

# 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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Export Solutions' New Distributor Checklist

## Distributor Search Tips from Export Solutions

Locating a strong local partner to sell your brand is never easy. Export Solutions has worked on more than 300 distributor identification projects in 96 countries. We share every brand owner's frustration on the lack of responsiveness to email and phone inquiries. The reality is that pioneering a new brand today is difficult for the distributor too. As a result, distributors are searching for unique brands, supported by investment in marketing and trade development activities. Your professional first approach to a potential distributor makes a big difference in a creating a positive environment to conduct business.

The objective of the *Essentials of Distributor Search* is to share practical tips for international distributor identification projects. Export Solutions desires to add more value to your



company than simply providing you the lists of distributors for each country or category. Export Solutions' goal is to share strategies, ideas, and best practices that have helped other brands succeed in building export sales. Ultimately, the potential of your brand must attract the distributor. Our *Essentials of Distributor Search Guide* helps brand owners "Spend Time Selling to Distributors, versus Searching for Distributors."

## Greg's Guidance: Distributor Assessment Criteria

- ✓ History of Success pioneering other international brands
- ✓ Strong retail presence for current brands handled
- ✓ Logical launch plan, category analysis, and cost structure
- ✓ Positive references from existing brands and Dun & Bradstreet or Equifax
- ✓ Enthusiastic about your brand and the business

## Distributor Search 2020



2020 marks the thirteen year anniversary of the launch of Export Solutions' distributor database. Many of my friends from export will recall the story behind the birth. I was faced with the challenge of identifying distributor candidates in Italy for a large multinational. I attacked the project the "old way": sorting through business cards, checking the Embassy, calling colleagues, searching the internet, and after one month finding five acceptable distributor candidates. Frustrated by the process, I took six months off and pioneered the first industry database created from the standpoint of an export manager. Today, brand owners locate names, web sites, brands represented, and contact information for 90 distributors in Italy and 8,600 distributors across 96 countries in about 10 seconds on my web site.

Below are some important "lessons learned" about finding distributors.

### 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

#### 1. 79 distributors Per Country

Each country offers more distributor options than you think. Every government trade officer and export manager knows the names of 3-5 distributors per country. Often, we stick with an underperforming distributor because of the misconception that "there are no other choices" in a market. Our country lists track an average of 79 distributors of all sizes and specialties per country. The revelation is that you can instantly find several qualified distributor options in every country by using our database.

#### 2. Consider Small/Mid Size Distributors

Mega distributors representing 20 or more brands are not usually interested in pioneering new brands with zero sales. These large distributors are excellent, but are busy enough with their current portfolio. Many new brands focus their energies on these "name brand" distributors, but are frustrated with the lack of response. Better approach is to pursue small to mid size distributors that are hungrier and more entrepreneurial to launch a new brand. Big distributors are a good choice when you are outsourcing sales of a brand with measurable existing business.

#### 3. Email Plus Telephone Call

No one speaks these days. We email 100 messages a day and wonder about the lack of response. Email is a great tool to communicate news. However, when you need action, pick up the phone and call. Executives still return phone calls, but will frequently ignore or delete email messages just to clear the inbox.

#### 4. Rethink Your Trade Show Strategy

Trade shows like Sial, Anuga, Cibus, and ISM are outstanding places to gain visibility for your brand and contacts with potential new distributors. However, too many brands use the "Hope and Wait" approach at their booth. Unfortunately, many of the spontaneous visitors at a trade show are from "time wasters", incapable of building your brand. Some of our best success stories come from companies who leverage Export Solutions database to create productive meetings at trade shows. Basically, they pre-screen candidates from the database in advance of a trade show and invite the most promising ones to scheduled meetings at the show.

#### 5. Avoid Disappointment – Visit Each Market At Least Once

There are too many disappointments in the world of export. Frequently, I'll witness a distributor meeting a brand owner for the first time at a trade show. Within five minutes they are discussing pricing, followed by exaggerated projections of market potential. Our business is fairly straight forward to figure out. Visit each market at least one time. Meet your distributor candidates at their office. Visit a few stores. Then create your plan. Export is tough, but you increase your chances for success when you complete fundamental in market due diligence.

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## 10 Step Distributor Search Process

### 1. Determine Brand Ambition for Country

Will your brand be a category leader, player, or niche participant?

### 2. Establish distributor selection criteria

Big brand distributor, category specialist, or smaller entrepreneur?

### 3. Create a Pool of Candidates

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

### 4. Determine Candidate's Preliminary Interest Level

Send introductory email, followed by phone call within 48 hours.

### 5. Obtain Candidate's Corporate Profile Presentation

Key Facts: Sales turnover, # employees, companies handled.

### 6. Schedule Distributor Interview in Candidate's Office

4-6 weeks lead time. 2 hour meetings. Send advance agenda.

### 7. Independent Store Checks

Provides category insights and real distributor performance for current brands handled.

### 8. Interview Preparation: Scorecard, Samples, Your Presentation, Key Questions

Export Solutions' templates: Assessment Scorecard & Ten Questions for Every Interview

### 9. Distributor Interviews – Target 3 Candidates

Review capabilities, warehouse and interest in your brand.

### 10. Cooperation Model

What is the plan? Year one plan, pricing calculation, and timeline.



## Looking for Good Distributors?

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

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**Export Solutions**  
Distributor Identification Experts

## Distributor Types: Different Experts for Different Situations

All distributors are not created equally! Most exporters recognize obvious differences based upon the size of distributor and breadth of service offering. Export Solutions has identified six common types of distributor business models. Global brands maintain a mix of distributor relationships. Some partnerships are new while others have evolved for thirty years or more. With time, requirements for servicing our industry have changed. While some distributors have remained generalists, handling many brands and channels. Others elected to focus against a specific market segment. Which model delivers the best result for your brand?

Distributor Types: Different Experts for Different Situations		
Distributor Type	Model	Application
<b>Big Brand Distributor</b>	Large Distributors. Handles # 1 or # 2 brands. Multiple categories/channels.	Outsourcing solution. Option for Latin America, Middle East, Asia, Europe (excluding large countries)
<b>Category Expert</b>	Dedicated to one category	Specialists for Confectionery, Gourmet, OTC, Beverages, Natural Foods, Frozen, Beauty
<b>Channel Expert</b>	Dedicated to one channel	Specialists for Foodservice, "small shops," or Pharmacy channels
<b>Country Expert</b>	Represents brands exclusively from one country/region	Specialist for Brands from USA, UK, Germany, Asia, Brasil, Mexico, Italy, or Spain
<b>Fine Food Importer</b>	Represents leading international gourmet/niche brands.	Handles brands like Tabasco, Maille, Bonne Maman, Twinings, Walkers Shortbread, DeCecco
<b>Niche Entrepreneur</b>	Small distributor. Willing to pioneer new brands with limited marketing support	Option for small brands or countries where brand does not want to invest.

### Big Brand Distributors

Large distributors supply an economical alternative for leading brand manufacturers versus operating their own subsidiary. Normally, they handle multiple categories and offer critical mass. A potential issue is the struggle for attention among brands all vying for focus from one sales team.

### Category Expert

Buyers value partners that serve as category experts who can share insights and innovation for the sector. Distributors dedicated to one sector provide logistics efficiencies and capability to share best practices from complimentary products. Managing product conflicts is a frequent problem with distributors concentrated on only one category.

### Channel Expert

Many distributors built their business platform centered on servicing the supermarket channel. Incremental growth today is dependent on penetrating underserved channels such as foodservice, small shops, or pharmacy. In larger countries, it's possible to maintain one organizational approach for supermarkets

and then appoint a specialist for a different channel. Alternate channels normally feature smaller store footprints which can provide a barrier to entry for all but the leading brands.

### Country Expert

Some distributors have created viable businesses as the source for brands from one country. These distributors supply brands to consumers "homesick" for their favorite brands at a premium price. A benefit with this option is the distributor who can consolidate shipments from one country and is connected with the retailers and consumers for this "expat" segment. This approach works well for niche products or brands focused on availability without marketing investment.

### Fine Food Importer

Food enthusiasts everywhere are passionate about the gourmet experience. Fine dining restaurants are dependent on unique products and ingredients from around the world. The classic fine food importer fulfills this role. Fine Food importers seek brands of the highest quality, with unique attributes and

reputation. Not an option for commodities or "me-too" type products.

### Niche Entrepreneur

Pioneering a brand with no existing sales is tough in any country. While many brands would prefer partnering with a prestigious specialist, the reality is that a smaller distributor may be your best option to start. Niche entrepreneurs are hungry and flexible to work without significant resources supplied by the brand. It is important to calibrate your expectations when working with a niche entrepreneur and conduct due diligence on their financial situation.

### Evaluate Your Current Distributor Mix

A valuable exercise is to evaluate your current roster of distributors "by type." Which models are delivering superior results? Which models are lagging behind? Are there any universal conclusions which may apply when you expand to new markets or considering a distributor change? One type does not fit all scenarios. However, it is important to segment your partners and understand the inherent strengths and issues with different types of distributor partners.



## Distributor Selection Road Map

Most companies maintain diverse distributor networks: A mix of large and small distributors, category specialists, and those focusing on brands from your home country. Export Solutions recommends performing a distributor model analysis of your current distributors to determine which type of distributor is delivering “Best in Class” results. An important consideration is your brand ambition and investment level for a country when evaluating distributor performance. The results of your distributor model assessment can be used to guide new distributor selection or upgrade your current distributor network. Export Solutions can help!

Brand Ambition			
Country Importance	Strategic	Priority	Opportunistic
Brand Market Share Objective	Leader	Player	Niche
Brand Investment Model	Mass Marketing	10% of Sales	Dead Net Price
Distributor Selection Criteria			
Preferred Distributor Size	Large	Medium	Small
Channel Specialization	Supermarkets	Foodservice	Pharmacy
Category Specialization	All Food	Confectionery & Snack	Beverage
	Gourmet	Natural Food	Health & Beauty
	Ethnic Food	Frozen/Chilled	Household/Non Food
Country Specialization	USA	France	Germany
	Italy	Spain	United Kingdom
	Asia	Latin America	Middle East
Benchmark Brands (examples)	Pringles	Barilla	Tabasco

**Export Solutions Performs Distributor Search in 96 Countries**

## Contacting New Distributor Candidates – Best Practices

Every export manager has performed the time consuming function of reaching out to potential distributor candidates in a new country. The process is usually successful, but requires patience and perseverance. Top distributors are overwhelmed with new representation inquiries. These requests must compete for attention with the hundreds of emails in the distributors inbox from his existing brands. Export Solutions has worked on more than 300 distributor search projects across 96 countries. Below are our Best Practices for contacting new distributors.

### Email Plus Phone Call

Email candidates a short, fact based, note. You may receive an immediate response from a few hungry and motivated candidates. More likely scenario is the need for an immediate phone follow-up. Work with the contact's assistant to schedule a phone meeting or ask to speak with the person in charge of "important new business" projects. Periodically, I will also contact a distributor through LinkedIn, as that often routes through a different email address. Lack of response after several attempts means that the distributor is not interested. On the other hand, you must persevere as frequently the boss may be busy or not glued to email like the rest of us.

### Avoid Mass Mailing

Distributors recognize an email blast from miles away, guaranteeing a low response rate. Better to send a personal email, mentioning the contact's name, how you found him and your rationale for contact. i.e. "we are looking for a partner with a strong track record building other USA brands." Target distributors which may be a good fit based upon your investment level and brand ambitions. For example, large power distributors prefer brands with strong marketing plans, while smaller distributors appear more open to pioneering promising new products without giant spending budgets.

### Company Credentials Information

Do not bombard a candidate with attachments and PDFs of lovely brochures prepared by an ad agency. First, many people automatically delete emails with attachments from people they don't know. Send PowerPoints and project details only after you have established contact.

### What Distributors Want to Know

Distributors want to know who you are: what is the size of your company, brand USP (why are you different?) international success, and plans (investment strategy) for their market. Distributors' mindset is to quickly calculate how much money they can make representing your brand and how tough will it be to sell to their customers!

### Market Visit

Distributor response will be improved if you request an introductory meeting at their office. This demonstrates that you are serious about the project and interested in brand building, not just selling a few containers. Try to visit at

least three distributors on your trip, more if it is a large country or you anticipate a "tough sell." Schedule your visit at least 6-8 weeks in advance to guarantee distributor availability.

### Distributor Search Guide – Export Solutions

Export Solutions' web site contains a free 76 page *Distributor Search Guide*. This guide is jammed with strategies, ideas, and templates to guide each step of the distributor search process. Export Solutions completes distributor search projects for leading brands worldwide.

## Sample Introductory Email

Subject: New Business Opportunity – CerealCo\* – USA

Dear Alexander:

CerealCo is a popular cereal brand from the USA. Founded in 1960, 2020 sales will exceed \$300 million dollars. Our point of difference is that CerealCo offers high quality gluten-free and organic cereals popular with many modern consumers. CerealCo exports to 25 countries, including several in Asia.

We are now beginning the process of considering partners for Indonesia. I understand that you have a successful track record building other well known USA grocery brands. Can we arrange an introductory phone meeting for Wednesday at 900 am? I am based in Atlanta, Georgia, -12 hours versus Jakarta.

For more information, visit our web site at [www.cerealco.com](http://www.cerealco.com)

Kind regards,

Greg Seminara

Export Manager

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

## Company Fact Sheet (add your logo) CerealCo\* Summary – Indonesia Example

### Annual Sales:

\$300 million US dollars in 2019

### History:

CerealCo founded in 1960...59 years old

### Core Product Portfolio:

Breakfast Cereals – “Leader in Organic/Gluten-Free Cereals”

### Web Site:

www.cerealco.com

### International Overview:

Direct sales to 25+ countries. Indirect sales to 50+ countries.

2019 International sales + 25%!

### Southeast Asia Status:

CerealCo products available across Asia through a hybrid model of partnerships, distributors and indirect sales through USA consolidators. Current net sales of roughly \$2 million dollars in Asia Pacific.

### CerealCo Objective:

Align with a distributor with strong brand building capabilities.

Develop a collaborative plan to grow business to comparable levels to of our successful business in other Asia Pacific countries.

### August Market Visit

CerealCo will visit Jakarta the week of August 1.

We will visit stores and meet potential partners to discuss CerealCo plans.

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

## Best Practices – Contacting New Distributors

	Do	Don't
Email Content	Short introductory email. Company facts plus web link.	Lengthy email with generic claims on “why your brand is the best.”
Email Delivery	Send on Monday. Distributor has week to review	Send on Friday. Email lost over the weekend.
Email Timing	Should arrive to distributor at 2:00 pm his time. After the “morning rush.”	8:00 am/9:00 am emails are reviewed quickly and deleted.
Phone Contact	Start calling 24 hours after initial email.	Wait a week to call.
Attachments	No attachments on first email. Web link only.	Send PowerPoints or pricing on first email.
Follow-Up	Constantly, if you believe it's a good candidate.	Wait for distributor to contact you.
In Country Meeting	Best opportunity to review your brand proposition.	Create relationship without market visit.

# *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”



## *Breakthrough – Contacting New Distributors*

Strong distributors are inundated with lengthy emails from brands searching for a qualified partner. Distributors check their emails every ten minutes just like the rest of us. Brand owners are frustrated by the lack of response to their generic, mass emails. Export Solutions works on around 35 distributor search projects per year. This requires us to be experts at breaking through the clutter to reach the distributor owner or manager in charge of new business projects.

### **Breakthrough Techniques**

- Call immediately after email. Before 9:00 AM and after 4:00 PM are prime time.
- Receive an introduction from one of distributor's existing suppliers.
- Request your local government trade officer make an introduction.
- Connect with distributor team members through LinkedIn.
- Stimulating subject line: New Business Opportunity – Leading XYZ Brand.
- Try mobile phone, WhatsApp, Skype, or better yet...a FedExed Letter!
- Work through managing director's assistant to facilitate contact.
- Initiate contact through a distributor's junior level team member.
- Hire local to handle contacts: Russia, China, Japan.
- Follow up: use at least 3 of the above tactics.

If no response after 3 days, this signals a clear lack of interest.

## *Looking for Good Distributors?*

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**Export Solutions**  
Distributor Identification Experts

## Export Distributor Data Sheet: \_\_\_\_\_ (Distributor Name)

Key Contact:		Telephone:	
Web Site:		Email:	
Annual Sales:		Total Employees:	
Employees, by Function:			
Key Account Sales	Logistics	Marketing	Merchandising
Company Owned Warehouse:		Yes	No
If Yes	Warehouse Size:	Location:	
Channel Coverage (percent sales by channel):			
Supermarket	Convenience	Foodservice	Other
Top Five Manufacturer Clients:			
Company Name	Brands Represented		Years Service
1			
2			
3			
4			
5			
Manufacturer references:			
Company Name	Contact Name	Contact Telephone	Contact Email
1			
2			
3			
Why are you interested in distributing our brand?			
Why is your company the best candidate to represent our brand in the market?			
Feel free to attach your company credentials presentation.			

Export Solutions recommends creating your own one page Export Distributor fact sheet template. Insist that all candidates complete the template 100 percent prior to a phone interview or trade show meeting. Pay particular attention to the annual sales number, brands represented and manufacturer references. Qualified candidates will enthusiastically complete these sections. "Pretenders" or time wasters will leave these sections blank or disappear saving you time and money!

# Can We Help You?

## Distributor Search Helper for:



Your  
Logo  
Here



Procter & Gamble



SEEBERGER



## Recent Distributor Search Projects

Asia	Europe	Middle East	Latin America
Australia	Germany	Israel	Argentina
China	Ireland	Kuwait	Brazil
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



**Export Solutions**  
Distributor Identification Experts

**Call the Export Accelerator!**

Contact Greg Seminara at [gseminara@exportsolutions.com](mailto:gseminara@exportsolutions.com)  
to discuss your business development project.

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

## Ten Tips: Distributor Interview Preparation and Insights

Distributor interviews can be compared to a first date. There is no second date after a bad first date, even if both parties are interested in each other. On the other hand, a good distributor first interview can lead to a lifelong relationship. Listed below are Export Solutions' ten tips on enhancing the productivity of your distributor interview process.

### 1. Schedule Interview With Four to Six Weeks Lead Time

This allows you to program several candidate interviews on your preferred timeline. Long lead times enhance the chance of distributor senior management availability and provide sufficient time for motivated distributors to research your category.

### 2. Meeting Agenda

Send a meeting agenda three weeks in advance of meeting. Typical discussion topics include Distributor credentials, organization model, coverage by channel, success stories, category insights, and distributor margin philosophy.

### 3. Store Visits – Pre-Interview

Export Solutions always conducts independent store visits prior to our distributor interviews. This supplies a snapshot of distributor's performance for other international brands. It also permits us to quickly become familiar with local category dynamics, competitive activity, and pricing.

### 4. Distributor Assessment Grid/Questions

Prepare an assessment grid template highlighting and weighting core assessment areas prior to your first interview. Create a list of potential questions to be asked during the meetings. Check page 12 for "10 Questions for Every Distributor Interview."

### 5. Distributor Presentation: Template or Tailored?

A key indicator of distributor enthusiasm is whether they created a personal, tailored presentation for your meeting or swapped brand logos and provided their "standard pitch." Best in class presentations allocate equal time for Distributor's CEO, functional heads, and your proposed first point of contact.

### 6. Your Company Presentation

Be prepared to share a 10-15 page presentation on your company credentials. Stick to the key facts: company metrics, product point of difference, export success stories, and plans for the market. Bring plenty of samples for everyone to try. Note that the distributor will ask for your presentation, so keep it brief as you do not want a lengthy strategic presentation in the hands of a distributor that is not selected.



### 7. Tour Distributor's Office and Warehouse

Would you buy a house without visiting it? Distributor offices and warehouses offer valuable clues to distributor activity, head count, size, and professionalism. Your quick inspection will validate that the distributor's activities match claims from their presentation.

### 8. What's Their Plan?

A core question in a positive interview is "What would the distributor's plan be if we awarded them the business starting next Monday?" This provides insights on their plans, timelines, and process for transitioning and building new brands.

### 9. What Do You Like About Us?

A good way to measure distributor interest is to ask their feedback on your opportunity towards the end of the meeting. Framing the question from a positive point of view allows the distributor to express interest or concerns.

### 10. Provide Homework Assignment

Conclude each positive meeting with a request for distributor to provide a deeper category assessment and a suggested entry or transition plan. Distributors should supply references for five of their existing clients. An important insight will be the quality and response time for completing the "homework."

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



## *Agenda: New Distributor Interview*

### 1. Distributor Capability

History, organizational model, coverage, Companies represented.

### 2. Category Insights

Distributor observations and analysis of your category? Category sales data? Store check photos? Gaps? Recommendations?

### 3. Success Story

Request example using a brand of similar size to your brand. Success story could be "Pioneering a New Brand" or "Taking an Existing Brand" to a higher level of sales.

### 4. Distributor Cost to Serve

General model of financial cost to serve the market. Retailer costs for listing fees, trade promotion plus everyday category margin. Distributor margin estimate and services included in margin.

### 5. Warehouse Visit

Check companies represented and inventory, by brand, for accurate view.

### 6. Year 1 Action Plan

If distributor hired, what would be their Year 1 action plan?  
Note: More relevant for existing brand looking to grow.



### 7. Brand Owners:

#### Company Credentials Presentation

Company History, product portfolio, point of difference.  
Share product samples.

### 8. Brand Owners:

#### Status/Plans for Country

Brand Ambition for the country.  
Current distribution levels and pricing.  
Planned investment level.

### 9. Next Steps

Determine mutual interest level.  
Establish timeline, point person for distributor and brand owner.  
Prepare category review, year 1 plan, and price calculation model.

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**Export Solutions**  
Distributor Identification Experts

## 10 Questions for Every Distributor Interview

### 1. Company History

How long have you been in business? Who are the owners?  
How many direct, "payrolled" employees do you have?  
Approximate annual sales volume?

### 2. Company Brand Portfolio

What are your top 10 companies/brands represented?  
For which channels do you represent each brand?  
How long have you represented each brand?  
Can you provide senior level references at each "brand owner"?

### 3. Key Account Buyers

Who is the buyer for our category at the largest retailers in your market? What other brands do you sell to our buyer?  
How frequently do you visit each major customer?

### 4. New Product Launch Success Story

Provide a recent example of a new brand launch success story.  
Key retailer acceptance? Cost of entry? How long did it take?  
Key elements of the success strategy?

### 5. Creative Selling

Provide an example where you took an assigned marketing/brand support budget and created a successful local program. How do you measure success?

### 6. Retail Servicing

How many full time employees do you have visiting retail stores? Are they located countrywide or just in the capital city?  
How do you measure a "good store" in terms of brand presence versus a "bad store"? Describe your retail reporting system.

### 7. People

Who would be our point of first contact? Would our contact also "sell" our brands to major accounts? What other brands is our contact responsible for? How do we insure that we get our fair share of attention from your sales force?



### 8. Business Planning Model

What would your action plan be if we made an agreement to start with your company? First steps? 90 Day Plan? Reporting?

### 9. Cost to Serve

How do you model your distributor margin? Range of margin for our brands? Are you open to promotional spending split (50/50)?

### 10. Enthusiasm for our Company

Why is our brand a good match for your company?  
Why are you the best partner in the market for our brand?  
What commitment are you willing to make?

## Talk to an Expert

- International Strategy Road Map
- Fix Problem Markets
- Entry Plans
- Find Distributors in 96 Countries
- 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)

## Export Solutions Distributor Assessment Grid

Criteria (weighting)	Rating	Evaluation Factors
<b>Corporate Credentials</b> <b>30%</b>		Size, sales force, logistics, # employees. Reputation (reference check existing brands). National coverage. Multi-channel coverage.
<b>Category Expertise</b> <b>20%</b>		Sells brands in my category. Shelf space for existing brands. Current brands selling to target retailer. Category analysis and insights.
<b>Brand Building</b> <b>15%</b>		Ideas to build or launch my brand? Marketing plan, cost, timing. Success stories.
<b>Cost to Serve</b> <b>15%</b>		Fair, transparent model relative to size of business, brand investment, and work required.
<b>Enthusiasm for My Brand</b> <b>20%</b>		Advance preparation, CEO involvement. Follow-up on commitments. Alignment with your vision.
<b>X Factors: People, Admin., Professionalism, etc.</b> <b>+/-</b>		CPG/FMCG background for leaders. Efficiency of scheduling meeting. Office environment. Do you enjoy the people?

### Rating System



Rating	Score
Excellent	5
Very Good	4
Average	3
Fair	2
Poor	1



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

## *From First Meeting to First Order – Cooperation Model*

Export Solutions answers the question, “where do we go from here?”

Cooperation Model describes the follow up process from positive initial meeting to launch plan strategy.

### 10 C's

#### 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.

**Contact Greg Seminara at [greg@exportsolutions.com](mailto:greg@exportsolutions.com)  
for a free copy of our 34 page *Distributor Cooperation Model Guide*.**



*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>

## 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?”		

**NEW!**

## Retailer Search Made Simple Canada Example

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	Format	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?

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## *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.**

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*Is Your Distributor Best In Class?*

	<b>Best in Class Distributor</b>	<b>Average Distributor</b>
<b>Size</b>	Top 10 Supplier to Retailers.	Top 100 Supplier to Retailers.
<b>Coverage</b>	Countrywide. Offices outside Capital.	Major retailers only.
<b>Technology</b>	EDI, Web Portal, Handhelds for sales reps.	Basic desktop capabilities.
<b>Talent</b>	Management: Multi-national expertise.	“Home grown” talent.
<b>Channel</b>	Covers all channels and small shops.	Major retailers only.
<b>Marketing</b>	Full Brand Management services.	Trade promotion only.
<b>Retail Presence</b>	Dominant presence at retail for distributors brands.	Mixed presence at point of sale.
<b>Cost to Serve</b>	Competitive, transparent model.	Average cost to serve.
<b>Logistics</b>	Multiple warehouses. 24 hour delivery.	1 warehouse, 48 hour delivery.
<b>Results</b>	Results exceed market growth.	Results = market growth.

## *Distributor Search Best Practices*

Activity	Bad Practice	Best Practice
<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.

# *Create Your Own Export Library*



*Export Strategy Guide*



*Distributor Search Guide*



*Export Handbook*



*Selling to USA Handbook*



*Distributor Management Guide*



*Finance & Logistics*



*300 Tips for  
Export Managers*



*Idea Guide:  
New World – New Business*



*Export Treasure Chest  
My Favorite Templates & Forms*



*People Power  
Strong Teams Build Great Brands*



*New Distributor  
Cooperation Model*

**All guides available free at [www.exportsolutions.com](http://www.exportsolutions.com).**



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## 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.



## 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.

# 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  
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