

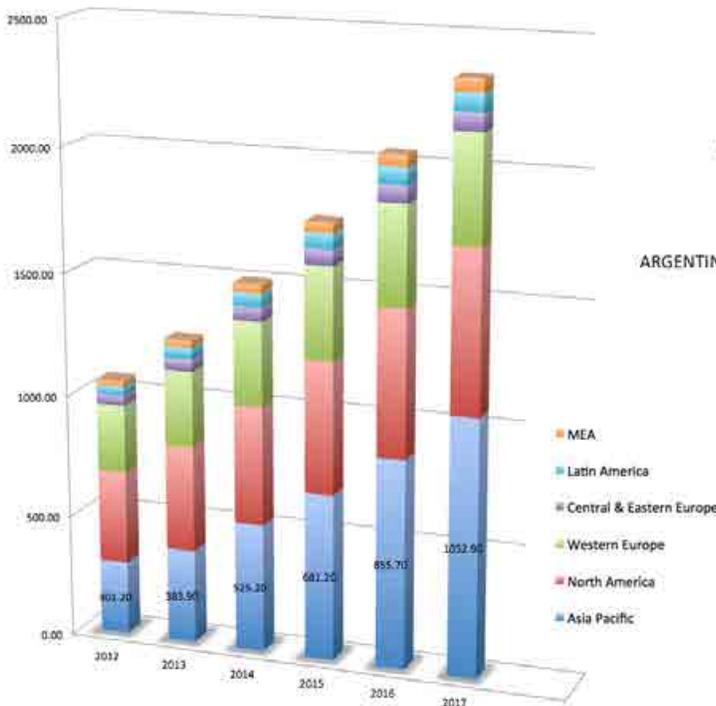


## A Cross-border Strategy

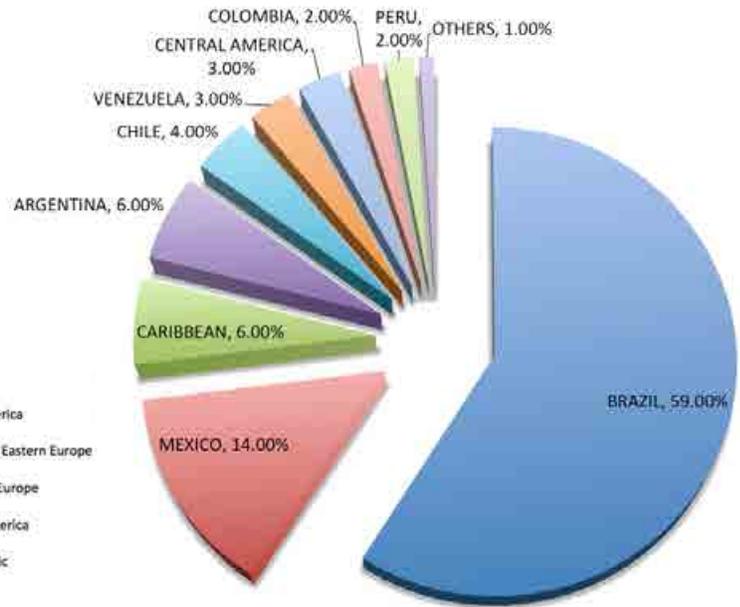


**Cross-border** is the right way to achieve new markets, as a matter of fact, that strategy has been replacing the old fashion way, when a brand made a partnership with a local importer, which acts as a wholesaler, selling the product to retailers, and finally arriving at the final customer's hands.

This market flow chain, in some countries like Brazil, for example, generates enormous tax amount and the consequences is that final consumer's price cost increases almost five times the F.O.B. price, creating a strong barrier for market share grow process, jeopardizing the success of your company's product in Latin America market.



Latin America B2C Market share



Brazil B2C Latin America Market share

The left graphic shows that America Latina is comparable in B2C sales to Central & Eastern Europe, but the right graphic shows a very significant Brazil's representation with almost 59% of all Latin America B2C sales!

*By logic, means that Brazil holds about half of Central & Eastern Europe B2C market.*

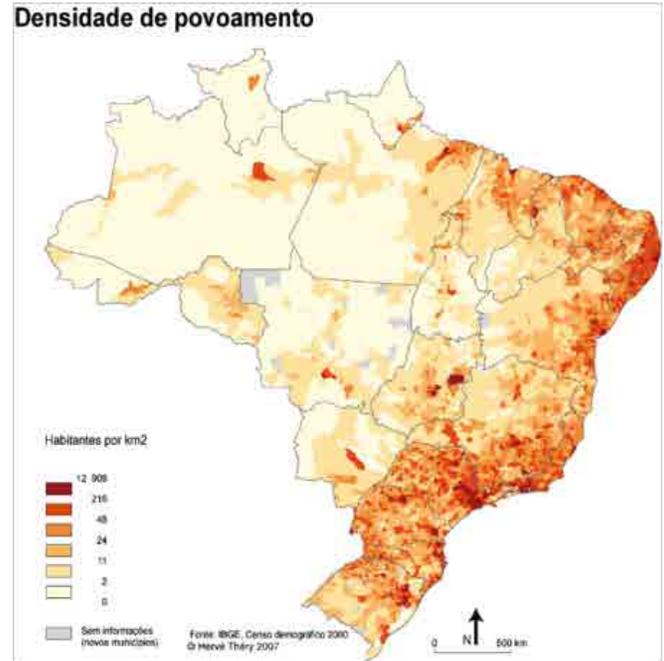
That is the main reason that US2LATAM will introduce your products first in Brazil B2C market, and after that, introduce them to other Latin America markets like Mexico, Argentina, Caribbean markets.



# Let's talk about

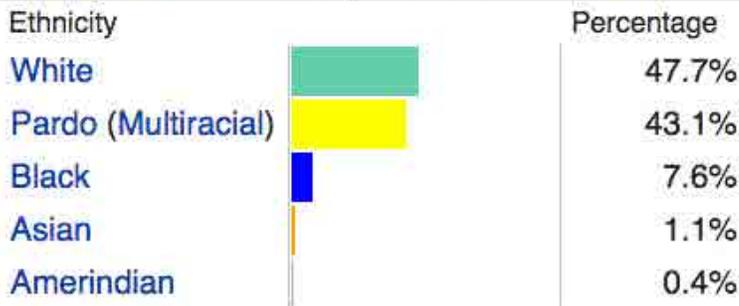


States of Brazil and Regions of Brazil

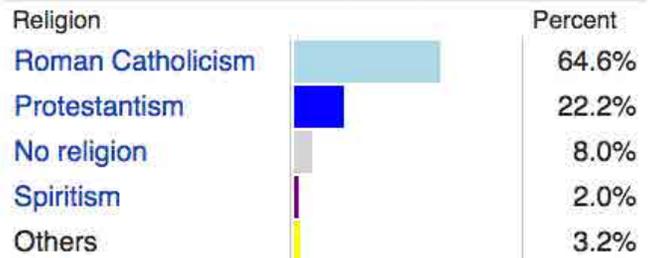


Population density of Brazilian municipalities.

## Race and ethnicity in Brazil<sup>[290][291][292]</sup>



## Religion in Brazil (2010 Census)



V·T·E

## Largest metropolitan areas in Brazil

2014 Brazilian Institute of Geography and Statistics estimate<sup>[324]</sup>

	Rank	Name	State	Pop.	Rank	Name	State	Pop.
	1	São Paulo	São Paulo	20,935,204	11	Paraíba Valley	São Paulo	2,430,392
	2	Rio de Janeiro	Rio de Janeiro	11,973,505	12	Goiânia	Goiás	2,384,560
	3	Belo Horizonte	Minas Gerais	5,767,414	13	Belém	Pará	2,381,661
	4	Porto Alegre	Rio Grande do Sul	4,161,237	14	Manaus	Amazonas	2,360,491
	5	Brasília	Distrito Federal	4,118,154	15	Vitória	Espírito Santo	1,884,096
	6	Salvador	Bahia	3,919,864	16	Santos	São Paulo	1,781,620
	7	Recife	Pernambuco	3,887,261	17	Natal	Rio Grande do Norte	1,462,045
	8	Fortaleza	Ceará	3,818,380	18	São Luís	Maranhão	1,403,111
	9	Curitiba	Paraná	3,414,115	19	Piracicaba	São Paulo	1,195,904
	10	Campinas	São Paulo	3,043,217	20	Joinville	Santa Catarina	1,191,558

São Paulo



Rio de Janeiro



Belo Horizonte



Porto Alegre

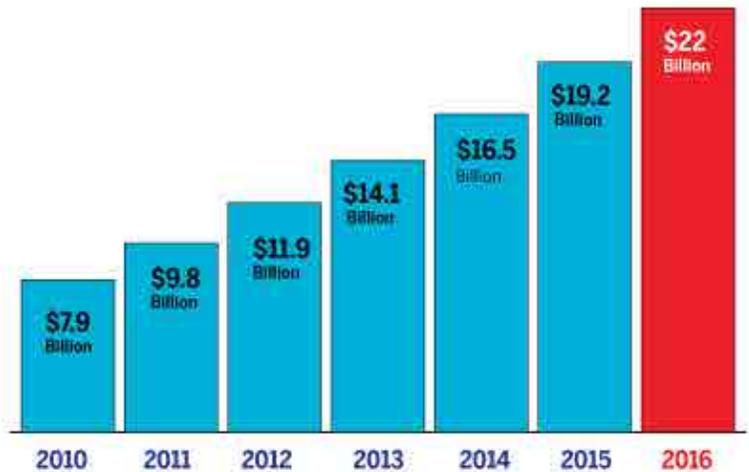


# Let's talk about

## E-Retail Sales in Brazil 2010-2016

Brazil's online retail market is expected to increase by a compound annual growthrate of 17.5% over the next five years, Forrester Research predicts. That would bring online sales to \$22.0 billion in 2016, up from \$7.9 billion last year and \$9.8 billion projected in 2011.

Source: Forrester Research Inc., April 2011 (in U.S. Dollars)



## Brazil Ranks No. 10 for Retail Ecommerce Sales Worldwide

In 2018, ecommerce will account for just under 5% of retail sales

January 7, 2015 | Retail & Ecommerce

SHARE EMAIL PRINT

Brazil is the only country in Latin America to crack the top 10 worldwide retail ecommerce markets, according to eMarketer's latest estimates of retail sales, online and offline, around the globe. Despite double-digit growth forecast for Brazilian ecommerce sales through 2018, we expect it to remain in 10th place, just behind Russia, throughout our forecast period.

## FORBES - Brazil's E-Commerce Is Booming: Record-Breaking Figures In 2011, growth of 26%, Earnings of \$11 bn.

E-commerce is booming in Brazil. Supported by a growing middle class, Brazil's e-commerce total revenue for 2011 was over \$11 billion, nominal value 26% greater than that of 2010, \$8.4 bn. In total, 32 million consumers in Brazil bought at least once via the web in 2011.

The average order was \$ 210, with 9 million new e-consumers.

### Total Retail and Retail Ecommerce\* Sales in Brazil, 2013-2018

billions, % change and % of total retail sales

	2013	2014	2015	2016	2017	2018
<b>Total retail sales</b>	\$395.90	\$428.76	\$460.06	\$490.42	\$517.89	\$545.33
—% change	7.0%	8.3%	7.3%	6.6%	5.6%	5.3%
<b>Retail ecommerce* sales</b>	\$13.34	\$16.28	\$18.80	\$21.34	\$23.79	\$26.17
—% change	28.0%	22.0%	15.5%	13.5%	11.5%	10.0%
—% of total retail sales	3.4%	3.8%	4.1%	4.4%	4.6%	4.8%

Note: converted at the exchange rate of US\$1=BRL2.16; excludes travel and event tickets; \*includes products or services ordered using the internet via any device, regardless of the method of payment or fulfillment  
Source: eMarketer, Dec 2014

## Brazil B2C E-Commerce Market 2014 yStats.com forecasts online retail sales in Brazil to top EUR 20 billion in 2018.

NEW YORK, Jan. 22, 2015 /PRNewswire/ -- Hamburg-based market research organization yStats.com has released another report in the series about emerging B2C E-Commerce markets worldwide. "Brazil B2C E-Commerce Market 2014" reports on the potential of the largest online retail market in Latin America. According to yStats.com's own forecast, B2C E-Commerce sales of goods in Brazil will top EUR 20 billion by 2018. Among the important characteristics of this booming online retail market is the high share of the clothing segment, the influence of social media and the importance shoppers give to a free delivery option.

Brazil is eleventh largest B2C E-Commerce market worldwide and one of the fastest growing. In Latin America, Brazil is an unquestioned leader in terms of online market size, though it ranks behind Argentina and Mexico by forecasted growth pace. Brazil stands out among other major online retail markets worldwide in terms of popularity of department stores in online shopping, a high share of clothing segment and high penetration of luxury buyers who shop high-end items exclusively from the Internet.



**Step by step how to start selling products and service directly to Brazilian customers:**

**1 - Evaluating your company's product local market:**

Evaluating your company's product in order to get them successfully at the Brazilian customers hands, means:

**A** - check the necessity of special license like our FDA or FCC in Brazil, with the correspondently government organs like ANVISA and ANATEL, respectively.

**B** - Projecting the consumer power level by searching sales rates for similar products at marketplaces and other web stores, that deal with correlated goods.

**C** - Finding out similar products prices in Brazilian market, or almost similar correlated good's prices, in order to compare with a price projection of your company's product will cost to Brazilian customers, including freight and customs taxes.

**D** - In order to perform "C" we need a price list, **packaging size and weight**, (not the product's weight and size).



**2 - What is the best price strategy for Cross-border web sales?**

Suppose that your company is looking for a importer/wholesaler start to distributing your company's goods in Brazil.

The first barrier to transpose is custom taxes; in Brazil they are extremely high, it can make the F.O.B. value quadruplicate to final customers, that's the reason this importer/wholesaler agent will request at a minimum 50% F.O.B. discount over the MSRP (manufacture's suggested retail prices).

Aiming to get 15% net after all Brazilian taxes sales, the importer/wholesaler will able to offer 25% net to retailers, which will sell them to final customer.

**The traditional import tax calculation for landed goods in Brazil works exactly as beside:**

FOB	\$ 300,00
Insurance - 1%	\$ 3,00
Freight - 5%	\$ 15,00
<b>TOTAL FOB</b>	<b>\$ 318,00</b>
Import Tax - 35%	\$ 111,30
<b>TOTAL BR1</b>	<b>\$ 429,30</b>
ICMS - 18%	\$ 94,24
<b>TOTAL BR2</b>	<b>\$ 523,54</b>
PIS - 2,1%	\$ 10,99
COFINS - 9,65%	\$ 50,52
IPI - 10%	\$ 52,35
<b>Total price for Brazil</b>	<b>\$ 637,41</b>

Making the long Brazilian taxes explanation short, US\$ 300.00 American dollars turns into US\$ 637.41 after custom taxes, when product is introduced inside the country.

You must consider US\$ 637.41 the cost price for the importer/wholesale prior markup in other to selling-process to retailers.

<b>WHOLESALE (15% Net after Taxes)</b>	
Markup	35,0%
<b>TOTAL</b>	<b>\$ 860,50</b>
ICMS - 18%	\$ 58,74
PIS - 2,1	\$ 7,08
COFINS - 9,65%	\$ 32,52
<b>NET TAX MARKUP</b>	<b>\$ 762,17</b>
<b>NET SALES</b>	<b>\$ 124,76</b>
<b>PERCENT NET SALES</b>	<b>14,50%</b>

At above an example, importer/wholesaler's markup rate of 35.0% over the landed price, in order to get 14.50% net margin after taxes.

Please notice that the markup rate is more then twice the net sales rate after taxes.

This is very hard for not Brazilians understand, showing a very heavy and complex VAT (value added tax) and Sales Tax at the channel structure, as shown at illustration above, the price for the retailers acquiring the good, jumps from US\$ 300.00 F.O.B. to US\$ 860.50 American dollars.

Finally, the bellow table shows the retailer sales operation to final customers, please notice that the markup applied over the import/wholesaler's sales price is 55%, and the net percent margin is 24.78%.

**The lesson learned is a simple rule, the net percentage over sales price is half of the markup over the acquiring price, this represent a very heavy VAT tax system turning the traditional import & distributing channel cost a very expensive strategy for any product achieve the Brazilian customers hands!**

<b>RETAIL (25% Net after Taxes)</b>	
Markup	55,0%
<b>TOTAL</b>	<b>\$ 1.333,78</b>
ICMS - 18%	\$ 87,10
PIS - 2,1%	\$ 9,94
COFINS - 9,65%	\$ 45,67
<b>NET TAX MARKUP</b>	<b>\$ 1.191,07</b>
<b>NET SALES</b>	<b>\$ 330,57</b>
<b>PERCENT NET SALES</b>	<b>24,78%</b>



At the traditional import channel strategy, the product's price jumps from US\$ 300.00 to US\$ 1333.78, 4.45 times the F.O.B. price to Brazilian final customers!



The above image shows the traditional import and local distribution process when a U.S. brand looks for an importer/wholesaler in Brazil customers!

## Exporting directly to Brazilian Customers using cross-border strategy



Adopting cross-border strategy your company's product can reach Brazilians customers almost 29.24% cheaper.

Also there are a lot of advantages inherent in that process, which we will discuss each one on the following pages.

The below image shows the cost of the same product costing US\$ 300.00 F.O.B.

FOB	\$ 300,00
MARKUP	45,0%
<b>TOTAL FOB</b>	<b>\$ 435,00</b>
Import Tax - 60%	\$ 261,00
ICMS - 18%	\$ 848,78
Freight (Ex: 21in x 21in x 5.5in)	\$ 70,00
Services Custom	\$ 848,78
<b>DOOR TO DOOR</b>	<b>\$ 943,78</b>

### MORE ADVANTAGES!

Less taxes / More Quickly / More Safety

**\$ DIFFERENCE 29,24%**

### The cost projection takes in care some premises:

**1** - The freight cost for a box product size of 21 in x 21 in x 5.5 in, as a matter of fact is a Drone Box, it's box is very light then freight cost is charged by volume size; and not for weight, resulting more expensive freight cost to be payed.

**2** - The U.S. Brand offers to US2LATAM, a discount over the MSRP (manufacture's suggested retail prices), in such way that the commission added to the F.O.B. price results MSRP.

The image bellow show a scenario that involve the following premises:

A - MSRP price is US\$ 300.00

B - US2LATAM gets 60% commission over MSRP

**It's very important notice that such commission/discount is about the same offered by an importer/wholesaler at the traditional distributing channel.**

**Please notice that the above commission is not only for US2LATAM pockets, it will be distributed for local Marketplaces commissions fees sales, credit cards fees taxes, and finally marking fees for divulging web midia partners.**

In order to get an idea of the real picture, we will not change the freight box size, but will increase the freight cost and some cost values like service custom.

The bellow image show a worst scenario with increased freight cost calculated in pack volume basis, and service custom taxes above the normal prices, definitely the product will reach the Brazilian custom hands at Us\$ 720.37 American Dollars.

WITH MARKETPLACE PARTNETSHIP		
AMAZON PRICE	\$ 300.00	
BRAZIL BRANDED STORE	\$ 300.00	
COMISSION	60.00%	180.00
F.O.B	\$ 300.00	
IMPORT TAX (60%)	\$ 180.00	
ICMS TAX (18%) (F.O.B. + IMPORT TAX) OR (35.12% F.O.B.)	\$ 105.37	
FREIGHT COST	\$ 90.00	
CUSTOM CLEARING SERVICE	\$ 45.00	
<b>PRICE DOOR TO DOOR (D2D)</b>	<b>\$ 720.37</b>	
MARKETPLACE COMISSION (%) (VALUE)(F.O.B.)	30.00%	\$ 90.00
US2LATAM COMISSION (%) (VALUE)(F.O.B.)	30.00%	\$ 90.00
CREDIT CARD TAX BR (%)		
MARKETPLACE COMISSION (%) (VALUE)(D2D)	12.49%	
US2LATAM COMISSION (%) (VALUE)(F.O.B.)(D2D)	12.49%	
DOLLAR RATE	3.40	
FINAL BR CURRENCY (REAIS) VALUE		<b>BRL 2,449.24</b>



## Calculating the final cost to Brazilian customers when a Importer/wholesaler gets 50% of discount over MSRP price:

BRAZILIAN CUSTOM		
MSRP PRICE	300.00	
F.O.B. 60% OF DISCOUNT	150.00	
INSURANCE	1.00%	\$ 1.50
FREIGHT COST	5.00%	\$ 7.50
<b>F.O.B. IMPORT TAX BASE (1)</b>	<b>159.00</b>	
IMPORT TAX	35.00%	\$ 55.65
<b>F.O.B. ICMS IMPORT BASE (2) 18%</b>	<b>214.65</b>	
<b>ICMS VALUE ***</b>	<b>47.12</b>	<b>\$ 261.77</b>
<b>F.O.B. PIS AND COFINS BASE (3)</b>	<b>261.77</b>	
F.O.B. PIS (2.10%)	2.10%	\$ 4.51
F.O.B. COFINS (9.65%)	9.65%	\$ 20.71
IPI TAX (15%)	15.00%	\$ 39.27
<b>LANDED PRICE</b>	<b>326.25</b>	

\*\*\* In order to perform the I.C.M.S. calculation the right way is not an "ad valorem" method, but it's imbued or intrinsic into the product cost.

The F.O.B. ICMS IMPORT BASIS is the sum of:

$$(F.O.B. + (INSURANCE) + (FREIGHT COST)) + (AD- VALOREM IMPORT TAX)$$

In our above example the I.C.M.S calculation tax basis is US\$ 214.65, and the I.C.M.S. tax is 18%.

$$I.C.M.S. TAX = (214.65 \times 100/82) - 214.64 = 47.12$$

**Finally the landed price is US\$ 326.25 representing the cost value for the Importer/wholesaler start to commercialize it to retail.**

IMPORTER/WHOLESALE SELLING TO RETAIL		
<b>LANDED COST PRICE</b>	<b>\$ 326.25</b>	
ICMS CREDIT VAT COST	18.00%	\$ 58.73
<b>GROSS MARKUP</b>	<b>50.00%</b>	
<b>RETAIL SELLING PRICE</b>	<b>\$ 489.38</b>	
(A***) ICMS DEBIT VAT RETAIL SALES	18.00%	\$ 88.09
<b>ICMS FINAL VAT</b>	<b>\$ 29.36</b>	
IPI CREDIT VAT COST	15.00%	\$ 39.27
IPI DEBIT VAT RETAIL SALES PRICE	15.00%	\$ 73.41
(B***) IPI FINAL VAT	\$ 34.14	
PIS CREDIT VAT COST	2.10%	\$ 5.50
PIS DEBIT VAT RETAIL COST	1.65%	\$ 8.07
<b>PIS FINAL VAT COST</b>	<b>\$ 2.58</b>	
COFINS CREDIT VAT COST	9.65%	\$ 25.26
COFINS DEBIT VAT RETAIL COST	7.60%	\$ 37.19
<b>COFINS FINAL VAT COST</b>	<b>\$ 11.93</b>	
<b>IMPORTER/WHOLESALE NET MARGIN</b>	<b>\$ 85.11</b>	
<b>IMPORTER/WHOLESALE NET MARGIN</b>	<b>17.39%</b>	

(B\*\*\*) IPI cost is always transferred to the retail; there is VAT system tax calculation in IPI taxation. Once

RETAIL SELLING TO BRAZILIAN FINAL CUSTOMERS		
<b>RETAIL BUYING PRICE</b>	<b>\$ 489.38</b>	
ICMS CREDIT VAT COST	18.00%	\$ 88.09
<b>GROSS MARKUP</b>	<b>50.00%</b>	
<b>FINAL CUSTOMER PRICE</b>	<b>\$ 734.07</b>	
(A***) ICMS DEBIT VAT RETAIL SALES	18.00%	\$ 132.13
<b>ICMS FINAL VAT</b>	<b>\$ 44.04</b>	
IPI CREDIT VAT COST	0.00%	\$ 0.00
IPI DEBIT VAT RETAIL SALES PRICE	0.00%	\$ 0.00
(B***) IPI FINAL VAT	\$ 0.00	
PIS CREDIT VAT COST	1.65%	\$ 8.07
PIS DEBIT VAT RETAIL COST	1.65%	\$ 12.11
<b>PIS FINAL VAT COST</b>	<b>\$ 4.04</b>	
COFINS CREDIT VAT COST	7.60%	\$ 37.19
COFINS DEBIT VAT RETAIL COST	7.60%	\$ 55.79
<b>COFINS FINAL VAT COST</b>	<b>\$ 18.60</b>	
<b>IMPORTER/WHOLESALE NET MARGIN</b>	<b>\$ 178.01</b>	
<b>IMPORTER/WHOLESALE NET MARGIN</b>	<b>24.25%</b>	

The I.P.I is transferred from the Importer/wholesaler to the Retail, added in the Retail buying price, but is not charged to final customers as tax, but inside the product's price as a cost.

### Bottom Line:

**1** - A despite of being very optimistic about the taxes rates, if the Importer/wholesaler retains 17.39% net after taxes, and the retailer retains 24.25% after taxes, the F.O.B. jumps from US\$ 150.00 to US\$ 734.07, meaning 4.89 times, **the Brazilian customer only feels 2.45 times, because they comparison is based on the MRSP price US\$ 300.00 in U.S.A.**

It's impossible for them to imagine the taxes rates "behind the scenes", and of course, in order to get the comparison MRSP basis price, they browse brand's website as first reference, and the Amazon website as second reference.

**2** - There is an enormous difference get your product to Brazilian customers and creating branding, as a added value, concept, by knowing real sales behavior, creating consuming predictions, etc...

**The traditional import system elects the Importer/wholesaler as you "brand's voice", and of course, they are interested in sales only, so you are not getting branding added value, but a product sales only, we call this procedure "commoditization sales process"!**

**If your company's mind is only sales, immersing your brand into the "commoditization sales process", the product's market life can endure two summers in a row, after that, is like your brand never existed, not even the consumer data history, what just exist is an import history in Brazilian Custom filed invoices.**



**Checking the necessity of special license like our FDA or FCC in Brazil, with the correspondently government organs like ANVISA and ANATEL, respectively.**



ANATEL (US FCC) and ANVISA (US FDA) are really necessary for companies that intend to commercialize products in Brazil, the legislation predicts that if a final customer bought a product outside BRAZIL and brings it only for his personal consumption, meaning "not for trade", the above organ compliance is not required.

Unfortunately this is not what is going on at Brazilian Custom nowadays, we have heard many cases about Brazilian tourists coming back to Brazil with Drones in theirs luggage being retained at Local Custom, the same is happening with traditional import process and also Cross-border.

There are two sorts of compliances, one related to product, other one, related to a local company that holds the responsibility over that product, as a matter of fact, that company must be a Brazilian registered one.



**US2LATAM can provide ANVISA and ANATEL COMPLIANCE LICENSING**, electing a Brazilian company partners to hold the responsibility over those products, and at the same time getting them free, allowing to be commercialized in national territory.



**Creating U.S. Brand's name web store ".com.br"**

US2LATAM will create your Brazilian company's web store version from yours U.S company's web store version.

The localized webstore version will follow exactly the same brand guidelines, look & feel, translated to Portuguese, local language, every part of the U.S. webstore in order to make the on line buying process friendly and trustble.

Every topic in your web store will be localized, if there is any video with someone talking in English, our team will introduce subtitles in Portuguese.

Please consider your webstore completely localized for Brazilian customers, it's a very important strategy to increase conversion sales rate.

**Inventory:**

After decided which products will be sold in the Brazilian market, the ".com.br" webstore Brand version, will be integrated to WMS (Warehouse Management System), or directly to your ERP (Enterprise Resource Planning), through web services.



Meaning that the "com.br" webstore version will keep exactly quantity of each SKU (stock keeping unity) available for delivery.

There are other types of integration like batch files, CSV, exchanged in a time basis, like every hour, every day, etc., but the best and safest way to perform that type of integration is using web services.





**Inventory Integration Difficulty:**

Segregating the amount of each SKU (Stock Keeping Unity) that is intended to be selling, on the other hand, US2LATAM e-commerce system will be able to perform the "counting down" process, each time an order is approved.

**E-Invoicing:**



The ".com.br" web store version system will send an E-Invoice to three different addresses, to your warehouse, to US2LATAM Miami's warehouse, and to the Brazilian customer that bought the product.

**1 – Sending a copy of Brazilian customer's e-invoice to your warehouse e-mail, or to your company's e-mail or warehouse:**

When your company or warehouse receives a copy of Brazilians customer e-invoice, make easy the import process to ERP.



That way, the integration between your company's webstore ".com.br" version and an ERP is not necessary.

The import e-invoice process to any system requires less effort, less cost, then a web services integration process.

**Your Name**  
Street Address Line 1  
Street Address Line 2  
City, State Zip Code

Besides the e-invoice sended by e-mail, it could be printed in your warehouse, and added to the product's box.

US2LATAM system enable print a label with Miami warehouse address.



**ATTENTION:**

There is no SALES TAX COLLECT when your company is invoicing for cross-border, to a customer outside U.S.A. boundaries.

**The saved sales tax amount is meaningful because can achieve up to 8% over the sales price.**



**2 – Sending E-invoice to Brazilian customer:**

At the same time Brazilian customer receives an E-invoice, also a PDF format explaining exactly what was

paid for:

- *PRODUCT DESCRIPTION --*
- *F.O.B. PRICE -----*
- *FREIGHT COST -----*
- *BRAZIL IMPORT TAX -----*
- *BRAZIL ICMS TAX -----*

Brazilian customers will be glad that just received it's invoice, meaning that the product is sending from your company's warehouse to US2LATAM's warehouse in Miami, beginning the tracking process procedure!



**3 – Sending E-invoice to US2LATAM Miami Warehouse:**

Finally, US2LATAM will receive an E-invoice, and a despite of web services existing integration, all information about the product will be received from your company's warehouse, in our tracking system.

At US2LATAM warehouse, the product will be double checked, in order to be sure that it really correspond with the requested order, and also will be la-



### About Payment:

Your ".com.br" Brand webstore receives order 24 x 7, after 24 hours from the approval orders, your company will receive **ADVANCED payment** for all approval orders received 24 hours before.

**Meaning that there is no financial risk for your company, each order dispatched to US2LATAM warehouse was already paid!**

From now on, **US2LATAM** handles all import procedures in order to take the product to customer's home!



**US2LATAM** Marketing team is highly specialized on online sales, exploring every possibility that can generate qualified web traffic that can be converted into sales, like:

### GOOGLE ADWORDS

Providing Google Ad Words support, finding the local words used by customers when searching for similar or correlated products or services.



### FACEBOOK

We create a local Facebook page for your company that will interact with local customers offering coupon discounts, special promotions, new arrivals, using social media as an important local customer connection.



### OPT-IN EMAIL MARKETING



After analyzing your company's products or services and selecting the right consumer local target, we will locate the right opt-in email marketing data base and measuring precisely the conversion sales rate, along with other information, regarding receptiveness to products or services.

### Local Bloggers

Bloggers are a very meaningful channel for advertising your company's product, if it's related to fashion, technology, sports, health, security and children.

Bloggers are an important online reference in order to bring trust and liability to your company's products and services.



**US2LATAM** marketing team is in touch important bloggers available to build up a partnership at commission basis according to sales amount generated by them.

### Marketplace

**Extra** has 20 millions unique visitors per month.

**Casas Bahia** has 5 millions users and 17 millions unique visitors per month.

**Submarino** is the most traditional dotcom company with 25 millions unique visitors per month.

**Pontofrio** is also a traditional dotcom retail with 15 millions unique visitors per month.

**Americanas** is not only dotcom retail, but also a brick, achieving 30 million unique visitors per month.

**Shoptime** is a traditional dotcom retail achieving 10 million unique visitors per month.

**Walmart** also is a strong player in dotcom retail with 11 million of users, achieving 50 millions of unique visitors per month.





**Marketplaces** mean sales, but on the other hand, mean commissions, but great advantage is introducing your company's product to **150 millions of potential buyers**, electing this strategy as a win-win solution!



If the products web store offers information in Portuguese, video with local language in subtitles, or at least, a e-mail, Skype address or a local phone number that he or she will be able to solve doubts about it, in his or her mind, the problem is solved.

**FROM PRODUCT TO WEBSTORE LOCALIZATION**



The localization process is related to the cultural adaptation and translation of software, video games and websites, as well as audio/voiceover, video or other multimedia content, and less frequently to any written translation (which may also involve cultural adaptation processes).

*The product box does not need localization process, but a web reference where and how find out information or help to get the best of her or his acquisition in a local language.*

**US2LATAM** does exactly that service to Brazilian local customers.

**US2LATAM Team is responsible for the following tasks:**

● **ONLINE LOCALIZATION LANGUAGE MANUALS**

Our local team will translate owner's manuals and product's manuals, making them available on the local e-commerce website in both HTML and PDF formats.

As a result, it will be not necessary to "localize" them "in-package" as local customers can open their packages, go online, and definitely understand everything about the product.

● **SMARTPHONE APPS**

If the product works together with a smartphone App, we can translate all app features, avoiding local customer misunderstanding. (optional).

● **WEB APPS**

If the product works together with a smartphone App, we can translate all app features, avoiding local customer misunderstanding. (optional).

● **PACKAGING**

*There is no need to change the original packaging.*

● **MERCHANDISING AND TUTORIAL VIDEOS**

Videos are essential tools for customer comprehension. Our Localization Team are able to introduce local language subtitles for full local customer tutorial and orientation about product's functions.



**CUSTOMER SUPPORT**

In a cross-border transaction there are two sorts of support:

**1- About online buying Process:**

Doubts about taxes, freight, delivery time, custom issues, ANATEL, etc.

**US2LATAM** is ready to answer all the above topics questions, by e-mail, phone, Chat on line, during the Brazilian business hours day.

The direct result is trust and liability in the entire process, from the product acquisition to customer enjoy the consumption process.



## 2- About the Product:

Questions from how the product works, warranty, return policy, replacement parts, etc.

**US2LATAM** will pick up customers attenders according to the kind of product, like a geek for tech products, a fashion woman for clothes and accessories, a sportman for products related to sport and so on.

The idea is a personality match between the product and the attender, creating a attachment between them.

## Warranties/Returns/Tech Support



There is huge difference between warranties policy between different kinds of product like a sneaker and a drone, for example.

Shoes and sneakers can be returned if they not fit well, but drones can be returned only if is in D.O.A. state (dead on arrival).

But, on the other hand, if your company's aim customer's fidelity must provide technical assistance when some customer, by chance, launches the drone against the wall, or landed it in the swimming pool.

Depending the sort of product your company is selling directly to Brazilian customers, **US2LATAM** defines the right strategy.

**1- by allowing returns to your company's warehouse in U.S. in order to process with product replacement or technical support.**

**2- by creating local inventory warehouse in order to speed up replacement process.** (US2LATAM has warehouse partners in Brazil).

**3- by creating a specialized technical support, fixing the product locally, speeding up the return process to customers, increasing the satisfaction levels.**



*For every type of strategy option there is, of course, different costs, and your company's will build a strong brand name between Brazilian customers depending upon option assumed.*



**US2LATAM's CEO use to remember that " selling is easy, but customer satisfaction is the major prize, because reflect directly in the future of your company's brand".**

Before your company starts any cross-border operation, must answer a question that defines the success key of any local operation, **"how deep your company wants to be involved in order to satisfy Brazilian customers and build a strong brand name?"**



...and another question: **"how much your company's brand intend to invest in technical support and fast product replacement in order to achieve best levels of customers satisfaction?"**

## Brazilian Customer's Legal Rights.



Instead of translating the Brazilian Customer Legal Rights, below the most important points:

**1 – Brazilian customers can return, by law, any product bought at Internet after of maximum of seven days delivered.**

**2 – Inside the warranty period, the manufacture, importer or retail must fix the product, without any cost to the buyer, since the products problem is related to defective, not with misusing or making not good use of it.**

**3 – The Manufacture, importer or retail must provide technical assistance for five years in a row, beginning with the customer's buying date counting time.**



# WE



**Your company can follow all sales process in real time, getting all transaction information data.**

On the other hand, US2LATAM needs to get in return from your company, technical support and marketing investments, so in the end of the day, your product achieves a new market upon a very transparency and fair basis.



**BUILD  
TRUST  
THROUGH  
TRANSPARENCY**

## US2LATAM'S STATEMENT

**Please be aware that US2LATAM is not an import company**, you can see us as your branch office in Brazil, which mission is to gain market share and at the same time, local customer's loyalty, taking care not only growth in sales amount, but also high level of satisfaction for every customer.

**Your company in U.S. invoice Brazilian customers directly, without any financial risk**, as an extension of your U.S. e-commerce, with the advantage of a local company tracking every transactions looking after every local consumer, **it's really a "nothing to lose strategy"**.

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