



Export Solutions
Distributor Identification Experts

Export Treasure Chest

Export Express

Insights to Accelerate International Expansion



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

About Export Solutions

Export Solutions is a leader in export development and distributor identification services for the food, beverage, confectionery and consumer goods industries. We’ve worked as consultants on more than 300 export projects in 96 countries and 5 continents. Our “sales oriented” approach focuses on practical solutions to get your product on the shelf in supermarkets around the world. For more information visit www.exportsolutions.com Export Solutions has helped more than 2,950 export managers “Spend time selling to distributors vs. searching for distributors.”

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Export Solutions’ Favorite Templates & Charts

Export success has become complicated, with many requirements beyond a “handshake deal” with a promising distributor. Management demands a strategic plan guiding your export priorities. Finding strong partners must include an extensive due diligence process. Our annual plan cycle features a category review, price survey, and marketing proposal summary. Many export managers create templates to share information on these fundamental components of export development.



Export Solutions publishes our Treasure Chest free as a service to our industry. Export Solutions philosophy is to serve as a trusted “helper” and friend to all in the global export community. Sharing our proprietary templates validates our proven distributor search consulting methodology. Subscribers to our distributor database may also obtain Word versions of key templates to easily adapt for your own company’s use. “What’s measured is treasured.” Enjoy Export Solutions’ Treasure Chest!

Why recreate the wheel?

Export Solutions is pleased to launch our 2024 *Export Treasure Chest*. This guide shares our most popular templates and charts all in one convenient document. These tools supply “best practice” formats for many aspects of building a strategic export business. Templates cover Country Segmentation, Distributor Search, In-Store Management and Business Planning.

Greg’s Favorite Templates & Charts

- ✓ How to Excite Buyers
- ✓ Country Segmentation Grid
- ✓ 10 Step Distributor Search Process
- ✓ Distributor Data Sheet
- ✓ Category Review Template
- ✓ Distributor Assessment Grid

Export Solutions' New Distributor Checklist

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



5 Critical Questions to Thrive in 2025

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

“The Right Way” – New Country Launch

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

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

How to be Distributor of the Year

| Assessment Criteria | Considerations | Rating: (10 = Best) |
|---------------------------------------|--|------------------------|
| Results vs Plan, Market, Category | <ul style="list-style-type: none"> • Reliable, 5 to 10% + growth | |
| Retail Store Conditions | <ul style="list-style-type: none"> • Brand presence exceeds market share | |
| Brand Manager | <ul style="list-style-type: none"> • “A” player, dedicated resource | |
| Cost to Serve | <ul style="list-style-type: none"> • Fair margin, based upon size, complexity | |
| Omni Channel | <ul style="list-style-type: none"> • Channel teams, e-commerce focus | |
| Fun | <ul style="list-style-type: none"> • Do you enjoy the people, country? | |
| Financial | <ul style="list-style-type: none"> • Prompt payments, accurate billbacks | |
| Problem Solving – Response Time | <ul style="list-style-type: none"> • Same day service, sense of urgency | |
| CEO | <ul style="list-style-type: none"> • Loves your brand, engaged | |
| Pioneers New Business | <ul style="list-style-type: none"> • From concept to cases | |
| Supply Chain Management & Forecasting | <ul style="list-style-type: none"> • Accurate, efficient | |
| Customer Relations | <ul style="list-style-type: none"> • Senior access at top retailers | |
| Category Knowledge | <ul style="list-style-type: none"> • Viewed as expert by buyers | |
| Profitable Partner | <ul style="list-style-type: none"> • Sells profitable cases | |
| Analytical Skills: Shipments, Nielsen | <ul style="list-style-type: none"> • Trends, opportunities, plan | |
| Team (Finance, IT, Logistics) | <ul style="list-style-type: none"> • Cross functional expertise | |
| Digital Savvy | <ul style="list-style-type: none"> • Social Media team, pioneers new tools | |
| Reporting | <ul style="list-style-type: none"> • On time, complete, accurate | |
| Best Practices | <ul style="list-style-type: none"> • Creative idea source for other markets | |
| Cultural Alignment | <ul style="list-style-type: none"> • Perfect fit with brand owner’s vision | |

Export Manager Report Card

| Assessment Criteria | Considerations | Rating: (10 = Best) |
|---|--|------------------------|
| Annual Plan Development, Execution, Delivery | <ul style="list-style-type: none"> • Aligned, reliable, committed | |
| Export Experience – Food/Consumer Products | <ul style="list-style-type: none"> • New to 20 years + | |
| Ability to Influence Distributors | <ul style="list-style-type: none"> • Focus on your priorities | |
| Pioneers New Business | <ul style="list-style-type: none"> • From concept to containers | |
| Work Ethic | <ul style="list-style-type: none"> • Office time vs. overseas trips? | |
| International Citizenship | <ul style="list-style-type: none"> • Language skills, cultural alignment | |
| Category Knowledge | <ul style="list-style-type: none"> • Viewed as expert: buyers, distributors | |
| Business Leadership | <ul style="list-style-type: none"> • Partners with internal functions | |
| Distributor Relationships | <ul style="list-style-type: none"> • From sales reps. to owner | |
| Thought Leadership | <ul style="list-style-type: none"> • Creates and shares best practices | |
| Export Strategy | <ul style="list-style-type: none"> • Logical vision and road map | |
| Profitable, Sustainable, Exports | <ul style="list-style-type: none"> • Sells profitable cases | |
| Retail Store Conditions | <ul style="list-style-type: none"> • Brand presence vs. market share? | |
| Brand Building – Promotions | <ul style="list-style-type: none"> • Creativity, effectiveness, efficiency | |
| Problem Solving – Response Time | <ul style="list-style-type: none"> • Same day to one week? | |
| Customer Relations | <ul style="list-style-type: none"> • Senior access at top retailers | |
| Analytical Skills: Shipments, Nielsen | <ul style="list-style-type: none"> • Trends, opportunities, plan | |
| Digital Savvy | <ul style="list-style-type: none"> • E-commerce, social media | |
| Supply Chain Management & Forecasting | <ul style="list-style-type: none"> • Accuracy and efficiency | |
| Results vs Budget, Market, Category (CY, PY, 3 Years) | <ul style="list-style-type: none"> • Flat to 10% + | |

Are Distributors Interested in Your Brand?

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

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

30 Ideas to Help your Distributors

| | |
|---|---|
| 1. Trade Promotion Share Best Practice Trade Promotion concepts | 16. Innovation Launch new items with successful track record |
| 2. Celebrate Success Distributor of the Year Awards | 17. Sales Contest Fund contest to incent and motivate distributor team |
| 3. Category Expert Provide fact based trend updates | 18. Thank You Letter Letter of recognition for team to distributor CEO |
| 4. Logistics Service Level Target 98% on time, complete orders | 19. Event Sponsorship Support distributor events, especially retailers' charities |
| 5. Store Check Periodic visits to understand "retail reality" | 20. Distributor Workload Work proportional to distributor income |
| 6. Billback Reimbursement Prompt (30 days?) payment of distributor invoices | 21. Price Increase Provide fair lead time for price increases |
| 7. Distributor CEO Regular (quarterly?) checkpoint web meetings | 22. Reference Write testimonial or volunteer to serve as reference |
| 8. Response Time Earn reputation as "quick responder" | 23. Training Create Zoom training session for sales team |
| 9. Marketing Support distributor's ideas. Invests in creative programs. | 24. Portal Create Portal with presentations, brand facts, digital tools |
| 10. Customers Do not deal directly with distributor's customers | 25. Social Media Corporate experts available to help/share content |
| 11. Reports Stick to basics: sales, forecast, inventory, listing maps | 26. VIP Trip Your Headquarters Introduce distributor to your senior executives |
| 12. Market Visits Visit, but not too often | 27. Samples Support large sampling programs |
| 13. Team Building Create team relationship: finance, logistics, administration | 28. Corporate Functional Experts Provide distributor access to your corporate experts |
| 14. Distributor Profit Respect that a profitable distributor is a healthy distributor | 29. Consumer Research Conduct local research for consumer insights |
| 15. Syndicated Data Invest in Nielsen data | 30. Create Culture of Success Achieve joint business targets |

Can We Help You? Distributor Search Helper for:



Your
Logo
Here



Procter & Gamble



Johnson & Johnson



Recent Distributor Search Projects

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



Export Solutions
Distributor Identification Experts

Call the Export Accelerator!

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

www.exportsolutions.com

Distributor 2024: New Skills for New Times

| Priority | Comments |
|-------------------------------|---|
| E-Commerce | Treat as major channel, not niche. |
| Social Media | Hire digital marketing team, link with local influencers. |
| CEO Engagement | Regular Zoom calls with overseas brand owners. |
| Culture | Promote young, energetic spirit. Embrace change and new channels. |
| Category Specialization | Laser focus on core categories vs. products in every aisle of the store. |
| Training | Use Zoom tools for regular training events with brand owners. |
| Team | Hire under 30's for social media and e-commerce sales roles. |
| IT Investment | Upgrade platform: E-commerce, retail reporting, sell out data. |
| Cost to Serve | Measure profitability by brand and customer. Realign based upon 2024 reality. |
| Market Your Distributor Brand | Promote your distributor brand to leading companies in your core categories. Export Solutions can help! |
| Sampling | Aggressive investment in this A+ tool. Explore new sampling vehicles. |
| Brandscaping | Invest in a "Best in Class" web site. Create modern company profile. |
| Scorecard | Incorporate e-commerce metrics: Page 1 results, consumer feedback, etc. |
| Brand Managers | Reward creativity and marketing excellence, not paperwork completed. |
| Recipe | Promote meal solutions, not just brands. |
| Optimism | Be positive. Think, "why not?" |
| Results | Exceed expectations everyday. |

Export Manager 2024: New Skills for New Times

| Priority | Comments |
|-------------------------|--|
| E-Commerce | Treat as major channel, not niche. |
| Social Media | Create content library for distributors to “plug and play.” |
| Management Engagement | Zoom with distributor leadership team: CEO, CFO, VP Sales, etc. |
| Culture | Promote young, energetic spirit. Embrace change and new channels. |
| Category Specialization | Share category trends. Deliver product innovation, not “me too.” |
| Training | Use Zoom tools for regular distributor training events. |
| Team | Make your corporate functional experts available to your distributor team. |
| IT Investment | Upgrade platform: Brand portal, syndicated data, shipment status. |
| Cost to Serve | Measure contribution to distributor profit. Look at pricing and margin vs. agreement. |
| Marketing Your Brand | Invest to adapt your global marketing plan to local conditions. |
| Sampling | Aggressive investment in this A+ tool. Explore new sampling vehicles. |
| Brandscaping | Invest in a “Best in Class” web site. Robust export resource page. |
| Scorecard | Monitor pricing / assortment at retailer web shops. Incorporate e-commerce metrics in your distributor scorecard. |
| Brand Managers | Demand young digitally savvy brand managers. |
| Recipe | Promote meal solutions, not just brands. Look for co-promotion partners. |
| Optimism | Be positive. Think, “why not?” |
| Results | Exceed expectations everyday. |

Distributor E-Commerce Scorecard

E-commerce development and digital marketing expertise is a top priority. International distributors must establish a plan and demonstrate patience. Are your distributors e-commerce leaders, performers, or laggards?

| Assessment Criteria | Considerations | Rating: (10 = Best) |
|---------------------------------------|--|------------------------|
| Distributor CEO Commitment | • Investment, engagement, and patience | |
| E-Commerce as Percent Total Sales | • How big is e-commerce for distributor? | |
| E-Commerce 2023 Growth Rate | • Results: 2023 trends? 3 year CAGR? | |
| 2024 E-Commerce Growth Objective | • Benchmark versus overall country growth | |
| E-Commerce Team | • Dedicated? Experience? "A Players?" | |
| E-Commerce Analysts | • Dedicated or shared? | |
| Digital Marketing Manager | • Experience? Budget? Examples? | |
| Logistics: Fulfillment Capability | • Solution to deliver by unit? | |
| Top E-Commerce Customers | • Coverage, penetration? | |
| Amazon: Treated as Key Account? | • 2023 sales, trends, items listed | |
| # Items Sold: Your Brand | • Listed items at major retailer like Amazon | |
| # Items on Page 1 or 2: Your Brand | • Listed items on page 1 or page 2? | |
| Your Brand Share: Page 1 or 2 | • Category share of items on page 1 or page 2? | |
| Category Sales Ranking: Your Brand | • Sales rank for key items | |
| # Customer Reviews: Your Brand | • Total number of reviews for your brand | |
| # Positive Reviews: Your Brand | • Number/percent of 4 and 5 star reviews | |
| Reputation Management | • Responsiveness to consumer feedback | |
| Percent Third Party Sales: Your Brand | • Sales trends through 3rd party merchants | |
| Special Packs | • Capability to create e-commerce packs | |
| Pricing: E-Commerce vs. Retail | • Pricing equilibrium: retail and e-commerce | |

Export Journey: SMCG to FMCG

A big difference exists in export strategy for SMCG (Slow Moving Consumer Goods) and companies committed to FMCG Brand Building (Fast Moving Consumer Goods). 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 |

20 Tips to Accelerate a Mature Business

| Activity | Strategy |
|------------------------------|---|
| Creative Promotions | Retailer specific events. Offer fresh ideas. |
| Distributor Brand Manager | Upgrade talent. Secure "A" players on your business. |
| Pricing | More profit through higher volume at lower price? |
| Country Manager | Hire local manager or assign HQ person for 3-6 months. |
| Local Production or Copacker | Lower cost structure with added complexity. |
| Brand Ambassadors | Hire team with "brand uniform" to sample at local events. |
| White Space – Distribution | Fill voids on retailer listing map: Top 10 customers. |
| Social Media | Partner with influencers. Targeted local investments. |
| New KPIs | New measures: Listing maps, shelf placement, etc. |
| E-commerce Development | Invest to lead in this emerging channel. |
| In-Store Visibility | Educate and measure team on in-store presence goals. |
| Sampling, Sampling, Sampling | Aggressive distribution of free sample size. |
| Distributor Team Linkage | Zoom/Teams contact with Key Account Managers, etc. |
| Launch NPD Innovation | Excite team to launch innovation "The Right Way." |
| Distributor CEO | Treat CEO as VIP. Create special relationship. |
| Sponsorship | Support local events and retailer charities. |
| Sales Contest | Excite and motivate retail sales team. |
| Alternate Channel Focus | Small shops, foodservice, duty free, drug stores. |
| High Spend Test | Will heavy up marketing or trade discounts drive sales? |
| Distributor Change | Motivated new team, high energy to solve old problems. |

Introducing



America's Favorite Brands

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

Executive Board

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Customer Relationship Assessment

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

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

Preferred Supplier Scorecard

Distributors deliver their best results for their favorite principals. How do you rank?

| Supplier Assessment | Considerations | Rating: (10 = Best) |
|--------------------------------------|---|------------------------|
| Annual Sales Revenue | <ul style="list-style-type: none"> • Percent of total distributor sales | |
| Annual Profit Generated (\$) | <ul style="list-style-type: none"> • Net sales times gross margin | |
| Years of Service | <ul style="list-style-type: none"> • New to 20 years or more | |
| Compound Annual Growth Rate | <ul style="list-style-type: none"> • Flat to 10% or more | |
| Supplier Investment Level | <ul style="list-style-type: none"> • Zero to 25% of sales | |
| Celebrates Success | <ul style="list-style-type: none"> • Awards, dinner, thank you notes | |
| Shares Best Practices | <ul style="list-style-type: none"> • Serves as category expert | |
| Logistics Service Level | <ul style="list-style-type: none"> • Target 98% on time, complete orders | |
| Visits Retail Stores | <ul style="list-style-type: none"> • Never to full day every visit | |
| Reimbursement of Billbacks | <ul style="list-style-type: none"> • 2 weeks to 3 months | |
| Senior Management Relationship | <ul style="list-style-type: none"> • None to long term partners | |
| Export Manager Experience | <ul style="list-style-type: none"> • New hire to 10 years or more | |
| Response Time | <ul style="list-style-type: none"> • Same day to one month | |
| Supports Distributor's Ideas | <ul style="list-style-type: none"> • Invests in local ideas | |
| Good on Customer Calls | <ul style="list-style-type: none"> • Avoids calls to customer favorite | |
| Admin Requirements | <ul style="list-style-type: none"> • Orders only to multiple reports | |
| Supplier Visit Frequency | <ul style="list-style-type: none"> • Never to weekly | |
| Relationship: Entire Team | <ul style="list-style-type: none"> • Finance, logistics, administration | |
| Respects Fair Profit for Distributor | <ul style="list-style-type: none"> • Healthy distributor is profitable | |
| Achieves Joint Business Targets | <ul style="list-style-type: none"> • Creates culture of success | |

Distributor Search Best Practices

| Activity | Bad Practice | Best Practice |
|----------------------------|--|--|
| Distributor Profile | No portfolio synergies. | Representing similar size, premium brands from your aisle/country. |
| Candidate Model | Agent or third party not based in destination country. | Distributor of international, third party brands. |
| Web Site | None! Watch out. | Modern/informative site. Lists current companies handled. |
| Candidate Selection | Evaluate one candidate only. | Consider 3-5 candidates, depending on complexity. |
| First Contact | Random solicitation by unknown company. | Trade show or formal phone meeting with respected distributor. |
| Market Visit | Start partnership without market visit. | Local assessment: office meeting, warehouse inspection. |
| Store Check | No store check to validate distributor capabilities. | Full day store check to measure results for existing brands. |
| Reference Check | No financial or commercial checks. | Check current principals plus financial institutions (D & B). |
| Year I Plan | No plan. "Buy and ReSell." | Logical plan with targets, activities, timelines, costs. |
| Price Calculation | Sell at dead net price. Arbitrary mark-up. | Transparent price calculation from factory to store shelf. |

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 |

*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*

Buyer Performance Appraisal

When is the last time you considered how your category buyer was evaluated? Buyers definitely maintain a strict set of KPIs from their bosses. How is your new product pitch “Good for the Buyer?”

| Buyer Assessment Criteria | Objective |
|------------------------------------|--|
| Category Sales | Increase category sales at higher rate than retailer growth: 3-5%? |
| Category Sales per Square Foot | Increase category sales per square foot to higher level than store average. |
| Category Profit | Increase category profits at higher rate than overall retailer profit growth: 5-10%? |
| Category Profit Margin | Increase category margin to a level higher than total department profit margin. |
| Category Share vs. Competitors | Higher share of total market category sales than retailer’s share of overall market. |
| Service Level to Stores | 98% minimum service level. Out of stock level: 1% or less. |
| Inventory Turns | Exceed industry average of 18.5 turns per year. |
| Retail Prices | Maintain competitive retail prices, in line with chain’s overall pricing position. |
| Private Label Sales | Increase private label percentage of category sales. Increase private label sales at a higher level than overall category sales. |
| Listing Fee Funding | Achieve assigned budget for incremental supplier payments including listing fees or equivalent. |
| Trade Promotion Funding | Increase total category margin dollars through back margin, rebates etc. |
| Retailer Marketing Programs | Supplier support behind retailer sponsored marketing programs. |
| Performance of Ad/Display Features | Sales results of buyer allocated ad flier and display space. |
| Assortment and Innovation | Offer variety versus duplication, while optimizing category sales. |
| Terms Improvement | Improve terms and conditions: annual negotiations. |
| Cost of Goods: Price Increases | Obtain best cost of goods. Fight price increases. |
| Industry Leadership | Participate (or lead) external committees on industry development. |
| Supplier Relations | Maintain positive relations with suppliers, particularly top 10. |
| Community Relations | Build positive impressions for retailer through community support. |
| Category Expert | Understand trends, product attributes, performance, and innovation for the category |

Export Reports: Format and Frequency

Every exporter requires certain reports to manage the business.

Productivity is enhanced when distributor focuses on selling activities versus compiling a stack of reports.

Everything functions better when reports are filed on a regular schedule.

| Report | Description | Monthly | Quarterly | Annually |
|-----------------------------|--|---------|-----------|----------|
| Distributor "Sell Out" | Distributor sales to customers | x | | |
| Sales Forecast | Rolling 90-180 days | x | | |
| Distributor Inventory | Weeks supply on hand, by sku | x | | |
| Sales Versus Budget | Progress vs. annual objective | x | | |
| KPI Dashboard | Coverage, Displays, Distribution, etc. | x | | |
| Listing Map/Plans | Brand/sku authorization,by customer | x | | |
| Sales Promotion Calendar | Capture adjustments, and payout | x | | |
| New Product Launch Status | Acceptance by key customer | x | | |
| Category Review (Nielsen ?) | Category trends | | x | |
| Retail Price Survey | Top 10 customers | | x | |
| Competitive Activty | New launches, innovation | | x | |
| Distributor Credentials | Distributor "standard" presentation | | | x |
| Credit Report | Financial update | | | x |
| Distributor Value Chain | Factory gate to store shelf | | | x |
| Annual Business Plan | Agreed road map to achieve objectives | | | x |
| Retailer Business Review | Top 5 retailers | | | x |
| List of Top 10 Customers | Plus your buyers name | | | x |

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 9,700 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"*

Beyond Shipment Results – Measuring Export Success



Every job performance review measures results versus shipment objectives. In the export world, shipments are the key indicator of success, but can be manipulated by inventory sitting idly in a distributors or customers warehouse. In reality, the way to improve shipment results is to attack and focus on causal factors that drive the business as well as other metrics of success. Export Solutions has worked with several of our consulting clients on developing scorecard metrics to calibrate progress in the marketplace. Listed to the right are metrics for measuring Export Success.

1. Market Share and Market Share growth
2. Per Capita Consumption of your product
3. Value/Volume Sales Trends (dollar/euro sales, units sold/kilos sold, etc.)
4. Product Availability Grid Score – This measures authorized items listed versus potential listings at most important retailers in a market or territory. This score should be weighted based upon a retailers share of market.
5. Promotional/Marketing Spending as a percent of Sales Volume. Case rate spending levels
6. In Store Presence Grade/Trends – This is for brand owners that employ a system of grading each individual store
7. Sales growth in excess of overall market growth. i.e. Market is growing 5% and your brand grows 10%, so your brand is growing at +5 points versus overall market growth
8. Share of Category assortment versus market share
Share of Category shelf space versus market share
Share of Category Displays versus market share
Share of Category Promotion Activity versus market share
9. Weighted Distribution, Trends – “# doors of availability, by item”
10. Out of Stock levels and trends
11. Market Profitability – Margin, Total Value, Trends
12. New Product Launch Results– sales, weighted distribution, market share
13. Days Outstanding/Trends, Bad Debt as a percent of sales.

Greg's Guidance: Export Strategy 2025

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

Country Segmentation – One Size Does Not Fit All

Strategic segmentation of export opportunities is “Job One” for export managers. Export Solutions divides countries into three groups: Strategic, Priority, and Opportunistic. This approach filters countries by “size of the prize” and investments required to win. The basic rationale is that a company should allocate different resources to develop a large country like Brasil, compared to a medium size country like Belgium versus the Bahamas or Bermuda. Too frequently, we see companies handcuff all markets to one export program, with common strategy, pricing, and investment models for all countries.

| Country Segmentation | | | | |
|-------------------------------|---|--|--|--|
| | Country Profile | Investment Required | Business Model | Examples |
| Strategic (Focus) | Large Country (pop. 50mm +) High GDP High Category BDI Global Retailers High Complexity | Significant Investment in Brand support. Market Research Management Visibility | Local Office or Distributor or Joint Venture | Mexico China Brasil United Kingdom USA Turkey |
| Priority (Manage) | Mid size Country (pop. 10 mm+) High GDP High Category BDI Mid Complexity | Moderate investment in brand support. Managed by Export Manager | Distributor | Chile Australia Canada S. Korea/Thailand South Africa Spain Saudi Arabia |
| Opportunistic (Profit) | Profitable Opportunities. Low GDP Countries Low Complexity | Minimal/no investment in brand support | Distributor or Direct to Retailer | Caribbean Central America Middle East Africa |

Segmentation Factors

Segmentation analytics will vary by company. Absolute population is just one factor warranting consideration. Other criteria include size of the category, proximity to your producing plant, as well as per capita spending power. For example, most USA based exporters sell far more to Puerto Rico, an island with 3.1 million people, than they do to China or Brasil. As a result, some USA brand owners place a strategic focus on the Caribbean Basin countries adjacent to the USA and process only occasional opportunistic shipments to complex countries such as China.

Mix of Countries

Most companies can dedicate focus on a strategic launch into only one or two “strategic” countries at a time. It’s appropriate to create a growth plan aimed at a mix of Strategic, Priority, and Opportunistic countries.

Market Share Expectations

Your export road map should also be adjusted based upon your market share expectations for a select market. Generally, there are three scenarios for a brand to pursue.

Leader: Brand investment and innovation to become #1 in the category.

Player: Brand plans to compete effectively, obtaining a market share of 5% -20%.

Participant: Niche. Brand objective is incremental shipments with little/no investment.

Lessons Learned

Calibrate expectations to investments in brand support and management oversight. Everyone wants to be a category leader or player. To achieve this lofty status, you need to conduct local market research, innovate, maintain competitive pricing, invest in marketing, and align with a strong sales team just as you do in your home market. Projects fail as certain brands want category leadership but invest only to “niche” levels.

Crawl, Walk, Run, Wait, Halt!

Successful export managers can be compared to roulette experts. You need to spread your bets around many countries in order to achieve your sales budget. Winning reflects luck in the countries where you place big investments and avoiding high risk regions. Export Solutions has recently completed projects in 31 countries across 5 continents: China, Philippines, Brasil, Mexico, UK, Myanmar, and of course, the USA. There's lots of potential new business if you know where to look.

The "loud" conclusion is that most brands should consider an Asian pivot focusing on high growth countries with large populations and expanding middle class. This includes priority countries like China and southeast Asian Tigers like Indonesia, but also Saudi Arabia and Gulf countries. The USA opportunity is "Bigger than BRIC" for international brands. Favorable exchange rates make this an excellent time for international brands to invest in taking their USA business to the next level.

Country Segmentation Definitions

All countries are not created equal, with population and GDP representing just starting points. Category development, retail fragmentation, and cost of entry also signify key filters. Historically, Export Solutions' one page strategy grids have segmented countries into three groups. First, Strategic countries such as China, India, and Mexico that boast large populations and require focused investments in marketing and human resources. A second group of countries is identified as Priority countries. Priority countries are mid-size, with populations between 10-50 million and require more modest levels of investment and management oversight. Our third group can be considered Opportunistic countries. These are small countries which can be important profit generators with minimum resources deployed.

Crawl, Walk, Run, Wait, Halt

Export Solutions is adding five incremental segments to assess market potential. Crawl, Walk, Run, Wait, and Halt refine our market development recommendations based upon commercial realities of the countries today. These comments reflect the position the countries may be in the development curve combined with current economic and retail dynamics.

Crawl

Crawl countries are markets where it's time to get started! This may include an initial market assessment and a small first order. Crawl countries have an emerging retail structure supported by a network of professional distributors. The objective in crawl countries is to establish a brand presence, gain learning, and secure some first mover advantage benefits before the "rest of the crowd" arrives and listing fees escalate. Maintain modest expectations, even in giant countries like India.

Walk

This signals a second phase in country development. It is likely that your brand has already established a beach head and may be experiencing impressive year on year results from a small base. These countries warrant more attention and investment. In the walk phase, you may change your partner from a small distributor who is really a "buyer" to a more powerful partner capable of building your brand at another level. Philippines, Indonesia, Colombia, and Saudi Arabia are all excellent examples of "Walk" countries.



Run

Now is the time for brands to invest in these high potential countries. China and the USA (foreign brands) top the list of strategic countries where your senior management must commit to incremental resources. This includes local teams, small factory (or copacker/jv), research, and marketing investments. Evaluate your China and USA shipments and validate that you are content with your current shipment trajectory. More than likely, you will need to revise your strategic plan to better access these benchmark countries. The Gulf, Korea, and Panama are smaller countries that offer exceptional growth opportunities.

Wait

I am a big believer in Brasil. However, the current recession coupled with existing market complexities make Brasil a country for only the most seasoned multinationals to compete. Africa's one billion citizens represent the last, great untapped consumer market for most consumer brands. Each month, I receive two types of calls on Africa. The first requests help, as no one seems to have cracked the code. The second type of call relates to another diversion problem from Nigeria, Kenya, or Ghana. I never receive calls on any success stories. South Africa is the exception, a "Crawl" or "Walk" country for most.

Halt

Newspapers and financial indicators accurately identify these countries. Some exporters with "poor eyesight" continue to pursue these countries despite the obvious risks. This month, I took a call from a mid-size Italian company, where the export manager had lost his job over a \$400,000 default from a well known Russian distributor. I recently completed a \$20 million project for Argentina where the big issue was not brand building capabilities but access to capital and ability to clear foreign goods through customs. Most hope that the fourth quarter election results in Argentina will break down protectionist import barriers and resume normal trade with one of my favorite countries.

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Crawl, Walk, Run, Wait, Halt!

| Country Segmentation (*actual country input will vary by brand) | | | |
|---|------------------------------|--|------------------------------------|
| | Strategic (Focus) | Priority (Manage) | Opportunistic (Profit) |
| Crawl | Brasil, India, Russia | Ukraine, Vietnam, South Africa, Thailand | Myanmar, Cuba, Sri Lanka, Mongolia |
| Walk | Indonesia, Mexico | Philippines, Malaysia, Saudi Arabia, Colombia | Guatemala, Bolivia, Ecuador |
| Run | USA, China | South Korea, Taiwan, Peru | Gulf, Israel, Panama, Costa Rica |
| Wait | Africa | Argentina, Turkey, Iran | Libya |
| Halt | | Ukraine, Venezuela | Yemen |

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What About Europe?

Most European producers find Europe excruciatingly difficult, let alone the possibility for premium foreign brands to enter. Opportunities always exist in Europe, particularly for innovative brands or pursuing ethnic channels like the market for "Made in the USA" or Asian products. However the high cost of entry in Europe coupled with declining populations signals that you will likely enjoy a higher ROI elsewhere. Proceed cautiously and profitably!

Next Steps

The Crawl, Walk, Run, Wait, Halt assessment model provides a framework for all exporters. However, actual grid output may vary for each company based on brand dynamics and existing export footprint. For example, Mexico or Philippines may be "Run" countries for certain USA brands, but less important for European companies. I would argue that China and USA development focus would be a long term "Gamechanger" for most companies. Please excuse our pessimism on "Wait" and "Halt"

countries, as it is our hope that these important countries recover to create new business in the future. Export Solutions works in 96 countries, with relevant field based, insights based upon projects for many mid-large size USA and European brands. Contact Greg Seminara at gseminara@exportsolutions.com to help you define your Export Strategy Road Map.

300 Free Articles
Export Strategy
Distributor Management



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Finding Our Next Billion Consumers

One Billion consumers reside in stable markets of Europe and North America. These established countries represent 14% of the world's population, but account for 70% of all retail sales and 90% of the volume for most supermarket brand producers. Growing sales in our current selling universe of one billion people is exceedingly difficult. It requires true innovation (which may be quickly copied) or costly investments in marketing and trade spending to steal share from your competition. Most established markets achieved 2023 GDP growth rates of 0-2%. Forward thinking brand owners search for new growth regions to offset mature categories in current markets.

Size of the Prize

Our industry is fortunate that all 8.2 billion of the world's citizens require food products. Current reach extends to one billion consumers for most companies. Two billion people live on less than \$2 per day, surviving on the basics. This leaves manufacturers with a potential untapped market of 4.2 billion people that will eat more and better in the future. This will create new demand for our food, confectionery, household, and personal care products. Emerging Middle Class populations are blossoming everywhere from the legendary BRICS to previously forgotten Sub-Saharan Africa countries.



New Holy Grail

A new Holy Grail of "selling to the next one billion consumers" has been adopted by industry leaders. The next billion effectively doubles the size of the prize for brands. Success with this lofty goal requires marketers to teach consumers new habits and practices or convert consumers from local brands. This represents a case of "Back to the Future" for global brands. We must adjust our sophisticated category management approaches tailored for global retailers to

shift to the fundamentals of penetrating fragmented markets. Plant managers will wince at the request to shift production from Costco sized packages to "pouches, packets, and other pint sized portions" required to gain trial and attractive opening price points.

Rethinking Market Segmentation

Export Solutions segments markets into three groups. "Established" markets represent evolved markets such as the

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| | Total Population | Potential Next Billion |
|---------------------|------------------|------------------------|
| China | 1.45 billion | 225 million |
| India | 1.41 billion | 200 million |
| Africa | 1 billion | 100 million |
| Latin America | 600 million | 150 million |
| South East Asia | 600 million | 100 million |
| Russia/East Europe | 300 million | 115 million |
| Middle East | 300 million | 75 million |
| Turkey/Central Asia | 160 million | 35 million |
| Total Population | 5.71 billion | 1 billion people |

Finding Our Next Billion Consumers

| Country Segmentation 2024 | | | |
|----------------------------------|---|--|---|
| | Established | Developing | New Frontiers |
| Markets | Western Europe USA/Canada Japan/Australia | Central/East Europe Latin America (ex Brazil) Saudi Arabia/Gulf China/Korea/Taiwan | Africa Brazil India/Turkey Balance Middle East Balance Asia |
| Population | 1 billion | 2.2 billion | 5 billion |
| Share Global Population | 12% | 27% | 61% |
| Share Global Retail Sales | 70% | 20% | 10% |
| 2024 GDP Growth | 0-3% | 3-7% | 3-7% |

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USA, Western Europe, Canada, and Australia. “Developing” markets indicate markets such as China, Russia and Mexico where many companies do business, but per capita consumption levels are low. “New Frontiers” reflect countries (Africa) with no existing sales for a brand, or tiny businesses relative to the size of the population. (India/Brazil).

High Potential Regions

China leads the list due to a reported middle class of 175 million people. India’s middle class of 150 million is expected to double in the next five years. Latin America also looks promising due to strengthening economies in Brazil & Mexico plus proximity to the USA. Population explosion in Southeast Asia could allow Indonesia to reach 300 million people and the Philippines and Vietnam to each surpass the 100 million population threshold. Middle East and Russia will remain attractive, as long as the price of oil is \$80 per barrel or higher.

Follow the Global Retailers

Brand owners can quickly identify priority countries by following the lead of global retailers. Leaders such as Walmart, Carrefour, Metro, and Tesco spend millions analyzing market potential. Look at China, where every global retailer has battled for the last 10 years. Retailers are all planting small flags in India, quietly creating infrastructure and “wholesale based” presence in advance of the eventual opening to foreign supermarket operators. Walmart’s blockbuster purchase of Massmart in South Africa represents a transformational event in the history of our industry in Africa. Walmart’s exceptional results in Mexico and Brazil offset stagnant performance from their USA business. Global retailer presence is smaller in Southeast Asia, the Middle East, and Russia. However, my bet is that the giants are watching local supermarket chains sweat to build critical mass before sweeping in to acquire once the initial footprint has been created.

Distributors – Local Experts

Most manufacturers prefer to partner with a distributor versus creating a local subsidiary in “New Frontier” markets.

This allows brands to test their way into a market and focus investments on brand building versus infrastructure. Companies instantly benefit from the distributors long standing relationships with local supermarket buyers and can gain valuable “lessons learned” from the distributor’s other brands. Seek distributors with experience pioneering other premium, international brands. Export Solutions’ distributor database covers 96 countries, tracking more than 100 distributors each in China, Brazil, Russia, Mexico and 90 in India.

Next Steps: Management Commitment

Selling to the next billion consumers requires familiar strategies and tactics. Brands tap into their learning base of best practices across the globe. Most companies know how to gain product trial in emerging markets and how to penetrate countries dominated by small shops. The key is to secure senior management commitment to the vision of selling to one billion new consumers. The real investment is in people required to execute the plan. Export Solutions can help!

10 Tips: Distributor Contracts 2024

When was the last time you reviewed your distributor contracts? Fortunately, both brand owners and distributors only dedicate time to these documents at the start of a relationship or when the end is near. View our ten tips on handling distributor contracts.

1. Contract, Letter, or Handshake deal?

Most companies maintain a mix of these type of relationships. This is normal, although most wish to standardize the model. The rule of thumb is that the “more money you spend, the more detailed the contract you need.” A simple two page letter of understanding may be appropriate for a small business or a handshake commitment in situations where the distributor “buys and resells.” However, fully supported brand launches and business management of a global brand usually requires a detailed contract to protect both parties.

2. Sole Versus Exclusive Distributor

Most distributors demand country exclusivity. This is standard, but may cause problems if the region is subject to inbound shipments from global customers, e-commerce, or grey market traders. A compromise is to offer a contract as the “sole” distributor, providing protection from the manufacturer appointing multiple partners in a country.

3. Distributors are Customers

At contract time, some manufacturers fail to remember that distributors are customers, buying your product and reselling to all local retailers. Suppliers may forward “one way” contracts that are biased to terms favoring the manufacturer. Would you send a contract like that to Kroger, Carrefour, or Tesco? Key is to strike a reasonable balance favoring commercial sensibilities.

4. E-Commerce Implications

Many distributor contracts were executed before the advent of e-commerce. Revised agreements may be necessary incorporating e-commerce service requirements: items, pricing, inventory, metrics, channel exclusivity.

5. Local Law Dominates

Overseas companies should have their contract reviewed by a local law firm to guarantee compliance with local regulations. For example, in Puerto Rico and Belgium, distributor (agent) protection laws supercede any contract language.

6. Point of Arbitration

Normally, the brand owner automatically assigns his home country as a point of arbitration for any disputes. In some cases, both parties select a neutral country like Switzerland. A global corporate counsel once taught me that ultimately any dispute will need to be resolved in the distributor’s home country. For example, a USA company can sue a distributor in a USA court. It is unlikely that the distributor will hire a USA lawyer or even show up. The USA court may enter a judgement, but the brand owner still needs to go to the distributor’s country for enforcement.



7. Notification of Contract Termination

Standard contracts appear for two or three years with provisions for automatic renewal. Distributors fight for long lead times; a loss of brand can represent a major disruption. From a brand owner’s side, would you want a terminated employee working for you for six months or one year? I prefer three months notification, but that can also backfire if the distributor resigns your business.

8. Loss of Major Principal

Sadly, I have witnessed distributor bankruptcies because they were doing “too well.” A distributor grows the brand to a size where the manufacturer decides to take the brand back and form a subsidiary. The distributor scrambles, but sometimes they need to lay off more people and causes a rapid exit of other brands. 2024 contracts should require distributors to inform you within 10 days of notification (not effective date) of any loss of principal representing ten percent or more of their business.

9. Global/Regional Customers

Large players like Walmart, Costco, Amazon, and Carrefour can be difficult to manage. They demand best pricing system wide or threaten to trans ship from other locations. In some cases, these retailers may demand to “buy direct.” In this case, you can add an “indent” clause permitting this practice while compensating the distributor for local services such as merchandising.

10. Late Payments & Currency Exchange Rate

A distributor that pays late signals financial difficulties. Include a clause that allows you the option to consider the contract in default with payment delays beyond 45 days or with frequent problem payers. The benchmark for calculating currency exchange rates should be specified in the contract. I have seen cases where a distributor assigns a five to ten percent benefit in his favor to protect against the possibility of currency swings.

Need more information? Visit www.exportsolutions.com.

Don't Tell Your Boss!



Finding qualified new distributors is tough! Export Solutions makes life a little easier with our time saving distributor database.

- Coverage: 96 Countries. 9,700+ distributors of food, beverage, and snack products. Includes 2,876 snack and 3,577 international food distributors.
- New: 1,484 worldwide distributors specializing in Italian Food products.
- Annual subscription to the database costs less than the price of one business trip.
- 3,000 brand owners and government trade organizations use Export Solutions' database to "fill in the gaps" in their export coverage map.

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versus *Searching* for Distributors"

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Distributor Market Review

| Criteria | Rating | Evaluation Factors |
|----------------------------|--------|--|
| Shipment Results | | Overall growth for our industry in your market? Distributor company wide sales performance (all brands)? Distributor sales results for my brand? Change vs. benchmarks? |
| Brand Performance | | Key brand performance versus overall category. Shipment growth, market share, weighted distribution. New item success. |
| Key Account Results | | Results at top 3-5 accounts (or channels). Improvements: new items, shelf presence, merchandising. Are we getting “fair share” of retailers growth? |
| What Worked? | | Strategies or performance that achieved results. Ideas that delivered incremental sales. |
| Key Issues? | | Problems or barriers to achieving results. Pricing, investment, competition. |
| People | | Performance by key people touching our business. Organizational changes? Who made a difference? |
| Financial | | Distributor’s financial health. Planned investments. Efficiency opportunities in Partnership. |
| 2024 Requirements | | Resources required to achieve 2024 shipment expectations. Critical activities, timelines, changes to structure/plan. |

Greg’s Ten Tips

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
3. Pick up the phone and call a friend or business partner versus email
4. Be positive. Think, “why not?”
5. Results are directly proportionate to your investment: Marketing, People, Focus, Time
6. A distributor (or Broker) “respects” what the Brand owner “inspects”
7. Shipment numbers rarely lie
8. Put it in writing
9. If two people 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. Brand owners everywhere desire more shelf presence and retailers demand more discounts. Recognize the differences, but focus on the universal requirement for superior products, marketed at a fair price.

Distributor Performance: 20/20 Business Analysis

The start of a new year is an appropriate time to review distributor performance. This process starts with the evaluation of the usual metrics such as shipment results, market share, and success delivering new item placement. Normally, distributor performance ranges across the spectrum from outstanding results delivered by top distributors to under-achievers who fail to meet their shipment budget. Each scenario warrants a different approach in terms of managing for the future.

| Distributor Segmentation | | |
|-----------------------------------|---|--|
| | Results | Next Steps |
| Leaders 20% of total | Shipment increase of 10% or more. Growing Market Share. Innovative Strategies. | Recognition: Public & Financial. Invest in team generated ideas. Share learning with other markets. |
| Performers 60% of total | Shipments + 5% and in-line with overall market growth. Consistent results over many years. | Support current growth trajectory. Challenge to reach "Leader" status. |
| Laggards 20% of total | Flat/declining shipments. Poor results for 2+ years. Low energy /innovation. | Probation status for existing partner. Evaluate different representation options. All markets have alternatives! |

Distributor Segmentation Analysis

A valuable exercise is to segment your existing distributors into the three groups: Leaders, Performers, and Laggards. Look at the organizational models of your "Leaders" and Laggards". Are there consistent threads between the business specialization of your distributor network? For example, do you find that your "Leaders" are all Large Distributors (versus small), Big Brand Distributors (vs. niche), Category/Ethnic specialists (vs. all types of Food), technologically savvy versus "old school"? A similar analysis should cover your "Laggard" distributors. Are under performers small organizations that fail to meet your requirements? Or alternatively, large distributors where your brand is too small to gain sufficient attention? Your analysis may reveal that one type of model works well for large or adjacent countries while another approach works best for smaller or remote countries. Look for the trends!

Lessons Learned

Completing the distributor segmentation exercise described above should yield some important conclusions on the best partner models to pursue for your brand. For example, an Italian manufacturer of candy may confirm that his best performing distributors are international confectionery experts, versus distributors specializing only in Italian products. On the other hand, an ethnic Asian food producer may find that the best candidates to represent his brand are Asian channel specialists versus distributors that represent all types of fine food categories such as Tea & Olive Oil.

Next Steps

Honor your leaders and drive them to higher levels. Recognition such as Distributor of the Year, visits with your company CEO, or requests to deliver a presentation on their "success story" are inexpensive motivators. "Laggards" impact our own ability to achieve our personal objectives. We often like the people who work at "Laggards", but at times, you must act to protect the long term interests of your company and pursue a change in distributors. It is important to recognize that all companies have distributors that are "Leaders" and "Laggards". Proactive attention to fix the "Laggards" will only improve your results versus suffering through another year with a poor performing partner.

Export Solutions Can Help

Our industry leading database has been used by more than 3,000 brands to locate partners in 96 countries. This includes an average of 85 unique distributors per country. There are always many alternatives to consider in every country when you have access to the Export Solutions database.

Export Solutions serves as a consultant to European and American brands of all sizes. Our work includes analysis of distributor networks and development of strategies for motivating, measuring, and rewarding distributors. Export Solutions has helped companies identify, interview, and sign distributors on every continent. Contact Greg Seminara at gseminara@exportsolutions.com to discuss your project. Our motto is "Spend time Selling to Distributors vs. Searching for Distributors".

New Year's Resolution -- Preparing for a Distributor Change

Every company includes distributors that appear as chronic under-performers. Year after year, management listens to excuses and we patiently “give them a little bit more time.” 2023 results are in and it’s easy to spot the problems: big country, small shipments. The new year is the right time to implement a process of upgrading your distributor network to a partner more aligned with your business goals. Listed below are key action steps.



- ✓ Secure agreement from management to change distributors
- ✓ Review your original distributor contract
- ✓ Send official letter to distributor recapping disappointing results
- ✓ Obtain current distributor price calculation
- ✓ Document and monitor inventory in the system, by SKU
- ✓ Watch account receivables and bill-backs
- ✓ Confirm in writing 2024 spending and promotion plan
- ✓ Interview and pre-select an alternate distributor
- ✓ Establish realistic transition timeline with new distributor
- ✓ Advise old distributor of change in person

A Gentle Approach

Changing distributors is never easy, because we usually like the people involved. Best approach is to accept part of the blame for the failed relationship. Provide the old distributor a believable sound byte that he can repeat to maintain dignity in the marketplace: i.e. brand owner was looking for a distributor with more foodservice or small shop coverage. In the case of a long term partner (5 years or more), it may be appropriate to offer a lump sum goodwill payment, payable 90 days after transition in return for their cooperation. The good news is that a new distributor will emerge as motivated partner, anxious to take a “fresh look at old challenges” and deliver on their commitment to you.

10 Step Distributor Search Process

1. Determine Brand Ambition for Country

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

2. Establish Distributor Selection Criteria

Big brand distributor, category specialist, or smaller entrepreneur?

3. Create a Pool of Candidates

Export Solutions' database tracks 9,700 distributors in 96 countries.

4. Determine Candidate's Preliminary Interest Level

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

5. Organize Introductory Web Interview

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

6. Schedule Distributor Interview in Candidate's Office

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

7. Independent Store Checks

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

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

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

9. Distributor Interviews – Target 3 Candidates

Review capabilities, warehouse and interest in your brand.

10. Cooperation Model

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



Looking for Good Distributors?

Export Solutions' database covers 9,700 distributors in 96 countries.

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Export Solutions
Distributor Identification Experts

Distributor Types: Different Experts for Different Situations

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

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

Big Brand Distributors

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

Category Expert

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

Channel Expert

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

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

Country Expert

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

Fine Food Importer

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

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

Niche Entrepreneur

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

Evaluate Your Current Distributor Mix

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

Distributor Selection Road Map

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

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

Export Solutions Performs Distributor Search in 96 Countries

Export Passport



Strategic Export Development Program



Export Solutions
Distributor Identification Experts

Distributor Search Challenge



- Some distributors are too big...
- Other distributors are too small!

✓ Export Passport identifies
Prime Prospect distributors
that represent the **Right Fit**

Exporter Classification*

| Type | Description | Export Profile |
|------|--------------------------|--|
| 10 | Multinational | Strong market share everywhere across multiple categories. |
| 9 | Global | Multinational. Mix of leading countries and niche participation. |
| 8 | Category Champion | One core mass category. Strong performance globally. |
| 7 | Icon | Well known, niche leader. Global availability. Example: Tabasco. |
| 6 | Regional Leader | Strong share across one continent/region. Some export success. |
| 5 | National Hero | National treasure, #1 brand. Exports to homesick expats, tourists. |
| 4 | Player | Respectable share in home country. Opportunistic exports. |
| 3 | Participant | "Me too" product. Opportunistic exports. "Trader" / private label. |
| 2 | Challenger | Innovator. Some listings in home country. New to export. |
| 1 | Start-up | Trying to get traction in home country. Export "dreamer." |

*Export Solutions' classification system

Distributor Classification*

| Stars | Title | Description | Prime Prospects |
|-------|--------------------|---|---|
| ★★★★★ | Champion | Massive distributor. Handles multinational/ #1 brands across many categories. | Brand leaders. \$\$\$ marketing budgets. Exporter types: 6-10 |
| ★★★★ | Captain | Category Captain. Handles leading brands in one segment. | Category innovators/leaders. \$\$ marketing budgets. Exporter types: 5-9 |
| ★★★ | Player | Mid-size distributor. Handles #2/3 brands or niche leaders across many categories. | Differentiated, premium brands. \$-\$\$ marketing budgets. Exporter types: 4-7 |
| ★★ | Participant | Respected local. Diversified product portfolio. Results equal to investment. | Flexible, challenger brands. \$ marketing budget. Exporter types: 2-4 |
| ★ | Pioneer | Small distributor. Entrepreneurial, open to innovative new companies. | Start-up brands. "Pay as you go" marketing. Exporter types: 1-3 |

*Export Solutions' classification system

Need more information? Visit www.exportsolutions.com.

We've Got You Covered!

Distributor Database Coverage

Confectionery & Snack
2,876 Distributors

Ambient Beverage
1,806 Distributors

Gourmet & Ethnic Foods
3,577 Distributors



Middle East
974 Distributors
12 Countries

Asia
2,089 Distributors
17 Countries

USA Importer/Distributor
654 Distributors

Latin America
1,676 Distributors

Europe
3,322 Distributors

9,700 distributors – 96 Countries

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

Export Distributor Data Sheet: _____ (Distributor Name)

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

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

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: Europe Country: Finland Category: All Categories
 Ambient Beverage Juice Water Energy
 Confectionery and Snack
 Food Broker
 Food Distributors
 Gourmet and Specialty Food
 Grocery
 Health and Beauty Care
 Hot Beverage Coffee Tea
 Italian Food and Beverage
 Natural Food and Personal Care

80 Listings Page 1 of 4 Next >> Go To Page: 1 2 3 4

| 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 |

Search by Country

Coverage: 96 countries and 9,700 distributors

Search By Category

- Confectionery & Snack
- Gourmet/Ethnic Foods
- Beverage (Ambient & Hot)
- USA, German, UK, Italian Food
- Health & Beauty

Search by Brand Name

Tracking Distributors for more than 300 of the world's most famous brands.

Combo Search

- Example 1: Who are Beverage Distributors in Germany?
- Example 2: Who is the Pringles Distributor in Saudi Arabia?

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Contacting New Distributor Candidates – Best Practices

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

Email Plus Phone Call

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

Avoid Mass Mailing

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

Company Credentials Information

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

What Distributors Want to Know

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

Market Visit

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

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

Distributor Search Guide – Export Solutions

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

Sample Introductory Email

Subject: New Business Opportunity – CerealCo* – USA

Dear Alexander:

CerealCo is a popular cereal brand from the USA. Founded in 1960, 2024 sales will exceed \$300 million dollars. Our point of difference is that CerealCo offers high quality gluten-free and organic cereals popular with many modern consumers. CerealCo exports to 25 countries, including several in Asia.

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

For more information, visit our web site at www.cerealco.com

Kind regards,

Greg Seminara

Export Manager

gseminara@exportsolutions.com

(001)-404-255-8387

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

Company Fact Sheet (add your logo)

CerealCo Summary – Indonesia Example*

Annual Sales:

\$300 million US dollars in 2024

History:

CerealCo founded in 1960...64 years old

Core Product Portfolio:

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

Web Site:

www.cerealco.com

International Overview:

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

2023 International sales + 25%!

Southeast Asia Status:

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

CerealCo Objective:

Align with a distributor with strong brand building capabilities.

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

August Market Visit

CerealCo will visit Jakarta the week of August 1.

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

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

Best Practices – Contacting New Distributors

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

Agenda: New Distributor Interview

1. Distributor Capability

History, organizational model, coverage, Companies represented.

2. Category Insights

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

3. Success Story

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

4. Distributor Cost to Serve

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

5. Warehouse Visit

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

6. Year 1 Action Plan

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



7. Brand Owners:

Company Credentials Presentation

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

8. Brand Owners:

Status/Plans for Country

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

9. Next Steps

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

Looking for Good Distributors?

Export Solutions' database covers
9,700 distributors in 96 countries.

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Distributor Identification Experts

10 Questions for Every Distributor Interview

1. Company History

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

2. Company Brand Portfolio

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

3. Key Account Buyers

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

4. New Product Launch Success Story

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

5. Creative Selling

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

6. Retail Servicing

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

7. People

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



8. Business Planning Model

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

9. Cost to Serve

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

10. Enthusiasm for our Company

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

Talk to an Expert

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



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

www.exportsolutions.com

Export Solutions Distributor Assessment Grid

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

Rating System



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



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Your Partners: Brand Builders vs. Buyers?

| | Distributor | Trader | Buyer |
|----------------------|-------------------------------------|---------------------------------------|--|
| Services | Brand Builder of third party brands | Buys and sells products | Purchases direct for supermarkets |
| Joint Business Plan | Core | No | No |
| Retail Merchandising | Yes | No | Shelf stocking only |
| Consumer Promotion | Yes | No | Price reduction only |
| Focus | Brand Building | Short Term Profit | Lower prices through Direct purchase |
| Issues | Many brands needing attention | A local Distributor handles most work | How to sell to other market retailers? |

Create Your Own Export Library



Distributor Search Guide



Export Handbook



Selling to USA Handbook



Distributor Management Guide



Finance & Logistics



*Export Treasure Chest
My Favorite Templates & Forms*



*People Power
Strong Teams Build Great Brands*

All Guides available free at
www.exportsolutions.com
in the *Export Tips* section.

Six Steps Before You Hire a New Distributor

- ✓ Reference Check with their existing brand owners.
- ✓ Store visit to view in-store presence for current brands handled.
- ✓ Call at least one retail buyer for a reference check.
- ✓ Conduct a credit check through Dun & Bradstreet
- ✓ Search local legal records for lawsuits against the company or owner
- ✓ Secure independent local legal input to the validity of your contract

Is Your Distributor Best In Class?

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

10 C's – Cooperation Model

1. Case

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

2. Category Review

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

3. Capabilities

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

4. Commitment and Costs

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

5. Calculation – Value Chain

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

6. Compliance

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



7. Captain of Team

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

8. Contract

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

9. Consumer Marketing

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

10. Calendar /Close

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

Looking for Good Distributors?

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Export Strategy Road Map Template

Countries

Brands

Partners

Mission

What are your business ambitions for the time period?

Lessons Learned

What factors have contributed to export success?
What situations have led to export disappointments?

20/20 Analysis

What countries represent your top 20% performers? Why?
What countries represent your bottom 20% performers? Why?

Core Competencies

What is your competitive advantage?
Why is your brand unique versus international competitors?

Big Opportunities

What are the biggest export opportunities for your company?

Low Hanging Fruit

What represent high percentage, profitable opportunities?

Investment

What is your investment model? Marketing, Promotion, People.

Strategic Options

What alternatives are available?

Strategic Plan

One page plan defining Objectives, Goals, Strategy, Measures

Tactics

What activities are required to achieve desired results?

Measures

What are realistic measures and benchmarks?

Markets

Strategic

Priority

Opportunistic

Strategy questions? Contact Greg Seminara at Export Solutions (001)-404-255-8387

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

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

Sample Business Case Template- Brand Owner “CerealCo*” Request for Information – New Distributor for CerealCo

Summary

CerealCo was founded in 1960 and is based in Atlanta, Georgia (USA). 2023 sales exceeded \$300 million, including more than \$100 million in export sales to 25 countries outside the USA. CerealCo is a leader in organic/ gluten free cereals.

Opportunity

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

Product Range

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

Retail Price

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

Channels/Customers

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

Marketing Budget

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

Marketing Activities

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

Launch Timing

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

Information Required

Distributor should supply the following information within three weeks:

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

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

Need more information? Visit www.exportsolutions.com.

Ten Questions: Developing your Cooperation Model

1. Size of the Prize

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

2. Key Account Listings

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

3. Trade Reaction

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

4. Brand Manager

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

5. Marketing Investment

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

6. Currency Fluctuation

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

7. Distributor Margin

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

8. Trial and Repeat

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



9. Focus

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

10. Issues

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

Talk to an Expert

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- Export Workshops
- Motivational Meeting Speaker



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

www.exportsolutions.com

NEW!

Retailer Search Made Simple Canada Example

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

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

Keywords:

127 Listings Page 1 of 2 Next >> Go To Page: 1 2

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

Search by Country

Coverage: 96 countries and 2,950 retailers

Search By Format

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

Search by Retailer Name

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

Combo Search

Example 1: Who are supermarket retailers in Canada?

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

ORDER NOW!

FAQ's – Retailer Database

Why did you create the retailer database?

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

What is your geographic coverage?

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

What is your format coverage?

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

Retailer database: featured info

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

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

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

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

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

How is your coverage of global retailers?

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



What can I use the retailer database info for?

- Obtain an instant snapshot of an average of 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 2,950 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 9,700 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.

Exporter Data Sheet

What Distributors want to Know about Your Company

New Business Opportunity: _____ (*Company Name/Country*)

| | | | |
|--|------------------------------|----------------------------------|---------------|
| Key Contact: | | Telephone: | |
| Web Site: | | Email: | |
| Founding Date: | | Ownership: | |
| Annual Sales: | | Total Employees: | |
| 0-\$50 million | \$50 million - \$250 million | \$250 million- \$1 billion | \$1 billion + |
| % Sales International: | | | |
| 0-10% | 10-25% | 26-50% | 50% + |
| Exporter Classification/Description: _____ (#1-10, based upon Export Solutions' scale) | | | |
| Core Product Range: | | | |
| Unique Selling Point: | | | |
| Market Share: | | | |
| Home Country: | Country A: | Country B: | Country C: |
| Current Business in Distributor's Country: | | Yes/No: | Size \$: |
| Current Customers (Distributor's Country): | | | |
| Investment Model: | Listing Fees*: Yes/No | *average \$35 per item,per store | |
| Trade Promotion Budget: | Dead net price: | 10% of sales: | Mass: |
| Marketing: | Digital: | Sampling: | 360 degree: |
| Ambition/Size of Prize: | Sales: | Market Share: | |
| Year 1 | | | |
| Year 2 | | | |
| Year 3 | | | |

What Distributors Want to Know?

Strong distributors are overwhelmed by calls from brand owners looking for new partners. Distributors assess each opportunity carefully, as any new brand must add incremental sales and profits and not distract from priorities from existing brands handled. What is the “size of the prize” for the distributor?

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

New Country Launch – How Long It Takes

| | Minimum | Typical |
|---|----------------------------------|-----------------|
| Research Distributor Candidates, Schedule Meetings with Lead Time | 2 weeks | 4-6 weeks |
| Distributor Meetings | 2 days | 1 week |
| Post Meeting Due Diligence | 1 week | 4-8 weeks |
| Distributor Appointment | 1 week | 4-8 weeks |
| Labeling Compliance | already compliant | 12-26 weeks |
| Product Registration* | 1 week | 4-12 weeks |
| Business Plan Development* | 1 week | 4 weeks |
| Contract/Agreement* | 1 week | 4-8 weeks |
| Initial Order Arrives | 3 weeks | 4-8 weeks |
| Key Account Calls | 1 week | 2-4 weeks |
| Key Account Acceptance | 1 week | 4-8 weeks |
| Retail Placement | 2 weeks | 4-8 weeks |
| Marketing Starts | 1 week after retail availability | 4-8 weeks |
| Consumer Sales | | |
| Repeat Purchase | | |
| Total | 6 Months | One Year |

* Some activities may be completed concurrently

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

Foodservice/HORECA Capability Assessment

| Assessment Criteria | Capability – Results |
|--|----------------------|
| Foodservice: Percent of total distributor sales | |
| Dedicated Foodservice Team? Structure? | |
| Foodservice Channel Principals (list): | |
| Refrigerated / Frozen Warehouse / Delivery | |
| Chef on staff? | |
| # of Operator Calls (monthly) | |
| # Foodservice Sales reps. Chef background? | |
| Foodservice: Percent sales by segment: | |
| Hotels | |
| Restaurants: "High End" | |
| Restaurants: "Quick Serve" | |
| Catering, Canteens | |
| Institutions: Hospitals, Schools, Prisons | |
| Theaters, Stadiums, Theme Parks | |
| Airlines, Cruise Ships | |
| Bars, Pubs, Nightclubs | |
| Foodservice: Top 3 customers | |
| Trade Show Participation | |
| Creative Marketing: Menu Ideas? | |
| Tabletop / "Front of House" presence | |
| Foodservice Sub-Distributor Partners: | |
| Nutritionist, Food Technologist? | |
| Foodservice annual sales growth vs. overall market | |

Small Shops (Traditional Trade) – Capability Assessment

| Assessment Criteria | Capability – Results |
|---|----------------------|
| Traditional trade: percent of total distributor sales | |
| Dedicated traditional trade team? Structure? | |
| Top 5 principals: traditional trade | |
| # Vans and DSD trucks? Owned? | |
| # Traditional trade reps. Exclusive or shared? | |
| Sales rep. compensation (fixed / variable / bonus) | |
| Customer coverage, segmentation, frequency | |
| # Customers invoiced monthly | |
| Average order size | |
| # items sold per order | |
| # calls per day | |
| How do you establish call priorities? | |
| Measures / KPI's | |
| Retail reporting capabilities | |
| How do you drive traditional trade volume? | |
| Creative trade marketing ideas? | |
| Sub-distributors or wholesalers used? | |
| Cost to serve? | |
| New item launch process | |
| Traditional trade growth versus market? | |

Distributor Margins & USA Broker Commissions: What's Fair?

Short Answer – Prevailing Rates*

| | |
|------------------------------|--|
| 12-20% Distributor Margin | Leading companies with sizable budgets: consumer marketing and trade promotion |
| 20-30% Distributor Margin | Mid-size companies with some investment: marketing and trade promotion |
| 30-50% Distributor Margin | Niche brands or start-ups with little or no upfront marketing investment |
| 2% USA Broker Commission | Leading companies/brands – full service (HQ sales + retail) |
| 3-5% USA Broker Commission | Average size brands – full service (HQ sales + retail) |
| 5- 10% USA Broker Commission | Niche brands or “start-ups” requiring full service |

Distributor margins do not include optional distributor contributor to trade promotion

*Distributor margins and broker commissions can vary based upon local factors such as retail requirements, logistics costs, financing fees, and complexity of servicing a manufacturers business. Contact Export Solutions to discuss typical margins/commissions for a specific country or brand.

Cost to Serve: 5 Factors to Consider

Manufacturers must perform self analysis to understand the costs required to service their business:

1. How complex is your product line?

One category with 3-5 items is relatively simple to manage. Or is your company in many categories with 50-100 items to sell, inventory, deliver, and merchandise in-store?

2. Logistics: Single largest cost for a distributor.

Freight and warehouse handling complexity can vary widely by manufacturer. Key factors include product cube, shelf life, sales turnover, and typical order. Temperature controlled logistics usually adds 5-10 points of margin.

3. Retail Intensiveness. Certain brands

compete in large categories (confectionery/ drinks) with fierce competition for shelf space. This demands constant attention by the distributors/brokers sales force on every store visit. Other brands require little ongoing retail attention. In these cases, distributor personnel must simply verify that authorized brand sizes are available at each store.

4. Seasonal Brand versus Year-Round Sales?

Naturally, it is easier for a distributor to service a brand that has a narrow selling season (Christmas Holiday) than a brand requiring year-round focus.

5. Manufacturer Involvement and Visibility.

Does the brand require a dedicated brand manager in the distributor to handle day-to-day activities? How involved is the brand owner? Do you speak to him daily or several times per year? What is the frequency of brand owners request for information/reports and market visits?

Pioneering New Brands is Expensive

Brands new to a country bring no immediate income and are risky for a distributor. As a result, brands requiring pioneering frequently experience higher margins for distributor services. This surcharge is driven by the fact it may take up to a year from start until the distributor derives a meaningful sales level and is paid for his shipments of your new product. Market entry planning can take 3 months, followed by another 3-4 months to sell in to retail availability. Marketing activities begin and may take 2-3 months to generate meaningful sales levels followed by retailer payment 30-90 days later. Thus, a distributor may be investing his organization's resources for one year before he gets paid! In some cases, a manufacturer will offer the distributor or broker a small, monthly fixed retainer fee during the launch planning period. This supplies income for resources allocated before your partner receives payment.

Marketing Investment:

How Much and Who Pays?

Brands with a strong financial commitment to marketing should generate higher sales for the distributor. Marketing investments include spending for consumer awareness activities such as advertising and sampling, as well as trade development events such as listing fees, special displays, and in-store campaigns.

Brands with strong marketing budgets typically enjoy lower margin structures. In some cases, the distributors agree to share the marketing costs as part of their margin calculation. This practice may apply to large brands or new products. Distributor sharing of marketing expenses may result in a slightly higher margin, but also in increased accountability, efficiency and a unique sense of partnership.

What is the Size of the Prize?

Margins and commissions represent your partner's "salary." Brands with existing business deliver immediate and reliable cash flow. Most distributors' costs are fixed: sales force, warehouse, management, administration, etc. Brands with current sales deliver incremental profits for the distributor by leveraging the distributors' existing infrastructure. The distributor must offer a competitive margin to attract these brands to deliver a cost savings versus the brands current organizational strategy. Manufacturers with significant existing business are in a strong negotiating position.

Bonus Incentives Versus Scale Discounts

Supplemental compensation schemes may be used to incent distributors/ brokers or to obtain cost savings once certain volume thresholds are reached. One approach is to pay a bonus based upon reaching critical annual sales targets. In other situations, manufacturers may structure margin calculations to receive rebates/margin reductions once business reaches a certain sales level. For example, reduction of margin from 25% to 23% once 3 million in sales are reached, 20% once 5 million in sales are reached. Other plans call for a reduced margin only on levels exceeding the thresholds. For example 25% margin on first one million in sales, 22% margin on sales above one million.

Price Calculation Worksheet

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

Tactical Exports vs. International Brand Building

What are your realistic aspirations for a country? There is a big difference between tactical exports and strategic brand building. Companies can win in smaller countries with an “export only” strategy. Brand building requires a financial commitment. Either option works. Companies need to align market ambitions with their investment plans.

| | Export | Brand Building |
|------------------------|---|--|
| Market Research | None | Local consumption habits |
| Product portfolio | Best sellers from home market | Tailored to country / region |
| Packaging | Standard packs stickered | Native language |
| Factory | Corporate headquarter based | Offshore |
| Marketing Investment | Trade marketing only (10 percent of sales?) | TV, 360 marketing 20-30 percent of sales |
| Retail Pricing | Premium to super premium | Equal to competitors |
| Route to Market | Distributor | Direct team or distributor |
| Oversight | Periodic visits | Dedicated country manager |
| Market Share Ambitions | Niche | Player |
| Complexity | Low | High |
| | Export Countries | Brand Building Countries |
| | Middle East | USA |
| | Caribbean | Western Europe |
| | Malta, Cyprus, Portugal | Mexico |
| | Central America | China |
| | Hong Kong, Singapore | Japan |
| | Taiwan | India |
| | Nordics | Russia |
| | Baltics | Turkey |
| | Chile, Peru, Ecuador | Brasil |

Category Review Template* – page 1

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

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

*Note: please provide your best estimate

Category Review Template* – page 2

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

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

*Note: please provide your best estimate

Country Shelf/Pricing Tracker – USA Sample*

*Complete for all countries/retailers

| Retailer | Your Brand Share | Share of Shelf | Eye Level (yes or no) | Next to Brand B | Key Item \$2.99 | Price Gap vs. Private Label | Comments/Plans |
|------------|------------------|----------------|-----------------------|-----------------|-----------------|-----------------------------|-------------------------------------|
| Walmart SC | 35% | 42% | Yes | No | 2.69 | + .50 | Shelf review September |
| Kroger | 35% | 28% | No | Yes | 2.99 | + .30 | Increase shelf share to minimum 35% |
| Albertsons | 35% | 25% | No | No | 3.19 | + .20 | Increase shelf share to minimum 35% |
| Publix | 35% | 45% | Yes | Yes | 2.99 | + .20 | Maintain space in new schematic |

Country Listing Map – USA Sample*

*Complete for all countries/retailers

| Retailer | Stores | SKU 1 | SKU 2 | SKU 3 | SKU 4 | SKU 5 | Comments/Plans |
|------------|--------|-------|-------|-------|-------|-------|-------------------------------------|
| Walmart SC | 3,560 | x | x | x | | | SKU 3 stocked at 2,000 Supercenters |
| Kroger | 2,723 | x | x | x | x | | Category review November |
| Albertsons | 2,278 | x | x | x | x | | New shelf set |
| Publix | 1,360 | x | x | x | | | Present SKU 4: July |

Talk to an Expert

- Find Distributors in 96 Countries
- International Strategy Road Map
- Fix Problem Markets
- Next Level Sales Management
- Export Workshops
- Motivational Meeting Speaker



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

www.exportsolutions.com

Launch Plan Proposal – Year One*

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

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

Country Experts

Looking for distributors specialized in brands from your country? Search Export Solutions database to find overseas distributors handling food, beverage, and sweets brands from your country.



 **Italian Food & Sweets**
1,484 Distributors

 **German Food & Sweets**
666 Distributors

 **Spanish Food & Sweets**
442 Distributors

 **Latam Food & Sweets**
603 Distributors

 **UK Food & Sweets**
723 Distributors

 **USA Food & Sweets**
1,266 Distributors

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Export Solutions
Distributor Identification Experts

**Looking for a fresh point of view for your
next event or training workshop?**

**Contact Greg Seminara at
greg@exportsolutions.com**



Exporter Data Sheet

What Distributors want to Know about Your Company

New Business Opportunity: _____ *(Company Name/Country)*

| | | | |
|--|------------------------------|----------------------------------|---------------|
| Key Contact: | | Telephone: | |
| Web Site: | | Email: | |
| Founding Date: | | Ownership: | |
| Annual Sales: | | Total Employees: | |
| 0-\$50 million | \$50 million - \$250 million | \$250 million- \$1 billion | \$1 billion + |
| % Sales International: | | | |
| 0-10% | 10-25% | 26-50% | 50% + |
| Exporter Classification/Description: _____ (#1-10, based upon Export Solutions' scale) | | | |
| Core Product Range: | | | |
| Unique Selling Point: | | | |
| Market Share: | | | |
| Home Country: | Country A: | Country B: | Country C: |
| Current Business in Distributor's Country: | | Yes/No: | Size \$: |
| Current Customers (Distributor's Country): | | | |
| Investment Model: | Listing Fees*: Yes/No | *average \$35 per item,per store | |
| Trade Promotion Budget: | Dead net price: | 10% of sales: | Mass: |
| Marketing: | Digital: | Sampling: | 360 degree: |
| Ambition/Size of Prize: | Sales: | Market Share: | |
| Year 1 | | | |
| Year 2 | | | |
| Year 3 | | | |

Who, What, & Where

Driving export development requires a balance of headquarter resources and people “waking up” in the country they are managing. Export Solutions shares 12 key roles required to partner effectively.

Noted: Export managers create miracles, with one person handling many functions!

| Role | Work | Location |
|----------------------------|---|--------------------------|
| VP/General Manager | <ul style="list-style-type: none"> • Develop export strategy • Obtain resources for team • Deliver annual results | Headquarters |
| New Business Development | <ul style="list-style-type: none"> • Prioritize expansion countries • Due diligence on new partners • Close new business deals | Headquarters |
| E-Commerce Manager | <ul style="list-style-type: none"> • Create e-commerce strategy • Develop export tool kit • Train distributor teams | Headquarters |
| Distributor Management | <ul style="list-style-type: none"> • Establish local priorities • Train distributor teams • Distributor customer service • Deliver annual results | Regional |
| Supply Chain Manager | <ul style="list-style-type: none"> • Deliver distributor orders • Manage forecast • Distributor customer service | Headquarters Regional |
| Trainer | <ul style="list-style-type: none"> • Share best practices • Support new launches • Company “missionary” | Headquarters |
| Digital Marketing Manager | <ul style="list-style-type: none"> • Develop/distribute content • Train distributor teams • Maintain digital portal | Headquarters |
| Trade Marketing Manager | <ul style="list-style-type: none"> • Develop local promotions • Facilitate distributor execution • Analyze results | Regional |
| Consumer Marketing Manager | <ul style="list-style-type: none"> • Develop global strategy • Conduct market research • Drive new product pipeline | Headquarters Regional |
| Category Analyst | <ul style="list-style-type: none"> • Analyze Trends • Identify opportunities • Calibrate “size of prize” | Headquarters Regional |
| Finance Manager | <ul style="list-style-type: none"> • Manage risk • Monitor receivables, f/x • Deliver financial results | Headquarters |
| Compliance Coordinator | <ul style="list-style-type: none"> • Facilitate regulatory, registration, trademark, and packaging | Headquarters |

Distributor Capability Assessment

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

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

Export Lessons Learned Template

Why are Countries Leading or Lagging?

(Complete based upon your company performance)

| | Leading Countries | Lagging Countries |
|--|-------------------|-------------------|
| Country Performance: Measure: sales per capita | | |
| Brand Development: Measure: market share | | |
| Biggest Opportunity Countries: Measure: category size/growth | | |
| Promotion Effectiveness: Tactics creating incremental sales | | |
| Distributor Performance: Measure: sales increase, commitment | | |

Year One Scorecard Example

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

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

New Channels: Prime Prospects, By Category

| Channel | Confectionery | Gourmet Food | Food/Grocery | Beverage | Non Food |
|--|---------------|--------------|--------------|----------|----------|
| E-commerce | X | X | X | X | X |
| Meal Kits | X | X | X | | |
| Ethnic – “Homesick” | X | X | X | X | |
| Gift Basket | X | X | X | | |
| Natural Food | X | X | | X | |
| Gourmet, Deli | X | X | | X | |
| Liquor | X | | | X | |
| Farmers Markets | X | X | | | |
| Gift Channel | X | X | | | |
| Toy, Party Stores | X | | | | X |
| Movie Theaters | X | | | | |
| Hardware, DIY, Office | X | | | X | X |
| Duty Free | X | X | | X | |
| Fundraising | X | X | | | |
| Theme Parks, Stadiums | X | | | X | |
| Airlines | X | | | | |
| Butchers, Fishmongers | X | X | X | | |
| Coffee Shops | X | | | X | |
| Military | X | X | X | X | X |
| Department Stores | X | X | | | |
| Kitchen Supplies | X | X | | | X |
| Dollar, Close Out | X | X | X | X | X |
| Discount Clothing (Marshalls, TJ/TK Maxx) | X | X | | | |

What Makes a Great Distributor CEO?

| CEO Assessment | Considerations | Rating: (10 = Best) |
|---------------------------------|---|------------------------|
| Achieves Joint Business Targets | <ul style="list-style-type: none"> Committed and dependable. | |
| Dedication to Your Business | <ul style="list-style-type: none"> Knows details. Visits your HQ. | |
| Willing to Invest | <ul style="list-style-type: none"> People, technology, brand building. | |
| Strong Customer Relations | <ul style="list-style-type: none"> Senior contacts at top retailers. | |
| Relationship With Brand Owners | <ul style="list-style-type: none"> From export manager to CEO. | |
| Response Time | <ul style="list-style-type: none"> Same day to one week? | |
| Thinks Like A Marketer | <ul style="list-style-type: none"> Creative, brand building ideas. | |
| Frequent Visits: Retail Stores | <ul style="list-style-type: none"> Good grasp of retail conditions. | |
| Problem Solving | <ul style="list-style-type: none"> "Hands on," responsive. | |
| Compound Annual Growth Rate | <ul style="list-style-type: none"> Flat to 10% or more. | |
| Cost to Serve Transparency | <ul style="list-style-type: none"> Detailed understanding of costs. | |
| Celebrates Team Success | <ul style="list-style-type: none"> Awards, promotions, raises. | |
| CPG/FMCG Background | <ul style="list-style-type: none"> Senior level external experience. | |
| Years of Service | <ul style="list-style-type: none"> New to 20 years or more. | |
| Local Industry Leader | <ul style="list-style-type: none"> High profile in community. | |
| Work Ethic | <ul style="list-style-type: none"> Office time vs. overseas trips? | |
| Information Technology (IT) | <ul style="list-style-type: none"> Invests in "best in class" IT. | |
| Ethical and Trustworthy | <ul style="list-style-type: none"> Principled, respected partner. | |
| Respects Manufacturer's P & L | <ul style="list-style-type: none"> Sells profitable cases. | |
| Relationship: Entire Team | <ul style="list-style-type: none"> Finance, logistics, administration. | |

Brand Manager Assessment

Your distributor Brand Manager represents your key day to day contact. Successful Brand Managers are good partners and deliver results, not excuses. Is your Brand Manager an experienced veteran or new hire (rookie)?

| Assessment Criteria | Rating: (10 = Best) |
|--|---------------------|
| Years industry / distributor experience | |
| Years sales / commercial experience | |
| Reports to owner or senior leadership team | |
| Workload: dedicated or shared with many brands | |
| Responsiveness: gets things done quickly! | |
| Category knowledge: technical, competition | |
| Analytical skills: shipment trends, Nielsen data | |
| Problem solving | |
| Develops creative promotions | |
| Reports: accurate and on time | |
| Enthusiasm for your company and the business | |
| Participation on customer calls, store checks | |
| Forecast accuracy | |
| Influence distributor team: focus on your priorities | |
| Delivers / exceeds shipment objectives | |

Analyze: Your Contribution to Distributor Profit

Export Solutions: 20 Factors Driving Distributor Profitability

| Assessment Criteria | Considerations | Result | Rating: (10 = Best) |
|----------------------------------|------------------------------------|--------|------------------------|
| Annual Sales Revenue | • Percent total distributor sales | | |
| Annual Margin Generated (\$) | • Net sales times gross margin | | |
| Distributor Percent Margin | • 10 percent to 50 percent | | |
| Brand Owner Investment Level | • Percent of distributor purchases | | |
| Distributor Margin Re-Investment | • Distributor promotion spending | | |
| Category Adjacency | • Distributor portfolio synergies | | |
| Brand Market Share | • Niche versus market leader | | |
| Payment Terms | • Pre-pay versus 120 day terms | | |
| Safety Stock Requirements | • Two weeks to four months | | |
| Typical Customer Order | • One case to full truck | | |
| Shelf Life | • Two weeks to five years | | |
| Case Cube/Case Cost | • "Low cube, high case cost best" | | |
| # Brands/Items in Range | • "High sales, fewer items valued" | | |
| Logistics/Storage: Temp? | • Ambient versus chilled | | |
| Damage/Expired Goods | • None to 20% of sales | | |
| Category Competition | • Niche to highly competitive | | |
| Labor: Battle for Shelf Space | • None to intense fight | | |
| Brand Manager | • Shared or dedicated | | |
| Admin Requirements | • Orders only to multiple reports | | |
| Manufacturer Visit Frequency | • Never to weekly | | |

Field Sales – Coverage Frequency Template

| Retailer | #/Stores | Daily | Weekly | Bi-Weekly | Monthly | Never |
|--------------|----------|-------|--------|-----------|---------|-------|
| Sample Chain | 200 | 0 | 50 | 100 | 40 | 10 |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

Country Listing Map – USA Example*

“Required Template for Every Country”

| Retailer | Stores | Sku 1 | Sku 2 | Sku 3 | Sku 4 | Sku 5 | Comments/Plans |
|------------|--------|-------|-------|-------|-------|-------|--|
| Walmart SC | 3,560 | x | x | x | | | Sku 1, 2, 3 stocked at only 2,000 Supercenters |
| Costco | 605 | | | | | x | Special sku 5 for Costco |
| Kroger | 2,723 | x | x | x | x | | Category Review March |
| Albertsons | 2,278 | x | x | x | | | New shelf set |
| Publix | 1,360 | x | x | x | | | BOGO Ad November |
| Ahold-FL | 2,051 | x | x | x | x | | New sku 4 listing |
| HEB | 350 | x | x | x | | | Category Review March |
| Meijer | 266 | x | x | x | x | | Holiday Display Program |

*Instructions: List top 10 customers for every country. List all your key SKUs (items).
 “X” indicates item stocked at customer. Blank space represents a distribution void.

Field Sales – Capability Assessment

| Number of sales offices (list locations) | |
|--|--|
| Total field sales representatives (or merchandisers) | |
| Number of sales reps outside capital area | |
| Number of field sales supervisors | |
| # Full time representatives vs. # part time | |
| Average years of service: representatives | |
| Average stores per representative | |
| # stores visited per day | |
| Average time spent per store, per day | |
| Do you have multiple reps visiting each store? | |
| # SKUs handled per sales rep | |
| # priorities per store visit | |
| # sales reps with laptop or tablet | |
| # sales reps with phone with reporting capability | |
| Compensation: percent fixed vs. variable? | |

Who Is My Team?

Big distributors feature large teams with strong capabilities.

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

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

Logistics-Distributor Capability Scorecard

Many retailers supply their distributors with service level scorecards. Our distributor's performance demonstrates their reputation as a reliable supplier to important customers. Benchmark results vary by country, reflecting unique requirements to serve local customers.

| Assessment Criteria | Capability – Results |
|--|----------------------|
| Warehouse: Distributor owned or outsourced to third party? | |
| Trucks/ vans: Distributor owned? How many, by type? | |
| Warehouses: Locations, size, pallet positions,temp.controlled? | |
| Special pack services: Stickers, promo packs, repack? | |
| Average stock on hand: number weeks supply, by SKU | |
| Annual inventory turns | |
| Order lead time: capital city, rural regions | |
| Minimum order size: cases, value, avg. order size | |
| Perfect order rate, case fill rate, SKU fill rate | |
| On time delivery rate | |
| Monthly orders handled? Unique customers? | |
| Damaged goods: Percent of sales | |
| Vendor Managed Inventory (VMI) customers | |
| Can distributor ship less than case quantities? | |
| Logistic cost: percent of net invoiced cost | |

Where Do You Want to Grow?

Asia/Africa/Middle East

| | |
|---|---------------------------------|
|  | Australia – 284 Distributors |
|  | China – 161 Distributors |
|  | Hong Kong – 182 Distributors |
|  | India – 110 Distributors |
|  | Indonesia – 80 Distributors |
|  | Japan – 176 Distributors |
|  | Korea – 147 Distributors |
|  | Malaysia – 128 Distributors |
|  | Philippines – 120 Distributors |
|  | Singapore – 164 Distributors |
|  | Thailand – 103 Distributors |
|  | Vietnam – 52 Distributors |
|  | Israel – 82 Distributors |
|  | Saudi Arabia – 111 Distributors |
|  | U.A.E. – 206 Distributors |
|  | South Africa – 114 Distributors |

Plus 14 more countries

Europe

| | |
|---|--------------------------------|
|  | Austria – 72 Distributors |
|  | Belgium – 91 Distributors |
|  | Croatia – 78 Distributors |
|  | France – 134 Distributors |
|  | Germany – 203 Distributors |
|  | Greece – 93 Distributors |
|  | Hungary – 71 Distributors |
|  | Italy – 114 Distributors |
|  | Netherlands – 162 Distributors |
|  | Poland – 107 Distributors |
|  | Russia – Not Available |
|  | Spain – 173 Distributors |
|  | Sweden – 110 Distributors |
|  | Switzerland – 104 Distributors |
|  | Turkey – 96 Distributors |
|  | U.K. – 281 Distributors |

Plus 19 more countries

Americas

| | |
|---|------------------------------|
|  | Argentina – 60 Distributors |
|  | Bolivia – 55 Distributors |
|  | Brazil – 151 Distributors |
|  | Canada – 232 Distributors |
|  | Chile – 99 Distributors |
|  | Colombia – 87 Distributors |
|  | Costa Rica – 77 Distributors |
|  | Ecuador – 62 Distributors |
|  | Guatemala – 66 Distributors |
|  | Mexico – 206 Distributors |
|  | Panama – 65 Distributors |
|  | Paraguay – 59 Distributors |
|  | Peru – 84 Distributors |
|  | Uruguay – 59 Distributors |
|  | USA – 654 Distributors |
|  | Venezuela – 38 Distributors |

Plus 14 more countries

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

