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In conversation with Andrea Lewis, Triana's Chief Knowledge Officer, Michel discusses his experience and makes recommendations that underscore Triana's unique value proposition.

AL: *How can French-American companies prepare for US market entry?*

MB: French-American companies need an anchor in the US, a partner who has a better understanding of the US market and who can help them to navigate it effectively. They should be willing to spend “serious money” (i.e., 20K or more) to learn about the landscape. The company’s management should spend the time and effort to coordinate a comprehensive market survey and develop a product marketing strategy. It is important to answer questions like – “Is there a need for the product? Why and where is there an opportunity? Who are the competitors? What is my strategy going to be?” before making the go/no go decision.

AL: *Where do French-American companies often go wrong in their approach to the US market?*

MB: Most companies think – “I already have a product and it is selling well, I should go to America and also sell it there. And, to do this, I will hire a guy in the US to sell it for me.” This is the wrong way to launch a business in a new international market. French-American companies may be a bit inconsistent with their vision, and may not always accurately articulate their real reasons/conviction for entering the US market. With lack of knowledge of the market, come unrealistic expectations.

AL: *How are they “inconsistent” and “unrealistic”?*

MB: The inconsistency lies in the lack of a clear goal for entering the US market and the clear determination to do so. The company should know why they want to expand and they should firmly commit to that expansion. There should be a budget, as I mentioned, and a dedicated team working toward the goal. In terms of being unrealistic, I think often times expanding companies have high expectations for performance and return in an unreasonable timeframe. Sure, success may come, but it will only come after dedicating time, resources, and money.

AL: *Triana acts as the foreign company's extension for its US business development, providing the client with a turnkey solution that is more complete, effective, and efficient than other US development options. Triana often finds the US CEO for French based companies and advises them on senior management hires. How would you characterize the relationship between top management on both sides of the ocean?*

MB: Well, often the US based CEO is a bit lost. He has a small budget, he doesn't really know the product since he lacks long-term experience with the product and, therefore, he doesn't really know what to do to solve the problems that arise. The French CEO starts calling more and more often and starts asking more and more questions. The US

CEO might panic, he may start making excuses, or he may simply avoid his French colleagues and dodge the issues because he feels he is failing, but none of this solves the problem. The US CEO will need a coach, some advice, some guidance, a real supervisor, and a more holistic approach to management.

AL: *How can there be such a disconnection between the French CEO and his US managers?*

MB: Perhaps the French CEO didn't really look at the US market before hand, didn't concretely study the opportunity. Did they promote their product/service? Did they look for opportunity? Did they find a target list of prospects? Did they have conversations with potential clients? The right approach always comes down to the basics – marketing the product or service, listening to the pulse of the industry, and also not having a pre-drafted solution but having a pre-drafted set of tools that can be tailored to serve the need of the specific market.

AL: *What do you believe is key to success in the US?*

MB: Preparation is key and preparing for the US market involves putting forth a “serious “budget. The French company must act professionally – do your market study, do your homework, know the landscape you are approaching. It takes a solid amount of cash investment, so make sure you have the cash and the support of your investors. Also, make vital decisions like deciding if you are selling a product or a service before trying to navigate the landscape as you will get lost and potential customers will be confused. Finally, acting professionally means taking the help and advice of seasoned US professionals. In a way, it’s not just important to partner with the Americans and Americanize but I believe it is crucial to your success to do so.

AL: *Triana strives to provide just that kind of expertise by mobilizing a team of world-class advisors and making them available to its portfolio companies. How important is it for companies to be situated in the US?*

MB: It may be important for some, but not at all necessary for others. A company should ask itself, “When I prospect a new buyer in France and they ask why I am not in the US, what is my answer? Does it become a deal-breaker for doing business if I am not?” So being in the US can be necessary for potential clients to see a French company as a major player in the global market. Also, being in the US is important when not being in the US is seen as a clearly missed opportunity. This is especially true when a company has a product that is horizontal rather than vertical. Say, a French company has clients who also have a presence in the US; these clients may be using other vendors in the US as well, simply because you are not there. Ultimately I think that incorporating in the US is also the best proof of success. It’s the right positioning for success, which becomes necessary and vital for acquisition later on, and other potential exit strategies.