco sales to the distributor by year five.

### **Product Range**

CerealCo offers a complete range of more than 30 organic, gluten free and sugar free cereals. For international markets, our six core items are Organic (Original), Organic with Nuts, Organic Chocolate, Organic with Berries plus Gluten Free, and Sugar Free. All core items available in a 300 gram size.

### **Retail Price**

Approximate retail pricing is equivalent to \$5 US dollars including VAT in local currency. This is consistent with other premium international cereals and approximately a 20% premium to non-organic cereals. Our price list is attached.

### **Channels/Customers**

Our year one focus is on the supermarket and natural foods channels. Initial targets are supermarkets catering to middle and upper income consumers in the major cities. Year three aspiration is to expand to all supermarkets and launch into the foodservice/horeca channel.

### **Marketing Budget**

A provisional year one launch budget of \$50,000 has been established. Ongoing marketing and trade support levels are projected at the rate of 10% of distributor purchase value.

### **Marketing Activities**

Distributor and CerealCo will agree on a joint business plan. Key components will include sampling and introductory price discounts. A limited budget is established for listing fees at leading chains. However, it is CerealCo's preference to offer "free goods" in lieu of a listing fee. Launch plan will include ongoing social media campaign targeted against online communities appreciative of other organic and gluten free products.

### **Launch Timing**

Initial shipment – February. Sales Launch – March. Retail Availability – May. Marketing starts – June.

### **Information Required**

Distributor should supply the following information within three weeks:

- Answers to key questions
- Cereal category review
- Year one business plan proposal
- Value chain: port to retail shelf
- Distributor proposed point of contact for CerealCo
- Timeline of key activities

*\*CerealCo is a fictitious company. Any resemblance to an actual cereal company is coincidental.*

**Need more information? Visit [www.exportsolutions.com](http://www.exportsolutions.com).**

## Ten Questions: Developing your Cooperation Model

### 1. Size of the Prize

What are the distributor's year one and year three volume estimates? How big is the category? Is the category growing?

### 2. Key Account Listings

What listings can we achieve in year one? Who will be our biggest customers? Will there be differences in retailer acceptance by region or channel?

### 3. Trade Reaction

What will retailers like about our brand? Any potential barriers? Which retailers will be most challenging?

### 4. Brand Manager

Who will be our primary point of contact? Experience level? Workload?

### 5. Marketing Investment

What budget is requested to achieve our mutual shipment objectives? Who pays for marketing costs? Which costs are split?

### 6. Currency Fluctuation

What assumptions are made in your price calculation? What happens if the currency fluctuates more than 5 percent in either direction? How do you handle price increases?

### 7. Distributor Margin

What is your distributor margin? What services are included? Any other fees or regular costs if we work together?

### 8. Trial and Repeat

What strategies are required to generate consumer trial and repeat purchase? What works? How do you conduct post-promotion analysis and measure payout and success?



### 9. Focus

Where will our company rank in terms of volume contribution to your overall business? How will we secure share of mind during our critical first year?

### 10. Issues

What are the biggest issues we will face? Barriers to success? What must happen to win?

## 5 Critical Questions to Thrive in 2025

1. Are we willing to pursue international acquisitions?
2. Would your company consider overseas contract packing (versus export)?
3. Can we test a high spend investment plan ("The Right Way") in a strategic country?
4. Would your company invest aggressively in offshore head count in advance of sales?
5. Europeans: can we develop the USA market implementing the USA playbook? USA factory, broker network, competitive pricing, USA team, channel strategy, 30-50% trade promotions?



## *Why do Export Managers Partner with Export Solutions for Distributor Search Help?*

- ✓ **Industries Leading Distributor Rolodex**
  - Excellent relationships across 96 countries
  - Database tracks 79 distributors per country
  - 300+ distributor search projects completed.
- ✓ **10 Step Distributor Search Process**
  - Logical, thorough due diligence process
  - Professional approach yields positive results
  - Publisher: *Distributor Search Guide*
- ✓ **Independent Expert Assessment**
  - Expert partner to export managers
  - Focused on all aspects of distributor search
  - Working for you!
- ✓ **Results**
  - 90%+ success rate
  - Align with “Best in Class” distributors
  - Typical project takes 4 months from project brief to distributor selection
- ✓ **Make Your Life Easier!**
  - Identifies 5-8 qualified candidates per country
  - Organize meetings with top candidates
  - Sounding board during assessment process
  - Export Solutions participation sends positive message to distributors.



### **Export Solutions Can Help!**

- Distributor Search helper in 96 countries

Contact Greg Seminara at  
[gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com)  
or (001)-404-255-8387  
[www.exportsolutions.com](http://www.exportsolutions.com)



## What Distributors Want to Know ?

Strong distributors are overwhelmed by calls from brand owners looking for new partners. Distributors assess each opportunity carefully, as any new brand must add incremental sales and profits and not distract from priorities from existing brands handled.

What is the “size of the prize” for the distributor?

Assessment Criteria	Facts	Rating (10 = Best)
Your company: size/ reputation		
Existing business: sales in distributors country?		
If zero “current sales,” what is realistic expectation?		
Brand’s USP...your point of difference/innovation?		
Size of investment plan: Marketing and Trade?		
Potential distributor revenues? margin?		
How does the product taste? (or perform)		
How attractive/compliant is the packaging?		
Pricing relative to category?		
Brand success story in an adjacent country?		
Competition intensity in category?		
Brand range complexity? Product shelf life?		
Local market research? Syndicated data?		
Will brand invest in marketing and social media?		
Will this be a tough product to launch?		
Can we grow with the brand owner?		
Your brand: core distributor category or adjacency?		
Will the export manager be good to work with?		
Will we be proud/excited to represent this brand?		
What is the “size of the prize?”		



## Price is Right?

Consumer pricing is one of the famous “Four P’s” of product marketing. Many export managers spend countless hours negotiating wholesale price lists with distributors and retailers. However, this intensity frequently disappears when the discussion shifts to the point of pricing to the consumer. This is unfortunate, because retail pricing is at the critical point where our marketing dreams and distributor inventory are translated to tangible sales.



## Strategic Services

### Contact Us for Export Solutions

1. Identify Best in Class Distributors: 96 Countries
2. Best Practices Export Strategy
3. Distributor Management Workshops
4. Export 101: Let's Get Started
5. New Market Prioritization & Launch Plan
6. Personal Distributor Introductions: 96 Countries
7. Walmart International
8. Distributor Contracts, Margins, & Fees
9. Meeting Speaker
10. International Strategy Expert

I recently conducted a seminar where I presented a full day program on Export Strategy, Distributor Economics, and Getting More Than Your Fair Share of Your Distributors Attention. In the Distributor Economics module, I surveyed the group on how many maintained copies of each distributor’s price calculation. This is the fundamental formula that tracks each brands pricing inputs from factory gate to supermarket shelf. None of the participants had copies of their distributor’s actual price calculation or requested a market wide retail price survey. As the norm, busy export managers focus attention on the myriads of details required to process orders such as importation paperwork and product registration. However, retail pricing is a critical element to add to your “to-do” list.

Listed below are Export Solution’s Tips for managing your retail price guidelines.

#### 1. Review Suggested Retail Price by Market.

Is your pricing realistic based upon 2020 market dynamics and your cost calculation?

#### 2. Conduct Market Wide Retail Price Survey

How do your prices compare versus your suggested retail price and competitive set?

#### 3. Obtain Distributor Price Calculations

Most distributors openly share this information with their brand partners. If a distributor is hesitant, it’s usually easy to figure out if you have retail prices.

Retail price - distributor cost - sales taxes and import duties = gross margin.

This gross margin is divided by the retailer and distributor.

#### 4. Examine Each Line Item of a Price Calculation

Distributors and Retailers are entitled to a fair return for their work on your brand. They maintain profit targets just like your company. In some cases, price calculation transparency leads to breakthrough changes in business development. I remember a situation where the distributor established an 8% currency benefit at the start of a price calculation to hedge against fluctuation. The export manager agreed to sell in the common currency, absorbing the risk, but translating to an 8% positive benefit to the brand price. In some cases, distributors may place “average” numbers in a calculation for logistics services or trade discounts which may not be representative for your brand.

#### 5. Evaluate Relationship Between Everyday Pricing and Promotional Pricing

Price analysis should reveal typical price paid by the consumer. For example “everyday” prices are not as relevant if the consumer habit is to wait until product is on promotional discount to purchase and “stock up.”

#### 6. Supermarket E-Commerce Sites Offer Instant Desktop Price Surveys

Lately, I have checked online web sites for retailers in the UK, Australia, Panama and the USA to get an immediate snapshot of market prices and assortment. It’s not perfect, but a free and easy way to begin to understand market pricing dynamics.

Pricing is a cornerstone of your brand proposition. A little emphasis and investigation will determine if your “Price is Right” to optimize sales in a country.

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*“Spend Time Selling to Distributors versus Searching for Distributors”*

## Price Calculation Worksheet

Item	Amount	Comments
List Price (factory or port)		Compare to your domestic list price? Avoid diverting risk.
Exchange rate		Watch bank rate vs. distributor rate.
Freight (sea, truck or rail)		Target full containers. Consolidation is costly.
Duties		Apply correct Harmonized (HS) code. Confirm Free Trade Agreements.
Customs clearance, insurance		Money and time!
Inland freight: port to distributor		Translate actual costs to case rate. Avoid flat percentage rates.
<b>Landed Cost</b>		
Product Stickers		Select countries.
Listing Fees		Flat fee. One time only. Usually not in calculation.
Marketing fund accrual		Typically, 10-20% of list price. Part of calculation or manufacturers price.
<b>Distributor Margin</b>		Normal range: 15-35%. Depends on size, complexity of brand, services, and "what trade spend is included."
Other Distributor Fees		Should be part of distributor margin. Avoid hidden profit centers.
<b>Price to Retailer</b>		Fair and transparent model. Incentives for large customers, extra performance.
Retailer promotions, incentives, rebates		10 – 20% depending on the country.
Other Retailer Fees		At times for merchandising or central distribution. Should be allocated from distributor margin.
<b>Retailer Margin</b>		Global average: 28% Range: 15% -45% based upon category, brand.
Sales Tax/VAT		Included in price in many countries. USA sales tax is on top of shelf price.
<b>Consumer shelf price</b>		Everyday prices and promotional prices.

## *Cost Calculation Assessment\**

\*Ambient grocery example: Higher margins – Chilled and Health & Beauty products

Assessment Criteria	Global Benchmark	Actual
Retailer: Everyday margin	20-35%	
Retailer: Back margin (rebates, discounts)	0-10%	
Retailer: Other margin (Damage, merchandising, central warehouse)	0-5%	
<b>Total Retailer Gross Margin</b>	<b>25-40%</b>	
Trade Promotion (Manufacturer)	5-20% of net sales	
<b>Total Distributor Margin</b>	<b>15-35%</b>	
Warehouse/Stickering	2-4%	
Delivery	2-5%	
<b>Total Distributor Logistics</b>	<b>3-7%</b>	
Key Account Sales	1-3%	
Brand Management	1-2%	
Merchandisers/Field Force	0-4%	
<b>Total Distributor Sales Team</b>	<b>4-6%</b>	
Administration	1-2%	
Finance and Collections	2-5%	
Overheads (office, IT, corporate)	2-5%	
Distributor Promotion Investment	0-10%	
<b>Distributor Net Profit</b>	<b>2-5%</b>	

## Distributor Contracts: Review and Refresh

Suppliers review their Distributor contracts for two reasons: At the start of a new distributor relationship or when the current distributor has resigned or failed. Most exporters simply revise their standard distributor contract with a new name and make a few minor adjustments when entering a new partnership. Export Solutions frequently reviews distributor contracts as part of our distributor identification process. We do not pretend to be lawyers but our broad conclusion is that most current distributor contracts were written to reflect business practices of the 1990's versus the business reality of 2020. Listed below are points for consideration as you seek to refresh or renew your distributor contracts.

### Contract vs. Letter of Understanding

A basic question: Do you really need a contract with all distributors in all countries? Formal contracts make sense when the manufacturer plans a strategic launch, supported by investments in trade and consumer activities. A contract is mandatory in transferring an established business from a direct organization to a third party or from one distributor to another. A Letter of Understanding may suffice in cases dealing with an opportunistic sale or testing a new product concept. The Letter of Understanding simply outlines the roles and responsibilities of each partner, expected outcome and plan of action, and ability for each party to exit the relationship without much complexity. In some situations, a "Handshake Deal" is acceptable, particularly if the volumes are low and the orders are pre-paid. This may function in some countries, but in certain markets such as Puerto Rico (Law 75) a relationship with responsibilities is created with or without a formal written agreement.

### Termination Clauses

Most distributor contracts are rarely revisited until the possibility (or probability) of termination becomes likely. Long term contracts lasting 5 years, with one year notification periods do not make business sense for the distributor or supplier. More realistic is a three year contract, with escape clauses for either the manufacturer or distributor to resign if minimum sales levels are not attained. Termination notification periods of 6 months to one year can be harmful for a brand. A better option is a 3 month

notification period, with succession plans formalized at point of notification.

### Global Retailer Impact

Retailers such as Walmart, Carrefour, Costco, and Metro maintain a presence in many adjacent countries. Their cross border sourcing activities create challenges for distributors, as retailers buying practices may interfere with protected territories. New contracts should address the role of Global Retailers and responsibilities for each partner to maintain the integrity of the territory.

### Distributor Price Increases

Pricing is a sensitive topic, as some countries maintain strict laws to discourage price manipulation. On the other hand, contracts should include clauses that prevent distributors from taking "unauthorized" price increases without agreement from the brand owner. I have witnessed brands being damaged by a distributor price increase that was independent of any pricing action by the manufacturer.

### Key Issue: Distributor Loss of a Major Principal

There have been several high profile distributor bankruptcies. These occur quickly and result in the loss of receivables by the manufacturer. It's wise to insert a clause stating that Distributor should notify you in writing within 7 days of notification of any loss of principal that represents 10 percent of their business or more. Another clause, is the right for you to terminate the contract within 30 days upon distributor loss of principal of 20 percent of their business or more.

### Promotion Payment Handling

Trade discounts and promotional incentives are a standard component of our marketing plans. However, it is surprising that many distributor agreements do not mention promotion payment handling. We suggest adding clauses mentioning documentation required, budgeting, over spends, and right to audit paperwork.

### Information Technology Requirements

Most industry participants would be utterly and completely lost without our



computers. Yet most contracts do not specify any Information Technology requirements for our distributors. New contracts often specify that a distributor must handle designated EDI transaction sets, Electronic Funds Transfer, and online portal to share shipment and financial information. Data security and back-up requirements also warrant inclusion.

### Warehouse Audit

Warehouse inventory is central to many of our business practices: Achieving sales objectives, minimum stock levels, product returns, new products, sales promotions etc. Manufacturers should maintain the right to inspect distributor warehouses with 72 hour notice. This is particularly important during distributor change or suspected diverting.

### Minimum Volumes

It is difficult to forecast volume for a new brand launch due to many variables. However, it is fair to establish minimum volume thresholds, particularly for year two. If the business is not succeeding, there must be "escapes" for both manufacturer and distributor to exit gracefully.

### Next Steps

Respectfully, most suppliers and distributors desire to avoid frequent contact with their lawyers. The new business realities of 2020 reveal that many distributors and manufacturers are not adequately protected. A review of existing contract templates to measure relevance for today's business practices is warranted. Export Solutions advocates a balanced approach favoring commercial sensibilities.

# Export Accelerator



Why have Barilla, Pringles, Nature Valley, Starbucks, Duracell, Nestlé, Tabasco, Pepperidge Farm, and other leaders used Export Solutions as a distributor search consultant?

- Powerful distributor network: owner of industry database 8,600 distributors – 96 countries
- Professional 10 step due diligence process
- Results! We make Export Managers' lives easier!

**Contact Us for Distributor Search Help in 96 Countries**



Greg Seminara • [greg@exportsolutions.com](mailto:greg@exportsolutions.com)

“Spend time *Selling* to Distributors versus  
*Searching* for Distributors”



## What is the Plan?

Picking the right distributor is not an exact science. I know that each of us experiences moments of frustration when we question, “why did we ever pick that distributor?” Believe me, an equal number of examples exist where a distributor may share the same emotion about your company! Frequently, a partnership is christened by a positive distributor interview or enthusiastic meeting at a trade show. Everyone is always in a hurry to negotiate prices and a contract and



secure the first order. However, in many cases the decision to work together is cemented without a formal business plan where expectations, road map, and KPI's are established. Unfortunately, one year later both parties may find themselves pointing fingers at each other due to disappointing results.

I recently completed a distributor search project in the Middle East. We interviewed a number of good candidates and identified two with high potential. Last month, I was notified by the export manager that he selected one of the candidates. I supported his decision, but questioned how the plan proposals for the two distributors compared? The vague response confirmed no plans, just that he liked one distributor better.

This year, another project brought me to a country where a new distributor had been appointed less than one year earlier. Initial results were severely below expectations. The first question I asked the brand owner related to the reconciliation versus the original one-year business plan. What happened? In this case, there was general understanding about the direction of the partnership, but never alignment around a one-page scorecard with KPIs and a logical road map.

Launching a new distributor relationship is like the birth of a child. A mother rarely leaves the side of a baby, providing comfort, safety, and nutrition until the infant is healthy and able to survive without constant oversight. The same philosophy must apply to a distributor partnership. During the first few months, there must be frequent communication, care and visibility from the supplier with the new “brand parents.” This approach results in a healthy brand. Too many times, I see a new distributor appointed without anyone from the manufacturer committed to visit the country for the sales launch meeting or conduct a retail sales audit within the first sixty days. Parents bring their newborn to the doctor frequently for checkups.

Listed below are Export Solutions’ tips on creating a clear annual plan for each country and distributor partner.

1. Select new distributors based upon the quality of their year one plan: targeted listings, volume forecast, and retail penetration. What is their written commitment and timeline for achievement?
2. Current distributors should also have a confirmed one page plan. Merchandising events, new listing targets, spending, and shipment targets.

Many brand owners treat distributors as good customers which is a smart approach. The distributor is paying your invoice, not a retailer. Successful distributor partnerships thrive when both parties are aligned and committed to a simple, one-page plan. Looking for a sample format? I’ve prepared a one-page business plan template that is freely available in the Export Tips section of my web site or simply email me. What is your annual plan for each country?

**Greg Seminara**  
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404-255-8387

## Strategic Services

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1. Identify Best in Class Distributors: 96 Countries
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6. Personal Distributor Introductions: 96 Countries
7. Walmart International
8. Distributor Contracts, Margins, & Fees
9. Meeting Speaker
10. International Strategy Expert



## Launch Plan Proposal – Year One\*

Brand Objective				
Volume: _____		Wtd. Distribution: _____		Share: _____
Consumer Marketing Activities				
Activity		Rationale		Cost
1.				
2.				
3.				
Trade Marketing Activities				
Activity		Volume		Cost
1.				
2.				
3.				
Listing Fees				
Customer		# SKUs, Space, Promotion Support		Cost
1.				
2.				
3.				
<b>Total Year One Volume</b>		<b>Total Year One Cost</b>		<b>Wtd. Distribution</b>
<b>Distribution Achieved with Above Spend Level</b>				
Customer	Stores	% Country	# SKUs	Volume (annual)
1.				
2.				
3.				

\*Feel free to attach other pages to support your recommended launch plan.

## Year One Scorecard Example

Brand owners and distributors enter new relationships with great expectations. Most partnerships succeed, but some under deliver leaving both parties disappointed. Export Solutions Year One scorecard helps both parties align on KPI's.

Objective	Goal	Results
Shipments to Distributor		
Distributor Sales to Customers		
Top 5 Customers		
Region: Sales Split by Area		
Channel: Sales Split by Channel		
Market Share		
Listings: Top 5 Customers		
Retail Pricing		
Shelf Positioning		
Shelf Space		
Sampling		
Social Media		
Displays		
Manufacturer Investment		
Brand Manager Performance		

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## Recent Distributor Search Projects

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Australia	Germany	Israel	Argentina
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Indonesia	Netherlands	Qatar	Colombia
Japan	Nordics	Saudi Arabia	Costa Rica
Malaysia	Spain	UAE	Ecuador
Philippines	United Kingdom		Mexico
Singapore		Canada	Panama
South Korea	South Africa	United States	Peru



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## 5 Steps: From Niche Status to Mass Market Success

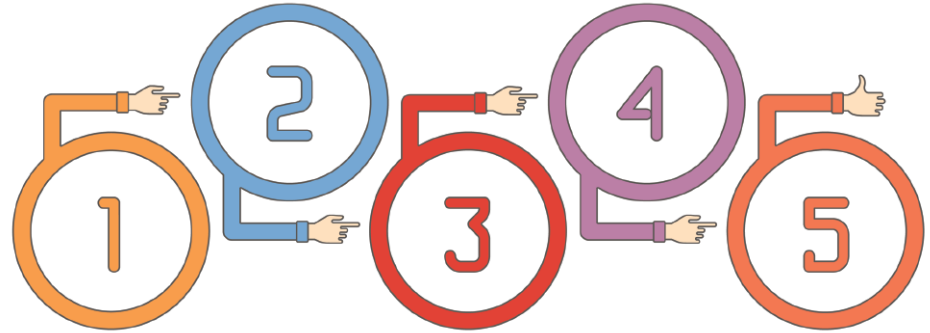
Can you resist the temptation to sell to the biggest retailer in a new country first? Multinationals armed with barrels of money and stacks of market research attack all retailers with a high profile market entry plan for their new products. More likely that your company supplies you with a beloved local brand and a small checkbook to invest wisely. What is the logical route forward for exporters of favorite brands from the USA, UK, Germany, Brasil, Mexico, Japan, etc? Listed below is Export Solutions' 5 step plan to translate your niche item to mass market success in overseas countries.

### Step 1: Sell to Homesick Consumers

There are six million USA expatriates abroad and also 6 million UK citizens found outside Great Britain. On a broader basis, there are 80 million people of Italian heritage living outside Italy, including about 17 million in the USA, almost equivalent to the USA's entire Asian population. 92 million foreigners claim ties to Great Britain, including 17 million people living in Australia and 12 million in Canada. These statistics apply to almost all countries who can find their citizens dispersed around the world. These homesick consumers are desperate for their favorite brands from back home. Frequently, they will shop at stores dedicated to treats from home such as Taste of America in Spain or the wide array of British delights found at Myers of Keswick in Manhattan. Eataly is a retail monument saluting the global popularity of Italian foods. These retailers are logical first customers for our products.

### Step 2: Create Visibility at Restaurants Featuring Your Cuisine

Many people first discover a new cuisine from eating out at a restaurant. Adventurous people like variety in their diets. Tex-Mex brands enjoy high growth in retailers throughout Europe, Middle East, and Asia. Consumers first learned about Tex-Mex food through visits to Mexican restaurants. There are several stories emerging from China such as Starbucks successfully generating significant coffee sales from tea drinking Chinese. Other American products are generating trial in China through partnering with USA style restaurants. Teach consumers about your brand through placement and visibility at restaurants featuring your country's cooking. Consumers will attempt to recreate the food experience in their homes with the brands that they enjoyed at a restaurant.



### Step 3: Target Regional Chains in Expatriate Areas

California is home to 33% of the USA's Asian population. New England maintains the highest concentration of Brasilians. Chicago is home to many Greeks. Italians are everywhere, but primarily reside in the Northeast USA. Over half of the USA's Hispanic population can be found in California, Texas, and Florida. New York Metro is home to people from all over the world from UK to Israel to Russia to France to the UK. Major cities like London, Hong Kong, Sao Paolo and Sydney share similar dynamics. The idea is to sell to regional supermarket chains with existing demand generated by people with ties to the home country. For example, HEB in Texas is an excellent destination for Hispanic products. German foods target Giant Eagle or Meijer in the central USA. Italian food products enjoy strong visibility at Shop Rite and Price Chopper. USA products sell well in overseas locations where the USA maintained military bases such as Germany, Philippines, or Japan.

### Step 4: Upscale Retailers Feature Variety

Every country features retailers catering to high income consumers. These stores feature extensive assortments of international products as a strategy to differentiate versus traditional supermarkets. Their consumers maintain more disposable income to purchase premium international brands and are

more open to distinct gastronomic experiences. Upscale supermarkets range from Wegman's in the USA to Waitrose in the UK, Esselunga in Italy, Jumbo in South America, Superama in Mexico, Kem Chicks in Jakarta, and City Super in China.

### Step 5: Proven Track Record Drives Mass Appeal

Exporters that have successfully completed steps 1-4 above are now ready for mass retailers. Success at penetrating high end, trend setting, retailers will make your brand more attractive to supermarkets catering to the general population. A patient "crawl, walk, run" approach will also present a strong case study for your management to validate the larger investments in marketing and trade programs required to support a national brand launch.

### Lessons Learned

Calibrate sales expectations to your own investment in research, marketing, and trade development funding. It's perfectly acceptable to pursue listings at leading supermarket chains, if you maintain adequate brand support budgets. If initial marketing spend is limited, a better option is to make "lower risk" bets on homesick consumers or upscale families which may form a small, but appreciative consumer base. Success and learning from early markets provide a logical on ramp to broader market success.

## International Expansion – Shoestring Budget

Stretching thin marketing budgets is a job requirement for most Export Managers.

Listed below are “Ten Tips” for brand building on a “Shoestring Budget.”

### 1. Tap into Government Export Programs

Many countries sponsor strong trade organizations that can aid your export development program. Exports translate to jobs and most countries have well established programs to facilitate the sale of locally produced products. For example, the USA Foreign Agricultural Service will co-fund marketing investments for small-mid size USA food producers through their MAP programs. German Sweets and GEFA, UBI France, ICE (Italy), ICEX (Spain), Austrade (Australia), and AG Canada serve as valuable resources for local exporters. These organizations often sponsor local “Food Events” at leading supermarkets in international countries. For example, Austrade sponsored G’Day USA to showcase Australian food producers to USA consumers. These events are highly publicized and normally feature a relatively modest participation fee.

### 2. Leverage Relationships with Global Retailers

Wal\*Mart, Carrefour, Tesco & Costco all maintain programs to ease the export process for their current suppliers. This usually involves direct consolidated shipments with other local producers, labeling assistance, and placement in a special section in the international aisle of their stores i.e. USA Foods, France Foods, UK Foods etc. The immediate benefit is the streamlined route to market without payment of upfront local marketing fees. This allows you to “Test the Market” prior to a traditional market entry with a local distributor and heavy marketing support.

### 3. Joint Venture with Local Manufacturer

Another idea is to locate a local player in your category in a country targeted for expansion. You may be able to offer a potential partner innovation in taste/ flavor or packaging to complement his local expertise. A joint venture or Co-Branding agreement can produce revenues without significant start-up funds.

### 4. Build Marketing Costs into Distributor Margin

Many manufacturers build an accrual fund into their distributor margin calculation. Normally the funding level is around 10% of sales, but can range from 5 - 20% depending on the category. This creates a fund for the local distributor to manage. The accrual fund is created on a “pay as you go” basis, with fund levels proportionate to shipments. In this scenario, the manufacturer usually provides a small fixed sum to create a launch budget prior to initial shipments

### 5. Free Goods May Fund Trade Marketing

Free goods may be used to offset the cost of trade marketing programs, particularly for established brands. This can be in form of a 1 free with 10 purchase or similar type of promotional events. The benefit is that your budget can be stretched as your cost of goods produced is less than the wholesale cost.

### 6. Private Label

Retailers source quality products for their private label at the lowest possible price. This eliminates the need for marketing investments. However, private label is difficult if freight expenses are too high.

### 7. Foodservice Channel

Foodservice/Catering offers a “low investment” route to market versus the supermarket channel. Foodservice usually requires less traditional brand marketing support. Foodservice operators look for tailored solutions with rebates based upon purchase levels. A small budget for SPIF’s (SPIF- special incentive fund) can generate purchases from independent restaurants.

### 8. Specialty Retailers

Each country has specialty retailers that serve as alternate channels for your brands. This could include diverse customers such as Cost Plus World



Market, Trader Joes, Big Lots or Dollar Tree in the USA. These retailers maintain different approaches not dependent on heavy manufacturer spending.

Their strategy is to offer different brands (or sizes) versus traditional supermarkets or mass merchandisers.

### 9. Co-promotion with other Brands

Retailers generate excitement through Theme events around a group of complimentary items or common cause. This could involve participating in Barbecue event with other Barbecue related products :

Charcoal, Meat, Picnic Supplies, Drinks, Pickles etc. Another example is a retailer promotion celebrating their anniversary or support of their favorite Charity ( Juvenile Diabetes etc.). In many countries, leading distributors sponsor an annual event for all the brands they represent. Don’t forget the country specific promotions (G’Day USA) mentioned earlier. In each case, manufacturers pay for a portion of the event as costs are spread out among all brand participants.

### 10. “In & Out” Packs/Gift Baskets

These special packs can generate incremental business without investment in listing fees or shelf space. Examples could include modular displays, trail size shippers, or bonus packs with free product or gift. Gift Baskets are very popular during the Christmas Holidays. This is a good vehicle for “Fine Foods” brands to gain exposure with gourmet consumers.

## Ten Tips: How to Minimize Listing Fee Payments

Slotting allowances, listing fees or as the Irish say “Hello” money are all real estate rental fees charged in advance by retailers for access to their limited shelf space. Many retailers assign their buyers “budgets” for this type of incremental fee income. Store owners seek to obtain maximum productivity from each shelf facing and fixed entry fees are a tactic to gain immediate income from new products without an established sales history. At the end of the day, it’s a cost of doing business. Our objective is to allocate as little money as possible to listing fees to redirect our investments to consumer awareness and trial generating activities. Recapped below are Export Solutions’ Ten Tips on minimizing listing fee payments.

### 1. Exclusivity

Some large retailers will waive listing fees in order to achieve first in the market status with an exclusivity arrangement. Normally, this extends for three to six months. Beware, you may upset other customers who become “locked out” during the exclusivity period.

### 2. Pay Fees Over One Year

This approach reduces your initial outlay and also increases the likelihood that the retailer will keep your product on the shelf for at least one year. This may also allow you to structure the payment as a percent of case cost versus a “lump sum” payment.

### 3. Free Goods

Our net cost of “Free Goods” may range from 30-50% of a product’s retail price to the consumer. The retailer recoups his listing fee when the product is sold. Some retailers are hesitant to accept this option, as a slow moving brand may force him to wait to receive his money.

### 4. Approach “Non-Slotting” Fee Retailers First

Every country includes retailers and channels that do not demand slotting fees. Create a success story with these customers first. Your track record may validate the larger investment in paying the fees at a bigger account or success may help you negotiate more favorable terms.

### 5. Create “All Inclusive” Annual Plan

Ultimately, the retailer has many “profit centers” to reach their internal financial targets. Customers respect a solid, year one plan, with investments in their other programs like advertising, sampling, shelf rental and display. You may secure your product listings as part of your annual agreement.

### 6. Negotiate Reductions – Multiple Items

My experience is that many retailers have published standard prices for listing fees. However, net payment often depends on your distributor’s clout. Big distributors, representing multinational’s and a wide variety of brands know the difference between what is requested and what is really paid on high profile brand launches where the retailer needs the new brand to be competitive. The most frequent “discount” is receiving a reduced fee for multiple items: example, paying a full listing fee on first two items and receiving authorization for two extra items as part of a group listing.

### 7. Retailer Entertainment

Most countries still permit buyers to socialize with suppliers. The cost of a few tickets to a high profile sporting event is far less than most listing fees. A VIP plane trip to view your factory or your category in a “resort” country is another way to gain access to the shelves without writing a big check.

### 8. Higher Everyday Margin

Total category margin is a key assessment metric for most buyers. Some may consider a lower listing fee, if your brand delivers a margin higher than the category average.

### 9. Distributor Contribution

Some “hungry” distributors may cover or co-fund listing fees. There are options to “case rate” fixed fees into the distributor margin calculation. Ultimately, distributors benefit from increased sales and margin contribution from a new product listing. However, many are reluctant due to short term contracts. Most maintain policies related to brand owners retaining 100 percent responsibility for listing fees and consumer marketing activities.

### 10. Beg! Claim Poverty

Buyers are human and realists too. They may “bend” in their demands if they like your brand and know that you represent a small company. Long term distributors can request the occasional “favor” from a friendly buyer. Most retailers have programs to provide “low cost” chances to entrepreneurial new or local suppliers.

## Create Your Own Export Library

 *Distributor Search Guide*

 *Export Handbook*

 *Selling to USA Handbook*

 *Distributor Management Guide*

 *Finance & Logistics*

 *Export Treasure Chest*  
*My Favorite Templates & Forms*

 *People Power*  
*Strong Teams Build Great Brands*

All Guides available free at  
[www.exportsolutions.com](http://www.exportsolutions.com)  
in the *Export Tips* section.

# Searching for New Distributors?

Export Solutions makes life a little easier for more than 2,700 export managers. Our time saving distributor database serves as a “helper” for identifying more than 8,600 qualified, local brand builders in 96 countries.

## Search by Country, Category, or Country of Origin

### Local Experts

#### Distributor Coverage

Asia:	1,930
Europe:	2,830
Latin America:	1,503
Middle East:	857
USA/Canada:	1,326

### Category Experts

#### Distributor Coverage

Beverage:	1,490
Candy/Snack:	2,501
International Food:	2,711
Health & Beauty:	1,545
Natural Food:	680

### Country Experts

#### Distributor Coverage

German Brands:	607
Italian Brands:	1,229
UK Brands:	592
USA Brands:	1,073



*“Select Your Distributors,  
Do **Not** Let Your Distributors Select You”*

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## Distributor Capability Assessment

Export Solutions established 15 assessment criteria to identify “Best in Class” performers as well as “under achievers.” Many distributor relationships extend 10 years or more. Is your distributor network still a “good fit” for your current business requirements? Template can also be used as New Distributor Reference Check form.

Assessment Criteria	Rating: (10 = Best)
Category Expertise/Critical Mass	
Focus/Time Dedicated to your Business	
Joint Business Plan Development, Execution, Delivery	
Alignment with Brand Owners Vision. Relationship.	
Cost to Serve (fair margin, extra costs)	
Assortment/Shelf Space	
Promotion Creativity, Effectiveness, and Efficiency	
Key Account Relations (Senior level, buyer)	
Leadership/Owner (engaged & committed to us?)	
Brand Manager (seniority, clout,creativity)	
Multi Channel, Multi Regional Coverage	
Financial Stability, Payment Record	
Supply Chain Management & Forecasting	
Problem Solving: rapid response?	
Sales Results versus Budget, Market, Category (CY, PY, 3 Years)	

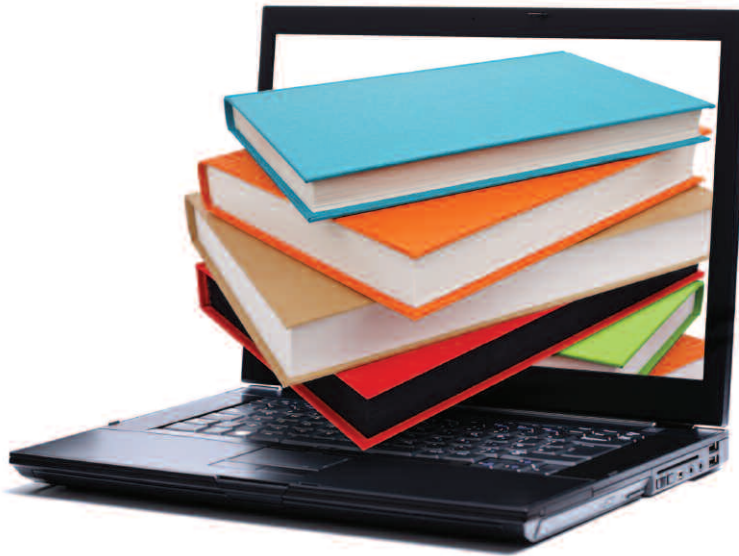


## *Customer Relationship Assessment*

All distributors claim strong relationships with their biggest customers. Below is Export Solutions' template for evaluating distributor key account relationships. Best way to evaluate distributor relationships? Your company's market share and volume growth at the customer versus the balance of the market!

Assessment Criteria	Rating: (10 = Best)
Distributor viewed as an important supplier to the retailer/buyer	
Open to bringing brand owner to customer meetings.	
Ability to schedule buyer meetings outside the office.	
Can negotiate discounted listing fees and other program costs.	
Pricing: access to price coordinator. Ability to make changes.	
Shelf: access to decision maker. Space in excess of market share.	
Merchandising Flier/Catalog: Ability to get prime feature space.	
Relationship/access to retailer owners, senior executives.	
Problem solving: rapid response? Emergency orders etc.	
Payment terms.	
Access to retailer movement data.	
Category captain or "advisor" for my category.	
Vendor awards?	
Knowledge of retailers systems. "How to get things done."	
Sales results versus overall market and retailers internal growth.	

# Create Your Own Export Library



*Export Strategy Guide*



*Distributor Search Guide*



*Export Handbook*



*Selling to USA Handbook*



*Distributor Management Guide*



*Finance & Logistics*



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## People Power: Distributor Brand Managers

Brand owners demonstrate significant due diligence in selecting a new distributor. This includes lengthy negotiations with the distributor's owner and development of a marketing plan with their senior management. Typically, you sign a contract and then they introduce you to "John" (example), a 30 year old Brand Manager who will be your first point of contact. In reality, most brands are in daily contact with "John," but do little up front to evaluate, select, or define "John's" role in building your business.

### Role Definition

Normally, the title of Brand Manager is assigned to your primary point of contact at the distributor. This person serves as the central switchboard of all elements regarding your brand's business at the distributor. Problem solving, logistics issues, promotion planning, and chasing payments are just a few of the everyday tasks assigned to the Brand Manager.

### Can your Brand Manager "Move the Organization?"

A key issue is the seniority of the person assigned to your brand. Are you working with a top manager who has a close relationship with the CEO? Or are you working with a junior person who works hard, but basically maintains the flow of paper? In most cases, I look for a person that commands the respect of the distributor organization. Many distributors have multiple brand managers, all lobbying for share of voice from the team. "Best in Class" Brand Managers possess the tenacity to motivate the sales organization to achieve the results and priorities required for your brand.

### Workload

Brand Manager workload is always a key issue. A Brand Manager may be shared by 3-5 brands. This approach may be acceptable if you are a niche brand and you are achieving desired results. On the other hand, it is frequently preferable to secure a dedicated Brand Manager who spends 100% of their time working on your business. Exporters need to recognize that Brand Managers cost money, so your contact's workload is directly proportional to the income generated by your brand.

### Marketing Versus Sales Background

Brand Managers typically come equipped with a marketing degree. This background is helpful if your brand requires a "classic marketer," combining creativity with deep focus on the consumer. In other situations, Brand Managers with sales expertise prove to be adept at participating at key account sales calls and understanding the best methods for working with the sales force.



### Compatibility

Do you like your Brand Manager? Most companies spend extensive time working with their distributor Brand Manager contact. You must be aligned and develop a healthy working rhythm. This can be difficult, as you share common objectives, but report to separate bosses and perhaps different incentives. In many cases, a brand owner develops a strong personal relationship with their brand manager. This can be unhealthy if they like their contact, but let this relationship continue even if results are poor.

### People Power: Next Steps

A strong Brand Manager serves as your "Brand Advocate" at the distributor. Export managers need to include assessment of their potential Brand Manager as part of the Distributor selection process. Ask "Who will be my day to day contact? Why? Other choices?" Avoid "paper pushers" that are nice people and can complete forms but offer few new ideas, complain about being overworked and fail to capture the attention of the sales force. Winning Brand Managers bring energy, new ideas, and results to your brand. Recognize Brand Managers who maintain the skill set to take your annual plan, add creative ideas appropriate for their market, and drive the sales organization to deliver the results!

## Greg's Guidance: Export Strategy 2025

- ✓ What are your Lessons Learned?
- ✓ What are your Core Competencies?
- ✓ Which countries offer exceptional growth for your category?
- ✓ How much is your company willing to invest? Marketing, People, Promotion
- ✓ What will our organization need to do differently?
- ✓ What are realistic measures and benchmarks?

## Who Is My Team?

Big distributors feature large teams with strong capabilities.

Manufacturers want to know who is their functional contact and how much time do they dedicate to my business?

Function	Distributor Contact	Title	Email	Phone (mobile)
Senior Management (Owner/MD)				
Marketing Manager				
Sales Manager				
Brand Manager				
Field Sales Manager				
Finance				
Supply Chain				
Purchasing (order placement)				
Accounts Payable				
Accounts Receivable				
Compliance/Registration				
Customer Service Manager				



## Strategic Services

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Export Solutions provides practical advice on creating your export strategy. We've helped 100's of small-mid size companies gain new sales from overseas markets. Our added value is our sales oriented approach and extensive contacts with international distributors.

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## Who is Your Brand Champion?



Successful distributors may represent twenty companies or more, with each brand shouting for attention. Exporters should identify, develop, and applaud a Brand Champion at each of your distributor partners. A Champion is someone who is passionate about your brand and values leadership results for your company as something deeper than just selling another case. At some point your company and distributors made a commitment to work together.

This decision was based upon a sense of shared company values and belief that your brand could make consumers happy and the distributor money. As time progresses, this initial enthusiasm fades, and partners forget the fundamental reasons why they decided to work together.

Recently, I was in the Middle East for two distributor search projects. We hitched a ride back to our hotel with the "purchaser" of imported brands for one distributor. This person had not participated in our meeting and maintained oversight for at least 40 companies. We exchanged pleasantries in the car, then introduced our brand. This manager immediately exclaimed, "That's my baby" and spouted out movement figures, category insights and sales by store for each of our core SKUs. His spontaneous enthusiasm was based upon the fact that he felt personally responsible for the success of our brand in his country, even though we had never met him before.

Listed below are Export Solutions ideas for promoting the importance of Brand Champions at each of your distributors.

### 1. Who is Your Brand Champion?

The champion is not just your assigned brand manager who you deal with everyday. I prefer senior people of influence who originally supported the idea of partnering with your company. The ideal champion is the distributor CEO or National Sales Manager. Brand development is a "team" sport and you need someone who can inspire the entire group.

### 2. How Do You Develop a Champion?

As with sports, it takes years of training to support natural ability. Invite the Brand Champion to your corporate headquarters. Organize factory tours and meetings with the global brand managers. Introduce him to the CEO or head of international and treat him to a meal at your home. Spend time with your Brand Champion visiting stores in his country to secure his ideas to take your business to the next level.

### 3. A Champion Delivers Year After Year

A Champion is defined by leadership results. A true champion is not a "one year wonder." It is someone with a long term commitment and personal investment in your brand's success.

### 4. How Do You Treat A Brand Champion?

Champions thrive on recognition. Give them an award as "Distributor of the Year" or for serving as a member of your company's Brand Champions club. Invite them to serve on your company's "Distributor Advisory Board," if you have one.

### 5. Brand Champion Responsibility

Challenge the Champion to deliver exceptional results. The Brand Champions are "true believers" and are aligned with your vision. Many distributor sales teams are filled with Brand Champions. Distributors have favorite brands, based upon the prestige of the brand and personal characteristics of the people working for the manufacturer. One of my mid-size clients has many Brand Champions. How? They offer a great brand, inclusive corporate culture, and some of the nicest, most genuine people you will ever meet. Brand Champions are essential for your brand to elevate from just playing in the export game to category leader.

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*"Spend Time Selling to Distributors versus Searching for Distributors"*

# *We've Got You Covered!*

## **Distributor Database Coverage**

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2,521 Distributors

**Ambient Beverage:**  
1,520 Distributors

**Gourmet & Ethnic Foods**  
2,762 Distributors



**Middle East**  
862 Distributors  
12 Countries

**Asia**  
1,945 Distributors  
17 Countries

**USA Importer/Distributor:**  
549 Distributors

**Latin America**  
1,537 Distributors

**Europe**  
2,840 Distributors

***8,600 distributors – 96 Countries***

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## New Product Launch: Ready, Set, Grow – Ten Tips

Your new product launch is a big deal, comparable to the birth of a child. The first days are critical if you want to raise a “healthy brand.” Listed below are Export Solutions’ ten tips for launching your company for the first time to a new distributor or expanding through a new product introduction.

### Firm Calendar

Distributor and brand owner should align on a “firm calendar.” This includes dates for sales materials development, launch meeting and key account calls. All dates are dependent on arrival and customs clearance of the first order. No product, no meeting!

### Get Ready

Allow adequate time for printing of point of sale materials and development of key account presentation. In some cases, translation or local adaptation of brand owner supplied tools may be required.

### Memorable Meetings

I still remember motivational meetings with themes around boxing and magic. Create new memories with a special theme or an external speaker. Off-site meetings contribute to making your launch special, with an added sense of commitment. Have fun!

### Mandatory Attendance

The distributor CEO, brand manager, and export manager must all attend and have speaking roles. Best is to have one meeting with sales and merchandising teams together. However, in some cases, a follow up meeting may be required. Invite logistics, finance, and customer service people to make it a “team effort.”

### In-Store Objectives

Establish clear measures for in-store presence. This includes shelf positioning, space allocation, pricing, and off-shelf merchandising. Share a photo. What qualifies as a “good store” versus a “bad store?”

### Frequently Asked Questions

Prepare a list of potential questions and logical responses. Role play with the team. Share a printed one pager with sample answers to tough questions.

### Samples, Samples, Samples

Provide generous quantities of samples for all distributor employees to enjoy and take home. Prepare recipes if your brand is a food product. Samples are your best advertisement.

### Personal Goals

Each team member should have personal goals for your launch. For a key account sales person, this could be acceptance of the core product lineup. A retail merchandiser could be assigned a target of a specific number of stores with displays or eye level shelf placement. For the launch, focus on implementation goals versus case shipments.



### Key Account Calls

In many countries, large supermarket chains dominate sales. Develop a personal strategy for each key account. What are the buyers internal goals? How do we fit with the chains consumer base and plans? Which chain “push” programs can we participate in? Schedule a “lead call” with an easier key account to get feedback that will help you with a tougher buyer. Invite the export manager or distributor MD to participate in the sales call if it will help.

### Audit

Schedule a retail audit of stores to coincide with the expected retail availability of product. Bring other people from the brand owner’s company and have 2-3 teams auditing the market against a specific set of goals. Visit secondary cities, not just the stores around the distributor’s office. Recognize that conditions will not be perfect and celebrate progress to date.

Need more information? Visit [www.exportsolutions.com](http://www.exportsolutions.com).

**NEW!**

## Retailer Search Made Simple Canada Example

Export Solutions  
Distributor Identification Experts

About | Distributor Database | Retailer Database

Search By Country, Format, or Keyword. Keyword may include Retailer name. Like what you see? [Click here](#) to purchase current retailer lists.

Continent: USA & Canada | Country: Canada | Format: All Formats

Keywords:

**78 Listings** Page 1 of 2 Next >> Go To Page: 1 2

Country	Retailer	Store Count	Formats	Profile	News	Financial
Canada	7 Eleven					
Canada	Loblaws	2,300	Drug Store, E-Commerce, Hypermarket, Supermarket, Wholesale			
Canada	Costco	95	Cash & Carry/Club, E-Commerce			
Canada	Federated Coop	290	Convenience, Supermarket, Wholesale			
Canada	Fortinos	23	Supermarket			

### Search by Country

Coverage: 96 countries and 2,500 retailers

### Search By Format

- Supermarket
- Convenience
- Drug Store
- Natural Food
- Club, Cash & Carry

### Search by Retailer Name

Supplying profiles, store counts, formats, news and info for Top 100 international retailers plus all overseas branches

### Combo Search

Example 1: Who are supermarket retailers in Canada?

Example 2: How many stores does Loblaws operate by banner, in Canada?

**ORDER NOW!**



## FAQ's – Retailer Database

### Why did you create the retailer database?

Export managers dedicate a lot of time to researching countries, retailers and preparing business plans. A standard KPI measure is tracking product listings for key customers. I believe that our industry could benefit from a global retailer database to instantly locate retailers and their store counts in 96 countries. The retailer database is a logical extension of our leading distributor database which has helped more than 3,000 companies build export sales during the last 10 years.

### What is your geographic coverage?

96 of top 100 GDP countries worldwide. This includes most Asian, Middle Eastern, and European countries. Our database covers every country in the Americas. In Africa, we cover South Africa.

### What is your format coverage?

Excellent coverage of chain supermarkets, hypermarkets, clubs, cash and carry, and convenience formats. Solid initial coverage of drug stores, natural food stores, and e-commerce channels. Our database does not cover DIY/hardware, toy, office, liquor, or sporting goods channels.

### Retailer database: featured info

**Profile** – Retailers profile and link to their internet home page.

**Formats** – Retailer's stores segmented by format and banner.

We track supermarkets, hypermarkets, cash and carry, convenience stores, discounters, drug stores, natural food stores, and e-commerce retailers.

**News** – Latest retailers' news. In some cases (Asia), we substitute a link to the retailer's latest promotional flyer.

**Financial** – Many leading retailers are publicly traded. A link is provided to their latest financial results. We do not offer estimated financial information for privately held or family owned retailers.

### How is your coverage of global retailers?

We offer total coverage for top 100 global retailers. This includes all of their branches and banners. Searchable! Use filters to research Walmart, Costco, Carrefour, Tesco, Metro, Casino presence by country. Database covers retailer's total store outlets as well as a breakout by banner and format.



### What can I use the retailer database info for?

- Obtain an instant snapshot of an average of 23 retailers per country for 96 countries.
- Track presence of global retailers like Walmart, Carrefour, and Metro AG.
- Create country specific listing maps where distributors measure brand authorization by retailer.
- Conduct home office based international category reviews and price checks from retailers' e-commerce sites (not all retailers).
- Prepare annual reviews and reports with up-to-date information on leading retailers and channels.

### Searchable

The database offers filters allowing you to search by country, format, or retailer name. You can also use a combination of filters for your research.

### Can I get a free sample of the retailer database?

Sure! Check [www.exportsolutions.com](http://www.exportsolutions.com) for a complete profile of United Kingdom retailers.

### Do you provide retailer's annual sales or market share information?

Accurate annual sales information is available through the financial link for publicly traded companies. We do not provide estimated financial information for privately held and family owned retailers. Channel blurring occurs between supermarket, convenience, e-commerce, and even natural food operators. We do not provide market share due to difficulty to accurately isolate and define channel market share information, particularly with so many privately held retailers.

### How accurate is the retailer data?

Export Solutions' retailer database is updated weekly, so information is highly accurate. Retailer names, web sites, and formats rarely change. This makes the database 99% accurate at the company level. New stores open every day, resulting in store counts that may be 95% accurate. We intend to update store counts on a regular basis.

### How much does retailer database access cost?

An annual subscription to the retailer database is \$975. This supplies one year, unlimited access to more than 2,500 retailers in 96 countries. Special offers available for our distributor database customers. Note: special pricing for government trade organizations.

### How do I access the retailer database?

Visit [www.exportsolutions.com](http://www.exportsolutions.com) and click the retailer database page. You can place a subscription or individual continent (i.e. Europe) into a shopping cart. Register and check out via credit card. The process takes two minutes and we automatically send you an invoice.

### About Export Solutions

Export Solutions was founded in 2004 and is based in Atlanta, Georgia in the USA. Export Solutions serves as a leading provider of business intelligence to the food and consumer goods industries. Our distributor database covers 8,600 distributors in 96 countries and has been used by more than 3,000 clients. Our *Export Express* newsletter has a circulation of 8,700 and is viewed as an important source of insights, strategies, and templates for international development. [www.exportsolutions.com](http://www.exportsolutions.com).

## Category Review Template\* – page 1

(Estimate: Source info from Store Checks, Retailers, Nielsen, Euromonitor)

Category Sales: Total, all channels, all customers			
Retail Value _____		Wholesale value _____	
Category Sales: Percent by Segment			
Segment A _____	Segment B _____	Segment C _____	Segment D _____
Category Sales: Percent by Channel			
Supermarket _____	Convenience _____	Discount _____	Pharmacy _____
Wholesalers _____	Cash & Carry _____	E Commerce _____	Other _____
Category Peak Seasonality			
Summer _____	Winter _____	Holiday _____	None _____
Category Sales: Top 4 Customers			
Customer 1 _____	Customer 2 _____	Customer 3 _____	Customer 4 _____
Category Sales: Percent National Brand versus Private Label			
National Brand _____		Private Label _____	
Category Sales: Percent by Brand			
Brand A _____	Brand B _____	Brand C _____	Brand D _____
Category Sales: Percent by Region			
Region A _____	Region B _____	Region C _____	Region D _____
Category Sales: Market share (value) Top 4 Brands			
Brand 1 _____	Brand 2 _____	Brand 3 _____	Brand 4 _____
Category Sales: Market share (units) Top 4 Brands			
Brand 1 _____	Brand 2 _____	Brand 3 _____	Brand 4 _____
Category Sales: Top 4 SKU's/Items			
Item 1 _____	Item 2 _____	Item 3 _____	Item 4 _____
Category Sales: Top 4 Pack Sizes			
Pack Size 1 _____	Pack Size 2 _____	Pack Size 3 _____	Pack Size 4 _____

\*Note: please provide your best estimate

## Category Review Template\* – page 2

(Estimate: Source info from Store Checks, Retailers, Nielsen, Euromonitor)

Category Size (circle)				
Mass	Standard	Niche		
Category Sales Growth (circle)				
High 10 % +	Average: 3-5 %	Flat	Declining	
Buyer Interest (circle)				
High	Medium	Low		
Category Development (circle)				
New	High Growth	Mature	Declining	
Retail Prices: Top 15 SKU's/Items at number 1 customer				
Item 1 _____	Item 4 _____	Item 7 _____	Item 10 _____	Item 13 _____
Item 2 _____	Item 5 _____	Item 8 _____	Item 11 _____	Item 14 _____
Item 3 _____	Item 6 _____	Item 9 _____	Item 12 _____	Item 15 _____
Shelf Space: Provide Photo's/Planograms				
Typical Section Size: Supermarket		# Items: Average supermarket		
Adjacent Category 1		Adjacent Category 2		
Merchandising (circle)				
Typical Percent Price Reduction	10%	20%	30%	Other
Store Flier Participation	weekly	monthly	seasonal	never
Category displays	weekly	monthly	seasonal	never
Special Packs	Bonus Packs	Pre-Price	Free Gift	Other
What activity drives incremental category sales?				
Category Insights: What's hot?				
Category Insights: What's not selling well?				
Category Summary/Other Insights				

\*Note: please provide your best estimate

# Where Do You Want to Grow?

## Asia/Africa/Middle East

	Australia – 262 Distributors
	China – 165 Distributors
	Hong Kong – 166 Distributors
	India – 98 Distributors
	Indonesia – 68 Distributors
	Japan – 174 Distributors
	Korea – 134 Distributors
	Malaysia – 122 Distributors
	Philippines – 99 Distributors
	Singapore – 169 Distributors
	Thailand – 90 Distributors
	Vietnam – 50 Distributors
	Egypt – 56 Distributors
	Saudi Arabia – 107 Distributors
	U.A.E. – 172 Distributors
	South Africa – 106 Distributors

Plus 14 more countries

## Europe

	Austria – 65 Distributors
	Belgium – 77 Distributors
	Croatia – 69 Distributors
	France – 117 Distributors
	Germany – 170 Distributors
	Greece – 79 Distributors
	Hungary – 62 Distributors
	Italy – 90 Distributors
	Netherlands – 143 Distributors
	Poland – 75 Distributors
	Russia – 108 Distributors
	Spain – 144 Distributors
	Sweden – 96 Distributors
	Switzerland – 90 Distributors
	Turkey – 80 Distributors
	U.K. – 249 Distributors

Plus 19 more countries

## Americas

	Argentina – 58 Distributors
	Bolivia – 51 Distributors
	Brazil – 130 Distributors
	Canada – 193 Distributors
	Chile – 81 Distributors
	Colombia – 91 Distributors
	Costa Rica – 67 Distributors
	Ecuador – 56 Distributors
	Guatemala – 52 Distributors
	Mexico – 190 Distributors
	Panama – 60 Distributors
	Paraguay – 58 Distributors
	Peru – 84 Distributors
	Uruguay – 57 Distributors
	USA – 549 Distributors
	Venezuela – 59 Distributors

Plus 14 more countries

*Use Export Solutions Database  
to fill in the Gaps in your  
Export Coverage Map*

