



Export Solutions
Distributor Identification Experts

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Export Express

Insights to Accelerate International Expansion



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

Looking for New Distributors?

How about 9,200? Export Solutions' distributor database has helped 3,000 brand owners in 14 years speed up the process of finding qualified distributors. Our database covers more than 9,200 distributors of supermarket and drug store type products in 96 countries. Search by country, category, brand name, or country of origin. Experts for Europe, Middle East, Latin America, and Asia with complete regional coverage. "Spend time *selling* to distributors versus *searching* for distributors."

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Costco Global Success Recipe



Costco sales outside the USA eclipsed \$57 billion in the last year. International accounts for 28% of sales through 256 clubs in 11 countries. Outlets in Canada, Japan, and South Korea enjoy sales per store levels similar to (or better) than the USA. Costco revenues surged 16% last year, with high expectations for continued acceleration as consumers seek value in this inflationary environment.

International Formula

Americans will recognize a familiar layout navigating a Costco in Seoul or Mexico City. The international assortment reflects a mix of America's favorite brands and local category leaders. Retail pricing is competitive, with gross margins averaging 12 percent. Costco expands methodically, typically opening only one new store per year in each country (ex. Canada). Global Club penetration is low outside the

USA. This supplies Costco with a dynamic opportunity for future growth, particularly in Asia, home to 60% of the world's consumers.

Watch-Outs

The practice of charging for membership to shop is not common in many countries. In emerging markets, consumers live in smaller dwellings and are reliant on public transportation. Handling and storing "Costco size" packs is not practical. Costco strictly adheres to local labeling requirements, difficult to navigate for USA vendors.

Low Costco retail pricing may disrupt your ability to serve all customers competing in a country. Will your brand sell without marketing? Selling to Costco International is attractive, but should be evaluated as part of a total country strategy.

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Oil Change

Oil makes the world go round, fueling our cars, planes, and the trucks that transport our brands. Prices hover around record highs, overflowing the purses of oil-producing nations. Russia faces sanctions and a likely generations-long chill from the west. This creates a commercial challenge for Europe, which purchases 49% of Russian oil and 74% of their natural gas. Oil revenues fund the Russian war machine. Which countries could replace Russia as oil and gas suppliers?



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 and Launch Plan
6. Personal Distributor Introductions: 96 Countries
7. Walmart International
8. Distributor Contracts, Margins, and Fees
9. Meeting Speaker
10. International Strategy Expert

1. Howdy Saudi

Saudi Arabia is already booming, through record oil prices and a diversification of their economy. A key question is whether Saudi will develop a closer relationship with China, their biggest customer, or stick with the west that has provided commercial and military support since 1945? Saudi's behavior also influences their Gulf neighbors and OPEC partners such as Kuwait, Bahrain and UAE.

2. Guyana = Future Qatar of South America

Tiny Guyana includes a population of 800,000. Their economy grew 43% in 2021 and is projected to grow 500% by 2030. Guyana emerged as a hotspot after Exxon Mobil discovered more than 10 billion barrels of oil and gas, transforming an impoverished Guyana economy that had been dependent on agriculture and mining. Neighboring Suriname also looks promising, with new wells estimated to generate 3-4 billion barrels.

3. Venezuela: End of Isolation?

Venezuela possesses the world's largest oil reserves. However, it has been a small player in oil exports since the Hugo Chavez revolution of 1999. This deterioration was driven by the exit of oil multinationals and lack of investment in equipment and training on oil extraction best practices. Today, a window of opportunity appears where Venezuela and the west could commence the journey to resume normalization of relations. Venezuela would benefit from a boost to their economy and the world has a viable source to replace Russian oil. This is a mid- to long-term process, as decades of distrust and decline will not be reversed overnight.

4. Iraq Comeback?

Iraq boasts the Middle East's third largest oil reserves and a population of 42 million. Iraq's post-war recovery has been slow due to safety concerns and limited investment by multinationals. Middle East oil politics is complicated, but ultimately Iraq could grasp a stronger position on the world stage.

5. USA #1

We may forget that the USA is the largest producer of petroleum products, accounting for 20 percent of global totals. Most USA oil stays in the USA, but export customers include Canada, Mexico, India, and China. Texas GDP of \$1.8 trillion is comparable to the GDP of Italy or Brasil.

Oil is a major driver of economic growth. The oil business creates employment and in good periods spurs infrastructure investment and social benefits to citizens. A spike in oil revenues can transform societies to include more expatriates across all industries. United Arab Emirates and Qatar serve as prime examples.

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Can We Help You?

Distributor Search Helper for:



Your
Logo
Here



Procter & Gamble



Johnson & Johnson



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	North America	Mexico
Singapore	Africa	Canada	Panama
South Korea	South Africa	United States	Peru



Export Solutions
Distributor Identification Experts

Call the Export Accelerator!

Contact Greg Seminara at greg@exportsolutions.com
to discuss your business development project.

www.exportsolutions.com

Managing 4 Margins

What will your retail shelf price be on July 1? October 1? The industry faces a global realignment of our pricing framework. Price increase execution is the number one issue for 2022.

Our business faces unprecedented pressure. Raw materials, international freight, delivery (fuel), and labor have skyrocketed. Manufacturers attempt to protect margins by passing on cost-justified price increases.

All industry partners must work together in a pro-active, transparent process to ensure that our mutual business is protected. Manufacturers do not seek to control pricing. The goal is to keep the shelves full and help all participants manage through the most challenging period in recent history.

Pricing Target

A new price model will impact sales if the action places your brand in a higher pricing tier relative to competition. Normally, export brands aim to fall in the premium to super-premium range relative to locally produced products. For example, a brand shipped from the USA may retail at 30% higher everyday versus a local competitor. Under a price increase scenario, this gap may extend to 50% or more if other brands do not pass on a price increase, or a distributor or retailer grabs too much margin in the pricing realignment.

Manufacturer Margin – #1

Companies raise prices to recoup higher costs and achieve their business goals. The hope is that consumers will continue to purchase the brand at a higher price, with no decline in unit sales volume. Is this a dream or reality?

Distributor Margin – #2

Distributors pay themselves, capturing the difference between price paid from the manufacturer and amount collected from the retailer. With a price increase, distributors supply themselves with a raise. This year, distributors also experienced severe inflation, particularly with higher fuel costs. What is the distributor margin before your price increase versus afterwards?



Retailer Margin – #3

Retailers fiercely guard and track their category profit margin. Most buyers will not miss an opportunity to expand their margins and income. To be fair, retailers also face increased transportation, labor, and e-commerce costs that must be considered. As with distributors, a key metric is retailer margin before and after your price increase.

Trade Promotion Margin – #4

Promotional discounts are critical drivers of incremental business. Some incentives and “back margins” are case rated at a percent of sales. Other activities require a fixed price tag. For example, a chain-wide display program costs \$10,000 per week. With a price increase, this may translate to a lower percentage of sales.

Currency, Duties, VAT

In this period of global disruption, there are other line items in your pricing calculation that may experience fluctuations, frequently in a negative direction. These include currency exchange rates, duties, and sales taxes. All may impact your shelf price.

Getting Greedy

The export price model must incorporate four potential margin rates before the new shelf price is established. A risk

appears when one participant in the value chain captures a higher margin than the original equation. Everyone would love to increase sales, but ultimately bills are paid with cash, not margin percentages.

Contingency Plans

Inflation appears out of control at this point. Prices only appear to go up. A worthwhile discussion to conduct is “what if” costs retreat? Are price rollbacks possible? What are reasonable expectations from all sides?

Online Price Monitoring

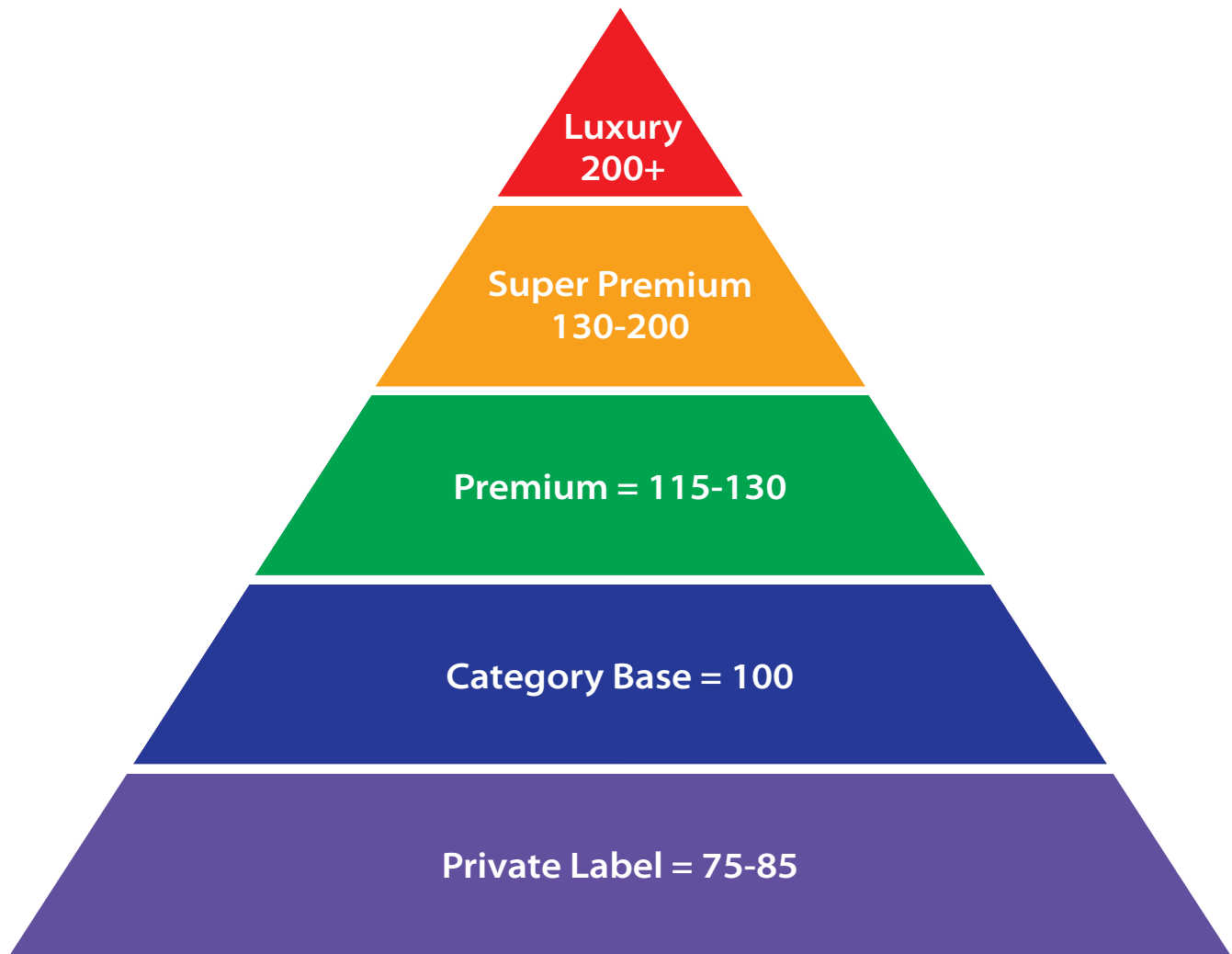
Today, overseas prices can be checked instantly from your home office. This appears possible by monitoring e-commerce websites for leading retailers. This tactic is more accurate and effective than waiting for old fashioned monthly price reports supplied by the distributor.

Act Now

Managers are navigating through a crisis and the stakes are high. All participants in the value chain maintain a vested interest in managing the “four margins” in a balanced way. Fortunately, consumer goods remains an essential industry that will survive and thrive. Winners will act now to minimize the impact and disruption of the global retail pricing realignment.

Retail Pricing Pyramid

Where will your brand land on the shelf in overseas markets?
Pricing maintains a direct influence on consumer purchases.
Has your new pricing framework changed your positioning?



Talk to an Expert

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



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

www.exportsolutions.com

7 Scenarios – Country Segmentation

All companies maintain a mix of countries with different route-to-market models and business aspiration. The key is to align investment with aspiration and select the right type of distributor depending on your scenario.

Type	Description	Aspiration
Local	Subsidiary. Factory + direct sales team. Large investment: 360 marketing.	Market share leader.
Player	Invest in marketing. Mass distributor.	#1 or #2 brand.
Participant	Investment proportional to sales. Mid size distributor.	Top 5 brand.
Adjacent	Small countries near your HQ. Mid to large size distributor.	#1 or #2 brand.
Pioneer	New product: unique / relevant. Invest to gain traction. Specialist or mid-size distributor.	Niche to start. First one in benefits.
Homesick	Core brands sold to homesick expats. Limited complexity and investment. Homesick distributor – your country.	Incremental volume.
Trading	Sell to anyone: all are customers. Dead net price. No investment.	Incremental volume.

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 in the *Export Tips* section.

Costco Global Success Recipe

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Canada

Canada is a top performer, with sales exceeding \$30 billion. Market penetration and productivity per club surpasses Costco USA. Costco operates two Canadian divisions: East (Ottawa) and West (Vancouver). Sam's Club exited in 2009 with six stores after five years of futility.

Asia

Clubs in South Korea, Japan, and Taiwan have become destinations for upscale Asian consumers enjoying a treasure hunt as well as showrooms for Made in USA brands. Australia is doing well, after a modest start. Costco's Shanghai opening attracted crowds and set records. A second China store was christened last December with significant upside through future expansion plans. The first New Zealand store should open in August.

Europe

Costco has a measurable presence in the UK and a handful of stores in Spain, France, and Iceland. Progress has been limited, as Europeans prefer small packs and frequent visits to convenient neighborhood or discount stores. Costco has faced difficulties in site identification and securing building permits. Europe is not a priority growth engine for Costco.

Mexico

Costco was late to scale in Mexico, dwarfed by Sam's Club's 165 outlets and burdened by a troubled 20 year JV that was dissolved. Fortunately, sales have accelerated in the last five years with increased traction and positive outlook. Costco is a destination for upscale Mexican families.

	Sales* (\$ billions)	Stores	Sales/Store (millions)
USA	148	572	258
Canada	30	105	286
Japan	7	30	233
South Korea	6	16	375
UK	4	29	138
Mexico	3	40	75
Taiwan	3	14	214
Australia	2	13	154
Other	2	9	222
Total	205	828	248
*estimated: 52 weeks ending February 13, 2022			

Distributor or Direct?

Most local distributors supply Costco outlets in their country. Frequently distributors add value through product stickering, creation of local packs, and 24-hour delivery. Distributors can also maintain market pricing equilibrium and help Costco grow through countrywide marketing efforts.

Selling to Costco International direct through their USA headquarters is possible and straight forward. However, this approach usually creates severe challenges when the brand attempts to sell to other market customers due to broad price gaps. In some cases, the USA brand suffers slow sales, as the brand is unknown in the new country.

Export Solutions Can Help

Export Solutions has executed more than 30 projects across Costco's 11 countries. This includes strong distributor contacts across Asia, a key growth area for Costco. Export Solutions' expertise helps companies execute a balanced market entry model. This allows brand owners to sell to local supermarket operators as well as Costco.


Export Solutions Can Help!

- Distributor Search helper in 96 countries

Contact Greg Seminara at
greg@exportsolutions.com
 or (001)-404-255-8387
www.exportsolutions.com



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.

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?

Searching for New Distributors?

Export Solutions makes life a little easier for more than 3,000 export managers. Our time saving distributor database serves as a “helper” for identifying more than 9,200 qualified, local brand builders in 96 countries.

Search by Country, Category, or Country of Origin

Local Experts

Distributor Coverage

Asia:	2,030
Europe:	3,139
Latin America:	1,574
Middle East:	937
USA/Canada:	1,464

Category Experts

Distributor Coverage

Beverage:	1,691
Candy / Snack:	2,713
International Food:	3,276
Health & Beauty:	1,800
Natural Food:	837

Country Experts

Distributor Coverage

German Brands:	648
Italian Brands:	1,397
UK Brands:	682
USA Brands:	1,189



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

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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!

Are Distributors Interested in Your Brand?

I have conducted hundreds of distributor interviews for multinational companies: P&G, Nestle, General Mills, Duracell, Lindt, Tabasco, Barilla, J&J, etc. Distributor candidates all claim enthusiasm and high interest in your brand. See Export Solutions' checklist of clues to measure true distributor interest level.

	High Interest	Low Interest
Email Response	Immediate reply	Delayed or no reply
CEO Engagement	Active participation	Delegated to middle management
Scheduling Meeting	Flexible and easy	Difficult. Conflicts.
Airport/Hotel Pick-Up	Offers to pick you up	Take a taxi!
Meeting Presentation	Tailored. Prepared for you.	Standard presentation
Category Research	Obtains data	None
Competitive Review	Shares photos: store sets	Informal comments
Store Visits	Organized/led by CEO	Office meeting only
Samples	Obtains and tries samples	Waits for you
Team Participation	3-6 people at meeting	One person
Cell Phone	Shares private number	Email address only
Questions	Addresses key issues	No questions
Timeline	Meets due dates	Delays
Post Meeting Follow-up	Immediate and frequent	None
Proposed Plan	Detailed and fact based	Brief topline
Results	Winner	Second place?

Where Do You Want to Grow?

Asia/Africa/Middle East

	Australia – 274 Distributors
	China – 160 Distributors
	Hong Kong – 177 Distributors
	India – 109 Distributors
	Indonesia – 78 Distributors
	Japan – 176 Distributors
	Korea – 146 Distributors
	Malaysia – 128 Distributors
	Philippines – 109 Distributors
	Singapore – 163 Distributors
	Thailand – 94 Distributors
	Vietnam – 49 Distributors
	Israel – 61 Distributors
	Saudi Arabia – 115 Distributors
	U.A.E. – 195 Distributors
	South Africa – 106 Distributors

Plus 14 more countries

Europe

	Austria – 68 Distributors
	Belgium – 85 Distributors
	Croatia – 78 Distributors
	France – 125 Distributors
	Germany – 188 Distributors
	Greece – 90 Distributors
	Hungary – 68 Distributors
	Italy – 105 Distributors
	Netherlands – 155 Distributors
	Poland – 90 Distributors
	Russia – 108 Distributors
	Spain – 157 Distributors
	Sweden – 103 Distributors
	Switzerland – 100 Distributors
	Turkey – 82 Distributors
	U.K. – 274 Distributors

Plus 19 more countries

Americas

	Argentina – 61 Distributors
	Bolivia – 52 Distributors
	Brazil – 135 Distributors
	Canada – 205 Distributors
	Chile – 92 Distributors
	Colombia – 82 Distributors
	Costa Rica – 73 Distributors
	Ecuador – 55 Distributors
	Guatemala – 61 Distributors
	Mexico – 193 Distributors
	Panama – 63 Distributors
	Paraguay – 57 Distributors
	Peru – 82 Distributors
	Uruguay – 52 Distributors
	USA – 598 Distributors
	Venezuela – 38 Distributors

Plus 14 more countries

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

