PN-ADC-556

Supporting Egypt's Processed Foods Export Industry

A Logistical Guide to Developing Your Export Strategy

Market Development Toolbox

Prepared By Agriculture-Led Export Businesses (ALEB)

Business Development Services

October 2000

Funded by U.S. Agency for International Development
USAID/Egypt
RP 0264
Under Contract No: 263-C-00-99-00011-00
USAID Cognizant Technical Office: USAID/Egypt/EG/ED
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Market Development Toolbox

Before taking on the challenge of entering the export market and developing a market strategy, food processors must first analyze the market potential for their products -- a process that poses many hurdles. The food processor must gather and analyze market information in a systematic way, prioritize high potential import markets, assess competitors' strengths and weaknesses, and look internally at domestic constraints such as availability of raw material. Businesses can determine market potential by gathering information in various ways, each of which have time and cost implications.

- First, processors should obtain studies, industry rapid appraisals or market surveys conducted by government, trade associations or international organizations or projects. For example, ALEB conducted industry rapid appraisal work in Europe on behalf of the Egyptian industry, which has helped firms determine market opportunities. This information is cost-effective but each firm has to analyze the information and apply it to their particular situation.

- Secondly, processing firms must assign their in-house marketing department to conduct survey work, over and above what is available in the public domain. The quality of the survey work depends on the ability of in-house staff to dedicate time and effort to the activity. Some firms may even want to hire a consultant to undertake proprietary work. This option is costly but if efforts are made to identify and oversee qualified consultants who have access to specialized information, this can have an added payoff.

- Businesses can tap many different information sources that allow for an initial determination of market potential, but in order to accurately interpret this information they must make contact with buyers in the market.

Once market potential is determined through information gathering, then the processor can move forward with a market strategy, that is, the plan for breaking into the market. The market strategy is implemented by employing a set of marketing tactics, ranging from cold call to introductory letters, to sending samples and attending trade shows. There is no set rule on when a processor should move ahead with commercial deal, but experience has shown that risks are minimized and chances of success are higher when a processor has developed a business plan that includes a clear strategy

This toolbox outlines steps needed to complete a market survey, develop a market strategy, and implement the market strategy. The toolbox includes templates on tools and techniques for specific aspects of market development, such as topics to cover in information gathering, interview guidelines and questions, outline of a marketing strategy report, checklists for contacting customers (including introductory letters and cold calls), and buyer profiles.

Agribusiness Marketing

Explanation of Templates

"The Agribusiness Market Toolbox to Gain a New Customer" is designed to follow simple steps to gain a potential customer and keep the customer. If one will follow these steps, then one will have the potential of not only gaining a new customer, but also develop the skills to maintain a very good relationship with the customer and to follow the international markets and competition. There will be data developed to identify and analyze product, pricing, placement and promotion that currently may not exist in your agricultural enterprise. Data from this template will be used to conduct a marketing analysis, and establish a marketing plan. It helps a manager to define physical capabilities, identify problems and to effect changes in those capabilities with the intention of gaining and maintaining a new customer.

Following is the explanation for each line item on the survey:

Section 1: Outline Steps to Take on Introduction and Follow-Up
This format lists the steps that one should follow in order to develop the proper methods to obtain a new customer for export.

Section 2: Export & Marketing Strategies
Strategies that can be used in order to obtain new customers, to develop your Export Market Plan and to increase your exports are included in this section.

Section 3: Outline for Marketing Plan
This outline will assist a manager and staff with writing an Export Market Plan (EMP) that will delineate the future of the company for exporting to an international market. This is a living document and is one that can be updated. This is a roadmap for the marketing department on the goals, objectives, strategies and methods that the marketing team is going to implement, be held accountable to and contribute to the company vision.

Section 4: Websites for Research Information
The websites enable an individual to keep abreast of many facets of marketing, i.e. weather, competition supplies, prices on the international markets, statistics for the target markets, and other pertinent information for the marketing department so that sound and good business decisions can be made.

Section 5: Introductory Letter Outline
This is an outline for the information that is needed to be written in a professional introductory letter to a potential customer. Since this is the first contact that the company has with the potential customer, first impressions are of the utmost importance. If a letter is written poorly - spelling, grammar, information - the potential customer is likely to discard the introductory letter. You never get a second chance to make a first impression.

Section 6: Sample Introductory Letter
This is a sample letter for you to review to assist you in writing your own letter to a potential customer. One must be very careful with the content and style of the letter so that the potential customer is impressed with your company and not disenchanted with your letter and therefore your company.

Section 7: Outline For Cold Call To Potential Customer

Once the introductory letter is sent, and then it is up to the individual to follow up with the phone call to the customer. The outline delineates the importance of following certain techniques to enhance the possibility of gaining the new customer. Remember, courtesy and diplomacy is of the utmost importance for you. You are now making the second impression with the potential customer, and t is important to **MELT THE ICE** with the potential customer, therefore, why it is called a **COLD CALL**, you must be exact in your method of calling. Practice on this can be done with another individual in the office to perfect the method of your techniques.

Section 8: Customer Profile

Once a customer is contacted and there seems to be a semblance of responsiveness from the customer, a customer profile should be initiated by the individual. This profile should delineate all the information on the customer throughout the life of the relationship with the customer. This will enable anyone to be able to have quick knowledge of the customer and for production to know what the exact specifications of the customer are. Production should have a copy of this that is updated continuously and be on the computer for review by key management.

Section 9: Buyer Profile

A buyer profile is something will enable the rapport between the company and the buyer to be business oriented, yet personal. It is important that the buyer respects you as a company, yet a peronal relationship is established.

Section 10: Letter of Credits and/or Payment Terms

A letter of credit is the quickest and the surest method of receiving your money. This area will review the important aspects of the Letter of Credit and how to obtain and write one with your bank and the customer.

Additional Resources and Information

Section 1: Outline Steps to Take on Introduction and Follow-Up

A. Export Marketing Plan

B. Market Research and establishing of the websites that are available for ongoing research of markets, supply, prices, and customer base.

C. Introductory letter or fax
   1. Introductory letter from the company
   2. Knowledge about the target market, tariffs on imported products, ethnic populations, and usage of the products that are being proposed, etc.

D. Follow up "Cold Call" in 8 to12 days to the customer
   1. Contact the responsible person for the products that you are selling to the customer
   2. See if can fax or call the respective buyer
   3. Get his/her permission to send a sample of the products to him/her
   4. Get email address if the customer has one
   5. Discuss knowledge of the customer with the buyer
   6. Tell the buyer that you are willing to pack to his/her specifications

E. Send sample, brochure and information, and price list of the products that are of interest to the buyer.
   1. Price list is based on the conversation with the customer on the products that he/she is interested in buying
   2. Send questionnaire with the samples that is to include what the customer thinks of the product, e.g.
      a. Label
      b. Printing
      c. Colors
      d. Information
      e. Product quality

F. Follow up call or email
   1. Received the sample
   2. Status of the sample and the prices
   3. Customer specifications
   4. Sales criteria
   5. If customer is interested in buying, schedule a trip to visit the customer

H. Customer profile

I. Buyer profile

J. Letter of Credit

Section 2: Export & Marketing Strategies

A. If long-term export success is to be achieved the firm needs a definite plan for their export policy.

This means that the firms interested in exporting have to analyze, first of all, their reasons for exporting and then think about the strategies to be employed. Depending on the firm's interests, aspects specifically relating to the firm and/or overriding issues have to be taken into account. Quite apart from the fact that objectives, criteria and possibilities vary from firm to firm, the following general questions should be examined.

1. What is the intended purpose of exports?
    a. To find an outlet for occasional surpluses in production
    b. To compensate for a short fall in domestic demand in a structurally narrow market
    c. To expand operations (increase in the volume of sale)
    d. To provide jobs
    e. To obtain foreign exchange
    f. To spread the risk (market or product diversification)
    g. To ensure steady growth
    h. To provide impulses for faster growth etc.

2. What is the firm's export strategy?
    a. To increase exports of traditional products
    b. To diversify exports by selling non-traditional products of supplying non-traditional markets
    c. To open up individual test markets for certain products for the purpose of better market penetration
    d. To develop all potential markets etc.

3. Which potential markets are to be developed?
    a. Traditional buyer countries
    b. New markets
    c. Developed countries
    d. Regional markets e.g. EU, COMESA, GCC

4. Which of the following marketing strategies seem appropriate for the targeted markets?
    a. To push sales of traditional products
    b. To diversify through the sale of non-traditional products
    c. To develop the market by supplying direct importers
    d. To work the target market directly
    e. To concentrate on regional markets or individual customers
    f. To establish a sales organization of one's own (branch or subsidiary, distribution network) etc.

After coming "to grips" with the four previous questions, the potential exporter must now face three basic questions. These are:

- Whether there is any chance of selling the product at all
- What the sales potential or market tendencies are and
- What the competitive situation looks like (rival products, quantities, prices, competitions and their behaviors)

B. It is important to remember that consumer goods usually have to be sold twice to the trade and to the consumer.

Success on the market does not only depend on such factors as pricing, distribution, advertising, sales promotion etc. but also on finding the proper "slot" for the product. The right or wrong slot is largely determined by consumer reaction.

C. PREPARING FOR EXPORT MARKETING

Adequate information on market conditions help to improve the chances of success of all export and marketing activities.

In the field of marketing, the exporter can apply two methods of acquainting him/herself with the situation on the market and preparing the marketing activities and decisions:

- Non professional market research
- Professional market research

In both cases, primary and secondary statistical data can be used and desk research as well as field research can be conducted. The advantage of secondary information which is usually available in large quantities over primary data, which has to be obtained specifically for the purpose envisaged is that it involves lower costs, can be obtained more quickly and can also be analyzed by you, other than professional researchers.

D. NON PROFESSIONAL MARKET RESEARCH

This method, which in comparison to professional market research is much simpler.

MARKET RESEARCH

Information on the market should include:

- Import statistics
- Import and other legal regulations
- The prices of similar products
- Competition (competitors, rival products)
- The customary marketing channels
- Competitors marketing methods, advertising and sales promotion efforts
- Transportation
- Consumption
- Terms of sale

From this information, you would be able to develop a market analysis. Again, this can be an extensive exercise. However, the objective is to provide basic data on the market as a whole or the market for a particular product and whether or not to enter this market.

A market analysis will provide:

- Market structures
- Market potential
- Supply
- Demand and competition
- Prices
- Distribution channels
- Import regulations etc.

E. CHANNELS OF DISTRIBUTION

There are no hard and fast rules on selecting a distribution channel. However, before choosing an adequate distribution channel, the exporter has to decide:

- Whether he wishes to reach the ultimate consumer directly (i.e. without middlemen) or indirectly (i.e. via middlemen)
- Which of several equal alternatives is the most suitable one for the sale of your products

Thus, the choice of s distribution channel determines the length of the marketing chain between producer and consumer and its functional efficiency. It is important to note that success in the market does not depend on the length of the marketing chain or on whether the direct or indirect method is employed.

If for example, a marketing middleman has good connections, with certain types of retail establishments, which are particularly suitable for consumer groups for whom the product in question is intended, this indirect approach may be preferable to the direct one, in spite of the fact that the marketing channel is longer.

The only decisive point is whether a particular channel of distribution is adequate from the point of view of the product and the overall marketing strategy.

Costs have to be taken into account, as well, because the costs occasioned by the individual distribution channels differ apart from the costs connected with transport and storage, allowance also has to be made for middlemen's mark-ups.

No clear line can be drawn between "indirect" and "direct" channels. The types of enterprises mentioned under indirect channels do not usually import to meet their own needs or to sell directly to the ultimate consumer; instead they import with a view to reselling the goods to wholesalers and/or retailers. The establishments mentioned under direct channels usually buy goods for resale (directly to the ultimate consumer); however, indirect imports through other channels and resale of directly imported goods to other middlemen are quite common. (Not so in the case of large retail establishments, which import only to cover their own needs and not for the purpose of resale to other middlemen.)

The exporter has to examine in each case, which distribution channel, regardless of whether it is direct or indirect, meets his particular requirements. The range of coverage offered and the size of the enterprise are important factors. An intermediary of small size using the indirect method may provide extensive coverage, while an intermediary of small size using the direct method may offer only limited coverage and thus unsatisfactory sales prospects. As a general rule, the best chances of selling a certain product exist if the nature and make-up of the product and the suppliers capacity are compatible with the probable turnover and the nature of the trading firm involved as well as with the range of products carried. However, the exporter must also take into account the degree of market penetration he wants to achieve.

Regardless of the channel used, the introduction of a new product takes some time. The exporters should therefore, avoid changing the distributor/distribution channel prematurely, if his original expectations regarding sales are not quickly fulfilled.

You should try to find out first what the reasons are – i.e. is the product competitive regarding quality and price? Alternatively, have sufficient sales promotion support been provided?

F. DISTRIBUTION CHANNELS

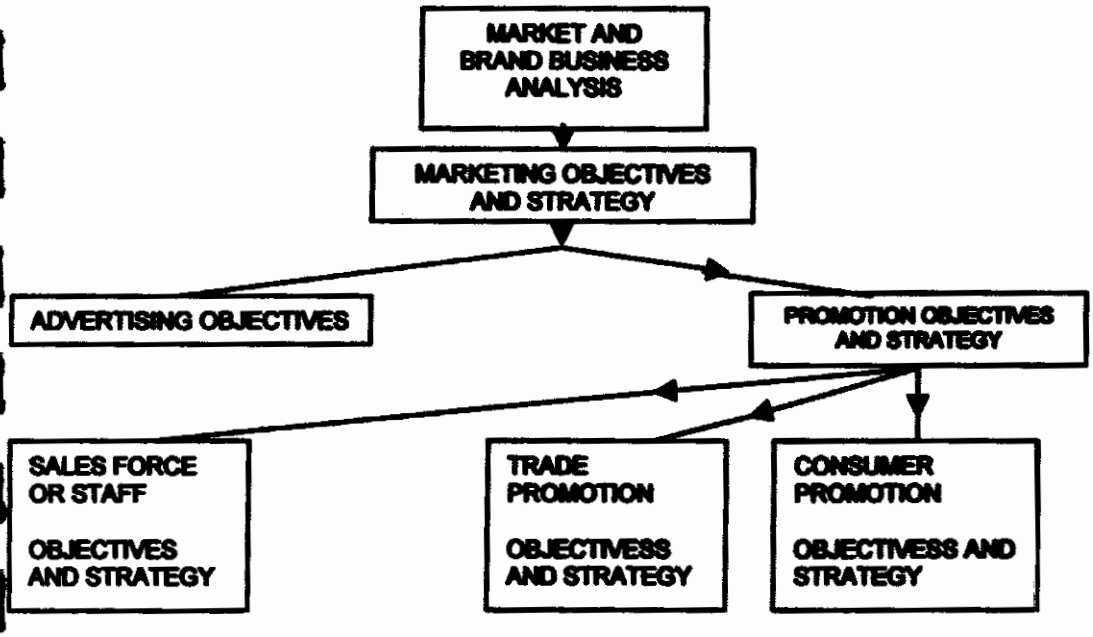
a) Indirect distribution channels
b) The traditional import trade (independent import wholesalers)
c) The traditional wholesale trade (wholesalers other than importers)
d) Wholesale buying officers
e) Central purchasing offices of retailers, cooperative groups
f) Commercial agents/brokers

g) Direct distribution channels
h) Retail firms
i) Central buying offices of large retail establishments – e.g. department stores, mail order houses, electronic retailers multiples (chain stores)
j) Industrial firms
k) The exporters own sales office

G. SALES PROMOTION

<u>The development of the promotion plan:</u>

The promotion plan emanates from a systematic overall marketing approach summarized below, a process, which most marketers go through annually, and a process, which results in a formal marketing plan for the product or service. Guided by the marketing plan, marketers develop sales promotion plans to deliver plan objectives.



"Push" and "Pull":

Basically there are two overall strategic approaches to use in developing the promotion and advertising plan, and the allotment of funds.

(1) PUSH

A PUSH strategy is used to get the trade to order in and push a product through their retail outlets. In this case, a marketer would assign the marketing budget almost exclusively to sales promotion through trade "deals" aimed at the trade to perform. For the most part this type of spending philosophy would generally be used when a combination of advertising and sales promotion is unaffordable.

A PUSH strategy translates into a spending allocation, which is weighted heavily in favor of trade promotion spending. For example:

% of marketing support funds	Push allocation
Advertising	10%
Sales promotion	90%
(Consumer & trade spending combined)	100%

(2) PULL

A PULL strategy means that marketing efforts would be directed to encouraging the consumer to PULL the product off the retail shelf. Generally, the split of funds between advertising and sales promotion would be roughly equal and promotion efforts would be directed against the consumer. In the ideal case, marketers attempt to minimize the amount of marketing support dollars spent against the trade, and focus their efforts against creating consumer demand for a product or service.

A PULL strategy translates into a spending allocation, which might look as follows:

% of marketing support funds	Push allocation
Advertising	55%
Sales promotion	45%
(Consumer & trade spending combined)	100%

Obviously competitive spending and allocation of funds must also be considered.

It should be noted that sales promotion has three target groups-consumer, trade and sales force.

Section 3: Outline for Marketing Plan

I. Executive Summary: Short Statement summarizes the entire plan and what the intentions of your market export objectives, strategies, and goals. In other words, what, who, where, and when do want to export your product(s). This can be written prior to the plan then revised after the plan is written to be updated.

II. Situation Analysis: This comprises current information about the environment and the status of the company at this present time. All forces that are affecting the marketing, i.e. competition, rules and regulations, the target market, and trends of the market. Assess your organization's marketing resources: the availability of human resources, financial resources, and capability of production to meet the demands of the export market.

A. Where you are at the present time in export and knowledge of the international market.

B. Market Potential: What is the size of the market that you are targeting?

C. Customer Needs: Through research, determine what the needs of the customer in the target markets are for your products.

D. Product: What are the products that you wish to export.

E. Operation strengths, weaknesses and risks: What are the strengths, weaknesses, and risks of your operation in the export market.

F. Trends: What is happening and what changes in the market do you see occurring if any.

G. Competitors weaknesses and strengths: Both domestic and international

H. Potential Niches: Does your product have a niche that you can export to, i.e. as an ethnic Arab market, Kosher market, and/or variety of product that is indigenous to Egypt.

III. Objective: Should be clear and in simple terms. Be written so can be accurately measured. There should be a time frame for achieving the objectives. This should be consistent with the overall company objectives.

A. Measurable Objectives
1. Increase Customers: What in five years on an annual basis do you want to obtain in customers and in which target markets?
2. Increase in Sales Revenue/Production: What is the volume in five years on an annualized basis that you want to increase?

VII. Strategies
A. Strategy
1. Quality: Is your quality of the product and collateral material competitive with the international market and competitors for that international market?
2. Adding Value: What can you do with your product to add value to it, to be accepted to that market i.e. is it healthy?
3. Product Development: Do you have an R&D program and if so are you dveloping any new products for export markets?

4. Pricing: This should be determined with the upper management to determine what the target margins of profit are to be when establishing a price basis.
   a. How Prices Are Set: What is the method that you are going to set your prices with the potential customer or existing customer?
   b. Pricing Is Competitive: Is your pricing competitive with the export market and the international competition?
   c. Based on Cost – Markup: What is your markup going to be?
   d. Elasticity of Pricing: How flexible are you going to be with your customer in terms and conditions?
   e. Discounts: Are you going to offer to the customer any introductory discounts or volume discounts?
   f. Sales Terms and Credit: What are your terms and conditions for the customer? Let the customer know this up front.

5. Place Marketing Channels: Whom are you going to target in the markets that you are trying to export to? This should be determined in order to best place your product in the market for success. Evaluate your market and product and determine what is the most feasible for marketing. Are your distribution channels going to be direct or indirect?
   a. Wholesaler
   b. Retailer
   c. Processor/Co packer
   d. Agent

6. Perceptions – Product Has Value

7. Promotion and Advertising
   a. Trade Shows: Determine the best trade shows that are in the market that you have targeted and attend those shows.
   b. Brochures: Is your brochure of quality that it will represent your company with professionalism that you want. It must be well done; this will be the first impression of your company that he potential buyer and customer see.
   c. Information to Customer: What information do you have available to give to the customer?

8. Market Penetration: What is going to be your methods to penetrate the market. Are you going to penetrate with cheap prices? Are you going to penetrate with personal visits to the customers?

9. Raw Material Supply: What is the quality of your raw material? Is there any control by your company on the raw material to insure the food safety of the product?
10. Management: How commited is the management to the export market and willingness to make the changes in order for success in the market.

VIII. Budget: Establish a budget that will include trade shows, advertising, personnel needs, and other costs that are going to be needed to market the product.

IX. Marketing – Summary
   A. Product Mix – Products that will be exported
   B. Place Mix – Target Markets and Channels of Distribution
   C. Price Mix – Type of pricing that will be used per product
   D. Promotions Mix – Promotions that will be used per the product (Discounts etc)

Sample of Customer Questionnaire for Trade Show

Your Company Name

Staple card to the top left or right corner of this paper

Name of Company: _____
Name of individual talked to: _____
If not listed on card:
Telephone extension: _____
email address: _____

What information was given to the company representative/buyer:

_____

_____

Brief notes of what was discussed with the representative and to include:
1) Products that the company purchases: _____

_____

2) What products that are being shown to buyer, he/she had interest in, packaging, etc.:

_____

3) Person(s) and titles to contact in the company for this: _____

_____

_____

4) Specifications on the product to determine what company needs to do to sell to the potential customer:

_____

_____

5) Methods of transportation for the product(s): _____

_____

6) Method of payment: _____

_____

7) Times of purchase in the year; are they a seasonal buyer:

_____

8) Any comments about the business environment of the buyer's company:

_____

9) General comments on your impression of the individual in his/her sincerity in buying our product

_____

Section 4: Websites for Research Information

Foreign Agricultural Service, Agency within the United States Department of Agriculture – FAS
Private Sector Development Programme-Egypt - PSDP
Japan Export Trade Organization – JETRO
World Trade Center - WTC

A. Market Prices

1. FAS – www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
2. Eurotrade – www.eurotrade.com.
3. Eurostats – http://europa.eu.int/en/comm/eurostat/eurostat.html
4. Food & Agriculture Organization of the UN - http://www.fao.org/
5. Frozen Food Association - http://www.nffa.org/
6. International Food Information Council - http://ificinfo.health.org/
7. Fooditrader – www.fooditrader.com.
8. Foodarea – www.foodarea.com.
9. EC Europe – www.eceurope.com.
10. Waren-Verein der Hamburger Borse e.V., Dr. Klaus Hanebuth – www.waren-verien.de.
11. FRUCOM, Dr. Klaus Hanebuth – www.frucom.de.
12. JETRO – www.jetro.go.jp
13. Trade Submit - http://www2.trade-submit.com

B. Weather

1. FAS - www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
2. USDA – www.usda.gov/oce/waob/jasf/wwcb.html.

C, Competition

1. Eurostats - http://europa.eu.int/en/comm/eurostat/eurostat.html
2. FAS - www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
3. PSDP – www.psdpegypt.com
4. JETRO – www.jetro.go.jp

D. Supply of Competition

1. International - FAS - www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
2. USDA – www.usda.gov/oce/waob/jasf/wwcb.html.

E. Statistical Information

1. University of Massachusetts – www.miser.edu
2. FAS - www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
3. Eurostats - http://europa.eu.int/en/comm/eurostat/eurostat.html
4. Stratigis – www.stratigis.com
5. Search engine – www.dogpile.com
6. United Nations – Food and Agricultural Organization – http://www.fao.org
7. Fintrac – www.fintrac.com

F. Customers by Country or area

1. FAS - www.fas.usda.gov/scriptsw/fasfield/ovc.frm.asp.
2. Thomas Food Industry Register - http://www.tfir.com/
3. Agriculture and Agri-Food Canada Online, International Buyers – www.ats.agr.ca/public/buyers
4. Consulate of Egypt, Commercial Representation Office - http://pweb.netcom.com/-egptrade/index.html.
5. Waren-Verein der Hamburger Borse e.V., Germany, Dr. Klaus Hanebuth – www.waren-verien.de.
6. FRUCOM, European Community, Dr. Klaus Hanebuth – www.frucom.de.

7. PSDP, European Community – www.psdpeqypt.com
8. JETRO, Japan – www.jetro.go.jp
9. World Trade Center – http://worldtradecenter.org
10. National Association for the Specialty Foods Trade Association (NASFTA) – www.fancyfoodshows.com/nasftinfo.html
11. National Food Processors Association (NFPA) – www.nfpa-food.org/member.html
12. Grocery Manufactures of America (GMA) – www.gmabrands.com
13. American Spice Trade Association (ASTA) – www.astaspice.org
14. Foodline - www.foodline.com
16. Egyptian Ministry of Economy and Foreign Trade - www.tpeqypt.gov.eg
17. Korea, Japan, USA, and China - www.eckorea.net
18. Trade Submit - http://www2.trade-submit.com
19. United Nations - www.untpdc.org

G. Labeling and Nutrition for the United States and the EU

1. United States - FDA - Center for Food Safety and Applied Nutrition - http://vm.cfsan.fda.gov/list.html; Food and Nutrition Information Center - http://www.nalusda.gov/fnic
2. EU - http://europa.eu.int/en/comm/eurostat/eurostat.html

Section 5: Introductory Letter Outline

A. Introduction of who you are and the position that you hold in the company.

B. History and profile of the company.

1. When the company was started.
2. Mission Statement of the future
3. Size of the company, tonnage and hectares that are grown.
4. Where product is from in Egypt.
5. List of products that you have to sell the customer.
6. Service and quality oriented and describe briefly how.
7. Brief description of the operation; give examples of sanitation, HACCP or ISO certified or going towards this to meet the food safety requirements of the country that the prospective customer is in.
8. Willing to pack in any size of container (final consumer or bulk) or private pack for the customer.
9. Raw material testing for food safety. What is done if does not meet tests.
10. Ease of loading a container and have the paperwork
11. Presently exporting to Europe and other European countries and where else.

C. Include in the letter your telephone number, fax number, email, website, and office address.

Section 6: Sample Introductory Letter

Company Letterhead

I would like to introduce myself and my company to your well-known company, Name of Sender and Name of Company. Our company is located in Cairo, Egypt and specializes in specialty fruit juice production. We are presently exporting to Countries exporting to at this time. I have received your name from ALEB (Agricultural-Led Export Businesses) in Cairo, Egypt. I understand that one of their representatives contacted you and discussed with you this project that is funded by the United States Government. Name of Company is interested in exporting to your company fruit juices; mango, guava, pomegranate, and apricot.

Name of Company is one of the leaders in Egypt in the exportation of fruit juices to the international market. We have been in business from Date of start. We have the ability to mix the type of mixture that you would want in your juice. Our facility is ultra modern and can package in a Tetrapak, bottle or carton, and in bulk.

Our raw material is grown mostly in the fertile Nile Delta. The weather and the soil in this region are very conducive to excellent products. With the coolness of the Mediterranean during the day, this enables us to grow quality products and for us to produce an excellent tasting juice product.

Growers under our supervision grow all of our raw material in order to ensure food safety and proper cultural practices in the utilization of pesticides. We utilize proper harvesting and transportation techniques in order to ensure a proper cold chain for our raw material to our production facility in Cairo. Through our contractual relations with our growers, we procure in excess of 20,000 MT of raw material fruit annually and inspect and lot the entire production in our modern laboratory prior to production. Any fruit that does not meet our strict standards is rejected and not processed for packaging. Give an example of what testing you do on product that is received at your facility.

Our facility is ISO certified and we are in the process of implementing a HACCP plan. Name of Company practices Good Manufacturing Practices (GMP). We believe in food sanitation and practice it in all of our operations.

With our modern packaging machinery, Name of machines that you use to pack the various type of containers that you can export, we are able to meet your needs on a very short time table. Our modern machinery is capable of various types of packaging and mixing of the juices for the mixture that you require. Our mission statement is to give the customer service and quality that is equaled by none.

Our facility is near the ports of Alexandria and Port Said, therefore allowing us to ship in a very brief period of time. Both ports are very modern and have facilities to handle the newest type of containers.

Name of Company is also a major producer of fresh jams and frozen vegetables, if your company is interested in these items. We follow the same procedures with these as we do with our juices. We are vertically integrated and have the same quality and service for our customers with these products that we have with our juices.

The following are the specifications for our pomegranate, guava, mango, and apricot. A specific description of product like this

Guava – 250 gram or one liter bottles. 12% pulp in our drink and 20% - 30% pulp in our nectar. The ingredients are water, guava pulp (25%), sucrose, citric acid, food stabilizer (CMC), nectar is pasteurized

Mango – 250 gram or one liter bottles. 12% pulp in our drink and 20% - 30% pulp in our nectar. Nectar is pasteurized. The ingredients are water, mango pulp not less than (30%), sucrose, citric acid, food stabilizer (CMC), anato

Pomegranate – Concentrate which s freshly squeezed from the seeds and there are no addictives. The brix are 12% and the total soluble solids are 11% - 13%. The components are moisture-83%, TSS-11-13%, total sugars 13%, ash-0.28%, Fiber-traces, protein-1.26, vitamin C-3.84mg/100ml, total acidity-1.04, PH-3.6, pectin0.6%

The above fruit juices offer not only a pleasant taste to your customers, but a vitamin rich drink that is growing quite quickly in California. The most recent statistics that were reviewed illustrated that the growth of imported juices of this nature was 70% per year.

We will private label pack. We will package in various size containers to meet your requirements.

Our address, phone and fax number, and email address are as follows:

Address:

Telephone:
Fax:

Email:

I hope that we can do business in the future. I am very interested in furthering a business relationship with your excellent company.

Name of Sender

Section 7: Outline For Cold Call To Potential Customer

A. Initial contact to the receptionist:

1. Pleasant greeting and identify yourself and the company you are with, Speak in English and SPEAK very SLOWLY and pronounce each word carefully, ask how he/she is. This is a foreigner and they are in their native land and you are both not speaking in your native language, be very deliberate.

2. State that you have sent a fax and with an introductory letter to this company

3. State that you would like to talk with the person that is in charge of the buying of your commodities, state them briefly. Remember he/she is very busy and does not have time for idle chat or such, be specific.

4. Request the name of the person that is the buyer of your commodities and write it down, then ask the receptionist to transfer you to that person.

5. If he/she has any more questions, answer the questions specifically and succinctly and be very cordial.

6. If the buyer is not there, then get the direct number to the buyer and ask the receptionist when the buyer might be back, obtain a specific time if you can. Leave a message with the receptionist to give to the buyer that you will call back at this specific time.

7. Thank the receptionist for her assistance. He/She is your guide at this time to the buyer and he/she can be of great assistance to you to get the correct person.

8. If transferred to the buyer, then do as follows.

B. Talking to the BUYER:

1. Pleasant greeting and identify yourself and the company you are with, Speak in English and SPEAK very SLOWLY and pronounce each word carefully, ask how he/she is. This is a foreigner and they are in their native land and you are both not speaking in your native language, be very deliberate.

2. The BUYER is very busy and you are basically bothering he/she, so be very cognizant of that, so be very succinct. You are at this time not important to the BUYER, you are disturbing his/her routine, and you must realize that.

3. Ask if this is a good time for he/she for you to have a conversation or would it be better to call at another time. If this is not the time to talk, find the better time and schedule a call with the BUYER and start at the beginning on the next call. If time is permissible, then follow this.

4. State that you have sent a fax to the company with an introductory letter. In that fax you have introduced your company to he/she and that you are interested in exporting your product to his/her company. Ask the BUYER if he/she has the fax or can get the fax. If he/she does not have the fax, can you reseend the fax to he/she and call again and select a time that is convenient for he/she. If he/she does not want to receive a fax and is not interested in talking with you, ask if you can fax or call at a later date to start some kind of dialogue. If not, then thank he/she and be very cordial.

5. If he/she has the fax then proceed to 2g, if he/she does not have the fax and would like to see a fax, then reschedule a time that is convenient for the BUYER and agree

upon a time to call the BUYER. Tell the BUYER that you will send another fax attention to his/her name. Ask if there is a direct fax to the buying department other than the one that you have. Ask the BUYER if he/she has a direct number to call he/she for the next conversation. If the BUYER does not have the fax, do not waste any of his/her time, be cordial and say good bye.

6. Call at the agreed upon time, unless you have a direct number for he/she, then go to 2g after you have introduced yourself to the BUYER. Ask the receptionist for the BUYER by name this time and ask to be transferred to the BUYER. Tell the receptionist that you have made an appointment to call the BUYER at this time.

7. If the BUYER has the fax, then proceed from here. Tell the BUYER succinctly about your company and that your company is an exporter of products, state the products specifically. State to he/she what areas you export to and if you are HACCP certified or that your company is pursuing this in the near future. Then let the BUYER know that, SPEAK SLOWLY. Remember that you are disturbing the BUYER from his/her routine and that you are not a friend at this time. Be very pleasant and cordial to the BUYER, he/she may be difficult with you, but that is just at this time.

8. Ask he/she if he/she is interested in any of your products that you stated. If he/she is, then you would like to ship a sample to he/she as soon as possible. If he/she is not, ask he/she if you can call back at a later time. If you can do so and start from 2f or 2g. If not interested in having you call back, be very cordial and end the call. If the BUYER is not interested in your products at this time, ask he/she if you could call back at a later date to discuss the situation. If the BUYER says no, do not be offended, be pleasant and leave your phone number with the BUYER and thank he/she for the time. Ask he/she if there is any companies that might buy your products if this company does not buy any of your products, use the time to find out some potential customers. If interested, do the following.

9. If he/she is interested then obtain the products that he/she is interested in and request specific criteria of customer specifications on the those products he/she is interested in and write them down and repeat them to he/she. Find out where he/she wants you to ship the products. Repeat the address for accuracy to he/she.

10. Make an appointment when you are going to call back based on the time that the product will arrive to the BUYER. Set a date and time at this time for the next call.

11. End the conversation with a pleasant and cordial parting and thank the BUYER for his/her time.

12. End of call.

C. Major Points to remember:

1. SPEAK SLOWLY and pronounce each word carefully, you are both not speaking in your native language.

2. Be succinct with the BUYER, have a prepared text for the BUYER if necessary.

3. Be pleasant to the receptionist and the BUYER, even if they are not to you.

4. Do not be forceful on sending the BUYER in talking to you or sending him/her a sample, but be positive about your product and your company.

5. The **BUYER** does not know you or your company and that you must represent yourself and the company in a cordial and positive manner.

6. Bold letter font on the **BUYER** and other are to keep you reminded that the **BUYER** is the in charge and that you are not yet a friend. That you must speak slowly, to be understood.

Section 8: Customer Profile

Name of Customer
Address
Telephone Number
Fax Number
Email Address
Website

Buyer's Name in Full

Chain of Command in the Purchasing Organization

Parent Company if Any

Business Description i.e. what type of business is the company in, areas servicing, type of customer servicing
- Wholesaler, Retailer, Agent

Buying Patterns of the Company

Annual Revenue

Private or Public Company

Customer Products as Produced by Your Company

Product Specifications by product:
- Length
- Diameter
- Weight
- Brix
- Package size
- Package required

Method of Transportation
- Company
- Destination
- Particulars i.e. recorders, seals, fumigation, pallets,

Method of Payment
- LOC
- FOB/CIF
- Bank
- Contact Person in Accounts Payable

Bank

Graph or table on the sales and volume with the customer on a monthly basis

Section 9: Buyer Profile

Buyers Full Name

Telephone Number
FAX Number
Email Address

Home Address

Birthday

Hobbies

Other Interests i.e. reading and author, plays etc.

Favorite Foods

Wife's Name

Wife's Birthday

Hobbies

Other Interests i.e. reading and author, plays etc.

Anniversary Date

Children's Names and Ages

Children's Birthdays

Children's Hobbies and Sports

Section 11: Letter of Credit

An export letter of credit is a conditional payment mechanism whereby the issuing bank irrevocably promises to pay the seller if presented documents comply with all of the letter of credit terms and conditions. As the issuing bank's undertaking is conditional, a commercial letter of credit is not a guarantee of payment. A commercial letter of credit offers protection to both the buyer and seller and, for this reason, is often used as a means of payment. The seller is assured of receiving payment as long as the documents present are in conformity with the terms and conditions of the letter of credit.

A. An L/C transaction involves three agreements:

1. Agreement between the buyer (account party) and seller (beneficiary) which gives rise to the use of an L/C. The agreement may be in the form of a sales contract.
2. Agreement between the buyer (account party) and the issuing bank which spells out their mutual obligations, including that of the account party to reimburse the issuing bank when payments are made to the beneficiary in accordance with the terms of the L/C.
3. Agreement between the issuing bank and the seller (beneficiary), which specifies conditions which must be met before payments will be made.

B. There are two types of banks in the transaction:

1. Issuing/Advising – An advising bank acts as the agent of the issuing bank.
2. Negotiating/Confirmation – By confirming a letter of credit, the advising or another bank assumes the same responsibilities as the issuing bank, including the obligation to pay against presented documents if they are in order and all of the letter of credit terms are met.

C. Commercial L/Cs – Mechanics

1. Importer gives L/C application to issuing bank.
2. Once the issuing bank has reviewed the wording of the application and the credit of the importer has been verified, the L/C is transmitted to the advising bank.
3. The advising bank checks the authenticity of the credit and relays the document to the seller/exporter (beneficiary).
4. Once the seller is satisfied with the terms of the credit, he/she ships the goods.
5. Once shipment has been made, the seller gathers all documents required by the L/C and presents them to the examining bank and/or negotiating bank (the advising bank and examining and/or negotiating bank can be one and the same; however, this in not mandatory). The documents then flow back though the issuing bank to the importer. The issuing and examining banks are responsible for checking the documents to determine if all items conform to the L/C.
6. Payment is made to the seller if all documents are in order.

D. Letter of Credit issuance guidelines. The following information has been designed to assist you in initiating your export sale and assist the bank in processing the international trade transaction:

1. Export quotation worksheet: This worksheet provides an expedient way to gather the basic information required to prepare an export quotation, a key step in initiating your international trade transaction.

2. Export Letter of credit issuance instructions: This worksheet provides an expedient way together the basic information requited to prepare an export quotation, a key step in initiating your international trade transaction.
3. Proforma Letter of credit – S.W.I.F.T. format: This provides an example of a Letter of credit from the exporter's perspective.
4. Comments indicate terms that are most favorable to the seller (exporter). This sample is for illustration purposes only. The Letter of credit is presented in SWIFT (Society for Worldwide Interbank Financial Telecommunications) format that is commonly used by major international banks. The comments are user comments and not legal definitions.

E. Exporter responsibility with L/C

1. Upon receipt of L/C, read it thoroughly
2. Do not ship until your receive the L/C
3. Remember you must comply exactly with everything in the L/C. If you cannot comply exactly with the L/C terms, contact your buyer and request amendment(s)

F. Checklist for Export Letter of Credit

1. Is the letter of credit irrevocable? Remember, an irrevocable L/C can only be canceled with your consent.
2. Which bank has committed itself to pay? As the beneficiary, are you satisfied that such a bank can pay? If not, you may wish to request the buyer to have the letter of credit confirmed by a major bank.
3. Is your name and address, and that of the buyer, spelled correctly?
4. Is the amount of the credit sufficient to cover the shipment? The amount should cover the freight and insurance charges in accordance with the terms of the sale such as C&F. CIF, FOB, etc,
5. Is the term of the draft required under the L/C as agreed upon between your buyer and yourself?
6. Is there sufficient tolerance allowed on the quantity to be shipped? If you are not sure of the exact amount, you may want to have the L/C state "About" or "Approximately" immediately before the amount and quantity.
7. Does the letter of credit describe the merchandise correctly? Remember, the way it is described on the L/C dictates the way it must be described on your commercial invoice and all other documents presented for payment under tat L/C.
8. Is the mode of shipment permitted from the place you intend to use?
9. Does the expiration date and the latest shipment date give our sufficient time to effect shipment?
10. Is the destination correctly described in the L/C?
11. If the letter of credit stipulates shipment to be effected on a named vessel, or vessels of a named steamship company, or named airline, can you comply with this requirement?
12. Can you comply with the insurance risks coverage required by the L/C?
13. Are there any boycott related conditions in the letter of credit?
14. Can you supply all the documents that the L/C calls for?

G. How long does it take for the exporter to get paid? Listed below are the three methods of settlement from fastest to slowest. The issuing bank determines the settlement method:

1. Negotiating bank is authorized to debit issuing banks "DUE TO" account.
2. Negotiating bank is authorized to claim reimbursement from the issuing bank's Egyptian correspondent/settling agent.
3. Documents are payable at the counters of the issuing bank and must be forwarded to them. After examining the documents, the issuing bank remits payment.

H. Documents required by the importing country: The buyer will usually provide the seller with a list f documents needed to get the goods into his country as expeditiously and inexpensively as possible. Some documentary requirements are not open to negotiation, as they are needed by the importer to clear customs as the port of destination. Most commonly needed documents needed are:

1. The bill of exchange/draft
2. Commercial Invoice
3. Consular invoice/visaed invoice
4. Transport documents/bill of lading
5. Insurance policy or certificate
6. Certificate of origin
7. Inspection certificate
8. Weight list or certificate
9. Phytosanitary certificate
10. Packing list

I. Document discrepancies for L/Cs are common and are subject to the Uniform Customs and Practice for Documentary Credit UCP 500 overview. The UCP rules L/Cs:

1. Under the UCP 500, issuing banks are obligated to make payment under L/Cs when conforming documents are presented. If there is a discrepancy, the issuing bank has seven working days to clarify and resolve the matter. If the discrepancy is not resolved, then the issuing bank can delay payment to the negotiating bank. How to avoid discrepancies :

   a. FAX the buyer the terms of the L/C which should conform to the underlying contract of sale between the exporter and importer.
   b. L/C application to be sent to the seller to be reviewed and change then, not after the banks have been involved.
   c. That however the merchandise is described on the L/C, that the invoice can describe it the same.
   d. The exporter should require that the period of time to present the documents to the bank be at least fourteen days.
   e. Exporter discuss with the freight forwarder that all the documents that are in the L/C can be obtained with the requisites signatures.

2. Most common discrepancies are the following:
   a. L/C has expired
   b. Late presentation of documents
   c. Late shipment of goods
   d. Inconsistent spelling of parties' names in documents
   e. Terms of sale not complied with
   f. Merchandise description not strictly as per L/C terms
   g. Foreign language documents must be exactly as per L/C
   h. Documents are not consistent with one another
   i. Ocean bill of lading issued by forwarding agent is unacceptable
   j. Bills of lading are not clean
   k. Insurance does not cover risks stipulated in L/C
   j. Insurance issued after shipment date
   l. Bills of lading and drafts not properly endorsed
   m. Drafts not completed properly

It is your decision to use this type of payment method and the aforementioned guidelines are just guidelines to follow if your want to use an L/C. The most important fact in a L/C is to be sure and exact on the documents and that your documents comply with the L/C.