

Export Express

Insights to Accelerate International Expansion



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In This Issue

Page 4

What Will You Do Differently in 2022?

Page 8

What If and Why Not?

Page 28

Fire a Customer!

Page 31

What I Learned in 2021

Page 38

Treat Distributors as your Best Customers

Page 41

Half Time Report: An Exporter at 50

Page 44

Buyer for a Day?

Page 45

2022: New Year, New Business Ideas

Page 50

Distributor Intelligence

New Ideas – New Business

10 years ago, few exporters would have predicted that Walmart would be number one outside the USA too, with \$100 billion in sales beyond USA borders. In 2012, who would have guessed that Amazon would be viewed as Walmart’s biggest competitor, with 2022 product sales of \$400 billion? Or that today, the Chinese grocery market is larger than the USA’s, with a compound growth rate of 5 percent since 2010. Our job is not to predict the future, but to discover new ideas to sell more product.

Today, it is possible to share new business ideas and Best Practices from around the world instantly via the internet. Export Solutions’ *Idea Guide* represents a compilation (and update) of my *Export Express* newsletter columns. These comments are personal reflections on ideas and strategies to build an international business, not just sell a few containers. I must share credit for these ideas with my network of more than 9,800 export manager and distributor friends from around the world.



Export Solutions’ role is to provide tools and insights to facilitate the international expansion plans for our industry. We must remain committed to discovering and pursuing new ways to achieve our ambitious targets. This *Idea Guide* seeks to share New Ideas to create New Business in this ever expanding world of 7.9 billion people.

Greg's Guidance: New Ideas – New Business

- ✓ What is your strategy to optimize e-commerce (Amazon) sales?
- ✓ How do you share Best Practices in Selling to Walmart, Carrefour, and Metro between your teams operating in different countries?
- ✓ When was the your last offsite meeting dedicated to brainstorming new ideas?
- ✓ What was the most creative promotion you saw last year? Why?
- ✓ How much time do you spend looking at the entire supermarket, looking for new ideas, not just focused on your own category?
- ✓ When was the last time that you hired an external consultant to take an independent look at your export strategy?



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Export Solutions has written the *Export Strategy Guide*. This handbook is a valuable industry resource. Our strategic services adapts the concepts from our *Export Strategy Guide* to meet the needs of your business. Expertise covers global market prioritization and criteria to identify Best in Class distributors from average players.

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Making Babies Versus Babysitting

I learned a lot in 2021 through projects completed in 31 countries on five continents. One of the important issues revealed is human resource allocation in the world of export. Our function appears anchored to the title of regional export manager. This export manager is expected to achieve their assigned objectives through a combination of managing existing businesses and expansion into new countries. In many cases, there is one export manager assigned to handle a huge geography like Asia or Latin America. My observation is that most export managers dedicate the majority of their time "babysitting" existing businesses that deliver their annual sales quota. This shortchanges time available to "making babies," the process of new market development.

Our feature article "The World in 2025" unveils a snapshot of the world in 3 years. Most exporters jam their annual plans with futuristic projections for dynamic business potential of China, Brazil, or the USA (European Brands). How can we ever expect to take these businesses to the next level with one person allocated per region, perhaps even located in corporate headquarters, thousands of miles away from the "action?"

Listed below are Export Solutions ideas for "Making More Babies" in 2022.



1. Shift Team From Mature Markets to Developing Markets

Most companies feature sizable sales teams managing large, mature businesses growing at 5 percent or less. Then, they'll have one person managing Asia's 4 billion people and one person allocated to Latin America's almost 600 million people. The result is usually tiny niche businesses growing by high percentages, but miniscule in terms of scale. There is a delicate balance, but in general the shifting of some head count from the base business to international can pay out plus supply a meaningful new career opportunity for your team members.

2. Create New Country Development Role

This business incubation position could focus on business start-up in a small number of priority countries. The person should have access to corporate functional resources and work closely with the area export managers. I know several companies that use this model with exceptional results.

3. Redefine Export Manager Work Allocation

Split workload to provide more time for Making Babies versus Babysitting. Don't worry, markets like Puerto Rico, Belgium, UAE, and Singapore will be fine if you spend more time in Colombia, Poland, Saudi Arabia, and Indonesia.

4. David Against Goliath Won't Work in Top 5 Countries

A one person team working with a distributor will not allow you to optimize your business in enormous, complex countries like China, Mexico, or the USA (Europeans). Game changing results can be obtained through a three-five year plan including local production, multi-functional teams, regional activities, and serious investments in trade activities and marketing support. Consider acquisition of a local brand in your core category.

5. Boots On the Ground

Brands with regional employees based in foreign countries are gaining more than their fair share of distributor time and focus. These managers are closer to market conditions and distributor sales teams than export managers based in distant USA or European headquarters. Consider offices in Shanghai, Sao Paulo, Mexico City, Jakarta and Jeddah to make a difference. Other choices include Singapore, Panama, and Dubai. USA managers are typically centrally located in Chicago, Atlanta, or Dallas, close to major customers and airports.

We are the "Brand Parents." Making Babies and creating new businesses will provide a solid home base for the future. Time is always required for babysitting and brand development in existing markets. However, need to spend more time on activities to "expand the family."

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"Spend Time Selling to Distributors versus Searching for Distributors"

YTIVITAERC

KLIM milk powder is a Nestlé product popular when I lived in Saudi Arabia. Try spelling Klim right to left (backwards) and you will discover a great brand name for an instant milk product. Apply the same principle to YTIVITAERC and you will discover the theme of today's column.



I am bored with the majority of today's brand promotional programs. It appears that many companies review last year's plan, update and repeat! Don't mistake me for a sentimental old timer, but in store merchandising still creates excitement and builds business. I remember when as a young P & G salesman, I would encourage my stores to display dishwashers from a local appliance store surrounded by a pallet of Cascade in order to sell more dishwasher detergent.

Today, I love the story of Rio Mare, Europe's leading tuna fish brand. Tuna is a tough category, driven by price promotions. Rio Mare is also a premium brand, with superior ingredients and processing. Still, Rio Mare enjoys double digit growth in many emerging markets. How do they do it? I recently visited Dubai and Qatar where I counted massive displays everywhere featuring a promotion where the shopper received a free casserole dish with the purchase of Rio Mare. In Dubai, you can discover taxis painted in Rio Mare's distinctive salmon, blue and orange colors.

How do we inject Creativity and new ideas into our promotional programs?

1. Creativity Workshop – Schedule a day long brainstorming session outside the office. Search for an inspirational site, such as an art museum, historical monument or even a sports arena. Hire a motivational speaker from outside the industry to stimulate discussion. Encourage each team member to generate two good ideas for the event. Leave all cell phones and laptops in the car to avoid distraction.
2. Co-Marketing Activity – Every food brand “shares the plate” with other related products. Non-food products such as household cleaners and laundry aids are combined to present consumer solutions. Approach related, “adjacent” brands to create co-marketing promotions. Costs can be shared and you may discover a friendly “non-competitor” to benchmark best practices.
3. Distributor Events – Entrepreneurial distributors serve as magicians at designing unique programs. Their extensive rolodex allows them to sync with a retailer's favorite cause or leverage the popularity of local sports teams. A successful strategy is to encourage a distributor to run a group promotion for all their brands with a charitable overlay.
4. Online Insights – Look to the internet and social media for learning on breakthrough new ideas. How are giants such as Amazon and Ocado pairing your products for their online customers? What topics are hot with supermarket bloggers? How do we translate these insights into a meaningful promotional campaign?
5. Sales Contest – Everyone loves the excitement of a sales contest. Why not reward your distributor brand managers for the best creative event measured by incremental volume? First prize could be a “Design your Dream Trip of a Lifetime” where the top prize is \$10,000 to go anywhere in the world.

Leading companies are devoted to a spirit of innovation and creativity. Ultimately a recipe of traditional price promotions and coupons dulls the consumer response. YTIVITAERC! Sometimes you just need to address promotions from a different point of view.

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**Identify Best in Class
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Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

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Meeting Speaker

Looking for a motivational speaker to challenge your audience to take your business to the next step? Greg Seminara serves as keynote speaker for distributor, company, and government sponsored events. Topics cover any of the 100 subjects written about in our *Export Express* Newsletters.

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What Will You Do Differently in 2022?

It's far from business as usual in the export world. Most companies struggled to a decent 2021 finish through a combination of emerging market growth offsetting tough conditions in the home market. 2022 looks tougher, with smaller increases projected for Asia and Latin America and a continued squeeze in Europe. Austerity protests, "fiscal cliffs," Carrefour divestitures and the surge in Internet shopping create an uncertain outlook for our "old school" export development plans. Listed below are ideas to define your new game plan for achieving your 2022 targets.



1. Focus on Fewer, Bigger Opportunities

All markets are not created equally and many of us spend too much time on small or mature markets. Pick 1-2 high potential markets in your area. Visit frequently and invest at a higher level in local programs. The USA market opportunity is "Bigger than BRIC" for most European exporters.

2. More In the Store

Dedicate 2022 to improved retail conditions for your brand. Publish an in-store presence handbook. Sponsor a sales contest to encourage better shelf positioning. Spend a half day on each trip visiting stores. The supermarket is where inventory is translated to actual sales.

3. Create a Listing Map for Each Country

Each market should maintain a brand availability listing map. This template should track your brands availability by size (variant) and by retailer. Create a methodology to track new or lost distribution.

4. Online Retailer Sales Strategy

Establish a project to assess internet retail implications for your brand. What are the opportunities? How will this change your marketing approach? How can you provide tools and resources to help your distributors attack local Ecommerce sales opportunities? The future is now!

5. Call or Visit to Each Distributor CEO

Get an early pulse on the market. Make personal calls to leaders regarding 2022 expectations, planned investments, and insights from large retailers. Reinforce your key priorities and secure commitment for "no surprises."

6. Upgrade Your Web Site

Your web site is the gateway to your company's global reputation. Refresh your Export page with success stories, brand availability maps, and new graphics. Export Solutions will follow our own advice with a new web site in 2022!

The new year represents an excellent time to set aside time to identify industry trends and develop your personal plan for making a difference in 2022. Send a message to senior management that you are focused on the future. Good luck!

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Walmart International

Walmart International began with a joint venture in Mexico in 1991. Today, Walmart's international sales total \$120 billion dollars, exceeding 24% of total Walmart sales. Export Solutions has been there since the beginning, with knowledge of Walmart operating units in Mexico, United Kingdom, China, India, etc.

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Too Many Flags, Not Enough Sales!

Export Managers proudly salute the flags on their country coverage map as part of their export credentials. This flag filled map is important, but sales volumes per capita trends serve as a more accurate measure of export progress. Many brands claim a footprint in many countries, but only a few brands such as Barilla, Pringles, and Tabasco sell to more than 100 countries and are successful virtually everywhere.

This month, a well known European company approached me for help to fill in "white spaces" in their export coverage map. This brand claimed distributors in about 70 countries, including all of the important high growth regions of Asia and the Americas. Normally, I conduct distributor assessment projects in at least 20 countries per year. I knew that this good brand enjoyed acceptable presence in about 20 markets. However, a situation existed in at least 30 countries in their coverage universe where they "planted flags" through partnership with a distributor, but registered minimal sales. My response to this company is that their strategy and my involvement would generate better results through focus on a handful of countries where their brand was underdeveloped, versus stretching their export map to new countries to fill in coverage gaps.

Listed below are a few ideas to build sales in existing markets.

1. Conduct a 20/20 Analysis

Which export markets rank as your top 20% in terms of sales per capita? Which rank as the lowest 20%? Why? What are the lessons learned that should be applied to your export strategy?

2. Segment Countries

Export Solutions segments countries as "Strategic," "Priority," and "Opportunistic." Which strategic countries are in your bottom 20% of performance?

3. Focus on 1-2 Strategic Countries

Look at your gaps and focus on one country. Change your model, hire a local manager, and test a higher investment plan. Visit frequently. If you have a big team, concentrate on two countries, but the basic message is to align your energy on a big country, even though it's tough versus dividing your time and resources equally among a lot of countries.

4. USA is Bigger than BRIC's

All companies claim sales to the USA, but per capita sales levels are usually quite modest. The USA is a growing country, with 333 million relatively affluent consumers. Invest in marketing and people to build your brand in the USA. The size of the prize and return on investment from the USA will be higher than all the BRIC's combined.

5. Change Distributors or Exit Markets

Selling one container a year to a large market is not worth the complexity and energy required just to claim another "flag on the map." If you partner with a strong distributor, provide them with more tools and investment. Change your distributor if they are small and underperforming in a large country. You do more long term damage to your brand with an unqualified partner versus the benefits of a few extra shipments. You'll find this out when you try to enter the same country later and you are rejected by the retailers as your brand has "been here before and failed."

For many companies, there is more incremental business available through optimizing existing international businesses versus chasing new flags for the map.



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Who is Bill Doyle?

Every successful manager has a special person in their career that mentored them and promoted their potential to the big bosses at headquarters. In my case, this was Bill Doyle. Bill was a crafty veteran, my division manager at Clorox. Bill Doyle defined “old school,” having honed his skills on the rough and tumble streets of New York for Procter and Gamble and Phillip Morris. USA brokers fearfully called him the “Doctor” because he usually showed up when the business was sick.



Bill Doyle passed up several opportunities to move up the corporate ladder. He threw all his energy into discovering exceptional young talent and developing them. Doyle led by example and created an unprecedented record of advancing his people to the upper levels of management. Bill Doyle taught me most of what I know about the fine art of store checks. “What’s measured is treasured.” I guess I impressed him when he challenged me to focus on a broker’s in-store performance. I quickly produced analysis based upon checking 300 of the broker’s 400 stores within a six week period.

In the world of export, we are frequently asked to create miracles with limited budgets and stretched resources. We can not do it all alone. One of Bill Doyle’s many lessons was to focus on people development and spending time in the trenches. A well written letter or a timely phone call from Bill could inspire the troops to achieve the desired results.

There are two questions to think about.

What are you doing to promote and develop young talent at your company?

Big companies like Nestlé, Coke, and General Mills sponsor structured mentoring programs. Smaller companies are more informal, but still committed. Structured or unstructured, the greatest gift an executive can share is his time. Examples include participation in a week long market visit to a quarterly checkpoint lunch or an invitation for a young talent to sit in on a senior management meeting. We all thrive from positive written communication. I still have “attaboy” letters from my early days at Procter and Gamble. One of my popular bosses, who later became a CEO, maintained a large stack of index card notes on his desk. Each day, he dedicated time to draft handwritten notes to team members, customers, and contacts with a few short sentences of encouragement or recognition.

What is your export training program?

International development and distributor management is a science. Senior managers rely on years of experience. Newer people to export are frequently sourced from the home market organization, with strong industry fundamentals, but are quickly lost when they step off the plane on a new continent. Each year, I conduct 1-2 day training workshops for companies focused on export expansion as well as government trade associations. The sessions are always highly interactive and a form of team building. Typically, everyone participates from the international leader to the customer service representatives. Looking back, I always reflect on the positive group spirit and sense of shared purpose at the companies that invest in formal export training. Will your legacy be based upon your own accomplishments or a that of a strong pipeline of future leaders?

I have been fortunate enough to work on export projects from Mexico to Mongolia and Italy to India thanks to the support of Bill Doyle and others at Clorox (Rich, Joe, Tom, Glynn) who took an interest in my career. Today, I took Bill Doyle out for lunch to say thank you. Who is the Bill Doyle who made a difference in your life? Give them a call today to express your appreciation and update them on your activities to develop your own team.

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Celebrate Your Anniversary

Recently I celebrated 26 years of marriage to my wife Frances. As the story goes, I met my Irish bride at a wine tasting party in Jeddah, Saudi Arabia. We were married in Dublin by no fewer than four Irish priests and began our journey together in Buenos Aires, where I worked for Clorox. Twenty five years have flown by, including surviving the turbulent teens of our three beautiful and "spirited" daughters. My wife claims that she is not technically completing 26 years of marriage, as I've been travelling about half the time. As usual, your wife is always right.

Similar to all couples, our lives reflect a mix of fun and tears, laughter and arguments. Days without talking to each other blurred by escapes to a Caribbean beach. Frances and I are still together because of a shared sense of purpose and values. Over the years, we've evolved and adjusted, and even become more flexible and tolerant, particularly of my stubborn habits. At the end of the day, our marriage has succeeded through a strong commitment and the fact that we still enjoy each other's company. It works!

Some may wonder why I share this personal story? As I became absorbed in planning details for our 26th wedding anniversary celebration, my private life and business world of "distributor search" collided. For the last 16 years, I spent at least half of my life visiting countries and helping great brands find new partners. I was reminded that distributor and supplier partnerships are like marriages, linked together by commitment and common objectives. Great global brands like Barilla and Tabasco point to some distributor relationships extending 25 years or more. Yet, as with marriages, distributor relationships don't always work out. Despite "liking each other," we need to take the painful step of moving on.

At the risk of sounding like a distributor "marriage counsellor," I share these thoughts.

1. Brands and distributors: mix of good years and disappointments.

Continuity requires more good years than bad. Do you both possess the ability to proceed with renewed passion beyond trouble spots?

2. Partners must remain important to each other.

Distributors are genuinely excited to take on a new brand. They invest their own money and resources because of a strong belief in your company and vision. As years progress, is that spark still there?

3. Sometimes you need a getaway.

PowerPoints, spreadsheets, and meeting rooms stifle creativity and team building. When was the last time that you spent a day together outside the office checking stores or for a brainstorming session at an offsite location? A better idea is to invite your distributor to your company headquarters for a VIP experience.

4. Celebrate your anniversary!

Some companies do a great job at recognizing distributors for 1, 5, 10, or 25 years of partnership. My wife appreciates a nice dinner out and jewelry to mark a special anniversary. Distributors proudly display plaques and recognitions from their suppliers. Most couples commemorate their anniversary every year. Why not adopt a similar approach with your distributor network?

I am hoping that my wife Frances signs another 26 year contract. It won't be easy, with lots of hard work in a changing environment. We are not so young anymore, but maintain plenty of energy and a good outlook. We marked our 25th anniversary with a big party at the Finnstown House near Dublin, the same venue from our wedding reception all those years ago. A fun part of life is celebrating good days and important milestones. Good luck!



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Best Practices Export Strategy

Export Solutions has participated in more than 300 projects across 5 continents. Our work extends across most supermarket categories. This provides us with a broad base of benchmarking contacts and lessons learned to incorporate into your export strategy.

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What If and Why Not?

This is the time of year that many of us are buried in the planning process for 2022. Some companies speak of disruptor strategies, but the reality is that most remained glued to repeating the old playbook: same brands, same trade promotions, same distributor all with the dream of struggling to a five percent growth target. Brands compete in a new world, with emerging markets and e-commerce as primary growth engines. Winners must "Say No to Status Quo."

Business transformation requires us to ask two fundamental questions:

What if and why not?

What if you could...?

1. Double your international business in three years?
2. Create a major new business in a prime prospect country like Mexico or Japan?
3. Become a category leader in e-commerce?
4. Convince management to produce offshore or a substantial investment in social media?
5. Reduce your prices, but deliver higher profit through increased turnover?

One recipe for success is to "think like an exporter, but act like a multinational." Pick one or two high potential countries and test a high impact plan, including more boots on the ground.

I recall my first business trip to Denmark in 1999. Denmark is not an easy country to enter for USA exports. My meeting was with Hugo Rosendahl, the managing director of Consiva (now Conaxess), the largest distributor. After sharing my enthusiastic presentation, Hugo responded favorably "Why not?" He mentioned that he always carefully considered each opportunity, looking at the potential benefits not the barriers. After lunch, the team delivered little green bottles of Underberg to each guest. To an unknowing American, the Underberg bottle appeared like a local version of Tabasco. Imagine my surprise when Hugo raised the Underberg and invited us all to chug the bottle. Skål! For years, a bottle of Underberg digestif alcohol has remained on my desk to symbolize "Why not?"

Why not? Anything is possible, with the right plan, partner, and focus. During a recent project across seven Middle East countries, I saw several brands that achieved impressive presence in their categories. These brands were "Made in the USA," but I had never seen them on the shelves of a USA supermarket before. In other words, entrepreneurial companies transformed their business and succeeded in the global marketplace despite a small platform in their home country.

Sports teams approach each season optimistically, with new players and a hope to win the championship. In our competitive world, some brands cling to "old school" distributor teams. These under-capitalized distributors have not invested in omni-channel coverage, digital marketing or, e-commerce. Without "A" players to manage your business, how can you grow?

2022 may represent a game changing year for your company and your global ambitions. Why Not?

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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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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?

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When Big is Small

Most international managers work for companies with impressive market shares in their home countries. This creates a proud company culture based upon critical mass, deep resources, and a strong commitment to marketing and innovation. This scaled model appears in direct conflict with the export department which is tasked with creating miracles with a small team and limited investment. The result may be challenging when a big company attains a disappointing niche status in strategic international markets.



How can we leverage our home office strengths to accelerate our growth trajectory in tough to penetrate 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

1. No More Copy Paste

Too many export departments repeat the same boring behavior every year: identical price promotions, similar annual priorities and the same discussions year after year. Inspire your distributor team. Reward creativity and new thinking to solve old problems. Test something new!

2. Think Like Marketers, Act Like Start-ups

Export frequently resembles a trading souk focused on price and promotion. Return to your marketing roots, with conversations around your unique product benefits and strategies to reach your target consumer. Deploy cost effective, guerilla marketing techniques to break through the clutter. Find creative ways to get samples into the hands of a broad audience.

3. Build the "A" Team

Everyone wants to work on the international business. Seek the brightest young people at headquarters and lure them to your team. They will require training, but their high energy will be rewarded. Access functional experts, even if it's on a shared or dotted line basis.

4. Is Your Price Right?

At home, our brands represent category leaders, usually appearing in the middle of the price spectrum. Overseas, the added costs through the supply chain result in our brands being priced at premium or super premium levels versus local players. In many cases, export pricing is heavily burdened with corporate overheads that are duplicated overseas through your distributor's cost structure. Pursue efficiencies "line by line" to sync your pricing to be more competitive with local price thresholds.

5. Big, Big, Big Strategy

In export, it is easy to be distracted by complexity. Some export managers falsely rest on the claim that "they sell to 50 countries." Winning the big prize requires a narrow focus: Big Brands at Big Customers in Big Countries.

Your company has demonstrated its brand building success in your competitive home market. Capture, borrow, and adapt that formula to fight tough battles overseas.

Good luck!

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Distributor Economics

Do you speak the same language as your distributors? I am not talking about English, Italian, Arabic, or Chinese linguistic skills. I am speaking the language of money. Most export managers discuss business with their distributors in terms of cases and containers. Many distributors are entrepreneurs that measure their business in terms of profit contribution and cash flow, just like your company CFO. Understanding distributor economics can position you and your company as preferred suppliers.



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1. Distributors deserve a reasonable profit for their efforts.

Many achieve a net profit margin of only 3-5 percent plus various owner benefits. A financially stable partner invests in people and technology to advance your mutual business. A solid balance sheet allows the distributor to weather the storm in a political or financial crisis.

2. What is the "salary" you pay your distributors?

Calculate cash flow generated by your company by analyzing distributor net sales to customers multiplied by the distributor margin excluding any promotional bill backs. Margin is one metric, but cash generated pays the bills. How does the distributor salary compare to the work required to service your business or the cost of maintaining a local subsidiary?

3. New Business = Bonus

Distributors are constantly searching for new brands. The next piece of new business entering a distributor generates incremental sales while better utilizing fixed assets like the sales team and warehouse. Brands with existing sales in a country are very attractive as they contribute immediately to the distributor, even if they require a lot of effort during the initial transition.

4. Pioneering is tough!

Would you work for a company for one year without salary? That is the scenario when a distributor is challenged to pioneer a brand in a country for the first time. The cycle of distributor selection, business plan, new product launch, marketing activation and customer repayment may take one year or more before the distributor receives his first "paycheck" for his efforts for your company. Of course, there is a long term pay out for the distributor when the brand works. This is one of the primary reasons that distributors are reluctant to start to represent a new company without a strong USP and investment program.

5. What is the "size of the prize?"

Distributors appreciate export managers that frame their partnership in terms of mutual profit development. Brand owners that understand the intricacies of distributor cost to serve will be rewarded. Measure your profit contribution to a distributor and request that a fair share of their resources be invested in your brand development. A profitable distributor is a healthy distributor!

Good luck!

Greg Seminara
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Beyond the Brand Manager

For many exporters, eighty percent or more of their distributor interaction filters through a distributor brand manager.

If you are lucky, this energetic university graduate completes your reports and serves as a capable advocate with the distributor sales team. Brand owners frequently demonstrate excessive loyalty to their brand managers as local heroes

that rescue the export manager from periodic emergencies. In reality, the distributor brand manager is a “middle man,” communicating with the generals that deliver the results at key account and store level.

International brand building is a team sport. Winners are companies that form strong relationships with all functional leaders in a distributor organization. Web meeting tools like Zoom and Teams facilitate easier direct linkage with key distributor personnel. Discussed below are Export Solutions’ tips for moving “Beyond the Brand Manager” to accelerate your business to the next level.



Export Solutions
Distributor Identification Experts

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. Key Account Managers (KAMs) Are the Power Players

KAMs are the major account experts and own the buyer relationships. Direct feedback from them provides valuable, realistic insights. Most distributors have weekly KAM meetings that are worthwhile to join to discuss a key priority. Roll up your sleeves and become visible with the sales people “carrying the bag.”

2. Field Sales Teams Control the In-Store Show Room

Typically, a distributor’s store-level merchandising team reports to the sales director, a few “hand-offs” away from the brand manager. Retail stores represent the place where export dreams are translated to cash in the register. Field managers juggle a large basket of priorities for their sales army. Fund a sales contest and you will build loyalty.

3. Follow the Money to the CFO

How well do you know the CFO at your distributors? The finance department is the cash hub, approving orders, handling payments, and guiding the distributor’s financial health. Establish a relationship with the CFO when all is well, as it will pay dividends when a financial crisis erupts.

4. Meet the Digital Team

E-commerce development represents a growth initiative everywhere. Many distributors hire a small, young team. Create “First One in Benefits” by partnering with this group at this early stage of team evolution.

5. Treat Distributor CEO as a VIP

CEOs are busy, stretched by brand owners, customers, employees, and shareholders. Find ways to engage the distributor CEO in your business. Consider quarterly Zoom dates and extend an offer to join your distributor advisory board. Invite him to visit your company headquarters for a first-class experience and a meeting with your CEO.

A favorite part of any market visit is “management by walking around.” I love to visit every department. Smile to everyone, handing out a small gift with your company logo, and say thanks for your help. Today’s travel guidelines limit these trips, but challenge us to adapt this practice in a virtual way.

We appreciate our brand managers, but must remember that our partnership service agreement is with the entire distributor, not just one person.

Good luck!

Greg Seminara
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View our activities for export managers – www.usafoodexport.com



Strategic Services

New Market Prioritization & Launch Plan

Our extensive market segmentation work helps clients quickly identify the best markets based upon their brand profile and investment approach. Normally, we can quickly help brands segment markets into three groups: Strategic, Priority, and Opportunistic.

Contact Us for Export Solutions

Is the Store a 10?

"The shelf doesn't lie!" Why are you surprised when a distributor misses their sales numbers and you perform a few random retail checks and the stores look awful? Or your "star" distributor proudly brings you to supermarkets where your brand's presence looks better than the sample display you built in your headquarter office?

A classic question is "how do you determine a good store from a bad store?" Some multinational leaders feature well defined shelf guidelines for positioning and placement and the pursuit of a "perfect store."

A more common practice is for an export manager to share a pretty photo of a sample shelf layout, created by the marketing department. A few general objectives are supplied, but no formal training, sales rationale or KPI measures.

"Is the Store a 10?" is a tailored program from Export Solutions that succeeds in providing simple shelf standards and a methodology so that every member of a distributor organization will be crystal clear on store level performance expectations. Basically, each store is graded with points awarded for assortment, shelf space, shelf positioning, pricing, and off-shelf display.

Listed below are key elements of developing a "Is the Store a Ten?" program for your distributor teams.

1. Develop Clear Standards

Award points based upon a "physical count" of authorized items or shelf facings or answers to a "yes or no" question. Example: Is there a secondary display? Create a simple 10 point scale, where a "1" is poor and a "10" is the best.

2. Align With Key Account and Retail Sales Teams

This initiative is best explained to key influencers in the distributor organization in-store. Meet with them at a supermarket and discuss program execution for their customer or market. The program will fail if you only discuss it with a brand manager or distributor CEO at the office.

3. Conduct Training Session

Share the program with the entire retail team. Provide a rationale and sales facts for our objectives. Provide FAQs on common questions or issues. Role play. Launch a "Is the Store a 10?" shelf drive with prizes. Establish clear KPIs.

4. Measure Improvement: Today a "5"... Tomorrow?

It is likely that early scores may be closer to a 5 than a perfect 10. This is okay in most cases. The goal is to incorporate a cultural shift in evaluating stores and capture improvement

5. Planogram Serves as the Official Record

I love the distributors that flood us with photos of great store layouts. I swear that sometimes the image is the same display taken from several different angles. Validate performance with a copy of the approved planogram or schematic.

A 2022 objective for all is to escape the boredom of hot conference rooms to spend more time witnessing retail reality. Export managers are paid on container sales, but this represents only warehouse inventory. A store shelf is where export dreams are translated to retail revenues. Contact me to discuss implementing "Is the Store a 10?" for your company.

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Strategic Services

Personal Distributor Introductions: 96 Countries

Export Solutions' database tracks 9,200 distributors. After 300 projects and 20 years in export... I am proud to have personal relationships with hundreds of the best distributors in the world. My clients will confirm that distributors are happy to see me, because I am a vital link to the world's best brands.

Contact Us for Export Solutions

Small, Small, Small Strategy

A few years ago, I described a multinational's "Big, Big, Big" strategy. This company focused on Big Brands, Big Countries, and Big Customers. This approach may function well for billion dollar giants, capable of building local factories, hiring large teams, and investing millions in brand support. However, many exporters have been disappointed the last five years when "BRIC dreams turned into Export nightmares."

Exporters: consider a "Small, Small, Small" strategy as a route to profitable growth.

Small Channels – E-commerce, Gourmet, Ethnic

Small Countries – South Korea, Chile, Saudi Arabia, Spain, etc.

Small Investments – Trade/marketing costs everywhere, but total spend is lower in emerging channels and small/mid-size countries.

Listed below are considerations for developing your "Small, Small, Small" strategy.

1. Massive Supermarket Chains: Demanding & Declining

Traditional supermarket chains are losing share. To sell to them today, you "spend more to sell less!" Smaller chains and channels may be more open to innovation and feature lower cost of participation.

2. Limited Local Production: Small/Mid-Size Countries

Big countries feature well established local producers, guarding their shelf space. Smaller countries frequently do not contain many local manufacturers and remain dependent on adjacent countries or USA, UK, Germany, Italy, etc. for many of their brands. Examples include USA companies selling far more to Puerto Rico than they do to Brazil. UK companies export more to Ireland than to Russia or Italy.

3. Lower Investment Levels

Brand investments are relatively proportional to country population and per capita income. A \$10,000 – \$100,000 investment drives significant presence and funds solid marketing activities in many small/mid-size countries. This allows your brand to capture market share versus serving as a niche player in a large country.

4. Distributor Capability: Inversely Proportional to Country Size

Some of the world's best distributors are based in Panama, Norway, UAE, or Singapore. Why? In these countries, even multinationals like P & G, Kellogg's, and Barilla may partner with national distributors. In large countries like the USA, China, India, distributors usually handle only niche brands, regional coverage, or small shops.

5. Make Multi-Channel Bets

There is incremental business available through attacking new trade channel opportunities. This may require distributors to expand coverage and "attack something new."

Manufacturers should conduct a "Lessons Learned" exercise. What countries are delivering superior growth and highest market shares? Which new channels and customers are recording double digit sales increases? What are channel success stories from other countries? Which markets do not demand mandatory listing fees and deliver superior results for your investment? What is your global e-commerce strategy? In many cases you can deliver "big" increases from thinking "small." Good luck!

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1/3, 1/3, 1/3

Does your distributor network require a tune up? I have lost count of the times I've heard a vice president of international claim that their company has the best group of distributors in the world. Or trade show meetings when a global export manager states that his company sells to 60 countries and is not looking for any new distributors. These are the same executives that struggle every December to achieve their annual sales budget.



Every year, I am asked to analyze the global distributor network of at least ten manufacturers for independent feedback. The good news is that my conclusions are generally positive. Most companies maintain a solid network of international distributors, committed and capable of serving as good partners. However, the 1/3, 1/3, 1/3 rule always applies. Every company maintains a mix of distributors.

1/3 Leaders Best in class brand builders, delivering outstanding results

1/3 Performers Reliable and capable, normally meet expectations

1/3 Laggards Small, unsophisticated, players...sometimes diverters

The first step to transformational success is to admit that not all your distributors are a good fit. Management recognizes that you've created a strong overall team and will support your efforts to upgrade underperforming distributors. Some companies cling to laggards due to history or personal relationships. This loyalty is nice, but ultimately underachievers deprive you of your ability to reach your own personal business goals.

Each cluster of distributors requires a different level of engagement and support.

Leaders: Love them, reward them and recognize them. What characteristics of your leaders allow them to deliver superior results? Are your leaders all big or mid-sized? Category specialists or channel experts? Share best practices from your leaders with other markets. The best advice with leaders is to support them and deliver outstanding customer service so that your company is viewed as a preferred supplier.

Performers: Strong contributors to growth. Challenge them to become leaders. With some companies, a majority of their distributors are viewed as performers which is a positive indication.

Laggards: These distributors exist with every company and remain easy to identify. Clue: small shipments to a big country. Or in the case of diverters, big shipments to a small country. Shipment trends are one clear metric. Other scorecards include authorized distribution and shelf presence at major accounts, merchandising ideas, and new item launch success.

A strategic requirement for 2022 is to upgrade the bottom 1/3 (laggards) of your distributor network. A core responsibility is to secure top talent in every country. Export Solutions' distributor database tracks an average of 85 distributors per country, so plenty of options exist for strong brands. Who are your leaders? Who are your laggards? What will you do differently in 2022?

1/3, 1/3, 1/3

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Strategic Services

Distributor Management Workshops

Looking to get better results from your Distributor network? Export Solutions has conducted Distributor management workshops for Barilla and Rio Mare. Topics include Best in Class Distributor Performance Metrics, Getting More Than your Fair Share of Distributors Time, and Distributor Economics.

Contact Us for Export Solutions

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:

86 Listings | Page 1 of 2 | Next >> | Go To Page: 1 2

Country	Retailer	Count	Formats	Profile	News	Financial
Canada	7 Eleven					
Canada	Loblaw's	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			

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Search by Country

Coverage: 96 countries and 2,700 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 Loblaw's operate by banner, in Canada?

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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 24 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 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 2,700 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 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 9,200 distributors in 96 countries and has been used by more than 3,000 clients. Our *Export Express* newsletter has a circulation of 9,900 and is viewed as an important source of insights, strategies, and templates for international development. www.exportsolutions.com.



Strategic Services

New Market Prioritization & Launch Plan

Our extensive market segmentation work helps clients quickly identify the best markets based upon their brand profile and investment approach. Normally, we can quickly help brands segment markets into three groups: Strategic, Priority, and Opportunistic.

Contact Us for Export Solutions

Test Something...Please!

This is the time of year when suppliers are engaged in 2023 planning. A common approach is to dust off 2023 plans, assess results to date and update the numbers to reflect a three to five percent sales increase. In today's crowded global marketplace, it appears tougher every year to exceed management expectations. More companies join the battle for coveted shelf space in emerging markets. Repetitive plans without creativity are likely to fall in the category where you are required to "spend more to sell less."

Breakthrough results are possible by testing something new. Skipping conventional promotional strategies may allow us to explore "new ways to sell old brands." The basic concept is to establish an innovative market test, measure results, and strive for a winning idea to reapply. The success may emerge in the form of new insights or closer distributor relationship versus case payout alone. This method involves some element of risk. It is okay for a test to fail, as long as you "fail fast" (and inexpensively).

Listed below are Export Solutions' five ideas for stimulating your 2023 test.



1. Brainstorm Out of Office

Dedicate time where the sole objective is to generate new ideas. Escape from the distractions of the office or a hot conference room. Commit to a specific time on your calendar. Work alone or as part of a team. Encourage group ownership by circulating test concepts and seeking feedback. This exercise may apply to your headquarter export unit or an individual distributor.

2. Blockbuster Event to Digital Marketing

A myriad of options exist for your test. Consider one enormous 360 Marketing event versus several small promotions. Another alternative is to place heavy emphasis on digital marketing to reach consumers in an original way. Companies may pursue a high spend test or a low spend test. Another possibility relates to frequency and depth of your market visits.

3. One Focus Country

Every export manager can identify a country with strong potential with capability for exponential growth. Select a mid-size country. Vow to visit more frequently. Travel to secondary cities and participate in distributor sponsored sales training events. Champion a retail sales contest and support your partners market level ideas.

4. Product

Many companies feature a broad portfolio of products marketed in their home country. Usually, a narrower range is targeted for export. Why not look at trying a new product or size or pack in a different country? Is it possible to manage a market test of something new from your research lab that is not available in your core market?

5. Measures

A sales manager's reaction is to "just do it." I admire that spirit and determination to translate "boardroom promises into retail reality." However, a test is not a test without a grade. Establish clear parameters and a timeline for evaluating performance.

What if? Successful companies maintain a passion for leading not copying. Each year, I attend five or six trade shows and check hundreds of stores. So many brands, so little shelf space. Most exporters could quickly list of ten or more snack, pasta, or condiment brands. I am always impressed with new promotional events and innovative ideas from iconic brands like Pringles, Barilla, and Tabasco. These brands are marketed to more than 100 countries and still tackle each year with a fresh approach and hot ideas to reach picky consumers.

What will you do differently in 2023?

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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 9,200 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

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



Strategic Services

Walmart International

Walmart International began with a joint venture in Mexico in 1991. Today, Walmart's international sales total \$120 billion dollars, exceeding 24% of total Walmart sales. Export Solutions has been there since the beginning, with knowledge of Walmart operating units in Mexico, United Kingdom, China, India, etc.

Contact Us for Export Solutions

MAPS = More Sales

MAPS is the fundamental equation to drive incremental sales. The export manager job description serves as logistics, finance, and customer service manager all rolled up into one person. Our "quality time" with the distributor gets hijacked by routine reports and distractions. Stop! The core responsibility of an export manager is new business development. This includes optimizing sales through your existing distributor network as well as expansion into new countries.

What is MAPS? MAPS is an acronym for **M**erchandising, **A**ssortment (Distribution), **P**ricing, and **S**helf Management, the essential elements for creating in-store visibility and sales. The supermarket (and now cyberspace) is our product showroom. MAPS structures the path for creating an attractive showcase for consumers to buy our brands.

Distribution Listing Maps: #1 Tool

It's impossible to sell when you don't have distribution. A customer specific listing map serves as a valuable helper to measure progress in each country. This one page template highlights major retailers and your authorized assortment by item. This report should be updated monthly and include plans, by customer, to expand distribution.

Pricing: Too High or I Don't Know?

As a shopper evaluates category options, pricing is a critical factor in determining product selection. Many imported brands are priced too high, a significant premium to category norms. In other cases, the manufacturer just sells without consideration of local price points. Exporters should establish a pricing strategy for each country. Track cost centers from factory gate to store shelf and conduct regular price surveys. Would the brand owner make more money with a lower price point, with everyone sacrificing a few margin points in the value chain?

Shelf: Good Store Versus Bad Store?

Many manufacturers fail to provide realistic standards to their distributors on in-store presence expectations. Leaders provide clear guidelines that allow each member of the sales team to define a good store versus a bad store. Export Solutions "Is the Store a 10?" program helps manufacturers structure and launch a shelf improvement initiative.

Merchandising Best Practices

Each brand and retailer maintain best vehicles for stimulating incremental sales. For some, this may represent secondary locations or mass displays. Other manufacturers focus on periodic, deep discount promotions. The key is to establish metrics for merchandising, just as you would shipments. Frequently, if a distributor achieves merchandising KPIs, he will reach his annual shipment budget.

Sales = Sell Out not Buy In

This is the time of the year, when some exporters will suffer from a fourth quarter surprise. Apologetic distributors will report that they have heavy inventory and are unable to meet their annual commitment. Ouch. Monthly tracking of distributor "sell out" and stock by item reduces the risk of this unpleasant news. Deliveries to distributors are just shifting inventory from your warehouse to theirs. Scanner recorded sales reflect a more accurate picture on the state of the business.

Laser focus on MAPS principles is a key factor for export success. This requires us to recalibrate our supplier/distributor relationships to fit within the MAPS framework. How are MAPS metrics guiding your distributor network?



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Strategic Services

Meeting Speaker

Looking for a motivational speaker to challenge your audience to take your business to the next step? Greg Seminara serves as keynote speaker for distributor, company, and government sponsored events. Topics cover any of the 100 subjects written about in our *Export Express* Newsletters.

Contact Us for Export Solutions

How Did I Do It?

Like the new photo? I lost 22 pounds (10 kilos) in the last eight months. My export friends at trade shows and clients are constantly asking "How did I do it?" In the past, I always said "never trust a thin man in the food business." However, my Doctor thought I was eating too many samples of my clients' products (thanks Daniel!). He advised me that I needed to lose weight.

I immediately heard the message and committed to lose 15 pounds (7 kilos) in the next year. Reflecting on my weight loss success, there are some lessons learned for the world of export.



1. Realistic Commitment

I set my goal to lose 15 pounds, about eight percent of my previous weight. This was not easy, but not an impossible mission. My Doctor and I are friendly and have worked together for fifteen years. I was confident that I would meet the challenge because I could not face him the next year if I had missed my personal objective. Successful export managers accept a reasonable challenge and then figure out a way to "hit their budget number." Can you increase shipments eight percent in 2022?

2. Establish KPI's

I love my Fitbit! Previously, it was stored in the original box on my desk, an unopened gift from Christmas. I set an objective of 11,000 steps per day and also joined a community to compete against family and friends. My new Fitbit friend coached me through the day, gently prompting me when I was not on track. Now, my average is around 12,600 steps. In the world of export, "what's measured is treasured."

3. Change Your Routine

In the past, I ate a healthy breakfast, followed by a business lunch and a dinner normally at a nice restaurant (I can't cook, only able to make reservations...haha). In my slim life, I now eat yogurt and fruit for breakfast for the first time in my life. Lunch has been replaced by two snacks at 11:00 AM and 3:00 PM, followed by a normal dinner (also at a good restaurant!) This adaptation of diet has worked. Sometimes in export, we must find "new ways to solve old problems." Simply by repeating last year's promotion program frequently results in "spending more to sell less." In export, we must change the mix if we are not getting desired growth. This means trying new promotion strategies, focusing more on store conditions, or managing price competitiveness.

4. Hard Work Pays Off

Everyone understands the value of exercise. Honestly, I probably worked out one day per week, finding any excuse to postpone a trip to the gym. I never brought work out clothes on a business trip, preferring to spend my time working on the restaurant menu versus the weight machine. Now, I work out six days out of seven, making it an essential part of my daily routine. I enjoy the hard work, particularly when I see the benefits.

There are fundamental rules of building an export business. We all know how to do it, but sometimes postpone the tough decisions to change strategies or distributors or focus on retail store conditions. January is the month where we consider our 2022 plan and shipment objectives. How are you going to do it?

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Strategic Services

Export 101: Let's Get Started

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.

Contact Us for Export Solutions

Export Solutions Celebrates 18 Years!

16 years has passed since a giant USA food broker decided that international development was not strategic and my job was eliminated. Rough day that turned out to be a fantastic personal move. This event inspired me to create Export Solutions, a platform that has allowed me the pleasure of meeting you! Our *Export Express* publications have been read by more than 500,000 people in 154 countries. Export Solutions database covers 96 countries and 9,200 distributors and has helped more than 3,000 companies find qualified partners around the world. It has been an honor to work with our industry's best companies and trade organizations: P & G, Barilla, and Tabasco, to name just a few. As busy as I have been, I wanted to share some of the changes I've witnessed in the last 18 years.



1. Coverage: 96 Countries – 5 Continents

In 2004, export usually meant selling to 10 adjacent countries like Canada and the Caribbean for USA exporters and the Nordics, Benelux, and Malta for Europeans. Today, exporters routinely sell to 30 to 70 to 100 countries or more! Strategic export plans now focus on previously tough to access markets like China, Brazil, and India.

2. Too Many Flags – Not Enough Sales

Track the number of countries where you have the #1, #2, or #3 brand, not the total countries you sell to. No one is impressed if you sell to 70 countries, but your volume totals 1-2 small shipments per year to most of them.

3. 85 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. Our country lists track an average of 85 distributors of all sizes and specialties.

4. Big Difference: Best in Class Distributors vs. Average Performers

Outstanding distributors exist in most countries. These leaders offer similar or better capabilities than multinational sales teams. Many top brands partner in some countries with small, under performing distributors, failing to consider stronger options.

5. Right Fit: Generalist vs. Specialist

In the past, brands were happy just to have a distributor in a country. Today, high achievers partner with category specialists or distributors with comparable scale. Many small to mid size brands will secure more focus from a smaller, hungrier distributor.

6. Mexico, USA, India, Brazil – Think Outside the Box

Partnering solutions in these countries normally extends far beyond "finding a distributor." My consulting projects in complex countries often considers partnering with non-compete manufacturers, co-packing, local subsidiaries, or a hybrid model.

7. Winners Focused on In Store Visibility Metrics

Superior results are obtained by companies with a passion for managing in store presence. Containers sold to distributors are only inventory until purchased from a store shelf.

8. Regionally Based Distributor Managers

Best in Class exporters have established small offices in the USA, Dubai, Shanghai, Sao Paulo, etc. These companies are "figuring it out" and dominating distributor attention.

My youngest daughter Ciara is 19 years old, so I will be working at least another 10 years. Thanks for your support.

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Strategic Services

New Market Prioritization & Launch Plan

Our extensive market segmentation work helps clients quickly identify the best markets based upon their brand profile and investment approach. Normally, we can quickly help brands segment markets into three groups: Strategic, Priority, and Opportunistic.

Contact Us for Export Solutions

Selling to Walmart – When and How?

Everyone wants to sell to Walmart. This is logical, as they rank as the number one retailer in the USA and Latin America, plus good presence in the UK, China, Japan, and South Africa. Walmart's International business (outside the USA) is bigger than the total turnover of Carrefour or Tesco. Selling to countries where Walmart has stores makes sense for USA producers. However, Export Solutions always advocates a strategy of making export decisions based upon what's best for the entire country, versus the preferences of an individual retailer, even if it is Walmart.



Walmart's Central American buyers have been speed dialing leading brands pursuing direct purchase agreements. These offers may be hard to resist, but manufacturers must be fully aware of the implications. Selling direct to Walmart International allows you to bypass the "distributor system." This provides Walmart with a cost advantage at store level of around 15%. This may create a situation where it is difficult to sell to other market customers, because their list price resembles Walmart's shelf price.

I visited Guatemala and Costa Rica recently. Walmart places many Direct Import brands in one aisle, away from the product's normal category placement. These Direct Import brands are not supported by the armies of in-store merchandisers that are common in Latin America. I remember the story of when I served as Director of Sales for Clorox in Buenos Aires, Argentina. Someone from corporate sold my favorite Hidden Valley Ranch salad dressing to Walmart International and it magically appeared on the shelves of my Walmart. I was thrilled, but apparently was the only happy customer. Most in Argentina had never heard of Hidden Valley Ranch. Without advertising, promotion, and distributor support, the brand gathered dust and was discontinued.

I am an advocate of partnering with distributors to sell to Walmart's international divisions. These local companies sell and merchandise at Walmart and all market customers everyday. Distributors focus on brand building and can provide the muscle at store level to push your brand. Retailers benefit because they can reorder any day versus waiting for the container to arrive from the USA. In my opinion, the distributor model is usually the preferred route to market to create a sustainable business in these fast growing countries.

Many European companies are anxious to sell to Walmart's 3,571 USA supercenters. Slow down! Walmart's USA supercenters specialize in category leaders and fast moving brands. Their consumer base consists of middle and lower income customers who have limited spending power to purchase super premium brands from overseas. Also, Walmart tends to be the "low price" leader. This may damage your ability to sell to upscale supermarkets, as they may be hesitant to stock an item that Walmart is carrying and selling for 15-25% less. My humble advice for European brands is to create a base business with mid-upscale USA supermarket chains. Approach Walmart at a later stage with your track record of market success.

Walmart is the world's number one retailer and will serve as a major factor in our strategic decisions. It is flattering and encouraging that Walmart wants to sell our brands. The key is to devise the optimal route to market that builds your brand equity and facilitates your business development to all market customers, including Walmart.

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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
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All guides available free at www.exportsolutions.com.



Export Solutions
Distributor Identification Experts

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**Contact Greg Seminara at
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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.



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 brand’s 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 2022 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”

Strategic Services

Distributor Management Workshops

Looking to get better results from your Distributor network? Export Solutions has conducted Distributor management workshops for Barilla and Rio Mare.

Topics include Best in Class Distributor Performance Metrics, Getting More Than your Fair Share of Distributors Time, and Distributor Economics.

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Strategic Services

Export 101: Let's Get Started

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.

Contact Us for Export Solutions

Fire a Customer!

Companies routinely export to 30, 70, 100 countries or more. Some export managers think of their distributors as "customers" versus partners. By definition this is true, as the distributor is paying the manufacturer's invoice. However, sustainable export success is built by distributors who are true brand builders, not periodic customers. Every exporter maintains a handful of "star" countries. However, each company also contains lagging countries, perpetual underachievers, that remain "protected" by an export manager embarrassed to admit failure. The upside potential for most export teams is to upgrade their existing distributor network, not extend to ten new emerging market countries.

At Gulfood, I visited the stand of an up and coming European healthy snack supplier. This brand was probably into year three of their export journey, with the product beginning to show up sporadically in Asia and the Middle East. I asked the young export manager about his 2022 expansion plans. Reply: "We are selling to 30 countries, and we are all set." Sorry, no export manager is ever "all set!" There are always strategies to improve your distributor team. "Measure presence not pallets."

Distributor change is tough. It reflects a relationship that has not evolved in the way both parties had anticipated. When you sell to ten countries more, it is normal to have a few underperforming distributors. It is my experience that most companies should consider changing the bottom end of their distributor network. Lack of success is a shared outcome between the distributor and brand owner. The real export failure occurs when a company allows a poor performing market situation to continue, robbing everyone from the chance of reaching their assigned sales targets.

Listed below are Export Solutions insights on optimizing your distributor network.

1. 20/60/20 Analysis

The first exercise I perform with brand owners is a 20/60/20 distributor assessment:

- 20% **Leaders:** "Star" distributors – reward them!
- 60% **Performers:** Challenge them to be "Leaders"
- 20% **Laggards:** Candidates for Change

2. Lessons Learned – Distributor Models

In the past, distributors were generalists, capable of handling any brand sold through a supermarket. Today, there are category experts, country of origin (made in USA) and channel specialists. Distributors can also be segmented by size: small, medium, large. What type of distributor model usually delivers the best result for your company?

3. Database Tracks 85 Distributors per Country

Export Solutions' distributor database tracks more than 9,200 distributors in 96 countries. There are always plenty of options to consider to upgrade your network.

4. Disappointment But Not Devastation

Even the best distributors lose brands. There is a cycle of brand portfolio refresh, with dormant brands being replaced by those with higher potential. Changing distributors is never easy, but most distributors are professional and realize that it's "just business." The key is for the manufacturer to accept partial responsibility for the sub-par results.

5. New Team – New Energy

It is exciting to watch a hungry new distributor attack old problems with new vigor. A new distributor is anxious to prove themselves and validate the brand owner's trust.

Every year, Export Solutions is involved in distributor search projects in around 25 countries. My happiest moments are when I do a checkpoint one year later with the export manager and discover that the new distributor grew the business by 10%, 20% or more! Good luck!

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We Help the Best Get Better

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Merck
Pharmavite (USA)
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Export Solutions Services:

- ✓ Distributor Search – 96 Countries
- ✓ Strategies: Improved Distributor Performance
- ✓ More in the Store: In-Store Presence Program
- ✓ Export Workshops/Training
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Talk to an Expert

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

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Time for a Change?

Time is our most precious resource. Export managers fill our days with a regular routine: email, market visits, and planning meetings. Naturally, our attention is diverted by urgent issues or tasks that are easy to complete. The reality is that this approach works and we manage to get the job done. However, we all seek to be heroes, the center of step change growth and the next great idea. This requires us to evaluate how we spend our time. Below are a few ideas to accelerate growth.



1. Shift Resources to High Potential Countries

Too many exporters spend too much time on mature or small markets, executing repetitive business plans. Middle East teams must focus on Saudi Arabia (33 million people) and avoid camping in Dubai. Latin American strategy should concentrate on Mexico and then Brazil. Don't worry, Puerto Rico and Panama will be fine. Southeast Asia emphasis should be on Indonesia and the Philippines and leave Singapore for Saturday.

2. Adopt a Major Market

Each executive should select one high potential country as his personal market. The company representative should visit frequently, get engaged in the issues, talk to customers, and spend time in stores. You can still have an area manager handling day to day affairs. Senior management visibility pays dividends.

3. Appoint a Distributor Doctor

Identify one experienced person on your global team to serve as a dedicated extra resource for problem markets or countries where your brand is not reaching potential. This specialist adds focus and signals commitment.

4. Replace One Distributor

Each company has at least one under-performing distributor. We make excuses for status quo based upon past performance. The truth is that consistent under-performers impact your ability to achieve your own sales quota.

5. Call Each Distributor CEO

Our lives appear as one endless stream of email communication. I am old fashioned. Pick up the phone and call a Distributor CEO or managing director to check in. Ask questions such as: How is business, overall? What are organizational priorities? Here is my business status. This is where we need help. Shall we meet for lunch?

6. Invite Home Office Staff on a Trip

Life on the road is not easy. Customers are difficult, distributors are not perfect, and export managers are punished by other functions for poor results. Invite the Marketing, Finance, or Manufacturing people on a trip for a dose of reality. Sure, it will be a pain to "drag them along," but at least they'll maintain a better appreciation of your challenges.

7. Time for New Ideas

Pick a day, leave the office, your computer and yes, even your cell phone behind. Brainstorm new ideas. What would it take to win in Brazil or India? What would happen if we executed a high spend (or low spend) test? What if we sponsored a distributor or consumer contest for best new product idea or sales promotion?

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Strategic Services

Distributor Contracts, Margins, & Fees

Export Solutions supplies valuable commercial insights for distributor contracts, margins, and fee negotiations. Frequently, we are consulted to provide comments to supplement the lawyers. Our advice saves brand owners large sums of money through improved protection and transparency in developing distributor contracts.

Contact Us for Export Solutions

"Spend Time Selling to Distributors versus Searching for Distributors"

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Strategic Services

Best Practices Export Strategy

Export Solutions has participated on more than 300 projects across 5 continents. Our work extends across most supermarket categories. This provides us with a broad base of benchmarking contacts and lessons learned to incorporate into your export strategy.

Contact Us for Export Solutions

What I Learned in 2021

2021 was a good year for Export Solutions, with Distributor Search projects completed in 31 countries, from China to Colombia, Malaysia to Mexico, and United Arab Emirates to United Kingdom. I source inspiration and best practices from everyone that I meet along the way: Export Managers, Distributors, and hundreds of retail store checks. After 20 years in international, I am constantly looking for “new ways to solve old problems.” Listed below are a few observations from 2021.

1. Food/CPG Business is Good Everywhere Outside Europe!

Asia, America, Middle East, and Africa all recorded positive years with typical expansion rates in the 4-8% range. USA growth landed in the 3-5% range. Our biggest challenge is to encourage senior management to shift resources to developing markets with growing populations and low cost of entry from declining markets where you must buy market share.

2. How Can You Achieve Category Leadership at Online Retailers Like Amazon?

Amazon's 2021 sales of goods will exceed \$400 billion, + 13% versus previous year. Their 2022 target is \$480 billion, placing them as #2 retailer worldwide. Amazon is committed to the food business. Exporters don't need a crystal ball to realize that Amazon could be their largest global customer in the future. What are you selling through Amazon? Internet retailers in China represent excellent showcases for international brands.

3. Time to Get Serious About China and Mexico

Many exporters have graduated from managing these high potential markets from remote control from headquarters. Still, businesses tend to be small relative to the enormous opportunity. Winners need to invest in market research, local production, country specific products, and multi-functional teams on the ground. Acquisitions and joint ventures may be risky, but allow you to obtain scale quicker. Investments in Mexico have the dual benefit of increased brand awareness with the 40 million people of Mexican descent living in the USA.

4. How Do You Tell a Good Store from a Bad Store?

Best in class companies are focused on Perfect Store initiatives. For most, there is business to be gained by simply communicating realistic expectations for in store presence. Each member of your distributor sales teams should understand your methodology for determining a good store versus a bad store. This approach should be launched at a distributor sales meeting and receive focus. “A Distributor respects what a manufacturer inspects.”

5. USA is Bigger than BRIC's* for European Exporters

The USA enjoyed a good year, with GDP surging almost 7%. The USA population is growing, forecast to increase from 330 million today to 350 million by 2025. The euro has declined measurably versus the US dollar, making made in Europe goods more affordable to affluent USA consumers. The key is not to treat the USA as another export market. You must pay to play. Read our *Selling to the USA Handbook* for Tips. *Note: Russia is no longer a growth market, enduring the second straight year of recession. The population is predicted to decline by 4 million people by 2025. Who needs the risk?

6. Review Your Pricing Calculations

Currency fluctuations, changes in Vat, declines in fuel prices have all impacted our 2022 price calculations. Conduct a market wide survey to calibrate where your shelf price is versus your objective and competition.

7. Listing Map for Every Country

This is the one form that should be tracked quarterly for every single market. A listing map captures major retailers and your available items, by account. The listing map should include space to recap by account plans to improve distribution.

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Solving the Export Puzzle

Received a phone call from a Greek brand owner who wanted my help launching his brand in export markets. My first question was "How is your brand selling at retailers in Greece?" The future exporter replied that he wasn't selling locally because the retailers were too tough! Maybe I was harsh, but my advice was that if you can't market through retailers in your home country, you have low chances of export success.



Another story is of USA manufacturers claiming difficulties in selling to Europe. To help them understand the issue, I proposed the following case study. "Would you ever dream of approaching Kroger with a product that is priced twice the local competition with very limited marketing support and using a representative that is a one man organization?" So why do you think that this strategy will work in attempting to sell to demanding retailers like Carrefour, Metro, or Tesco?

Our business has very few secrets. Industry veterans learned the basics of selling early in our careers. Create a brand with a meaningful USP (Unique Selling Proposition), price it fairly, support it with marketing investments, and align with a strong distributor or broker. I frequently serve as a speaker at conferences and workshops. I always challenge my audience on the factors that it takes to succeed in their home country. Then, I remind them that this is similar to requirements to win in export. However, export is even more difficult as we face incremental logistics costs, lack of scale, and the inability to "babysit" the product everyday through visits to your neighborhood stores.

The good news is that there are more common elements in doing business globally, then differences. Listed below are a few tips on solving the export puzzle.

1. Analyze Costs of Building Brands in Your Country

Divide costs on a per capita basis for comparison. What will a \$50,000 investment deliver in the United Kingdom, a country of 67 million? How much should you invest in Brazil, a country with 216 million people, three times the size of the UK?

2. Align Expectations With Competitiveness and Spending

Export success often reflects a collection of niche markets supplemented with a few countries where your brand achieves mass scale. The key is to align strategy and expectations with spend level and competitiveness.

3. The Consumer is First

What news does your product deliver to the category? Is this difference important? What will you invest to gain consumer awareness, trial, and repeat?

4. Select the Right Type of Partner

Big brands with big budgets should link with "Best in Class" distributors. Niche products with minimal investments should approach smaller distributors.

5. Invest in Few High Potential Markets

Recommend focus on a few countries where you can invest and support your brand properly. Gain learning and build a success story. This generates better results versus a strategy of selling to as many countries as possible.

6. Think Local

Stop dreaming of China! USA exporters should look at Canada and the Americas first. Europeans have been exporting for centuries, but should consider emerging countries in Central and Eastern Europe and then the Middle East.

Export is not easy. We'll find many answers if we remember what we learned in our first year on the job selling to local retailers. Good Luck!

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"Spend Time Selling to Distributors versus Searching for Distributors"

Strategic Services

International Strategy Expert

Export Solutions has written the *Export Strategy Guide*. This handbook is a valuable industry resource. Our strategic services adapts the concepts from our *Export Strategy Guide* to meet the needs of your business. Expertise covers global market prioritization and criteria to identify Best in Class distributors from average players.

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*Recipe: Best in Class Partnerships**

Ingredient	Brand Owner	Distributor
Results	Realistic expectations based upon investment/market conditions.	Achieve sales increase in excess of overall market growth.
Category Expertise	Share knowledge, trends, and category analysis.	Serve as local category expert. Educate the buyer.
Innovation	Constantly deliver important new product ideas to market.	Successfully launch new products into the market.
Investment	Appropriate Investment levels: marketing/trade promotion.	Optimize return on investment.
Store Presence	Create clear, realistic guidelines for in-store presence.	Share of shelf exceeds market share. Maximize visibility.
Ideas	Support market driven ideas to build the business.	Relentless pursuit of new and better ways to grow sales.
Reporting	Concentrate on Basics: Listing Map, Pricing, Merchandising Plan.	Complete reports accurately and on time.
Focus	Periodic market visits and “rapid response” to issues.	Appropriate level based upon brand size and opportunity.
Cost to Serve	Remember that distributors need to make money too!	Fair margin based upon brand size and complexity.
Recognition	#1 Fan. Frequent recognition of good results by all team members.	Strong commitment to exceed expectations everyday.

**Mix Well for Best Results*



Strategic Services

**Identify Best in Class
Distributors: 96 Countries**

Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

Contact Us for Export Solutions

Lessons Learned

'Tis the season for 2023 planning. Most of us will dust off last year's presentation, update the charts, and supply conservative estimates on why this year's 10% export shipment increase won't be repeated. Impress your executive team with some hot new charts and Lessons Learned analysis for your business review document. Leadership tends to display laser focus on "just the numbers." Tremendous business intelligence can be gained through a structured review of Lessons Learned: what's working, what's not, and what needs to change.

Listed below are a few hot button topics to include in this year's review.



1. Business transition from Established markets to "New Frontiers"

Export Solutions segments markets into three groups: Established Countries (mature), Developing (Growing Countries, low per capita sales) and New Frontiers (new / future markets). How does your business split by these three groups? What are the trends? This is a key measure for multinationals.

2. BRIC Performance

Shipments alone do not tell the whole story. Look at per capita consumption, percent distribution penetration, market share, and geographic reach. Extend approach to other high potential countries such as Indonesia, Mexico, and Saudi Arabia.

3. Global Retailers

Walmart, Carrefour, Metro, Auchan, Casino and Costco exhibit strong growth trends outside their home markets. Compare your progress with global retailers versus the balance of the markets. What retailers and countries are leading the way? Why? What's working? Sales through local distributors or direct shipments?

4. Shipments versus GDP

An important metric is shipment performance compared to a country's GDP benchmark. Flat shipment levels in struggling countries such as Italy, Spain or Portugal may reflect better organizational results than a 5-10% increase in growing areas such as China and the Philippines.

5. 20/20 Analysis

Markets tend to be judged by the same standards. Look at countries ranked in your top 20% in shipment performance. What are the common threads and Lessons Learned? Are leaders all in the same region, distributor sold, high investment, or have more competitive pricing? Similarly, do the bottom 20% of your markets experience common characteristics? Remember, there is no shame in admitting "problem" markets. All brands feature a regional mix of high achievers and low performing markets. Consistent under performers limit our ability to meet and exceed our own personal objectives.

6. Pricing, Promotion, and Proximity

Brand results are directly proportional to your fundamental investments in competitive pricing and brand building. Can you cluster markets based upon price gaps versus local competition? Is there a correlation between high spend markets and results? Is promotion paying out? Some of our industries' greatest international success stories result when the brand moves to local manufacture through their own plant, joint venture, or contract packer.

Involve your distributors in the process. Normally, a one-two page template requesting feedback will reveal critical, market based insights. Create a culture of sharing positive success stories. All sales forces are competitive and want to be identified as the source of the next great idea.

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A Fresh Look at Your Export Map

Two recent business trips sparked a shift in my view of international development opportunities. Normally, I advocate primary export focus on developed countries with disposable income to afford premium brands. The new look urges a heavier investment in time and resources to pioneering “new frontier” markets which serve as our future growth pipeline.



Spent a week in bustling Manila. Business only, though tempted by the lure of the Philippines. Conducted seven meetings in five days with a mosaic of distributors and brand owners of all sizes. Energetic business partners from all sectors reported 10-20% annual growth rates for the past three years. Company owners were upbeat, speaking boldly about future investment plans.

A few weeks later made the pilgrimage to ISM, the famous global Confectionery show in Germany. Brand owners solemnly spoke of difficult retailer negotiations for flat to declining European businesses and fear of defaults in the euro zone. Several companies admitted that robust sales in Asia and the Middle East served as their “saviors” in 2021, offsetting negative conditions in Europe. I was invited to speak at the annual distributor meeting for a global brand selling to more than 100 countries. No surprise that “Distributor of the Year” award winner hailed from China, while the European crowd shrank in their seats, due to lackluster shipment results. My Friday flight back through Heathrow was 50% full, with a handful of businessman mixed with tourists.

Listed below are a few “Lessons Learned” as we look at redefining our global priorities.

1. Get started today in Philippines, India, South Africa & Saudi Arabia!

In the past, we agreed on one thousand reasons to avoid these complex markets. Companies need to “plant a flag” in these regional capitals now or risk obscurity or a costly penalty when you try to “join the party” when it is half over.

2. Calibrate Expectations: Small business but smaller investment too.

Realistically, shipments will be modest during your first few years in emerging markets. 2-3 investment years in the life of a brand is a short period of time. Fortunately, the cost of entry is also relatively low. It is relatively easy to make focused consumer and trade marketing investments to your prime consumer.

3. Invest in People, Presence, and Training

In this case, people are your most valuable asset. Adopt the right mix of sending a “missionary” from company headquarters with hiring local people who know the market and can learn your brand. Spend time in the field with sales teams and avoid spending hours in comfortable meeting rooms.

4. Think Small: Packages and Prices

Consumer spending power is frequently an issue in developing and new frontier markets. Many consumers in these countries shop every day, purchasing affordable package sizes. Consider smaller sizes that will deliver lower retail shelf prices. Reduce your case pack to manageable sizes that can fit on a sales van or in one facing at a small shop. Distributors and contract packers serve as excellent resources with many local contacts.

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Strategic Services

Best Practices Export Strategy

Export Solutions has participated on more than 300 projects across 5 continents. Our work extends across most supermarket categories. This provides us with us with a broad base of benchmarking contacts and lessons learned to incorporate into your export strategy.

Contact Us for Export Solutions

Looking for Top Distributors?



Finding the right distributor is tough work! Why waste time? More than 2,700 companies depend on our database to quickly find reliable distributors. Export Managers call us everyday to obtain our personal insights, advice, and comments on the 9,200 distributors in our database.

Export Solutions launched a new “**Top 5**” help desk service. **Top 5** service customers receive recommendations on the best distributor candidates for your brand in 96 countries. Contact us and we’ll tell you the **Top 5** distributors per country that are a “fit” for your brand and **Top 5** distributors to avoid. We’ve completed more than 300 distributor search projects in Asia, Middle East, Europe, and throughout the Americas (Brazil/Mexico). Distributor Identification is our core business.

Top 5 Program Details

Export Managers submit list of countries where they require a distributor. Greg Seminara researches request. Phone meeting in 72 hours to discuss **Top 5** candidate results. Purchase Premium subscription to Export Solutions database for \$2575. Includes one year unlimited access to entire database plus 12 **Top 5** phone meetings. Other distributor search packages begin at \$150 through our *Talk to an Expert* program.

Contact Greg Seminara for Top 5 service.

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Export Solutions
Distributor Identification Experts

Distributor Search 2022

Sial marks the seventeen 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 105 distributors in Italy and 9,200 distributors across 96 countries in about 10 seconds on my web site. Below are some important "lessons learned" about finding distributors.



1. 85 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 85 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 Anuga, Sial, 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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"Spend Time Selling to Distributors versus Searching for Distributors"

Strategic Services

Export 101: Let's Get Started

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.

Contact Us for Export Solutions

www.exportsolutions.com



Strategic Services

New Market Prioritization & Launch Plan

Our extensive market segmentation work helps clients quickly identify the best markets based upon their brand profile and investment approach. Normally, we can quickly help brands segment markets into three groups: Strategic, Priority, and Opportunistic.

Contact Us for Export Solutions

Treat Distributors as your Best Customers

Every export manager and salesman puts on their best smile when meeting with the buyer at a major supermarket chain. We bend over backwards to be flexible to meet their costly demands, all in the questionable spirit of partnership. In return for our loyalty, supermarket buyers focus on total category sales, private label, and maximizing internal profits by playing several brands against each other.

In other cases, we maintain adversarial “love-hate” relationships with our international distributors. We love them when they persevere for a breakthrough sale or achieve their annual sales quota. We blame the distributor for slow sales, delisted items, out of stocks, high prices, low prices, or any of the hundred imperfections that may occur in the world of consumer packaged goods.

I must admit that frequently I have been guilty of kissing the ring of the supermarket buyer while grilling my distributor like an underperforming sales representative. In reality, I should view my distributor as my most important customer. A distributor serves as your “buyer” for an entire country, not just a few stores. Distributors may not be perfect, but they are your chosen partner in brand building.

Consider the below facts.

1. Distributor is loyal, concerned with building your brand, not every brand in the category.
2. Brands and Distributors share common goals. When the distributor sells more, you sell more.
3. Distributors back your brand with their own funds. Some distributors make personal bank guarantees to source funds to pay your invoices.
4. Distributors believe in your brands and they believe in you! They are investing their own money and resources to support your brand and ideas.
5. Successful distributors are like family, with relationships extending for 10, 20 years or more. Buyers may change, but many passionate distributors represent the long term “face” of your brand in their country.

Companies strive to be viewed as a preferred vendor by their buyers. Similarly, exporters should endeavor to achieve a similar status with their distributors. Apply the same principles of outstanding customer service to your distributors. Keep the supply chain filled, create innovative new items, invest in marketing, and pay invoices promptly. Importantly, write your distributor a periodic note of thanks, mail him a book, or invite him and his wife out to dinner during your next visit.

Treat your distributor network as your “preferred” buyers. Extend them the same type of respect, flexibility, and patience that you would provide to your largest retail customers. A distributor who knows that you value his business will reward you with increased effort and new sales.

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Emerging Markets Fuel Industry Growth

This year I was invited to speak at the annual distributor event for an important European brand. At their Distributor of the Year awards ceremony, it was inspiring to see distributors from countries such as China and UAE receive recognition for shipment increases of 15 percent or more! Success strategies in these markets did not require huge marketing campaigns or payments of large listing fees. More often than not, the emerging market distributors were classic entrepreneurs, that deployed guerilla marketing techniques to build incredible sales momentum for this brand.

This first hand experience reminded me of the potential of expansion into emerging markets. Business conditions may be challenging in Western Europe, but there are many new markets enjoying exponential growth. Fortunately, there are many qualified distributors in most Asian, Latin American and Middle East countries anxious to pioneer good products. Emerging markets are not without risk and initial volumes might be modest. However, growth oriented companies should invest in some of these countries we've mentioned on our Hot Countries 2022 list. Listed below are some considerations for expansion into emerging markets.

1. Low Initial Sales Volume, but Low Investment Too!

Calibrate expectations to include shipment of an initial container (or pallets in some cases), even if the countries population exceeds 100 million people. Start slow and build awareness and distribution. The good news is that trade spending and marketing budgets are much lower on a per capita basis. Naturally, your shipments will be proportional to your investment, but market entry is possible without the bundles of money required to enter a market like the USA, France, or Italy.

2. Focus On Top 20 Percent of Market Plus Global Retailers

Aim for reaching upper and middle class families in your first expansion phase. This segment of the population can translate to a market of 50 million people in Brazil or 30 million in Mexico. These families may be aware of your brand through international travel and more likely to be open to experimentation of different foods and flavors. For these consumers its more about product availability then just price. Target countries with global retailers (Walmart, Carrefour, Costco etc.) where your brand has a track record. Frequently, these stores differentiate themselves overseas with an international assortment. Often, these retailers are seen as upscale in emerging markets even if they appeal to lower income customers in their home country.

3. Strong Distributors Exist in Each Country

Outsourced solutions such as distributors minimize the investment required for market entry in emerging markets. Funds can be dedicated to market development versus hiring your own sales force and building a warehouse. For example, Export Solutions database tracks 2,030 distributors in Asia, 937 in the Middle East, and 1,574 distributors in Latin America. Most of these distributors represent other international brands providing their clients with instant critical mass.

4. Visit Each Country at Least Once

No experience replaces a market visit. This allows you to understand the market, consumer, and conduct due diligence on potential partner candidates. The business may not warrant frequent visits, but an initial examination will provide market intelligence that will last a lifetime.

Your long range plan must include expansion into high potential emerging markets. Better to start now, while the cost of entry is relatively low.



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Strategic Services

Personal Distributor Introductions: 96 Countries

Export Solutions' database tracks 9,200 distributors. After 300 projects and 20 years in export... I am proud to have personal relationships with hundreds of the best distributors in the world. My clients will confirm that distributors are happy to see me, because I am a vital link to the world's best brands.

Contact Us for Export Solutions

"Spend Time Selling to Distributors versus Searching for Distributors"

www.exportsolutions.com



Strategic Services

Walmart International

Walmart International began with a joint venture in Mexico in 1991. Today, Walmart's international sales total \$120 billion dollars, exceeding 24% of total Walmart sales. Export Solutions has been there since the beginning, with knowledge of Walmart operating units in Mexico, United Kingdom, China, India, etc.

Contact Us for Export Solutions

Straight to the Top

You think you are busy? Try serving as the owner or managing director of a distributor. The typical distributor represents 10-20 companies. This role is comparable to parenting 10-20 children, each vying for attention and requiring care everyday, not to mention the needs of the distributor's own employees.

A distributor's days are filled with back to back meetings, an endless stream of business dinners and an email inbox that never empties. So don't take it personally when you don't receive an immediate response from your latest email request.

The question for brand owners is, "how do I break through the clutter" to develop a collaborative relationship with the senior manager of your distributor partner? Below are five ideas for gaining management attention to your priorities.

1. Establish a Regular "Phone Date" – Export managers may find it tough to make personal visits to each market on a frequent basis. One concept is to establish a monthly (or quarterly) phone date with the managing director of each distributor. Shipment status is important, but the critical discussion should be around the two key business initiatives that are driving your business. You want him to be clearly focused on "what matters" versus buried under the minutiae of day to day trivia.

2. Top to Top – Invite the distributor owner to meet your company president or division manager. Distributors thrive on the prestige of meeting with their senior counterparts to talk about lofty goals for the industry's future. Upon return to the home market, the distributor will experience a renewed sense of commitment to your brand as he does not want to disappoint his "new best friend" at your company.

3. Distributor of the Year – My regular readers know that I am a strong proponent of establishing a Distributor of the Year program. This tactic tends to be an inexpensive way to motivate and reward distributor performance. Progress reports on the annual contest provides another important communication opportunity to discuss with the Distributor leadership team

4. Sports – Most of us enjoy sports either as armchair fans or active participants. A good way to connect with a distributor is to find a common link based upon sports. Discover the distributor's favorite sports team and invite him to a match. Many brands sponsor teams or have marketing relationships around events like Formula 1, Tour de France, or even the World Cup or Olympics. Everyone appreciates a ticket to a "hot event." For a distributor that is a golf fanatic, nothing beats an invitation to play at a world class course in your country. I am a tennis player and find that the stresses of the business day melt away after a competitive match of tennis. The important message is that your relationship with your distributors senior executive will change once you share some personal time together outside the office.

5. ESMA – One of the best ways to connect with leading European distributors is through ESMA. ESMA is the European Sales and Marketing Association, a group of about 100 of the strongest distributors in Europe. Distributor owners and leading international brands' senior managers meet once a year (2022 – Vilnius) to discuss issues of the day. There is a modest fee for Brand owners to join ESMA, but it can provide a gateway "straight to the top" at many of Europe's top distributors.

The new year represents an appropriate time to reach out via phone to your distributor's senior management. Ask about outlook for the new year, planned capital investments, changes in his market, organizational changes and reinforce your two major priorities for the year. My new year's resolution is to call my contacts more often versus email.

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Half Time Report: An Exporter at 50

I recently celebrated my 50th birthday with a minimal amount of complaining, backaches or sudden urges to parachute out of an airplane. As my youth disappears in the rear view mirror, I felt compelled to grab a once in fifty year chance to share some personal insights from my 28 year career in the supermarket aisles.



First, what a great business we have chosen for our life's labor. Many people dream of a career involving international travel, fine food, and making life long business contacts from all around the world. I consider myself fortunate to have survived the Procter & Gamble training program (Thanks Ray, Anne, Dean, & Randy) followed by a "masters degree" in sales management at Clorox from Professors Doyle, Anderson, Palmer & Phillips. But the award for career mentor must go to Rich Conti who convinced me of the wisdom of taking an assignment based in Jeddah, Saudi Arabia just after the first Gulf War. This taste of international propelled me to a career journey that led to Argentina, founding the Leading Distributors of the World and ultimately business projects and friends in 120 countries. Along the way, I met my Irish wife at a wine tasting party in Saudi Arabia, but that's a whole other story.

As a senior citizen, I own enough "grey hair" to share my "Lessons Learned":

1. Good news travels fast and bad news travels slowly.
2. If you want to know what's really going on, spend a day visiting stores at retail.
3. Pick up the phone and call a friend or business partner versus email.
4. A distributor (or Broker) respects what the brand owner inspects or "what gets measured gets completed."
5. Results are directly proportionate to your investment: Marketing, People, Focus.
6. Be positive. Think, "Why not?"
7. Shipment numbers rarely lie.
8. Put it in writing.
9. If two people in business agree on the principle of a deal, you can usually work out the financial terms.
10. There is more in common with industry practices across the globe than differences.
At the end of the day, brand owners everywhere want more shelf presence and retailers demand more discounts and allowances. Recognize the differences in markets, but focus on the universal requirement for superior products, marketed at a fair price.

Most Important Lesson:

Marry the right woman! (I did!) Makes everything else in life a lot easier.

As I lace up my selling shoes for the second half of life, I look forward to a bright future.

My goal is to "Make New Memories" every day.

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Strategic Services

Distributor Contracts, Margins, & Fees

Export Solutions supplies valuable commercial insights for distributor contracts, margins, and fee negotiations. Frequently, we are consulted to provide comments to supplement the lawyers. Our advice saves brand owners large sums of money through improved protection and transparency in developing distributor contracts.

Contact Us for Export Solutions



Strategic Services

Meeting Speaker

Looking for a motivational speaker to challenge your audience to take your business to the next step? Greg Seminara serves as keynote speaker for distributor, company, and government sponsored events. Topics cover any of the 100 subjects written about in our *Export Express* Newsletters.

Contact Us for Export Solutions

Best Practice: Form a Distributor Advisory Council



It's a universal battle to secure your fair share of your distributor networks time and resources. This is the nature of working with an external sales team where you are effectively renting a "share" of the organization's time. Forming a Distributor (or Broker) Advisory Council represents a proven tactic at obtaining more distributor senior management focus and commitment to your business priorities.

Advisory Council Participation – Prestigious Honor for Distributors

Most Distributor executives would consider it an honor to receive an invitation from a supplier's CEO or vice-president of international to participate on a Distributor Advisory Council. This invitation would serve as a "non-monetary" recognition that their input was valued by the senior management of an international company. Advisory Councils can be initiated on a global basis or at continent level. The key is to create an impression of exclusivity where only five or six distributors are part of an elite group. Savvy brand owners often mix their councils with Distributor management from large strategic countries, countries where focus is an issue, as well as thought leaders from smaller countries.

Distributor Advisory Council Activities

An incentive for distributors to participate would be the ability to interact with the senior management or owners of a manufacturer. Normally, an advisory council would meet twice per year. Once at the company's headquarters and then a second time at a resort location in a good year or a major trade show. Agenda items could include a preview of new products, upcoming marketing campaigns, sharing of best practices, and a speech by an outside industry speaker. Note: Export Solutions frequently speaks to distributor groups. Normally the distributor is presented with a plaque or memento that recognizes his service. Advisory council terms last two years, allowing for the rotation of new members that aspire to join the high profile group.

Renewed Commitment to Your Business

A Distributor executive on your advisory council will experience a renewed commitment to your brand priorities. Participation on the council will link him closer to your company, brands, and priorities. The distributor may feel like "part of the family" as he now has a personal relationship with top management. Participating distributors will typically extend extra efforts to deliver leadership results, as they do not want to travel to a bi-annual meeting lagging behind expectations!

Watch-Outs

Developing a Distributor Advisory Council is a relatively low risk, low cost, high reward activity. However, membership selection can be tricky, as some distributors (particularly under-performers) may take the opportunity to criticize your plans and investment strategy. Others may leverage their new relationships with senior management to go "over the head" of the local manager responsible for the market.

Looking for innovative strategies to develop your distributor network? Export Solutions can help!

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Distributor Search Made Simple – 96 Countries



Recent Distributor Search Projects for Export Solutions

- Global distributor search across 26 countries supporting sale of 1 billion dollar food brand
- USA entry strategies and importer/broker search for 70 million dollar European ethnic food brand
- Indonesia, Malaysia, Philippines & Singapore distributor search for global snack brand
- Global strategic assessment: Europe, Asia, Middle East and Latin America for leading USA food company
- Brazil: “next level” business development for famous global food brand
- Europe and Latin America distributor search supporting spinoff of leading non-food brand
- Peru & Ecuador distributor search for 6 billion dollar food company.
- Mexico distributor search for global biscuit brand

Export Solutions serves as a phone consultant on more than 50 distributor search projects each year.

Why use Export Solutions as a distributor identification consultant?

Export Solutions has the unique ability to leverage our proprietary database of 9,200 distributors in 96 countries. Distributors everywhere respect Export Solutions as a valuable source of new business leads. Our ten step distributor selection process is a proven system to identify and hire the best candidate to build your brand. You provide us the brief and we facilitate the rest within 60 days!

**Contact Greg Seminara at (001)-404-255-8387
to discuss your distributor search project.**

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

www.exportsolutions.com

Buyer for a Day?

Veteran sales executives have spent years preparing for and participating in sales calls on buyers. Did you ever wonder what it would be like to switch places with your buyer at a major account for a day? You are probably smiling pleasantly at the prospect of making loud, unrealistic, demands on your squirming buyer for a change. Listed below are thoughts on understanding buyer motivation and how to adjust our business plans to sync with their objectives.



"Your Place and Mine" – Buyer for a Day

It is a worthwhile initiative to pursue a "sharing exercise" with one of your buyers. Basically, the idea would allow you to sit in ("shadow") with a buyer for a day's activities. In return, the buyer could spend a day with you at your office gaining insights into your business responsibilities and management objectives. Clearly, you would obtain first hand insights into "under the radar" buyer roles and responsibilities. The buyer would also benefit through exposure to requirements and practices to serve as a commercial sales manager. Certainly, there are issues of confidentiality and avoiding competitive information sharing. These are manageable if both parties are open to operating outside the box to secure a new learning experience. Your distributor may be able to arrange the exchange or pick an account where you have a good relationship.

Buyer Report Card

Have you ever asked a buyer "What are the key metrics that you are evaluated on?" No one will be surprised about buyer objectives related to sales increases and gross margin gains. Your buyer could focus on critical targets related to inventory turns, order fill, sustainability, or private label development. Another question is "How does your buyer spend his time?" You may learn that the buyer sees suppliers two days a week and spends other blocks of time on category analysis, merchandising meetings, store visits, or in other areas that you had never even considered. Learn how your buyer is judged, how he allocates his time, and the timing for the retailer's fiscal year.

What's New?

My experience is that most buyers love the business and are thrilled by vendors sharing of truly new information and consumer insights in the categories they handle. Buyers often manage multiple categories and struggle to have time to analyze the causal factors behind the numbers. Sales representatives that avoid the trap of sharing "old news" will be welcomed. Why not invite a buyer on a "field trip" to a different market to study your category or to your product development lab to see your companies new innovation process first hand?

Implications

Buyer for Day presents a thought provoking concept. Even without a physical exchange of activities with a buyer, we can all take 30 minutes to think about your buyer's job responsibilities and assessment metrics. Think about what would interest you during a new product presentation. Consider that a buyer may be skeptical because each category participant claims that his product tastes better or works faster. Create a plan to gain credibility as a source of new information and ideas that sync with a buyers own objectives. Lastly, a successful "Buyer for a Day" initiative will bring you closer to a key buyer, establishing a stronger personal connection that will ultimately translate to a more favorable impression for your brands and business ideas.

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Strategic Services

International Strategy Expert

Export Solutions has written the *Export Strategy Guide*. This handbook is a valuable industry resource. Our strategic services adapts the concepts from our *Export Strategy Guide* to meet the needs of your business. Expertise covers global market prioritization and criteria to identify Best in Class distributors from average players.

Contact Us for Export Solutions



Strategic Services

**Identify Best in Class
Distributors: 96 Countries**

Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

Contact Us for Export Solutions

2022: New Year, New Business Ideas

Finally, the opportunity to close the book on a “mixed” 2021 with a fresh start to 2022. Many companies have been engaged in the 2022 planning process for months. January has arrived and now is the time to translate plans to action. In today’s business environment, execution of the same plans and same promotions as the past will deliver mediocre results, even for leading brands. Try something new! Listed below are a few ideas to make a difference in 2022.



Launch Breakthrough

Think Big! An adjustment in mindset towards “What if” can deliver game changing results for your business. The consumer goods industry contains many success stories where hungry innovators challenged existing status quo to achieve Breakthrough results. Breakthrough is about delivering extraordinary results by employing unique strategies and perseverance. The beauty of Breakthrough is that everyone can participate. Each team member needs to analyze his business and identify one sale or achievement that would deliver maximum impact. Breakthrough objectives should focus on “Big Wins at Big Accounts” and be aligned with your company’s overall growth strategy.

Co-Branded Promotional Campaign

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, Snacks, Drinks, Condiments, etc. Another example is a retailer promotion celebrating their anniversary or support of their designated Charity (Breast Cancer, Diabetes, etc.). In many countries, leading distributors sponsor an annual event for all the brands they represent. Many countries export offices organize annual events at leading supermarkets for all food brands from their country. In each case, manufacturers pay for a portion of the event as costs are spread out among all brand participants.

Hot Countries

Business may be tough at home, but certain regions will thrive in 2022. GDP growth is positive for most of Asia, with particular strength in Philippines & India. Focus on VIP countries of Vietnam, Indonesia, and the Philippines, a growing region of 500 million people. Export Solutions is also upbeat about Latin American countries such as Mexico, Colombia, and Panama.

Distributor of the Year – Sales Contest

Sales people love to compete. It is incredible the results that can be generated for a modest prize. Launch a first quarter sales contest to get the year off to a good start. Consider a Distributor of the Year program.

Underperforming Markets – Distributor Change

All Companies Have Problem Markets! The first step is to admit that the market has a problem. It’s a natural instinct to rationalize poor results and hope for future improvements. We must remind ourselves that chronic underperformers impact our ability to achieve our personal sales and profit targets. Organization change is a last resort, but sometimes the best avenue to reinvigorate your brand. A new distributor brings energy, focus, and commitment. Make the decision today, in order to have your new distributor make an impact on second half 2022 sales.

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Distributor Participation on Global Account Teams



10 companies deserve recognition as “Global Food Retailers.” The list is easy to compile, including the familiar banners of Carrefour (32 countries), Metro (32 countries), and Walmart (22 countries) plus a few others. Global retailers wield tremendous clout over their suppliers for more than their critical mass.

Their uniformity of format, information technology, company culture, and communication vehicles create enormous advantages versus the out-manned brand owners. The supplier community typically operates in country based silos with matrix organizations that may include direct sales teams, distributors, and brokers depending on the country. This results in a mosaic of different company cultures and business models jammed together to service the powerful retailers.

Normally, global retailers trust their country based buyers to make most routine product assortment, shelving, pricing, and merchandising decisions. The buyer seller relationship is rarely optimized, as local key account managers lack the lateral connectivity with their counterparts servicing the same retailer in different countries and continents. In many cases, the key account handler is a distributor employee with little exposure to the global retailers business outside his home country.

How do we “bridge the gap” to include Distributors in the global account management process? Listed below are practical next steps:

Select Global Retailers Critical to your Business – There are about ten retailers warranting “Global Retailer” focus. However, suppliers may elect to establish teams and invest resources in one or a handful of global retailers. For example, a manufacturer selling primarily to Asia and the Americas may not need to create a team for Metro or Auchan.

Establish your Team – The team should include each account manager handling the global retailer at a local level whether he is a direct employee or a member of your distributor. Executive level country managers or distributor management can be included, but should not replace the direct sales person responsible for daily account management.

Roles and Responsibilities – Team leader should communicate the charter of the group and include areas of responsibility and control as agreed to by stakeholders. The team leader should serve to educate the team on the global retailer’s corporate operating philosophies and initiatives, facilitate the exchange of best practices, and offer the ability to provide guidance on problem solving. Distributor personnel should be viewed as full members of the team. Leaders need to be sensitive that distributors are a “shared service” model and may not be able to devote 100 % of their energy to your brand priorities.

Scorecard – The team objective is to build business. The scorecard allows the team to rollup results on a global basis, measure progress on shipment objectives, and track product authorizations by country. Distributors can share information on local status against key deliverables.

Information Access – One of the major tools is to establish a web portal or intranet for the global account team. This allows all international team members, including distributors, access to core information, tools, presentations, contacts, and success stories.

Distributors are viewed as valued members of the supply chain by both retailers and suppliers. Their greater integration in the business process at key global retailers will allow the manufacturer better linkage and results at the point of sale. Global retailers are growing at twice the rate of other competitors. Investment in resources against these customers makes sense.

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Strategic Services

**Identify Best in Class
Distributors: 96 Countries**

Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

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Does Your Distributor Network Need A Check Up?



Exporters manage distributor networks extending to 20, 50, 70 countries or more!

Every company has a few distributors that under perform.

“Under achievers” prevent us from attaining our personal objectives.

Distributor Network Check Up

- Independent assessment from Export Solutions
- Establish methodology for ranking Best in Class distributors and “Laggards”
- Supply strategies for recognizing top distributors and upgrading the bottom performers
- Benchmark external brands from your category
- Practical and “action oriented” approach

Export Solutions Can Help!

- Distributor Network Assessments
- Motivational Speeches
- International Strategy
- Find Distributors in 96 Countries



Export Solutions
Global Experts, Local Solutions

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

www.exportsolutions.com

Exports Made Easier?

The launch of Export Solutions brought a 25 year export veteran into the world of E-Commerce. Clients frequently ask "How did you come up with the idea of an online distributor/importer database"? Well the story goes something like this...



I was hired by a well known company to locate a food distributor in Italy. Went through the usual steps of Google Search (over 3 million hits), locating old business cards, leaning on embassies, calling old (okay, not so old) friends, etc. Ultimately, by kicking, scratching, and searching for about a week, I was able to compile a preliminary list of 20 potential distributor candidates for Italy. Not bad, but a lot of effort. I harkened back to my days at Clorox, when the National Food Brokers Association (NFBA) published an annual directory of USA brokers. Finding a market list of brokers was easy, you simply "let your fingers do the walking" in the NFBA directory.

Well you can pretty much figure out the rest. I spent 6 months organizing all my business cards, contacts from Leading Distributors of the World, and manufacturer's global distributor's lists into a basic spreadsheet. Then, I interviewed various web design firms to see if I could find one who could grasp the difference between a broker and a distributor. Luckily, I found the folks at Webbifi (free plug?) who waved their magic wand over all my articles and spreadsheets (now known as content) and worked their magic to create my web site.

It felt great to launch version 1.0. of the database. Today, we cover 96 countries and just over 9,200 distributors. Manufacturers can buy a Italy country distributor list with 84 distributor contacts in less than 3 minutes...a great "time saver" versus my "Italy approach." In my CPG days, it was okay to rest a little after a big new product launch. Unfortunately, this axiom does not hold true in the internet world. People demand version 2.0, 3.0, etc. So, my to do list is not any shorter for 2022. This year we hope to expand database coverage to 9,500 distributors.

Lastly, a special thanks to all our early customers. Pioneering a business innovation is tough. It's a thrill when I check my computer and see an order from somewhere in the world. We are pleased with our progress, with about 500 people visiting www.exportsolutions.com each day from 75 different countries around the world.

Please stop by our site and view our free sample distributor list. We can help!

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Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

Contact Us for Export Solutions



Strategic Services

Best Practices Export Strategy

Export Solutions has participated on more than 300 projects across 5 continents. Our work extends across most supermarket categories. This provides us with a broad base of benchmarking contacts and lessons learned to incorporate into your export strategy.

Contact Us for Export Solutions

Some BRIC's are Broken

Oops. Companies that targeted BRIC countries as the cornerstone of their international strategy suffer disappointing results. Brazil and Russia appear deep in recession, India is labeled as a persistent underachiever and the China Express has slowed. The mid-term outlook does not improve.

Brazil's structural complexities represent a significant barrier to entry and the 52% currency devaluation versus the dollar places the price of imported brands now out of reach for most. Russia was a "borderline BRIC" to begin with. Russia should recover somewhat with the price of oil, but the fundamental fact is that Russia's population will decline by 5 million people by 2025. India remains tough to conquer, except for multinationals with bundles of money. However, the Nestlé Maggi noodle scare sent shock waves, causing big investors to think twice.

China is the big prize, with millions moving permanently into the middle class and shopping at modern supermarkets filled with international brands. The Chinese love imported Confectionery, Snacks and Beverages, but have been slow to embrace other "Western" Foods. Marketers need to teach Chinese consumers about their categories and conduct research to learn to adapt their brands to Chinese taste profiles.

Listed below are Export Solutions' insights to reduce dependency on "Broken BRIC's" to new sources of future growth.

1. USA opportunity is "bigger than BRIC's" for European exporters.

With the dollar trading near parity vs. the Euro, this is the time for Europeans to develop the USA. Treating the USA as another export market will result in failure. Please approach the USA in the "American" way by hiring an experienced USA broker manager based in a place like Chicago or Atlanta to navigate the system. Test your product with mid-size chains, investing in consumer activities and trade promotions.

2. Mexico is Hot!

Mexico's population will pass 135 million soon, passing Japan to be the 11th largest country in the world. Mexico's economy is a star in Latin America, as it serves as a supply depot to the USA. Many auto and industrial manufacturers produce in north Mexico, a short stroll to the USA market, avoiding month long shipping backlogs from Asia. This translates to increased spending power and an expanding Mexican middle class.

3. Target the VIP's: Vietnam, Indonesia & Philippines

These high growth countries will exceed 500 million in population by 2025. USA exporters are discovering the Philippines due to the 107 million population with good acceptance of USA brands. Myanmar is worth a look, with a new government and a population of 56 million. I have visited Myanmar twice and am optimistic about the future.

4. Hire a Team for China

Winning in China requires a team effort. The battle has shifted and "over achievers" place a team of local sales, marketing, and research professionals on the ground to build the business. This is true even when you are working with a distributor. Don't rush to follow the pack to "Tier 2" cities until you have completed the job in major supermarkets in Shanghai, Beijing, and Shenzhen. China holds great potential, but you will be lost managing from home office.

Brand owners face difficult choices on where to place "big bets" on new market development. BRIC disappointments provided expensive lessons on the long term process of changing eating habits in emerging markets. Our island market success stories remind us that export business contains a mix of giant countries and smaller, profitable nations. Senior management must be willing to admit "we've failed" if you have small businesses in pivotal countries like China, USA, and Mexico. Frequently, the answer is to treat these big countries like your home market with investments in product innovation, local factories and fully staffed teams.



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Distributor Intelligence

The export business has changed dramatically since 2004 when Export Solutions was founded. Companies routinely export to 30 to 70 countries or more. As international expansion captures a higher strategic priority, senior management demands a higher performance standard from our distributor network. Companies are no longer content to have “any”

distributor in a high potential country like China, USA, or Mexico just to claim another flag on the map. The expectation is to align with a “Best in Class” organization just as companies would in our home market in the USA or Europe.

International development requires a higher level of due diligence during the distributor selection process. In the past, finding qualified partners was a “hit or miss” effort. The cycle depended on spontaneous meetings at trade shows, referrals from colleagues, or Embassy contacts. Some manufacturers awarded “consolidators” wide portions of geography like Asia or the Middle East due to their inability to identify distributors in a far flung country.

In 2007, Export Solutions recognized the fundamental need for business intelligence on distributors. We launched the industry’s first distributor database, created from the standpoint of an export manager. In eight years, we’ve learned a lot and expanded the database to 96 countries and more than 9,200 distributors.

Export Solutions is pleased to announce the next generation in Distributor Intelligence.

1. Now Searchable

Clients of our database can search our database using filters for Country and Category. Another new feature is the ability to search by brand name. This allows you to identify which distributors your competitors use or other brands from your country. Our database offers “one click access” to distributors’ web sites

2. 85 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 85 distributors of all sizes and specialties per country.

3. Distributor Search Guide

Export Solutions has participated in more than 300 distributor search projects on 5 continents. We captured key insights into the distributor search process and published them in our *Distributor Search Guide*. This free guide provides relevant templates, questions, and assessment grids to be adapted for your project. Contact us or visit the Library section of our web site for your free copy.

4. Distributor Intelligence & Insights

Our database does not publish positive or negative comments on distributors. However, we maintain personal insights on many of the 9,200 distributors in our database. Clients who are premium subscribers purchase the option of calling Greg Seminara to secure input via phone on the top 5 candidates per country for their brand and personal insights on any distributor.

5. Annual Subscription

For a limited time, we will maintain our current \$975 price for an annual subscription. If you have used our database before, now is the time to subscribe again due to the new features and expanded category filters. Also, purchasers of individual country lists now have 90 day access to the information versus 24 hours before.

Visit our new web site for valuable distributor intelligence and insights for 96 countries.



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“Spend Time Selling to Distributors versus Searching for Distributors”

Strategic Services

Distributor Management Workshops

Looking to get better results from your Distributor network? Export Solutions has conducted Distributor management workshops for Barilla and Rio Mare. Topics include Best in Class Distributor Performance Metrics, Getting More Than your Fair Share of Distributors Time, and Distributor Economics.

Contact Us for Export Solutions

www.exportsolutions.com



Strategic Services

Export 101: Let's Get Started

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.

Contact Us for Export Solutions

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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How to Excite Buyers – New Product Checklist

Retail buyers are challenged to maximize profits and sales from every available inch of shelf space. Every new item accepted must improve on the performance of the brand currently occupying that space. Buyers are overwhelmed by new product offerings, all with ambitious promises. Improve your chances of success by incorporating Export Solutions' 10 point check list on how to excite your category buyer about your new product.

Buyers: New Product Assessment		
	High Interest	Low Interest
Category Opportunity	Large or high growth	Declining or niche
Brand Owner	Multinational or proven local. Category expert	New foreign supplier or start-up
Innovation	Something new, supported by consumer research	"Me too" product
Profit Margin	Enhance current category margin	Equal to or less than current category margin
Sales	Generates incremental sales	Cannibalizes existing sales
Marketing Investment	Sampling, social media, PR	None
Trade Programs	Invests in retailer "push" programs	Periodic discounts/rebates
Brand Track Record	Successful at other local retailers	Unproven in the country
Terms/Conditions	Attractive deal structure	Typical terms/conditions
Representation	Dependable local distributor	Small, niche entrepreneur

We've Got You Covered!

Distributor Database Coverage

Confectionery & Snack:
2,713 Distributors

Ambient Beverage:
1,691 Distributors

Gourmet & Ethnic Foods
3,276 Distributors



Middle East
937 Distributors
12 Countries

Asia
2,030 Distributors
17 Countries

USA Importer/Distributor:
598 Distributors

Latin America
1,574 Distributors

Europe
3,139 Distributors

9,200 distributors – 96 Countries

Subscribe now at www.exportsolutions.com

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



Strategic Services

Export 101: Let's Get Started

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.

Contact Us for Export Solutions

www.exportsolutions.com

Think Big, Start Small, Scale Fast

Think Big, Start Small, Scale Fast. Brilliant advice that applies to your 2022 international business plan. We dream of building a brand like Tabasco or Barilla that is available in supermarkets everywhere from Montenegro to Myanmar. Most export programs capture a modest degree of success, with strong brand development in countries closest to our borders, fading as we cross oceans away from our factories. What happens? Ultimately, companies fail to deploy the fundamental strategies that made them successful in their home market. The biggest gap is that international is always "under funded" in terms of investments in consumer marketing and people. Below are Export Solutions' ideas for pursuing the spirit of Think Big, Start Small, Scale Fast.

Think Big

There are 196 countries in the world. How many are you selling to? Your product is good, shoppers in your home country love it! There are many common threads in worldwide consumer habits in categories like confectionery & snacks, beverages, and personal care. World cuisine demonstrates global demand for Italian, Asian, Japanese, and Mexican food. Or consumers looking for authentic USA peanut butter, German pickles, or British tea brands. There are 7.9 billion people in the world, including more than 6 billion people living outside Europe and North America. There are at least one billion "middle class" consumers in emerging markets that regularly shop in supermarkets, many featuring brands from around the world. All are potential new customers.

Start Small

There is a cost of doing business in every country. Retailers everywhere request listing fees or equivalent investments in return for their valuable shelf space. Naturally, international consumers will want to try your brand before purchasing. The basic idea is to start your export journey in a handful of countries where you can invest at appropriate levels: trade promotion, sampling, and frequent visits to help your distributor. Frequently, the first partner may be a distributor that specializes in brands from your country. This provides opportunities to consolidate shipments and enjoy co-promotion synergies with other adjacent brands. Better to have a handful of thriving countries where your brand enjoys a strong position versus "flags everywhere," with tiny market shares.

Scale Fast

Most senior executives are willing to financially support a business plan that "pays out." Establish realistic benchmarks that track category development, market share, and your brand distribution. Institute a regular process of sharing "Lessons Learned." The distributor model is a universal outsourcing solution that facilitates and accelerates international development. Export Solutions database tracks more than 9,200 distributors in 96 of the top economies globally. The key is to staff internally to manage your expansion. This includes regional distributor managers plus sufficient marketing, supply chain, and other core team members.

Act Now

What does Think Big, Start Small, and Scale Fast look like for your company and your international aspirations? Does this approach require your leadership team to reallocate resources to international to redefine "Think Big?" Are there strategic countries where you are "under performing" and you need to "Start Small" again to regain momentum? What are the results metrics that will trigger a "Scale Fast" expansion?

We are fortunate to be involved in an industry with universal appeal, where most brands appear at their earliest stages of international development. The rules and framework for expansion are transparent, with a common requirement of investing in consumer activities and convincing supermarkets to provide your brand shelf space. Most brands will travel far if they incorporate the capabilities and commitment that created their hometown success story. Good luck!

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"Spend Time Selling to Distributors versus Searching for Distributors"



Strategic Services

**Identify Best in Class
Distributors: 96 Countries**

Export Solutions maintains the unique ability to leverage the power of our proprietary database for our clients. Distributors everywhere know Export Solutions, providing our clients with access to senior distributor management and special consideration for their projects.

Contact Us for Export Solutions

www.exportsolutions.com

Export Lessons From Your Local Grocer

Normally, my column is filled with advice on conquering China and the promise of new sales from far flung countries. At 55, I am too young to turn into a grumpy old man. However, I thought that I'd dedicate this issue to Export Failure or said a nicer way "why some export plans do not succeed." I believe that an examination of "what hasn't worked" may yield more important strategic insights than the obvious facts of where your export plan is delivering good results.

I receive calls every week from companies requesting Distributor Search help in Asia, Latin America or the Middle East. Most inquiries are from well known brands, but periodically I'll hear from a brand that I am not familiar with. My first question to the export newcomers is "How are you doing in your home country?" A typical response is that "our retailers are tough." What makes you think that retailers overseas are any easier? In global markets, you encounter complexities such as labeling requirements, international freight and currency fluctuations. As a first step, it's always better to build a solid foundation in your home country where you can problem solve in your own language and "babysit" your brand to success. A second step is selling to neighboring countries which maintain similar category habits and some brand recognition.

Some executives catch amnesia when they board an international flight. They forget the fundamental requirements of competitive pricing, trade promotion, consumer marketing, and alignment with a strong local partner. Many USA companies brag about direct shipments to Walmart international locations. In some cases, these represent one time orders. The brand dies without local marketing or merchandising support when few consumers recognize your product. EDLP means nothing without trial generating activities.

A leading European snack company approached me for advice on gaining traction in the USA. I explained that the USA is really straight forward. I asked, "what does it take to get on the shelf in your home country?" My client responded with the right answer: "Innovation, good price, promotion, and support from a trusted supplier." Exactly. USA buyers maintain the same selection criteria, although the investment dollars are higher due to our 333 million population. My follow up question stated, "what would it take for your largest local retailer to accept a new brand from the USA while obtaining the space from your brand, the category leader?" She replied that it would be next to impossible for a new overseas entrant to get placement at the big chains, but there are a few high end chains open to new items. Sounds familiar.

Export is a critical growth engine for most companies. Listed below are 5 "Lessons Learned" from your local grocer.

1. What are the requirements to get on the shelf of your local supermarket?

All buyers maintain the luxury of sorting through hundreds of products clamoring for shelf space. Why will your new product entry outsell what's currently on the shelf?

2. Consumers are willing to try something new, if there is a promotion.

Focus on small sizes or product samples. No one spends "big bucks" on a first purchase.

3. Start with upscale retailers first!

Each country has a chain of stores catering to high income, adventurous consumers.

4. Invest at proper levels with a small number of high potential customers.

Create a success story (and lessons learned) through pilot programs at smaller retailers. If you are successful, big retailers will seek you out. Savvy accounts are always searching for the next "hot product."

5. Avoid the temptation of selling to countries or retailers without support.

Better to say "no" if you can't provide brand support. No one is impressed if you waste company resources shipping tiny quantities to big countries. Also, failure prevents you from coming back to the market in a few years when you are ready to invest.

There is no magic formula to export success. Start by studying the fundamental reasons driving your success in your home country. Frequently, these strategies travel well, as long as you are willing to invest in marketing and people.

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"Spend Time Selling to Distributors versus Searching for Distributors"



Strategic Services

Best Practices Export Strategy

Export Solutions has participated on more than 300 projects across 5 continents. Our work extends across most supermarket categories. This provides us with us with a broad base of benchmarking contacts and lessons learned to incorporate into your export strategy.

Contact Us for Export Solutions

Boots on the Ground

What is your people strategy for your export business? Companies can't claim to be committed to international development managing via remote control from corporate headquarters. In the past, you could do it all...one person handling the globe and enjoying a few grand tours per year.

Today the business has changed, with exporters selling to 30, 70 countries or more and overseas sales accounting for 50 percent or more of growth. International distributors are allocating their valuable time and resources to manufacturers with "loud" local representatives. Distributors try their best for other brands, but "out of sight, out of mind" behavior may evolve. A challenge is that many companies are reluctant to invest in headcount in advance of sales.

Listed below are Export Solutions' tips on increasing your "boots on the ground" in foreign countries.

1. Regional Hubs – Common Option

Logical choices are Dubai, Miami (Latin America), and Singapore. Other popular spots include Panama or Bogota for Latin America. Some companies are avoiding expensive places like London or Hong Kong and hiring representatives based in alternates like Amsterdam or Manila. Usually the idea of placing your Asia representative in Shanghai and Latin America manager in Sao Paulo does not work out, as these people tend to remain appropriately anchored in their home country.

2. Loan a Company Missionary to a Strategic Country

In the past, companies would send brand managers to the field for mandatory sales training. The same concept applies to overseas countries. Assign a promising young manager to a 3-6 month project in a new or strategic country, imbedded in the distributor organization. They'll learn and you'll benefit from your "insider."

3. Hire Inexpensive Locals

In many emerging markets, a \$30-\$50,000 salary represents a solid, mid-level, career opportunity. It may be more productive to have four locals in Malaysia, Philippines, Thailand, and Indonesia than one high paid expatriate in Singapore.

4. Poach Your Distributor Brand Manager

Some distributors may gripe, but many will actually encourage the practice. The distributor employee knows your business, people, and how to get things done. Distributor owner likes his former employee on his large manufacturer's team due to a strong bond and common understanding of business issues. Multinational suppliers source a "trained" manager and offer a more attractive compensation package.

5. Export Management Companies

Regional export management companies are an attractive outsourced option. These companies feature experienced export managers who visit countries frequently, representing a basket of different brands. Compensation may be via a "fixed fee" or commission. Look for companies based in your target region versus your own company backyard. Hire companies that have international branches or travel constantly.

6. China and USA (European Brands) Require a Dedicated Manager

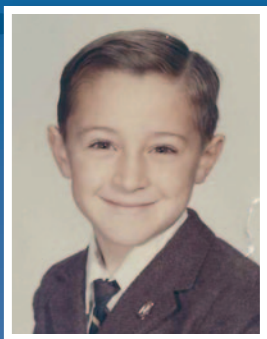
It's nice to visit the USA or China as top priority export markets a couple times per year. Don't expect to accomplish much as offshore guests. Both China and USA are extremely complex countries, with multiple channels, enormous geographies, and matrix partner models required. Hire at least one local person if you are serious. The same approach could apply to other large, high potential countries such as Mexico, Saudi Arabia, or Japan.

Export development is a team sport, not a one man show. The battle for distributor share of mind has intensified. Signal your support to long term development by increasing your in-country visibility.

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Strategic Services

Distributor Management Workshops

Looking to get better results from your Distributor network? Export Solutions has conducted

Distributor management workshops for Barilla and Rio Mare.

Topics include Best in Class Distributor Performance Metrics, Getting More Than your Fair Share of Distributors Time, and Distributor Economics.

Contact Us for Export Solutions

14 Years Young!

Export Express celebrates our fourteen year anniversary. This newsletter started as a simple way to share my "real life" experiences dealing with export challenges from my distributor search projects around the world. I wanted potential customers of my distributor database to understand that I was an export manager too, creating a special online distributor export helper, not just an aggregator of data.

Today, I am grateful for my 9,900 friends and readers around the world who have supported me. I've published 150+ issues of *Export Express*, contributing more than 300 articles on export strategy and international development using distributor networks. My favorite compliment came from an Italian export manager with more than 30 years experience, who said, "It is important that Export Solutions has compiled all the strategies and techniques that we all know about export, but sometimes forget. Your articles help refresh my memory plus provide new ideas, especially for the next generation."

Looking ahead, it's time to look at changing some things. Anytime we have been repeating any activity for ten years, even successfully, we need to revisit to remain relevant.

1. Focus on quality listings not just container sales.

Too many companies remain glued to order capture metrics, which reflects moving inventory from one warehouse to another. Devote military attention to a one page listing maps (by item) for major customers. Distributor focus on quality new product placements and in-store activity will create incremental sales volume.

2. Change Distributors, Export Manager Responsibility, Brand Managers... just change!

It is a natural tendency for any person performing the same task for ten years to get complacent. We must balance loyalty and experience with the need to stimulate "new ideas to grow old brands." Every company has distributors that it has outgrown and people that need a fresh challenge.

3. What is Your E-Commerce Strategy?

Our traditional supermarket customers keep getting smaller and costlier. Winners adapt a multi channel strategy. This may involve hiring sub-distributors that are channel experts. We can all agree that E-Commerce will only get bigger (watch China and India). Those without an aggressive E-Commerce strategy will be left behind selling price promotions to half full supermarket chains.

4. Attack the USA – (Overseas Companies)

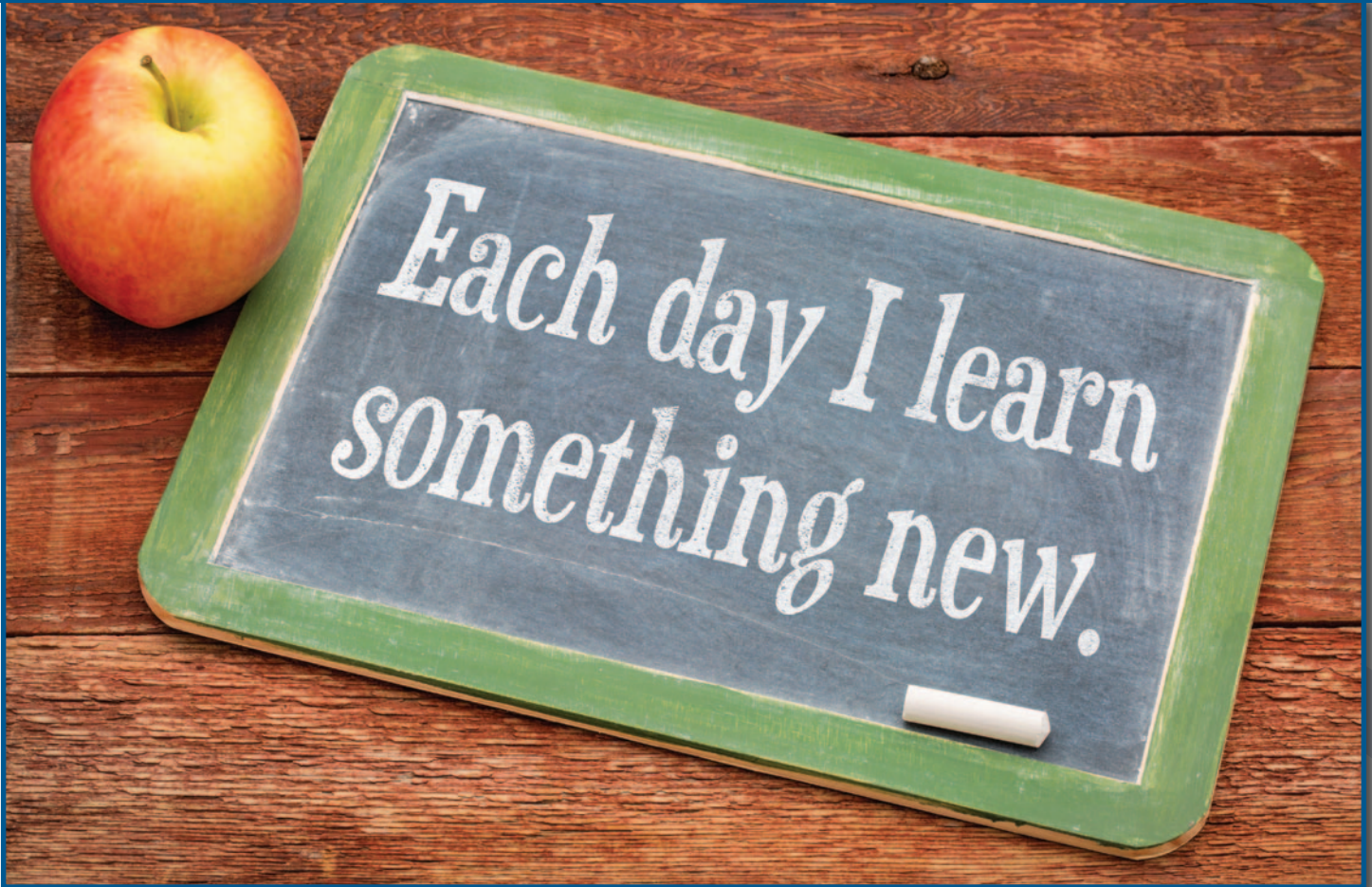
The strong dollar has made this the best time in a generation for European, Mexican, and British companies to make a serious commitment to development in the world's largest consumer market. Hire a USA based, multi-functional team, partner with a top broker, and invest to move beyond selling to homesick consumers in metro NY and LA. For many companies, the USA opportunity is larger than all emerging markets combined!

Export Solutions is not a one man show. It is a community of 9,900 export professionals and a network of 9,200 distributors in 96 countries.

Special thanks to Claudia who makes the newsletter pretty and Patty who ensures it's delivered. Josh is the wizard behind the database. I must mention Marco, Marco, and Alberto who supported me when I was starting out. Attilio, Bill and John started as clients and became friends which is more important. So many friends from Italy, that make me proud of my Italian heritage. A 150 year old company from Avery Island, Louisiana that has adopted me or I've adopted them, but I just love them. Finally to all my friends from ESMA...for the last 20 years, you have welcomed me as an American to a European organization. Your award to me at your last annual convention was special. I still have three daughters in school, so count on me for another eleven years of *Export Express*.

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New Ideas for New Business



Export Workshops & Speeches by Greg Seminara



Export Solutions
Global Experts, Local Solutions

*"The real voyage of discovery consists not in seeking
new lands, but in seeing with new eyes."*

— Marcel Proust, French novelist

Export Workshop Overview

- On-site and web workshop options available
- 8 Export Development & Distributor Management Modules
- Includes 25 Common Export Problems group work
- 200+ topics available for tailored workshop
- One hour keynote or motivational speech



“At our ESMA annual convention – the summit of the distributor industry in FMCG in Europe – we share thoughts and invite speakers of significance. Greg Seminara was invited to speak about his view on the development of distributors and the elements in the marketing mix of relevance to this business sector. Greg impressed his audience with his vast knowledge, his ability to communicate and some clear thoughts about the drivers behind results. The feedback to his speech was excellent and participants highlighted his hands-on understanding about our business.”

CEO – ESMA
European Sales & Marketing Association

Testimonial

About Greg Seminara

Greg Seminara founded Export Solutions in 2004 after a career with Procter & Gamble, Clorox, and the leading USA Food Broker. This included positions based in the USA, Saudi Arabia, and Argentina. Credentials include:

- Creator of industry distributor database: 96 countries, 9,200 distributors
Categories: Confectionery / Snack, Gourmet / Ethnic, Beverage, Italian Foods
- Author / Publisher of *Export Express Newsletter* (circulation: 9,900)
- Author / Publisher: *Export Strategy Guide*, *Distributor Search Guide*, *Selling to the USA*, *Distributor Management Guide*, *300 Tips for Export Managers*, and more than 200 articles on export development and selling through distributors.
- Completed 300+ Distributor Search projects in 48 countries – 5 continents



Dear Greg

“I am very grateful for the excellent training we were able to set up with your support in Parma last month. The two day program proved extremely helpful, rich with insights and experiences that we were striving to deliver to our key people in international markets.

The two days allowed us to cover broad & strategic issues, such as country segmentation & prioritization, as well as very specific and practical issues, such as the distributors’ business models, drivers of distributors’ performance and how that can be influenced by the brand owner, to how to improve performance in the “moment of truth,” with the “more in the store” section.

I therefore wish to take the occasion to thank you again for your important contribution, and am also very glad to mention that, as we do for all trainings done in the Barilla Lab Learning Center, your program was subject to a post evaluation from all participants, and that it scored among the highest programs taken in these past few years.”

Barilla
Director, Export Markets

Testimonial

Sample Workshop Agenda

Day 1 – “Models”

Topic	Core Themes
Strategic Export Development	Next Billion Consumers Market Segmentation/Prioritization, Different Partner Models
Best in Class Distributors	Best in Class Partner vs. Average Finding New Distributors
Break Group Case Study 1 & Report Out	Group Work
Lunch	
Distributor Economics	Distributor Financial Model/Watch-Outs
25 Common Export Problems Case Study #2 (Individual)	Individual Assignments and Report Out
Improving Market Visit Productivity	Maximizing Market Visit Activity

Day 2 – “Best Practices”

Topic	Core Themes
More in the Store	New Business Through Improved In-Store Performance
Getting More Than Your Fair Share of Distributors’ Time	Increased Distributor Focus on Your Priorities
Case Studies #3 (Group)/Break Out	
Becoming a Preferred Supplier	Best Practices to Being Viewed as a Preferred Supplier by Your Distributors

Workshop program concludes with lunch.

Export Workshop Options

- Schedule with annual sales meeting or international trade fair
- Combine Export Solutions' workshop with your own company presentations
- Share workshop between 2-3 non-compete local companies
- Keynote speaker for your annual distributor or company meeting
- Workshop for government trade development organizations and trade fairs



Contact Greg Seminara for More Details

Export Solutions Can Help!

- Export Workshops
- Motivational Speeches
- International Strategy
- Find Distributors in 96 Countries



Export Solutions
Global Experts, Local Solutions

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

www.exportsolutions.com

Greg,

"Thanks for the training workshop you ran for the team, it was very worthwhile and everyone's feedback has been very positive. It has given me a far greater insight into the world of third party sales partners and I am confident that we can now improve on how we work with these partners and ultimately improve our business results. I would have no hesitation in recommending this program to other Johnson & Johnson sales functions."

European Sales Director, McNeil Nutritionals Ltd., A Johnson and Johnson Company

Dear Greg,

"We would like take this opportunity to thank you for the good quality result of the export development seminar hosted by Italia del Gusto. The workshop has received an enthusiastic response from all the participants. We have really appreciated your expert information on core topics of strategic export development, distributor identification, and getting more out of current partner relationships. Based on the seminar's success, we look forward to further collaboration."

General Director, Consorzio ITALIA DEL GUSTO

Italia Del Gusto is a consortium of many of the leading food & beverage brands of Italy: Auricchio, Bauli, Barilla, Bolton Group, Colussi, Filippo Berio, Lavazza, Ponti, San Benedetto

Testimonials

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*

