



CFO Power Exchange

Where In The World To Do Business Today?

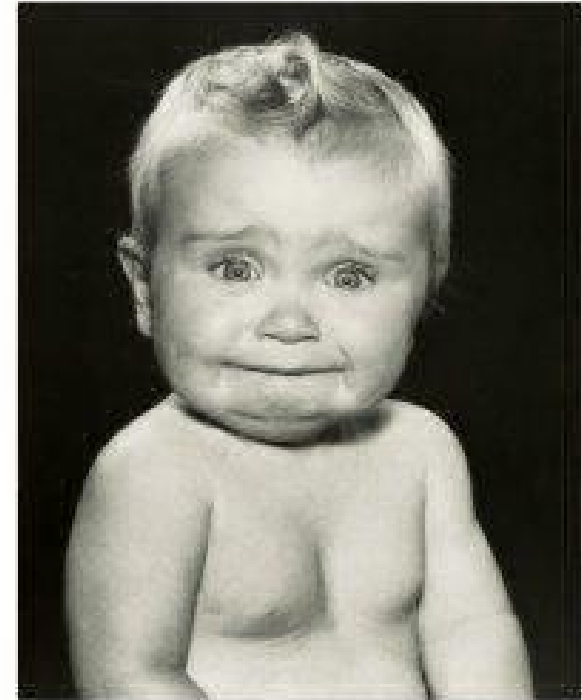


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April 25, 2013

Agenda - Let's Export!!!

- **Bill Edwards & EGS**
- **Why & what the world wants to buy from us**
- **Where to take go**
- **GlobalVue™ & Trends**
- **Business cultures**
- **Keys To Global Success**



Will this be difficult?



Many US companies try to take their company global Companies EGS takes global actually make money

Bill Edwards has lived in 7 countries and worked on projects in 68

Track record taking US brands into countries with the best ROI

Proven 'Going Global' processes

Associate network on the ground in 29 countries

2011 Recipient of the U.S. President's "E" Award for Excellence
in Exporting



Why US Businesses, Products And Services Are Attractive To Buyers In Other Countries

- ✓ **Brands**
- ✓ **Quality**
- ✓ **Convenience**
- ✓ **Customer Service**



US companies have a systematic and reproducible approach to doing business that is world class



Just Burgers?

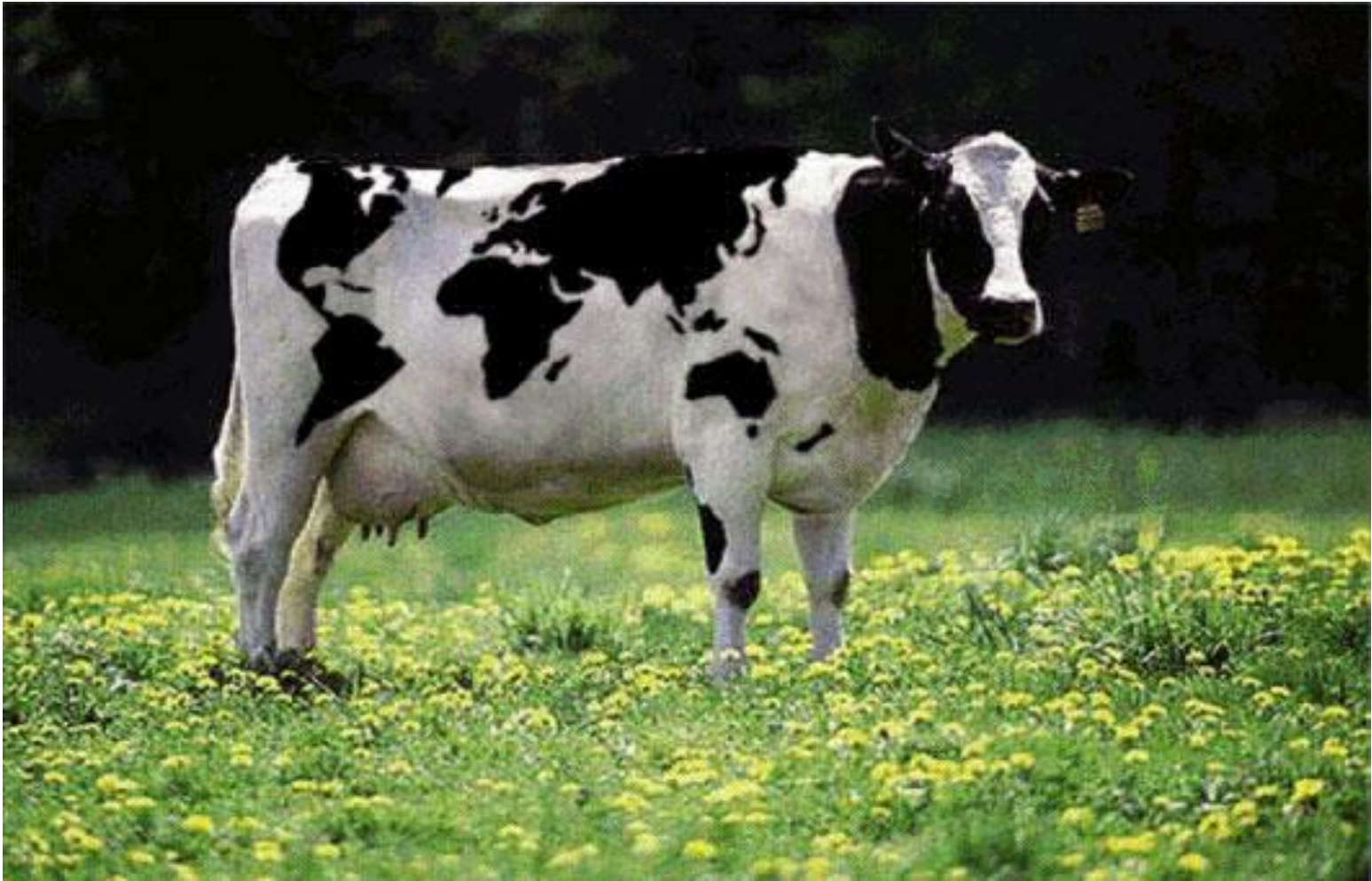


What US Businesses Does The World Want?

- **Education** – Children’s, management
- **Commercial Services** - Business and financial services, facilities management, security
- **Personal Services** – Handyman, maid, senior care, personal care
- **Products** – High tech, branded, unique to US
- **Retail** – Special clothing brands, branded products
- **Food** - Well known food brands, healthy food brands, specialty food brands



**How do you decide where to
take your company?**



Choosing Countries To Do Business In

- Rule of Law
- Country Stability
- Good GDP Growth = Investors
- Consumer Market Size
- Clear Market Differentiation?
- Potential to Achieve An Acceptable ROI



Big Mac Index

This 25 year old index compares the price of a Big Mac meal package on a specific day around the world

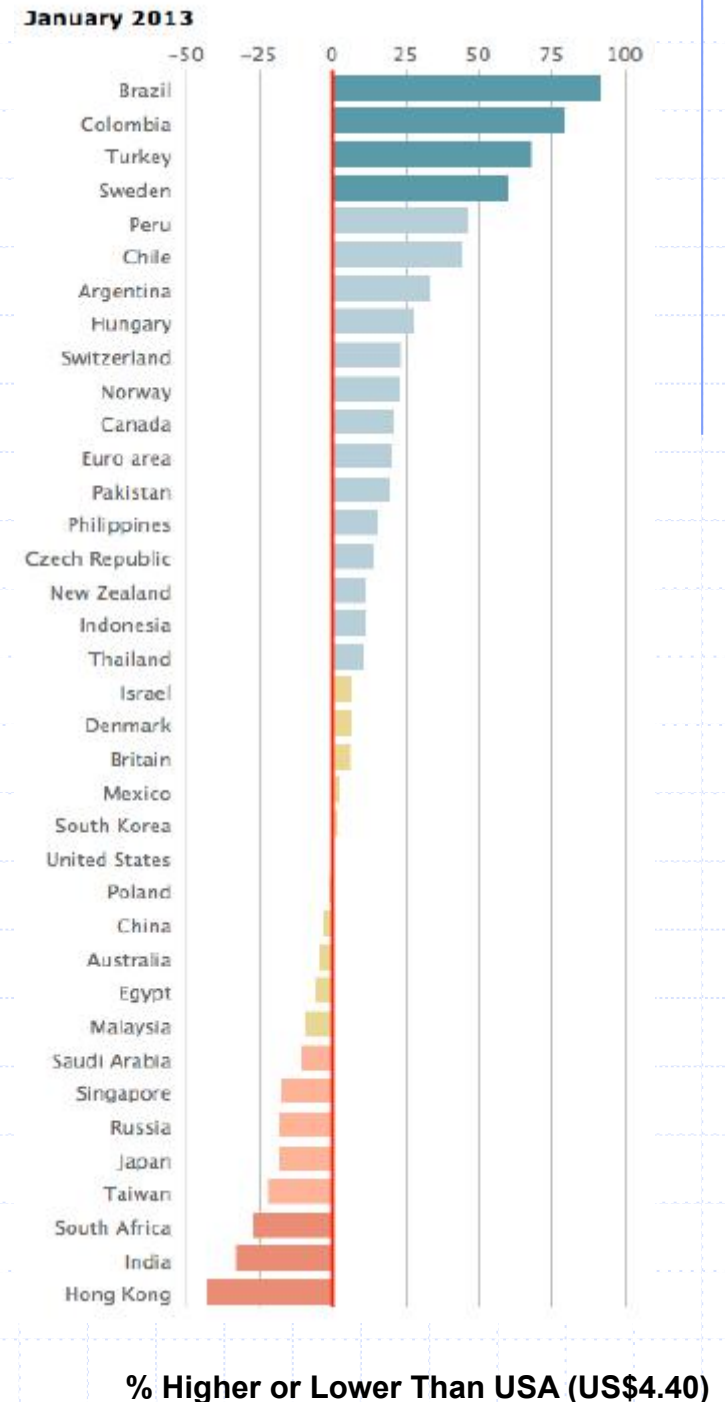
In Switzerland you pay almost US\$7 for a Big Mac package

In Shanghai you pay about US\$2.50 for the same meal

Labor, food and rent costs make the difference between countries



'The Economist' – January 30, 2013



Markets To Sell Into Today

- **The Americas: Brazil, Chile, Colombia, Mexico, Peru**
- **Asia: China, Indonesia, Malaysia, Thailand, Viet Nam**
- **Europe 'on hold': high unemployment and little investment**
- **India – Food and retail brands**
- **The Middle East – Specialty food, services & retail**



GlobalVue™ - Comparing Countries For Growth In 2013

Countries/Regions	Expected 2013 GDP Growth	Market Size (Customers)	Ease Of Foreign Brand Entry	Political & Economic Stability	Overall Country Ranking
China	1	1	2	2	1.5
India	1	1	2	2	1.5
Indonesia	1	1	2	2	1.5
Brazil	1	1	3	2	1.8
Turkey	1	2	2	2	1.8
Mexico	2	1	1	2	1.5
Australia	2	2	2	1	1.8
Middle East Region	2	2	1	3	2.0
Russia	2	1	3	2	2.0
South Africa	2	2	2	3	2.3
South Korea	2	2	3	2	2.3
United Kingdom	3	1	2	1	1.8
Germany	3	1	3	1	2.0
Spain	4	1	1	2	2.0
France	4	1	3	1	2.3
Italy	4	2	3	2	2.8
Overall Country Ranking: 1 is best, 2.5 is fair, 4 is worst - Sorted on GDP Growth					
2013 GDP Growth Ranking: 1 = 4%+, 2 = 2.5-3.9%, 3 = 1.0-2.4%, 4 = <1% annual growth					
Data Sources: 'The Economist', EIU, Heritage Foundation, World Bank, Fraser Institute, World Economic Forum, Euler Hermes, McKinsey, 'Financial Times', International Monetary Fund, EGS 29 Country GlobalTeam™ Survey					

Sell To The “Engines”

- **Brazil, China, India and Indonesia are ‘Engines’ of consumer spending, not tied completely to export income or the economies of the first world**
- **With a middle and upper class consumer population of 700 million, these countries generate huge internal consumer spending**
- **And they desire US brands, products and services**



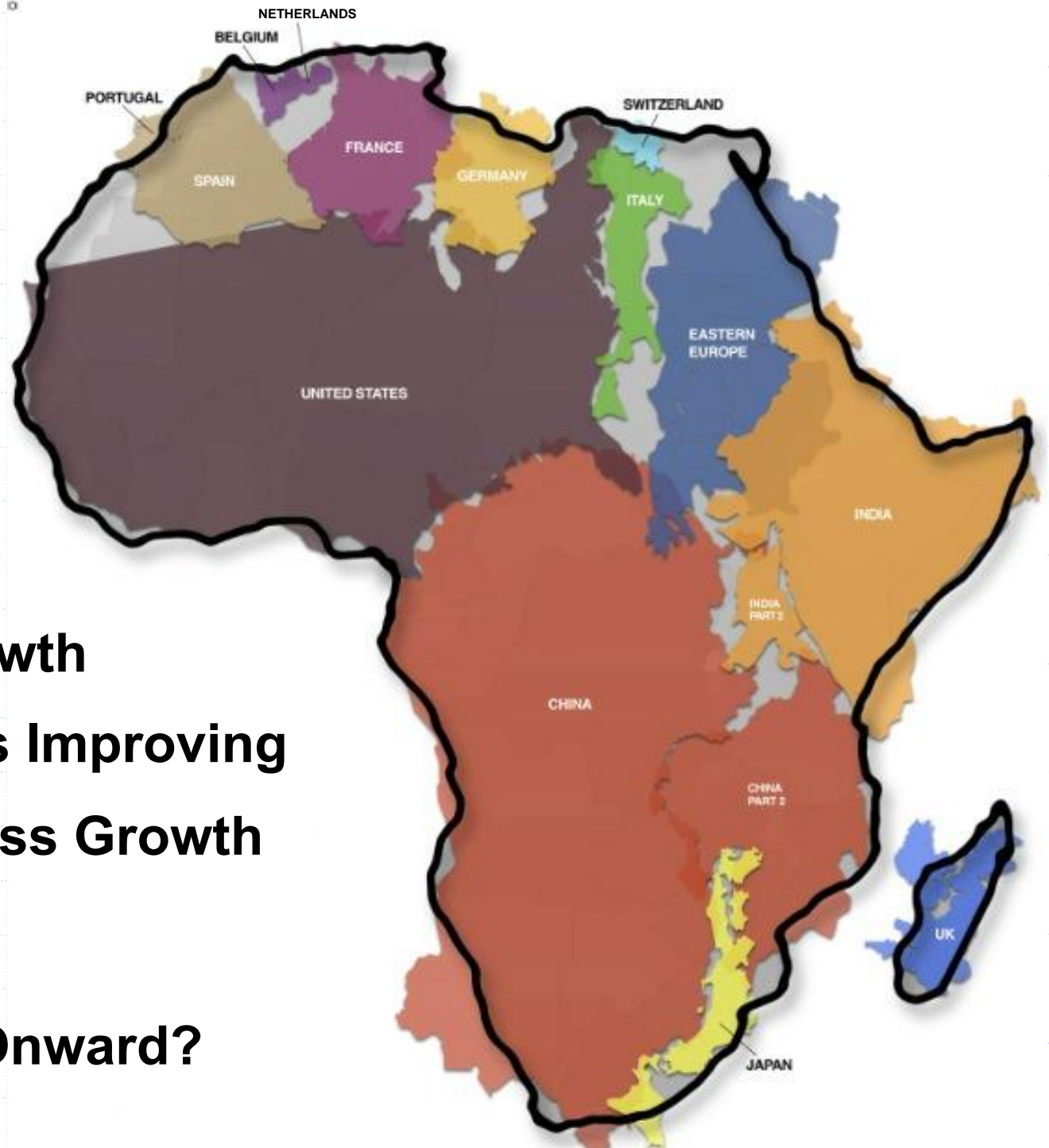
China – Time To Go Sell!!!

- US company exports/ sales to China were over US\$100 billion in 2012
- China has almost 300 million middle and upper class consumers
- Chinese consumer income is increasing at 20% per year
- Chinese consumers spend their discretionary income on brands, quality, convenience and service – **US brands are preferred!!**



Time to start bringing cash back to the USA!!

Africa ?



High GDP Growth

Legal Systems Improving

Consumer Class Growth

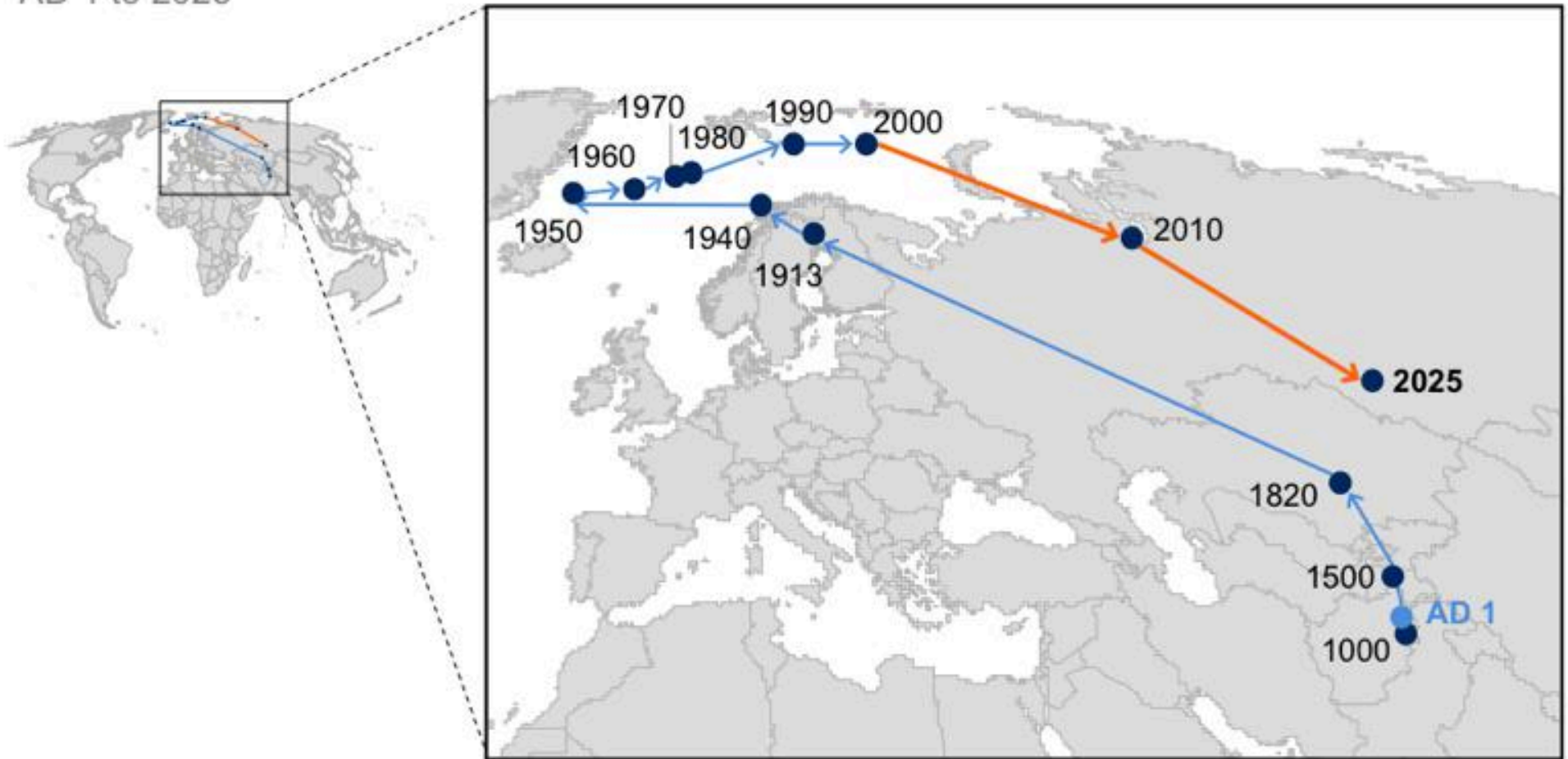


2015 Onward?

By far the most rapid shift in the world's economic center of gravity happened in 2000–10, reversing previous decades of development

Evolution of the earth's economic center of gravity¹

AD 1 to 2025

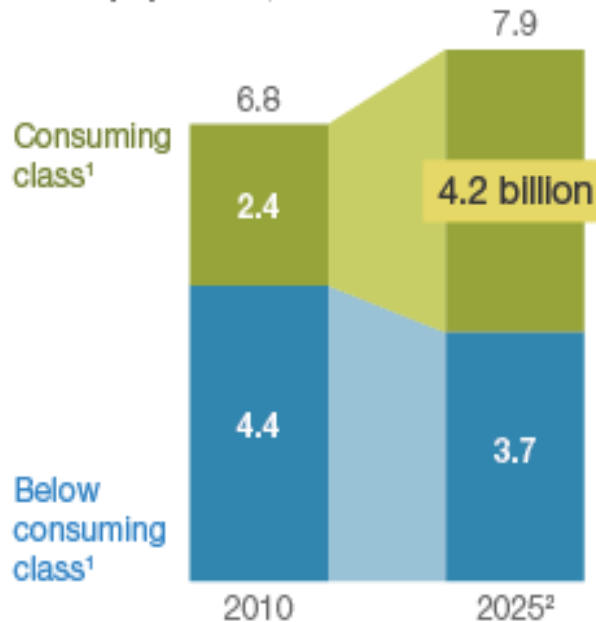


SOURCE: McKinsey Global Institute analysis using data from Angus Maddison, University of Groningen

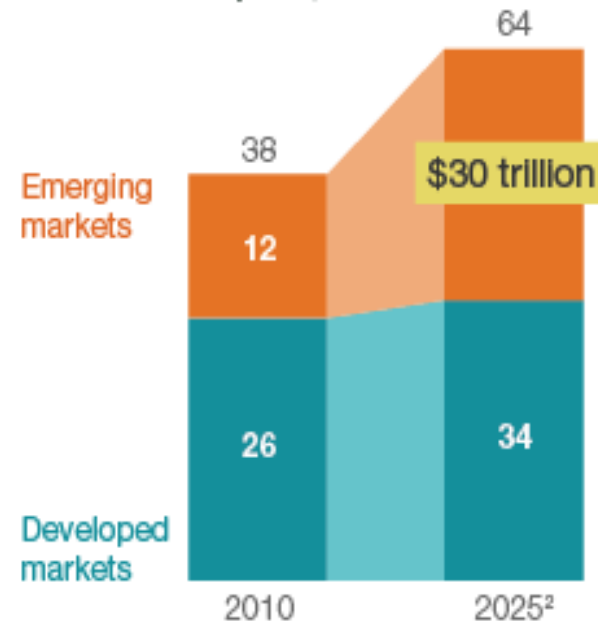
How do you plan for the future in world business?

By 2025, more than half of the world's population will have joined the consuming classes, driving annual consumption in emerging markets to \$30 trillion. McKinsey, August 2012

World population, billions



World consumption, \$ trillion



The future market for US businesses is clear

Culture: Safely Navigating The Global Business Waters



Business Cultures

- **Brazil: Lack of punctuality is a fact of life**
- **China: Punctuality for appointments is critical**
- **“Indians appreciate punctuality, but do not always practice it themselves!”**
- **Relationships versus transactions**
- **Direct, aggressive negotiation is a negative**



Cultural No No's

- **White flowers as a gift in Japan**
- **Showing the bottom of your shoes in the Middle East**
- **Referring to Taiwan as a country in China**
- **Talking politics and religion**
- **Folding business cards**



How The World Learns

Delta Sky Magazine – October 2012

- **Israel**
 - **What works** – spirited dialogue between trainers and students
 - **What doesn't work** – indirectness
- **United Kingdom**
 - **What works** – humor and witty asides
 - **What doesn't work** – emotional reactions
- **Japan**
 - **What works** – Using highly concrete models
 - **What doesn't work** – Classroom debate
- **China**
 - **What works** – master/apprentice relationship
 - **What doesn't work** – Asking questions of individuals in group settings



Keys To Doing International Business Successfully

- Focus on countries that have the highest ROI for **your** business
- Use all available knowledge resources
- Budget conservatively for revenues (low) and expenses (high)
- Find the right partners to build long term revenue sources for your company

