



Export Solutions
Distributor Identification Experts

Summer 2022 | Volume 14 Issue 3

Export Express

Insights to Accelerate International Expansion



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

Looking for New Distributors?

How about 9,300? Export Solutions' distributor database has helped 3,000 brand owners in 14 years speed up the process of finding qualified distributors. Our database covers an average of 85 distributors per country of supermarket type products for 96 countries. Search by country, category, brand name, or country of origin. Experts for Europe, Middle East, Latin America, and Asia with complete regional coverage. "Spend time *selling* to distributors versus *searching* for distributors."

In This Issue

Page 2
Elevate & Activate

Page 4
Export Today: Tackling 5 Tough Issues

Page 5
Are You a Distributor Helper?

Page 8
FAQ's – Distributor Database

Page 10
Export Manager Report Card

Page 11
Export Journey: SMCG to FMCG

Good Neighbor, Great Customer



Frustrated by international shipping issues? Look next door to Canada. Canada purchased \$25 billion of USA agricultural products in 2021, a 12% increase versus 2020. Ninety percent of Canada's population lives within 100 miles of the USA border, less than a one-day truck delivery from northern USA distribution centers. The USMCA was approved in 2020 to replace NAFTA and facilitate trade between USA, Canada, and Mexico. Canada's GDP ranks tenth in the world, larger than Russia, Spain, or Australia. Companies looking to expand their international business should consider Canada a friendly neighbor and a growing country approaching 39 million people.

Opportunity Gap

Most USA and European companies market their brands to Canada today. A simple benchmark is the 10% rule. USA brands should measure their Canadian success in terms of sales per capita versus the USA. Companies achieving results in Canada at 10% of the USA are performing in line with market potential. However, a deep analysis typically reveals that the Canadian business is underdeveloped, with Canada sales penetration at 30-50% of the USA. Asian and European brands also perform well, as Canadian newcomers are often "first generation," still homesick for their favorite brands.

continued on page 7



Elevate & Activate

Many export managers are dedicated to market expansion in far flung lands. We celebrate new listings at international retailers, sometimes forgetting that the real development work has just begun. True success is measured by the “second” order at any customer.

Recently, I spent the day checking stores with a leading European brand owner.

Fortunately, my client enjoyed presence at a handful of high-profile chains visited. Most of our initial discussions focused on securing placement at the “next” group of supermarkets. Yet, brand placement at current customers was frequently towards the bottom of the shelf, with limited facings and no promotion. Ultimately, we concluded that there was probably a bigger business opportunity improving our shelf presence and in-store visibility at current customers versus chasing new ones.

Export Solutions’ “Elevate and Activate” strategy challenges brands to focus on the fundamentals of store level execution to enjoy incremental volume gains.



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. How do you determine a “good” store vs. a “bad” store?

Each company should publish in-store presence guidelines for each of their brands. These objectives should be shared at a distributor merchandising training session so your team is clear on in-store goals. Adjust expectations to reflect local conditions.

2. Eye Level is the gold standard.

Most brands battle for placement on the desirable eye-level shelf. International brands tend to be premium, delivering higher “penny profit” per unit sold. Normally, retailers prefer to allocate eye-level space to their most profitable brands. Where is the most common shelf location for your brand?

3. Activate excitement at the point of purchase.

Each store offers an opportunity to improve and offer the consumer a reason to buy. High impact price promotions are a reliable but costly tactic. Other options include point-of-sale placement or taking shelf stock to create a co-promotion with an adjacent brand already on display.

4. Spend a day at retail with your distributor.

Improving shelf conditions is not an office activity. Schedule a day in the field with your distributor retail manager and brand manager to discuss practical solutions “store by store.” Request that the store visits reflect reality, not just the best outlets that have been spruced up for your VIP “red carpet” visit.

5. What's measured is treasured!

Implement a universal methodology for store evaluation. Export Solutions created an “Is this store a 10” program, which can be adapted for any company in any country. Consider a retail sales contest to motivate store level representatives.

Each year presents tough challenges for incremental volume growth. Focusing on creating more retail “elevation and activation” at existing customers represents a proven strategy for brand-building success.

Good Luck!

Greg Seminara
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Introducing



America's Favorite Brands

20 Companies | 200+ Top Brands | \$85 Billion Combined

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

Export Today: Tackling 5 Tough Issues

The Covid pandemic sparked generational lifestyle changes impacting how we live, work, eat, and shop. Volume remains stable for now, yet all companies face unprecedented inflationary pressures redefining our pricing and margin framework. Businesses thrive with innovation, but ultimately cash flow determines the health and direction of our business.

Export Solutions explores the 5 key issues impacting international development today.

1. Supply Chain

Retailers can't sell what is not in stock. Six weeks is no longer considered "safety stock" for overseas distributors. Most export success strategies involve distributors taking longer inventory positions, up to sixteen weeks in some cases. This allows distributors to serve as "super suppliers" with inventory when others are out of stock. The strategy can function if all stakeholders closely watch product expiration dates, weekly "sell out," and the cost of financing the extra inventory.

2. Pricing

What will your shelf price be on January 1? As discussed, there is a delicate balance required for managing the four margins between factory and shelf: brand owner, distributor, retailer, and promotion. All participants have a vested interest in offering consumers a "fair value" price that reflects market reality, but avoids the sticker shock of a 20-30% increase versus last year. Distributors point to a solution where each participant displays

flexibility. This could include a scenario where a manufacturer delays a price increase several months, a distributor sacrifices some gross margin, and the trade agrees to protect penny profit, but take a lower margin. Promotion spending is a key variable, as many distributors deploy promotion funds to offset or delay the price increase.

3. Who is Your Team?

Tough discussions require managers to abandon their comfortable home office for life at the airport again. I advocate that an investment in a locally based manager may represent a higher investment priority than an increased marketing budget. To succeed in the USA (European brands), Saudi Arabia, and China you must hire an in-country representative glued to market issues. Additionally, please select a local expert as your manager, not someone from your country living abroad on a three-year adventure.

4. Elevate & Activate

Bigger opportunities appear through improved in-store execution in existing markets than chasing dreams in China, Indonesia, or Brasil. Our page 2 column shares practical strategies to elevate and activate your brand's presence at current supermarket and e-commerce customers.



5. 2023 Plans

How will you budget for 2023? First half 2022 results may inspire a false confidence for 2023 plans. Conservative thinking forecasts a 2023 recession, as price increases finally translate to shelf tags. Cash-starved consumers retreat to the basics, burdened by higher living costs everywhere. Fortunately, everyone still eats and appreciates an affordable food luxury. I appear optimistic for the Middle East and Asia, neutral on Europe, and pessimistic for Latin America (outside Mexico). An upside exists if the war in Ukraine ends and oil prices return to historical levels closer to \$75 per barrel.

No year is easy, and 2023 could feel the deep pain from inflation. A bright note emerges signaling that the dramatic limitations caused by the pandemic are slowly diminishing. Our lives are changed forever, but at least we can travel to resume the critical face-to-face discussions of business development.

Talk to an Expert

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



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

www.exportsolutions.com

Are You a Distributor Helper?

Successful distributors represent 20 companies or more. A challenge is the battle for distributor resources. How do you motivate a distributor to focus on your priorities? A leading European Distributor CEO (thanks William) reported that "they invest in companies that invest in them." What's important to the distributor?

Supplier Assessment	Considerations	Rating: (10 = Best)
Market Research	Local consumer research, syndicated data.	
Supplier Visit Frequency	Weekly, quarterly, annually?	
Marketing Spend	Zero to 25% of sales.	
Total Team Relationship	Knows entire team, not just CEO/BM.	
Export Manager Experience	New hire to 10 years or more.	
Logistics Service Level	Target 98% on time, complete orders.	
Customer Service	Same day response to one month reply.	
Product Innovation	Delivers breakthrough new products.	
Company Functional Experts	Supplies access: IT, supply chain, marketing.	
Awards/Thank You	Celebrates success with whole team.	
Local Marketing Events	Invests in local ideas. "Shows up."	
Supplier Portal	Brand facts, presentations, insights.	
Customer Relations	Key customer favorite to avoid calls.	
Sales Contest	Motivates/links with sales team.	
Invitation to Headquarters	VIP HQ invite or regional meeting.	
Category Expertise	Shares best practices from other countries.	
Social Media Content	Supplies quality, user-ready content.	
Currency/Terms/Billbacks	Two-way street. Open book.	
Senior Management Relationship	CEO establishes distributor relationship.	
Respects Distributor Margin	Healthy distributor is profitable.	
Achieves Results	Culture of mutual growth, partnership.	

Can We Help You?

Distributor Search Helper for:



Your
Logo
Here



Procter & Gamble



Johnson & Johnson



Recent Distributor Search Projects

Asia	Europe	Middle East	Latin America
Australia	Germany	Israel	Argentina
China	Ireland	Kuwait	Brazil
Indonesia	Netherlands	Qatar	Colombia
Japan	Nordics	Saudi Arabia	Costa Rica
Malaysia	Spain	UAE	Ecuador
Philippines	United Kingdom	North America	Mexico
Singapore	Africa	Canada	Panama
South Korea	South Africa	United States	Peru



Export Solutions
Distributor Identification Experts

Call the Export Accelerator!

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

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Good Neighbor, Great Customer

continued from page 1

One Country: Five Regions

Canada is the world's second largest country, stretching almost 4,700 miles. Ontario is a multicultural province. Toronto is a global city, like New York, hosting citizens with roots in Italy, the UK, and Asia. Quebec maintains strong cultural ties to France. On the west coast, Vancouver is an energetic gateway with many Asians and sharing similarities with the USA's Pacific Northwest region. The Prairie provinces of oil-rich Alberta plus Manitoba and Saskatchewan feature similar characteristics to the Great Plains states of the USA. All are proudly Canadian, but maintain regional lifestyle and food habits impacting our industry.

3 Chains: 39 Banners

Loblaws, Sobey's, and Metro dominate the supermarket channel. All three serve as retailers and wholesalers serving multiple banners, channels, and formats. For example, the Loblaws banner covers only 59 stores, primarily in the Toronto area, while their No Frills price-impact format features 274 stores across multiple provinces. Costco and Walmart dominate their channels featuring a mix of Canadian brands and international favorites.

Success Stories

Many companies look to Canada as a top country for export sales. This includes multinationals such as General Mills, Campbell's, and Smuckers, as well as other icons such as Bob's Red Mill, Tabasco, and Bush Beans. The common ingredients are strong key account management, winning the shelf battle at regional banners and investment in retailer activation programs.

	Sales*	Banners	Stores
Loblaws	41	17	2,439
Sobeys	23	13	1,970
Metro	14	9	1,612
Costco	30	1	106
Walmart	23	1	408
*billions of US\$, includes drug stores			

Distributor vs. Broker

There are several route to market models available in Canada. There are a wide variety of specialist importer/distributors plus North American style food brokers. Other hybrid models include formation of a small direct key account sales team, with financial and logistics services provided by an expert like Thomas, Large & Singer. All models can succeed, but best practices involve having at least one employee on the ground in Toronto (or Montreal) to manage the business from the Canadian side of the border.

Currency & Compliance

Today, one Canadian dollar is valued at US 77 cents. This falls within a historical range. However, all must pay close attention as the exchange rates have fluctuated between .69 to Canadian 1.03. There have been examples of companies suffering when not aligning pricing with currency movement. Canada requires bi-lingual labels. The US FDA and the Canadian CFIA and Health Canada recognize that each organization maintains comparable health safety systems. Labeling requirements are not identical, but most companies are able to align to Canada standards.

Export Solutions Can Help!

Our distributor database supplies information on 205 Canadian distributors across all category specialties and core provinces. We also track 76 retail and foodservice brokers. As noted, there are many customers beyond the top five. Our retailer database covers 95 Canadian retail banners, including 17 supplied by Loblaws, 13 from Sobeys, and 9 Metro banners. We have completed more than ten route to market and business development consultancy projects, making Canada an area of core competency.

Canada: Export Hero

Many companies are frustrated by the surging costs of containers and challenges of marketing premium products to emerging countries. We all market to Canada, but many companies may generate a higher return on resource investment here versus chasing far flung markets. Canada is not easy, but represents a growing country, with a diverse food culture, open to innovative brands from the USA, Asia, and Europe. Plus a visit to Canada allows you to meet nice people, visit Niagara Falls, and enjoy a doughnut at Tim Horton's. Good luck!

Export Solutions Can Help!

- Distributor Search helper in 96 countries

Contact Greg Seminara at
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www.exportsolutions.com



FAQ's – Distributor Database

Why did you create the distributor database?

Export Managers dedicate a lot of time to networking, always searching for good distributor recommendations. We waste precious time at trade shows speaking to “pretenders” with no hope of adequately representing our brands. I thought that the supermarket industry could benefit from a global distributor database to instantly find the leading distributors in any country.

How did you compile the distributor database?

Export Solutions sources distributor candidates using six specific strategies. This includes having access to the global distributor lists of more than 300 brands and store checks in at least 25 countries per year.

How accurate is the contact data?

Export Solutions' distributor database is updated every day! Distributor company names, web sites, and specialization rarely change. This makes the database 98% accurate at the company level. The distributors' key contact for new product inquiries and their email addresses may change as a result of job moves. Email address accuracy ranges from 80-90% depending on the country. We employ three separate mechanisms to keep up to date with changes.

What's new?

Our database has expanded to 96 countries and 9,300 distributors. It's now searchable, supplying country and category filter inputs or brand names! We also offer 90-day access if you purchase a country or category list. This allows you to work online and enjoy “one click access” to distributors' web sites. Naturally, we prefer that you purchase an annual subscription with unlimited access to the entire database for one year.

What is the difference between Export Solutions' distributor database and other “lists”?

1. Created by industry export professionals, not directory aggregators or other online companies with no relevant food/consumer goods industry experience.
2. Each distributor is personally validated by Greg Seminara. Distributors can not self register or pay to be in our database. We know the difference between a “best in class” distributor and a “one man show.”

3. Our distributor database is designed for manufacturers of branded products normally sold through supermarkets, pharmacies, and food service channels. We do not include distributors of commodities or ingredients.

4. Call us! Our specialization is distributor search, with 300+ projects completed. Contact us for a free copy of our Distributor Search Guide.

5. Our database is searchable by country, category specialization, brand name, or a combination of all three filters.

Which type of companies use our database?

Database clients range from small start-ups to the largest companies in food and consumer goods. Export Solutions' database has had more than 3,000 clients, including brand owners from all over the world. Leading government trade organizations from USA, Italy, Germany, and Brasil also develop special agreements to gain access.

What product categories are covered?

Distributors include specialists for branded food products, confectionery and snacks, beverage, natural foods, gourmet products, ethnic food, health and beauty care products, household products, and general merchandise. We offer outstanding coverage of Italian, German, Spanish and UK food distributors. Many distributors can handle any product that is normally sold through supermarkets, convenience, foodservice/catering, or pharmacy trade channels.



What are best practices in getting the most productivity from the database?

Successful companies use the database to screen companies to develop a top five list of high-potential candidates. They send a short introductory email with a web link to their company site. Then, the export manager follows up with a phone call within 48 hours. The database is an excellent tool to invite potential candidates to an international trade show like Sial, Anuga, ISM or Sweets and Snacks. Note: mass mailing distributors usually generates less than desirable results.

Does Export Solutions provide any additional information on the distributors?

Export Solutions knows many of the distributors in our database. Clients of our Premium Subscription or Talk to An Export Expert Services can gain access to our insights via phone on the best distributor candidates in any of the 96 countries we cover.

How do I access the distributor database?

Visit www.exportsolutions.com and click the distributor database page. You can place a subscription or country or category access into a shopping cart. Register and check out via credit card. The process takes two minutes and we automatically send you an invoice.

NEW!

Distributor Search Made Simple

Search By Country, Category, or Keyword. Keyword may include Brand name or Distributor name. Like what you see? [Click here](#) to purchase current distributor lists for 95 countries.

Continent: Country: Category:

Keywords:

86 Listings Page 1 of 4 Next >>

Location	Company	Website	Category	Specialties/Brands
Finland	Admico	www.admico.fi	Gourmet and Specialty Food	Gourmet /FineFood:Fiddes Payne/Jamie Oliver
Finland	Aduki	www.aduki.fi	Natural Food and Personal Care	Natural and Organic Food Specialists
Finland	Alfmix	www.alfmix.fi	Grocery, Italian Food and Beverage, Confectionery and Snack	Confectionery: Bertolli, Chuch & Dwight, Dancake, Guylian, Energizer, Fascini, Poco Loco, Toms, Rocky Mountain, Interfood

Go To Page: 1 2 3 4

Search by Country

Coverage: 96 countries and 9,300 distributors

Search By Category

Confectionery & Snack

Gourmet/Ethnic Foods

Beverage (Ambient & Hot)

Italian Food

Natural Food

Health & Beauty

Search by Brand Name

Tracking distributors for more than 500 of the world's most famous brands.

Combo Search

Enter multiple factors:

Example 1: Who are confectionary / snack distributors in Japan?

Example 2: Who is the Barilla distributor in Mexico?

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Export Manager Report Card

Assessment Criteria	Considerations	Rating: (10 = Best)
Annual Plan Development, Execution, Delivery	• Aligned, reliable, committed	
Export Experience – Food/Consumer Products	• New to 20 years +	
Ability to Influence Distributors	• Focused on your priorities	
Pioneers New Business	• From concept to containers	
Work Ethic	• Office time vs. overseas trips?	
International Citizenship	• Language skills, cultural alignment	
Category Knowledge	• Viewed as expert: buyers, distributors	
Business Leadership	• Partners with internal functions	
Distributor Relationships	• From sales reps. to owner	
Thought Leadership	• Creates and shares best practices	
Export Strategy	• Logical vision and road map	
Profitable, Sustainable, Exports	• Sells profitable cases	
Retail Store Conditions	• Brand presence vs. market share?	
Brand Building – Promotions	• Creativity, effectiveness, efficiency	
Problem Solving – Response Time	• Same day to one week?	
Customer Relations	• Senior access at top retailers	
Analytical Skills: Shipments, Nielsen	• Trends, opportunities, plan	
Digital Savvy	• E-commerce, social media	
Supply Chain Management & Forecasting	• Accuracy and efficiency	
Results vs Budget, Market, Category (CY, PY, 3 Years)	• Flat to 10% +	

Export Journey: SMCG to FMCG

A big difference exists in export strategy for SMCG (Slow Moving Consumer Goods) and companies committed to FMCG (Fast Moving Consumer Goods) brand building. Either model is okay. Many companies are en route between SMCG and FMCG. Alignment between aspiration, investment, and perspiration drives realistic outcomes.

	SMCG		FMCG
Aspirations	Niche	Participant	Mass/Leader
Consumer	Homesick	Upscale	Local
Research	None	Nielsen	Consumer
Portfolio	Best sellers from home market	Best sellers from home market	Tailored to region or country
Packaging	Standard packs stickered	Multilingual	Local language label and pack size
Factory	Corporate HQ	Corporate HQ	Offshore
Pricing	Super Premium	Premium	Competitive
Marketing	None	Sampling, Digital	360 Plans TV, Digital
Trade Spend	None	10-20% Discount	Ad, Display 20-30% Discount
Route to Market	Niche distributor	Mid -size distributor	Mass distributor or subsidiary
Country Focus	Adjacent Homesick Expats	Mid-size countries plus USA	All countries USA, China, Brasil
Channels	E-Commerce Homesick Expats	Supermarket E-Commerce	All channels
Oversight	1 visit/year from HQ	Regional manager	Dedicated country manager
Complexity	Low	Moderate	High

We've Got You Covered!

Distributor Database Coverage

Confectionery & Snack
2,737 Distributors

Ambient Beverage
1,716 Distributors

International Foods
3,316 Distributors

Middle East
940 Distributors
12 Countries

Asia
2,036 Distributors
17 Countries

USA Importer/Distributor
608 Distributors

Latin America
1,591 Distributors

Europe
3,155 Distributors

9,300 distributors – 96 Countries

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