

# *USA Market Entry*



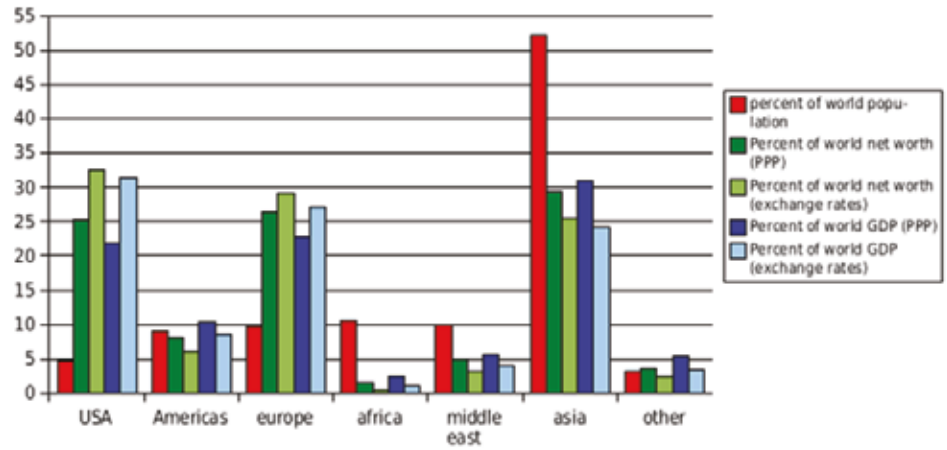
## **The United States of America:** The Economic Capital of the World

For over more than five decades, the United States of America has achieved a steady growth, extraordinarily low unemployment rates and constantly low inflation rates. USA has also consistently been a hub for rapid technological advancement, as time and time again the nation produces a steady flow of world changing advancements. It is clear that USA is the top global power, economically, militarily and technologically. Therefore, it is not surprising that USA has the world's largest nominal GDP of \$14.78 trillion and the 6th highest per capita GDP of \$47,132. In fact, according to the International Monetary Fund, the US GDP constitutes 23% of the gross world product and over 20% of the gross world product at purchasing power parity (PPP). Entering the USA market or investing in the nation opens an endless amount of opportunities for success. Let PSD Global provide you the appropriate and experienced consulting services to correctly lead you into this market and unleash your potential for business achievement.





USA Compared to the Rest of the World in the Year 2000

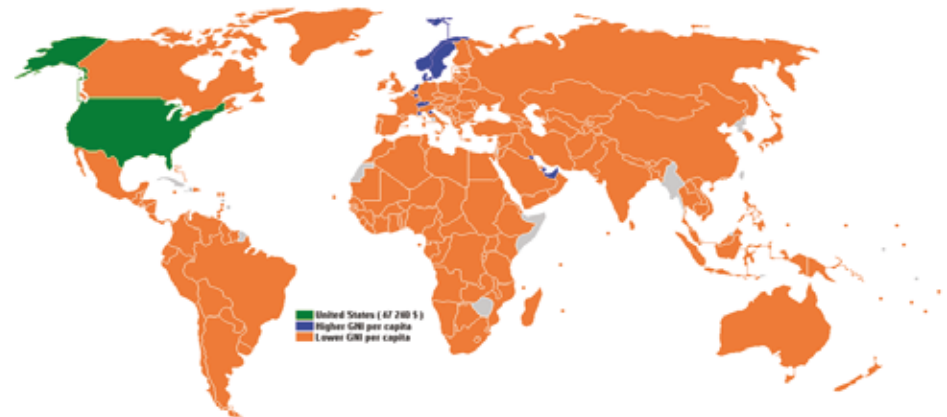


**More Reasons to Enter the USA market**

We have already discussed and shown statistics of why market entry into USA could be ideal. However, there are still many more reasons why one should broaden their horizons into America. One motive is that the United States is home to some of the most powerfully economic cities and possesses an endless amount of cities that could be prime for business advancement. Just to name a few of these influential metropolitans, USA contains: New York City, Los Angeles, Washington DC, Philadelphia, Boston, Chicago, Dallas and Miami. There are many more prominent American cities that could be added to the list but it should be noted that many of the mentioned cities have GDPs higher than many countries.

Listed below are more favorable statistics that show USA’s dominance and beneficial factors for entering this market

- The fourth largest labor force with 154.9 million workers.
- A low 9.7% unemployment rate
- The largest stock of domestic credit, amounting \$32.61 trillion.
- The third largest producer of oil with 9.056 million bbl/day.
- The largest producer of natural gas with an estimated 593.4 billion cu m.
- The fourth largest exporter, exporting approximately \$1.27 trillion.
- The world’s largest importer with \$1.903 trillion.
- The world leader in stock of foreign direct investment with \$3.597 trillion.
- An extraordinarily strong business infrastructure
- An open mind to entering foreign companies



## How PSD Global can help you enter the USA market

PSD Global has a strong USA establishment. With our headquarters located in the Washington DC area, PSD Global also has USA offices in Seattle, Philadelphia, New York City and Miami. Therefore, through experience and strategic placement we can help your company enter the hot spots of the American market with ease.

With our extensive business history and our acknowledged leading consulting expertise, PSD Global Solutions provides market entry services cross various American-strong industry sectors such as:

- **Government Market:** This is a very important service, as PSD Global will advise your company on all of the American legal and regulatory issues. Also, PSD Global will effectively handle your contractual concerns that will inevitably come up as you enter the USA market.

Retailing: Retailing is often considered a staple of the American economy and for good reason. Home to such major retail firms such as Wal-Mart, Sears, Target, McDonald's, etc, it is clear that this extremely diverse sector has helped shape the image of America that exists today. This industry has brought in tremendous amounts of revenue and according to the U.S. Census Bureau (2009) the total amount of sales was \$4.13 trillion.

- **Renewable Energy:** Although the United States may have a relatively small amount of renewable energy (11.14% of U.S electricity supply is renewable energy in for the first six months of 2011), the future looks bright for this sector. As it stands now, the United States leads the world in installed wind generation capacity and due to potential size of the energy market, the strong infrastructure and the prospective growth of relevant industries, the United States is often looked upon as the most attractive market for the rise of renewable energy. At the moment the leading renewable energy source is biomass (56%), then hydropower (36%), wind (5%), geothermal (5%), and lastly solar power (1%).

- **Construction Services:** The construction sector in America is considered to be the backbone of the economy and essential towards providing a stable infrastructure. This includes construction of buildings, roads, airports, water development, power stations and many more. The United States boasts the largest construction sector in the world with a spending amount of \$753.5 billion in 2011 and the sector is the seventh largest employer with approximately 7.2 million workers.

- **Insurance:** Insurance is another quality and well known American sector. The US is first in the world with the most amounts of total insurance premiums. These premiums amount for \$1.2 trillion, which to put in perspective is about 33.3% of the world market. This sector is a reliable industry and clearly a world leader.

- **Health Care Services:** In the United States, health care services are a huge part of the economy and culture. According to Forbes.com, the U.S. health care market is the largest in world and is worth \$1.2 trillion. The sector has numerous buildings and creates an extraordinary amount of jobs. For example, as of 2010 the health care industry consists of about 5,700 hospitals, 17,000 nursing homes, and thousands of medical and physician offices. It is predicted that health care accounts for 16% of the US GDP and, according to the US Labor of Statistics, employs approximately 14.3 million people.

- **Manufacturing:** Manufacturing is arguably USA's strongest sector and undoubtedly the nation leads the world in this regard. In 2010, USA posted a manufacturing industrial output of US\$2.60 trillion, an industrial output greater than that of China, India and Brazil combined. The U.S. continues to show it manufacturing dominance as now it produced 21% of the world's manufacturing output. The main manufacturing industries include petroleum, steel, automobiles, construction machinery, aerospace, agricultural machinery, telecommunications, chemicals, electronics, food processing, consumer goods, lumber, and mining.

- **Banking:** The American banking industry is a very competitive industry that is strongly supported by the economy and closely supervised. The banking industry works within a diverse market and provides wholesale and retail financial services to all groups of the economy and market. It has been a backbone of the American economy for many years and many foreign firms are beginning to enter the American sector. Through the 1998- 2005 time period, foreign bank's assets in the U.S. market grew by 77 percent.

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- **Telecommunications:** It is no secret that the telecommunications industry is rapidly growing and an extremely popular industry. It is also widely known that the United States is one of the premier leaders of this innovative sector. Furthermore, in the United States the wireless sector is the fastest growing segment of the telecommunications sector and fierce competition brews as newer and more advanced products are produced. Also, most of the leading high technology foreign manufacturers (including Ericsson, Nokia, Siemens, etc) invest in the US telecommunication sector because of the size, potential and competition the US market possesses. The Bureau of Economic Analysis stated \$10.5 billion in FDI was received in 2005 for the industry.
- **Others:** Our consulting expertise is not limited to the above mentioned sectors. PSD Global has considerable experience in a long list of wide ranging sectors. Whatever sector you want to enter, we assure you we will have experts who can guide you in market entry strategy. Our brand stands for excellence and customer satisfactions.

## Our Services

PSD Global provides market entry services for companies across all the major sectors listed above. We either provide, or manage the provision of, all the essential services required for setting up a business in any of the major cities in the United States of America. The key services include:

**Management services:** Our experienced management team will provide your organization all the management services required to efficiently run an office, along with dealing with logistics, and all the other aspects of smoothly running your business in USA. We will also provide regular and detailed management reports.

**Business Plan and Feasibility Analysis:** We at PSD global are not contractors who simply provide you with infrastructure and logistic support. We provide assistance in development of a structured business plan with short and long term feasibility analysis which will help you understand the dynamics of the American market and be in a better position to enter the market.

**Market Research:** We will provide you with in-depth market research on your industry for your target market and advise you on the product and service mix for the American market.

**Company administration:** We understand that when an organization is setting up a business in a foreign nation it requires a lot of administrative support. We at PSD global will help you smoothly manage the establishment and administration of a company. This will include managing the inputs from lawyers, accountants and various other professional services firms.

**Business development and Outsourcing:** In the initial periods we will assist you in your business development initiative to facilitate penetrating the market. We also provide services to outsource your sales or other operations processes in all the major industry sectors.

## Our Model

We have a well tested and successful operating model with four main components or pillars of support which together guarantee a successful entry into the American market. The components include:

## Structured Approach

PSD Global offers a structured approach to market entry. We begin with a detailed market evaluation, prepare the business plan and then adopt a structured approach to business development, sales and marketing. Once your organization has achieved critical mass, we help you in building your own team around the robust processes and market presence we have developed and transition the operations to your team



## Experience Local Management

The consultants at PSD Global have significant management experience in both small and large organizations. Most of them have lived considerable part of their professional lives in USA. They understand the local markets, business cycles and cultural preferences of the consumers and also have nurtured well-established business networks



## Team Based Approach

We at PSD Global are strong believers in a team based approach to work. We partner with other organizations wherever required to increase the speed to market. We learn from each other's experiences and also from our teams' extensive network enabling a faster entry into the market. PSD Global offers an expandable and flexible list of resources at your disposal for developing your business



## Infrastructure Support

PSD Global will provide complete infrastructure support. We understand the teething problems of setting up a new business and are there to assist you till you get fully established in the American market. If you require an office in the early stages of your entry, you can either use ours or we will help you find one. We will also run the office for you operationally till you have established your presence and have built the capability to run it by yourself.

### Your Search Stops at PSD: Benefits of Our Approach

Entering the American market is challenging and costly if you don't get the dynamics right. By engaging us as a consulting partner you outsource your worries to us and reap the benefits of an experienced partner. A partnership with PSD Global has multiple benefits for you including:

- Reduced initial investment for market entry
- Accelerated market entry process
- Improved chances of success
- Reduce risks of market entry
- Ability to test the market before committing long term capital investments into the country.

If you are planning to enter the American market then your search for a strategic partner should stop at PSD Global.

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