



IFA ANNUAL CONVENTION



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AVOIDING MISTAKES IN INTERNATIONAL EXPANSION

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MISTAKE # 1: PREMATURE INTERNATIONAL EXPANSION

- Model not yet fine-tuned domestically
- International expansion may distract and rob resources needed for domestic success
- Insufficient margin to feed a Master Franchisee
- International trademarks not secured

MISTAKE # 2: CHOOSING THE WRONG MARKET

- Insufficient market research
- Failure to properly assess competition
- Language and cultural barriers
- Localization issues
- Supply Chain issues/Payment processing
- Import/Export restrictions

MISTAKE # 3: CHOOSING THE WRONG PARTNER

- Insufficient business experience
- Insufficient capitalization
- Insufficient in-market connections and real estate knowledge
- Poor cultural fit with brand values
- OFAC/background checks

MISTAKE # 4: CHOOSING THE WRONG CORPORATE STRUCTURE

- Master Franchise Agreement
- Area Developer Agreement
- Direct Franchising

MISTAKE # 5: CHOOSING THE WRONG SIZE MARKET

- Too big a market is a stalled opportunity
- Too small a market may stifle profit

MISTAKE # 6: FAILING TO APPRECIATE THE COMPLEXITIES OF TECHNOLOGY

- Translation issues
- Data privacy issues
- Customization of Apps/Websites and other key concept technologies
- Insufficient protections for proprietary technologies

MISTAKE # 7: FAILING TO APPRECIATE THE COMPLEXITIES OF INT'L BANKING

- Currency exchange restrictions
- Foreign currency fluctuations

MISTAKE # 8: FAILING TO APPRECIATE DIFFERENCES IN LEGAL SYSTEMS

- Foreign Franchise laws
- Foreign taxation schemes
- Customization of key contracts
- Enforcement of agreements

THANK YOU!