# Foreign Partner Evaluation Worksheet

The following are criteria you can use to determine the fit of a potential foreign partner, plus what to watch out for. [Contact ExportMontana](http://marketmt.com/Export) with any questions.

| **PARTNER EVALUTION CRITERIA** | **IMPORTANCE**  *High, Medium, Low* | **TOP RANKED CRITERIA**  *Prioritize for Interviews* |
| --- | --- | --- |
| Do they have the required technical expertise or product knowledge? |  |  |
| Do they have warehouse space and the ability to hold inventory? |  |  |
| Do they have strong customer relationships in your target market / industries? Do they have a customer profile that matches your target market? |  |  |
| Do they have branch locations and territory coverage in regions you are targeting? |  |  |
| Do they have strong marketing capabilities? (sufficient marketing staff, robust web presence, effective use of a database/CRM, the ability to develop effective marketing materials, translation capabilities, advertising experience) |  |  |
| Do they offer a good game plan (or good idea) for selling and marketing your product? |  |  |
| Are they financially healthy (payment history, bank references, profitability, etc.)? |  |  |
| Do they have a strong sales force? (sufficient number of salespeople, history of sales growth, strong sales per outside rep) |  |  |
| Will your business be large enough or important enough to get attention from their salespeople and leadership? |  |  |
| Do they demonstrate effective sales force management (training, compensation, measures, and incentives)? |  |  |
| Do they have favorable references from other suppliers (with complementary products) and end-users? |  |  |
| Does their product mix fit with your line? |  |  |
| Do they offer the necessary service capabilities and performance? (track record of strong delivery performance; ability to offer training, maintenance, technical support, repair parts) |  |  |
| Do they have the language capabilities you need? |  |  |
| Does the leadership/ownership of the partner company have a business approach and strategy that is compatible with yours? |  |  |

Created by [*ExporTech*](https://www.nist.gov/exportech)

# What to Watch Out For

Avoid the following common mistakes when choosing a rep/distributor:

**Contracting with a line collector**: This is a company that collects lines just to have them, hoping that one or two of them will become big sellers. Find this out by comparing the number of lines the rep/distributor has to the size of the company or ask the company exactly what it has done to market each specific line. Line collectors tend to group sales and marketing activities for all the lines the way a catalog company would.

**Contracting with a block-your-product buyer**: This is a company that is interested in your products essentially to keep them off the market. They will sign a contract and sit on the product to ensure other competing products they represent succeed. Avoid this type by asking the company what competing brands they represent.

**Taking the first one that comes along**: Whether or not the rep/distributor who approaches you seems like a good fit, use the factors on the next page to make sure. It’s always a better idea to research at least 2-3 candidates before selecting the final.

**Being taken in by the warm fuzzies**: Do not be taken in by the first agent or distributor that really makes you feel comfortable or accepts you as a foreigner. Always conduct due diligence.

Excerpted from [*The Global Entrepreneur*](https://www.amazon.com/Global-Entrepreneur-Second-James-Foley/dp/0975315307)