Launching Your Technology Business in North America
A Readiness Checklist

Up and coming technology companies know that to build a viable business they eventually need to have a presence in the United States and eventually all of North America. As the largest market for technology products and services in the world, North America also represents enormous challenges that need to be faced by small and mid-sized companies that have limited financial and personnel resources that want to establish themselves in the market. Companies that are interested in launching their business in North America need to have a thorough business strategy and a go-to- market plan to execute that strategy several months ahead of their planned launch date.

Competition in the North American technology industry is formidable and not being properly prepared to enter the market can result in unacceptable performance, wasted precious financial and personnel resources and create a poor company image with potential customers and business partners that can inhibit initial and long term success. While time to market is critical in the technology industry, getting it right the first time is paramount to launching a successful business.

Here is a partial checklist for technology companies regarding their readiness to engage in business in North America.

1. **What business structure will you use?**
    a. A U.S. subsidiary with a single or multiple geographic offices?
    b. A joint venture with a U.S. company?
    c. Set up an office and hire local staff?
    d. Contract with local sales reps to handle your products?
    e. Do you plan to send company employees to America to run the business or hire local management to start and run the business?
    f. Do you plan to use channel partners to distribute and sell your products and services versus a direct selling presence and occasionally send company managers to America to build, interface and support your channels?
    g. Is your technology better suited to licensing to OEM vendors versus building your own brand and infrastructure?
2. **<u>Location</u>**
    a. Picking the right geographic location to be the North American headquarter is an important decision and has many variables that need to be considered, such as:
        i. What location can best serve the seven time zones that need to be covered?
        ii. Where are your target customers and partners located?
        iii. Where can you find employees with the technical expertise for your products?
            1. Your industry technology clusters
            2. Universities & colleges doing research in your technical arena
        iv. Where is the most cost effective place to set up headquarters?
            1. Competitive wages
            2. Low taxes
            3. Low cost of living
            4. High standard of living/ good life style
            5. State and local business incentives
            6. Business friendly state and local government with minimal regulation
            7. Near a major airport hub for lowest airfares and best market coverage
            8. Is it better to be centrally located to minimize travel and provide office hour coverage to both east coast and west coast customers and partners?

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3. **Business Infrastructure**
    a. Have you engaged with a legal firm to start the incorporation process, handle legal issues such as office lease agreements employment agreements, governmental documentation requirements (federal, state, local).
    b. Have you set up a banking account in the US with a bank that can handle currency exchanges between the US and you home country?
    c. Have you identified an accounting firm (CPA) to handle issues like payroll, billing and accounts receivable/accounts payable?
    d. If you plan on sending company employees to the U.S. have you found an immigration lawyer to assist in acquiring proper U.S. visas?
    e. If you plan to hire local employees have you found a professional recruiting organization to help find qualified talent?
    f. Have you selected employee benefits providers for company health, dental, vision insurance or do you plan to outsource this function to a third party Human Resources outsource firm?

4. **Is the product ready for the North American market?**
    a. Is your documentation and software localized in English for the United States; English/French for the Canadian market; Spanish for Mexico and other Latin American countries?
    b. Have you secured beta sites or lighthouse accounts in North America prior to the launch to use as product testing sites and potential reference accounts?
    c. Are all major bugs identified and been fixed to insure a successful launch and have satisfied customer?
    d. Do you have a high confidence in product quality, reliability and supportability (any major failures and poor first impression could take a long time to repair and establish a good company reputation)?

5. **Is your marketing plan complete?**
    a. Are your target markets and target customers identified?
    b. Has a competitive analysis been completed to provide adequate product positioning, pricing, licensing, services offerings?
    c. Is your advertising and PR campaign properly aimed at your target customers?
    d. Is your website and sales materials updated to accommodate North American market (American English versus British English)? To do business in the U.S. you must look like you know the market and the local language.
    e. Have you worked with a PR firm to schedule a press and analyst tour to maximize launch exposure?
    f. Do you have local customer references documented and success stories available to sales team, channels, press?
    g. Have you gotten you product reviewed with third party testing organizations?
    h. Have you targeted strategic partners and developed a business relationship with them to leverage you sales efforts?
    i. Are there on-going marketing programs after the launch to maintain lead generation?
    j. Have you mapped out and committed to key industry event participation such as trade shows, and other conferences for maximum exposure?

6. **Is your sales and after sale support strategy sound?**
    a. Do you have sales and support organizations in place (outsourced reps, direct sale force, resellers, distributors, OEMs) and a program to train them on the products prior to the launch?
    b. If you don't have adequate sales representation you could stir up interest in your product with your marketing campaign only to have potential customer look into competitive offerings if they are not comfortable with your existing representation.
    c. Who will install and support your products? Will you have U.S. based on-site support, phone support, customer service
    d. Will you need 24/7 support coverage?

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7. **Is your sales launch plan complete?**
    a. You should start planning a product sales launch three to four months prior to the launch date.
    b. A coordinated effort with engineering, production, marketing, sales, support and order entry will be required.
    c. Everyone must be ready with their part of the process before you launch. This will also allow you to finalize all the communications plans to partners, press, analysts and employees.

8. **Do you have a sufficient budget?**
    a. Have you sufficiently budgeted for all aspects of a product launch and post launch activities and have the cash resources to sustain the planned expenses to meet your goals?
    b. The budget process is critical to a successful launch and sustaining market presence and reaching goals.
    c. Make sure all parties involved, internal and external have had input and have bought into the final budget plan.
    d. If additional capital is required to initiate the launch it should be secured prior to initiating the launch process.
    e. It is not enough to plan for only the initial launch activities, but a complete plan for sustaining the marketing campaigns to achieve both short term and long term revenue goals.
    f. Make sure you budget enough to guarantee success for the goals that you intend to reach. Not budgeting enough will guarantee failure.

9. **Progress review process?**
    a. During the planning stages of a product launch you are most likely meeting with all company functional managers and external partners to check on the status of each element of the launch.
    b. Once the launch has been initiated periodic reviews of all aspects of the launch and the ongoing programs is required to determine overall and elemental effectiveness to allow for quick modifications, if results are not as expected.
    c. This monitoring process needs to be carried out with internal management and external parties to the launch at key stages of the post launch process for maximum results.

10. **Language and Cultural Differences**
    The challenges of language and cultural differences are the most obvious ones that need addressing for any foreign company.   English as a second language is very important for company employees to have, when dealing with customers and partners, but knowledge of cultural differences and business practices, methodologies, ethics and rules are equally important for any foreign company to grasp when launching their business in North America.
    a. Consider having employees from your overseas headquarters that will be involved in the U.S. launch to brush up on their English skills. English as a second language are taught worldwide.
    b. Consider hiring a cultural business coach to assist employees being assigned to the project to be aware of U.S. business practices and ethics. The laws of your home country may not apply to the U.S. regarding business conduct and they can be big legal and financial liabilities for the employees and the company.
    c. Your country embassy or consulate in the U.S. can be a good source for U.S. business rules, ethics and policies.

The above checklist is by no means a complete listing of the pre-planning required to launch a business in the U.S. and North American markets. It is intended to highlight some to the major items that must be addressed. It might seem as a daunting and expensive process, but there is a way to minimize the risks and associated costs of such an endeavor.   Soft landing programs are available in most U.S. markets to help with the setup of your company there.

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A Readiness Checklist

For a more detailed check list or a review of your business and marketing plans contact the Richardson Texas Economic Development Partnership for a confidential discussion. Our staff has decades of experience in assisting foreign companies with the set up and launch their business in the U.S. and North American markets. In addition, an "International Business Assistance Program" including a Concierge Program with professional service providers that specialize in accounting/finance, legal assistance (corporate, immigration, intellectual property), international banking, workforce staffing, translation services, business development, human resource management and many other services to help you jumpstart your U.S. business.   We also specialize in helping you find the right office space or industrial/commercial facility to meet your business needs. We help you "land softly" and get to work quickly.

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