



**USAID**  
FROM THE AMERICAN PEOPLE

Competitiveness Enhancement and  
Enterprise Development (CEED)

# Doing Business in the USA

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Enterprise Development Project II (CEED II)**  
*Implemented by Chemonics International Inc.*

May 11, 2011  
Chisinau, Moldova

# **Objectives and Outline**

## **Objectives**

**To give you information to help you plan for exporting to the US, and that will increase your probability of success.**

## **Outline**

1. Understanding the market
2. Developing your strategy
3. Preparing to exhibit at a US trade show
4. Appreciating the US business culture
5. Introducing CEED II

## **Key Lessons or Takeaways**

**There can be a place for your company in the US market if you approach it correctly. But you must be committed. And you must adapt to the market, because it won't adapt to you.**

- ☐ Approach the market strategically
- ☐ Take a long-term view; at least 3 years
- ☐ Adapt your offer (product) and business style to the market
- ☐ Find a way to get noticed, to cut through the “noise”
- ☐ Be smart, creative, prepared, and persistent.

**Here is no magic formula. You must find an approach that is right for your company.**

## Gut Check!

Planning to do business – *real, profitable business* – in the US is a big decision. You must be ready. **You must appreciate the market.**

- ☐ Huge market! Vast territory with over 300 million people!
- ☐ Highly complex and competitive.
- ☐ Highly regulated at the federal, state, local & industry levels.
- ☐ Consumer/customer-oriented rather than product-oriented.

*“Customer is King!” / “The consumer is always right!”*

# Find Your Niche (market segment) to be Successful!

The US is not one, but **hundreds of different markets** defined by geography, demographics, industries, and other factors.

- ☐ Engage in **market research and market segmentation**. You're going to need to make decisions, and you'll need information.
  - ☐ Who's buying (or could buy) your product? Where are they located?
  - ☐ What attributes do they look for in the product? What price will they pay?
  - ☐ Who is your competition?
- ☐ There is lots of **information and resources to help you**: Internet (free/paid content), specialist companies/consultants, and CEED2.
- ☐ Visit. Be there in-person. Take advantage of existing relationships.

## **Develop Your Strategy!**

**Clearly articulate your competitive advantage.** What is your product's value (USP)? What are its benefits? What problem(s) does it solve? How are you different/better than the competition? ("Sales pitch")

**Determine what distribution channel you will use.**

	<b>Sell directly yourself</b>	<b>Use an agent or broker</b>	<b>Use a wholesaler</b>	<b>Use a retailer</b>
<b>1. Number &amp; type of customer</b>	Few	Scattered	Hundreds	Diversified
<b>2. Concentration of market</b>	Concentrated	Concentrated	Scattered	Scattered
<b>3. Price of product</b>	Expensive	Less Expensive	Inexpensive	Inexpensive
<b>4. Complexity of product</b>	Highly technical	Less Technical	Simple	Simple
<b>5. Financial resources</b>	Extensive	Adequate	Limited	Adequate
<b>6. Need for control</b>	High	High	Low	Low

**7. Regulations affecting distribution**

**8. Type of sales channel being used by your potential partners**

## **Determine what price you will charge.** Factors to consider:

- ☐ Understand your competitors' prices.
- ☐ Understand the US price points and where you want to be positioned.
- ☐ Work backwards from the price to ensure that you can deliver profitably. Include all margins, fees, duties, transport, insurances, etc. as applicable.
- ☐ It's advisable to quote prices in USD and with a clear understanding about when/where ownerships changes hands.

## **Ensure that you are compliant** with all applicable Federal, State, Local, and Industry regulations.

- ☐ Agricultural products, food, beverages, drugs, cosmetics are especially regulated

## Trade Shows

- ❑ When thinking about exhibiting at a show, be sure that:
  - **It is the right show** – that it attracts the sort of attendees you need, e.g. trade versus consumers. Research the show in advance.
  - **You are ready** – that you have done research, developed a strategy
    - Are your products competitive in the US market?
    - Has your company been successfully exporting to other markets?
    - Does your company have the time & money to pursue the U.S. market?
- ❑ US buyers often wait to see if you are committed to the market before doing business with you. Plan to attend three times.
- ❑ Events occur year round. Check out [www.eventsinamerica.com](http://www.eventsinamerica.com), a comprehensive, searchable directory of trade shows and events.



## Understand US Business Culture

- ❑ **Networking is important**; build relationships, attend events, and build your brand. Be there!
- ❑ **Be proactive**. Sell actively. A passive style does not work well.
- ❑ **Remember that time is money; so be prepared**. Understand your product, price, distribution, etc. What's your "*elevator pitch*"?
- ❑ **Know your competitive advantage** over specific U.S. suppliers.
- ❑ **Be direct**. Ask for what you want. Say what you mean. Do as you say. Tell the truth!
- ❑ **Be positive** (confident, friendly).
- ❑ **Follow-up**; consistent and repetitive attempts to make contact.

## What is CEED2 and What Can We Do For You?

- ❑ USAID-funded project that **helps to increase industry and enterprise competitiveness** in six industries: ICT, Textile, Wine, and three more that will be selected in 1-2 months.
- ❑ We provide **consulting services, training, and opportunities for cost-sharing** on specific initiatives, activities, or projects.
- ❑ We try to provide **flexible, tailored assistance** rather than “out-of-the-box” solutions.
- ❑ We have an open door policy, so **come and visit us** if you would like to talk in more detail.
- ❑ Four year project: December 2010 – December 2014

# **Selected Resources**

## ***Doing business in the USA guides\****

Austrade (<http://www.austrade.gov.au/>)

Canadian Trade Commissioner (<http://www.tradecommissioner.gc.ca/eng/home.jsp>)

U.K. Trade & Investment (<http://www.ukti.gov.uk/home.html>)

*“Preparing for a successful U.S. trade show” publication*

## ***US business culture and etiquette***

<http://www.kwintessential.co.uk/resources/global-etiquette/usa.html>

## ***U.S. Government websites***

[www.census.gov](http://www.census.gov) – index of data provided by the US Census Bureau

<http://stats.bls.gov/home.htm> - regional information, including employment figures by state

<http://web.sba.gov/busplantemplate/BizPlanStart.cfm> – template for developing a business plan

## ***U.S. websites***

[www.locationusa.com](http://www.locationusa.com) –information about U.S. regions and industry clusters

[www.hoovers.com](http://www.hoovers.com) – information about US industries and businesses

[www.intracen.org](http://www.intracen.org) – trade and industry information

## ***Industry association websites***

*\* A substantial portion of the content from today’s presentation was drawn from the concise guides. I highly encourage you to use them as a starting point when thinking about your U.S. entry strategy.*

# Contact Details

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