

PN-ACA-161

**IGI**  
INTERNATIONAL INC.

**FINAL REPORT:  
INTERNATIONAL MARKETING COURSE  
CONDUCTED FOR THE STAFF OF  
THE TRADE DEVELOPMENT CENTER**

***Cairo, Egypt***

***Presented by***

***IGI International Inc.***

***Through***

***Chemonics International Consulting***

***March/April 1994***

MIAMI: 13899 Biscayne Boulevard, Suite 205 • North Miami Beach, Florida 33181 • 305-956-2713 Fax:305-956-5660

WASHINGTON: 1133 15th Street, NW, Suite 1200 • Washington, D.C. 20005 • 202-457-0363 Fax:202-467-0839

## **TABLE OF CONTENTS**

<b>I. OBJECTIVES</b>	<b>Page 1</b>
<b>II. PARTICIPANTS</b>	<b>1</b>
<b>III. CURRICULUM</b>	<b>1</b>
<b>IV. STYLE OF PRESENTATION</b>	<b>1</b>
<b>V. SUBJECT AREAS OF PRINCIPAL INTEREST TO PARTICIPANTS</b>	<b>2</b>
<b>VI. EVALUATION BY COURSE PARTICIPANTS</b>	<b>4</b>
<b>VII. RECOMMENDATIONS AND SUGGESTIONS</b>	<b>4</b>

### **ANNEXES:**

- I. Participants**
- II. Presenters**
- III. Terms of Reference**
- IV. Course Curriculum**
- V. Course Materials**
- VI. Additional Course Materials Developed**

## **I. OBJECTIVES:**

To enable the sales and marketing staff of the TDC to:

- A. More effectively serve the export community in Egypt;
- B. Improve programs of export marketing and promotion in overseas target markets.

## **II. PARTICIPANTS**

The course was attended by members of TDC staff, officials of USAID, and Chemonics advisors. Five of the attendees are TDC Account Executives (of whom two were unable to attend the last day). Other TDC personnel attending all or parts of the course included the Executive Director and the Director of Sales and Marketing. In addition, the course was attended for varying periods by the Chemonics Chief of Party and Export Promotion Advisor; the USAID Projects Officer; and the USAID Project Management Specialist (for a list of participants, see Annex I).

Presenters were William Fisher and Eugene Miller of IGI International (see annex II).

## **III. CURRICULUM**

The course curriculum and instructional materials were designed to correspond to the Terms of Reference prepared by the TDC (see Annexes III, IV and V). However, because of widely disparate levels of experience and sophistication among course participants, some of the materials prepared prior to the course proved to be inappropriate, and more relevant alternative materials were developed during the course (see below and Annex VI).

## **IV. STYLE OF PRESENTATION**

Participants apparently were accustomed to "European-style" courses, i.e. formal lectures. The International Marketing course was designed for presentation in a more open, informal and interactive style. Some participants found this difficult for the first few hours, but quickly adapted to become full and active participants.

## **VI. SUBJECT AREAS OF PRINCIPAL INTEREST TO PARTICIPANTS**

### **A. IMPLEMENTATION PLANNING**

Chemonics' Chief of Party joined the group on the first morning to present the TDC sectoral strategies for apparel, processed food, fresh produce, shoes, and household products (i.e., furniture).

Since there were no implementation plans developed for carrying out the work necessary to achieve most of these strategies, the Presenters spent considerable time working with the participant group to (a) develop a methodology covering the various aspects of implementation planning, i.e. Tasks, Timing, Responsibility and Cost; and (b) preparing actual implementation plans for their respective sectors.

A near-complete plan was developed for the frozen food sector to serve as a model for all sectors. No plan was developed for the household products sector, as no account executive had responsibility for this sector. Implementation plans were begun for garments, agriculture, and footwear; a "cross-cutting" implementation plan was begun for Trade Fairs. All of the above require further work in order to constitute complete work plans.

Similar exercises were carried out for other aspects of implementation planning including:

- **PROJECT BUDGETING**
- **MONITORING AND EVALUATION OF STAFF**
- **CONDUCTING EFFECTIVE STAFF MEETINGS**

These materials are included in Annex VI.

### **B. EXPORT MARKETING RESEARCH**

The Presenters spent considerable time outlining the basics of export market research, with particular emphasis on (a) prospective buyers as sources of information on a wide range of issues; and (b) source materials (e.g. directories and other published materials) available locally or through European organizations.

### **C. SUSTAINABLE DEVELOPMENT**

There was a lengthy and lively discussion regarding whether and how TDC might achieve financial self-sufficiency and programmatic sustainability. This discussion revealed (a) a basic dichotomy as to TDC'S mission (i.e., developmental versus commercial); and (b) a perceived conflict between commercial objectives and USAID regulations.

The presenters outlined various approaches to self-sufficiency planning, i.e. fees for services, diversifying sources of donor support, etc. Participants felt income could be generated within a commercial context in a number of ways; for example: (a) acting as sole agent in Egypt on behalf of foreign buyers; (b) acting as sole agent abroad on behalf of Egyptian sellers; (c) controlling letters of credit on a commission or fee basis; and (d) acting as manufacturers' representatives through the members of the Market Access Network. These subjects were to be discussed further with TDC Management.

Presenters suggested that TDC should consider having dual roles, i.e. both commercial and developmental. Commercial objectives might be achieved through any of the means suggested in a preceding paragraph, providing that agreement could be reached with USAID. At the same time, certain developmental activities (for example, the nurturing of smaller "Tier II" companies), could probably be achieved only on a subsidized basis, with support coming either from fees for commercial services rendered or alternative donors, or a combination of both. Presenters drew an analogy between developmental activities and the R&D function within a corporation, i.e. commercial revenue-generating activities were central to the financial support of developmental activities.

Presenters emphasized the critical importance of Board support and participation in the self-sufficiency planning and implementation process.

### **D. FILLING THE CLIENT PIPELINE**

Participants explained that it is the accepted project strategy primarily to assist so-called "Tier I" (larger, more mature) companies. However, it was generally agreed that the more effective TDC is in generating exports for these companies, the sooner many of them would begin to make their own unilateral arrangements with buyers introduced by TDC, and thus cut off any possibility of generating TDC revenue based on commissions. The presenters suggested that "Tier II" companies represented the "client pipeline" for TDC, and that creative ways needed to be explored to provide

services to help these smaller companies to become mature exporters.

#### **E. CREATIVE MARKETING**

Presenters suggested, and participants generally agreed, that the large established European trade fairs represent an opportunity to (a) show products (b) help overcome Egypt's negative image in some sectors, (c) learn from other exhibitors, and (d) meet prospective buyers. However, it was suggested that (a) pre- and post-fair promotion and follow-up be more aggressive and targeted; and (b) events which could be held in conjunction with or as alternatives to traditional trade fairs (for example, desk-top exhibitions) be explored more fully to determine their cost effectiveness.

#### **VII. EVALUATION BY COURSE PARTICIPANTS**

Course participants were asked to complete an evaluation form (see Annex VI). These forms will be forwarded later.

However, presenters and course participants conducted a verbal evaluation on the final morning. Based on participant comments, the most valuable subjects were:

- **Workplan implementation**
- **Project budgeting**
- **Monitoring and evaluation**
- **Export market research methodology**
- **Sustainable development**

Participants felt the course was practical and helpful and said they could not think of subjects not presented or ways to improve the course in the future.

#### **IX. RECOMMENDATIONS AND SUGGESTIONS BY PRESENTERS**

Based on the presenters' interactions with the Group, TDC may wish to consider the following observations:

1. The varying levels of experience with the Account Executive Group makes consistent and rational management of this Group critical to the realization of TDC'S mission.
2. Continuing training in human resource development is urgently required.

3. **Implementation planning begun during the course should be completed and reviewed by senior management.**
4. **Regular staff meetings should be held on a weekly basis.**
5. **There appears to be a communications gap between senior management and the Account Executive Group. There is opportunity for substantially more information-sharing -- both top down and bottom up.**
6. **While the course created some useful planning tools, there remains a need for more detailed planning and greater accountability by the Account Executive staff.**
7. **Efforts should be made to resolve the apparent conflicts in TDC's mission as between revenue-generating and developmental programs.**
8. **TDC should begin to examine in detail how it should go about planning and achieving sustainable development.**
9. **Within the Account Executive Group, there is no depth of management. It is suggested that each Account Executive have a "back-up" resource generally familiar with activities in each sector.**
10. **There is an urgent need for greater self-discipline within the Account Executive Group and its management. Activities should be more carefully planned, deadlines should be met. etc. Management should consider both "carrots" and "sticks" to achieve this discipline.**
11. **Some current operating assumptions should be questioned and not necessarily regarded as immutable. For example, the creation of New Desert Growers demonstrates that collaboration, even among competitors, may be more feasible than traditionally believed if common interests can be identified.**
12. **TDC Account Executives and their Management should consider acquiring basic export marketing reference books as part of a permanent library.**

***ANNEXES***

## ***ANNEX I. PARTICIPANTS AND ATTENDEES***

**Mr. Aly Nosrat**  
**Sales and Marketing Director**

**Mr. Emad Abdel Razak**  
**Executive Director**

**Mr. Hillary Wilson**  
**Export Promotion Advisor**

**Mr. John R. Miller**  
**Chemonics Chief of Party**

**Mr. Mohamed Aboul Kheir**  
**Export Promotor/Foodstuffs**

**Mr. Sherif Kesseba**  
**Export Promotor/Leather Articles and Shoes**

**Ms. Amal El Malla**  
**Export Promotor/Ready Made Garments**

**Ms. Nasly Shaheen**  
**Trade Fairs Coordinator**

**Miss Howayda Idris**  
**Deputy Director, Agriculture**

**Ms. Fifi Olfat Gamel**  
**USAID Project Management Specialist**

**Mr. Fred Kirschstein**  
**USAID Project Manager**

## ***ANNEX II. PRESENTERS***

**William Fisher** has more than 30 years' experience in international trade and marketing in public and private sectors, and in industrialized and developing countries. He has carried out export-related assignments for USAID, the European Community, the Centre for Industrial Development, the Government of Japan and the British Department of Trade and Industry. These assignments have been in Latin America, the Caribbean, Southeast Asia, and Europe. In addition, Mr. Fisher has served as an international marketing and promotion consultant to numerous multinational companies and financial institutions in the US and Europe. During the administration of President John F. Kennedy, Mr. Fisher served as Special Assistant to the Secretary of Commerce. In that position, he played a key role in the US Export Expansion program, including conceiving the "E for Export" award scheme, and managing the opening of US Trade Centers abroad, helping to re-orient US Trade Missions and Trade Fair participation, and re-vitalizing the USDC's monthly magazine, "International Business".

**Eugene Miller**, a consultant to IGI, is a senior level executive and consultant with a wide range of experience in production, international distribution, marketing and promotion of vertically integrated agribusinesses and related manufacturing operations. In the private sector, he spent 16 years with Carnation, including senior managerial posts in a number of developing countries. His work with Carnation included creating a number of international joint ventures, exporting the company's products, and working with a wide variety of developing country sub-contractors and suppliers. In the public sector, Mr. Miller has carried out numerous assignments for USAID and other donors in Latin America, Africa, Eastern Europe and the Far East. He has also owned and managed large farms and agribusinesses in the US.

***ANNEX III. TERMS OF REFERENCE***

The Trade Development Center (TDC) has been established to assist private sector industries to export. The target markets are European and Middle East. The emphasis will be on light manufactured products (ready-made garments, leather products, household goods and processed foods). TDC is a new organization staffed with young professionals. To enhance the capacity of its staff TDC is interested in delivering a basic training course in selected techniques of export promotion.

This initial course should cover the following areas:

\* OVERVIEW OF MARKETING

- a. International marketing
- b. Need for export marketing research
- c. Marketing channels
- d. Know your competitors, clients, product.
- e. Selling skills
- f. Promotion
- g. Plan and strategy

\* ON-THE-JOB SKILLS

- a. Effective writing and telephone communications
- b. Preparing for site visits for buyers
- c. Conducting successful one-on-one meetings
- d. Problem solving  
Exercises to help participants do timely follow-up, handle problems with buyers, respond to information requests etc.

\* EXPORT PROCEDURES

- a. Export documentation
- b. Terms of delivery
- c. Terms of payment
- d. Costing and pricing for export
- e. Common market regulations

\* TRADE FAIRS AND EXHIBITIONS

- a. Selecting the Fair
- b. Participation in the Fair
- c. Promoting the stand
- d. Managing the stand
- e. Evaluation and reporting
- f. Follow-up

The course should be presented in five consecutive morning sessions of four hours each.

The course would be given in Cairo with approximately ten participants.

***ANNEX IV. COURSE CURRICULUM***

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## ***INTRODUCTION***

Welcome!

Over the next few days, we will be covering some of the key issues in International Marketing. Many of these will be found in the following pages. Because of time constraints, we probably will not be able to cover all of them -- but we will try to cover those that you regard as most important.

Our objectives are (a) to help you to do your work more effectively and (b) to make you more valuable to prospective Egyptian exporters.

We do not plan to give "lectures". Rather, we regard this short course as a dialogue, and we have tried to structure our approach so that it will be fully open, participative and interactive.

One of the implications of this approach is that you will be doing a good deal of the work -- thinking about and recommending solutions to very practical business problems.

Gene Miller and I are pleased to be here and look forward to working with you. We hope our time together will be enjoyable as well as useful and productive.

William Fisher  
Senior Vice President

12

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## ***COURSE OUTLINE***

<b>DAY ONE:</b>	<b>OVERVIEW OF INTERNATIONAL MARKETING</b>	<b>Page 1</b>
<b>DAY TWO:</b>	<b>STRATEGIC PLANNING AND SALES</b>	<b>2</b>
<b>DAY THREE:</b>	<b>ON-THE-JOB SKILLS</b>	<b>3</b>
<b>DAY FOUR:</b>	<b>EXPORT PROCEDURES</b>	<b>4</b>
<b>DAY FIVE:</b>	<b>TRADE FAIRS AND EXHIBITIONS</b>	<b>5</b>

### **ANNEX:**

**Presenters**

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## DAY ONE: OVERVIEW OF MARKETING

### International Marketing

Definition • Differences between marketing and sales • Strategy vs. Tactics • Goal-setting • Identifying target audiences.

### Need for Export Marketing Research

Framing the research: what do we want to know? • What Questions can Market Research answer? • Who is my market? • What is market size? • Who needs my product? • What % of the market is a realistic goal? • What is growth potential of the market? • How will I satisfy the market? • How should I price my product? • Who is my competition? • Secondary vs. Primary Research • Formal vs. Informal • Statistically valid vs. anecdotal. Sources of Information • Sample Design • Segmentation • Constituencies • Timing/Shelf-Life of Research • Variables • Analysis of Research.

### Marketing/Distribution Channels

Importers • Distributors • Manufacturers • Manufacturers' Reps • Retailers • Prime contractors/OEMs.

### Knowing your Competitors, Clients, Products.

**Competitors:** Compile competitors' profiles, including: Products, customers, Time in market(s), reputation (pricing, on-time delivery, quality, etc. • Comparative/Competitive Advantages • Financial stability.

**Clients and Their Products:** Time in business • Quality of management • Quality of product • Capacity • Products • Motivation/will to do business • Financial needs/stability • Reputation (for producing quality products, delivering on time, etc. • Sampling history • Technology employed/needed • Employee history/policies • Cost structure.

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## DAY TWO: PLANNING AND STRATEGY

### Strategic Planning

Who should be involved? • Allocating responsibilities/accountability • Definition of goals • SWOT Analysis • Developing the strategic statement • How exporting fits into the Business Plan • Identifying actions needed to achieve • Identifying constraints/solutions • Identifying costs • Planning time-frames • Identifying tactical initiatives • Framing and evaluating pilot programs.

**Problem-Solving:** Market Research • Business Plan • Communicating with Target Audiences.

### Selling Skills

Understanding customer motivations, needs, limitations, etc. • Establishing confidence: the comfort-level factor • Building relationships, not transactions • Understanding and articulating comparative and/or competitive advantages • References • Opening the dialogue • Closing the deal • Sales aids • Customers' cultural differences/attributes.

### Promotion

Letters/faxes • Samples • Catalogs • Other product/company literature • Language • Networking • Use of trade fairs (intro) • Desk-top exhibits • Audio-Visual presentations • Observation tours • Buyer visits.

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## DAY THREE: ON-THE-JOB SKILLS

### Effective Writing and Telephone Skills

Defining goals/desired outcomes • Brevity • Telephone: the first 30 seconds • Responsiveness to customer/client needs • Advance planning • Attention to detail • Follow-up and follow-through.

### Preparing for Site Visits for Buyers

Prospects' first impressions • Good housekeeping • Representative sample of suppliers • Selection of products to show • Quoting prices, delivery dates, etc. • Buyer as teacher • Hospitality.

### Conducting Successful One-on-one Meetings

Understanding customer needs • Selecting personnel • Keep it simple! • Importance of listening • Need to be concise/brief • Using printed/AV support materials • Show and Tell.

### Problem-Solving

Understanding/defining the problem • Identifying sources of help • Elaborating options • Reaching consensus • Proposing solutions.

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## DAY FOUR: EXPORT PROCEDURES

### Export Financing and Documentation

Letters of credit and other financial instruments • Licenses and permits  
• Understanding receiving country's laws, regs, standards • Insurance •  
Packaging/packing/labelling • Bankers as helpers • Financing receivables •  
Buyers' credits • Other sources of help • Policy constraints • Bureaucratic  
constraints.

### Terms of Delivery

Timing • Price • Quantity • Acceptable quality • Basis: FOB/CIF.

### Terms of Payment

Applicable laws • Stage payments • Phased payments • Currency • Applicable  
laws • Proof of delivery.

### Costing and Pricing for Export

Correct quotations • Timely estimates • Samples • Cost factors, i.e materials,  
labor, expected quantity and unit cost, overhead, insurance, packing,  
forwarding, shipping, cost of sales promotion, etc. • Competitive  
Environment.

### Common Market Regulations

Tariffs • Other duties • Health and safety • Sources of information •  
Importer/buyer as teacher.

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## DAY FIVE: TRADE FAIRS AND EXHIBITIONS

### Selecting the Fair

Vertical • Horizontal • National "Combo" Fairs • Cost • Audience • History, track record • Sources of information.

### Participating in the Fair

Stand/booth design, theme • Personnel • Product selection • Packing, shipping, receiving, delivery dates • Cost-sharing.

### Promoting the Stand

Advance promotion • List-building • Direct mail • Paid advertising • Editorial publicity • Hospitality suites • "Walking the Show".

### Managing the Stand

Fulltime • Supplies • Exhibitors' representatives • Knowledgeable spokespersons • Housekeeping.

### Evaluation and Reporting

Establishment of criteria • Orders received • Samples requested • Contacts made • Other exhibitors' stands • Lessons learned.

### Follow-up

Letters • Faxes • Catalogs, other product literature • Samples • People-collecting • "Tickler" system • Lessons learned.

***ANNEX V. COURSE MATERIALS***

**OBJECTIVES:**

- ***TO HELP YOU DO YOUR  
WORK MORE EFFECTIVELY.***
  
- ***TO MAKE YOU MORE  
VALUABLE TO EGYPTIAN  
EXPORTERS.***

## ***WHAT MAKES SUCCESSFUL EXPORTERS?***

- **COMPANY-WIDE COMMITMENT**
- **THOROUGH RESEARCH AND PLANNING**
- **ACCESS TO FINANCE**
- **THE RIGHT PRODUCT**
- **COMPETITIVE PRICE**
- **GROWING MARKET**
- **EFFICIENT IMPORTER/CUSTOMER**
- **FAIR CONTRACT TERMS**
- **CONTRACTED QUALITY**
- **CONTRACTED QUANTITY**
- **ON-TIME DELIVERY**
- **EFFECTIVE PROMOTION**
- **ATTENTION TO DETAIL**
- **EFFECTIVE FOLLOW-THROUGH**
- **BUILDING RELATIONSHIPS**

**WHAT SHOULD THE TDC (AND THE CLIENT)  
KNOW TO ASSESS EXPORT PROSPECTS?**

- **The Company (basic information)**
- **Objective(s)/Motivation**
- **Company History**
- **Product(s)**
- **Employees**
- **Plant and Equipment**
- **Sales**
- **Principal Competitors**
- **Prior contacts with overseas markets, if any**
- **Spending limits**
- **Prior/current use of support services**
- **Other sources of export help previously/currently being explored**
- **Documentation**

**DEVELOPING A WORKPLAN FOR A TDC CLIENT**

<b>TASK</b>	<b>BY WHOM</b>	<b>BY WHEN</b>	<b>OUT-PUTS</b>	<b>COMPLETED</b>
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				

**TYPICAL QUESTIONS IN**  
**EXPORT MARKET RESEARCH**

- I.       **RESPONDENT INFORMATION**
- II.       **TYPE OF BUSINESS**
- III.       **PRODUCTS**
- IV.       **VOLUMES**
- V.        **WHERE BOUGHT?**
- VI.       **WHERE SOLD?**
- VII.       **MARKET DEMAND**
- VIII.       **MARKET SIZE/DYNAMICS/DEMOGRAPHICS**
- IX.       **PRICING**
- X.        **COMPETITION**
- XI.       **ADDITIONAL SOURCES OF INFORMATION**

## **OUTLINE OF TYPICAL EXPORT BUSINESS PLAN**

- I. Cover Page**
- II. Purpose**
- III. Table of Contents**
- IV. The Business**
- V. The Plan**
- VI. How Will New Money be Applied and its Effect on Business?**
- VII. Management Expertise**
- VIII. Summary**
- IX. Financial Information**
- X. Supporting Information**

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## ***WHAT SHOULD THE TDC (AND THE CLIENT) KNOW TO ASSESS EXPORT PROSPECTS?***

- **The Company (basic information)**
  - Name
  - Form
  - Address
  - Phone/fax
  - Principals
  
- **Objective(s)/Motivation**
  - Enter new market (specify)
  - TDC target market?
  - Product(s)
  - Rationale: why export?
  - Needs capital?
  - Needs technology?
  - Needs market access?
  - Seeks joint venture?
  
- **Company History**
  - Years in business
  - Founder active?
  - Banking Relationship(s)
  
- **Product(s)**
  - TDC target sector?
  - Number of lines?
  - Unique characteristics?
  - Proportion/costs of imported in-puts?

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- **Employees**
  - Fulltime (last three years)
  - Part-time (last three years)
  - % Production (last three years)
  - % Administrative/Financial (last three years)
  - % Management (last three years)
  
- **Plant and Equipment**
  - Number of manufacturing locations
  - Size and location of each
  - Capacity utilization (%)
  - Technology (type/age, etc.)
  - Quality Assurance?
  
- **Sales**
  - Annual Sales (last three years)
  - Outlets
  - Channels of distribution
  - Average domestic margins
  
- **Principal Competitors**
  - Domestic
  - Foreign
  
- **Prior contacts with overseas markets, if any**

Has company ever:

  - Exported?
  - Participated in a trade mission?
  - Attended an overseas trade fair?
  - Contacted an importer or overseas manufacturer?
  - Received technical assistance (type, source)?
  - Prepared samples for overseas buyers?

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- **Spending limits**
  - How much would client be prepared to spend to investigate export prospects, i.e. market research?
  - How much to enter new market?
  
- **Prior/current use of support services**
  - Packing
  - Packaging
  - Product Design
  - Insurance
  - Transport
  - Freight forwarding
  
- **Other sources of export help previously/currently being explored**
  - Bank
  - Other donors?
  - Trade association?
  - Friends and other personal contacts?
  
- **Documentation**
  - Business Plan
  - Audited Financial Statements
  - References

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## ***TYPICAL QUESTIONS IN EXPORT MARKET RESEARCH***

### **I. RESPONDENT INFORMATION**

- A. COMPANY NAME
- B. ADDRESS
- C. TELEPHONE
- D. FAX
- E. CONTACT PERSON
- F. SOURCE OF INFORMATION

### **II. TYPE OF BUSINESS**

- A. IMPORTER
- B. MANUFACTURER/PRODUCER/PROCESSOR
- C. MANUFACTURER'S REPRESENTATIVE
- D. WHOLESALER/JOBBER
- E. OTHER

### **III. PRODUCTS**

- A. Describe products manufactured/processed/imported, etc.
- B. Special characteristics and/or requirements, i.e. packaging, labelling, environmental considerations, etc.

### **IV. VOLUMES**

Describe volumes purchased/handled by units/types of merchandise.

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## V. WHERE BOUGHT?

- A. Leading companies of origin/quantities/time in market
- B. Leading countries of Origin/quantities/time in market
- C. Prospects for future

## VI. WHERE SOLD?

- A. Supermarkets
- B. Specialty Stores
- C. Repackers
- D. Contractors
- E. Department Stores
- F. Processors
- G. Other

## VII. MARKET DEMAND

- A. General
- B. Fastest Growth (by type of outlet)
- C. Fastest Growth (by rate of growth)

## VIII. MARKET SIZE/DYNAMICS/DEMOGRAPHICS

- A. Market Size
- B. What is growth pattern of market over last 3-5 years?
- C. What is market growth projection for next 3-5 years?
- D. What are demographics of principal buyer/user groups, i.e. age/socio-economic group/gender, etc.
- E. What are main factors accelerating/inhibiting continued growth?

## IX. PRICING

- A. CIF Landed Prices
- B. Commissions, fees, etc.
- C. Tariffs, taxes, etc.
- D. Transport
- E. Insurance

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## **X. COMPETITION**

- A. Principal competitors and their locations**
- B. How long in market?**
- C. Sales channels, i.e. agents, home office visitors, trade fairs, etc.**
- D. Reputation, i.e. price/delivery/quality, etc.**

## **XI. ADDITIONAL SOURCES OF INFORMATION**

- A. Referrals**
- B. Sourcebooks/Directories**
- C. Promotional Events**
- D. Other**

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## ***ILLUSTRATIVE CONTENTS OF AN EXPORT BUSINESS PLAN***

### **I. Cover Page**

- A. Name of company
- B. Company Form (corporation, partnership, sole proprietorship)
- B. Address
- C. Phone/fax numbers
- D. Principals
- E. Submitted to (for financing only)

### **II. Purpose (one page)**

- A. Company name
- B. Amount of money needed
- C. How the money will be used
- D. Effect of the money on the business

### **III. Table of Contents**

### **IV. The Business**

#### **Description of the Business**

- (1) History
- (2) Products
- (3) Employees
- (4) Sales
- (5) Customers
- (6) Methods of Distribution
- (7) Promotion
- (8) Plant and Equipment

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## V. The Plan

### A. Market Analysis

- (1) Describe New Market(s) and Rationale
- (2) Analysis: When Conducted/By Whom?
- (3) Methodology, Analysis, Findings
- (4) Market Size
- (5) Growth History and Forecasts
- (6) Key Demographics

### B. Competition Analysis

- (1) Analysis: methodology/when/where/by whom
- (2) Principal competitors
- (3) Products
- (4) Pricing
- (5) Time in Market
- (6) Methods of Distribution
- (7) Promotion
- (8) SWOT Analysis (Strengths/Weaknesses/Threats/Opportunities)
- (9) Relationships

### C. Market Entry/Penetration Plan

- (1) Product(s)
- (2) Pricing
- (3) Methods of Distribution
- (4) Promotion Plan
- (5) Personnel
- (6) Principal Strength/Plan to Capitalize On.
- (7) Principal Weakness/Plan to Overcome

## VI. How Will New Money be Applied and its Effect on Business

## VII. Management Expertise

- (1) Key Personnel
- (2) Support Personnel
- (3) Key Suppliers/Support Services

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## VIII. Summary

## IX. Financial Information

- A. Personal capital being applied:
  - 1) How much
  - 2) Application
- B. Equipment list
- C. Break-even analysis
- D. Balance sheet
- E. Profit and Loss Statements
- F. Borrowing History
- G. Pro forma cash-flow analysis
  - 1) First year, month by month
  - 2) Second and third years, quarter by quarter
- H. For existing businesses:
  - 1) Current audited financial statement
  - 2) Any other significant historical financial information

## X. Supporting Information

- A. Full Resumés of Key Personnel
- B. Letters of intent (from prospective customers, vendors, etc.)
- C. Purchase orders (if applicable)
- D. Letters of recommendation
- E. Job descriptions
- F. Newspaper and magazine clippings
- G. Special awards, achievements
- H. Any additional information supporting your business

# IGI

## **PROBLEM-SOLVING**

The following is a five part problem we would like you to help solve. When you have completed this work, we will review it together. Here is the situation:

***The TDC is approached by a garment manufacturer who says he/she is interested in exporting. The company was founded in 1985 and employs 50 fulltime machine operators. Current products are T-shirts and low-end women's blouses. These are sold directly by the manufacturer's sales personnel to women's shops and department stores. The founder of the company is active as its key executive.***

### **Question 1.**

What information does the TDC need in order to make an initial assessment of this manufacturer's export prospects -- to determine whether, and if so, how, to help him/her take the next step forward?

### **Question 2.**

Assume that you now believe you have all the information required to reach an initial determination of the company's export prospects, and that indications are sufficiently positive to justify taking the next step.

What should this next step be?

### **Question 3.**

In the course of your initial interview with this prospective client, you discover the company has no written business plan, either for its existing domestic business or for its proposed export business.

The company is willing to invest the time to write a Business Plan, and you offer TDC assistance in preparing the outline of the plan.

What should this outline contain? If the Business Plan is to have a Table of Contents, what should be included in it?

# IGI

## Question 4.

The client has prepared most of the new Business Plan, but has asked your help in preparing a section on the company's history. Could you please draft this section, leaving blank (for the client to fill in) those facts about which you have no information?

## Question 5.

Let us assume that the client's prospects are good, and that a business plan has been prepared. Now the client is interested in contacting prospective overseas customers.

Specifically, the client is seeking your help in (a) identifying and (b) writing to:

1. Importers in the company's target market; and
2. Manufacturers in the target market who might be interested in sub-contracting part of their production to your client.

Could you please indicate (a) how you would identify the two groups above and (b) compose two letters, each not to exceed two typewritten pages.

Good luck!

Mr. Richard Whistler  
Managing Director  
Whistler Importers  
335 Von Dyke Road  
London EC3 HP2  
United Kingdom

March 20, 1994

Dear Mr. Whistler

I am writing to introduce our company and to enquire about the possibility of our establishing a mutually satisfactory business relationship.

We are a manufacturer of T-shirt and inexpensive women's blouses. We have been in business since 1985 and employ some 50 full-time machine operators. Although we currently service the domestic market only, we have carried out a substantial amount of research which indicates that the market you serve would be receptive to the types of merchandise we produce.

We have an excellent reputation for quality, on-time delivery and competitive pricing. We are enclosing a brochure describing our company and our products, and would be happy to send you samples. Anything you care to tell us about the types of outlets you service would help us to be responsive to your needs.

We will take the liberty of telephoning you in a week or so to determine how best to be helpful to you. In the meantime, should you have any questions that require a quick response, please fax us at 011 202 277 777.

We look forward to speaking with you.

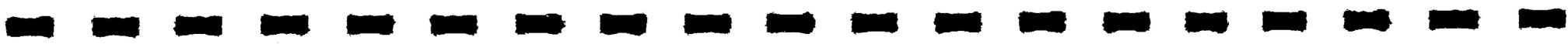
Managing Director  
For NILE CLOTHING COMPANY

Enclosure

82

## **EXPORT MINI-CASES ILLUSTRATING KEY ISSUES**

<p><b>MINI-CASE 1:</b> Thai company manufactured shoes for domestic market. Exhibited at major shoe fair, under aegis of Thai private sector chamber of commerce and Thai public sector export promotion agency, as first step into exports. Met S.E. Asia sourcing representative of one of world largest manufacturers of sports shoes. Showed samples, invited him to visit plant in Thailand. Took "sample size" order for man-made uppers, and sent to buying company. Delivered on-time. Some flaws in manufacturing. Buyer representative returned to Thai plant, advised on production techniques to improve product quality at no additional cost. Placed 2nd small order. Quality improved. Placed larger order. Quality, delivery satisfactory. Placed order that would keep 75% of Thai workforce occupied for 1 year. Buyer placed technical representative in Thai plant for length of contract. He advised on manufacturing techniques, new technology, cost-accounting, manpower training, etc. Buyer company rep went to bank with supplier, arranged for credit against contracts. Ultimately, buyer company bought 49% stake in supplier.</p>	<p><b>LESSONS LEARNED</b></p>
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<p><b>MINI CASE 2:</b> Costa Rica's wage rates had been rising through 1980s. No longer competitive in low-end products for export. Adopted strategy to use skills to produce higher value added products, coupled with ability to take on small production runs. Small metal fabrication plant unable to remain cost-competitive in low-end construction materials and housewares export markets. Private sector industry organization identified range of potential value added products, including manufacturer of customized ambulances in US. Contacted US manufacturer, offered to produce sample of ambulance rear body (van). Sample was satisfactory. US company placed initial order, larger each year.</p>	
<p><b>MINI-CASE 3:</b> Representative of major Japanese trading company was touring Latin America and Caribbean region. Stopped in Jamaica. Expressed interest in coffee, and was taken to plantations and grower cooperatives. Discussed present and future production volumes. Signed deal to buy virtually entire production of Blue Mountain coffee at fixed-price plus annual Cost of Production increases for next 10 years.</p>	

<p><b>MINI-CASE 4:</b> Dominican Republic grower decided to diversify into cut flowers to serve European markets. Made deal with Brussels importer for first shipment by air. Flowers produced, packed for shipment, documentation completed, sent to airport for shipment on specified flight. Customs agents claimed documentation not complete and flowers sat on tarmac until un-saleable.</p>	
<p><b>MINI-CASE 5:</b> Manufacturer of bicycles in Guatemala no longer able to compete with China's pricing for export. Local industrial engineer discovered same equipment, with minor changes, could be used to make physical fitness equipment. Found importer/distributor, produced samples, won first order, built new business.</p>	
<p><b>MINI-CASE 6:</b> In Indonesia, woman believed shoe production sub-standard because of obsolete technology. Began importing used shoe manufacturing machinery from Japan, Germany, US. Sold successfully. Visited European shoe trade fair. Believed new equipment could produce high-style shoes at far less cost. Offered to produce samples for Italian manufacturer. Sub-contracted production to local manufacturer, delivered satisfactory samples, won substantial order, eventually opened own shop-house factory, later moved to larger facilities, produced additional lines, got out of machinery imports to concentrate solely on high-value-added shoe production.</p>	

<p><b>MINI-CASE 7:</b> In Belize, 25-year-old man was building a house for his family. Noticed high cost of nails imported from Miami. Contacted manufacturers of nail manufacturing machinery. Got \$10,000 in loans from family members, bought one machine. Used production for own home construction, sold excess capacity to Belize government agency. Then contacted hardware stores and hardware distributors in Miami and offered to sell nails at far below US wholesale prices. Took first order, delivered. Investigated market for wood screws, which could be produced by same machinery with minor adaptations. Began selling screws to same outlets, bought 2nd and 3rd machines, put on 2 employees.</p>	
<p><b>MINI-CASE 8:</b> Thai producer of canned tuna faced intense competition in domestic market. Went to industry association and government export promotion agency, US commercial officer, compiled lists of importers and processors of tuna in Europe, US, Australia, New Zealand. Wrote over 500 individual letters, finally got sample order from New Zealand. Now supplies European markets as well. Buys from independent fishing fleets, has learned to comply with "dolphin issue" for US markets.</p>	

25

<p><b>MINI-CASE 9:</b> Shrimp processor in Malaysia studied trade data to determine shrimp consumption vs. sources of shrimp imports. Found major markets, i.e. US, Europe, over-supplied, Australia, New Zealand under-served. Contacted importers, offered comparable quality, lower prices. Now a consistent supplier to these smaller markets.</p>	
<p><b>MINI-CASE 10:</b> 30 garment manufacturers in Costa Rica each too small to produce export volumes. Formed company to sew cooperatively. Found dis-used building and established common cutting facility. Found company buying supplies for major US airline, signed "letter contract" for initial order of airliner tablecloths. Production and delivery satisfactory. Buyer disappeared, airline claimed it had never authorized order. Cooperative unable to collect.</p>	
<p><b>MINI-CASE 11:</b> Guatemalan exporters were having to fill out 15-20 different forms for each export shipment. Industry association approached government, suggested ways to reduce number of forms and establish "single window" -- one location where <u>all</u> documentation could be completed in a single visit. Government agreed, designated industry association to establish "single window" and administer issuance of export licenses and other documentation. Industry association helps support itself through commissions from government based on volume of exports processed through single window.</p>	

# IGI

## ***EVALUATION OF EXPORT MARKETING COURSE***

Your opinions are valuable to us, and will help the TDC in planning future training activities. Would you please take a moment to answer the questions below. In addition, if there are any other comments you wish to make, please feel free to do so.

1. Did the presenters address issues and problems that are important to you in your every-day work?  
 Totally     To a large degree     Somewhat     Not at all
2. Was the presentation clear and easy to understand?  
 Yes     No     To some extent
3. How was the course material organized?  
 Well     Average     Poorly     Could have been better
4. What were the most useful subjects covered in the course?  
A. \_\_\_\_\_  
B. \_\_\_\_\_  
C. \_\_\_\_\_
5. What new things did you learn that you can use in your daily work?  
A. \_\_\_\_\_  
B. \_\_\_\_\_  
C. \_\_\_\_\_
6. Would it be useful for you to attend other, similar courses?  
 Yes     No

# IGI

7. What subjects would you like to see emphasized in future courses?

A. \_\_\_\_\_

B. \_\_\_\_\_

C. \_\_\_\_\_

8. In your opinion, how could the course be improved next time?

9. Overall, how would you evaluate this short course?

\_\_\_ Excellent     \_\_\_ Good     \_\_\_ Average     \_\_\_ Poor

10. Other Comments

***ANNEX VI. ADDITIONAL COURSE  
MATERIALS DEVELOPED***

***IMPLEMENTATION PLANS BY SECTOR***



## **EXPENSE BUDGET FORMAT**

**SECTOR:** \_\_\_\_\_

1. **Salaries/Wages/Fringes**
2. **Rent/Utilities**
3. **Communications**
4. **Equipment Maintenance and Supplies**
5. **Equipment Leases**
6. **Auto Expense**
7. **Technical Assistance**
  - **Diagnosticians**
  - **Technical Experts**
8. **Marketing**
  - **Market Access Network Reps**
  - **Fairs and Exhibitions**
  - **Promotional Materials**
  - **Travel**
  - **Research**
  - **Buyers' Missions**
  - **Sample Purchases**
  - **Model Purchases**
  - **Postage/Shipping**
  - **Sample Production**
  - **Publications/Subscriptions**
9. **Part-time Assistance**
10. **Memberships**
11. **Reserve for Contingencies**

## ***FORMAT FOR BRIEF STAFF MEETINGS***

- |    |                                     |                   |
|----|-------------------------------------|-------------------|
| 1. | <b>Sectoral Reviews</b>             | <b>10 minutes</b> |
|    | <b>a) Marketing "in"</b>            |                   |
|    | <b>b) Marketing "out"</b>           |                   |
| 2. | <b>Upcoming Deadlines</b>           | <b>10 minutes</b> |
| 3. | <b>Anticipated/Current Problems</b> | <b>5 minutes</b>  |
| 4. | <b>Anticipated Opportunities</b>    | <b>5 minutes</b>  |
| 5. | <b>Other</b>                        | <b>10 minutes</b> |

**SECTOR:** Frozen Food

**ACTIVITY: I**  
Identifying Industry Base

**OBJECTIVES:**

Evaluate Feasibility of Sector \_\_\_\_\_

	<i>1<sup>st</sup> MTH</i>	<i>2<sup>nd</sup> MTH</i>	<i>3<sup>rd</sup> MTH</i>	<i>4<sup>th</sup> MTH</i>	
T A S K	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	RESPONSIBLE
1- Develop Questionnaire	█				AE + DSM
2- Visit Producers + Gathering of information		█			AE
3- Pre Feasibility Evaluation Go. or no Go.		█			AE + DSM
4- Identifying major players		█			AE
5- Selection of Clients to be assisted		█			AE + DSM

**SECTOR:** Frozen Food

**ACTIVITY:** II

Identify Strengths & Weaknesses

**OBJECTIVES:**

A. Identify Problems \_\_\_\_\_

B. Identify Comparative Advantages \_\_\_\_\_

T A S K	2 MTH	3 MTH	4 MTH	5 MTH	RESPONSIBLE
	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	
1- Use of Diagnostician study: Raw Material input Production Process Q.C. Packing & Design Costing Transportation Management					AE + DIAG.

**SECTOR: Frozen Food**

**ACTIVITY: III**

Technical Assistance

**OBJECTIVES:**

Based on Activity # II provide Technical Assistance to: \_\_\_\_\_

A) Improve Quality \_\_\_\_\_

B) Improve Packing \_\_\_\_\_

C) Reduce Cost \_\_\_\_\_

4<sup>th</sup> MTH    5<sup>th</sup> MTH    6<sup>th</sup> MTH    7<sup>th</sup> MTH

T A S K	<del>1<sup>st</sup> QTR</del>	<del>2<sup>nd</sup> QTR</del>	<del>3<sup>rd</sup> QTR</del>	<del>4<sup>th</sup> QTR</del>	RESPONSIBLE
1- Provide Expert for production process					AE + EXPERT
<i>IMPROVE</i> 2- Provide Expert to: a) Study Packing material b) Study Design c) Study Adequacy					AE + EXPERT
3- Provide Financial Assistance in Costing					AE + EXPERT

**SECTOR: Frozen Food**

**ACTIVITY: IV**  
Market Analysis

**OBJECTIVES:**

- A) Defining Target Markets \_\_\_\_\_
- B) Defining Products per Market \_\_\_\_\_
- C) Defining Volume per Market \_\_\_\_\_

T A S K	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	RESPONSIBLE
	<i>2<sup>nd</sup> MTH</i>	<i>3<sup>rd</sup> MTH</i>	<i>4<sup>th</sup> MTH</i>	<i>5<sup>th</sup> MTH</i>	
1- Gather Market information from trade organizations and specialized consultants.					AE
2- Study of transportation means to different markets.					AE
3- Study tariff's to different markets.					AE
4- Study of special packing suitable for each market.					AE
5- Identify competitors and their market share in each market.					AE
6- Identify products and their forecasted volume for each market.					AE + DSM

**SECTOR: Frozen Food**

**ACTIVITY: V**

Marketing & Sales

**OBJECTIVES:**

A) Introduce products to different markets \_\_\_\_\_

B) Development of products in the market \_\_\_\_\_

T A S K	4 <sup>th</sup> MTH	5 <sup>th</sup> MTH	6 <sup>th</sup> MTH	7 <sup>th</sup> MTH	RESPONSIBLE
	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	
1- Catalogues and brochures: a) Contact Advertising Agencies b) Design of Brochures & Catalogues in Market Languages					AE AE + DSM
2- Fairs a) Visit different international fairs b) Select most suitable fairs c) Select Co's to be invited to participate d) Attend selected fairs: i) Pre Fair preparation ii) During the Fair iii) After the fair iv) Evaluation of the fair					AE AE + DSM AE + DSM AE + DSM

5

<p>3- Channels of distribution: Identify Trade Channels for each market: Catering Importer/Distributor Retailer Reprocessor</p>					<p>AE</p>
<p>4- Buying Missions Selection of Buyers based on: a) Willingness to diversify sourcing. Accepts quality + price of products. Accepts selling conditions. Financially sound buyer. b) Coordinate with producers buyers visits to their facilities. c) Follow up on buyers after visit.</p>					<p>AE+DSM  AE  AE</p>
<p>5- Marketing Trips: a) Combine marketing trips with fair trips b) Select clients to be visited c) Prepare samples &amp; offers for trip d) Prepare appointment schedule e) Report of trip f) Follow up on meetings.</p>					<p>AE+DSM AE AE AE AE</p>

**SECTOR:** Frozen Food

**ACTIVITY: VI**  
Financial Sustainability

**OBJECTIVES:**

Provide U.S. \$ X Amount of income to TDC \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

T A S K	1 <sup>st</sup> QTR	2 <sup>nd</sup> QTR	3 <sup>rd</sup> QTR	4 <sup>th</sup> QTR	RESPONSIBLE
1- Develop MIS to provide to companies for a certain fee.					
2- Charge fee for Technical Assistance					
3- Charge participation fee for fairs					
4- Charge fee for catalogues					
5- Commission of sales done through TDC's efforts.					

# TDC - EGYPT

Sector : RMG & Textiles

Activity 1 : Export level development

Objectives :

- A) Quality control
- B) Development of export mentality
- C) To create a co-operation (not association) within the industry
- D) Availability of advantages and special services to be more competitive

Tasks

A) QC

- 1. TA training courses ( RMG concept plan )
- 2. Appliance of International requirements on running orders, selection of samples for exhibitions and marketing trips.

B) Development of export mentality

- 1. TA training courses
- 2. International exposure (exhibitions/contact with buyers)
- 3. Speaking to manufacturers to make them aware of importance of quality especially in the mass production phase.
- 4. Enhancing the production technology and developing of new management/markets penetration strategies through visiting other strong competitors in the field such as India, Indonesia and Thailand.

C) Creation of Co-operation

- 1. Briefing manufacturers on international market regulations ( GATT etc..)
- 2. Group manufacturers for collection or big orders.
- 3. Development of the sense of teamwork by intensive communications and training courses.

D) Availability of advantages and special services to be more competitive

- \* Special services as:
  - Discounted shipping rates through special deals with shipping companies and airlines.
  - Sourcing of better qualities and prices of raw materials ( in the local market and abroad ).
  - Solving problems of availability of accessories.
  - Facilitate professional correspondence with buyers.
  - Creation of a TDC seal to guarantee the quality of every single item exported through TDC's activities.

# TDC - EGYPT

## Activity 2 : Marketing & Sales

### Objectives :

- A. Creation of individual service packages for local producers.
- B. Incrimination of RMG exports to the European market

### A. Creation of individual service packages:

1. Identification of specific factory needs.
2. Including services like:
  - TA, MIS
  - Development of promotion material
  - preparation of market penetration, situation studies upon request.

### B. Incrimination of RMG exports to the European market

#### First marketing tool:

\* Information about market situation in order to know about:

1. Competition / market shares
2. Prices and conditions  
( trends, quotas, payment terms, delivery times, shipping cost)
3. Identification of target areas.
4. Segmentation & study of target areas.

#### Second marketing & sales tool:

\* Direct market approach through:

#### A) Exhibitions: ( already identified )

- Selection of the most suitable layout ( hall ), space
- Creation of a standard booth model for all the exhibitions to maintain the image.
- Exhibition preparations:  
Promotion materials, sending invitations
- Exhibitions follow up by:
  1. Direct follow up mailing
  2. Filling buyers requests during the exhibition  
( request of samples and price offers )
  3. Marketing trips based on contacts built during the exhibition

# TDC - EGYPT

## B) Marketing trips:

- To fulfil buyers requests
- To collect orders ( new or repeat orders )
- To get a market indication
- To convince new potential buyers to initiate business with Egypt

## Third marketing tool

Coordination with international trade organizations such as BFAI, or Protrade ( GTZ ) in Germany in order to get:

- Market information in a specific country
- Gain access to list of buyers
- To be informed about the main players or the key persons in the target country

## Fourth marketing tool

Identify an active agent or rep. office to act as a door opener for TDC in each target country .

## Activity 3: TDC's sustainability

1. Enrollment, membership fee
2. Selling MIS services ( Information, market studies )
3. Fee for deals made through TDC
4. Exhibitions' participation fee.
5. Participation in trade missions organized by TDC
6. TA fee
7. Sourcing for raw materials and accessories fee

## Activity 4: Integration with the footwear and leather industry

### WHY?

1. Similarity of industries ( ready wear products )
2. Availability of common buyers
3. Sourcing of material ( from the textiles field for the footwear or leather products )
4. Integration of buyers sourcing opportunities ( in some cases buyers are only motivated to initiate business if there is an interesting range of products worth dealing with Egypt.

### \* Strategy:

1. Integration of exhibitions ( HMW, Sehm, GDS )
2. Integration of marketing trips.
3. Cooperation for sourcing.

99

**BUSINESS PLAN  
FOR  
TDC'S DEPARTMENT OF AGRICULTURE**

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**Sector:** Agriculture, Fresh Produce

**Activity:** New Zealand Kiwi Fruit Marketing Board / New Desert Growers Cooperation

**Objective:** To contract with NZKMB to market the NDG produce through NZKMB distribution network in Europe by April 1994

**Tasks:**

1. NDG meeting with NZKMB in Cairo.

- 1.1 Meeting date
- 1.2 Identifying NDG spokesman during a preliminary meeting between NDG & TDC

2. Negotiating the contract terms:

- 2.1 Marketing the Primary & Secondary crops
- 2.2 Establishing Packing Station
- 2.3 Providing Quality Control and Post Harvest experts.
- 2.4 Transportation arrangements
- 2.5 Conditions of sales
- 2.6 Financial Terms

**Task Details:**

- 2.1-1 NZKMB to provide market information (requirements , quality control standards,...etc)
- 2.1-2 Identify the primary and secondary crops
- 2.1-3 Identify where the crops can be provided and how much by each NDG member

- 2.2-1 Identifying existing Packing Stations and possibility of upgrading or integration with the proposed new one.
- 2.2-2 Choosing a feasible location near to the farms , considering an area with good infrastructure to the nearest port
- 2.2-3 Types of produce that the packing station will handle
- 2.2-4 Tonnage of produce expected (capacity of the packing station)
- 2.2-5 NZKMB to provide recommendations on: type of feasible machinery to match points 2.2-3 and 2.2-4, manpower & training needed, innerpacking, and packaging
- 2.2-6 Transportation
  
- 2.3-1 Requirements of the market which will assist in defining type of experts needed in each crop (i.e. growing, post harvest, cold chain).
- 2.3-2 Making terms of reference
- 2.3-3 Recruitment
  
- 2.4-1 Checking best rates Antwerp or Brussels by air, or shipping to Triest and trucking to Antwerp (Gelnavi Line)
- 2.4-2 Reefers rates , trucking rates
  
- 2.5-1 Price: CIF, FOB..etc - check the arrangement
- 2.5-2 Status of reject produce
  
- 2.6-1 Method of payment (L/C , Consignment,...etc)
- 2.6-2 Purchase price
- 2.6-3 Cost of third party inspection
- 2.6-4 Funding sources (NZKMB, USAID, other donor agencies)
- 2.6-5 Profit distribution /commissions (TDC/PGI)

**Sector:** Shoe Industry  
**Activity:** Product Development

**Objectives:**

1. Penetration of EC markets
2. Adaptation of Production lines to new models
3. TDC sustainability

**Tasks:**

1. Identification of Developmental Buyers (TA) - Covered by TDC
2. Subcontracting designers/Purchase of Models - Cost Sharing
  - Access to International Req's
  - Trends & Fashion
- 2.1 Matching Mnfc's to models/Cost Share
3. Sourcing for necessary materials for sample production
4. Cost Mngt matching Int'l prices (TA)
  - Supply Costs
  - Production Costs
5. TA Production line; Time & Motion study for Mass production
  - Production of 30 Samples/Model
6. Creation of Brand names - TDC mktg rights agreement w/ mnfc's

**Sector:** Shoe Industry  
**Activity:** Marketing & Sales Inner/Outer

**Objectives:**

1. Create a portfolio of clients
2. Identification of Int'l competitors w/ relevant market shares
3. Cooperation w/ International organizations
4. Set up Market Access Network
5. Introduction of Egyptian Footwear opportunities
6. Incrementation of export volumes - TDC sustainability

**Tasks:**

1. Develop specific portfolio of services/client (Based on previous research on S/W's)
2. Supply clients w/ Int'l Market Requirements + Trends - In process
3. Selection of Target Areas - Done (U.K + Germany)
  - 3.1 Quality/Price relationship U.K= MQ + LP  
Ger= MQ + HP
  - 3.2 Devl. of models/country - in process imported samples given to mnfc's
4. Market Research
  - 4.1 Market share of Competitors in target areas (Portugal + Brazil)
  - 4.2 Identify alternate sourcing opportunities (lasts + Soles)
5. Estimate Expected achievable market share -U.K, Germany  
-Portugal, Brazil Competition
6. Access, from Int'l org's - Country specific list of:
  - Importers/Wholesalers/Distributors
  - Agents & Representation companies
7. Identify suitable M.A.N rep country specific - In process (UK)
8. Marketing trips
  - Follow-up on built contacts
  - Intro. to new prospective buyers
9. Identification of most suitable exhibitions - Done
  - Expo Riva
  - GDS
10. Mailing List
  - EC Directories
  - Previous contacts
  - Coordination w/ Int'l org's
11. Creation of Image
  - Promotional Material - Cost sharing
  - Stand construction w/ specific themes

12. Response to interest expressed by buyers
  - Immediate mailing of samples
  - Modifications requested
  
13. Specific follow-up visits for finalization of deal  
(5 % fee/order flexible on a case by case basis)

## BUSINESS PLAN

**Sectors :** Agriculture ( Fresh Products - Processed Food )  
Ready Made Garments  
Shoes

**Activity :** Trade Fairs and Exhibitions

**Objectives:** A. Building an image for Egypt in new markets  
B. Enhancing Egypt's image in existing markets

**Tasks :**

1. Identifying the Fairs
2. Selecting the Fair
3. Participating in the Fair
4. Contact with construction & decoration Co.
5. Fair Preparation
6. Mailing Campaign to send invitations
7. Selecting TDC personal to attend the Fair
8. Travel Arrangements
9. Follow up with exhibitors daily outcome of the fair

### 1. Identifying the Fairs

- A. Obtaining information through Commercial Attaches in embassies, and collecting all the necessary information regarding available fairs.
- B. Inspection trips by TDC members to evaluate various fairs
- C. International Publications ( Directories - Trade organizations )
- D. Previous established contacts

### 2. Selecting the Fair

Criteria of selection will be based on the exposure that the fair will provide - the number of attendants and line of specialization (manufacturers/importers/distributors etc..)

*How to Evaluate?*

3. Participating in the Fair

- A. Applying for space, and correspondence with fair authorities
- B. Paying the entrance fees

4. Contact with Construction & Decoration Co.

- A. Creating an image
- B. Creating a theme
- C. Creation of promotional material
- D. Stand Construction

5. Fair Preparation

- A. Inquiring about the facilities provided by the fair, in terms of decoration, hostesses, etc..
- B. Arranging pamphlets and brochures to be distributed in the fair

6. Mailing Campaign

- A. Sending invitations to previous clients
- B. Sending invitations to Clients recommended by local industries

7. Selecting TDC personal to attend the Fair

The person selected to attend the fair has to provide adequate assistance to the exhibitor and have enough knowledge about the products displayed.

8. Travel Arrangements

- A. Ticketing
- B. Hotel Reservation

9. Follow up with exhibitors daily outcome of the Fair

Keeping day to day contact with the exhibitors should they need any information.

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## ***MONITORING AND EVALUATION CRITERIA***

- 1. Sales Volume**
- 2. Development of Technical Assistance for Clients**
- 3. Quality of TDC/Client Relationship**
- 4. Meeting deadlines**
- 5. Meeting budget targets**
- 6. Qualitative/Quantitative Buyer Contacts**
  - a) Most Appropriate Buyers**
  - b) Sale/No Sale**
- 7. Management Support**

## ***FORMAT FOR BRIEF STAFF MEETINGS***

- |           |                                     |                   |
|-----------|-------------------------------------|-------------------|
| <b>1.</b> | <b>Sectoral Reviews</b>             | <b>10 minutes</b> |
|           | <b>a) Marketing "in"</b>            |                   |
|           | <b>b) Marketing "out"</b>           |                   |
| <b>2.</b> | <b>Upcoming Deadlines</b>           | <b>10 minutes</b> |
| <b>3.</b> | <b>Anticipated/Current Problems</b> | <b>5 minutes</b>  |
| <b>4.</b> | <b>Anticipated Opportunities</b>    | <b>5 minutes</b>  |
| <b>5.</b> | <b>Other</b>                        | <b>10 minutes</b> |