

GLOBAL BUSINESS

RIDING THE EXPORT WAVE HOW TO FIND A GOOD DISTRIBUTOR OVERSEAS

WITH THE DOLLAR'S plunge in value, U.S. goods are much in demand overseas: In the month of September alone, exports hit a record \$140 billion, and demand will probably grow until the dollar rebounds. A lot of small companies are looking to get in on this bonanza, but pursuing new business abroad can be intimidating. Working with a distributor that knows the territory is typically the best bet, but how do you find one you can trust?

First, try calling the U.S. embassy in the countries you're eyeing. The U.S. Commercial Service's Gold Key program is designed to work with small and midsize exporters. Michael Cole, a distribution manager for Wellness/Old Mother Hubbard, a Tewksbury, Massachusetts, company that makes pet food, still can't believe how much the agency helped him when he decided to export to Singapore.

Cole requested some basic market research. Officials responded with that plus a list of 11 potential distributors. They offered to set up a videoconference call, though Cole passed on it because he preferred to visit Singapore instead. When Cole arrived, the embassy set him up in a conference room, replete with refreshments. The staff even created a display of his products. The embassy's aura of officialdom also worked in his favor, Cole says: "Because we were using the embassy as our central place, there was a sense of respect among the distributors I interviewed. I got the sense there wasn't going to be any funny business." Cole's total bill: \$720. Some other tips:

Work the trade-show circuit. "We just did a show in Chicago, and a Brazilian distributor approached us for a \$150,000 deal," says Rob Auerbach of CandyRific, a Louisville candy company that exports to more than 40 countries. "That paid for the trade show and then some."
Talk to your existing foreign distributors. Who covers their other product lines in the countries you want to crack? "Your distributor in Canada might say, 'Hey, there's this guy I've been working with in Mexico, and he's fabulous,'" says Auerbach. —Sarah Goldstein



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