

How to: hedge your risk and penetrate the U.S. market

Venator Partners 'Advisory Board as-a-service' offers expert advice and market reach for French companies in the U.S.

think 'Advisory Board as-a-service'

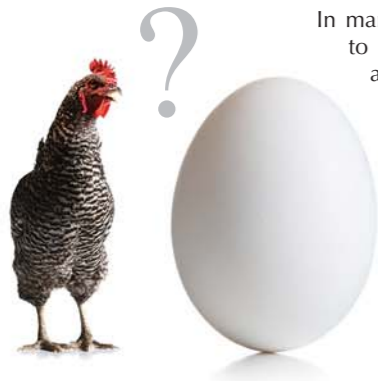
At some point in the life cycle of a French company, expanding sales into the U.S. market is a key business decision that must be considered. The logic is clear: the company is successful in selling its products, solutions and/or services in France and possibly neighboring European countries, and it now wants to replicate its success in the very large U.S. market.

Once the initial decision has been made, the next ones are more challenging. Unlike Marvin in *The Hitchhiker's Guide to the Galaxy* ("... *I have million ideas. They all point to certain death...*"), the question facing the company executive management is which path to select for eventual success. As an example, choosing a vertical market strategy will probably identify 5 or 6 potential vertical market segments. Which one should a company choose?

- savvy insights and tough decisions are necessary.

In a typical scenario, especially for a small company, the company does not have resources to go after more than one, possibly few vertical segments. The company has to place a major bet, which will result in making a key decision: choosing one, or possibly two vertical market segments. Either choice means a significant allocation of well-coordinated resources: a.) hire a sales team that will focus exclusively on this market segment, b.) allocate a major portion of the marketing budget, and c.) modify the company positioning.

- limited resources vs. multiple opportunities.



In many cases, making such decisions and the need to commit significant resources puts the CEO in a classic "chicken or egg, which comes first?" dilemma. The company needs to have a really good familiarity of the chosen vertical market, but often such an intimate knowledge can be achieved only after operating in that market for some time. Obviously, this decision is a classic major bet: high-risk, with potential high-return.

- think long-range, take a focused approach.

utilize Advisory Board as-a-service:

Working primarily with VC-funded, high-tech startup companies, Venator Partners leverages its core competencies, namely: its strong executive search capabilities, along with an outstanding team of industry veterans, to provide a service that enables company executives to hedge their major bets while penetrating new markets; i.e., 'Advisory Board as-a-service.'

This service is a turn-key solution for the custom creation and ongoing management of an advisory board. For instance, the Venator Partners program has been designed to provide companies with the expert advice and market reach they need to help them grow their businesses, and does it at a fraction of a cost, which means a deferral of resource commitment.

In fact, in the vertical market example mentioned previously, the company can start operating in a few vertical markets in parallel rather than one (i.e., let the sales-cycle clock start ticking), yet without committing resources (i.e., hiring) until further down the road when the company has a much better hands-on knowledge of the target market verticals.

'Advisory Board as-a-service' can provide multiple benefits, such as: 1.) custom-designed operational modes, 2.) the flexibility to scale the board up or down as the company needs, 3.) professional management, 4.) a single point of contact, and more.

The impact and benefits of this service are always based on a combination of expert advice and market reach. None of these can work alone, but the combination – managed in the right way – has the potential to make a meaningful impact.

True to Venator Partners core competency, this service is all about customer-facing, business-oriented planning and execution when seeking new market penetration. It offers numerous benefits along each dimension of the company customer-facing activities—while the overall business benefit is hedging the bet.

Go-to-market planning is significantly enriched by a diversified contribution of competitive intelligence, an intimate knowledge of market trends, market makers and inflection points. Early knowledge of the value chain of partners, distributors and outsourcing vendors is instrumental in sales channel planning and pricing decisions. Assumptions can be tested without making costly mistakes, while feedback on localization of product features, positioning, and messaging is being gathered. Most importantly, the advice is objective and uninhibited by exporting relationships or fiduciary responsibilities

Since the advisors are intimately involved in the go-to-market planning, they can help make the right market introduction to customers and partners from a well-substantiated and informative perspective. For the company making its initial steps in a new market, there is a huge difference between a casual introduction and the informative, committed one.

For **Thibaut Bechetoille**, CEO of the French high-tech company **Qosmos**, the benefits of such a service are very compelling. *"Using Venator's Advisory Board as-a-service is an important element in our U.S. market penetration. This innovative service is very beneficial for us in replicating in the U.S. our success in the French and other markets; the Advisory Board is a clear business accelerator, helping us formulate a go-to-market strategy much quicker in a vertical market"*, says Bechetoille.

In conclusion: 'Advisory Board as-a-service' provides the right blend of expert advice and market reach. Professionally managed, it enables the executive management of a French company to professionally plan and execute their market penetration, while hedging their major business bets.

— article by **Amir Eldad**, Vice President, Venator Partners

Amir Eldad has been with Venator Partners since mid-2007. Prior to joining Venator, he held sales, marketing and management positions in the Networking, Security and Software sectors for more than 25 years. In the early 90's, he spearheaded **Fibronics'** penetration into the French telecom market; later on, Eldad was VP Sales & Marketing of **NiceCom** (a leader in ATM switching; acquired by 3Com) and led a worldwide team that successfully penetrated the U.S. and global markets, achieving a \$200M sales level within a few years. In 2004, he co-founded **Aternity**, an application performance management company. He lives in Cambridge, MA and spends a significant amount of time in France and other countries – staying close to his clients.

Venator Partners™ is a Boston-based Executive Search and Advisory Services firm founded in 1995, providing national and international coverage. Venator's clients are primarily small to mid-size growth companies in Information Technology, Digital Media, Online, Communications and Renewable Energy industries. For more information: www.venatorpartners.com

