

"COMING TO THE USA" - FOR BRAZILIAN COMPANIES INTERESTED IN A GLOBAL PRESENCE

By Rogelio R. Douglas

Most often I am writing articles for the 85% of US manufacturers which are not exporting. However many of the same principles apply just as well to Brazilian companies (or any nationality for that matter) interested in developing a sales presence in the USA.

What is imperative is to understand the long-term strategic value in a geographical distribution of the company's sales across several sizeable continental markets. One only needs to look at the recent rash of major unpredictable events around the world, which have disrupted economic activities in what only a few months ago were considered stable, attractive and in many cases strong markets. Proportionate sales diversification, across industry sectors as well as major geographies, has become paramount for a company's long-term survival and growth. No longer can a company depend solely on its domestic market.

For the expanding company let us start with the basics by recognizing that an executive's experience from having traveled to the USA on business a few times should not be viewed in any way synonymous with knowing the market sufficiently to successfully kick-start and drive a sales operation.

Not having the expertise on staff therefore would underscore a clear need to find one or a few US business partner resellers, with feet on the ground to provide the desired national coverage, and a nominal investment in a skeletal staff to focus solely on managing the business partner relationships. Initially this crew may be based in Brazil and as the business develops, justifying the expense, relocate to a major city in the US.

While the US and Brazil are geographically comparable in size the US has a much broader dispersion of major commercial cities, i.e.: East Coast, West Coast, Central, Mid-West, South, each area with its own concentration of industry sectors. Obviously, the foreign company would want to be based in a city as close as possible to a significant number of their target major accounts.

From a marketing point of view whether the product requires B2C or B2B will determine the extent of cultural and local adaptation.

Sufficient to say that it is best to have a bilingual translation team consisting of natives from both countries. This will assure the best conceptual translation and local adaptation, and avoid the common errors which in the past provided great content material for MBA marketing texts.

As in Brazil it's important to note the broad diversity of the US population, the concentration of certain ethnic groups in certain states, diversity within each ethnic group, economic differences, and effectively adjust the product marketing messages. A B2B product message will require a very clear understanding of all influencing American laws, rules, regulations as well as historical

practices, which may or may not exist at all in Brazil, and if so may have a very different purpose or interpretation.

The core management team will have the overall responsibility of consistently and constantly bridging the differences between the countries for the HQ executives, marketing, manufacturing, service and support. Determining and frequently communicating where are the opportunities in the USA and what needs to be done inside the company to bridge the gap and successfully capture their share of the new market.

As the business grow in the US there may, or more likely will, come the time to legally create a subsidiary, develop new products locally, form joint ventures and / or maybe even acquire US firms with complementary technologies. Many of these decisions will be heavily influenced by the company's long- term global strategy outlining which are the larger markets around the world. The USA is only one of many.