



*Providing experienced Interim, Part Time & Project Management Resources
for Companies entering the USA Market
. . . . WHEN you need them – WHERE you need them!*



***ENTERING the USA MARKET . . . where
SUCCESS is dependent on a well defined
PLAN and an experienced, knowledgeable
and dedicated local US Country Manager***

WHY enter the USA Market

A growing trend . . . getting closer to your USA Customers by locating in the USA.

With an annual GDP of \$20 trillion and population of over 325 million, the United States is the world's most attractive consumer market, offering unmatched diversity, a thriving culture of innovation, and the most productive workforce. Companies of all sizes – from startups to multinationals – can find the ideas, resources, and market to succeed and grow. In 2017 alone, the flow of FDI into the United States was \$277.3 billion – *International Trade Administration, USA Department of Commerce*.

Many companies outside the USA are now considering moving manufacturing and assembly operations as well as service centers to locations in the USA. But the move needs to be planned and executed flawlessly in order to reduce cost and risk and to maximize the benefit to the organization entering the USA.

What is a Market Entry Plan for the USA

A **MARKET ENTRY PLAN** is a key element in the successful entry into a foreign market. It is, in effect, a detailed roadmap that includes the **NINE** key elements that follow:

1. **Clearly Define Your Objective:** What are you hoping to accomplish and why?
2. **Identify your Market Entry Team:** Who leads the project from inside the organization and what resources are needed from inside and outside the organization?
3. **Do your Market Research:** Obtain the objective data that will provide a clear understanding of the particular market that you are considering. Hint: This step is often costly and may appear to slow the project – but without it, the venture will have a high probability of failure and certainly a higher risk of eroding the ROI.
4. **Identify Your Target Customers:** Some may combine this element with Market Research but

we look at it as a separate area of focus. Here is where you identify and potentially meet with potential customers and develop a “soft” list that will often assist in your Market Entry. Customers are often overlooked in this process.

5. **Identify and Analyze the Competition:** Understand who you may be competing with, their SWOT, their plans and their reputation in the market as well as their supply chain and growth history.
6. **Identify the Regulatory Environment:** The regulations related to general business as well as specific products and services (e.g. the FDA), can have a monumental effect on a Market Entry project – and this step needs to be done WELL BEFORE entering the USA market.
7. **Identify the Method of Entry:** There are many strategies that organizations may follow in entering a new market – joint ventures, acquisitions, greenfield projects, distribution partners, franchising, sales agencies, etc.. The resulting corporate structure then needs to be matched to the particular Method of Entry.
8. **What are your Financial Needs:** While financial resources may not be a problem for larger organizations, ROI is important and for many small/medium - sized organizations. ENTERING A NEW MARKET has a cost attached. Understanding what those costs are and the timing of those costs are critical.
9. **Documenting the Plan and Management Approval:** This step is critical! The Market Entry Plan must be well documented, reviewed by management and revised as necessary until a Plan that is acceptable to all the Stakeholders is approved. Communication of this plan to the relevant decision makers and management in the organization ensures cooperation and buy-in as necessary.

Re-defining the SUPPLY CHAIN

Consumer behavior is subject to changing attitudes and trends. “Made in the USA” is driving suppliers of components and part as well as the end products to be produced with higher USA content.

The term “inshoring” is sometimes used to define this relatively recent move to domestic production or services into the USA, with increasingly more benefits. And the benefits are similar with in-house production as well as third party supplier production.

In addition, changing prices in various markets outside the USA and new USA-friendly tariff structures are, in some cases, causing the suppliers to consider moving production to the USA. In effect, this “move” requires a Market Entry plan for non-USA suppliers to enter the USA.

And “Made in the USA” products are still the choice of many consumers around the world.

Organizing your MARKET ENTRY TEAM

I listed “Identifying your Market Entry Team as the second of the NINE key elements in a Market Entry Plan. The importance of this element is worth expanding on the subject.

In forming the MARKET ENTRY TEAM, the following three factors should be considered:

1. Who in the parent organization is best positioned and has the dedicated time to translate the needs of the organization to the Objectives of the MARKET ENTRY PLAN and are they committed to drive the project to a successful completion?
2. How can you identify the best resources to develop the MARKET ENTRY PLAN? Who has the

knowledge? Who has the time (or can make the time)? When entering the USA market, it is critical to engage local USA resources that have knowledge of or can obtain the USA-based information critical to the formation of the MARKET ENTRY PLAN and that understand the Market Entry process.

3. How can you manage and evaluate the progress and the success of the MARKET ENTRY TEAM?

The HOWORTH International Approach

HOWORTH International offers organizations/individuals who have a interest in entering the USA market a “*Country Manager in a Box*” service where we offer services specifically focused on developing the MARKET ENTRY PLAN and if needed, assisting in the execution of the PLAN as well as ongoing Operations, Business Development and Financial support if needed.

Our approach is unique in that we provide resources on a PROJECT basis where we consider each engagement a separate PROJECT. Where needed, we engage industry experts and other professionals (research firms, regulatory specialists, site selectors, attorneys, tax and accounting, human capital experts and others) as needed for the project and we can therefore successfully operate in a cost-effective manner in virtually any industry. In addition, as we are operators, we work with our clients as an extension of their organization from the planning stage all the way through the execution and initial operating phase (including USA Country/General Management resources) and initially building/employing the infrastructure and human resources to ensure a successful Market Entry into the USA.



Lawrence P. Howorth is the President and Founder of HOWORTH International, LLC, (www.HOWORTHLLC.com) a 24 year old multinational provider of Interim, Part Time and Project Management and Advisory Services. With a global focus, HOWORTH International provides services across multiple industries in strategy, operations, finance, and business development.

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