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SME INTERNATIONALIZATION STRATEGY:
POR SABORES EXPANSION TO SWITZERLAND

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Abstract

This research project represents a proposal for the internationalization of the Portuguese company Por Sabores, which operates in the sector of wholesale and retail food products in specialized establishments, to the Swiss market, more precisely Zurich. First, the company is presented, and then the opportunities for optimization and growth of the company before entering the new market are analyzed. After the logistical restructuring, an in-depth analysis of the country selection follows, and finally, the project implementation plan is built, and its viability in financial terms is scrutinized, culminating in recommendations for the company.

Keywords: Strategy, Internationalization, SME, Wholesale and Retail Products.

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Literature Review

Internationalization was traditionally seen as one of many growth strategies for a company, but, nowadays, it tends to be the strategic central axis of small and medium-sized enterprises (SMEs). The expansion and emergence of new markets have contributed greatly to this, offering new development opportunities that more and more SMEs are choosing to take advantage of (Dominguez 2018). Initially, the international development of this type of company was almost exclusively carried out through exports, but, nowadays, SMEs are increasingly opting for a long-term establishment in new markets, choosing entry methods characterized by a high level of commitment, namely through joint ventures, the creation of new subsidiaries or acquisitions. The success of a business internationalization is directly dependent on a number of factors that the company must take into account, including: the tastes and culture of the destination country, the regulations in force in the country, and the local business principles, in order to secure the greatest possible advantage over the competition. The role of an internationalization with a high level of commitment entry method in the company's development is twofold once expansion takes place – on the one hand, the company takes the operational *know-how* from the home country to the new market, and conversely, it retains in the foreign country the *know-who* of the operational dynamics that exist there, learning them and being able to apply them in the home country. This dual role of knowledge is crucial for the development of companies, and special care should be taken to study the particularities of the destination country beforehand, in order to smooth the entry into the new market and mitigate any risks of adapting the company's product or service to it.

In this context, it is necessary to emphasize the importance of the existence of returnees, or local entrepreneurs in the destination country, since they have a greater knowledge of the culture and regulatory environment, and also have greater access to the country's resources and networks (Dominguez 2018).

Regarding the type of activity performed, more specifically the one addressed in this project, distributors bridge the gap between producers, processors, and markets. Food distributors buy food products from manufacturers and then sell them to retailers, specialized food service companies, or other distributors – depending on the complexity of the supply chain in which they operate. Distributors are also in charge of the physical logistics of goods – they “will generally buy in bulk and use an infrastructure of warehouses and distribution centres to deliver the products as and when required downstream in the food supply chain” (Dani 2015) – and it is necessary for the company's logistics management to be as efficient as possible, to maximize profits and reduce possible product losses (such as stockpiling). This is exactly why distributors are so important within supply chains, especially when these have an international dimension. Regarding to the internationalization of a food distributor, entering a foreign market requires solid planning of operations, and a comparative study of the various entry hypotheses, due to the reduced number of players in each market and the preference given to companies that operate with mass-produced goods, which are consequently cheaper. For this reason, the success of internationalization, in this case, is directly associated with the quantities transacted or the quality of the products, depending on whether the customers are large retail platforms or a niche market; and, likewise, its entry into the market should have a lower or higher level of commitment, respectively.

In short, all these factors inherent to the success in SMEs internationalization, as well as the specific characteristics of the distribution sector, were taken into consideration and adapted to the needs and reality of the company analyzed in this project.

Methodology

The following business internationalization project required a detailed analysis of the current situation of the company and its operations, and an in-depth study of the ideal market to which the company could expand its activity in the most efficient way possible – directly meeting its

ambition and short-medium term goal. To this end, the frequent direct contact with the company through interviews and the provision of financial reports and internal sales charts contributed a great deal. This allowed, firstly, corrections to be made to the current business model – with a view to its immediate optimization –, and later, the development of an innovative business model when entering the new market, as well as its financial projection.

I – About Por Sabores

1.1) Enterprise Overview

Por Sabores is a Portuguese family business established in 2016, operating in the food wholesale and retail sectors in specialized establishments. Initially, the company focused only on the distribution of typically Portuguese products from various regions - without mass production - for restaurants, hotels, and shops, maintaining close relationships with producers and retailers (Por Sabores 2021).

However, in 2020, the emergence of the covid-19 pandemic severely affected the trade sector, especially the restaurant sector, forcing the company to quickly adapt to a new reality for the business to survive. This is how a new business was born, direct-to-consumer sales through an online store (NiT 2020). Currently, with the lifting of restrictions on trade in the country, Por Sabores is operating in both sectors, the wholesale trade carrying greater weight in the company's activities.

1.2) Current Four P's Analysis

The analysis of the current Four P's, also known as the Marketing Mix, will help identify key factors for Por Sabores' business, which are limited by both internal and external factors in the business environment, interacting with each other (Investopedia 2021).

Product: the company sells only high-quality authentic products, without mass production, having started by selling only wines and cheeses and later incorporating olive oil, sausages, codfish, sweets, dried fruits, and bread from the most diverse regions of Portugal.

Price: the prices charged by Por Sabores vary greatly depending on the type of product, starting at 0.80€ and reaching up to 35.55€ in unit terms. With specific regard to retail, in addition to the separate sale of products, the company has invested in marketing baskets with specific combinations of the most diverse products, and it is also possible to customize your own basket - allowing the sale of their products for purposes that previously would not be so evident to the consumer, namely as gifts, with the respective label customizable.

Place: Currently, the company based in Lisbon operates mainly within its district in what concerns the wholesale sector. In the case of retail, the company operates solely through its online store, ensuring the distribution of its deliveries in Lisbon and Cascais, and sending by postal service to the remaining locations of the country.

Promotion: since the outbreak of the pandemic, and unable to carry out its daily operations normally, the company invested in the creation and development of its e-commerce platform, using mainly its presence on Instagram and Facebook to boost its sales and attract new customers by regularly sharing new content and sending products to various influencers to share with their followers.

1.3) SWOT Analysis

SWOT analysis is a tool in Strategic Management, through which companies "analyze their strengths and weaknesses, balance them against opportunities and threats in the environment, and then formulate strategies based on this information" (Schmid 2018). Although it is more common in international business to see this analysis applied to the country where companies intend to expand their activities, in this specific case, it will be dedicated to the analysis of the company itself in the market in which it currently operates, conducted based on interviews with the company, in order to optimize the management of the business and best prepare its expansion in terms of logistics and timing.

Strengths: Por Sabores increased its client portfolio a lot as it has grown. Although it is an SME

still in its first years of activity, its advantage is the quality of the products it sells, all of them traditionally Portuguese and not mass-produced. Also, the close relationship it has with producers and its customers has contributed not only to a loyal customer base but also to a privileged relationship with producers, keeping their labels in order to “grow and make them grow” (this being its main competitive advantage). The company also has a conservative financial management, having no debts and investing so far only the profit it generates.

Weaknesses: through the interviews conducted with the company, it was possible to identify some weaknesses – regarding the retail business, the company has found some difficulty in reaching its target customers, with the marketing strategy applied in social networks still having little effect in increasing sales in the e-commerce platform; on the other hand, regarding the wholesale food products business, the company has had difficulty in implementing a logistics strategy that allows it to increase the volume of transactions with producers, in order to decrease the unit cost of products and increase their sales margin.

Opportunities: the market opportunities presented to the company are numerous, with plenty of room for future growth. Despite the little significant expression of e-commerce sales in the global total made by the company – given that the company has only been operating as a retailer for precisely one year – we can already see a significant growth of sales on the online platform in recent months. With a greater investment in marketing and establishing a partnership with a large digital food delivery platform, such as Glovo, Bolt Food or Uber Eats, Por Sabores, despite losing some profit margin on each sale, could greatly increase the number of total sales made. On the other hand, with regard to the wholesale business, which currently accounts for most of the company's turnover, the internationalization of the company to a new market would mean not only an increase in customers but also a way to mitigate threats from competitors in the host country.

Threats: Por Sabores faces some threats in the market where it operates – firstly, the volume of

business of some competitors is on a scale far above that of the company (remember that the company was only founded five years ago), and decision making has to be very thoughtful and mainly directed to the risk that may be inherent to them; secondly, despite having several small producers per product class, and taking into account that none of these is mass production, the company is very dependent on the success of these to supply the needs of its customers on time, keeping its reputation intact with its retailers.

II – Growth Opportunities for the Business

2.1) Financial Analysis

From the financial results inserted in the balance sheet and income statement, made available by Por Sabores, we proceeded to analyze the company's financial ratios in order to evaluate the financial situation between the years 2016 and 2019 – excluding the year 2020, due to the company's inability to carry out normal operations for most of the year – as well as possible weaknesses regarding the logistics management of the business (Exhibit 1).

The company's revenues have seen an increase over the previous year in every year since its foundation. Also, the liquidity ratios are positive during the period under analysis, indicating that Por Sabores has always been able to meet its short-term obligations (except for the cash ratio, which in practice is not so common to show positive results, since it can harm the profitability of the company). Despite being high, the costs, as a percentage of revenues, are not at all an alarming sign for the company, as they have stabilized at roughly 80% in the last two years of the period under analysis, and in comparison with the rest of the sector in Portugal (12%/15% sales margin) it has a higher margin – roughly 18%. The company also has a high operational risk ratio – the higher this ratio is, the more the profits are exposed to sales variations – something also common to the type of business the company performs (as can be corroborated at the time of the outbreak of the pandemic and subsequent confinements).

On the other hand, the analysis of the company's financial ratios allows us to identify the

company's major problems, which require an optimization of its logistics. Firstly, through the analysis of the efficiency ratios (and in more detail the data used for this calculation, from the company's balance sheet and income statement), we can conclude that one of the problems concerns the inventory turnover – sales growth has increased, and inventory turnover has increased proportionally, which shows that the company reorders too often and not in larger quantities, managing its inventory in the same way as in the beginning (when it had few customers). Secondly, the profitability ratios and the DuPont Analysis mainly show a big drop in the company's ability to make profits from its operations when its customers increased, showing that the distribution strategy of products is not the most efficient.

2.2) Enterprise Logistics

Logistics comprises several interrelated activities, namely the transportation of products, storage, and later the management of these products – inventories (Bourlakis and Weightman 2004). As previously mentioned, Por Sabores has not been managing efficiently in terms of logistics, something that became clear in the interviews that were carried out during the project study. This is why there is a need to define and implement a logistics plan immediately, in order to increase profits and the profitability of its resources.

Transportation Strategy: with the return to normality, the company is now operating in two different business spheres – as a wholesaler and retailer – i.e., in addition to the deliveries it already made as a supplier to restaurants and hotels, it now has to balance all this with its new e-commerce, started last year. In light of this, the company now finds itself in a somewhat different situation, since orders have increased significantly but the location in which it operates is the same – only the Lisbon and Cascais area. Therefore, the model presented as the most efficient for transporting its products is the *Private Fleet with Milk Runs* (Exhibit 2), consisting of providing multiple destinations for each delivery route (Dani 2015) via the company's own vehicle (Exhibit 3). This allows it to keep transportation costs down, as well as inventories, but

increases the complexity of coordination within the company (Exhibit 4) – in order to solve the problem in the least expensive and immediate way, the company is strongly advised to introduce an app available for any smartphone and free of charge, Circuit, a route planner developed for delivery drivers, and which through its advanced software allows the consumer to add up to 500 stops, building optimized routes in a few minutes (Circuit 2021), which will allow the company to optimize not only delivery time but especially fuel costs.

Inventory Management: in terms of inventories, the company should be able to buy larger quantities from producers each time, better managing its inventories (the shelf-life problem in this specific case does not apply because the only product that has to be delivered almost immediately is bread, which is only sold on the e-commerce platform - its sales are not very significant for the company), in order to reduce the unit cost of goods when they are purchased (the larger the order, the lower the price). For the immediate future, a trade-off planning was performed for each product the company sells (only those with some sales significance), having been calculated, based on the company's sales map (per product), all possible costs and profits associated with each product, as well as the optimal quantity to order of each one, in order to allow the company a healthier inventory rotation, maximizing its profits (Exhibit 5).

III – Internationalization Process

3.1) Country Selection

Most companies do not incorporate analytical components when selecting the market to which they will internationalize, either because their activities are limited solely to expansion or because they focus only on limiting the risks that may arise from such expansion. "An absence of preliminary screening activities creates the risk that good business opportunities will be missed" (Annushkina and Regazzo 2020).

"A reasonable starting point for the screening of potential target markets would seem to be assessing macro-factors in a way that goes beyond a simple analysis of concrete business

opportunities" (Annushkina and Regazzo 2020), and for this very reason, the selection of the country to which Por Sabores will be able to expand its activity begins with country clustering – first, a ranking based on eight macro-factors that characterize the 84 countries selected for this purpose (Exhibit 6), culminating with the clustering of the same, being the countries grouped according to similarities (commercial, political, cultural and economic) that exist between them, and the final result visible in the dendrogram (Exhibit 7). However, an analysis of macro-factors only does not allow exploring the potential of markets for certain sectors of activity, neglecting the micro-factors that are central to a specific business.

According to S. Tamer Cavusgil, more detailed analyses (granular micro-level analysis) should be carried out next, in order to complement the analysis with specific indicators that are central to the company's business (Cavusgil, Knight, and Riesenberger 2017). With this purpose, and specifically focused on the Por Sabores business, 32 indicators were identified and collected on which the company's business largely depends, and different weights were assigned to them according to their importance for the proper functioning of the business, highlighting the indicators: "enforcing contracts", "cheese consumption per capita", "wine consumption per capita" and "ease of doing business" as those with the greatest weight (Exhibit 8). Once the raw data of the individual variables was collected for the 84 countries analyzed (Exhibit 9), it was then standardized - as each dimension differs in terms of scale, the data is standardized into z-scores, and converted into a scale of 1-100 (Exhibit 10) – whereby the individual variables whose highest value had a negative connotation had to be inverted to avoid errors in the analysis – by applying the following formula:

$$X'_{ij} = \left[\frac{X_{ij} - \min_i}{R_i} * (99) \right] + 1$$

In this formula, the X'_{ij} represents the scaled final value of the country j on the dimension i ; X_{ij} represents the average score of the country j on the dimension i ; $\min_i$ represents the minimum value for the dimension i and R_i is the range of dimension i . Once the data is standardized, the

weight of each individual variable is multiplied by the respective numbers, allowing the calculation of the overall score for each country (Exhibit 11), which in turn, when organized in descending order, generates a ranking of the 84 countries analyzed.

The countries clustering and the countries ranking complement each other because when analyzed together, they allow not only the comparison of a macro analysis with a micro analysis (Exhibit 12), but also the ascertainment of the existence of possible similarities between the countries with a higher ranking (Exhibit 13), corroborating the theory that the "location choice is no longer only influenced by the features of the host country but also by its capacity to serve as a gateway to a set of neighboring markets" (Dominguez 2018). Taking into account the two analyses, as well as the comparison established between both, it is possible to conclude that Por Sabores has Ireland, France and Switzerland as ideal target markets for the internationalization of its activities.

3.2) Industry Analysis

After reducing the list from 84 possible countries to 3, it is necessary to narrow the focus of the analysis to industry-level indicators, since market potential is industry-specific (Cavusgil, Knight and Riesenberger 2017). Firstly, and although the indicators cheese consumption per capita and wine consumption per capita have already incorporated the countries ranking, it is necessary to perform a comparative analysis in relation to these three countries, in order to assess which market has more potential for a more effective international penetration by Por Sabores; therefore, we can conclude that the three countries have considerable consumption of the two types of products, but France stands out as the largest consumer, followed by Switzerland and finally Ireland, in both cases (Exhibit 14 and 15). As for the population density of the largest cities in the respective countries, it can be concluded that with the exception of Paris, the other cities are more or less equal in terms of inhabitants (Exhibit 16). And finally, the distance between the three countries and the company's host country should also be taken

into consideration, since "geographic distances increase logistics costs" (Annushkina and Regazzo 2020) – France being the closest, followed by Switzerland and finally, Ireland (Exhibit 17), whose land distance does not correspond at all to the route distance, leaving Ireland practically excluded from a possible internationalization, due to the time lag in transport costs compared to the other two countries – only considerable if its market consumption capacity is much higher.

France Industry Analysis: by the year 2019, the industry revenue of restaurants and mobile food services showed a slight growth (1%), as did the real total consumer spending on restaurants & hotels, the latter with a much more significant increase (5%). Similarly, the real per capita consumer spending on restaurants & hotels, with an annual growth of about 1.3%, had a value of \$1456.39 last year – showing that the possible target market would have to be a niche market, where products such as traditional French cheeses and wines dominate, not allowing much market penetration by foreigners. As far as food and beverage imports are concerned, the country imports about 7.06% of the total, practicing almost prohibitive corporate taxes (being much higher than those of the company's host country) when considering the type of business under analysis in this project (Exhibit 18).

Ireland Industry Analysis: prior to the covid-19 pandemic, the industry revenue of restaurants and mobile food services recorded steady annual growth of around 3.5% per year, as did the actual total consumer spending on restaurants & hotels, which had increased considerably in 2019 when compared to previous years – showing in turn, in per capita terms, a value of around \$3536. 40 –, more than the country's percentage of food and beverage imports, which is about 4.46%. It is important to take into consideration the corporate taxes relative to the sector of activity under analysis, which are 12.5% – considerably lower than in Portugal (Exhibit 19).

Switzerland Industry Analysis: the industry revenue of restaurants and mobile food services was practically stagnant, showing a small decrease year after year (about 2% per year).

Conversely, real total consumer spending on restaurants & hotels indicated significant growth (7% since 2017), and similarly, real consumer spending on restaurants & hotels in per capita terms showed considerable growth (5% since 2017), with a value of about \$5027.62 in 2019 - evidencing the enormous purchasing power capacity of the population overall, when compared to the populations of France and Ireland. The country's food and beverage imports alone are small, which is about 2.22% – being a very interesting market to explore as pioneers. Finally, corporate taxes are very similar to those of the host country, but in the sector of activity in question, they are very low when compared to the other countries in Europe (Exhibit 20).

When comparing the industry analysis of the three countries, we can conclude that Switzerland is the best choice for internationalization, representing a very attractive expansion opportunity for Por Sabores.

3.3) Pestel Analysis of Switzerland

"A firm's resources, capabilities and competencies can become competitive advantages only if they fit the appropriate environment on both sides of the border" (Schmid 2018). The mentioned environment encompasses not only the industry, previously analyzed, but also the macro environment of the country, and therefore a PESTEL analysis is performed to that effect (Exhibit 21).

Political: Switzerland's system of government is based on a Federal Republic, and in 2021, Switzerland was ranked as one of the freest countries worldwide, guided by the principles of democracy and rule of law – in which it occupies 3rd place worldwide, evidencing the high level of confidence placed in legal authorities and law enforcement system, by its population (Statista 2021). Switzerland is also ranked as a country with a strong control of corruption. The country has demonstrated over the years a strong political stability, and there is a low risk of events related to violence and/or terrorism. Finally, with regard to regulatory quality, Switzerland ranks very high, i.e., the government demonstrates a strong ability to "create and

implement policies as well as procedures that support economic growth and social welfare" (Statista 2021).

Economic: On an economic level, Switzerland holds one of the highest GDP per capita in the world (\$77399.7), and is expected to increase its real GDP by about 2.1% on average in the coming years. The country's inflation rate fell from 0.4% in 2019 to -0.7% in 2020, thanks to the effects of the pandemic that broke out around the world earlier that year; however, the inflation rate rose again in 2021 to 0.1%, with a partial return to normalcy – it is expected to continue rising to 1% in the coming years. In terms of the country's economic activity sectors, Services comprise about 70.9% of GDP - generating more and more jobs year after year – with Industry representing only 25.6% and finally Agriculture 0.7% of GDP – showing a proportionally reversed trend when compared to the Services sector (Statista 2021).

Social: Switzerland has about 8.6 million inhabitants, with an increasing trend compared to previous years - 61% of the population is between 20 and 64 years old (working age), and more than half of these are male. Finally, the country has a high level of human development (ranked second in the world in the Human Development Index – which "measures the average achievement in key dimensions of human development such as: a long and healthy life, being knowledgeable, and having a decent standard of living" (Statista 2021).

Technological: Switzerland has the 17th highest internet penetration worldwide, with "89.2% of the population using the internet and there are about 126 mobile subscriptions per 100 people" (Statista 2021). There has been a rise in e-commerce in the country, having generated the highest ever digital revenues in 2019, with positive average annual growth of 5.2% expected in the coming years.

Environmental: the country has a large CO₂ emission, being ranked as the 68th largest emitter in the world. However, in comparison with the rest of Europe, Switzerland has a higher share of renewable energy than the average country, accounting for about 31.3% of the country's

energy share, although still below oil, which has about 39.3% (Statista 2021)

Legal: Switzerland ranks 3rd in the International Transparency Ranking, with one of the highest scores for the absence of corruption level in a country. In addition, the country has one of the lowest VAT rates in the world - applying rates of "0%, 2.5% and 3.7% to several goods and services, and charging a maximum VAT rate of 8% (below the OECD average - 19.2%)" (Statista 2021).

3.4) Porters' Five Forces Analysis for Por Sabores in Zürich

In order to better understand the possible dynamics that the company should encounter in the new market, the Porters' Five Forces analysis for Por Sabores was carried out for its internationalization destiny (Exhibit 22).

Indeed, the high prices practiced in the country can be justified by several factors: firstly, agriculture is quite precarious, and the country has one of the smallest average land sizes for agricultural activity – around 18 hectares (Le News 2015); secondly, the high import taxes on foreign products, especially agricultural products, do not allow for competition in terms of mass production to domestic products (only small quantities, and high-end); and finally, the lack of subsidies granted to agriculture does not allow producers to have a decent margin of bargaining power, with their products being purchased at very low prices and resold for much more (Le News 2020). For Por Sabores, whose activities are focused on a niche market characterized by a greater purchasing power of consumers, not operating with mass production, these impositions do not affect its entry into the market – in addition, as mentioned above, most of its products are subject to low or no import taxes.

Having analyzed the macro context of Switzerland, it is now important to define if, given the company's business model and its current capabilities in terms of logistics, the area of coverage of its future operations should be total or specific to a city or region, bearing in mind that "a good decision about the location of business activities is a source of competitive advantage"

(Annushkina and Regazzo 2020). Taking into account that among all major cities, Zürich stands out as the 22nd best in the world in the Global Business Cities Ranking, with 1.4 million inhabitants and a per capita GDP of \$76,596 (Statista 2021), and concerning more specifically the activities of Por Sabores, the city is considered the "Gastronomic Mecca" of Switzerland, which together with the low import rates of the country for the specific products of the Portuguese company (Exhibit 23), make Zürich the most appealing city for internationalization.

3.5) Potential Customers and Competitors

Following the line of reasoning presented above, it is now interesting to analyze the potential customers and competitors of Por Sabores. Starting with the potential customers, considering that most restaurants in Zürich use mostly local products for their traditional recipes, the company has to consider other types of hypotheses that offer a greater market penetration, i.e., it should define as main targets the restaurant services with quality products that have several foreign customers, and that use similar products to those of the company in their activity. After a careful analysis of possible services for which the company could be a supplier, taking into account the premises mentioned above, 33 brunch restaurants (some of them in buffet regime) and 14 hotels with restaurants with at least four stars hotel rating (Exhibit 24) were identified as potential customers of Por Sabores.

Next, and in order to assess the competitiveness that the company could find in the new market, all distributors in the region that deal with products similar to those of Por Sabores were identified (Exhibit 25), allowing us to conclude that although there are 15 distributors of similar products (within the same category) and with larger dimensions in terms of annual revenues, they are all of Swiss origin, i.e., there is room for the implementation of the company's products in the new market, not only because they are cheaper and of high quality, but also due to the differentiation factor inherent to them - the fact that they are foreign.

IV – Implementation Plan

4.1) Entry Mode

International market entry mode refers to the business organization method used by companies to enter new markets as a way to undertake value creation activities – it represents the formal mechanism and relationship used in cross-border activities (Jones, Dimitratos, Fletcher and Young 2009). Therefore, it is the strategic analysis of the environment where internationalization will take place and the management's ability to combine the possessed or controllable resources that constitutes the formulation of the strategy aimed at achieving the outlined objectives (Calvelli and Cannavale 2019).

Thus, in the case of Por Sabores, given the nuances of its business and the company's business plan, there are two hypotheses more efficient than the others regarding the market entry strategy: direct export or wholly owned sales subsidiary. In the first case, exporting would only be a profitable strategy in financial terms for the company if its operations were carried out without intermediaries in between, i.e., the company would have to invest heavily in means of transport, which would operate regularly, to deliver the products directly to Switzerland, with only the wholesaler function being viable in the new market (Schmid 2018). In the second case, the entry into the new market through a wholly owned sales subsidiary would allow the company to reduce travel costs from one country to the other, operating in the new market in the same way it operates in the host country, holding a small warehouse that allows it to manage its inventory, and only distributing its products in the Zürich region, thus presenting itself as the most profitable entry mode option (Exhibit 26).

The wholly owned sales subsidiary is a new market entry strategy that relies mainly on the resources of the headquarters, symbolizing the extension and replication of the activity that the company now performs in a new market (Annushkina and Regazzo 2020). This strategy is mainly characterized by its high level of resource commitment and company control over the

subsidiary, but it also requires better logistical management by the company, and entails greater risks and less flexibility (the production of the traded goods being many kilometers away from the subsidiary).

In fact, "setting a wholly owned subsidiary represents not only the highest levels of family control and potential rewards but also higher levels of equity investments and risks" (Ramadani, Memili, Palalic and Chang 2020), requiring a high level of strategic coordination by the company (Exhibit 27). Therefore, and considering that this would be the company's first international experience, it is necessary to structure an innovative business plan as well as an efficient choice regarding the location of its warehouse.

4.2) Warehouse Location

Decisions regarding the location of corporate warehouses should be based on the mapping of the distribution centers because a strategic choice of their location is reflected in a tighter control over the logistics of the company or subsidiary, allowing a reduction in transportation costs and a considerable increase in productivity (Annushkina and Regazzo 2020).

Therefore, the identification and mapping of potential customers of Por Sabores was carried out (already presented at Exhibit 24) by framing the map of Zürich in a grid - in which each cell represents a unit of length of 160x160m – and marking the potential customers according to their actual location. Then, coordinates were assigned to each of the locations according to the x- and y-axis measurements (Exhibit 28), in order to calculate the optimal location of the warehouse based on the average of the distribution centers' coordinates. Finally, once the optimal location of the warehouse was calculated, the coordinate was mapped, and an area within a 1km radius was defined for the installation of the company's sales subsidiary (Exhibit 29).

4.3) Business Model Expansion

Family businesses tend to lack information about possible opportunities for growth, largely because of the conservatism that characterizes their internationalization strategies – formulated based on the perception of uncertainty (Ratten, Ramadani, Dana, Hoy, and Ferreira 2017). However, access to knowledge is increasingly crucial for the efficient performance of the activities of both SMEs and multinationals (Brem and Viardot 2017). Thus, the expansion of Por Sabores' business model will partly imply changing its value proposition and business logic, in order to take advantage of the changes inherent to internationalization, creating competitive advantages for its business (Nosratabadi, Mosavi, and Lakner 2020) – in this sense, it is necessary to implement new dynamics at the level of company relations with the rest of the supply chain, inventory management, pricing, and even in product transportation.

In Por Sabores' area of activity, relationships with producers and customers are crucial to the success of the internationalization process, allowing the company to survive in the new environment (Rexhepi, Ramadani, Rahdari, and Anggadwita 2017). Although the niche business model allows the company to internationalize more easily, in order to mitigate possible risks, there should be a strengthening of the close relationship with its customers (Hennart, Majocchi and Forlani 2017).

Firstly, the current *Transaction Collaboration* model – which involves only simple communication and data exchange between the parties – in force between Por Sabores and its customers (retailers), should give way to the establishment of *Partnerships*, guided by mutual interdependence between companies, and contributing to an increase in the company's ability to coordinate more effectively with the other entities in the supply chain, which subsequently translates into an increase in efficiency (Dani 2015). Likewise, the company should seek to implement *Sustainable Procurement Processes*, which consist of prioritizing contracts, analyzing demand (to ensure the optimal quantities to order), improving the impact of contract

sustainability, and costing supplier selection – not based on the best products (Dani 2015).

In terms of inventory management, it is necessary to deepen the inventory management implemented previously since, for greater profitability and efficiency of the business, the products cannot be in frequent travel from the host country to the subsidiary in Zürich. Therefore, the company must implement a *Vendor-Managed Inventory Model* (VMI) in the subsidiary, which consists of a partnership in which the distributor is the one controlling the buyer's inventory levels and making periodic decisions regarding quantities, deliveries and timing. (Dani 2015) – the dynamics of this model presupposes the provision of the necessary information by the buyer (electronic point of sales and inventory data), allowing the distributor a fast and timely execution. The successful implementation of the model, therefore, depends on an IT platform that allows better visibility of the buyer's inventory, from the retailer's point of view, crucial to provide excellent levels of customer service. Therefore, and in order to make the implementation of the VMI model as easy as possible, the value delivery method to the retailer is advised, which in turn consists of a sensor-based measurement (SBMCs) – via an android application, the CE-GMS (a cloud IoT-enabled grocery management system), and at the time of a customer order, an alarm linked to the quantity of those products in the warehouse and in the restaurant is issued in the app, allowing more effective management regarding quantities, enabling a maximization of the company's potential (Nosratabadi, Mosavi and Lakner 2020).

With regard to the product pricing strategy, the prices will necessarily be different from those charged in the host country, because, in addition to incurring transport costs for the subsidiary, they must take into consideration mainly the customers' purchasing power (considerably higher in the country of internationalization), as well as the prices charged by the competition, which, as mentioned above, are quite high, especially when compared to the rest of Europe (Cavusgil, Knight and Riesenberger 2017). In addition to the low taxes applied to its products, Por Sabores

also has some room for negotiation on the prices it can practice in the subsidiary, since "superior quality contributes to product uniqueness, and hence protects the product against competitors" (Hennart, Majocchi, and Forlani 2017).

Finally, the transportation strategy also requires an upgrade in relation to the one that had been previously recommended since now the company has to manage itself plus the subsidiary. With the objective of not changing too much the transportation dynamics of the company while improving the existing ones (at this stage of the project), the "Circuit for Teams" was identified, from the same company as the previous one but this time with a cost for the company per driver of \$40 per month – this version of the application now also allows the creation and assignment of routes, live track route progress, and the importation of spreadsheets related to the routes taken, increasing not only the security of distribution but also, through the analysis of spreadsheets, formulating any modification to the transportation strategy (Circuit 2021).

Still related to the transportation strategy, now related to the movement of products to the subsidiary, the direct route (without intermediaries) was identified as the best option, i.e., Por Sabores will handle the supply of the subsidiary, in order to avoid a price escalation or a considerable loss of profit margin (Cavusgil, Knight and Riesenberger 2017).

With the implementation of the business model expansion, Por Sabores will not only be able to increase its activities and earnings but will also learn know-how and know-who from the Swiss market that can be used further on to manage host-country operations and/or increase its "theater of operations" on the map.

4.4) The 4M's Framework – estimating the inputs

In order to estimate the costs that the company will have to incur in order to build its internationalization process, these were differentiated into four distinct categories: partnership establishment, infrastructure and equipment, logistics, and material (Exhibit 30).

Regarding partnership establishment, in order to prepare the expansion and create a solid

networking base in the country, with potential customers (previously contacted), the enterprise needs to make four business trips to Switzerland. Regarding the necessary infrastructure and equipment, the company needs a warehouse, which will operate through monthly rental, two vehicles (also on a rental basis) and finally, the costs that are inherent to the vehicles to be able to move around. Still referring to the transportation strategy, this time focused on the optimization of its logistics, the company will have to incur the monthly fee of the Circuit app, in order to carry out its activities as efficiently as possible. And finally, with regard to material, the company will have to customize brochures and business cards to distribute to potential customers.

4.5) Financial Projections

"More and more companies are implementing the concept of value orientation. In this, the internationalization process is subject to the goal of adding value" (Sachse 2012). Following this line of reasoning, as the last stage of the internationalization plan, an evaluation of the financial part of the project is formulated to assess whether it is a *Go-or No-Go* decision.

Therefore, and based on Por Sabores' Statement of Cash-Flows, a Performance Income Statement was made for the next 5 years (2021 as year 0). Given the current situation, caused by the covid-19 pandemic, which strongly affected the company's sector of activity and its customers (retailers), and the subsequent restructuring of the business, the ideal conditions for the internationalization of Por Sabores to Zurich are reflected in a soft launch plan, that will be prepared in the year 1 of the project (2022), namely through trips to Zurich to negotiate with potential customers, being the start of the soft launch plan identified for year 2 of the project (2023), the year of expansion and start-up of activities in the new location. Regarding investments (through company's own capital) inherent to the expansion plan, and given the financial situation of Por Sabores, two different moments were identified regarding the company's operations in the Swiss subsidiary: in the first year of activity in the new market

(2023), the company will invest in renting the warehouse and a vehicle only to which will be added the hiring of an employee, smoothing the entry into the market, and focusing first on some of the potential customers identified in order to learn from the dynamics of the foreign market; in the following years of the project (2024 to 2026), the company already with some know-how and market presence will then invest in the rental of the warehouse and two vehicles, to which will now be added the hiring of one more employee in order to increase market presence and grow the company's turnover, highlighting the year 2025 with the extra investment in the Swiss site and in the marketing strategies needed to start the company's retail operations in the new market, through the online platform (being a way to sell excess products in the subsidiary and reducing possible lost sales).

Taking into account all the proposed changes immediately after the first year of the project, the main Investments Decision Rules were calculated to evaluate it (Exhibit 31):

Net Present Value: 39476 – with a positive NPV, the project is a Go Decision because the cash-flows will compensate the investment made and the opportunity cost of capital, and the higher the NPV value, the better the project.

Internal Rate of Return: 58% – since the internal rate of return is positive and higher than the discount rate, the project is a good investment opportunity for Por Sabores.

Simple Payback Period: 3 – the company would have to wait until the third year of the project (2024) to fully recover the investment made.

Profitability Index: 2.20 – for each euro invested in the project, it generates 2.20€, being a profitable project.

In sum, the project of internationalization of Por Sabores to Zürich turns out to be a very profitable financial decision, and its risks are mitigated in part by the company using only its own capital to finance it.

V – Conclusion and Recommendations

In short, although indicators predict a gradual recovery of the global economy in the short term, Por Sabores will only internationalize to the Swiss market in 2023. Until then, it must first recover its sales volume and maximize opportunities in the domestic market, since it started, in the middle of the pandemic period, a new business activity to survive, e-commerce. Therefore, the main objective should be to consolidate its presence in the market where it already operates, while in the first year of the project it will seek to study the new market in terms of possible partnerships. It is also important to note that the company's internationalization project not only represents a hypothetical opportunity in a very promising future but also directly fulfills the company's established short- and medium-term objectives.

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Exhibit 1 – Financial Ratios

Por Sabores, Lda

Financial Ratios

	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016
Revenue Growth				
KPI: Net Revenues	29,11%	21,49%	159,06%	-
Costs as % of Revenues				
KPI: COGS as % of revenues	81,25%	79,47%	86,80%	62,08%
Liquidity Ratios				
KPI: Current ratio	1,34	1,20	1,14	1,17
KPI: Quick ratio	1,12	0,96	0,94	1,09
KPI: Cash ratio	0,31	0,21	0,19	0,11
Efficiency Ratios				
KPI: Assets turnover	2,21	2,55	3,44	-
KPI: Inventory turnover	38,77	41,66	26,40	20,31
KPI: Average collection period	68,29	68,70	70,38	147,74
KPI: Average payment period	138,89	119,22	75,32	67,19
Cash Conversion Cycle	-31,83	-8,86	21,47	100,87
Operating Risk				
KPI: Degree of operational leverage	6,17	7,94	4,06	3,01
Profitability Ratios				
KPI: Gross Margin	18,75%	20,53%	13,20%	37,92%
KPI: Return on Sales (EBIT Margin)	3,04%	2,59%	3,25%	12,62%
KPI: Return on Assets	5,59%	5,52%	8,48%	24,61%
KPI: Return on Capital Employed	20,68%	29,58%	60,41%	167,74%
KPI: Return on Equity	28,77%	33,09%	46,05%	150,48%
DuPont analysis - ROE				
KPI: Tax Burden	69,11%	70,29%	76,24%	89,71%
KPI: Interest Burden	100,00%	100,00%	100,00%	100,00%
KPI: Return on Sales	3,04%	2,59%	3,25%	12,62%
KPI: Asset turnover	1,84	2,14	2,61	1,95
KPI: Leverage	7,45	8,53	7,13	6,82
Return on Equity (ROE)	28,77%	33,09%	46,05%	150,48%
Balance Sheet Analysis				
KPI: Asset growth rate	49,83%	48,39%	93,75%	-
KPI: Current assets growth rate	50,13%	48,04%	89,22%	-
KPI: Non-current assets growth rate	38,69%	63,11%	-	-
KPI: Liabilities growth rate	46,94%	52,38%	95,19%	-
KPI: Current liabilities growth rate	34,41%	40,41%	95,19%	-
KPI: Non-current liabilities growth rate	193,78%	-	-	-
KPI: Equity growth rate	71,64%	23,96%	85,37%	-
Solvency Ratios				
KPI: Liabilities to assets ratio	0,87	0,88	0,85	0,85

Formula
$(\text{Revenue } t-1) / (\text{Revenue } t) - 1$
$\text{COGS} / \text{Revenues}$
$\frac{\text{Current Assets} / \text{Current Liabilities}}{(\text{Current Assets} - \text{Inventories}) / \text{Current Liabilities}}$
$\text{Cash \& Cash Equivalents} / \text{Current Assets}$
$\frac{\text{Revenues} / \text{Assets}^{**}}{\text{Inventory} * 360 / \text{COGS}}$
$\frac{\text{Accounts receivable} * 360 / \text{Revenue}}{\text{Accounts payable} * 360 / (\text{COGS} + \Delta \text{Inventories})}$
$\text{Inventory Turnover} + \text{Av. Collection Period} - \text{Av. Payment Period}$
$\text{Gross Profit} / \text{EBIT}$
$\frac{\text{Gross Profit} / \text{Revenues}}{\text{EBIT} / \text{Revenues}}$
$\frac{\text{EBIT} / \text{Assets}}{\text{EBIT} / (\text{Equity} + \text{Non-current Liabilities})}$
$\text{Net Income} / \text{Equity}$
$\frac{\text{Net Income} / \text{EBT}}{\text{EBT} / \text{EBIT}}$
$\frac{\text{EBIT} / \text{Revenues}}{\text{Revenues} / \text{Assets}}$
$\frac{\text{Assets} / \text{Equity}}{\text{Tax Burden} * \text{Interest Burden} * \text{ROS} * \text{Asset Turnover} * \text{Leverage}}$
$(\text{Assets } t) / (\text{Assets } t-1) - 1$
$(\text{Current Assets } t) / (\text{Current Assets } t-1) - 1$
$(\text{Non-current Assets } t) / (\text{Non-current Assets } t-1) - 1$
$(\text{Liabilities } t) / (\text{Liabilities } t-1) - 1$
$(\text{Current Liabilities } t) / (\text{Current Liabilities } t-1) - 1$
$(\text{Non-current Liabilities } t) / (\text{Non-current Liabilities } t-1) - 1$
$(\text{Equity } t) / (\text{Equity } t-1) - 1$
$\text{Total Liabilities}^{**} / \text{Assets}$

Source: Por Sabores – Balance Sheet and Income Statement

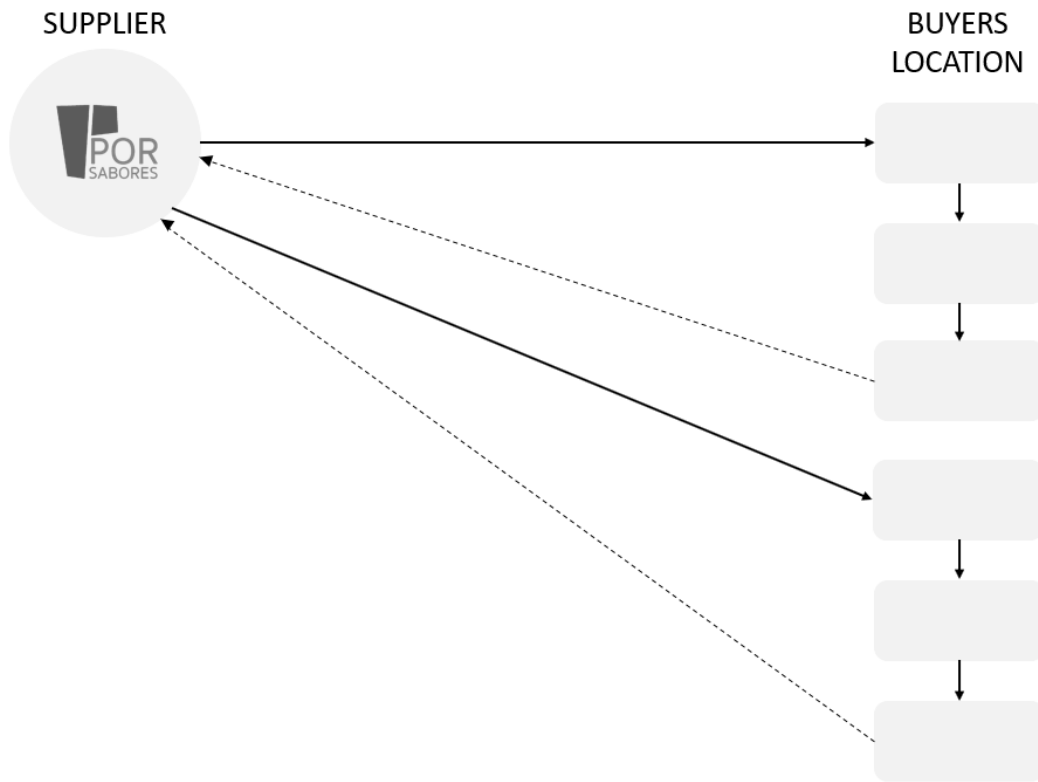
Exhibit 2 – Density and Distance of Costumers



	Short Distance	Medium Distance	Long Distance
High Density	Private Fleet with Milk Runs	Cross Dock With Milk Runs	Cross Dock With Milk Runs
Medium Density	Third Party Milk Runs	LTL Carrier	LTL or Package Carrier
Low Density	Third Party Milk Runs or LTL Carrier	LTL or Package Carrier	Package Carrier

Source: (Dani 2015)

Exhibit 3 – Milk Runs



Source: (Dani 2015)

Exhibit 4 – Different Transportation Methods

Network Structure	Pros	Cons
Direct Shipping	No Intermediate Warehouse Simple to Coordinate	High Inventories Significant Receiving Expense
Direct With Milk Runs	Lower Transportation Costs Lower Inventories	Increased Coordination Complexity
All Via DC Storage	Lower Inbound Transportation Cost Thru Consolidation	Increasing Inventory Cost Increase Handling at DC
All Via DC With Cross Dock	Lower Inventory Requirement Lower Transportation Via Consolidation	Increasing Coordination Complexity
Shipping Via DC Using Milk Runs	Lower Outbound Transportation Cost For Lower Lots	Further Increase in Complexity
Tailored Network		Highest Complexity

Source: (Dani 2015)

Exhibit 5 – Products Trade Off

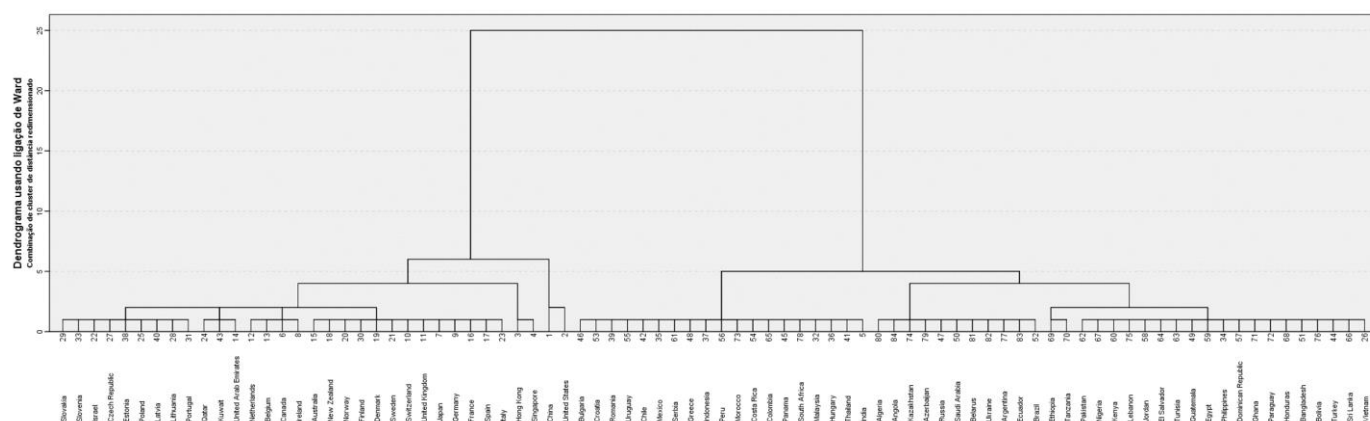
Product	Selling Price (without taxes)	Average Forecast (thous)	2 x Std. Deviation	Cost	Price on Sale	Cost of Understocking (C0)	Cost of Overstocking (C1)	Critical z	L(z)	E(Ord Size)	E(Lost Sales)	E(Sales)	E(Leftovers)	Revenue from Sales	Revenue from Discount	Costs of the Units	E(Profit)	Mismatch Costs (no uncertainty)	Maximum Profit	Optimal Order (if no minimum quantity)	
Foz Totto – Vinhas Velhas 2017 (B)	18.94 €	120	34	5.95 €	17.84 €	13.88 €	11.90 €	0.975	1.150	0.062	1.5944	2.13	117.87	41.57	2.338.11 €	742.09 €	948.80 €	2.131.41 €	524.27 €	2.655.88 €	103
Foz Totto Vinhas Velhas 2017 (T)	30.93 €	870	166	9.28 €	27.64 €	21.65 €	18.56 €	0.975	1.150	0.062	1.080.96	10.30	859.70	201.26	2.980.17 €	692.09 €	948.80 €	2.347.22 €	3.957.84 €	26.305.06 €	787
Herdade dos Veiros – Reserva 2017 (T)	10.01 €	270	46	3.00 €	7.00 €	3.00 €	2.82 €	0.975	1.150	0.062	343.62	3.97	296.03	77.59	879.21 €	698.70 €	1.031.38 €	2.328.93 €	493.61 €	2.822.54 €	238
Herdade dos Veiros – Selection 2018 (T)	4.70 €	190	46	1.41 €	4.23 €	3.28 €	2.82 €	0.975	1.150	0.062	242.92	2.85	187.15	55.77	879.21 €	235.81 €	292.48 €	772.65 €	198.59 €	839.25 €	167
Herdade dos Veiros Selection 2018 (B)	4.70 €	150	50	1.41 €	4.23 €	3.29 €	2.82 €	0.975	1.150	0.062	207.52	3.10	146.90	60.62	800.12 €	256.32 €	292.48 €	653.96 €	181.08 €	835.04 €	125
M.L. 2018 (B)	7.57 €	1.110	148	2.27 €	6.81 €	5.30 €	4.54 €	0.975	1.150	0.062	1.280.25	9.18	1.100.82	179.44	8.332.34 €	1.222.34 €	2.907.07 €	8.332.34 €	803.56 €	7.510.90 €	1036
M.L. 2019 (B)	7.57 €	1.400	136	2.27 €	6.81 €	5.30 €	4.54 €	0.975	1.150	0.062	1.556.45	8.44	1.391.56	184.69	10.032.72 €	1.123.23 €	3.524.23 €	8.121.72 €	793.54 €	8.915.26 €	1332
Maria Isabel 2016 (T)	15.23 €	570	130	4.57 €	13.70 €	10.66 €	9.14 €	0.975	1.150	0.062	719.55	8.07	561.93	157.61	8.552.47 €	1.159.69 €	3.286.52 €	7.428.59 €	895.47 €	8.954.37 €	505
Maria Isabel 2018 (B)	12.70 €	1.060	150	3.45 €	11.43 €	8.88 €	7.62 €	0.975	1.150	0.062	1.232.55	9.31	1.050.69	181.66	13.345.88 €	2.079.00 €	4.686.76 €	10.268.12 €	1.496.77 €	12.166.88 €	985
Morais Rocha (T) Reserva 2016	10.84 €	170	54	3.25 €	9.76 €	7.59 €	6.50 €	0.975	1.150	0.062	232.12	3.35	166.65	61.87	1.806.47 €	638.73 €	754.95 €	1.690.35 €	45.26 €	2.141.60 €	143
Quinta de Acores 2012 (T)	3.78 €	330	76	1.14 €	3.21 €	2.65 €	2.27 €	0.975	1.150	0.062	417.43	4.72	325.28	82.14	1.231.04 €	313.84 €	473.93 €	1.070.95 €	221.72 €	1.292.88 €	292
Quinta de Acores 2014 (T)	6.02 €	150	52	2.07 €	6.22 €	4.84 €	4.15 €	0.975	1.150	0.062	209.82	3.23	146.77	63.05	1.015.15 €	392.45 €	505.91 €	1.267.91 €	277.26 €	1.240.50 €	124
Quinta de Acores 2015 (T)	6.92 €	850	188	2.07 €	6.22 €	4.84 €	4.15 €	0.975	1.150	0.062	381.32	3.95	306.15	75.17	2.117.50 €	467.92 €	791.22 €	1.794.20 €	330.57 €	2.124.77 €	279
Morais Rocha (T) 2018	5.20 €	3.000	80	1.56 €	4.68 €	3.64 €	3.12 €	0.975	1.150	0.062	3002.03	4.96	2.995.04	96.99	15.674.18 €	453.03 €	4.823.56 €	11.204.55 €	320.69 €	11.525.23 €	2960
Clanetia Reserva 2019 (B)	8.79 €	500	114	2.84 €	7.91 €	6.15 €	5.27 €	0.975	1.150	0.062	631.14	7.07	492.93	138.21	4.331.33 €	1.093.04 €	1.663.75 €	3.760.63 €	772.21 €	4.532.84 €	443
Quinta Acores Reserva 2018 (B)	9.53 €	520	118	2.86 €	8.67 €	6.67 €	5.72 €	0.975	1.150	0.062	655.74	7.32	512.68	143.06	4.894.02 €	1.226.61 €	1.874.08 €	4.236.55 €	866.58 €	5.103.13 €	461
Scarpa da Cisterna Reserva 2017 (T)	8.79 €	490	118	2.64 €	7.91 €	6.15 €	5.27 €	0.975	1.150	0.062	625.74	7.32	482.68	143.06	4.241.28 €	1.131.40 €	1.649.52 €	3.723.16 €	799.31 €	4.522.47 €	431
Quinta das Sertões 2016 (B)	6.67 €	70	34	2.06 €	6.18 €	4.81 €	4.12 €	0.975	1.150	0.062	109.11	2.11	67.89	41.22	466.61 €	254.99 €	224.96 €	466.62 €	180.14 €	676.76 €	53
Quinta das Sertões 2017 (B)	20.92 €	400	126	6.28 €	18.83 €	14.65 €	12.55 €	0.975	1.150	0.062	544.94	7.82	392.18	152.76	8.205.79 €	2.676.71 €	3.420.94 €	7.861.86 €	2.032.34 €	9.684.20 €	337
Quinta Maria Isabel 2014 (T)	18.05 €	200	82	5.72 €	17.15 €	13.44 €	11.43 €	0.975	1.150	0.062	294.33	5.09	194.91	174.59	3.674.21 €	929.57 €	1.412.12 €	3.191.66 €	1.204.39 €	3.440.46 €	159
Quinta Maria Isabel 2017 (B)	41.12 €	110	57	12.84 €	37.01 €	28.76 €	24.87 €	0.975	1.150	0.062	169.82	3.23	106.77	83.05	4.391.02 €	2.333.48 €	2.095.13 €	4.629.36 €	1.646.54 €	6.277.89 €	84
Vinhas da Princesa (T)	9.35 €	60	12	2.81 €	8.42 €	6.55 €	5.61 €	0.975	1.150	0.062	79.72	1.06	59.94	20.78	551.20 €	174.95 €	223.88 €	502.47 €	123.69 €	626.07 €	51
Quinta das Sertões 2014 (T)	11.22 €	300	62	3.37 €	10.10 €	7.88 €	6.73 €	0.975	1.150	0.062	271.32	3.85	198.15	75.17	2.201.42 €	759.26 €	913.51 €	2.047.17 €	536.40 €	2.583.57 €	169
Quinta do Carvalhal Toró – Encruizado 2016 (B)	12.08 €	200	56	3.63 €	10.88 €	8.47 €	7.26 €	0.975	1.150	0.062	394.42	3.48	326.52	87.89	3.948.68 €	738.95 €	1.430.91 €	3.266.70 €	522.05 €	3.778.75 €	302
Quinta do Carvalhal Toró – Reserva 2010 (T)	6.67 €	120	38	1.97 €	5.91 €	4.60 €	3.94 €	0.975	1.150	0.062	193.71	2.36	117.64	46.07	777.73 €	272.36 €	322.81 €	722.48 €	192.42 €	914.90 €	101
Quintas das Proveniências – Grande Escrita 2018 (B)	3.06 €	1.320	136	0.93 €	2.78 €	2.16 €	1.85 €	0.975	1.150	0.062	1478.45	8.44	1.311.56	184.89	4.950.75 €	458.33 €	1.368.00 €	3.141.08 €	323.80 €	3.464.88 €	1252
Saiz (T) 2019 (B)	3.09 €	1.050	144	0.93 €	2.78 €	2.16 €	1.85 €	0.975	1.150	0.062	1215.65	8.94	1.041.06	174.59	3.216.32 €	465.28 €	1.126.36 €	2.674.25 €	342.95 €	2.917.10 €	978
Vinha de Rila 2019 (T)	7.05 €	3.080	74	2.11 €	6.34 €	4.93 €	4.23 €	0.975	1.150	0.062	1.149.73	4.84	3.055.16	94.57	21.520.71 €	569.78 €	6.658.94 €	15.470.65 €	462.73 €	15.894.38 €	3021
Vinha de Rila 2019 (B)	7.05 €	2.700	90	2.11 €	6.34 €	4.93 €	4.23 €	0.975	1.150	0.062	2803.53	5.59	2.694.41	109.12	18.387.91 €	692.05 €	5.628.95 €	13.752.65 €	486.92 €	14.241.57 €	2655
Lombo 300x400 Foz Mar	9.90 €	51	15	6.93 €	7.92 €	2.97 €	0.98 €	0.800	0.253	0.285	54.55	4.14	46.73	7.82	462.60 €	61.97 €	378.05 €	146.53 €	20.05 €	166.56 €	44
Posta c/ lombo 350x700 Foz Mar	8.30 €	80	23	6.51 €	7.44 €	2.76 €	0.95 €	0.800	0.253	0.285	85.79	6.51	73.49	12.31	883.42 €	91.55 €	553.50 €	216.47 €	29.62 €	248.08 €	65
Defendido SA, Foz Mar	8.50 €	120	36	5.95 €	6.80 €	2.55 €	0.85 €	0.800	0.253	0.285	129.12	10.26	109.74	18.36	932.78 €	131.79 €	788.27 €	206.31 €	42.64 €	338.95 €	102
Seco especial AB Foz Mar	14.15 €	210	60	9.91 €	11.32 €	4.25 €	1.42 €	0.800	0.253	0.285	225.20	17.10	192.90	32.30	2.729.53 €	365.65 €	2.230.51 €	804.57 €	118.30 €	982.86 €	180
Lombos 300/400 Muejaca	9.93 €	3.650	88	6.95 €	7.94 €	2.98 €	0.98 €	0.800	0.253	0.285	367.29	25.08	3.624.92	47.37	35.996.45 €	376.35 €	2.526.81 €	10.845.68 €	121.76 €	10.847.44 €	3606
Beizinho Gadius Morhus Lombos 2/3	14.00 €	450	110	9.80 €	11.20 €	4.20 €	1.40 €	0.800	0.253	0.285	447.87	31.35	419.65	59.22	6.831.09 €	676.36 €	4.883.11 €	1.841.23 €	214.88 €	2.056.81 €	395
Lombos 250/300 Ugrado	14.00 €	900	142	9.80 €	11.20 €	4.20 €	1.40 €	0.800	0.253	0.285	955.98	40.47	859.53	76.45	12.033.41 €	856.19 €	9.172.56 €	3.717.05 €	277.00 €	3.984.05 €	829
Seco Especial Islandia Lugneti	15.00 €	450	129	10.50 €	12.00 €	4.50 €	1.50 €	0.800	0.253	0.285	482.57	36.04	413.36	69.22	6.200.35 €	830.60 €	5.067.02 €	1.963.93 €	286.72 €	2.232.85 €	386
Beizinho Seco Noruega (1kg)	20.42 €	270	74	14.29 €	16.34 €	6.13 €	2.04 €	0.800	0.253	0.285	288.75	21.09	246.91	39.84	5.082.74 €	650.79 €	4.127.36 €	1.606.17 €	210.55 €	1.816.72 €	233
Posta com Lombo 700	11.60 €	180	44	8.12 €	9.28 €	3.48 €	1.16 €	0.800	0.253	0.285	191.15	12.54	167.46	23.69	1.942.53 €	219.82 €	1.552.12 €	610.24 €	71.12 €	881.35 €	159
Quinto de Serra AA	12.88 €	100	22	9.02 €	10.30 €	3.86 €	1.29 €	0.800	0.253	0.285	105.96	6.27	94.12	11.84	1.212.26 €	122.04 €	955.37 €	378.93 €	39.48 €	418.42 €	89
Quinto de Serra EA	12.34 €	220	64	8.84 €	9.87 €	3.70 €	1.23 €	0.800	0.253	0.285	236.21	18.24	201.76	34.45	2.488.72 €	340.13 €	2.040.42 €	789.43 €	110.04 €	889.47 €	189
Quinto de Serra curado	12.83 €	80	20	8.98 €	10.28 €	3.85 €	1.28 €	0.800	0.253	0.285	86.07	6.70	74.30	10.77	963.27 €	110.51 €	763.99 €	299.79 €	35.76 €	335.55 €	70
Quinto de Serra curado AA	12.30 €	20	12	8.51 €	9.84 €	3.69 €	1.23 €	0.800	0.253	0.285	23.04	3.42	16.58	6.46	203.93 €	63.57 €	198.38 €	69.13 €	20.57 €	88.89 €	14
Ovelha amantigado pequeno Quejaria São	1.85 €	3.700	162	1.30 €	1.48 €	0.56 €	0.19 €	0.800	0.253	0.285	3741.04	46.17	3.653.83	87.21	6.759.58 €	129.07 €	4.844.85 €	2.044.01 €	41.76 €	2.085.77 €	3619
Azeilão DOP Quejaria São	2.69 €	1.300	134	1.85 €	2.15 €	0.81 €	0.27 €	0.800	0.253	0.285	1333.95	38.19	1.261.81	72.14	3.979.43 €	155.24 €	2.511.83 €	1.037.69 €	50.23 €	1.087.91 €	1233
Ovelha creme Quejaria São	17.50 €	150	48	12.25 €	14.01 €	5.25 €	1.75 €	0.800	0.253	0.285	162.16	13.88	136.32	25.84	2.388.60 €	391.77 €	1.988.47 €	760.90 €	117.04 €	877.94 €	126
Ovelha pequeno Quejaria São	1.58 €	1.1780	88	1.11 €	1.25 €	0.47 €	0.16 €	0.800	0.253	0.285	11754.92	25.08	11.754.92	47.37	18.672.77 €	594.88 €	13.053.34 €	5.679.32 €	19.37 €	5.598.69 €	11736
Requeijão ovelha Quejaria São	1.87 €	1.650	188	1.31 €	1.50 €	0.56 €	0.19 €	0.800	0.253	0.285	1190.29	56.43	1.569.57	106.59	2.979.97 €	159.48 €	2.225.51 €	913.93 €	51.59 €	965.52 €	1551
Requeijão kg Quejaria São	7.80 €	80	23	5.45 €	6.24 €	2.34 €	0.78 €	0.800	0.253	0.285	35.79	6.51	73.49	12.31	975.19 €	76.78 €	488.42 €	181.55 €	24.84 €	206.40 €	69
Mistura cabra																					

Exhibit 6 – Countries Clustering

Rank	Country	Market Size	Market Growth Rate	Market Intensity	Market Consumption Capacity	Commercial Infrastructure	Market Receptivity	Economic Freedom	Country Risk	Overall Score
1	China	100	60	1	100	69	3	39	67	100
2	United States	95	46	68	73	72	66	90	85	88
3	Hong Kong	2	45	100	68	100	97	88	78	56
4	Singapore	2	49	68	67	96	100	88	94	55
5	India	37	69	27	51	53	4	60	58	52
6	Canada	7	38	63	68	67	75	93	94	49
7	Japan	16	29	56	87	83	8	88	94	46
8	Ireland	1	77	34	60	61	49	96	88	44
9	Germany	9	37	59	77	80	18	88	94	44
10	Switzerland	2	31	75	75	81	35	98	100	42
11	United Kingdom	7	32	74	77	75	16	95	88	41
12	Netherlands	3	35	48	62	85	49	92	100	41
13	Belgium	2	36	56	64	78	51	83	94	40
14	UAE	2	48	56	73	76	42	58	73	39
15	Australia	4	42	62	69	61	12	98	94	38
16	France	8	31	55	71	80	12	77	94	38
17	Spain	5	38	56	61	77	11	81	94	36
18	New Zealand	2	46	55	54	66	13	100	94	35
19	Denmark	1	36	51	58	77	19	94	94	34
20	Norway	2	33	57	65	67	15	88	100	34
21	Sweden	3	39	46	60	71	15	90	94	34
22	Israel	2	44	50	66	61	20	80	86	34
23	Italy	6	27	62	67	73	10	77	83	34
24	Qatar	1	45	74	58	59	31	60	61	32
25	Poland	4	49	46	49	63	16	77	86	32
26	Vietnam	4	74	41	38	59	33	42	51	32
27	Czech Republic	2	42	35	52	64	25	90	88	32
28	Lithuania	1	42	57	41	62	25	92	88	32
29	Slovakia	1	42	45	57	53	30	78	88	31
30	Finland	2	33	55	59	63	12	91	94	31
31	Portugal	2	41	60	46	68	13	81	94	31
32	Malaysia	4	56	46	38	59	22	71	76	31
33	Slovenia	1	40	43	53	54	26	82	88	30
34	Philippines	4	75	55	32	40	10	63	63	30
35	Mexico	9	40	48	37	51	28	68	58	29
36	Hungary	2	49	30	47	64	27	68	80	29
37	Indonesia	11	55	28	38	52	4	69	61	29
38	Estonia	1	38	36	46	55	24	93	94	29
39	Romania	2	45	51	49	60	12	78	69	28
40	Latvia	1	41	47	43	54	20	83	86	28
41	Thailand	5	48	19	38	79	19	60	63	27
42	Chile	2	44	49	28	58	13	89	72	26
43	Kuwait	2	31	65	57	52	20	53	76	26
44	Turkey	7	61	41	36	53	8	51	39	26
45	Panama	1	61	27	28	53	25	78	54	25
46	Bulgaria	2	42	43	37	53	19	78	69	25
47	Russia	15	31	28	43	59	5	41	48	25
48	Greece	2	29	63	48	60	10	70	61	24
49	Guatemala	2	64	77	25	35	7	59	45	24
50	Saudi Arabia	5	43	36	52	54	11	40	61	24
51	Bangladesh	5	71	44	37	38	3	45	39	24
52	Brazil	16	24	44	31	51	3	60	42	24
53	Croatia	1	35	44	49	50	15	72	62	23
54	Costa Rica	1	49	43	27	50	18	80	55	23
55	Uruguay	1	40	54	39	49	7	83	61	23
56	Peru	3	49	40	34	44	7	73	66	23
57	Dominican Rep.	2	56	51	29	39	13	62	57	22
58	Jordan	2	50	74	37	38	13	56	28	22
59	Egypt	5	48	77	37	39	5	36	39	22
60	Kenya	2	69	62	29	34	2	50	30	21
61	Serbia	1	35	53	43	45	15	65	51	21
62	Pakistan	6	57	66	35	32	1	43	17	21
63	Tunisia	2	49	53	38	41	16	59	24	20
64	El Salvador	1	39	69	36	38	14	63	39	20
65	Colombia	4	44	49	23	50	5	71	46	20
66	Sri Lanka	1	63	50	28	48	5	52	27	20
67	Nigeria	7	51	55	31	31	2	49	24	19
68	Honduras	1	55	59	19	29	19	56	39	19
69	Ethiopia	2	100	32	28	1	2	36	18	18
70	Tanzania	2	89	23	28	9	2	51	30	18
71	Ghana	2	53	46	29	25	9	66	35	18
72	Paraguay	1	49	42	26	37	11	64	45	18
73	Morocco	2	45	26	30	41	12	53	61	18
74	Kazakhstan	2	43	26	45	47	7	54	39	18
75	Lebanon	1	43	73	45	32	8	43	9	17
76	Bolivia	1	57	40	32	33	6	42	33	16
77	Argentina	4	27	49	40	50	3	59	18	16
78	South Africa	5	32	33	1	51	7	66	48	13
79	Azerbaijan	1	28	25	39	44	12	50	45	13
80	Algeria	3	46	1	43	38	6	31	39	12
81	Belarus	2	17	29	44	54	20	42	24	12
82	Ukraine	4	1	45	44	46	14	55	27	12
83	Ecuador	2	38	31	27	39	7	51	22	11
84	Angola	2	37	22	20	16	7	37	22	5

Source: Global Edge

Exhibit 7 – Dendrogram



Source: Global Edge

Exhibit 8 – Countries Ranking – Indicators

Indicators:		Weight
A	Power Distance	1%
B	Individualism	1%
C	Uncertainty Avoidance	1%
D	Long Term Orientation	1%
E	Indulgence	1%
F	Country Risk	4%
G	Registering Property	2%
H	Getting Credit	1%
I	Paying Taxes	5%
J	Enforcing Contracts	7%
K	Resolving Insolvency	1%
L	GDP growth (annual %)	3%
M	GDP growth 2022 Forecast (annual %)	3%
N	Final consumption expenditure (annual % growth)	5%
O	GDP per capita (US dollars)	3%
P	GDP per capita growth (annual %)	3%
Q	Services, value added (annual % growth)	1%
R	Imports of goods and services (% GDP)	4%
S	Imports of goods and services (annual % growth)	3%
T	Population in the largest city (% of urban population)	2%
U	Urban population (% of total population)	2%
V	Urban population growth (annual %)	1%
W	Access to electricity, urban (% of urban population)	1%
X	Inflation, consumer prices (annual %)	5%
Y	Population ages 15-64 (% of total population)	5%
Z	Ease of doing business score (0 = lowest performance to 100 = best performance)	6%
AA	Time required to start a business (days)	3%
AB	Individuals using the Internet (% of population)	3%
AC	Cheese consumption, per capita (kg)	9%
AD	Alcohol consumption per capita (litres of pure alcohol)	1%
AE	Wine consumption per capita (litres of pure alcohol)	9%
AF	GDP per person employed (constant 2017 PPP \$)	3%
		100%

Exhibit 9 – Countries Ranking – Data

Country	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF				
Algeria	83	45	70	26	32	6	165	181	158	113	0.8	2.1	3974	-1.39648734	27.1	72.45044734	73.189	8.661746551	2.02034719	99.8	1.97168211	51.68624551	48.59758	18	49	0.72	0.90	0.13	41855.46448			
Angola	80	46	71	27	33	6	167	185	106	186	168						38.19716248	66.177	4.03947372	72.37147572	17.08115521	17.08115521	41.28838	36	14	0.20	0.90	0.84	17399.27171			
Argentina	49	18	86	20	62	7	123	104	170	97	111						23.94838599	91.991	1.250191726	100	4.173682007	64.03136585	58.96151	115	68	9.76	70.70	2.74	5476.59458			
Australia	38	90	51	21	71	0	42	28	6	2	6						22.29419327	86.124	1.615760487	100	1.607678073	64.0035154	64.0035154	2	87	11.96	10.50	3.69	97976.60669			
Azerbaijan	85	22	88	61	22	5	184	119	189	154							4.118317707	58.031	1.473064799	97.8	5.91935959	67.6257827	47.00888	3.5	80	6.65	4.40	0.09	29728.93348			
Bangladesh	80	20	67	20	5	14	104	99	40	74							3.434525355	135.57	7.031583836	97.8	5.91935959	67.6257827	47.00888	3.5	80	6.65	4.40	0.09	29728.93348			
Belarus	95	25	95	81	57	6	139	67	63	56	9						1.222046629	0.9	3.77349494	100	5.91935959	67.6257827	47.00888	3.5	80	6.65	4.40	0.09	29728.93348			
Belgium	65	75	94	82	15	6	148	144	186	109	103						1.336201925	4	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Belize	78	10	87	25	66	4	127	167	167	142	58	77					1.216765778	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Bolivia	98	16	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Brazil	70	86	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Bulgaria	70	86	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Burkina Faso	70	86	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Burundi	70	86	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Cameroon	70	86	44	19	3	6	135	104	184	58	77						1.336201925	9.5	1.336201925	99.94935371	1.336201925	74.29113	8.5	734	11.40	0.21	32021.2488					
Canada	30	88	46	36	68	3	63	40	86	54	53						1.040349004	65.002037	71.80033	100	1.040349004	65.002037	71.80033	1	82	14.38	8.00	2.14	53480.13109			
Chad	70	86	44	19	3	6	135	104	184	58	77						1.040349004	65.002037	71.80033	100	1.040349004	65.002037	71.80033	1	82	14.38	8.00	2.14	53480.13109			
China	63	23	86	31	68	0	28	80	105	5	51						2.527547657	68.6341801	71.80033	100	2.527547657	68.6341801	71.80033	4	82	14.38	8.00	2.14	53480.13109			
Colombia	80	20	30	87	24	2	42	6	115	168	177	32					2.898234476	70.7239863	71.80033	100	2.898234476	70.7239863	71.80033	8.5	54	0.28	10.50	0.09	30073.65959			
Congo	67	13	80	13	83	4	49	15	66	111	137						6.81633333	70.05964	71.80033	100	6.81633333	70.05964	71.80033	10	65	1.25	7.00	0.05	30873.65959			
Costa Rica	75	33	86	58	34	4	32	48	53	103	49	27					2.096205256	69.0402988	69.0402988	98.2	2.096205256	69.0402988	69.0402988	23	81	2.64	4.20	3.47	70010.09388			
Croatia	57	58	74	29	0	11	48	149	150	133	124						1.784201664	73.921	1.784201664	100	1.784201664	73.921	1.784201664	24.5	81	16.40	10.40	2.83	81468.46254			
Czech Republic	18	74	35	70	7	43	73	119	147	166	104						0.694625862	46.39277978	63.9861639	100	0.694625862	46.39277978	63.9861639	16.5	75	6.39	6.70	0.05	40616.00036			
Denmark	65	30	45	11	56	4	7	130	167	166	104						1.31060377	64.99291644	59.88667	100	1.31060377	64.99291644	59.88667	16.5	75	6.39	6.70	0.05	40616.00036			
Dominican Republic	78	8	67	11	74	4	5	79	25	126	92						0.2602072515	64.99291644	59.88667	100	0.2602072515	64.99291644	59.88667	16.5	75	6.39	6.70	0.05	40616.00036			
Ecuador	70	25	80	7	4	5	79	25	126	92	92						0.2602072515	64.99291644	59.88667	100	0.2602072515	64.99291644	59.88667	16.5	75	6.39	6.70	0.05	40616.00036			
Egypt	66	19	94	20	89	5	6	48	12	8	54						0.2602072515	64.99291644	59.88667	100	0.2602072515	64.99291644	59.88667	16.5	75	6.39	6.70	0.05	40616.00036			
El Salvador	40	60	60	82	16	0	142	176	132	67	149						0.0753194135	63.54492994	40.61865	100	0.0753194135	63.54492994	40.61865	3.2	90	20.00	9.20	1.21	74763.74746			
Estonia	70	20	55	6	46	7	57	165	101	101	98						0.277293817	63.54492994	40.61865	100	0.277293817	63.54492994	40.61865	3.2	90	20.00	9.20	1.21	74763.74746			
Ethiopia	70	20	55	6	46	7	57	165	101	101	98						0.277293817	63.54492994	40.61865	100	0.277293817	63.54492994	40.61865	3.2	90	20.00	9.20	1.21	74763.74746			
Finland	33	63	59	38	57	0	34	10	45	1	1.04143111						1.155748888	35.3	3.267003604	27.38945454	85.446	0.85110615	100	1.08249423	61.8047883	80.17834	13	90	27.30	10.80	1.71	104727.9373
France	68	71	86	63	48	0	99	104	61	46	26						1.508394013	4	1.508394013	4	1.508394013	4	1.508394013	4	83	27.30	10.80	1.71	104727.9373			
Germany	35	67	65	4	72	6	111	80	132	117	161						1.445667015	64.6375192	79.71004	100	1.445667015	64.6375192	79.71004	8	88	24.00	12.90	3.29	104896.1097			
Ghana	60	35	100	45	50	0	156	119	72	146	72						7.17932847	59.53780569	59.53780569	93.8	7.17932847	59.53780569	59.53780569	13	38	0.03	2.80	0.01	133290.5969			
Greece	60	35	100	45	50	0	156	119	72	146	72						0.252978844	64.16139128	68.42391	100	0.252978844	64.16139128	68.42391	4	76	25.58	10.20	2.62	81665.5048			
Guatemala	95	6	98	19	40	23	88	5	101	25	167	154					0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Honduras	88	20	59	61	38	1	103	151	167	154	143						0.46381598	64.0123855	56.26791	100	0.46381598	64.0123855	56.26791	42	3	2.19	3.40	0.03	17775.42742			
Hong Kong	68	25	29	61	38	1	103	151	167	154	143						0.75131081	64.0123855	56.26791	100	0.75131081	64.0123855	56.26791	42	3	2.19	3.40	0.03	17775.42742			
Hungary	77	48	40	82	58	31	0	29	37	56	25	66					0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
India	46	80	58	31	0	29	37	56	25	66	25						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Indonesia	77	48	40	82	58	31	0	29	37	56	25	66					0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Ireland	28	14	48	62	38	3	106	48	81	39	58						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Israel	13	54	81	38	9	0	75	148	128	122	21						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Italy	50	75	61	30	2	6	119	132	116	131	151						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Japan	54	46	62	88	42	5	78	4	62	110	112						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Jordan	70	86	44	19	3	6	135	104	184	58	77						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Kazakhstan	88	20	59	61	38	1	103	151	167	154	143						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Kenya	88	20	59	61	38	1	103	151	167	154	143						0.369983838	61.2116853	62.95562	15	41	1.74	2.50	0.03	21352.57118							
Korea	40	60	60	82	16	0	142	176	132	67	149						0.3															

Exhibit 10 – Countries Ranking – Data Standardization

Country	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	
Algeria	22.76	65.22	32.28	26.93	33.76	14.14	9.20	0.00	51.57	50.29	70.16	23.54	41.55	44.74	9.73	22.94	6.66	67.47	58.47	99.28	78.11	35.42	16.91	62.91	45.71	3.50	7.12	2.90	12.26				
Angola	19.14	52.41	13.96	86.71	14.14	9.20	0.00	40.93	76.49	12.10	3.36	22.46	40.10	9.24	35.41	96.84	56.87	85.59	1.00	0.00	1.00	1.00	1.00	1.00	1.00	1.00	25.78	8.45	1.67	48.40	11.33	20.85	
Argentina	58.05	85.02	15.07	19.06	64.28	0.00	33.00	43.98	10.06	44.95	33.74	99.23	59.23	64.38	1.23	12.05	27.76	35.03	90.36	30.07	100.00	66.64	39.14	39.47	76.31	69.94	35.36	67.67	41.24	29.20	35.40		
Australia	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16	67.14	56.07	20.93	82.13	40.04	100.00	75.88	41.02	87.13	98.16	43.12	97.17	55.19	59.25	19.25	59.25		
Austria	22.16	65.22	32.28	26.93	33.76	14.14	9.20	0.00	51.57	50.29	70.16	23.54	41.55	44.74	9.73	22.94	6.66	67.47	58.47	99.28	78.11	35.42	16.91	62.91	45.71	3.50	7.12	2.90	12.26	20.85	20.85		
Azerbaijan	5.69	76.87	5.38	91.75	16.31	14.14	24.34	66.31	70.04	94.16	13.06	64.34	28.67	8.13	44.86	31.80	23.80	23.80	65.97	93.12	69.29	40.92	40.92	72.85	83.50	81.00	28.95	79.36	40.92	21.35	71.36		
Bahrain	39.83	18.64	64.96	92.93	59.98	99.00	19.48	22.06	1.59	42.13	38.53	56.49	49.20	22.40	55.51	57.34	37.25	41.71	36.83	100.00	78.07	38.47	74.36	89.72	89.35	70.40	77.30	39.09	66.37	30.04	10.67		
Bolivia	20.25	94.34	13.99	25.75	47.95	28.29	27.59	43.98	53.95	59.60	76.49	28.42	55.35	40.74	11.76	36.21	21.16	63.24	44.40	99.82	78.69	32.69	73.57	18.56	40.39	4.84	31.20	3.04	10.67	18.56	10.67		
Brazil	35.28	61.73	25.13	68.14	77.61	61.23	28.29	63.84	61.49	48.71	77.41	63.13	52.50	71.97	11.56	10.59	52.36	35.03	1.98	37.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	
Bulgaria	34.14	71.05	69.13	77.61	17.33	56.57	90.07	91.47	90.00	46.87	91.89	69.31	77.40	77.40	31.36	11.95	81.35	56.61	25.90	44.82	22.64	70.02	6.69	100.00	72.17	38.84	67.80	52.59	65.94	32.01	88.30	29.04	27.78
Canada	69.41	12.81	15.07	38.71	70.40	99.00	66.46	48.95	44.43	71.09	55.92	99.23	51.27	42.93	11.51	36.46	18.29	71.48	97.49	37.44	100.00	78.13	46.02	94.40	96.34	99.59	51.29	62.16	33.01	51.11	51.11		
Chile	42.10	79.20	15.07	32.82	70.40	99.00	84.39	56.49	44.43	96.89	69.36	51.96	74.68	22.09	18.13	48.68	38.02	8.62	31.25	29.17	84.97	33.43	100.00	74.99	52.25	69.12	91.78	88.04	16.05	63.54	38.30	29.82	
China	22.76	65.22	32.28	26.93	33.76	14.14	9.20	0.00	51.57	50.29	70.16	23.54	41.55	44.74	9.73	22.94	6.66	67.47	58.47	99.28	78.11	35.42	16.91	62.91	45.71	3.50	7.12	2.90	12.26	20.85	20.85		
Colombia	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16	67.14	56.07	20.93	82.13	40.04	100.00	75.88	41.02	87.13	98.16	43.12	97.17	55.19	59.25	19.25	59.25		
Costa Rica	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16	67.14	56.07	20.93	82.13	40.04	100.00	75.88	41.02	87.13	98.16	43.12	97.17	55.19	59.25	19.25	59.25		
Croatia	21.32	68.27	37.66	94.18	41.89	99.00	84.43	75.38	67.08	97.12	48.68	78.25	52.50	71.97	11.56	10.59	52.36	35.03	1.98	37.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	
Czech Republic	49.83	32.14	27.88	78.29	30.60	99.00	93.51	72.31	96.42	60.38	78.25	25.97	28.62	63.49	17.93	14.62	58.29	35.69	74.94	15.86	100.00	73.49	40.96	77.31	40.50	70.77	58.76	100.00	42.56	44.61	44.61		
Denmark	93.31	19.80	82.68	37.44	92.00	99.00	59.51	35.51	29.49	26.08	63.76	72.43	67.42	44.13	21.91	39.87	24.45	85.40	19.29	100.00	84.28	37.59	96.79	92.81	97.87	100.00	71.79	63.42	63.42	63.42	63.42		
Dominican Republic	39.83	18.64	64.96	92.93	59.98	99.00	19.48	22.06	1.59	42.13	38.53	56.49	49.20	22.40	55.51	57.34	37.25	41.71	36.83	100.00	78.07	38.47	74.36	89.72	89.35	70.40	77.30	39.09	66.37	30.04	10.67		
Ecuador	20.25	94.34	13.99	25.75	47.95	28.29	27.59	43.98	53.95	59.60	76.49	28.42	55.35	40.74	11.76	36.21	21.16	63.24	44.40	99.82	78.69	32.69	73.57	18.56	40.39	4.84	31.20	3.04	10.67	18.56	10.67		
El Salvador	35.28	61.73	25.13	68.14	77.61	61.23	28.29	63.84	61.49	48.71	77.41	63.13	52.50	71.97	11.56	10.59	52.36	35.03	1.98	37.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	
Bulgaria	34.14	71.05	69.13	77.61	17.33	56.57	90.07	91.47	90.00	46.87	91.89	69.31	77.40	77.40	31.36	11.95	81.35	56.61	25.90	44.82	22.64	70.02	6.69	100.00	72.17	38.84	67.80	52.59	65.94	32.01	88.30	29.04	27.78
Canada	69.41	12.81	15.07	38.71	70.40	99.00	66.46	48.95	44.43	71.09	55.92	99.23	51.27	42.93	11.51	36.46	18.29	71.48	97.49	37.44	100.00	78.13	46.02	94.40	96.34	99.59	51.29	62.16	33.01	51.11	51.11		
Chile	42.10	79.20	15.07	32.82	70.40	99.00	84.39	56.49	44.43	96.89	69.36	51.96	74.68	22.09	18.13	48.68	38.02	8.62	31.25	29.17	84.97	33.43	100.00	74.99	52.25	69.12	91.78	88.04	16.05	63.54	38.30	29.82	
China	22.76	65.22	32.28	26.93	33.76	14.14	9.20	0.00	51.57	50.29	70.16	23.54	41.55	44.74	9.73	22.94	6.66	67.47	58.47	99.28	78.11	35.42	16.91	62.91	45.71	3.50	7.12	2.90	12.26	20.85	20.85		
Colombia	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16	67.14	56.07	20.93	82.13	40.04	100.00	75.88	41.02	87.13	98.16	43.12	97.17	55.19	59.25	19.25	59.25		
Costa Rica	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16	67.14	56.07	20.93	82.13	40.04	100.00	75.88	41.02	87.13	98.16	43.12	97.17	55.19	59.25	19.25	59.25		
Croatia	21.32	68.27	37.66	94.18	41.89	99.00	84.43	75.38	67.08	97.12	48.68	78.25	52.50	71.97	11.56	10.59	52.36	35.03	1.98	37.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	
Czech Republic	49.83	32.14	27.88	78.29	30.60	99.00	93.51	72.31	96.42	60.38	78.25	25.97	28.62	63.49	17.93	14.62	58.29	35.69	74.94	15.86	100.00	73.49	40.96	77.31	40.50	70.77	58.76	100.00	42.56	44.61	44.61		
Denmark	93.31	19.80	82.68	37.44	92.00	99.00	59.51	35.51	29.49	26.08	63.76	72.43	67.42	44.13	21.91	39.87	24.45	85.40	19.29	100.00	84.28	37.59	96.79	92.81	97.87	100.00	71.79	63.42	63.42	63.42	63.42		
Dominican Republic	39.83	18.64	64.96	92.93	59.98	99.00	19.48	22.06	1.59	42.13	38.53	56.49	49.20	22.40	55.51	57.34	37.25	41.71	36.83	100.00	78.07	38.47	74.36	89.72	89.35	70.40	77.30	39.09	66.37	30.04	10.67		
Ecuador	20.25	94.34	13.99	25.75	47.95	28.29	27.59	43.98	53.95	59.60	76.49	28.42	55.35	40.74	11.76	36.21	21.16	63.24	44.40	99.82	78.69	32.69	73.57	18.56	40.39	4.84	31.20	3.04	10.67	18.56	10.67		
El Salvador	35.28	61.73	25.13	68.14	77.61	61.23	28.29	63.84	61.49	48.71	77.41	63.13	52.50	71.97	11.56	10.59	52.36	35.03	1.98	37.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	9.99	83.68	29.45	
Bulgaria	34.14	71.05	69.13	77.61	17.33	56.57	90.07	91.47	90.00	46.87	91.89	69.31	77.40	77.40	31.36	11.95	81.35	56.61	25.90	44.82	22.64	70.02	6.69	100.00	72.17	38.84	67.80	52.59	65.94	32.01	88.30	29.04	27.78
Canada	69.41	12.81	15.07	38.71	70.40	99.00	66.46	48.95	44.43	71.09	55.92	99.23	51.27	42.93	11.51	36.46	18.29	71.48	97.49	37.44	100.00	78.13	46.02	94.40	96.34	99.59	51.29	62.16	33.01	51.11	51.11		
Chile	42.10	79.20	15.07	32.82	70.40	99.00	84.39	56.49	44.43	96.89	69.36	51.96	74.68	22.09	18.13	48.68	38.02	8.62	31.25	29.17	84.97	33.43	100.00	74.99	52.25	69.12	91.78	88.04	16.05	63.54	38.30	29.82	
China	22.76	65.22	32.28	26.93	33.76	14.14	9.20	0.00	51.57	50.29	70.16	23.54	41.55	44.74	9.73	22.94	6.66	67.47	58.47	99.28	78.11	35.42	16.91	62.91	45.71	3.50	7.12	2.90	12.26	20.85	20.85		
Colombia	73.53	1.16	32.73	21.04	73.46	99.00	78.62	97.39	85.24	98.37	83.79	51.31	69.19	48.31	25.16																		

Exhibit 11 – Countries Ranking – Overall Score

Country	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	Overall Score
INDICATOR WEIGHT	1%	1%	1%	1%	1%	4%	2%	1%	5%	7%	1%	3%	3%	5%	3%	3%	1%	4%	3%	2%	2%	1%	1%	5%	5%	6%	3%	3%	9%	1%	9%	3%	100%
Algeria	0.23	0.65	0.32	0.27	0.34	1.13	0.21	0.02	0.82	2.80	0.52	1.51	2.10	1.18	0.14	1.25	0.45	0.39	0.69	0.13	1.35	0.58	0.99	3.91	1.77	1.01	1.89	1.37	0.32	0.07	0.26	0.68	29.35%
Angola	0.19	0.52	0.43	0.14	0.86	0.57	0.18	0.00	2.20	0.11	0.00	1.23	2.29	0.60	0.10	0.67	0.40	0.37	1.06	0.74	1.18	0.86	0.01	0.00	0.05	0.06	0.77	0.25	0.15	0.48	1.20	0.31	18.00%
Argentina	0.58	0.85	0.15	0.20	0.64	0.00	0.66	0.44	0.50	3.39	0.34	0.94	2.08	0.06	0.36	0.83	0.07	0.04	0.03	0.70	1.81	0.31	1.00	3.33	1.96	2.37	2.29	1.98	3.18	0.68	3.71	0.88	36.35%
Australia	0.71	0.01	0.53	0.21	0.73	3.96	1.54	0.97	4.26	6.75	0.88	1.78	2.53	1.26	2.01	1.62	0.69	0.19	1.07	0.41	1.66	0.40	1.00	3.99	2.05	5.28	2.88	2.58	3.88	0.73	4.97	1.60	63.14%
Azerbaijan	0.17	0.80	0.13	0.68	0.23	1.13	0.00	0.36	1.01	0.00	0.08	1.79	2.43	1.04	0.17	1.78	0.53	0.60	1.29	0.80	0.93	0.37	1.00	3.74	2.83	4.69	2.78	2.36	2.20	0.31	0.21	0.51	36.94%
Bangladesh	0.23	0.83	0.43	0.52	0.21	1.13	1.84	0.44	2.38	5.49	0.56	2.96	2.28	1.51	0.07	3.00	0.71	0.16	0.95	0.64	0.48	0.66	0.92	2.97	2.46	0.55	1.79	0.22	0.09	0.01	0.09	0.22	36.79%
Belarus	0.06	0.77	0.05	0.92	0.16	0.57	0.49	0.63	3.34	4.90	0.94	1.59	1.94	1.43	0.24	1.90	0.33	1.14	1.35	0.51	1.49	0.09	1.00	2.96	2.49	4.37	2.48	2.46	2.61	0.79	0.37	0.64	45.01%
Belgium	0.40	0.19	0.06	0.93	0.59	3.96	0.39	0.22	0.08	2.95	0.39	1.69	2.36	1.11	1.70	1.72	0.37	1.67	1.10	0.33	1.95	0.23	1.00	4.04	1.92	4.46	2.69	2.68	6.34	0.77	5.42	1.99	55.71%
Bolivia	0.25	0.94	0.14	0.26	0.48	1.13	0.55	0.44	0.13	4.83	0.54	1.79	2.29	1.42	0.13	1.66	0.50	0.47	1.15	0.42	1.26	0.44	1.00	3.93	1.64	1.41	0.56	1.21	0.44	0.31	0.27	0.32	32.33%
Brazil	0.35	0.62	0.26	0.48	0.61	1.13	1.28	0.63	2.44	5.42	0.63	1.58	2.16	1.08	0.32	1.57	0.35	0.08	1.12	0.20	1.68	0.29	1.00	3.45	2.78	2.38	1.97	2.04	1.24	0.52	0.33	0.55	40.55%
Bulgaria	0.34	0.71	0.16	0.78	0.17	2.26	1.60	0.91	4.50	3.28	0.92	2.08	2.32	1.57	0.36	2.44	0.57	1.04	1.34	0.45	1.40	0.07	1.00	3.61	1.94	4.07	1.58	1.98	2.88	0.88	2.61	0.83	50.66%
Canada	0.69	0.13	0.56	0.39	0.70	3.96	1.31	0.49	2.73	4.98	0.68	1.68	2.27	1.14	1.69	1.54	0.43	0.46	1.09	0.37	1.55	0.37	1.00	3.91	2.30	5.07	2.91	2.78	4.62	0.62	2.97	1.53	56.91%
Chile	0.42	0.79	0.15	0.33	0.70	3.96	1.69	0.56	2.22	6.78	0.69	1.56	2.24	1.00	0.54	1.46	0.38	0.34	0.94	0.78	1.70	0.33	1.00	3.75	2.61	4.15	2.75	2.43	1.44	0.64	3.45	0.89	52.71%
China	0.23	0.83	0.75	0.99	0.25	2.83	1.32	0.94	1.09	0.44	0.81	2.52	2.53	1.80	0.37	2.69	0.74	0.09	1.06	0.02	1.03	0.51	1.00	3.66	2.92	4.85	2.48	1.53	0.18	0.49	0.34	0.51	41.78%
Colombia	0.38	0.91	0.22	0.12	0.86	1.70	1.46	0.91	3.26	2.88	0.18	1.99	2.40	1.53	0.23	1.89	0.55	0.19	1.50	0.50	1.54	0.42	1.00	3.50	2.61	3.82	2.38	1.88	0.48	0.40	0.15	0.53	42.36%
Costa Rica	0.74	0.89	0.15	0.29	0.56	1.70	1.58	0.44	3.71	5.97	0.62	1.76	2.32	1.24	0.45	1.73	0.48	0.40	1.06	0.65	1.52	0.44	1.00	3.87	2.67	3.71	1.58	2.39	0.92	0.35	0.47	0.75	46.40%
Croatia	0.31	0.68	0.22	0.65	0.35	1.70	1.64	0.74	3.60	3.17	0.90	1.91	2.39	1.39	0.55	2.23	0.44	0.90	1.41	0.56	0.96	0.10	1.00	4.21	2.02	4.28	1.79	2.33	3.08	0.64	4.68	1.15	51.97%
Czech Republic	0.49	0.38	0.28	0.79	0.31	3.96	1.87	0.74	4.79	6.45	0.96	1.81	2.36	1.30	0.86	1.90	0.43	1.29	1.14	0.29	1.37	0.21	1.00	3.67	2.00	4.64	1.49	2.39	5.29	1.00	3.83	1.34	60.63%
Denmark	0.93	0.20	0.83	0.38	0.72	3.96	1.19	0.36	1.03	2.06	0.26	1.91	2.36	1.08	0.20	2.02	0.44	0.88	1.20	0.49	1.71	0.20	1.00	4.21	1.88	5.81	2.78	2.94	9.00	0.72	5.71	1.91	62.37%
Dominican Republic	0.40	0.71	0.59	0.12	0.56	1.70	1.20	0.36	1.11	3.43	0.05	2.35	2.43	1.58	0.30	2.34	0.54	0.34	1.38	0.71	1.56	0.46	1.00	3.94	2.08	2.50	1.98	2.20	0.42	0.47	0.43	0.68	39.91%
Ecuador	0.25	0.97	0.36	0.09	0.79	0.00	0.58	0.63	0.87	0.85	0.38	1.36	2.00	0.99	0.23	1.14	0.29	0.21	1.15	0.50	1.12	0.45	1.00	4.34	2.07	2.21	0.00	1.53	2.11	0.30	0.15	0.42	29.34%
Egypt	0.34	0.77	0.22	0.05	0.05	1.13	1.14	0.86	3.15	2.32	0.45	2.45	2.61	1.05	0.11	2.24	0.60	0.21	0.58	0.93	0.61	0.47	1.00	2.05	1.48	2.51	2.23	1.63	2.15	0.04	0.10	0.74	36.23%
El Salvador	0.39	0.84	0.06	0.20	0.92	1.13	1.93	0.74	4.69	6.67	0.68	1.82	2.14	1.20	0.15	1.88	0.40	0.78	1.27	0.44	1.34	0.38	0.96	4.39	2.03	3.19	1.98	1.89	1.40	0.28	0.14	0.37	45.78%
Estonia	0.68	0.36	0.43	0.93	0.17	3.96	0.45	0.05	1.51	4.50	0.11	2.34	2.36	1.35	0.87	2.48	0.75	1.41	1.27	0.94	1.25	0.22	1.00	3.82	1.87	5.20	2.78	2.68	6.43	0.64	1.69	1.20	55.70%
Ethiopia	0.34	0.83	0.48	0.03	0.48	0.00	1.37	0.11	2.33	3.24	0.41	3.00	3.00	5.00	0.03	2.69	1.00	0.11	2.07	0.65	0.88	0.95	0.74	0.32	1.78	0.93	1.02	0.41	0.11	0.17	0.37	0.11	32.89%
Finland	0.76	0.33	0.44	0.41	0.59	3.96	1.62	0.56	4.74	5.31	0.99	1.58	2.36	1.02	1.78	1.71	0.34	0.57	1.24	0.52	1.65	0.14	1.00	4.41	1.62	5.14	2.20	2.68	8.75	0.75	2.35	1.71	63.24%
France	0.36	0.23	0.15	0.71	0.50	3.96	0.92	0.44	3.39	6.38	0.84	1.65	2.36	1.11	1.48	1.78	0.38	0.44	1.20	0.37	1.53	0.19	1.00	4.12	1.61	4.70	2.75	2.46	8.71	0.86	9.00	1.81	67.41%
Germany	0.74	0.28	0.38	0.94	0.42	3.96	1.17	0.74	3.79	6.49	0.97	1.46	2.36	1.16	1.70	1.56	0.38	0.63	1.20	0.07	1.45	0.17	1.00	4.04	2.03	5.08	2.51	2.62	7.92	0.90	4.44	1.71	64.25%
Ghana	0.23	0.89	0.38	0.01	0.74	0.57	0.79	0.56	0.98	2.65	0.04	2.63	2.15	1.51	0.08	2.39	0.76	0.57	1.15	0.34	0.95	0.69	0.78	2.56	1.28	2.50	2.20	1.02	1.00	0.20	0.22	0.24	32.14%
Greece	0.46	0.65	0.00	0.49	0.52	3.96	0.30	0.36	3.10	1.59	0.57	1.72	2.36	1.05	0.72	1.92	0.33	0.67	1.20	0.71	1.50	0.16	1.00	4.34	1.96	3.60	2.75	2.23	8.20	0.71	3.55	1.34	54.02%
Guatemala	0.06	0.99	0.02	0.19	0.90	1.70	1.03	0.91	2.25	0.48	0.07	2.11	2.34	1.50	0.17	1.97	0.52	0.31	1.37	0.65	0.82	0.52	0.91	3.45	1.52	2.84	2.07	1.12	0.64	0.18	0.13	0.37	34.09%
Honduras	0.23	0.83	0.54	0.23	0.91	1.13	0.90	0.86	0.58	1.29	0.15	1.87	2.35	1.41	0.09	1.70	0.57	0.94	0.91	0.47	0.97	0.59	1.00	3.28	1.93	2.02	0.40	0.83	0.78	0.27	0.13	0.24	30.40%
Hong Kong	0.36	0.77	0.66	0.18	0.28	1.26	1.44	0.80	4.95	5.82	0.73	1.10	1.53	1.04	0.78	1.06	0.25	0.40	0.70	2.00	2.00	0.24	1.00	3.67	2.84	5.81	2.91	2.74	0.63	0.06	0.12	1.92	57.15%
Hungary	0.61	0.13	0.19	0.65	0.33	3.96	1.68	0.80	3.52	6.05	0.60	2.25	2.40	1.50	0.61	2.48	0.58	1.60	1.47	0.47	1.31	0.18	1.00	3.55	2.21	4.26	2.57	2.36	3.99	0.79	4.15	1.14	59.39%
India	0.26	0.50	0.65	0.56	0.28	2.26	0.32	0.86	1.96	0.96	0.69	2.18	2.53	1.80	0.08	2.16	0.63	0.15	0.69	0.08	0.41	0.52	1.00	3.45	2.37	3.95	1.92	0.45	0.15	0.39	1.01	0.34	35.54%
Indonesia	0.25	0.90	0.56	0.69	0.40	2.26	0.84	0.74	2.86	1.84	0.77	2.34	2.47	1.60	0.15	2.32	0.68	0.09	0.65	0.10	0.93	0.51	1.00	3.87	2.48	3.76	2.22	1.34	0.11	0.05	0.45	0.42	39.65%
Ireland	0.82	0.24	0.70	0.25	0.67	3.96	1.34	0.74	4.90	3.61	0.88	2.45	2.36	1.38	0.28	2.37	0.72	2.10	3.00	0.75	1.11	0.41	1.00	4.17	2.03	5.06	2.32	2.52	5.42	0.90	4.50	3.00	68.58%
Israel	0.99	0.43	0.20	0.41	0.10	3.96	1.18	0.74	4.66	3.83	0.82	2.44	2.15	1.39	1.59	1.81	0.27	0.29	1.29	0.96	1.82	0.46	1.00	4.19	1.33	4.68	2.32	2.58	6.08	0.30	0.21	1.49	55.67%
Italy	0.57	0.17	0.27	0.68	0.32	3.96	1.71	0.36	1.61	2.47	0.87	1.42	2.36	0.9																			

Exhibit 12 – Countries Ranking and Countries Clustering – Ranks

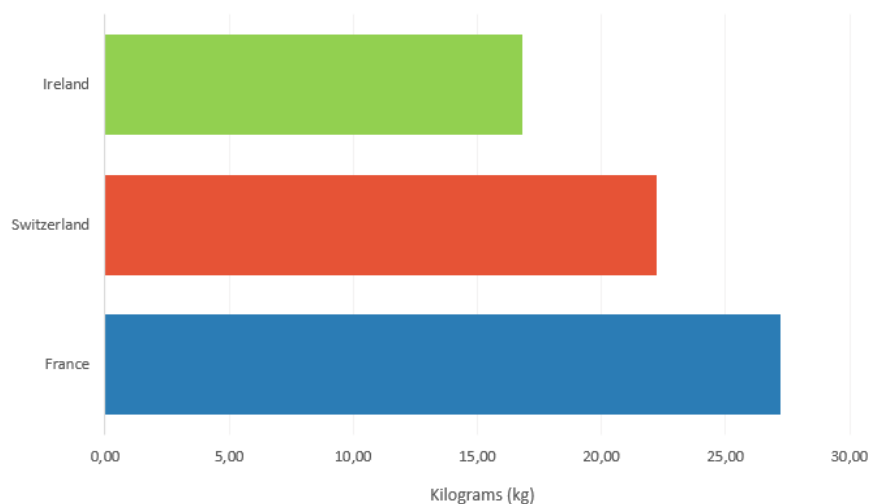
Country Ranking		
Rank	Country	OverallScore
1	Ireland	69.22%
2	France	67.05%
3	Singapore	66.16%
4	Switzerland	65.92%
5	Norway	65.59%
6	Sweden	64.25%
7	Australia	64.07%
8	Finland	63.67%
9	Germany	63.55%
10	New Zealand	63.50%
11	Netherlands	62.90%
12	United States	62.71%
13	United Kingdom	62.62%
14	Denmark	61.55%
15	Portugal	61.31%
16	Latvia	61.26%
17	Czech Republic	61.13%
18	United Arab Emirates	60.83%
19	Lithuania	60.77%
20	Hungary	59.56%
21	Slovenia	59.50%
22	Hong Kong	59.01%
23	Spain	57.93%
24	Canada	57.46%
25	Israel	56.57%
26	Slovakia	55.93%
27	Estonia	55.03%
28	Greece	54.59%
29	Belgium	54.56%
30	Italy	54.23%
31	Chile	53.87%
32	Romania	53.30%
33	Poland	52.90%
34	Bulgaria	52.01%
35	Serbia	51.96%
36	Croatia	51.69%
37	Saudi Arabia	51.20%
38	Kuwait	51.14%
39	Malaysia	51.11%
40	Russia	50.96%
41	Japan	50.72%
42	Qatar	50.69%
43	Kazakhstan	50.63%
44	Thailand	49.25%
45	El Salvador	47.45%
46	Costa Rica	47.05%
47	Belarus	46.16%
48	Uruguay	45.87%
49	Morocco	45.75%
50	Turkey	44.33%
51	Ukraine	43.96%
52	Mexico	43.63%
53	Colombia	42.77%
54	China	42.72%
55	Panama	41.83%
56	Jordan	41.23%
57	Brazil	41.18%
58	Peru	40.94%
59	Indonesia	40.11%
60	Dominican Republic	39.95%
61	Vietnam	39.29%
62	Tunisia	38.83%
63	Bangladesh	38.45%
64	South Africa	38.18%
65	Azerbaijan	37.29%
66	Paraguay	36.73%
67	Philippines	36.50%
68	Egypt	36.42%
69	Argentina	36.10%
70	India	35.98%
71	Kenya	35.90%
72	Guatemala	34.95%
73	Ethiopia	33.12%
74	Ghana	32.88%
75	Bolivia	32.80%
76	Sri Lanka	30.56%
77	Honduras	30.51%
78	Ecuador	30.13%
79	Tanzania	30.04%
80	Algeria	29.68%
81	Nigeria	29.29%
82	Lebanon	28.89%
83	Pakistan	25.93%
84	Angola	18.31%

Country Clustering		
Rank	Country	OverallScore
1	China	100
2	United States	88
3	Hong Kong	56
4	Singapore	55
5	India	52
6	Canada	49
7	Japan	46
8	Ireland	44
9	Germany	44
10	Switzerland	42
11	United Kingdom	41
12	Netherlands	41
13	Belgium	40
14	United Arab Emirates	39
15	Australia	38
16	France	38
17	Spain	36
18	New Zealand	35
19	Denmark	34
20	Norway	34
21	Sweden	34
22	Israel	34
23	Italy	34
24	Qatar	32
25	Poland	32
26	Vietnam	32
27	Czech Republic	32
28	Lithuania	32
29	Slovakia	31
30	Finland	31
31	Portugal	31
32	Malaysia	31
33	Slovenia	30
34	Philippines	30
35	Mexico	29
36	Hungary	29
37	Indonesia	29
38	Estonia	29
39	Romania	28
40	Latvia	28
41	Thailand	27
42	Chile	26
43	Kuwait	26
44	Turkey	26
45	Panama	25
46	Bulgaria	25
47	Russia	25
48	Greece	24
49	Guatemala	24
50	Saudi Arabia	24
51	Bangladesh	24
52	Brazil	24
53	Croatia	23
54	Costa Rica	23
55	Uruguay	23
56	Peru	23
57	Dominican Republic	22
58	Jordan	22
59	Egypt	22
60	Kenya	21
61	Serbia	21
62	Pakistan	21
63	Tunisia	20
64	El Salvador	20
65	Colombia	20
66	Sri Lanka	20
67	Nigeria	19
68	Honduras	19
69	Ethiopia	18
70	Tanzania	18
71	Ghana	18
72	Paraguay	18
73	Morocco	18
74	Kazakhstan	18
75	Lebanon	17
76	Bolivia	16
77	Argentina	16
78	South Africa	13
79	Azerbaijan	13
80	Algeria	12
81	Belarus	12
82	Ukraine	12
83	Ecuador	11
84	Angola	5

Exhibit 13 – Countries Ranking and Countries Clustering – Table

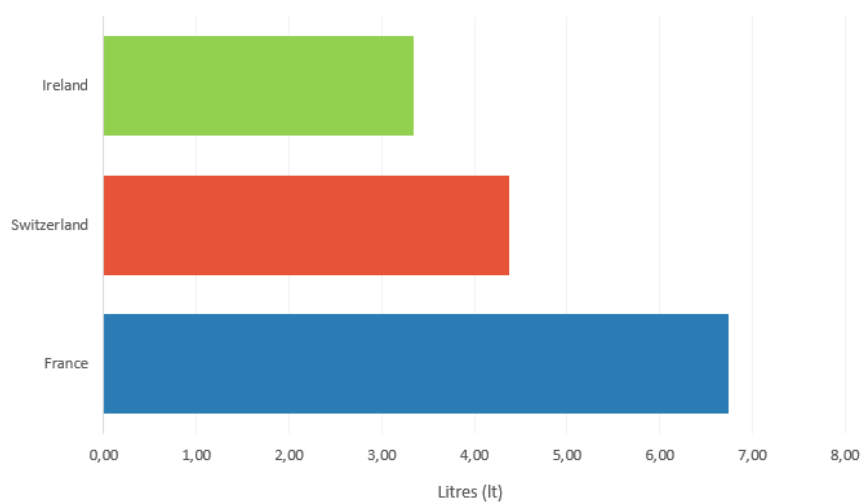
Cluster 1	Cluster 2	Cluster 3	Cluster 4	Cluster 5	Cluster 6	Cluster 7	Cluster 8	Cluster 9	Cluster 10
Slovakia	Qatar	Netherlands	Australia	Hong Kong	China	Bulgaria	Algeria	Ethiopia	Pakistan
Slovenia	Kuwait	Belgium	New Zealand	Singapore	USA	Croatia	Angola	Tanzania	Nigeria
Israel	UAE	Canada	Norway			Romania	Kazakhstan		Kenya
Czech Republic		Ireland	Finland			Uruguay	Azerbaijan		Lebanon
Estonia			Denmark			Chile	Russia		Jordan
Poland			Sweden			Mexico	Saudi Arabia		El Salvador
Latvia			Switzerland			Serbia	Belarus		Tunisia
Lithuania			United Kingdom			Greece	Ukraine		Guatemala
Portugal			Japan			Indonesia	Argentina		Egypt
			Germany			Peru	Ecuador		Philippines
			France			Marocco	Brazil		Dominican Republic
			Spain			Costa Rica			Ghana
			Italy			Colombia			Paraguay
						Panama			Honduras
						South Africa			Bangladesh
						Malasya			Bolivia
						Hungary			Turkey
						Thailand			Sri Lanka
						India			Vietnam

Exhibit 14 – Cheese consumption, per capita (kg)



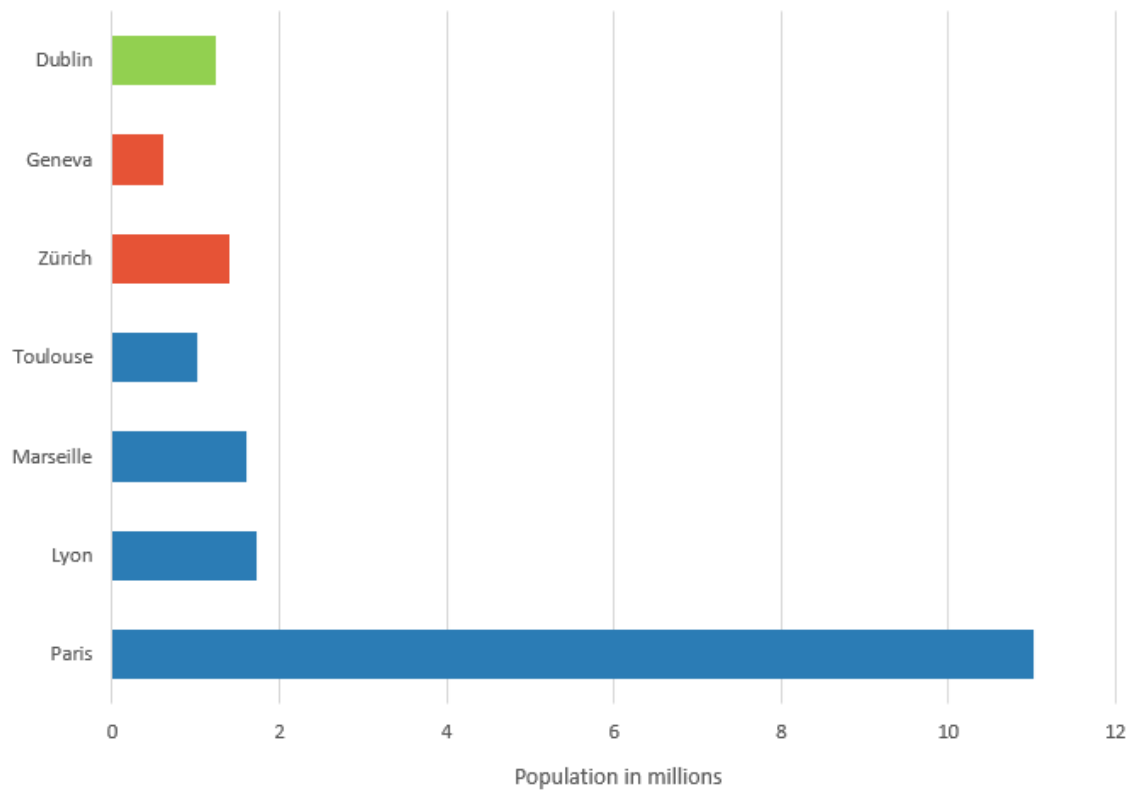
Source: Statista

Exhibit 15 – Wine consumption, per capita (liters of pure alcohol)



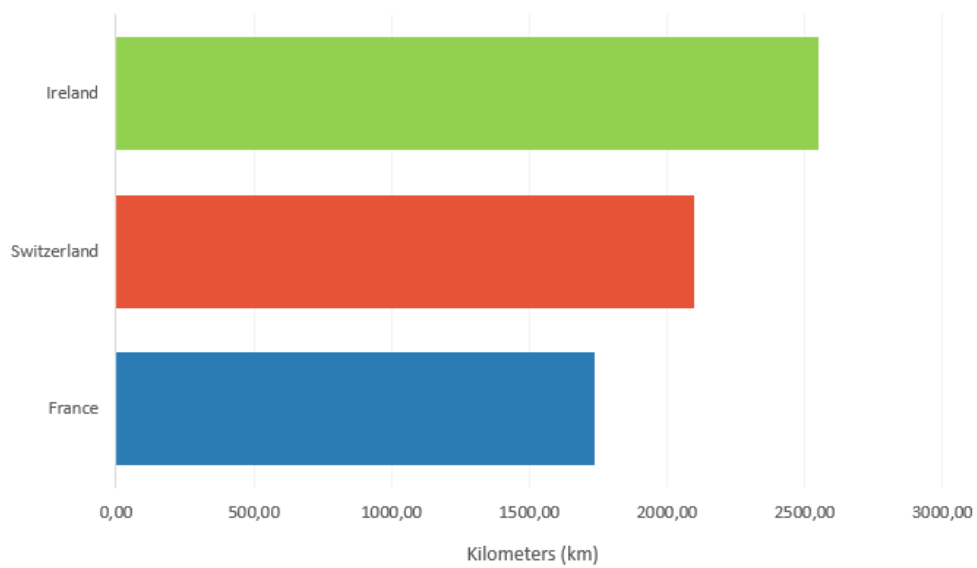
Source: Statista

Exhibit 16 – Population density in major cities



Source: Free Map Tools

Exhibit 17 – Distance from the Capital to Lisbon (km)



Source: Statista

Exhibit 18 – Industry Analysis – France

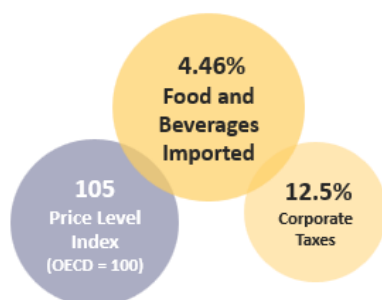


Key Statistics	2018	2017	% Diff.
Industry revenue of restaurants and mobile food service activities	\$59.96 BN	\$59.66 BN	0.5%
Household consumption expenditure on restaurants and hotels	\$106266.49	\$100579.03	5.7%
Real total consumer spending on restaurants & hotels	\$91022.36 M	\$88917.21 M	2.3%
Real per capita consumer spending on restaurants & hotels	\$1412.67	1393.19\$	1.2%

Impact of Covid-19	2020	2019	% Diff.
Industry revenue of restaurants and mobile food service activities	\$48.32 BN	\$61.03 BN	-20.8%
Real total consumer spending on restaurants & hotels	\$67857.98 M	\$94565.07 M	-28.2%
Real per capita consumer spending on restaurants & hotels	\$1039.59	\$1456.39	-28.6%
Big Mac Index (compare with \$5.66)	\$5.16	\$4.58	12.7%

Source: OECD, Statista, Eurostat, World Population Review, World Integrated Trade Solution and The Economist

Exhibit 19 – Industry Analysis – Ireland

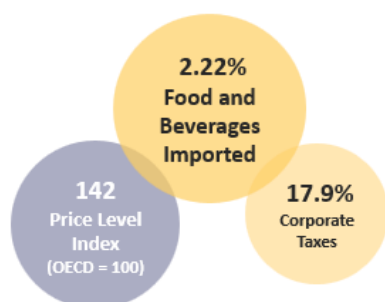


Key Statistics	2018	2017	% Diff.
Industry revenue of restaurants and mobile food service activities	\$5.24 BN	\$5.05 BN	3.8%
Household consumption expenditure on restaurants and hotels	\$16529.89	\$17249.50	-4.2%
Real total consumer spending on restaurants & hotels	\$16867.36 M	\$16817.23 M	0.3%
Real per capita consumer spending on restaurants & hotels	\$3500.4	\$3538.03	-1.1%

Impact of Covid-19	2020	2019	% Diff.
Industry revenue of restaurants and mobile food service activities	\$3.91 BN	\$5.45 BN	-28.3%
Real total consumer spending on restaurants & hotels	\$11824.27 M	\$17266.47 M	-31.5%
Real per capita consumer spending on restaurants & hotels	\$2394.65	\$3536.40	-32.3%
Big Mac Index (compare with \$5.66)	\$5.16	\$4.58	12,7%

Source: OECD, Statista, Eurostat, World Population Review, World Integrated Trade Solution and The Economist

Exhibit 20 – Industry Analysis – Switzerland



Key Statistics	2018	2017	% Diff.
Industry revenue of restaurants and mobile food service activities	\$11.23 BN	\$11.53 BN	- 2.6%
Household consumption expenditure on restaurants and hotels	\$27395.01	\$27271.81	0.4%
Real total consumer spending on restaurants & hotels	\$42172.18 M	\$39905.67 M	5.7%
Real per capita consumer spending on restaurants & hotels	\$4946.53	\$4719.33	4.8%

Impact of Covid-19	2020	2019	% Diff.
Industry revenue of restaurants and mobile food service activities	\$9.38 BN	\$11.13 BN	- 15.7%
Real total consumer spending on restaurants & hotels	\$32682.02 M	\$43194.06 M	- 24.3%
Real per capita consumer spending on restaurants & hotels	\$3776.25	\$5027.62	- 24.9%
Big Mac Index (compare with \$5.66)	\$7.29	\$6.71	8.6%

Source: OECD, Statista, Eurostat, World Population Review, World Integrated Trade Solution and The Economist

Exhibit 21 – PESTLE Analysis – Switzerland

Political	Type of government: Federal Republic. Freedom House Global Score: 96 (100 = most free and 1 = least free). Rule of Law: 3rd worldwide. Control of Corruption: 96.2 – ranked from strong (100) to weak (0). Regulatory Quality: 12th worldwide (1st in Europe). Governance: 1.3 – ranked from strong (1.5) to weak (-3).
Economic	Real GDP: is expected to increase by average 2.1% in the next few years. Real GDP per capita: 2nd highest worldwide. Inflation rate: 0.1%. Services sector: 70.9% of GDP. Industry Sector: 25.6% of GDP. Agriculture Sector: 0.7% of GDP.
Social	Population: 8.61 million. Population between the ages of 20 and 64: 61%. Annual income per capita: \$80,443. Human Development Index: 2nd worldwide.
Technological	Population using the Internet: 89.2%. Cell phone subscriptions per 100 people: 126. Internet penetration: 17th worldwide. E-commerce revenues: \$11,169 million.
Legal	Transparency International Ranking: 85 (from 100 - no corruption to 0 - high level of corruption) - 3rd worldwide. VAT: 0%, 2.5% and 3.7% on various goods and services, with a maximum VAT rate of 8% (below OECD average - 19.2%).
Environmental	CO2 emissions: 68th worldwide. Extreme weather events: high recurrence in the last decade. Renewable Energies: represent 31.3% of the country's energy share.

Source: Statista

Exhibit 22 – Porter’s Five Forces Analysis for Por Sabores in Switzerland

Bargaining Power of Buyers (Moderately Low)	Due to the precarious agriculture in Switzerland, and the high import taxes on foreign products that are in direct competition with domestic products, the average end consumer does not have much choice, unless he or she has considerable purchasing power.
Threat of Entry (Medium)	Due to the fact that the products are of foreign origin, although they do not compete directly with Swiss products in the specific type within each category, they imply a choice of retailers and consumers over their traditional products.
Industry Rivalry (Moderately High)	There are several distributors operating in the Zürich region, with more revenues than Por Sabores, however the lower purchase cost and the reduced (and in some cases zero) import taxes of Portuguese products, mitigate this difference due to the higher profit margin.
Bargaining Power of Suppliers (High)	The prices Swiss suppliers charge are quite high when compared to the rest of Europe, especially when compared to the acquisition cost of the products.
Threat of Substitutes (Moderately Low)	Because Por Sabores' products are cheaper and of high quality, they would be difficult to replace, however in the case that retailers opt for mass-produced products to increase their profit margin (despite considerably lowering the quality of their products), the company would be replaced in the supply chain by another.



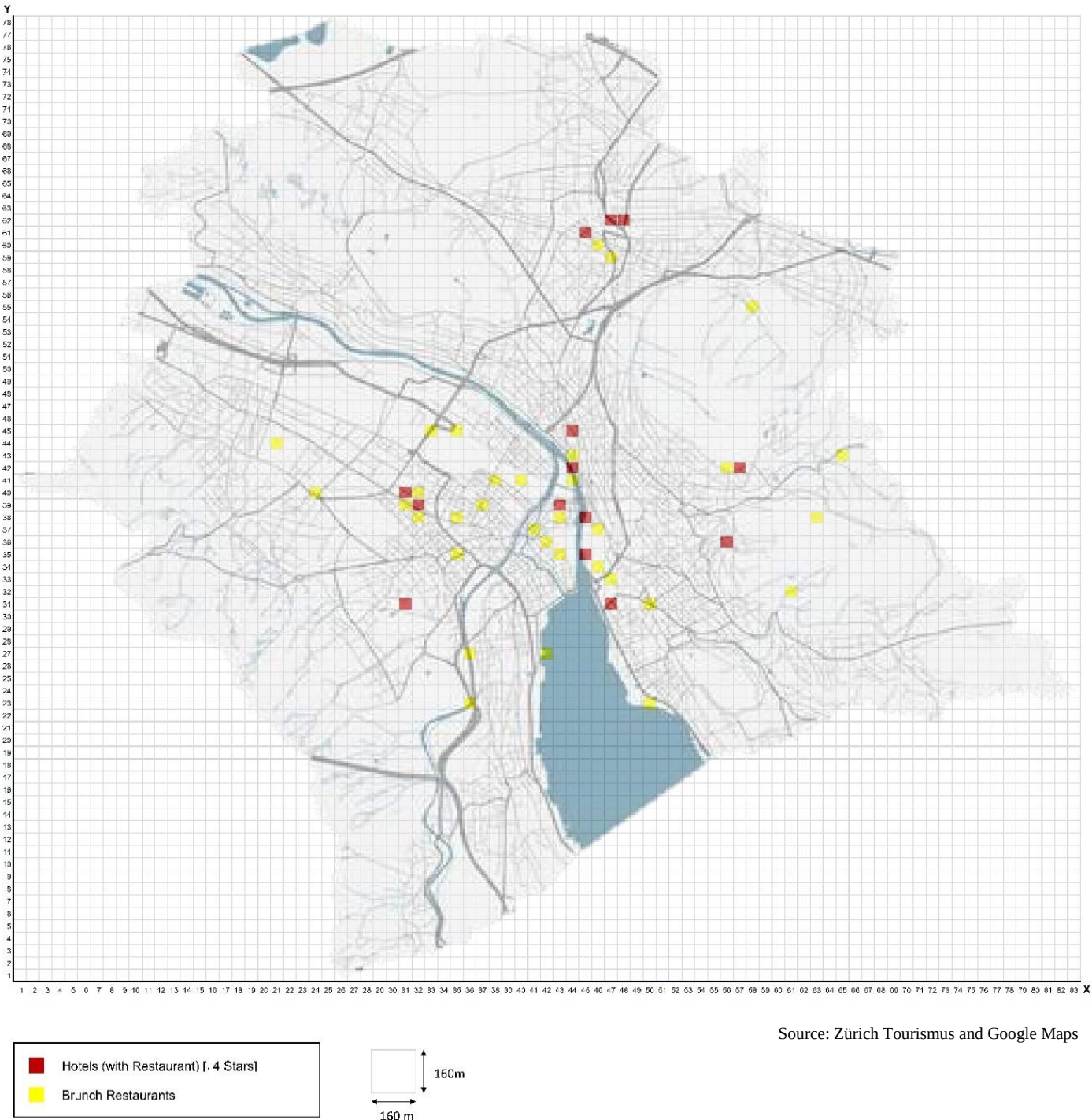
Source: Le News

Exhibit 23 – Import Cost per Product – Portugal–Switzerland

Product	Import Tariff (per 100Kg/Lt gross)	Additional Expenses (per Liter of 100% Alcohol)	Tare Surcharge (in net weight)
Foz Torto – Vinhas Velhas 2017 (B)	467,93 €	27,03 €	10%
Foz Torto Vinhas Velhas 2017 (T)	467,93 €	27,03 €	10%
Herdade dos Veros – Reserva 2017 (T)	467,93 €	27,03 €	10%
Herdade dos Veros – Selection 2018 (T)	467,93 €	27,03 €	10%
Herdade dos Veros Selection 2018 (B)	467,93 €	27,03 €	10%
M.I. 2018 (B)	467,93 €	27,03 €	10%
M.I. 2019 (B)	467,93 €	27,03 €	10%
Maria Izabel 2016 (T)	467,93 €	27,03 €	10%
Maria Izabel 2018 (B)	467,93 €	27,03 €	10%
Morais Rocha (T) Reserva 2016	467,93 €	27,03 €	10%
Quinta de Arcossó 2012 (T)	467,93 €	27,03 €	10%
Quinta de Arcossó 2014 (T)	467,93 €	27,03 €	10%
Quinta de Arcossó 2015 (T)	467,93 €	27,03 €	10%
Quinta de Arcossó 2016 (T)	467,93 €	27,03 €	10%
Morais Rocha (T) JJ 2018	467,93 €	27,03 €	10%
Cismeira Reserva 2019 (B)	467,93 €	27,03 €	10%
Quinta Arcossó Reserva 2018 (B)	467,93 €	27,03 €	10%
Scarpa da Cismeira Reserva 2017 (T)	467,93 €	27,03 €	10%
Quinta das Senhoras 2016 (B)	467,93 €	27,03 €	10%
Quinta Maria Izabel 2014 (T)	467,93 €	27,03 €	10%
Quinta Maria Izabel 2017 (B)	467,93 €	27,03 €	10%
Q ^{ta} M ^a Izabel (T) M.I. 2017	467,93 €	27,03 €	10%
Vinhas da Princesa (T)	467,93 €	27,03 €	10%
Quinta das Senhoras 2014 (T)	467,93 €	27,03 €	10%
Quinta do Carvalhão Torto – Encruzado 2016 (B)	467,93 €	27,03 €	10%
Quinta do Carvalhao Torto – Reserva 2010 (T)	467,93 €	27,03 €	10%
Quintas das Pereirinhas – Grande Escolha 2019 (B)	467,93 €	27,03 €	10%
Sei lá! 2019 (B)	467,93 €	27,03 €	10%
Sei lá! 2019 (T)	467,93 €	27,03 €	10%
Vinha da Rita 2019 (T)	467,93 €	27,03 €	10%
Vinha da Rita 2019 (B)	467,93 €	27,03 €	10%
Lombo 300/400 Foz Mar	0,00 €	0,00 €	5%
Posta c/ lombo 350/700 Foz Mar	0,00 €	0,00 €	5%
Desfiado ISL Foz Mar	0,00 €	0,00 €	5%
Seco especial AB Foz Mar	0,00 €	0,00 €	5%
Lombos 300/400 Mupeska	0,00 €	0,00 €	5%
Bacalhau Gadus Morhua Lombos 2/3	0,00 €	0,00 €	5%
Lombos 250/300 Lugrade	0,00 €	0,00 €	5%
Seco Especial Islândia Lugrade	0,00 €	0,00 €	5%
Bacalhau Seco Noruega (1kg)	0,00 €	0,00 €	5%
Posta com Lombo 700	0,00 €	0,00 €	5%
Queijo da Serra AA	0,00 €	0,00 €	0%
Queijo da Serra EA	0,00 €	0,00 €	0%
Queijo da Serra curado EA	0,00 €	0,00 €	0%
Queijo da Serra curado AA	0,00 €	0,00 €	0%
Ovelha amanteigado pequeno Queijaria São	0,00 €	0,00 €	0%
Azeitão DOP Queijaria São	0,00 €	0,00 €	0%
Ovelha creme Queijaria São	0,00 €	0,00 €	0%
Ovelha pequeno Queijaria São	0,00 €	0,00 €	0%
Requeijão ovelha Queijaria São	0,00 €	0,00 €	0%
Requeijão kg Queijaria São	0,00 €	0,00 €	0%
Mistura cabra e ovelha merendeira Queijaria São	0,00 €	0,00 €	0%
Mistura cabra e ovelha merendeira c/ pimentão Queijaria São	0,00 €	0,00 €	0%
Amarelo Queijaria São	0,00 €	0,00 €	0%
Queijo Mistura Cabra e Ovelha com Pimentão (PEQ)	0,00 €	0,00 €	0%
Queijo de Cabra Curado (PEQ)	0,00 €	0,00 €	0%
Cabra curado - Prados Melgaço (PEQ)	0,00 €	0,00 €	0%
Cabra cura longa - Prados Melgaço (PEQ)	0,00 €	0,00 €	0%
Cabra cura longa c/ pimentão - Prados Melgaço (PEQ)	0,00 €	0,00 €	0%
Camembert cabra e alvarinho Prados Melgaço	0,00 €	0,00 €	0%
Pack 3 Prados Melgaço	0,00 €	0,00 €	0%
Cabra curado grande Prados Melgaço	0,00 €	0,00 €	0%
Queijo com Pimentão e alvarinho (GRA)	0,00 €	0,00 €	0%
Terrincho DOP (600gr)	0,00 €	0,00 €	0%
Terrincho Velho DOP (800gr)	0,00 €	0,00 €	0%
Queijo de ovelha - Aldeia de Cotas (400gr)	0,00 €	0,00 €	0%
Queijo Minhotas (400gr)	0,00 €	0,00 €	0%
Queijo de cabra Serrano (300gr)	0,00 €	0,00 €	0%

Source: Administration Fédérale des Douanes (AFD)

Exhibit 24 – Potential Customers of Por Sabores – Zürich



Source: Zürich Tourismus and Google Maps

Exhibit 25 – Potential Competitors of Por Sabores – Zürich

FIRM	PRODUCTS	SALES
Schatt Getränke Ag	Wines	\$5,930,000
Flaschenpost Services Ag	Wines	\$4,560,000
Turbinenbräu Ag	Wines	\$2,470,000
SCS Swiss Commercial Services GmbH	Dairy Products	\$1,150,000
Schmerling Ag	Dairy Products	\$1,140,000
Vsrün GmbH	Dairy Products	\$1,140,000
Inter Comestibles 87 Ag	Wines	\$915,748
Brauerei Uster GmbH	Wines	\$794,004
Georg Vogel, Inh. Marco Vogel	Wines	\$654,999
Zürcher-Gehrig Ag	Wines	\$544,672
Hk-Drink's Hans Kunz	Wines	\$482,584
Bricker Weinimport GmbH	Wines	\$400,356
Vinoarte GmbH	Wines	\$296,560
Vinyara Weinhandel	Wines	\$272,336
Comvino Comestibles Und Wein-Import, Bruno Müller	Dairy Products	\$226,929

Source: Dun and Bradstreet

Exhibit 26 – Market Entry Modes based on Different Factors



Source: Nova School of Business and Economics

Exhibit 27 – Dimensions of Por Sabores Internationalization Strategy



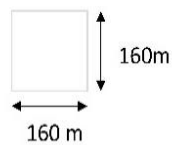
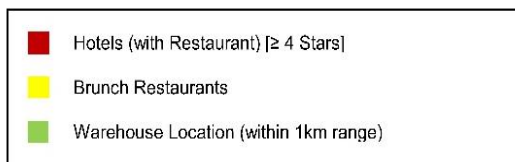
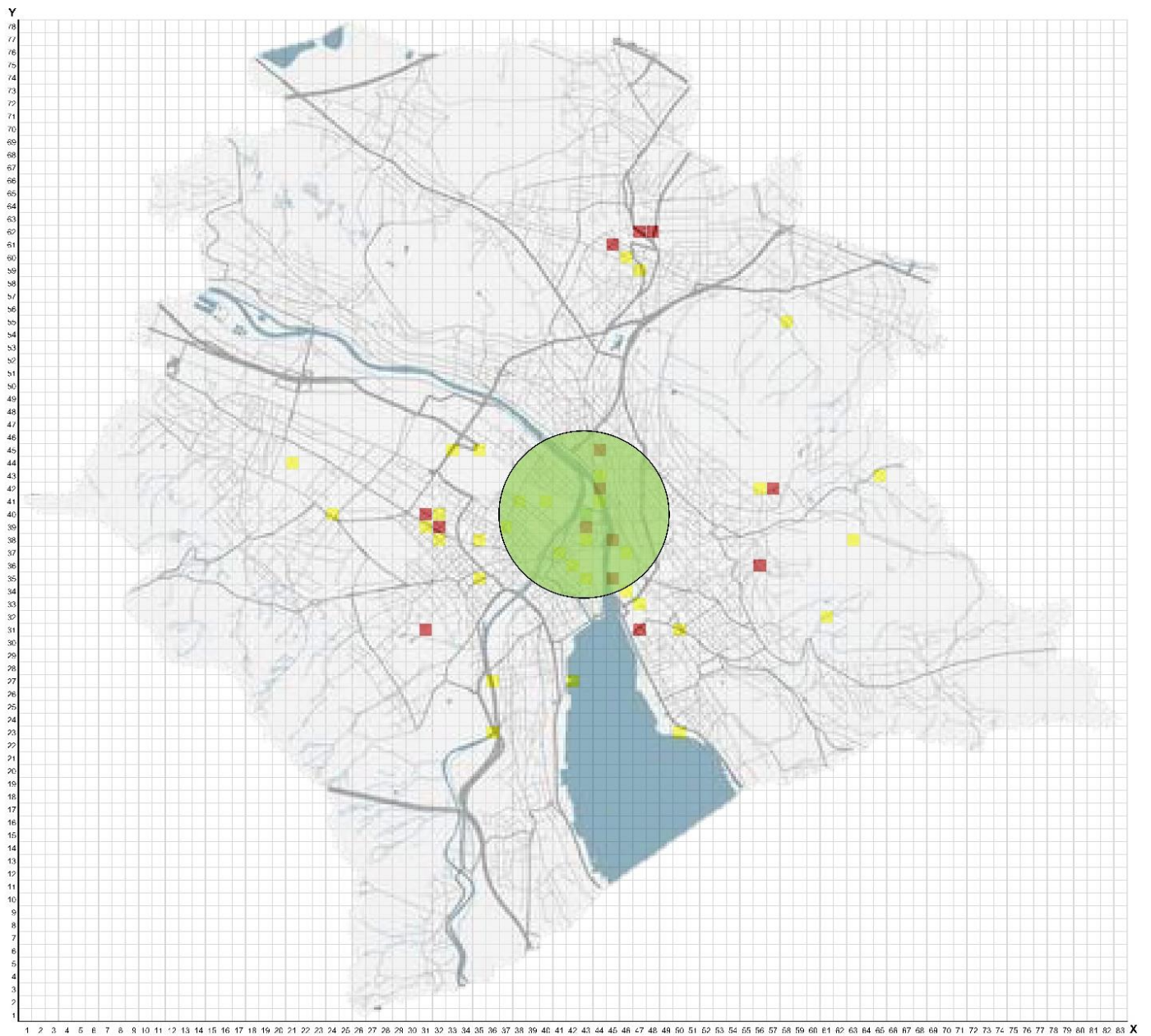
Source: (Cavusgil, Knight and Riesenberger 2017)

Exhibit 28 – Co-ordinates of Potential Customers

	X co-ordinate	Y co-ordinate
Hotel#1	47	62
Hotel#2	48	62
Hotel#3	45	61
Hotel#4	44	45
Hotel#5	57	42
Hotel#6	56	36
Hotel#7	44	42
Hotel#8	45	38
Hotel#9	45	35
Hotel#10	47	31
Hotel#11	43	39
Hotel#12	31	40
Hotel#13	31	31
Hotel#14	32	39
BR#1	46	60
BR#2	47	59
BR#3	58	55
BR#4	65	43
BR#5	63	38
BR#6	61	32
BR#7	56	42
BR#8	50	23
BR#9	50	31
BR#10	47	33
BR#11	46	34
BR#12	46	37
BR#13	44	43
BR#14	44	41
BR#15	43	38
BR#16	43	35
BR#17	42	36
BR#18	42	27
BR#19	41	37
BR#20	40	41
BR#21	38	41
BR#22	37	39
BR#23	35	45
BR#24	35	38
BR#25	35	35
BR#26	33	45
BR#27	32	40
BR#28	32	38
BR#29	31	39
BR#30	24	40
BR#31	21	44
BR#32	36	27
BR#33	36	23
Warehouse Location	43	40

Source: Zürich Tourismus and Google Maps

Exhibit 29 – Warehouse Location Selection



Source: Zürich Tourismus and Google Maps

Exhibit 30 – The 4M's Framework – estimating the inputs

Activity	Frequency	Costs
<i>Partnership Establishment</i>		
• Business Travel to Switzerland	Quarterly	2400€
<i>Infrastructures & Equipment</i>		
• Vehicles (x2)	Monthly	1600€
• Warehouse (Rent)	Monthly	1100€
• Extra Costs	Monthly	400€
<i>Logistics Optimization</i>		
• Circuit App (x3)	Monthly	100€
<i>E-commerce</i>		
• Swiss Website + Domain	Once	5000€

Exhibit 31 – Performance Income Statement

Por Sabores, Lda

Performance Income Statement

(Amounts expressed in euros)	2021 0	2022 1	2023 2	2024 3	2025 4	2026 5
<i>Net Revenues</i>	50 000	150 000	180 000	235 000	250 000	270 000
<i>Cost of goods sold (COGS)</i>	(29 000)	(110 000)	(115 000)	(125 000)	(140 000)	(160 000)
<i>Gross Profit</i>	21 000	40 000	65 000	110 000	110 000	110 000
<i>Fixed costs</i>	(16 000)	(18 400)	(52 000)	(74 000)	(74 000)	(75 000)
<i>EBITDA</i>	5 000	21 600	13 000	36 000	36 000	35 000
<i>Depreciation</i>	(350)	(350)	(350)	(350)	(350)	(350)
<i>EBT</i>	4 650	21 250	12 650	35 650	35 650	34 650
<i>Corporate taxes</i>	(2 200)	(2 500)	(5 000)	(6 000)	(7 000)	(8 000)
<i>NOPLAT ("Net Income")</i>	2 450	18 750	7 650	29 650	28 650	26 650
<i>Depreciation</i>	350	350	350	350	350	350
Operational Cash-Flow	2 800	19 100	8 000	30 000	29 000	27 000
<i>Capital Expenditure (CAPEX)</i>	-	-	-	-	(5 000)	-
<i>Asset Sales</i>	(1 250)	(1 500)	(3 500)	(4 500)	(4 500)	(5 000)
<i>Taxes on Capital Gain</i>	(1 250)	(1 500)	(3 500)	(4 500)	(4 500)	(5 000)
<i>Investment in Net Working Capital</i>	34 500	(9 000)	(500)	(7 000)	(3 500)	(500)
<i>Working Capital</i>	(34 500)	(25 500)	(25 000)	(18 000)	(14 500)	(14 000)
<i>Inventory</i>	(11 500)	(7 000)	(11 000)	(9 000)	(7 500)	(7 000)
<i>Receivables</i>	(25 000)	(20 000)	(15 000)	(10 000)	(8 000)	(8 000)
<i>Payables</i>	2 000	1 500	1 000	1 000	1 000	1 000
Investment Cash-Flow	(35 750)	7 500	(3 000)	2 500	(6 000)	(4 500)
Free Cash-Flows	(32 950)	26 600	5 000	32 500	23 000	22 500
Discounted Free Cash-Flows	(32 950)	23 109	3 774	21 309	13 101	11 134

Key Decision Rules:

<i>Interest Rate:</i>	15%
<i>Net Present Value (NPV)</i>	39 476
<i>Internal Rate of Return</i>	58%
<i>Profitability Index</i>	2,20
<i>Simple Payback Period</i>	3

Source: Por Sabores – Cash-Flow Statement