

Bem Vindo !



*Federative
Republic of Brazil.*

A Market experience



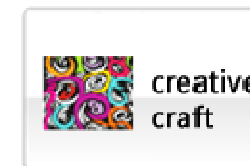


Pidilite Industries



Pidilite Industries

Pioneer of adhesives and specialty chemicals in India.



Pidilite Industries

Founders of some of the most successful and valued brands of India.



Pidilite Industries

Market leader in India in its segment



Pidilite Industries

- ✓ Started operations in 1959.
- ✓ Current operations span over 50 countries.

- ✓ Main business – Adhesives, Sealants, Construction & industrial chemicals, Art material, resins.

- ✓ 131st among TOP 500 from India.
 - a) Most trusted Brands of India
 - b) Most effective advertisements
 - c) Most buzziest Brands.

- ✓ Globally, over 40 manufacturing sites.
- ✓ Subsidiaries across all continents.



Pidilite – Brasil operations

- ✓ Pidilite do Brasil started in Sao Paulo, during 2004
- ✓ Outsourced key products manufacturing to local partners.
- ✓ Performed acquisition of a Brazilian company during 2007.
- ✓ Current domestic turnover – 50 Million USD \$.
- ✓ Current team of 200 direct and 120 indirect employees.
- ✓ Manufacturing plant in Sao Paulo.
- ✓ Presence in over 100000 sales outlets (PDV)

Brasil – The experience

Hurdles we faced :

- 1) Lack of key material in English.
- 2) Mismatch in understanding of business culture.
- 3) Complex procedures, taxation and beurocracy.
- 4) Perception differences.
- 5) Cultural differences.

Brasil – The experience

We took the following care !

- 1) Care in defining market entry strategy.
- 2) Did not expect prospects to easily import, stock and resell.
- 3) Looked beyond the usual risk factors.
- 4) Did not take the market for granted.
- 5) Planned and made investments at the right time.
- 6) Did not impose Indian brands in Brazilian market.

Brasil – The experience

It also helped us to:

- 1) Get exposed to Samba, Caipirinha, Football, Churrasco.
- 2) Go into details without sounding offensive.
- 3) Invest time in developing relationships.
- 4) Have a Plan B, C, D.....ready.
- 5) Plan for long term.
- 6) Work as a Brazilian company.

The path ahead.

Pidilite Brasil operations:

- ✓ New manufacturing plant.
- ✓ Increase in branding and marketing activities.
- ✓ Tapping new market channels & segments.
- ✓ In 5 years target leadership position in key products.
- ✓ Investments for inorganic growth.

Brasil – The experience

The hard realities:

- 1) Shortage of skilled manpower with international acumen.
- 2) Cumbersome & complex procedures, taxation & laws.
- 3) Exports from Brasil – limitation.
- 4) Differences in culture and ways of doing business.
- 5) High support costs – legal, advisory, manpower.
- 6) Distance between India and Brasil.

There are tremendous opportunities in various sectors such as Banking, IT, Technology, Auto, Textiles, Chemicals, Pharma among others.

The journey to Brasil has been fantastic !!



Brasil....here we come !!!!!