



DAY 3: Distribution of an IP Business Asset  
9th March 2023

# IP and distribution!

There are several distribution channels available...



- Direct 'in-shop sales'
- Online sales via website, social media platforms via DHL
- E-commerce platforms (*Amazon, planting seeds*)
- Specialist 'gourmet' food shops
- Partner retail (*'support local' outlets - starbucks, caribbean airlines, hyatt hotel*)
- Food distribution companies
- Supermarkets

# Defining Target Market (TTFCC)

- **How much does it cost?** *Is there a sufficient margin for the distributor to make?*
- **Who is our target/ primary market i.e., the best margin?** *TTFCC Luxury hotels, high-end restaurants, bakery chains,*
- **How do they want it?** *Chocolate format, packaging material, packaging size, key packaging information, volume of product available, delivered to their door or collected?*
- **How is the product used?** *How the chocolate used in recipes, teach the chefs!*
- **What is their food standards criteria?** *Ensure compliance to international standards to reduce risk and liability*

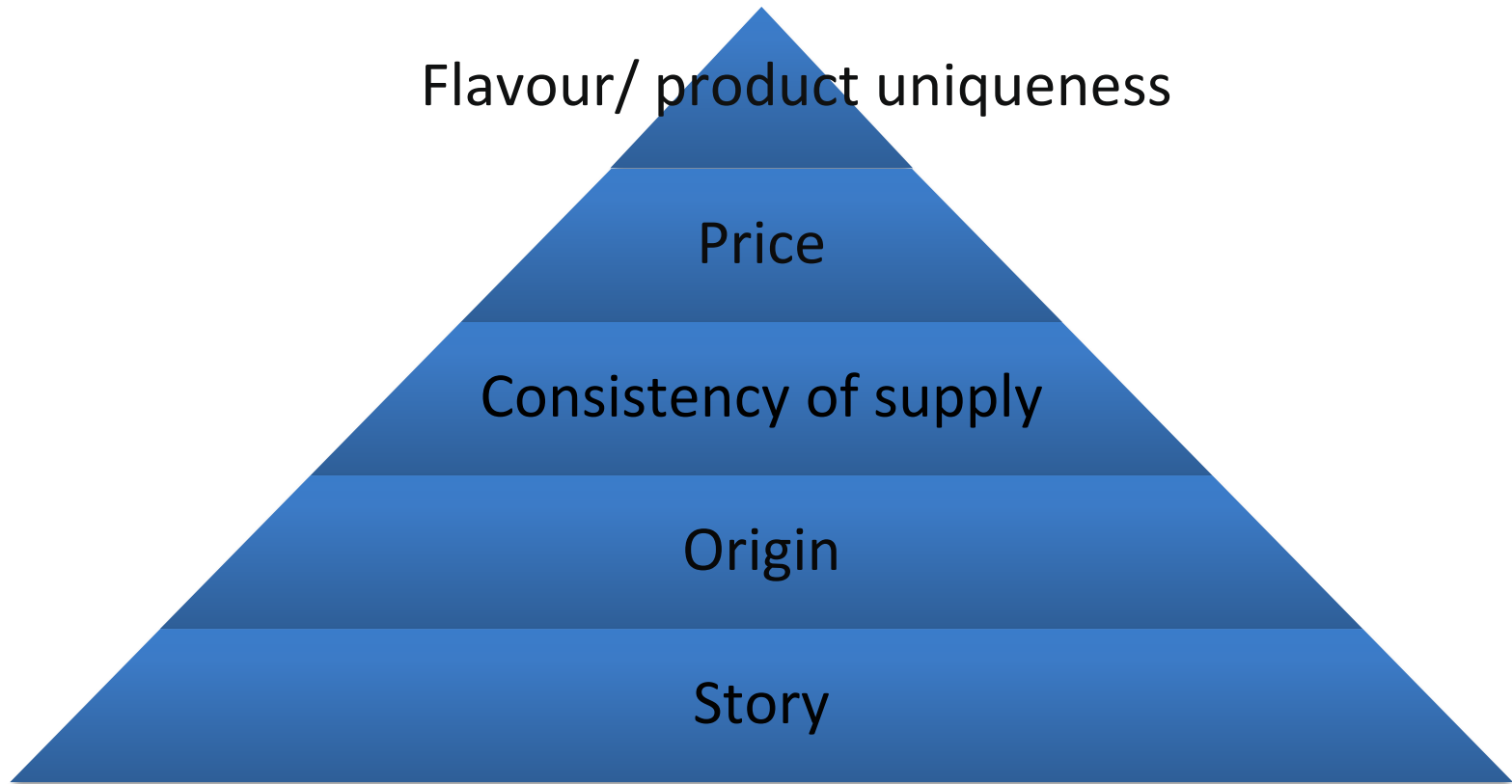




# Identify channels of distribution

Distribution channel	IP implications
In shop direct sales	Full control of brand
Online sales via website, social media platform	Full control on brand and platforms, direct feedback from customers (control messaging.. Trinitario rebrand)
International online sales via DHL, FedEx	Semi control related to delivering the product in good condition (melted chocolate)
E-commerce platforms (Amazon, planting seeds)	Semi control related to delivering the product in good condition
Partner retail (Starbucks, CAL), gourmet shops	Semi control of monitoring pricing of resellers, need to provide brand guidelines how to present your product and co branding on social media
Food distribution companies	Appropriate storage facilities, need to provide brand guidelines how to present your product, possible marketing budget
Supermarket	Brand positioning in location, need to provide brand guidelines how to present your product,

# Considerations for distribution:



# TTFCC lessons learnt



- Most distributors expect 25%-30% margin, would that effect your product in the marketplace?
- A distributor will only keep you if the product is selling, marketing is usually supported by the manufacturer.
- There is usually a minimum of a pallet of stock, most likely container, kept at the distribution centre, can you product last for weeks/ months?
- Does it need specialist storage i.e, chilled / ambient temp. If so, this may limited who you approach.
- Most distributors will take a minimum of 30 days payment, how does this effect cashflow, 'direct' sales help with cashflow.
- Find a distributor that does not currently have your category in their range, it is unlikely a distributor will move out a product for yours without a clear benefit.
- Protect your brand!!

# Checklist for using a distributor

- Have you protected your brand assets?
- Would the distributor help promote your product?
- Is the monthly sales/ performance targets for the distributor?
- Do you have brand guidelines for your product storage and presentation?
- If regional/ international distribution for the have the relevant permits to export *EUR1 form, certificate-of-origin etc...* can you prove the origin?
- Will they, you or both cover the marketing cost?
- If supplying hotels and restaurants find out who do they currently buy from, *businesses prefer to purchase from a handful of distributors rather than many small companies.*





## Relevant links:

- EUIPO - <https://euipo.europa.eu/>
- WIPO - <https://www.wipo.int/portal/en/index.html>
- Caribbean Class - <https://caribbean-tmclass.euipo.europa.eu/ec2/>
- USPTO - <https://www.uspto.gov/>
- TT IPO - <http://ipo.gov.tt/>
- CarIPI website - <https://internationalipcooperation.eu/en/caripi>

# Thank you

