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A Portuguese Import/ Export Company - Brasil Case

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Master in Management

Supervisors:

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Aggregation)

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ISCAL – Politécnico de Lisboa

October, 2023



BUSINESS
SCHOOL

Department of Marketing, Strategy and Operations

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“It is never too late to be what you might have been.”

George Eliot

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Resumo

Este trabalho de projeto de Mestrado, apresentada em forma de plano de negócios, tem como objetivo analisar as previsões para a criação de uma empresa de importação/exportação do Brasil para Portugal e vice-versa com foco em Fast Moving Consumer Goods, FMCG para o mercado *business to business*. Para efeitos deste plano de negócios, apresentaremos apenas estratégias e demonstrações financeiras para a trajetória comercial Brasil - Portugal.

A atual conjuntura económica e demográfica tem sido favorável a este tipo de projetos. O aumento do número de brasileiros no território português bem como os de novos hábitos culturais de consumo globais, são fatores facilitadores para o autor deste plano de negócios específico e para o sector das importações.

Para atingir o objetivo principal deste plano de negócios, procederei à análise de viabilidade económica e financeira, assim como a análise externa e competitiva neste mercado. As abordagens serão baseadas na revisão da literatura, a fim de seguir perspetivas científicas únicas e úteis disponíveis para as iniciativas empreendedoras.

Tendo em conta todos os indicadores desenvolvidos e detalhados, a avaliação financeira do projeto efetuada nos diferentes planos durante os cinco anos de exploração, podemos concluir que existem condições para a criação de uma empresa importadora denominada King Groceries que seja económica e financeiramente viável.

Palavras-chave: Plano de negócios, Expansão, Viabilidade económico-financeira, Estratégias de crescimento

JEL Classification System:

M - Business Administration and Business Economics; Marketing; Accounting

- M1 - Business Administration:
- M10 - General
- M19 - Other

Abstract

This Master's Thesis, presented in the form of a business plan, aims to analyze the forecasts for the creation of an import/export company from Brazil to Portugal and vice versa with a focus on Fast Moving Consumer Goods, FMCG for business to business market. For the purposes of this business plan, we will only present strategies and numbers for the Brazil-Portugal commercial path.

The current economic and demographic situation has been favorable to this type of project. The increase in the number of Brazilians in Portuguese territory, as well as new cultural habits of global consumption, are facilitating factors for the author of this specific business plan and for the business sector.

To achieve the main objective of this business plan, I will analyze economic and financial solutions, as well as external and competitive analysis in this market. Approaches will be based on literature review in order to follow unique and useful scientific perspectives available for entrepreneurial initiatives.

Taking into account all the developed and detailed indicators, the financial evaluation of the project carried out in different plans during the five years of exploration, we can conclude that there are favorable conditions to create an import company called King Groceries that is economically and financially viable.

Keywords: Business plan, Expansion, Economic and financial viability, Growth Strategies

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Abbreviation Index

KG - King Groceries

NPV - Net Present Value

IRR - Internal Rate of Return

VAT - Value-added tax

IRC - Imposto sobre o Rendimento de Pessoas Coletivas

ESS - External Services and Supply

NCM - Nomenclatura Comum do Mercosul

MERCOSUL - The Southern Common Market (Brazil, Paraguay, Uruguay, Venezuela)

NACE - abbreviation for the nomenclature of EU economic activities, from the French Nomenclature statistique des activités économiques

Incoterms - International Commercial Terms

SOPE - State and Other Public Entities

Executive Summary

The food distribution sector has undergone major changes in recent years, as a result of various consumer trends caused not only by changing eating habits, but also by the constant influx of new inhabitants through immigration. This new trend has awakened the world to new international business opportunities.

This is the starting point for the preparation of this business plan, as a Master's Dissertation that aims to study the forecasts for creating an import/export company from Brazil to Portugal and vice versa with a focus on Fast Moving Consumer Goods, FMCG for the business to business market for the Brazil-Portugal commercial trajectory.

The current economic and demographic situation has been favorable to this type of project. The increase in the number of Brazilians in Portuguese territory, as well as new cultural habits of global consumption, are facilitating factors for the author of this specific business plan and for the business sector.

To achieve the main objective of this business plan, I will analyze economic and financial solutions, as well as external and competitive analysis in this market. Approaches will be based on literature review in order to follow unique and useful scientific perspectives available for entrepreneurial initiatives.

The financial assessment is carried out after 5 years of exploration with 3 different scenarios: pessimistic, realistic and optimistic. Here, the aim is to mitigate the effect of uncertainty, with a particular effect on the evolution of sales and the respective costs and expenses associated with the operation of the activity such as external and competitive analysis in this market.

1. Literature Review

1.1 Globalization phenomenon in Business

According to Borghoff 2005, evidence of globalization has occurred in recent decades, the main driver of acceleration and change in terms of integration in the economic environment.

Other reasons given for the high rate of growth in this particular area are due to substantial improvements in communication technologies and logistical systems as well as the relative ease of travel (Andersson and Wictor 2003). As a result of these consequences, influences were certainly placed on both demand and business and marketing strategies as the world has now become a less hostile environment due to the opening of these barriers to trade.

The development of international business due to the effect of globalization has increased the connection between various economic agents. Now, within international borders, the availability of advanced communication technology has made it possible to open up new opportunities (Sasi and Arenius 2008). However, this new paradigm also brings new challenges for companies since access to new markets is also within the reach of new competitors.

1.2 International Trade

International trade is nothing new in the sense that it has been practiced and developed since classical antiquity with the Romans and in the Middle Ages with sea routes until today as a source of economy and economic policy (Soares, 2004). Therefore, International trade is nothing more than the set of commercial exchanges of goods and services that originate capital transactions between nations. According to López; Gama (2005) in current globalization, it is unlikely that isolated countries will have opportunities for growth and participation in international commercial markets.

Porter, 1990, said that international trade is an activity that emerged as an innovation for companies, ensuring stability in the market and overcoming competition in the

current market, through the exchange of merchandise and knowledge with foreign companies.

As a result of this activity, we can say that international trade is the exchange between economic agents who aim for profit and benefit from advances in technological innovation as a factor in the success of this contact with globalization, leading to gains in international know-how (Soares, 2004).

The knowledge and skills necessary to monitor and meet the needs required in the internationalization market for companies arise from long-term strategic planning, which requires them to be prepared to maintain their international business (Soares, 2004).

1.3 Import Business

1.3.1 Concept

Import under academic analysis can be considered as the placement of goods from one country to other nations. The concept of import merit must consider that import is the purchase and sale of products between exporter and importer. In the commercial context, effective negotiation between parties in compliance with state rules and procedures is considered an import (Ludovico, 2007).

Countries that do not invest in the foreign market through imports are not self-sufficient. The consequence of this fact is that not all countries have the capacity to produce their own resources, technologies and labor necessary to supply the demand that the country requires (Ratti, 2001). Countries seeking foreign investment must produce high quality so that there is competition between companies in the same segment already installed in the globalized world. In this way, customers begin to demand products with higher quality and a better price, since the consumer's negotiating power increases with the increase in supply. Thus, according to Keedi (2004), companies must set up a strategic model so that they can remain in the market.

The importance of imports is focused not just on the domestic market, but on market diversification. To achieve this, according to Keedi (2004), companies must seek to increase their network of suppliers and increase the quality of their products, so that

the price becomes more accessible and competitive, as these are international brand products where they are known worldwide.

1.3.2 Commercial Policy Instruments

According to Dennis R. Appleyard, Alfred J. Field, Jr and Steven L. Cobb, International Economy (2010) there are several types of taxes for countries to apply toward import businesses.

Specific taxes: is an import tax that represents a fixed monetary rate (dollar), per physical unit of imported goods. The total value of the import tax is fixed according to the number of units received by the importing country, and not due to the price or value of the products.

Ad valorem taxes: These tariffs are set at a constant percentage of the monetary value of a unit of imported goods.

Import subsidy: is a payment per unit or as a percentage of value for the import of a good (negative tariff).

Preferential taxes: are applied tariffs applied to an import according to its geographical origin; a country receives preferential treatment paid for at a lower rate. One example of this is Most favored nation treatment (MFN).

1.4 Concept of Entrepreneurship

According to Gartner (1990), all analyzes that have been carried out on entrepreneurship show the lack of a consensual definition among the various authors. There is also a lack of a concern about what entrepreneurship constitutes as a business plan to study. Through a study prepared by the author, Gartner (1990) comes to the conclusion that each definition of entrepreneurship will always depend on the beliefs of each individual. For instance, if a researcher associate entrepreneurship with innovation, then your research will be related to innovation, or if the researcher associate entrepreneurship to value creation, then his research will be related to value creation.

The author argues that there is a wide range of beliefs, which ends up sustaining entrepreneurship as something quite complex and for this reason there is no universal definition. That said, if there are different meanings for the concept, it is up to us to say

what we are talking about when we talk about entrepreneurship (Gartner, 1990). Grebel (2004), is another author who strengthens the idea that there is no single universal definition of entrepreneurship, this one presents several definitions of what an entrepreneur is, such as: “an entrepreneur is someone who accepts risks associated with a given activity”. ; “an entrepreneur is an innovator”; “an entrepreneur is a decision maker”; “an entrepreneur is the owner of a company”; between others.

In this context, it is very important to bear in mind that entrepreneurship is not necessarily related to the creation of a new product. Leonardo (2012) corroborates the same idea, referring that entrepreneurship can be involved in three aspects: pro-action (or ability to execute); innovation: creating a new product, a new market, or a new production process; and risk: because being an entrepreneur implies willingness to take risks.

According to Stam (2009), entrepreneurship is something that contributes to economic development. From the moment that new companies are created, these new companies will compete with the existing ones, which, in turn, will have to maximize their efficiency, not only in production, but also in sales. The author makes a point of highlighting three factors that justify the importance of entrepreneurship in economic development: the change caused by the entrepreneur, which alters the environment and generates new opportunities for other entrepreneurs; the possibility of the activity to generate wealth and expand the market; and the creation of new market niches that did not exist before will give rise to new opportunities for other entrepreneurs. Stam (2009) also refers that entrepreneurs are those who fill gaps in the market, introducing products or practices in new contexts. More specifically, the lack of competition in a given market can create an opportunity. The entrepreneurial process depends on individuals who identify and explore opportunities, that is, it is not enough to find an opportunity, it is necessary to ensure that the opportunity is seized.

All this based on the perspective of the business in question, the definition of entrepreneurship is more related to taking advantage of opportunities (market gaps), taking into account that there is no innovation, only an entrepreneurial attitude on the part of a company or individual, because the product to be sold already exists. Thus, when there is a lack of competition in a certain location, this appears as a business opportunity.

1.4.1 Business Plan

Given the scope of this thesis is a business plan, I consider it is relevant to highlight that aim to, a creation of an import/export company from Brazil to Portugal and vice versa. According to Delmar and Shane (2003), it should be noted that a business plan represents the efforts of entrepreneurs to collect information on a particular business opportunity, and based on this information, a particular opportunity will be explored.

When we think about taking the first step, Mason and Stark (2004) say that a business plan is the tool through which investors will decide to invest or not in the business in question, which is, perhaps, the most important instrument in launching a new project or expanding something that already exists. These same authors emphasize that, when most *business angels* invest, a business plan is necessary even before thinking about investing. This instrument, according to the authors, ends up being the main opportunity tool for an entrepreneur to impress his investor.

However, the main criticism due to a business plan, according to Mason and Stark (2004), is that it should be one-size-fits-all, perceptible to all recipients, such as: investors, suppliers, large customers, board of directors, among others. According to the authors, a well-written and insightful plan will make all groups satisfied with the information received.

For a business plan to be viable, it needs funding. Mason and Stark (2004) state that there are three types of investors: Banking institutions; capital and venture funds; and business angels. For each of them, the authors state that there are different criteria in decision-making. That is, banks are essentially based on the economic and financial viability of the business (cash flow forecasts, financial leverage ratio, among others) - the focus is isolated on the degree of financial risk, neglecting the capabilities of entrepreneurs to deliver value or characteristics of the opportunity in question.

For business angels and venture capital companies, the approach is already different, as they end up sharing the company's results with the entrepreneur. In venture capital, there is great concern with the management capacity and characteristics of the management team, market conditions and threats to the business, the level of competition and product differentiation (Mark and Stark, 2004). In the case of *business*

angels, since they can get involved in the business because it is a personal investment, according to Mark and Stark (2004), they see the human factor as a preponderant part in the evaluation of the business plan. For them it is not only important that they have the right people at the forefront of the business, as well as the work ethic they understand to be necessary for the business to succeed.

For Delmar and Shane (2003), planning reduces the risk of dispersion as well as facilitates product development and business activity. In this way, for the authors, they present some advantages for the business plan, namely a more assertive approach instead of “trial and error”, providing more agility in decision-making; in the realization of the binomial supply - demand in the face of the unforeseen and in establishing measurable goals and correcting deviations.

In this way, we can say that, according to the authors, the business plan is an important aid for the entrepreneur, and also a financial instrument that supports those who are investing with great competitive advantages in the search for financing.

1.5 Strategy

For most companies, according to Bracker (1980), strategic thinking emerged after the Second World War and has been undergoing changes until today. Thus, it is possible to identify some strategic thinking trends through the decades of the 20th century, such as budgeting, which gave place to planning, which in turn began to be the most dominant corporate strategy.

For Freire (1997), all companies that seek to achieve the success of their purpose in the short, medium and long term, use various strategies to do so. In this way, the strategic orientation of a company serves, therefore, to achieve success.

Porter (1996), with his vision of the sector of activity in which it operates and its respective competition, gives us the visibility that it is not enough to have operational efficiency, that is, it is necessary to have a combination of operational efficiency with strategy. The lack of this alignment can become a vulnerability factor, since the company only obtains a temporary competitive advantage. This happens because the competition, sooner or later, will be able to imitate good operational efficiency practices.

On the other hand, according to Freire (1997), Carvalho and Filipe (2014) and Barney and Hesterly (2015), there is a strong need for companies' strategies to be aligned not only with global market trends, but also to be flexible in order to react with speed and agility in the best way to the competition to which they are submitted.

1.5.1 Concept of Strategy

For decades, several authors and researchers created different definitions for what corporate strategy should be. According to Bracker (1980), the verb “stratego” in Greek means a plan to destroy the enemy through the effective use of resources.

Mintzberg (1987), creates a reflection in which he criticizes the need of human nature to create a definition for each concept, referring that the field of strategic management can allow independence between several definitions.

Hambrick (1983), contrary to the aforementioned author, defends the need to create a common and precise definition. The author considers that markets and sectors of activity differ, as well as the needs and desires of each client/consumer. In this way and because they have different peculiarities, the sectors suggest a situational connection with the strategy that makes it have a multidimensional character.

Hax and Majluf (1998) argue that strategy means establishing the purpose of the organization's existence in terms of long-term objectives, action programs and resource allocation. The authors also emphasize that strategy is an important vehicle for achieving a competitive advantage, and that, based on it, it should be able to meet the needs of all its stakeholders.

Freire (1997), defines the concept of strategy as the path chosen to achieve goals. In this way, the author creates a parallelism between military and business strategy, sometimes using quotations from Sun Tzu (a historical Chinese figure from the 4th century BC).

With research and evolution developed over time, some of these definitions have been complemented or changed. Mintzberg (1987) was one such example, assuming that defining strategies does not only encompass the vision, values, core competencies

and capabilities of the company, but also commitment, business learning and the balance between the economic situation and the country.

Porter (1996) provided a new definition. For the author, the strategy goes through a process of integration of the whole set of different activities of the company. Achieving success depends on the ability of that same company to be able to carry out its tasks and integrate them in such a way that operational efficiency is fundamental to the intended results.

All business strategy is based on a logical sequence of key elements that help to make strategic thinking framed in the vision of an organization. These elements are the mission, objectives, and strategy.

For some authors, these elements must be defined upstream, before analyzing the surrounding environment, something that has generated some discussion among creators of creative thinking. Those who oppose this view argue that first it is necessary to know the contextual and transactional environment, then adapt and define the corresponding step in the strategic direction. Regardless of whether these elements are produced upstream or only, any strategic planning must be tabulated to adjust to unforeseen events and constant changes in the market.

To build a well-structured business strategy there are tools that allow the entrepreneur to transcribe his reasoning. One of them is the SWOT analysis that analyzes the environment. This analysis aims to identify strengths, weaknesses, opportunities and threats, with strengths and weaknesses referring to the company's internal context and opportunities and threats referring to the external environment (figure 1).

Figure 1: SWOT Matrix

		Advantages	Disadvantages
Environment	Internal	Strengths	Weaknesses
	External	Opportunities	Threats

Source: Ansoff (1965)

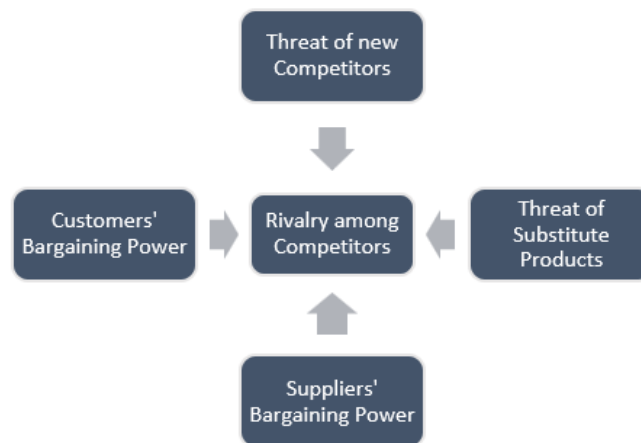
Another important support tool for entrepreneurs, in this case, developed by Porter (1979), is the Five Forces Model. This model allows analyzing the rivalry/competition between companies. The author considers that there are five forces that must be

developed in order to create an efficient strategy and measure the degree of competition in a given industry.

These forces are:

- Bargaining power of customers;
- Bargaining power of suppliers;
- Threat of new substitute products;
- Threat of new players in the market;
- Rivalry between competitors.

Figure 2: Porter's 5 forces model



Source: Adapted from Porter (1980)

According to the author, this model requires that any change or development in a given force requires a new market analysis to be carried out so that the company adapts to this new reality.

For most companies, according to Aaker (2007), they, as a rule, decide to focus their growth through restructuring, reorganization, cost reduction and performance improvement. Despite this, for the author, the perception among companies has been growing that performance increase must be done through growth. Aaker (2007) suggests that the best way to design alternative strategies is based on the Ansoff Matrix.

The Ansoff Matrix or Product/Market Matrix is a tool used to identify growth opportunities for a company's business. Here the entrepreneur can find four possible strategies:

- Market Penetration;
- Market Development;
- Product Development;
- Diversification.

Figure 3: Ansoff Matrix

		Products	
		Existing	New
Markets	Existing	Market Penetration	Product Development
	New	Market Development	Diversification

Source: Adapted from Ansoff (1965)

The market penetration strategy is a growth strategy where the company focuses on selling existing products in existing markets. When we talk about business development, it is the name given when a company chooses to market its existing products in new markets.

On the other hand, product development is the opposite of the previous strategy, since, here, the intention is to introduce new products in existing markets. Finally, diversification is the strategy related to growth with the entry of a company into new markets with new products.

Once the entrepreneur chooses the strategic scope to apply in his company, he must identify the type of competitive advantage to be exploited in each market segment. In this way, we can elect two different views that can be chosen, Differentiation and Low Costs.

Entrepreneurs who choose to charge above-average sales prices, improving and differentiating their products from others, adopt a Differentiation strategy based on the perception of value. When you choose the Low Costs perspective, you focus on reducing your operating costs, keeping them below the market average, so that, in most cases, this savings is reflected in the selling price. According to Freire (1997), the

entrepreneur who chooses this strategy must be aware of the risk of an excessive decrease in the value of the product for the customer. In other words, there is a risk of lost sales greater than cost savings.

To Freire (1997), these two strategies of different approaches to competitive advantage can be combined. The product-market matrix shows three alternatives: Cost Leadership, Differentiation and Specialization or Focus

Figure 4: Porter's Generic Strategies

		Competitive Advantage	
		Low Cost	Differentiation
Competitive Scope	Broad Target	Cost Leadership	Differentiation
	Narrow Target	Cost Focus	Diversification Focus

Source: Adapted from Porter (1980)

To choose the strategy to follow, the entrepreneur must consider two key options in his product/market strategy:

Competitive scope: Serve the entire market or just a restricted set of segments;

Competitive advantage: outperforming the competition in terms of cost reduction or differentiation.

1.5.2 Resource Based View

Barney (1991), among other authors, complements Porter's theories, emphasizing internal analysis.

The Resource-Based View (RBV) tells us, with regard to skills and resources, that each company should take advantage of what is best in relation to its competitors. In this way, the entrepreneur must continue with the external analysis, but with special focus on the internal analysis. In this way, it is possible that there is a combination between what the market is looking for, the state of competition and what your company does best. According to several authors, it is important to emphasize that it is not enough for the company to have the best resources and skills. At the same time, it is necessary to have the ability to act, under penalty of not being able to take advantage of the

sustainable competitive advantage that it initially seemed to have (Barney 1991; Grant, 1991; Collis and Montgomery, 2008; Barney and Hesterly, 2015).

According to Grant, 1991, to carry out a good internal analysis, it is necessary to make an inventory of the company's resources - assets, capabilities, attributes, information, etc. that can benefit you. Hence the VRIO matrix (Barney, 1991; Barney and Hesterly, 2015). For these authors, this is the first tool to be used for an internal analysis of the company. The name VRIO is an anagram of four initials: value, rarity, imitability and organization.

- **Value:** checks whether the resource is useful to take advantage of an opportunity or nullify a threat;
- **Rarity:** checks the existence of many or few companies with the resource;
- **Imitability:** checks whether the resource is easy or difficult to imitate;
- **Organization:** checks whether or not the company is able to take advantage of the resource.

Thus, according to the matrix, it would be desirable for the company to have Valuable, Rare, Inimitable resources (VRIO) that can be used by itself, managing to obtain a sustainable or temporary competitive advantage.

Figure 5: VRIO matrix

<i>Is a Resource or Capability:</i>				
Valuable?	Rare?	Costly to imitate?	Exploited by organizations?	Competitive implications
No	—	—	No	Competitive disadvantage
Yes	No	—	↑	Competitive parity
Yes	Yes	No	↓	Temporary competitive advantage
Yes	Yes	Yes	Yes	Sustained competitive advantage

Source: Barney and Hesterly (2015)

From this matrix, it is possible to verify that, according to the authors Barney, 1991; Barney and Hesterly, 2015, not all companies have the same resources or skills, so they have different characteristics. Through this heterogeneity of resources, it is possible to design each company's strategy based on its best resources and skills.

1.6 Marketing

The concept of Marketing is relatively new when compared to other areas of management, it is something that has been applied since the beginning of human history. According to Kotler, 1988, Marketing originates in what are the needs and desires of Man, because these needs are created states of discomfort that can be solved by purchasing certain products or services to satisfy them.

However, who took the “first steps” towards the dissemination of this new perspective on business was Drucker (1954), when his book entitled “The practice of administration” was launched. But it was Theodore Levitt (1960) who became the “father of Marketing” through his article “Myopia in Marketing”. Here, the author identifies several misperceptions, radically changing the way companies run their businesses. The author shows the importance of customer satisfaction, dropping the mantra of selling at any cost. Marketing has come to play a key role within an organization. Kotler and Keller, 2006, state that financial success often depends on marketing skill. Functions such as finance, operations, accounting, among others, will be of no use if the demand for a company's products and services is not enough to make a profit. That said, marketing began to be constituted as a department within the majority of large companies.

Neil Borden, during the 60's created the Marketing Mix concept with twelve elements. Of these twelve elements, James McCarthy (1960) reduced it to just four elements, giving rise to the same four elements of the structure known today as the 4 P's, namely: Product, Price, Promotion and Place.

1.7 Maslow's Hierarchy of Needs

The final purpose of the idea behind this business plan is based on the base of Maslow's pyramid described as physiological needs (figure 6).

Figure 6: Maslow's Hierarchy of Needs



Source: Adapted from Maslow (1943)

Maslow's theory of needs is made up of 5 hierarchical levels:

- Physiological needs, such as food, access to drinking water, shelter, among others;
- Security needs, such as health, employment, private property, among others;
- Social Needs; such as love, friendship and affection;
- Need for Estimation, such as self-love, trust, respect from others;
- Need for self-realization, such as morality, concretization and imagination.

Maslow (1943), when building the hierarchy of needs, argued that the main motivation of human beings are physiological needs, that is, if an individual faces the choice between food, security, employment or friendship, he will always choose food. Here, the author argues that to reach the top of the hierarchy, the individual has to go through all levels, that is, to desire creativity if you have food, security, love and self-esteem.

2. Business Presentation

The idea of creating a consumer goods, FMCG, import/ export company is presented throughout this work. The company in question, still without a name, which by hypothesis will be called *King Groceries "KG"*, intends to operate as a "middle man" in the space of import and export of consumer goods between the Portuguese and the Brazilian market. Its customers will be the mainly food retail chains and specialized stores.

The proposal for creating this project arises from the moment when the author's strong desire to launch an individual entrepreneurship project, associated with the period in which the main economic and demographic indicators show improvements, thus making it the opportune moment for such an event.

The implementation of this project will require not only the creation of a physical company, but also the creation of a network of partners, suppliers and customers inherent to the company's activity. The exploration of this business space intends to conquer a space still only explored by medium/ small entrepreneurs in the sector, where, for now, there are still no large multinational players. Market share gains will be through the assortment management chosen and the best price guarantee.

3. Market analysis

According to Freire (1997), any company that intends to remain in the market must continue to evolve in order to be able to respond to various opportunities and threats. Those companies that are slower and less agile in adapting to new trends in the environment in which they operate, run the risk of losing customers and even going out of business. Hence the importance that the author refers to in carrying out a two level analysis: the Contextual Environment - common to all organizations; and the Transactional Environment - specific to each sector.

3.1 Contextual Environment

The contextual environment concerns what is common to all organizations, regardless of the sector in which they operate. In this way, according to Freire (1997), the contextual environment can condition, in the medium to long term, its attractiveness, strategies, objectives and even the survival of the organization. This is divided into four different contexts (PEST analysis):

- Political;
- Economic;
- Sociocultural;
- Technological.

3.1.1 Political - Legal Context

Portugal, since 1910 is a semi-presidential Unitary Constitutional Republic, to the detriment of the constitutional monarchy in force until then. This regime is composed of four sovereign bodies, the President of the Republic, the Assembly of the Republic, the Government and the Courts.

In addition, Portugal has been a member of the European Union since January 1st of 1986 and has used the Euro as its official currency since 2002. The official language is Portuguese, according to a Santander bank study, the ninth most spoken in the world. Portuguese is also the official language of the other country considered in this business plan, Brazil.

Despite the COVID-19 and the war in Ukraine since February of 2021, this geo-political situation is likely to maintain stability in the Portuguese political-legal system. Right now Portugal is ruled by a centric-left wing parliament majority until 2026. After that, the political scenario is a little ambiguous, but this author believes that there will be no major changes in context that could harm this project.

In our days, the media plays a preponderant role in public opinion, increasingly focused on publicizing corruption scandals and episodes of slow justice. This type of daily communication, while important, helps to convey a negative image of our political leaders and business leaders.

Within the scope of labor laws, since 2019, Ordinance No. 214/2019, of July 5, came into force within the Regressar Program, which promoted by the Institute of Employment and Professional Training (IEFP), a 50% reduction in IRS taxation of those who return to work in Portugal, provided that they meet the requirements of the measure. At this time, and in the context of preparing the state budget for 2024, the current government announced the intention of zero IRS for young people up to 26 years of age, as well as the full refund of college fees paid for each year of work. Since 2015, IRC tax has remained stable at 21%, although it can reach 31.5% with state and municipal contributions. A reduction in this tax is expected for 2024, with no measures yet announced.

For this project purpose is also essential to validate the current legal framework between EU and Brazil. Right now, there is no privileged access to the entry of community products into Brazilian territory and vice-versa, with the treatment of the Most Favored Nation being in force between the parties, in accordance with World Trade Organization rules.

Despite this, in 2019, the EU and Mercosul (Southern Common Market: Argentina; Brazil; Paraguay; Uruguay) concluded negotiations with a view to concluding an important Trade Agreement. This Agreement provides for exemptions/ reductions in customs duties for community goods, to be applied gradually during a transitional period. Right now, according to the European Commission, both sides are engaged in legal revision of the agreement and have expressed their will to achieve a political conclusion for the agreement rapidly.

3.1.1.1 Portugal Custom Fees

The globalization process has undeniably boosted an unprecedented circulation of goods. This increase in trade between countries raises some challenges, particularly in terms of import and export costs. For import business, there are two main groups, customs fees for imported products and customs duty fees, which are important to clarify.

- **Customs fees:** these are fees that are transferred directly to the cost associated with customs clearance services for goods. Here, according to Portal das Finanças, the fees charged by customs are entered, as well as customs clearance fees, storage and use expenses and certificate expenses.
- **Customs Duty Fees:** This rate concerns the tax applied by the European Union (displayed on the European Commission website Access2Markets) on the import of products from third countries, based on the common customs tariff. According to the European Commission, this tax serves as a traditional own resource (TOR) as a direct form of financing the EU budget.

In addition to customs and customs duties, it is important to note that all products imported from countries outside the EU are subject to the payment of VAT (Law No. 47/2020, of August 24). This fee applies to the value of the product, transport,

insurance and customs duties. In parallel with the payment of VAT, depending on the type of merchandise, can be subject to other types of specific taxes, such as:

- **Special Consumption Tax (IEC)** - applies to a restricted group of products such as tobacco, alcoholic beverages, drinks with added sugar (or other sweeteners), petroleum and energy products.
- **Vehicle Tax (ISV)** - on the import of vehicles.
- **Payment of Antidumping Duty** - aims to protect the economy against unfair commercial practices.

The European Union constitutes a free movement zone. The exemption from customs and customs duties applies not only to domestically manufactured products, but also to those that have already gone through the customs clearance process in an EU member. However, Special Consumption Taxes or Vehicle Tax also apply to European imports.

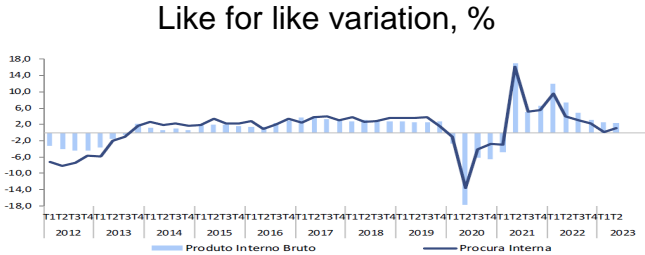
They are only charged for imports of goods worth more than 150 euros. There are, however, some products without this exemption, such as alcoholic beverages.

3.1.2 Economic Context

According to the National Institute of Statistics (INE), the Portuguese economy grew by 2.2% in 2019. After the end of this year, from March 2, 2020 to September 30, 2022 with several and long periods of confinement and rules restrictions on the displacement and movement of people and goods, leading to a degradation of the world economy never seen before for reasons unrelated to the economic activity of companies.

After the end of the second quarter of 2023, the National Statistics Institute revealed that GDP showed an increase of 2.5% compared to the previous quarter and an increase of 2.3% compared to the same quarter of the previous year.

Figure 7: Portuguese GDP and Internal Demand



Source: INE (2023)

The positive contribution of net external demand to the year-on-year change of GDP decreased to 1.4 percentage points (p.p.) (2.4 p.p. in the previous quarter), with a deceleration of Exports of Goods and Services in volume more accentuated than that of Imports of Goods and Services. In the 2nd quarter, the import deflator recorded a negative year-on-year rate of change, down significantly compared to the previous quarter, determining an increase expressive of gains in terms of trade, despite the slowdown in the export deflator.

On the other hand, the positive contribution of domestic demand to the year-on-year change in GDP increased, from 0.1 p.p. in the 1st quarter of 2023, to 1.0 p.p., with a less pronounced reduction in investment and a slight slowdown in private consumption. Compared with the 1st quarter of 2023, GDP recorded a zero rate of change, after growth in the chain of 1.6% in the previous quarter.

The contribution of net external demand to the chain change in the GDP was negative in the 2nd quarter (-0.4 p.p.), after being positive in the 1st quarter (2.3 p.p.), as a result of the decrease in exports, while the contribution of domestic demand was positive, from -0.7 p.p. in the 1st quarter to +0.4 p.p., reflecting the acceleration of private consumption and a less intense decrease of the investment.

In the 2nd quarter of 2023, there was an increase in the contribution of domestic demand to the year-on-year variation of GDP in volume, going from 0.1 p.p. in the 1st quarter of 2023, to 1.0 p.p..

Table 1: Composition of GDP volume variation

	1ºT 22	2ºT 22	3ºT 22	4ºT 22	1ºT 23	2ºT 23
	Taxa de variação homóloga (%)					
Procura Interna	9,5	3,9	3,1	2,2	0,1	1,0
Exportações (FOB)	18,9	25,2	16,3	7,6	10,1	4,3
Importações (FOB)	12,8	15,2	11,7	5,4	4,5	1,3
PIB	11,9	7,4	4,8	3,2	2,5	2,3
	Contributos para a variação homóloga do PIB (p.p.)					
Procura Interna	9,8	4,0	3,2	2,2	0,1	1,0
Procura Externa Líquida ¹	2,1	3,3	1,6	0,9	2,4	1,4

Source: INE (2023)

¹ - Net Exports of Imports

- Any differences result from the non-additivity of data linked in volume and rounding carried out

According to Banco de Portugal, it is expected for the Portuguese economy to grow by 2.7% in 2023, 2.4% in 2024 and 2.3% in 2025 (Table 2). After recovering from the pandemic shock, GDP stood at 5.4% above the 2019 level at the beginning of 2023. GDP growth remains robust and higher than that of the euro area in horizon.

A reduction in the inflation rate is projected from 5.2% this year to 3.3% in 2024 and 2.1% in 2025, a value already close to the monetary policy objective (Table 2).

In terms of the labor market, a favorable evolution is expected. The public measures to support family income and greater inflows of European funds overcome the negative effects of still high inflation and the greater restrictiveness of monetary policy on domestic demand. the framing.

The international and financial impact of the Portuguese economy is characterized, in addition to less favorable monetary and financial conditions, by a considerable reduction in external inflationary pressures and by a lower dynamism of external demand directed at Portuguese exporters.

Table 2: Banco de Portugal projections: 2023-2025 | Annual rate of change in percentage (except where indicated)

	Pesos 2022	BE junho 2023				BE março 2023			
		2022	2023 ^(p)	2024 ^(p)	2025 ^(p)	2022	2023 ^(p)	2024 ^(p)	2025 ^(p)
Produto Interno Bruto	100	6,7	2,7	2,4	2,3	6,7	1,8	2,0	2,0
Consumo privado	64	5,8	1,6	1,7	1,7	5,7	0,3	1,0	1,3
Consumo público	18	1,7	1,5	1,4	0,9	2,4	1,8	1,1	0,8
Formação bruta de capital fixo	20	3,0	3,1	5,3	5,4	2,7	2,3	5,2	4,2
Procura interna	103	4,5	1,1	2,4	2,3	4,5	0,8	1,8	1,8
Exportações	50	16,7	7,8	4,2	4,0	16,7	4,7	3,7	3,9
Importações	53	11,1	4,0	4,2	3,9	11,0	2,4	3,4	3,5
Emprego (número de indivíduos) ^(a)		2,0	0,6	0,6	0,5	2,0	0,1	0,2	0,2
Taxa de desemprego ^(b)		6,0	6,8	6,7	6,7	6,0	7,0	6,9	6,7
Balança corrente e de capital (% PIB)		-0,4	3,8	3,5	3,8	-0,4	1,9	2,3	2,7
Balança de bens e serviços (% PIB)		-2,1	1,7	1,6	1,8	-2,1	-0,2	0,1	0,5
Índice harmonizado de preços no consumidor		8,1	5,2	3,3	2,1	8,1	5,5	3,2	2,1
Excluindo bens energéticos		6,7	6,8	3,5	2,3	6,7	6,7	3,2	2,4
Excluindo bens energéticos e alimentares		5,0	5,7	3,1	2,3	5,0	5,1	3,1	2,3
Saldo orçamental (% PIB)		-0,4	-0,1	0,2	0,2	-	-	-	-
Dívida Pública (% PIB)		113,9	103,4	97,1	92,5	-	-	-	-

Source: Banco de Portugal (2023)

3.1.2.1 Internationalization Incentives

The agency aicep (Agência para o Investimento e Comércio Externo de Portugal) offers a series of support and qualification incentives for the companies who have the vision for starting an internationalization process. For this project the author choose the one which is called by Individual Project to promote internationalization that aim to:

- Knowledge of foreign markets;
- Presence on the web, through the digital economy, including in particular the launch of virtual catalogs of goods and services;
- The development and international promotion of brands;
- Prospecting and presence in international markets;
- International marketing;
- The introduction of a new organizational method in commercial practices or external relations;
- Specific certifications for foreign markets.

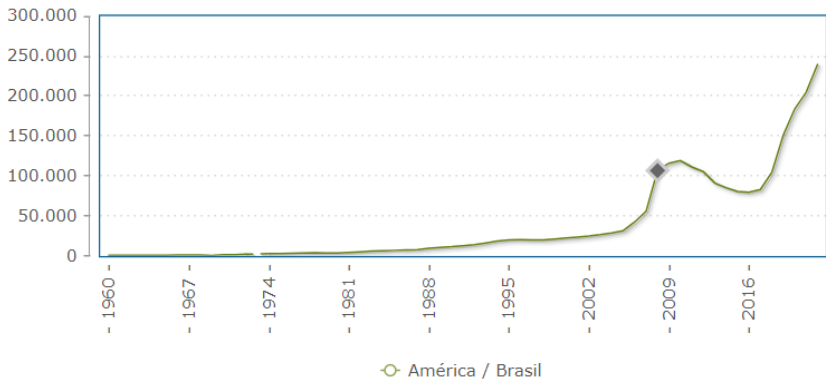
3.1.3 Social Context

Portugal is a country located in southwestern Europe whose only land border is with Spain, thus constituting the Iberian Peninsula. It is bathed by the Atlantic Ocean and consists of a continental part and two autonomous regions, the Azores and Madeira archipelago. Given these characteristics, according to International Institute for Law of the Sea Studies, Portugal has the 5th largest Exclusive Economic Zone (EEZ)¹ in Europe and 20th worldwide. According to the last census carried out in 2021, Portugal had a population of 10.342.066 inhabitants, 2.1% less than the census carried out in 2011.

This business plan deals with the creation of an import company from Brazil to Portugal, it is important to observe its growth in the national territory. According to the PORTDATA portal with data from 2022, the Brazilian population with legal residence status is 239,676, around 2.3% of the population in Portugal. This migration started growing in 2008, as shown in the graph below (Figure 7).

¹ The EEZ constitutes an area located beyond and adjacent to the territorial sea, which extends up to 200 nautical miles from the coastline from which the width of the territorial sea is measured.

Figure 8: Brazilian population with legal resident status:



Source: INE, Pordata (2022)

The Portuguese population with Brazilian nationality has also been increasing over the years. According to 2021 statistics, around 7,736 individuals of Brazilian origin received Portuguese nationality. This figure saw its peak in 2020, around 10,109 individuals, representing 31% of total applications granted within all nationalities (Figure 8).

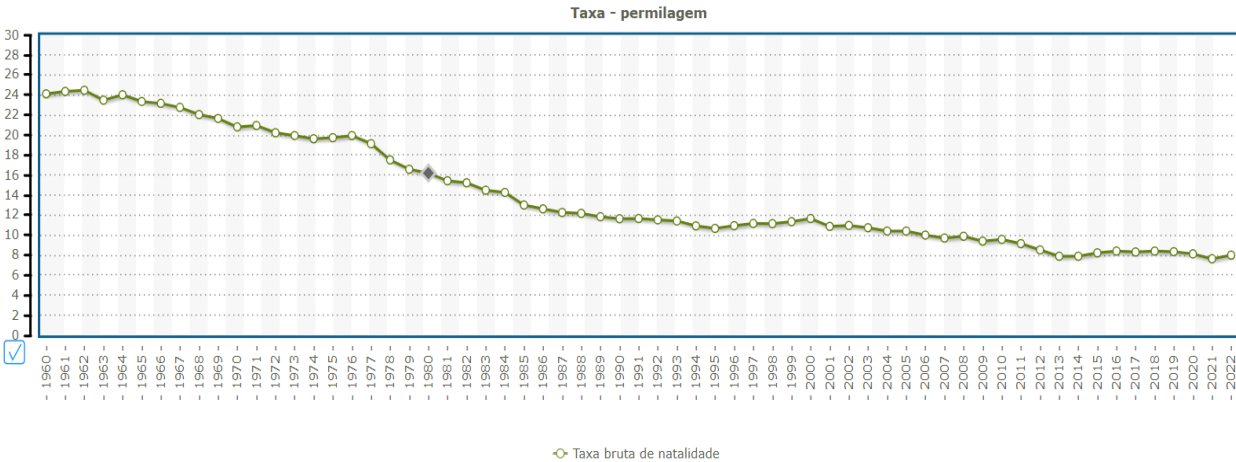
Table 3: Brazilian resident population that acquired Portuguese nationality: total and by main previous nationalities

Years	Total Requests	Requests from Brazil	%
2008	22 408	4 080	18%
2009	24 182	3 993	17%
2010	21 750	4 007	18%
2011	23 238	5 352	23%
2012	21 819	4 596	21%
2013	24 476	5 102	21%
2014	21 124	4 656	22%
2015	20 396	6 394	31%
2016	25 104	7 804	31%
2017	18 022	6 084	34%
2018	21 333	6 928	32%
2019	21 099	6 468	31%
2020	32 147	10 109	31%
2021	24 516	7 736	32%

Source: Adapted INE, Pordata (2022)

In 2022 the gross birth rate was 8.0%, exactly one third of the value recorded in 1960, 62 years earlier. Some of the main reasons related to this event are due to the fact that young people increasingly postpone their autonomy and independence. The increase in years of studying, the late start and financial instability within professional life associated with the increase in the cost of living partly justify this postponement (Figure 9).

Figure 9: Gross Birth Rate



Source: Adapted from INE, Pordata (2022)

Since the beginning of the 2000s, the number of marriages has been decreasing, with 63,752 marriages registered this year. The pandemic period, 2020, for reasons of lockdown reached a historic low of 18,457 registered marriages. In 2022, it recovered pre-pandemic values with 36,151 marriages. The average age of marriage increased, for both men and women, by around 9 years compared to 1960, 33.7 and 24.8 respectively. In 2022 the average age was 35.1 for males and 33.7 for females.

The increase in qualifications in Portuguese society is notable. The table below demonstrates precisely that in 60 years the illiteracy rate reduced 10 times from the value recorded in 1960 of 33.1% to the value recorded in 2022, 3.1% (Figure 10).

Table 4: Illiteracy rate according to the Census: total and by sex

Yers	Total	Masculine	Feminine
1960	33,1	26,6	39
1970	25,7	19,7	31
1981	18,6	13,7	23
1991	11	7,7	14,1
2001	9	6,3	11,5
2011	5,2	3,5	6,8
2021	3,1	2,1	4

Source: Adapted from INE, Pordata (2022)

According to INE, the migratory balance registered in Portugal in 2022 was the highest recorded since 1974 and 1975, after the 25th of April with the arrival of Portuguese residents in formerly occupied territories. In 2022 the balance was positive in 86.9

thousand individuals, which means the value of immigrants was higher than that of emigrants.

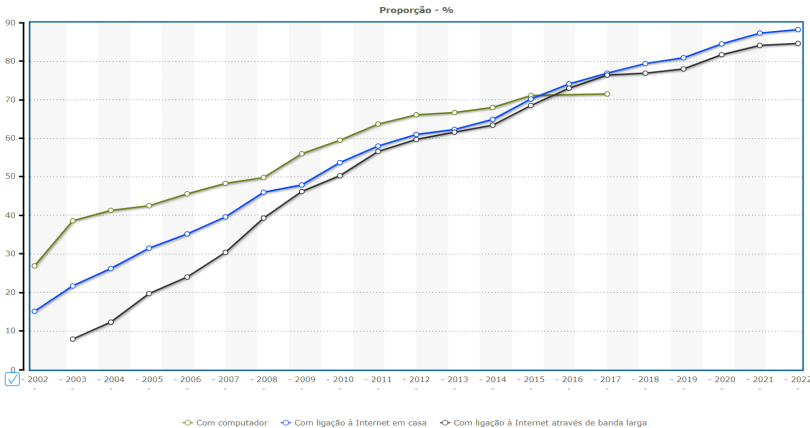
3.1.4 Technological Context

Since the beginning of the 20th century, we have been witnessing an exponential increase in scientific and technological progress, which greatly contributes to improving the quality of life of populations and companies in general. With this, consumption habits change, labor and research and development activities have become more productive in the sense that to carry out the same outcome, service or product, it tends to become cheaper, faster and with less waste.

Here, the internet played a fundamental role in the dissemination of information in the 21st century, becoming indispensably rooted within the day-to-day life of society instantly and omnipresent anywhere in the world. Now access to information, in addition to being easy, can be treated, manipulated and incorporated within an organization to aid decision making for the value chain.

According to INE (2002) and Pordata (2002), only 26.9% of households have a computer at home, with only 15.1% having an internet connection. In 2022, 20 years later, having a computer is no longer counted given the democratization of smartphones, but on the other hand, 88.2% of households have internet access, 61,3 pp higher (Figure 10).

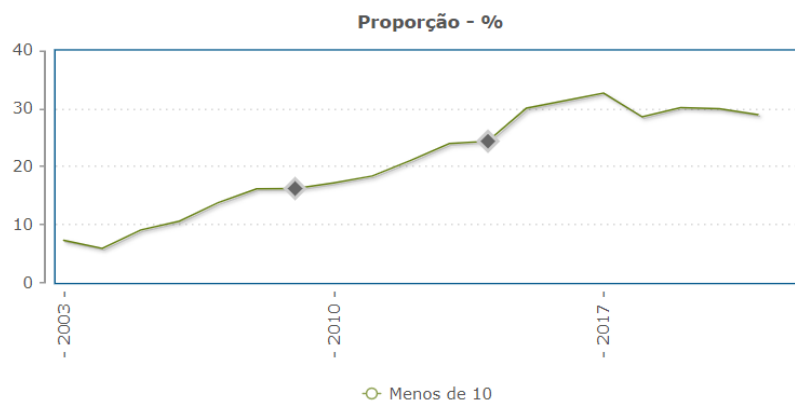
Figure 10: Private households with a computer, with an Internet connection and with a broadband Internet connection (%)



Source: INE, Pordata (2022)

Regarding the percentage of companies with less than 10 employees with an internet presence, in 2003 only 7.3% of all companies had a presence. In 2021, 29.0% of all companies in Portugal have an online presence (Figure 12).

Figure 11: Companies with less than 10 employees and with a presence on the Internet in % of the total number of companies: by employee category



Source: INE, Pordata (2022)

3.2 Transactional Environment

According to Freire (1997), within the transactional environment it is important to analyze all the factors and agents that interact in the industry in which the company operates, that is, all the elements that most closely relate to the company. These elements are designed by skateboarders, clients, suppliers and competitors.

3.2.1 Stakeholders

According to Freeman (1984), Stakeholders are understood as all interested parties who have directly or indirectly some involvement in the company's activity, methods or results. These could be regulatory entities, environmental associations, suppliers, workers, customers, shareholders, among others. It is important to highlight balance in the way interactions between these agents are carried out, in order to meet the needs that benefit the parties involved. For Freedman, these elements are essential in carrying out a strategic plan.

3.2.2 Clients

Knowing the public to whom the company is intended is fundamental to the success of any business. Together, companies and customers form the binomial of supply and

demand, and it is in the hands of companies to know which needs best satisfy their customers' demand, in the sense that no two are alike taking into account their interests, styles, tastes and desires. In this way, each company must previously define what type of market it intends to respond to.

The company called here, “King Groceries”, aims its activity to respond to the needs not only of companies in the large distribution and wholesale sector but also of small local traders who sell food products from Brazil.

With the creation of the company, the aim is to attract and retain customers in this market made up of large, small and medium-sized companies. Thus, through market analysis it is possible to identify some potential customers with a bigger representation of this demand.

Retailers: Auchan Retail Portugal, Pingo Doce, Continente, Lidl, Aldi, Mini preço, Amanhecer and Supercor.

Wholesalers: makro Portugal and Recheio Cash & Carry.

Small specialized retail companies: Mercado Brasil Tropical, Made in Brazil, Mercadim, Império do Brasil and Glood.

3.2.3 Suppliers

A supplier is considered to be economic agents who provide services, sell raw materials, finished products and equipment to companies. Choosing suppliers is no less important and equally impactful than choosing customers. There are several variables to take into account when choosing a supplier as a business partner. Variables such as quality, location, lead time and conditions, whether or not credit is available. A company should not choose a supplier simply based on price.

3.2.4 Competition

Are considered company competitors those economic agents that provide or may provide the same products, substitute products or services in the same market where it operates. “If you know the enemy and know yourself, you need not fear the outcome of a hundred battles. If you know yourself but don't know the enemy, for every victory you gain you will also suffer a defeat. If you know neither the enemy nor yourself, you

will lose every battle”, is a quote from Sun Tzu that applies to the competitive market. It is essential to know the strategies and objectives of the competition in order to act quickly and effectively to meet market needs.

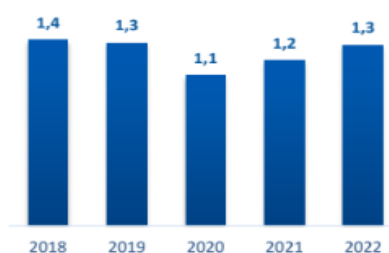
List of the main importers of products from Brazil:

- A Colmeia do Minho, S.A
- FERBAR - Fernando Barros Produção Alimentar, LDA
- Martins & Costa S.A.
- Visalia Market SL, Sucursal em Portugal
- Touch - Comércio, Importação, Exportação E Representação, Lda
- Unidistribuição-participações E Investimentos Lda
- Panegara II - Distribuição, Lda..
- Berver-trading, LDA
- Ofistrade S.A.
- Sin Fan Trading, Lda.
- Comercial Masoliver S.A.U
- Sabor a Mundo, LDA
- Fbdis, Lda
- Armazém Atlântico - Produtos do Brasil e Portugal para toda Europa
- Sociedade de Importação e Exportação Céu Azul, Lda
- KEVAGO – Representação e Distribuição de Marcas
- GLEZ – Importação de Produtos do Brasil

4. Characteristics of the import sector from Brazil

The level of imports into Portugal has remained relatively stable over the last 4 years. Exceptional case in 2020, during the covid 19 quarantine period

Figure 12: Share of NACE G in Total Imports

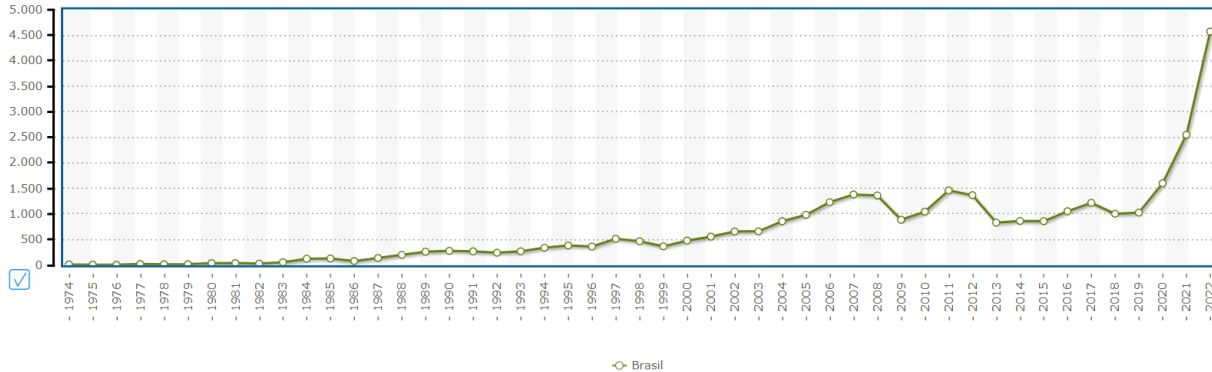


G - Wholesale and retail trade; repair of motor vehicles and motorcycles (SECTION G)

Source: INE, Gabinete de Estratégia e Estudos (2023)

After analyzing the transactional and contextual context, it is also important to characterize the current situation of the import sector in Portugal and, particularly, from Brazil.

Figure 13: Imports of goods from Brazil, total in M€



Source: INE, Pordata (2022)

As can be seen in the graph in figure 13, from the year 2000 onwards the growing trend of imports began to increase slightly, reaching a peak of €1.5M in 2007 and 2011. Although there is no statistical evidence to correlate the two variables, it is possible, through the combination of analysis between figure 7 (Brazilian population with legal resident status) and this figure 13, to observe that the major inflection points of the curves coincide with a gap of very short years. Naturally, the increase in population occurred slightly before the increase in the level of imports, which had its major inflection point in 2019, reaching its peak in 2022 with a total value of €4.5M.

If we analyze the main products imported from Brazil in 2021, it is easy to see from figure 14 that more than half, that is, 63.8%, are petroleum derivatives.

4.1 Incoterms - International Commercial Terms

According to aicep, Incoterms are a set of 11 commercial terms, of a voluntary nature, that make certain obligations in international trade contracts more uniform, clear and transparent. They are accepted globally, and function as multilateral rules, and are translated into three-letter acronyms. (Attachment 2)

The creation of these terms, by the International Chamber of Commerce (ICC), arises within the scope of simplifying the complexity generated between the different jurisdictions and States involved in international trade. It is through this mechanism that small, medium and large companies define in international contracts for the purchase and sale of goods (export/import), in a simple and practical way, certain responsibilities of the seller and buyer, delivery and the risk associated with delivery, obtaining reliability, rigor and security in international business, namely:

- Obligations between the debtor and buyer: describe who is responsible for concluding the transport or insurance contract for the goods, who must obtain the transport documents and import or export licenses;
- Who bears the transport risk: defines where and when the seller "delivers" the goods, that is, at what point the risk is transferred from the seller to the buyer;
- Cost distribution: establishes the responsibility of each party for the costs of the operation, such as transportation and security

In order to adapt these terms to new developments in global trade and reflect best commercial practices, the CCI reviewed these rules after a period of ten years, and on January 1, 2020, the new terms of trade came into force. to apply until 2030, Incoterms®2020.

4.2 Harmonized System and Combined Nomenclature

The International Convention on the Harmonized Commodity Description and Coding System, also known as the Harmonized System, SH, HC, HTS, commodity code or tariff.

The Harmonized System is an international convention created by the World Customs Organization to improve the effectiveness of customs administrations. (explained in 3.1.1.1 Portugal Custom Fees)

This system's main objective is to allow easy and immediate identification of products transacted at any customs office, also applying appropriate taxation and collecting

statistical data. It came into force on January 1, 1988. Given the characteristic of being accepted throughout the world, it requires that it be constantly reviewed and updated in order to respond to technological developments and the emergence of new products. Ensuring the good use of these codes saves time and money.

According to aicep, the general classification covers around five thousand six-digit product categories (the same in 183 countries), which are organized in a hierarchical structure by: (Attachment 3)

Sections;

Chapters (2 digits);

Positions (4 digits);

Subheadings (6 digits).

The classification is made in a progressive order of complexity, always taking into account their level of finishing or their situation in the manufacturing process.

In the European Union (EU) the Combined Nomenclature (CN) is used, which is an eight-digit coding system that includes the codes of the Harmonized System (HS) with other subdivisions of the EU.

5. Company's location

The choice of location for the formation of this company, “King Groceries”, will be in the city of Lisbon. The choice of this location is related to some fundamental factors alongside with the strategy of opening the company of which is announcement below:

- The majority of potential customers have their headquarters and purchasing centers in Lisbon;
- The city is served by the biggest Portuguese airport and has a sea freight port. Therefore, have its disposable a large number of customs agents;
- Proximity to distribution centers and warehouses;
- It has a central location in the country which allows quick and comfortable travel.

6. Internal Analysis

6.1 Value Chain

According to Porter (1985), the value chain analysis presented in organizational management analysis is an instrument that allows identifying the way in which activities carried out individually are a reflection of their differentiation strategy by the formulation and implementation of this strategy in the economic aspects underlying the activities themselves.

This way, it is possible to identify which areas add value to customers and maximize profit. This makes it possible for companies to focus their resources and capabilities in areas where they can improve their performance and create competitive advantages. For Porter, this model considers the existence of primary and support activities. The primary activities are related to physical creation, such as creating the product, selling and transferring it to the customer and after-sales service. Support activities are those that support primary activities such as purchasing inputs, human resources management and other functions that facilitate the smooth functioning of the company (Lopes da Costa, 2012).

Placing this business into practice, I present its value chain:

Primary Activities:

Internal or inbound logistics: These are all activities from receiving the product from suppliers to its storage.

Operations: All activities related to customer orders, i.e. order processing, preparation, packaging and invoicing.

External or outbound logistics: all activities related to the delivery of customer orders by own means or through contracting third-party services.

Marketing and Sales: all activities that involve dissemination and promotion of the company's products as well as product sales.

After-sales service: all activities that involve the evaluation of products by the customer.

Back up Activities:

Infrastructures: all activities that involve administration in general, such as planning and implementation, accounting, finance, taxation, among others. For Porter (1980), these activities are sometimes seen as general expenses, but they can generate forms of competitive advantage.

Human Resources Management: all activities related to people management, from recruitment and selection, training, schedules, salary processing, vacation and task maps and staff motivation.

Technological Development: all activities developed through the use of technological tools that contribute to improving the company's effectiveness and efficiency in controlling its processes.

Purchasing: all activities related to the purchase of products both for the company's main activity and for the purchase of consumables.

Taking into account the reality and the operations of the future company, “King Groceries”, it is possible to highlight some activities that will have a greater role in adding value to future customers. Marketing and Sales, within the primary activities, play a fundamental role, mainly for the direct contact with customers. This empowers the creation of synergies of commercial trust. Finally, the entire logistical process, which is inbound and outbound logistics that will be fed by sales. This translates into success given the fact that it is an import business with sometimes long lead times.

Regarding Support activities, purchasing plays a critical role in the future company in adding value for the customer. Here, play an important competitive advantage for import business, as the price factor is decisive for success.

6.2 VRIO model

The tool for identifying all the different resources and competencies is the well-known VRIO matrix. By analyzing the potential of each of them, it is possible to create a

competitive advantage (Barney and Hersterly, 2015). As already referenced and explained in the Literature Review, this matrix is divided into four questions about the value and resources available in the company, which I will now list: Value, Rarity, Imitability and Organization (see figure 5 - Literature Review).

In the context of opening this business, which involves importing food consumption goods, the main resource that generates a sustainable competitive advantage is the purchase price. This resource may not be easy to imitate, due to negotiating power associated with partnerships and contracts under beneficial conditions in Brazil.

In addition to the purchase price, it is important to highlight the author's network of contacts within the food retail sector given his professional career, which is seen as a facilitating factor in an initial approach to customers, being considered to have a temporary competitive advantage.

This business plan, at this stage, considers the fact that the author does not yet have experience in the import business as a competitive disadvantage.

Figure 17: KG’s VRIO matrix

	<i>Is a Resource or Capability:</i>				Competitive implications
	Valuable?	Rare?	Costly to imitate?	Exploited by organizations?	
Author’s Import experience	No	—	—	No	Competitive disadvantage
Customer’s demand	Yes	No	—	↑	Competitive parity
Author’s Network	Yes	Yes	No	↓	Temporary competitive advantage
Purchasing Price	Yes	Yes	Yes	Yes	Sustained competitive advantage

Source: Author adaptation to the business plan

7. Competitive Analysis

7.1 Five Forces of Porter

According to Porter (1980), not all industries have the same level of potential or attractiveness. Thus, the five forces model of market analysis identifies the different forces of a given industry.

This model's main objective is to understand the competitive environment in which the company finds itself and also identify future strategies with the ability to leverage some competitive advantage over the competition.

The essence of building a competitive strategy, according to the author, is the possibility of relating a company with its surrounding environment, whether contextual or transactional environments.

7.1.1 Rivalry among Competitors

Rivalry between competitors is revealed by the dispute over tactical positions that normally involve prices, introduction of new products and/or services, better distribution systems, among others, in order to pressure or consolidate their position in the market through increasing market share. In a sector or industry, strong rivalry between competitors is considered to exist when:

- There are a high number of competitors;
- The market growth rate is slow;
- Fixed costs are high;
- There is an absence of differentiation;
- There are entry and exit barriers;
- There is a high diversity of competitors.

In the sector of activity that King Groceries intends to enter, there is some rivalry between competitors, since the number of players is high, however there are no major barriers to the entry and exit of new competing costs. For clients, the change is simple in the sense that diversification is not high, but none are experts. The value of this strength is considered medium (2,91 on one scale of 1 to 5)- (attachment 1).

7.1.2 Threat of new Competitors

This force refers to the threat felt by companies already established in the market in relation to new ones that intend to enter. This threat is greater the greater the difficulty in accessing the market. According to Porter, entry difficulty can be considered high if:

- Does not require large investment
- If there are easily accessible subsidies provided by the state;
- Low economies of scale;

- Lack of product/service differentiation.

In this market where the company intends to enter, this threat is considered low (2.67 on one scale of 1 to 5) - (attachment 1).

7.1.3 Threat of Substitute Products

In each and every sector of activity there are companies capable of introducing substitute products/services that can be considered threats to existing ones. According to Porter (1979), these products considered substitutes reduce the profit potential of companies already operating in the market since they place a new limit on the profit margin. This phenomenon appears when there is an increase in supply. This risk is greater for companies the better the cost/benefit ratio in relation to existing products, especially when the impact on the customer is lower, if it involves technological innovations and new products are of higher quality.

In the sector that this new company intends to enter, despite its high complexity, there is not a large number of substitute products for equivalent products not yet produced in Europe. The value of this force is considered low (2.20 on one scale of 1 to 5) - (attachment 1).

7.1.4 Suppliers' Bargaining Power

In all businesses, regardless of the sector, it always depends on its suppliers, whether raw materials or finished products, that can put any company at an advantage over its competition. Therefore, the negotiating power of suppliers is considered high if:

- There is a small number of suppliers;
- when there is a high cost of changing suppliers;
- when the buyer is highly dependent on a specific supplier;
- When there are no substitute products/services.

Regarding the new company King Groceries, the negotiating power of suppliers is considered moderate (3.40 on one scale of 1 to 5) - (attachment 1), given that it is considered an import market with little supply of substitute products.

7.1.5 Customers' Bargaining Power

Naturally, and in order to satisfy their needs, each and every customer constantly seeks the best price/quality ratio. In effect, we can say that this influence regulates the market, leading to competitive prices. For Porter (1980), customers have negotiating power when:

- There is little product differentiation;
- When there is a high number of competitors;
- When purchasing large quantities of product;
- When they prove to be fundamental to the turnover of a given company.

The negotiating power of customers with the future King Groceries is considered low, (2.20 on one scale of 1 to 5) - (attachment 1) in the sense that there are no substitute products, it is an expanding business and competition is relatively low, but there is a low cost of changing suppliers for customers.

After analyzing Porter's 5 Forces, we can conclude that the future company will enter a sector where attractiveness is considered moderate, given that there is no differentiation between products and ease in changing suppliers for customers. On the other hand, the demand for this type of product is starting to increase, becoming a necessity with an increasingly significant volume of business.

7.2 SWOT Analysis

For a company to achieve the desired success and defined objectives it must know its capabilities, resources and limitations. To do this, it is necessary to carry out an internal analysis or diagnosis of the internal organizational environment.

This type of analysis allows you to identify the strengths and weaknesses of an organization. With this it is possible to determine the competitive position of a company compared to its main competitors. The identification of these strengths and weaknesses in parallel with the identification of opportunities and threats constitutes the SWOT analysis, already referenced in the Literature Review.

Table 5: KG´s SWOT Analysis

Strengths	Opportunities
Good management practices Cost - Benefit: Purchase in volume which allows you to have a better price and margin Inventory control: Supply is equal to demand, that is, purchases are proportional to orders Favorable market conditions Knowledge of the retail market	National expansion: Portugal has a network of thousands of stores selling widely distributed brands International expansion within Europe Direct online sales to end consumers Partnerships with importers from other niches and increase diversification
Weaknesses	Threats
Lack of experience in the import market Dependence on international suppliers Initial stock required without customer orders Probability of stock outages to satisfy new contracts No non-exclusive brands Exposure to competition	Effects of inflation on purchasing power: purchasing volume decreases Bankruptcy of small customers: bad credit Exchange rates and currency fluctuations Problems in logistical distribution

Source: Author adaptation to the business plan

After identifying the positive and negative factors of the internal and external environment for the new King Groceries, it is important to highlight that it must maximize market opportunities and minimize the possible effects of threats. To better define the strategies that will align behavior with opportunities and threats, SWOT is dynamic, as it compares the current paradigm with the future situation.

Table 6: KG´s SWOT Dynamic

		Strengths	Weaknesses
Environment	Opportunities	Increase business volume through customer diversification Consolidate the purchase vs delivery cadence Promote the company from the beginning in order to promote its notoriety and growth Creation of strategic partnerships	As a company created from scratch and without experience in the import business, the lack of processes and standardization involved in the supply chain can lead to financial losses and business volume.
	Threats	The current (2023) inflationary instability in Europe, with a shared impact on the purchasing power of the inhabitants of Portugal, may make it difficult to choose to purchase imported products. Create and establish good purchase price control	The decision to create a company from scratch is a complex, rigorous and uncertain process, meaning any detail could jeopardize the viability of the project.

Source: Author adaptation to the business plan

8. Strategic Analysis

8.1 Business Analysis

The result of the success of any business lies in its planning, objectives and ambition, in other words, in the strategy. Entrepreneurs who make the mistake of establishing

only a short-term vision that focuses only within the organization could put its future success at risk.

According to Freire (1997), a company's main strategic decision is related to its own needs, only after that, it should turn to the products and services that it will make available to customers.

8.1.1 Porter's Generic Strategies

According to Porter (1991), there are three types of generic strategies that companies can adopt in order to respond to the needs of their customers. These strategies are:

- Cost Leadership;
- Differentiation;
- Focus.

Adopting a strategy guided by Cost Leadership, the company must have its main focus on controlling and reducing costs.

For this to be viable, the company must validate the efficiency of its production, its methods and avoid risks when spending a large volume of resources on activities that are not its core activities.

When we choose the path through the differentiation strategy, the focus is on quality, since the choice of products and services chosen have different attributes than those present in the mass market. Here we can talk about communication and marketing, research and development, design, faster distribution, packaging or even more qualified human resources, in a way that justifies the higher final price.

Lastly, we have the focus strategy. Here the company must specialize in a niche or just a market segment and respond to its needs, which other companies have difficulty entering or are not interested in.

In the case of the future King Groceries, being the initial phase of the company, it will follow the path through the combination of Cost Leadership strategy, rigorous cost control, future negotiations with business partners and the Focus strategy, given that it is a importation from Brazil to Portugal for a small part of the resident population.

This way the company guarantees a good margin on sales, making it possible to cover costs and generate profits.

Differentiation will also be possible in the near future, as there is still a great opportunity to explore new products and services.

8.2 Corporate Analysis

8.2.1 Product-Markets Strategy - Ansoff matrix

It is now essential to characterize the product-market matrix. This matrix, also known as the Ansoff Matrix (Ansoff, 1965), aims to relate all products made available by the organization with their respective target market, as well as identifying new opportunities. To do this, we refer to 4 strategic quadrants of analysis:

- Market penetration;
- Market Development;
- Product Development;
- Diversification.

The strategy for creating the future import and export company King Groceries will involve Market Penetration and Diversification strategies. The first happens when you explore existing markets with existing products, the second happens when you start selling existing products in new markets. Serving a new development plan, in the case of King Groceries, would be territorial expansion both nationally and internationally, which in the current plan would be more appropriate from a medium-long term perspective. Therefore, it is concluded that, for the current moment, the company should focus on the Market Penetration strategy.

8.2.2 Outsourcing

Outsourcing happens when a company decides to transfer responsibility for one or more specific functions from within the organization to the outside. This decision-making allows the company to reduce costs and improve its performance, as it focuses on its core business. All of this is possible, because there are companies on the market that, through various dimensions, such as economies of scale, process experience and access to technology, perform the same task but more effectively and efficiently. Typically, these companies make their core business complementary to other

companies they serve, bringing competitive advantages to them (Lopes da Costa, 2012).

In the case of the company presented in this business plan, accounting, legal and logistics services will be outsourced.

9. Strategy Formulation

9.1 Mission, Vision and Values

When we visualize the mission of a company, it must state what makes a company different from the rest through the designation of its purpose, in which sector and business it is present and what values and principles it presents during its activity. The vision is something defined as utopian, that is, an ambition that will guide the company's path and efforts in creating the future, whether it is different from the current reality or simply a manifestation of will. Values are the beliefs that should be reflected in the structure of the company's culture and practices (Freire, 1997; Carvalho and Filipe, 2014).

Therefore, I will announce the mission, vision and values of the future company, which, at this stage, will be merely indicative and may be changed at the time of its future constitution.

Mission: To offer the best product offering in the world at the best prices.

Vision: To be the market leader in the consumer goods import business, bringing its diversity to the world.

Values: Human first, work ethic, seriousness, honesty, confidentiality, dedication, quality, humility and fun.

9.2 Company Objective

The company's objectives must be fully aligned with the mission, vision and defined values.

In management, there are typically two types of objectives: Big goals and SMART objectives. Big goals aim to define goals that are intended to be achieved in the medium/long term and are generally considered more general. On the other hand, for

these to be possible to achieve, specific objectives must be defined to guide the path of this ambition. This is where SMART comes in, which are specific, measurable, attainable, realistic and timely (Carvalho e Filipe, 2014).

Big Goals Objectives:

- Gain market share
- To be a leader in the import market from Brazil to Portugal
- Capture and retain new customers
- Create a reference company.

SMART Objectives:

- Start activity in 2024
- Being able to close partnerships with suppliers in 2024
- Be present at international consumer goods fairs
- Obtain 2 food retail customers in 2025
- Achieve exclusive marketing rights for a product brand at the beginning of 2026
- Be a leader in the Lisbon region in 2026

9.3 Critical Success Factors

The analysis of a company's Critical Success factors is based on the identification of the skills necessary for the business to be successful. They are crucial for the defined objectives to be achieved. According to Grant (2008), the success of a company depends on the FCS as it enables the existence of competitive advantages.

In the case of the future company, given that its activity has not yet been opened, it currently does not have any critical success factor, although price and lead time will certainly be the factors that can differentiate it from others.

10. Strategy Implementation

10.1 Marketing Mix

The growth, the growth of Marketing in general in all companies, is notable, as it has been gaining an increasingly preponderant role in the business world. According to

Kotler (1973), the role of Marketing is to make the sales effort superfluous by concentrating the customer's needs and desires, making the product or service sold by itself, thus being considered the most appropriate.

In this way, the objective of Marketing is now to sell the right product to the right customer, contradicting the opposite strategy that had been used.

Thus, according to McCarthy (1960), the Marketing Mix must have four essential variables in line:

- Product;
- Price;
- Placement;
- Promotion.

10.1.1 Product

According to Kotler (1988), a product is something that is capable of satisfying a need, and it is important to emphasize that the concept of products may or may not be tangible.

In this way, it is possible to say that anything that satisfies a need or provides a service can be called a product. The author also states that we can call the product a resource or an offer.

The success of any import business depends on the demand for the product being sold, as it aims to fill a gap in the current market supply. In this case, the offer is defined by the customers, who will be the large distribution chains that will condition the number of references available to sell. We can say that there will not be a specialization in a specific product but in an origin and that this is the attribute that will respond to the needs of the customers we intend to serve.

10.1.2 Price

The second "P" of the Marketing Mix model is Price, according to the author, this variable is considered the most flexible of all those present in the model and the only one with the capacity to generate revenue in countercycle with the remaining variables that only generate costs. Based on this characteristic, Price plays a significant role in the strategy of this model as it is part of the purchasing decision by customers, as it represents the cost to be paid for using the product or service.

To determine the price of any product or service, according to Kotler (1988), there are three elements to consider, which are demand, production cost and competition. From here onwards, the margin on products varies in accordance with these attributes.

As price is the driving element of the marketing strategy, it is important to highlight the perception it can cause among customers. In other words, if it is too low, it will make the customer understand that the product or service is of lower quality and will have a negative effect on the potential margin. If it is too high, it could make the customer understand that it is a product or service that is well above average, alienating most of them (Lendrevie et al., 2015).

In the case of the future company King Groceries, the issue of commercial and financial discounts must be taken into account in the composition of its future price, as in the sector it is common to apply discounts through bulk purchases in the first case and discounts that promote combat to non-performing credit, normally applied to prompt payment.

With the opening of the company, as it is a new player in the market, it must follow a pricing strategy that allows it to penetrate the market. This strategy translates into a more aggressive initiative in order to attract the maximum number of customers. To achieve this, the price must be slightly lower than the competition's price.

10.1.3 Placement

Placement concerns the set of processes inherent and necessary to make products or services available on the market. According to Lendrevie, et al. , 2015, it consists of pushing products to customers through various sellers or distributors.

This strategy has undergone several evolutions over time, its growth has been determined by the growing number of competitors in the various existing markets. These agents seek to ensure the best accessibility of their products and services to their customers so that demand remains high and at an increasing rate (Kotler, 1988).

In the context of the import business and in this case in particular, for now King Groceries will position itself as a “middle man”, that is, it will not have a physical store

and initially, it will not have an online store. Therefore, the sale of its products will be through stores owned by retailers, wholesalers and specialized local stores.

10.1.4 Promotion

The last strategy of the Marketing Mix methodology, Promotion or Communication, aims to make known and promote a company's products or services to its customers. According to Lendrevie et al., 2015, it is not enough to develop a good product without making known the appreciation of its potential, through various means of communication such as advertising, public relations, merchandising, among others. Nowadays, more and more companies invest in communicating their products or services, the aim is to be the “voice” of the company with the rest of the world (Kotler and Keller, 2006). At the beginning of any business, it is essential to create and promote a good image among customers through the values that will govern the company, creating a positive and viral impact through word of mouth.

10.2 Resources

According to Freire (1997), the better or worse performance of a company within trends in a similar environment result from its management capacity being better than the rest.

10.2.1 Organization Chart

The organizational structure is responsible for putting together and implementing the entire strategic plan. In an already established company, this structure can be quite extensive and complex. Mintzberg (1980) presents five different types of structures, namely simple, mechanistic bureaucracy, professional bureaucracy, divisional structure and adhocratic structure. According to Freire (1997), the organizational structure represents the link between strategic guidelines and the market in which the company operates.

In the case under analysis, given that it is a business opening from scratch, initially it will only be an employee who will be the founding owner.

In the future, with the expected growth of the business, the intention is to continue the organic growth of the company by creating 3 new departments. This action allows attention to be paid to specialization and added value compared to competitors.

The structure, according to the characterization made above, will be simple and characterized by having few employees, a weak division of labor with centralized decision-making power and informal communication. According to Mintzberg (1980), this type of structure typically occurs in small companies or entrepreneurial companies.

10.2.2 Human Resources

Companies are made by people and any business that wants to grow and generate value must ensure that it has employees with the right attitude in the right role.

For the future, it intends to start with a hiring process where at least 3 people can be employed with a view of specialization and adding value. These roles will be a Key Account Manager who deals with retail companies and wholesalers, a Sales Force Manager who deals with small companies without a purchasing department and a Logistics & Customs Manager who deals with logistics and customs operations. All support activities outside the company's core business will be outsourced.

This intention depends on the volume and growth of sales achieved by the company in the coming years.

10.2.3 Material Resources

To guarantee the operation of the company, a structure of material assets is necessary, which I will announce:

- **Physical Space:** Initially, the company will operate from the author's own home, in Lisbon. In a second moment, when the team expands, an office space will also be rented in the city of Lisbon.
- **Computers:** when it comes to all computer equipment to carry out activities within the company, it will be necessary to purchase a laptop worth 1,000 euros (VAT not included), a printer with scanner worth 150 euros (VAT not included) and a mobile phone worth 700 euros (VAT not included)

- Transport: Given the need to travel, to carry out tasks and business commitments inherent to the company's activity, the author will use his personal vehicle with payment of kilometers and toll by the company.

10.2.4 Project Manager

The project manager will be myself, the author, Francisco Ferreira. I have a degree in Economics from ISEG Lisbon School of Economics and Management at the University of Lisbon, and I will have a master's degree diploma in Management from ISCTE Business School after delivering and defending this business plan. Furthermore, I started my professional career in 2015 as a strategic human resources consultant and since 2017 I have been working in the retail area. I worked for 3 large international groups, having performed various roles. I currently work as an operational management controller.

As project manager I will be responsible for planning, coordination, execution and control. In the sense that this business plan will translate into a personal entrepreneurship initiative, I consider my academic and professional background suitable for doing so.

10.2.5 Sales Force

The sales force of a business is made up of people who represent the company with the ambition of achieving commercial results and building its image. According to Lendrevie et al., 2015, when the sales force is led by people, it is necessary to have an excellent understanding of what the customer needs, as well as adapt the speech accordingly.

In this case, the sales force, initially, will only be made up of the founder, who will be responsible for capturing and maintaining relationships with customers. As mentioned in the previous point, strength is expected to increase as trading volume also increases.

10.2.6 Accounting and Legal Support

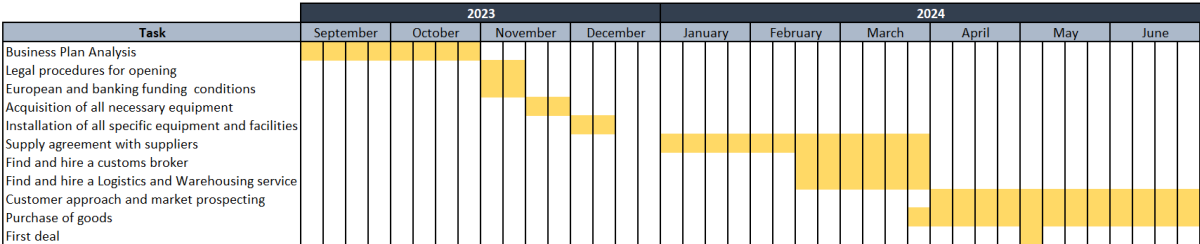
The legal and accounting support for the future King Groceries will be provided by an external company. This company will be responsible for all accounting entries and

organization, payroll processing, P&L construction and tax calculation. The monthly fee for this type of service is €200 (VAT not included)

10.2.7 Implementation Plan

After identifying the resources necessary to open the King Groceries import company, it is now important to prepare the implementation plan for the initiatives described above. The graph represented in figure 17 identifies the schedule in an orderly manner and progress in the various phases until the start of the activity.

Figure 18: Gantt Chart



Source: Author adaptation to the business plan

The first stage involves analyzing and correcting any errors in this business plan. The deadline for completion of this task will be until the end of October.

Then, all the bureaucratic tasks inherent to opening a business will be carried out, both at a legal level and in terms of financing programs from European community funds to support young entrepreneurs.

The conditions and form of financing for the project will be divided as follows, by equity, by European funds and, if necessary, using bank loans. It is estimated that this approach will take place over two weeks. It is expected, by mid-December, all necessary information and the bureaucratic needs will be completed.

Subsequently, for approximately 12 weeks, the survey of possible suppliers, partners can take place. The initiation of negotiations for supply agreements and definition of stock shipments (quantity and value) can be defined. Following this stage, I will move on to searching and negotiating with logistics, warehouses and customs brokers suppliers to ensure that the distribution network is ready to work when the first order arrives.

Finally, all the customer approach and market prospecting work together with purchasing and negotiation started at the end of March with no end date as this activity is the core business of this company. It is expected that the first sale will take place at the beginning of May.

11. Study of Economic and Financial Viability

The main objective of this business plan is to analyze the economic and financial feasibility for the creation of the import company King Groceries. This type of analysis is the most important criteria from the perspective that it determines the feasibility of implementing this, or any other business project.

In this way, according to the intention and information interested, three scenarios were created regarding the cost and sales forecast. The first with a realistic perspective, the second pessimistic and finally optimistic. Consequently, through planning financial projections it was possible to calculate project forecast indicators such as NPV (Net Present Value), IRR (Internal Rate of Return) and payback.

11.1 Assumptions

Before starting the analysis, it is important to mention the assumptions behind the financial statements, as they influence the results obtained:

- All figures are the best estimate possible taking into consideration the company yet does not exist;
- Average Collection Period for SMEs in Portugal for the quarter of the year according to Banco de Portugal: 56 days;
- Average Payment Term for SMEs in Portugal for the quarter of the year according to the Bank of Portugal statistics: 60 days;
- IRC rate: 23%
- Salary increases compatible with the estimated inflation rate 2,1% from 2025 ahead
- VAT normal rate: 23%, VAT intermediate rate: 13%; VAT reduced rate: 6%
- 2023 Inflation rate is 5.2%, 3.3% in 2024 and 2.1% in 2025
- 129 goods available to sell
- Stock rotation - is the same for all the product KG sells in every customer

11.2. Sales and Cost Forecast

Food retail companies and wholesalers are KG's main customers. Therefore, in 2023 in Portugal, according to the collection made by the author (see Annex 2), there are around 2171 stores of which 2155 has a centralized purchasing department.

There will not be a physical sales space, assuming that the sale will be via product cardex with a yearly price table in which will establish the base of negotiations. Visits to customer stores and head offices will be merely to create relationships and control the availability and display of products.

To construct the sales forecast, two complementary approaches were considered, the average article margin and the number of stores supplied monthly, both in three different scenarios. According to the Gantt chart, in the first year sales only started in May (7 months of operation). The following years will have the full 12 months of exploration.

Table 7: Annual sales forecast in Euros (€) and percentage (%)

Annual Sales Forecast €					
Scenario/ year	2024	2025	2026	2027	2028
Pessimist	160 137	457 536	915 071	934 288	467 144
Realist	140 120	400 344	800 687	1 201 031	2 001 718
Optimist	200 172	686 303	1 029 455	1 715 759	2 058 910

Annual Sales Forecast %					
Scenario/ year	2024	2025	2026	2027	2028
Pessimist		185,7%	100,0%	2,1%	-50,0%
Realist		185,7%	100,0%	50,0%	66,7%
Optimist		242,9%	50,0%	66,7%	20,0%

Source: Created by the author

The respective Costs of Goods Sold and Materials Consumed (COGS) are calculated according to the gross margin practiced by the company. As a result of the increase in sales, it is predictable this indicator also will increase during the exercise, being higher year after year. Since this company still does not exist, it is not possible to properly calculate without a rough estimation.

COGS are calculated according to the gross margin practiced by the company. As a result of the increase in sales over the five years, COGS will be higher year after year. In the first year of activity, the company has no existence as it is the year in which the activity began. The high values in the following years are justified by the diversity of

stock that the company intends to offer, in order to satisfy the different needs of customers. For the pessimistic and optimistic scenario, the recently calculated COGS values, see attachment 8. In table 8 it is possible to check the COGS values for the realistic scenario for the 5 years of activity.

Table 8: COGS

COGS - Realist					
Heading/ year	2024	2025	2026	2027	2028
Beginning Inventory	0	58 050	223 907	269 660	481 270
Purchases	100 086	285 960	285 960	571 920	1 143 839
Ending Inventory	42 036	120 103	240 206	360 309	600 516
COGS	58 050	223 907	269 660	481 270	1 024 594

Source: Created by the author

External services provider (ESP) values will have estimated costs. To fulfill its purpose, KG will need an office measuring around 50 square meters with a rent of €1000 since the price per square meter in Alvalade is €20/m². Over the years, values will be influenced by the inflation rate. This item will be unchangeable in the 3 scenarios.

Table 9: External Services Provider

External Services Provider (ESP)						
Heading/ year	Monthly	2024	2025	2026	2027	2028
Office materials	50	350	613	625	639	652
Water	20	140	245	250	255	261
Electricity	50	350	613	625	639	652
Fuel	150	1 050	1 838	1 876	1 916	1 956
Marketing	70	490	858	876	894	913
Accounting	200	1 400	2 450	2 502	2 554	2 608
Communication	50	350	613	625	639	652
Rents	1000	7 000	12 252	12 509	12 772	13 040
Insurance	100	700	1 225	1 251	1 277	1 304
Other Costs	80	560	980	1 001	1 022	1 043
Total	1 770	12 390	21 686	22 141	22 606	23 081

Source: Created by the author

Given that the average payment period is 60 days, payments for each year of project evaluation and respective outstanding amounts are calculated.

Table 10: ESP debt

ESP	2024	2025	2026	2027	2028
Buyings	12 390	21 686	22 141	22 606	23 081
Payment	3 540	3 540	3 540	3 540	3 540
Credit	8 850	18 146	18 601	19 066	19 541

Source: Created by the author

Moving on to Personnel Expenses, it is important to mention several parameters. The number of employees will depend solely and exclusively on the evolution of the volume and complexity of the business. Although it is included in the strategic plan, for the sake of optimization and productivity, KG will not hire any employees. For now, the only employee is the owner. All core services will be outsourced.

Table 11: Monthly salary

Salaries			
	Salary	Social Security	meal allowance
Owner	3 000 €	23,75%	8 €

Source: Created by the author

It was defined that the increase in salary payments will be in line with the inflation rate, 2.1% from 2025 onwards. To 2024, the year of the launch in May, according to the Portuguese law christmas allowance and the meal allowance will be paid according to the proportional months of work (6,5 months). Therefore, the total expenditure per year of activity in the realistic scenario (Table 12).

Table 12: Annual Personal Expenses

Personnel Expenses					
	2024	2025	2026	2027	2028
Annual Salary	22 750 €	42 882 €	43 783 €	44 702 €	45 641 €
Social Expenses	5 403 €	10 184 €	10 398 €	10 617 €	10 840 €
Meal allowance	1 144 €	1 936 €	1 936 €	1 936 €	1 936 €
Total	29 297 €	55 002 €	56 117 €	57 255 €	58 416 €

Source: Created by the author

Regarding Value Added Tax (VAT), the company adopts a quarterly periodicity regime, delivering periodic declarations relating to operations in May, August, November and February of the following year. The values of Output VAT from sales and Deductible VAT from external purchases and supplies are presented below from a realistic perspective (Table 13).

Table 13: Annual VAT calculation

	VAT				
	2024	2025	2026	2027	2028
Paid					
Sales	32 228 €	92 079 €	184 158 €	276 237 €	460 395 €
Deductible					
Initial Investment					
Purchase of Merchandise	23 020 €	65 771 €	131 541 €	197 312 €	328 854 €
ESP					
Office materials	81 €	141 €	144 €	147 €	150 €
Water	32 €	56 €	58 €	59 €	60 €
Electricity	81 €	141 €	144 €	147 €	150 €
Fuel	242 €	423 €	432 €	441 €	450 €
Marketing	113 €	197 €	201 €	206 €	210 €
Accounting	322 €	564 €	575 €	588 €	600 €
Communication	81 €	141 €	144 €	147 €	150 €
Rents	1 610 €	2 818 €	2 877 €	2 938 €	2 999 €
Insurance	161 €	282 €	288 €	294 €	300 €
Other Costs	129 €	225 €	230 €	235 €	240 €
Total ESP	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
Total Deductible	25 869 €	70 759 €	136 634 €	202 512 €	334 162 €
Total VAT	6 358 €	21 321 €	47 524 €	73 725 €	126 233 €

Source: Created by the author

11.3 Fixed capital and Amortization

In order to start activity at the company KG, you will need fixed assets that are essential for its operation. Regarding Tangible Fixed Assets, he says, the company will purchase a computer, various office equipment such as a photocopier/printer and the necessary furniture. A commercial vehicle will also be purchased. The management computer program will be the company's only Intangible Fixed Asset. The values shown in the following table do not include VAT.

Table 14: Investment in Fixed Asset

Fixed asset	
Tangible fixed asset	2024
Laptop	1 000 €
Office equipment	750 €
Furniture	1 500 €
Transporte	20 000 €
Other investments	2 000 €
Total	25 250 €
Intangible fixed assets	
Software	2 000 €
Total	2 000 €
Total Fixed Assets	27 250 €

Source: Created by the author

Fixed assets are amortized according to the rates in force in Regulatory Decree no. 25/2009 of 14 September. For the 5 years of financial assessment, all fixed assets are

fully depreciated except furniture material which has a residual value of 563 euros (Table 12).

Table 15: Annual Amortization

Amortizations							
Tangible fixed asset	Value	Fee	2024	2025	2026	2027	2028
Laptop	1 000 €	33,33%	333 €	333 €	333 €		
Office equipment	750 €	20,00%	150 €	150 €	150 €	150 €	150 €
Furniture	1 500 €	12,50%	188 €	188 €	188 €	188 €	188 €
Transporte	20 000 €	25,00%	5 000 €	5 000 €	5 000 €	5 000 €	
Other investments	2 000 €	25,00%	500 €	500 €	500 €	500 €	
Software	2 000 €	33,33%	667 €	667 €	667 €		
Total Fixed Assets	27 250 €		6 837 €	6 837 €	6 837 €	5 838 €	338 €

Source: Created by the author

11.4 Funding

The amount of capital required to start the activity is €127,336, which will be partly financed by equity and the rest by a bank loan. Despite the difficulty in accessing credit in recent years, due to increases in interest rates, the company obtained a loan from the author's usual bank in the amount of €65,000. With a nominal annual interest rate of 7.07%, repayment will be in 10 years, with constant annual installments worth €6,500 each. There will be a grace period in the first year, with only interest and stamp tax required to be paid at the current rate (4%).

Table 16: Bank Loan

Bank Loan					
Heading/ year	Inicial Debt	Interest	Stamp Tax	Amortization	Final Debt
Year 0	65 000 €	4 596 €	184 €	0 €	65 000 €
Year 1	65 000 €	4 596 €	184 €	6 500 €	58 500 €
Year 2	58 500 €	4 136 €	165 €	6 500 €	52 000 €
Year 3	52 000 €	3 676 €	147 €	6 500 €	45 500 €
Year 4	45 500 €	3 217 €	129 €	6 500 €	39 000 €
Year 5	39 000 €	2 757 €	110 €	6 500 €	32 500 €
Year 6	32 500 €	2 298 €	92 €	6 500 €	26 000 €
Year 7	26 000 €	1 838 €	74 €	6 500 €	19 500 €
Year 8	19 500 €	1 379 €	55 €	6 500 €	13 000 €
Year 9	13 000 €	919 €	37 €	6 500 €	6 500 €
Year 10	6 500 €	460 €	18 €	6 500 €	0 €

Source: Created by the author

11.5 Financial Statements

Table 17: P&L

P&L					
Year	2024	2025	2026	2027	2028
Sales	140 120 €	400 344 €	800 687 €	1 201 031 €	2 001 718 €
Total operating income	140 120 €	400 344 €	800 687 €	1 201 031 €	2 001 718 €
COGS	58 050 €	223 907 €	269 660 €	481 270 €	1 024 594 €
ESP	1 770 €	12 390 €	21 686 €	22 141 €	22 606 €
Transport	9 787 €	19 574 €	39 148 €	97 870 €	293 610 €
Stamp Tax		184 €	184 €	165 €	147 €
Personnal Expenses	29 297 €	55 002 €	56 117 €	57 255 €	58 416 €
Amortization	6 837 €	6 837 €	6 837 €	5 838 €	338 €
Total Operating Costs	105 741 €	317 894 €	393 632 €	664 539 €	1 399 711 €
Operational result	34 379 €	82 449 €	407 055 €	536 492 €	602 007 €
Financial Income					
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Current Income	29 783 €	77 854 €	402 919 €	532 815 €	598 790 €
Extraordinary Results					
Result before Tax	29 783 €	77 854 €	402 919 €	532 815 €	598 790 €
Income Tax	6 850 €	17 906 €	92 671 €	122 548 €	137 722 €
Net Result of the Year	22 933 €	59 948 €	310 248 €	410 268 €	461 069 €

Source: Created by the author

Table 18: Forecast Treasury Budget

Treasury budget					
Year	2024	2025	2026	2027	2028
Opening Balance		62 123 €	29 200 €	460 367 €	962 697 €
Treasury	0 €	62 123 €	29 200 €	460 367 €	962 697 €
Receipts					
Year Sales	140 120 €	400 344 €	800 687 €	1 201 031 €	2 001 718 €
VAT current year	32 228 €	92 079 €	184 158 €	276 237 €	460 395 €
Other receipts					
Sales/ receipts from last year		21 796 €	62 276 €	124 551 €	186 827 €
VAT sales last year		5 013 €	14 323 €	28 647 €	42 970 €
Total Receipts	172 348 €	581 355 €	1 090 645 €	2 090 833 €	3 654 608 €
Payments					
Investment payments i.					
Investment VAT					
Merchandise Suppliers	108 242 €	302 271 €	318 583 €	653 478 €	1 388 514 €
VAT Suppliers	24 896 €	69 522 €	73 274 €	150 300 €	319 358 €
Personnal Expenses	22 750 €	42 882 €	43 783 €	44 702 €	45 641 €
Other Suppliers	12 390 €	21 686 €	22 141 €	22 606 €	23 081 €
Other Suppliers VAT	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
SOPE (SS, IRS withheld)	4 503 €	8 487 €	8 665 €	8 847 €	9 033 €
SOPE (VAT)		57 935 €	61 062 €	125 250 €	266 132 €
Payment from year before					
Merchandise Suppliers		19 671 €	53 641 €	59 622 €	125 225 €
VAT Merchandise Suppliers		4 524 €	12 337 €	13 713 €	28 802 €
Other Suppliers		2 065 €	3 614 €	3 690 €	3 768 €
Other Suppliers VAT		475 €	831 €	849 €	867 €
SOPE (VAT)		4 149 €	11 587 €	12 212 €	25 050 €
SOPE (IRC)		1 318 €	3 168 €	15 611 €	20 572 €
SOPE (SS, IRS withheld)		901 €	1 697 €	1 733 €	1 769 €
Other Tax (stamp)		184 €	165 €	147 €	129 €
Total Payments	175 630 €	541 059 €	619 642 €	1 117 960 €	2 263 248 €
Operating Balance	-3 282 €	40 296 €	471 003 €	972 873 €	1 391 359 €
Funding					
Receipts					
Equity	5 000 €				
Bank Funding	65 000 €				
Supplies					
Short term credit					
Total Receipts	70 000 €	0 €	0 €	0 €	0 €
Payments					
Fixed Capital					
Bank Refund		6 500 €	6 500 €	6 500 €	6 500 €
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Supplies					
Total Payments	4 596 €	11 096 €	10 636 €	10 176 €	9 717 €
Financial Balance	65 405 €	-11 096 €	-10 636 €	-10 176 €	-9 717 €
Total	62 123 €	29 200 €	460 367 €	962 697 €	1 381 642 €

Source: Created by the author

Table 19: Forecast Balance

Forecast Balance					
Year	2024	2025	2026	2027	2028
Assets					
Non-current asset					
Tangible Fixed Asset	25 250 €	25 250 €	25 250 €	25 250 €	25 250 €
Intangible Fixed Asset	2 000 €	2 000 €	2 000 €	2 000 €	2 000 €
Financial Investments					
Accumulated Amortizations	6 837 €	13 675 €	20 512 €	26 350 €	26 687 €
Total Non-Current Assets	34 087 €	40 925 €	47 762 €	53 600 €	53 937 €
Current Asset					
Stocks:					
Goods	0 €	78 067 €	301 116 €	404 061 €	730 055 €
Debts to Third Parties:					
Clients	0 €	26 810 €	76 599 €	153 198 €	229 797 €
SOPE	0 €				
Available	0 €	62 123 €	29 200 €	460 367 €	962 697 €
Total Current Assets	0 €	166 999 €	406 915 €	1 017 626 €	1 922 549 €
Total Assets	34 087 €	207 924 €	454 677 €	1 071 226 €	1 976 486 €
Equity & Liabilities					
Equity					
Equity	5 000 €	5 000 €	5 000 €	5 000 €	5 000 €
Supplementary Payments					
Transited results		22 933 €	82 881 €	393 129 €	803 396 €
Net Result	22 933 €	59 948 €	310 248 €	410 268 €	461 069 €
Total Equity	27 933 €	87 881 €	398 129 €	808 396 €	1 269 465 €
Liabilities					
Medium Long term					
Bank Loans	65 000 €	58 500 €	52 000 €	45 500 €	39 000 €
Short Term					
Suppliers	0 €	26 736 €	70 424 €	77 874 €	158 661 €
SOPE (IRC, SS, IRS, VAT)	0 €	6 368 €	16 452 €	29 556 €	47 391 €
Total Liabilities	65 000 €	91 603 €	138 876 €	152 930 €	245 052 €
Total Equity & Liabilities	92 933 €	179 484 €	537 005 €	961 327 €	1 514 517 €

Source: Created by the author

11.6 Project Evaluation

Financial analysis allows you to assess the viability of the business plan developed so far. This allows you to check whether the net revenues compensate for the investment necessary to implement the project. Next, the financial and economic ratios that represent one of the main forms of project evaluation will be presented.

Table 20: Financial and Economic Ratios

Year	2024	2025	2026	2027	2028
ROI (Return on Investment)	87%	37%	89%	50%	30%
ROE (Return on Equity)	82%	68%	78%	51%	36%
ROA (Return on Assets)	67%	29%	68%	38%	23%
Sales Profitability	16%	15%	39%	34%	23%
Financial Independence	82%	42%	88%	75%	64%
Solvency ratio	43%	96%	287%	529%	518%

Source: Created by the author

Calculating ROI – return on investment, allows operating profit to be related to the investment made by the company. This ratio provides the rate of return for your financiers. For this project, the calculation of this ratio took into account the operational result of each year.

ROE (return on equity) expresses the relationship between the net profit for the year and the company's equity. This ratio allows conclusions to be drawn about the way in which investments are managed. The higher its value, the greater the company's level of efficiency and performance.

ROA (Return on Asset) expresses the profit obtained for each monetary unit invested in assets. Although Total Assets show a decrease after the 3rd year at the highest value (68%), this ratio keeps a healthy percentage through all the exercise during the 5 years. This happened as a result of the higher stock volume on assets.

The sales profitability ratio reveals the profit obtained by the company for each monetary unit of sales. In the third year of analysis it reached its peak due to the increase in sales due to the acquisition of more stores compared to previous years.

Financial autonomy expresses the participation of equity in the company's financing. The future company KG, shows a good degree of financial autonomy, continuously improving throughout the evaluation as there is an increase in Equity.

The total solvency ratio refers to the company's ability to honor its commitments to third parties. By analyzing this ratio, it is possible to verify that the company's assets are insufficient to cover its debts in just the first year of activity.

The calculation of Exploration and Investment Cash-Flows constitutes the basis for calculating the methods used such as the Net Updated Value (NPV), the Internal Rate of Profitability (IRR) and the Payback period.

Table 21: NPV, IRR and Payback period

	Realist
NPV	297 245 €
IRR	25,63%
Payback Period	3 anos 2 meses

Source: Created by the author

The Working Capital determined in the Investment Cash-Flow calculation refers to the value of the goods purchased and the cash available.

As the cash-flows are reported for the same period of time, they are added together in order to verify the existence of viability. Therefore, for the realistic scenario, the project is viable since its NPV is positive at 297 245 euros. Its internal rate of profitability is set at 25,63% and the payback period occurs after 3 years and 2 months.

12. Conclusion

The present business plan presented was prepared with the aim of studying the feasibility of creating an import and export company between Brazil and Portugal. As mentioned at the beginning of the project, only the importing aspect for Portugal was studied. As such, actions and strategies with sustained, for now, theoretical growth in the competitive market and with great potential for development were presented.

Associated with the economic indicators that declare the positive trend of this sector in the national economy is the author's desire to start a business project. In this way, the now called King Groceries (KG), through assortment management strategies with a final price reduction associated with the management and creation of partner networks both upstream and downstream, represent some of the added value that benefited the creation of this company.

The financial assessment is carried out after 5 years of exploration with 3 different scenarios: pessimistic, realistic and optimistic. Here, the aim is to mitigate the effect of uncertainty, with a particular effect on the evolution of sales and the respective costs and expenses associated with operating the activity.

Sales forecasts essentially consist of the share of reach in the number of retail and wholesale stores considered for the year and the analysis of the contextual and transactional environment. On the other hand, costs and expenses are supported by the author's ability to negotiate and close partnerships in order to achieve better purchase prices. On top to this, the economic and financial ratios carried out above demonstrate the viability of the project,

In essence, after carrying out this work it is possible to conclude that I developed new knowledge through the research carried out as well as deepening different topics taught in my academic and professional development. Therefore, I would like to highlight that this business plan does not intend to present a final product, on the contrary, the knowledge and results obtained through this work should be considered as new paths and can serve as a basis of inspiration to continue researching and aspiring possibilities that this project opens to doors for the near future.

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Attachments

Attachment 1: Internal 5 forces of Porter

Industry/ sector Analysis		Force Contribution					
		Very low	Low	Medium	High	Very high	
Rivalry among Competitors	Low	1	2	3	4	5	High
Number of competing companies	Low				X		High
Degree of market concentration	Low		X				High
Market growth	Low				X		High
Fixed costs	Low			X			High
Stock holding costs	Low			X			High
Degree of product differentiation	Low		X				High
Switching costs for customers	Low		X				High
Possibility of capacity increases in small increments	Low				X		High
Sufficient production capacity in market terms	Low				X		High
Exit barriers	Low	X					High
Major strategic interests in the Industry	Low			X			High
Strength value	Low	2,91					High
Threat of new Competitors	Low	1	2	3	4	5	High
Economies of Scale	Low		X				High
Product differentiation	Low		X				High
Brand identification	Low		X				High
Cost disadvantages	Low		X				High
Capital needs	Low			X			High
Switching costs for customers	Low			X			High
Difficulty accessing distribution channels	Low		X				High
Protectionist policies	Low			X			High
Difficulty accessing the necessary technology	Low			X			High
Difficulty accessing new products	Low			X			High
Experience effects	Low				X		High
Likelihood of retaliation by existing companies	Low			X			High
Strength value	Low	2,67					High
Suppliers' Bargaining Power	Low	1	2	3	4	5	High
Number of industry suppliers	Low				X		High
Size and degree of concentration of suppliers, in relation to the industry	Low		X				High
The industry is an important customer of these suppliers	Low		X				High
Average volume of purchases from suppliers	Low				X		High
Supplier Switching Cost	Low			X			High
Supplier profitability	Low				X		High
Weight of the costs of products purchased by the industry in the total cost	Low				X		High
Importance of the quality of products purchased	Low					X	High
Degree of differentiation of products purchased by the industry	Low			X			High
Availability of substitute products (of purchased products)	Low		X				High
Threat of downstream vertical integration by suppliers	Low	X					High
Strength value	Low	3,09					High

Strength value	Low	3,09					High
Customers' Bargaining Power	Low	1	2	3	4	5	High
Number of industry customers	Low				X	X	High
Average volume of purchases by customers	Low				X		High
Cost (for customers) of switching suppliers	Low		X				High
Customer profitability	Low				X		High
Weight of the costs of products sold by the industry in the total cost to the customer	Low				X		High
Importance of the quality of products sold by the industry to customers	Low					X	High
Degree of differentiation of products supplied by the industry	Low			X			High
Availability of substitute products for customers	Low		X				High
Threat of upstream vertical integration by customers	Low		X				High
Availability of information about the industry to customers	Low			X			High
Strength value	Low	3,40					High
Threat of Substitute Products	Low	1	2	3	4	5	High
Availability of substitutes	Low		X				High
Cost (to customers) of switching to the substitute product	Low			X			High
Profitability of suppliers of substitute products	Low		X				High
Aggressiveness of suppliers of substitute products	Low		X				High
Price/performance ratio of substitute products compared to the industry	Low		X				High
Strength value	Low	2,20					High

Attachment 2: List of 11 acronyms Incoterms®2020

Rules for any mode of transport:

EXW (Ex Works), enter the designated delivery location.

FCA (Free Carrier), enter the designated delivery location.

CPT (Carriage Paid To), enter the designated destination location.

CIP (Carriage And Insurance Paid To), enter the designated destination location.

DAP (Delivered At Place), enter the designated destination location.

DPU (Delivered At Place Unloaded), enter the designated destination location.

DDP (Delivered Duty Paid), enter the designated destination location.

Rules for transport by sea or inland waterways:

FAS (Free Alongside Ship), enter designated port of shipment.

FOB (Free On Board), insert designated port of shipment.

CFR (Cost And Freight), enter the designated port of destination.

CIF (Cost Insurance And Freight), insert designated port of shipment.

Attachment 3: Example of Harmonized system by the Access2Markets portal

Section II products from the plant kingdom

chapter 07 edible vegetables, plants, roots and tubers

heading: 0705 lettuce (laatual) and chicory (cichorium spp.), fresh or chilled

lettuce

subheading 070511: cabbage

subheading 070519: others

chicory

subheading 070521: witloof (Cichorium intybus var. foliosum)

subheading 070529: others

Attachment 4: Number os stores in Portugal in 2023

2023	Name	nº of stores
Wholesalers	makro Portugal	10
	Recheio Cash & Carry	38
Food Retailers	Auchan Retail Portugal	74
	Amanhecer	416
	Mini Preço	442
	Pingo Dode	470
	Continente	300
	Lidl	269
	Aldi	130
	Supercor	6
Small specialized retail companies:	Mercado Brasil Tropical	4
	Made in Brazil	1
	Imperio do Brasil	1
	Mercadim	1
	Glood	9
Total		2171

Source: Created by the author according to companies websites

Attachment 5: Good selection picked from Auchan's website

127	from Auchan's website						0.6	0.7	0.8	Direto	Direto	G23	Olimpia			Realista			Pessimista			Olimpia			Realista			Pessimista			0.5	Box	
	PVP/Unk.	qtd per Bo.	PVP Box	PCL 1	PCL 2	PCL 3							Aduane	Aduane	Aduane	PVP 1	PVP 2	PVP 3	Caixa 1	Caixa 2	Caixa 3	Caixa 1	Caixa 2	Caixa 3	Caixa 1	Caixa 2	Caixa 3	Caixa 1	Caixa 2	Caixa 3			Caixa 1
AGUA DE COCO KOALA 330ML	1,09	12,00	13,08	0,65	0,76	0,87	1,176	1	1,23	0,95	1,10	1,26	7,85	9,16	10,46	5,23	3,82	2,62	5,55	6,54	7,53	5,23	3,82	2,62	5,55	6,54	7,53	5,23	3,82	2,62	5,55	6,54	
AGUA DE COCO SOCOO TL	3,49	12,00	41,88	2,09	2,44	2,79	1,176	1	1,23	3,03	3,53	4,04	25,13	29,32	33,50	16,78	11,89	7,93	16,78	11,89	7,93	16,78	11,89	7,93	16,78	11,89	7,93	16,78	11,89	7,93	16,78	11,89	
AGUA DE COCO SOCOO 330ML	1,09	12,00	20,28	1,01	1,18	1,35	1,176	1	1,23	1,47	1,70	1,93	12,14	14,21	16,28	6,11	6,08	4,96	6,11	6,08	4,96	6,11	6,08	4,96	6,11	6,08	4,96	6,11	6,08	4,96	6,11	6,08	
AMENDOM SANTA HELENA JAPONÊS DOURADA 70 G	1,49	30,00	44,70	0,89	1,04	1,19	1,00	1	1,23	1,10	1,28	1,47	26,82	31,29	35,76	17,88	13,41	8,94	17,88	13,41	8,94	17,88	13,41	8,94	17,88	13,41	8,94	17,88	13,41	8,94	17,88	13,41	
Amendom Crocante Dacônia Crí C/í 140g	1,99	12,00	23,88	1,19	1,39	1,59	1,00	1	1,23	1,47	1,71	1,96	14,33	16,72	19,10	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	
Amendom Crocante Dacônia Crí C/í Com Canela 120g	1,99	12,00	23,88	1,19	1,39	1,59	1,00	1	1,23	1,47	1,71	1,96	14,33	16,72	19,10	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	
Amendom Santa Helena Frango A Passarinho 90g	1,70	12,00	21,48	1,07	1,25	1,43	1,00	1	1,23	1,32	1,54	1,76	12,89	15,04	17,18	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	
Amendom Santa Helena Japonês 200g	2,60	12,00	31,20	1,56	1,82	2,08	1,00	1	1,23	1,92	2,24	2,56	18,72	21,84	24,96	12,48	9,36	6,24	12,48	9,36	6,24	12,48	9,36	6,24	12,48	9,36	6,24	12,48	9,36	6,24	12,48	9,36	6,24
Amendom Santa Helena Japonês Dourada 70g	1,49	12,00	17,88	0,89	1,04	1,19	1,00	1	1,23	1,10	1,28	1,47	10,73	12,52	14,30	7,15	5,36	3,58	7,15	5,36	3,58	7,15	5,36	3,58	7,15	5,36	3,58	7,15	5,36	3,58	7,15	5,36	
Amendom Santa Helena Picanha Aioelho 90g	1,74	12,00	21,48	1,07	1,25	1,43	1,00	1	1,23	1,32	1,54	1,76	12,89	15,04	17,18	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	
Azeite De Dende Copêra 200ml	3,19	12,00	38,28	1,91	2,23	2,55	1,00	1	1,23	2,35	2,75	3,14	22,97	26,80	30,62	15,31	11,48	7,66	15,31	11,48	7,66	15,31	11,48	7,66	15,31	11,48	7,66	15,31	11,48	7,66	15,31	11,48	7,66
Biscoito Mabel Rosquinha Sabor Banana C Canela 350g	3,50	12,00	42,00	2,10	2,45	2,80	1,00	1	1,23	2,82	3,28	3,75	25,20	29,40	33,60	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40
Biscoito Mabel Rosquinha Sabor Chocolate 350g	3,50	12,00	42,00	2,10	2,45	2,80	1,00	1	1,23	2,82	3,28	3,75	25,20	29,40	33,60	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40
Biscoito Mabel Sabor Coco Sabor Chocolate	3,50	12,00	42,00	2,10	2,45	2,80	1,00	1	1,23	2,82	3,28	3,75	25,20	29,40	33,60	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40	16,80	12,60	8,40
Biscoito Piracá Matreza 200g	1,65	12,00	19,80	0,99	1,16	1,32	1,00	1	1,23	1,33	1,55	1,77	11,88	13,86	15,84	7,92	5,94	3,96	7,92	5,94	3,96	7,92	5,94	3,96	7,92	5,94	3,96	7,92	5,94	3,96	7,92	5,94	3,96
Biscoito Piracá Recheado Coco 160g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Piracá Recheado Limão 160g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Piracá Recheado Maracujá 160g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Piracá Recheado Uva 160g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Piracá Recheado Cereja 75g	1,99	12,00	23,88	1,19	1,39	1,59	1,00	1	1,23	1,60	1,87	2,13	14,33	16,72	19,10	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	4,78	9,55	7,16	
Biscoito Piracá Recheado Original Da Mandioca 100g	2,29	12,00	27,48	1,37	1,60	1,83	1,00	1	1,23	1,84	2,15	2,46	16,49	19,24	21,98	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50
Biscoito Presentinho Piracá 100g	1,70	12,00	21,48	1,07	1,25	1,43	1,00	1	1,23	1,44	1,68	1,92	12,89	15,04	17,18	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30
Biscoito Salgado Piracá 100g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Salgado Piracá Gema 100g	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscoito Salgado Piracá Pizzaca	1,75	12,00	21,00	1,05	1,23	1,40	1,00	1	1,23	1,41	1,64	1,88	12,60	14,70	16,80	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20	8,40	6,30	4,20
Biscollitos Maloca Biscoito De Queijo 60g	2,29	12,00	27,48	1,37	1,60	1,83	1,00	1	1,23	1,84	2,15	2,46	16,49	19,24	21,98	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50
Biscollitos Maloca Da Mandioca Presento 60g	2,29	12,00	27,48	1,37	1,60	1,83	1,00	1	1,23	1,84	2,15	2,46	16,49	19,24	21,98	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50
Biscollitos Maloca Da Mandioca Squinho De Leite 60g	2,29	12,00	27,48	1,37	1,60	1,83	1,00	1	1,23	1,84	2,15	2,46	16,49	19,24	21,98	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50	10,99	8,24	5,50
Biscollitos Maloca Squinho De Coko 60g	1,79	12,00	21,48	1,07	1,25	1,43	1,00	1	1,23	1,44	1,68	1,92	12,89	15,04	17,18	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30
Biscollitos Maloca Squinho De Leite 60g	1,79	12,00	21,48	1,07	1,25	1,43	1,00	1	1,23	1,44	1,68	1,92	12,89	15,04	17,18	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30	8,59	6,44	4,30
Bolacha Wafler Lacta Bis Chocolate 120g	4,99	12,00	59,88	2,99	3,49	3,99	1,00	1	1,23	4,01	4,68	5,35	35,93	41,92	47,90	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98
Bolacha Wafler Lacta Bis Chocolate Preto 120g	4,99	12,00	59,88	2,99	3,49	3,99	1,00	1	1,23	4,01	4,68	5,35	35,93	41,92	47,90	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98	23,95	17,96	11,98
Caio Pão Tradicional 250g	3,19	12,00	38,28	1,91	2,23	2,55	1,00	1	1,23	3,98	4,59	5,19	29,97	34,98	39,99	19,99	14,99	9,99	19,99	14,99	9,99	19,99	14,99	9,99	19,99	14							

Attachment 6: Business assumptions

Business months	1 st deal in May 2024	
1st year	7	months
From 2nd year forward	12	months
n° stores served	100%	2 171
0,3 of stores	0,3%	7
0,5% of stores	0,5%	11
1% of stores	1,0%	22
1,5% of stores	1,5%	33
2% of stores	2,0%	43
2,5% of stores	2,5%	54
3% of stores	3,0%	65
4% of stores	4,0%	87
5% of stores	5,0%	109
Cost Strategy	Pricing strategy (% of ref. price)	Sales per bundle
Optimist	0,6	2 634
Realist	0,7	3 073
Pessimist	0,8	3 512
Infation rate		
2024	0,033	
2025	0,021	
2026	0,021	
2027	0,021	
2028	0,021	

Source: Created by the author

Attachment 7: Portugal customs fees

All custom fees were selected from Portal das Finanças

Descrição: Bolachas e biscoitos

Restrições Direitos IVA, IECs e ISV

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			9 % + EA MAX 20.7 % +ADFM			R 2204/99

Data: 2023-10-24 - 1108140000

Descrição: Fécula de mandioca

Restrições Direitos IVA, IECs e ISV

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			166 EUR / 1000 kg			R 2204/99
K	ALLTC excl: GB		66 EUR / 1000 kg (090132)			R 2020/1988
K	ALLTC excl: GB		66 EUR / 1000 kg (090135)			R 2020/1988
K	TH		66 EUR / 1000 kg (090125)	±	(CD.606.)	R 2020/1988

Data: 2023-10-24 - 0903000000

Descrição: Mate

Restrições Direitos IVA, IECs e ISV

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			0 %			R 2658/87

Data: 2023-10-24 - 200989996

Descrição: Água de coco

- não fermentada,

- sem adição de álcool ou de açúcar, e

- em embalagens imediatas de conteúdo igual ou superior a 20 litros

[Restrições](#) [Direitos](#) [IVA, IECs e ISV](#)

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			17.6 %			R 1006/11
S	excl: BY RU		0 %		(TM 851.) (TM 861.)	R 2022/2583

Data: 2023-10-24 - 2305000000

Descrição: Bagaços (Tortas) e outros resíduos sólidos, mesmo triturados ou em pellets, da extração do óleo de amendoim

[Restrições](#) [Direitos](#) [IVA, IECs e ISV](#)

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			0 %			R 2658/87

Data: 2023-10-24 - 1704907100

Descrição: Rebuçados de açúcar cozido, mesmo recheados

[Restrições](#) [Direitos](#) [IVA, IECs e ISV](#)

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			9 % + EA MAX 18.7 % +ADSZ			R 2204/99

Data: 2023-10-24 - 1605211005

Descrição: Hargow feito de camarão, amido de trigo, tapioca, água, scallion, gengibre, açúcar e sal Shaomai feito predominantemente de camarão, frango, amido de milho, óleo vegetal, pimenta preta, óleo de gergelim e água Wonton de camarão frito feito de camarão, sal, óleo, açúcar, gengibre, pimenta, ovos, vinagre e molho de soja

[Restrições](#) [Direitos](#) [IVA, IECs e ISV](#)

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			20 %			R 1006/11

Data: 2023-10-24 - 1604201005

Descrição: Almôndegas de peixe com molho de caril feitas com carne de peixe, caril, amido de trigo, sal, açúcar, e condimentos compostos; Rolinhos de quatro cores feitos de carne de peixe, delícias do mar, algas marinhas, pele de beancurd, óleo vegetal, açúcar, sal, fécula de batata, glutamato monossódico e temperos

[Restrições](#) [Direitos](#) [IVA, IECs e ISV](#)

Taxas dos direitos aplicáveis a Países Terceiros (TPT)

Medida	Área Geográfica	Adicional	Taxa	Condições	Notas	Base Legal
TPT			5.5 %			R 2658/87

Attachment 8: COGS

COGS - Pessimist					
Heading/ year	2024	2025	2026	2027	2028
Beginning Inventory	0	124 107	295 682	547 327	684 588
Purchases	160 137	274 521	457 536	274 521	274 521
Ending Inventory	36 031	102 946	205 891	137 261	102 946
COGS	124 107	295 682	547 327	684 588	856 164

COGS - Optimist					
Heading/ year	2024	2025	2026	2027	2028
Beginning Inventory	0	60 052	197 312	368 888	574 779
Purchases	120 103	343 152	686 303	1 029 455	1 372 607
Ending Inventory	60 052	205 891	514 728	823 564	1 029 455
COGS	60 052	197 312	368 888	574 779	917 931

Attachment 9: VAT

VAT - Optimist					
Year	2024	2025	2026	2027	2028
Paid					
Sales	46 040 €	157 850 €	236 775 €	394 624 €	473 549 €
Deductible					
Initial Investment					
Purchase of Merchandise	23 020 €	86 160 €	141 407 €	259 794 €	449 214 €
ESP					
Office materials	81 €	141 €	144 €	147 €	150 €
Water	32 €	56 €	58 €	59 €	60 €
Electricity	81 €	141 €	144 €	147 €	150 €
Fuel	242 €	423 €	432 €	441 €	450 €
Marketing	113 €	197 €	201 €	206 €	210 €
Accounting	322 €	564 €	575 €	588 €	600 €
Communication	81 €	141 €	144 €	147 €	150 €
Rents	1 610 €	2 818 €	2 877 €	2 938 €	2 999 €
Insurance	161 €	282 €	288 €	294 €	300 €
Other Costs	129 €	225 €	230 €	235 €	240 €
Total ESP	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
Total Deductible	25 869 €	91 147 €	146 500 €	264 994 €	454 523 €
Total VAT	20 170 €	66 702 €	90 275 €	129 631 €	19 027 €

VAT - Pessimist					
Year	2024	2025	2026	2027	2028
Paid					
Sales	36 832 €	105 233 €	210 466 €	214 886 €	107 443 €
Deductible					
Initial Investment					
Purchase of Merchandise	28 545 €	68 007 €	125 885 €	141 670 €	181 133 €
ESP					
Office materials	81 €	141 €	144 €	147 €	150 €
Water	32 €	56 €	58 €	59 €	60 €
Electricity	81 €	141 €	144 €	147 €	150 €
Fuel	242 €	423 €	432 €	441 €	450 €
Marketing	113 €	197 €	201 €	206 €	210 €
Accounting	322 €	564 €	575 €	588 €	600 €
Communication	81 €	141 €	144 €	147 €	150 €
Rents	1 610 €	2 818 €	2 877 €	2 938 €	2 999 €
Insurance	161 €	282 €	288 €	294 €	300 €
Other Costs	129 €	225 €	230 €	235 €	240 €
Total ESP	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
Total Deductible	31 394 €	72 995 €	130 978 €	146 870 €	186 441 €
Total VAT	5 437 €	32 238 €	79 489 €	68 017 €	-78 998 €

Attachment 10: P&L

P&L - Pessimist					
Year	2024	2025	2026	2027	2028
Sales	160 137 €	457 536 €	915 071 €	934 288 €	984 288 €
Total Operating Income	160 137 €	457 536 €	915 071 €	934 288 €	984 288 €
COGS	124 107 €	295 682 €	547 327 €	684 588 €	856 164 €
ESP	1 770 €	12 390 €	21 686 €	22 141 €	22 606 €
Transport	9 787 €	19 574 €	39 148 €	97 870 €	97 870 €
Stamp Tax		184 €	184 €	165 €	147 €
Personnal Expenses	29 297 €	55 002 €	56 117 €	57 255 €	58 416 €
Amortization	6 837 €	6 837 €	6 837 €	5 838 €	338 €
Total Operating Costs	171 798 €	389 670 €	671 299 €	867 857 €	1 035 541 €
Operational result	-11 661 €	67 866 €	243 772 €	66 431 €	-51 253 €
Financial Income					
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Current Income	-16 256 €	63 270 €	239 636 €	62 755 €	-54 470 €
Extraordinary Results					
Result before Tax	-16 256 €	63 270 €	239 636 €	62 755 €	-54 470 €
Income Tax	-3 739 €	14 552 €	55 116 €	14 434 €	-12 528 €
Net Result of the Year	-12 517 €	48 718 €	184 520 €	48 321 €	-41 942 €

P&L - Optimist					
Year	2024	2025	2026	2027	2028
Sales	200 172 €	686 303 €	1 029 455 €	1 715 759 €	2 058 910 €
Total Operating Income	200 172 €	686 303 €	1 029 455 €	1 715 759 €	2 058 910 €
COGS	60 052 €	197 312 €	368 888 €	574 779 €	917 931 €
ESP	1 770 €	12 390 €	21 686 €	22 141 €	22 606 €
Transport	9 787 €	19 574 €	39 148 €	97 870 €	293 610 €
Stamp Tax		184 €	184 €	165 €	147 €
Personnal Expenses	29 297 €	55 002 €	56 117 €	57 255 €	58 416 €
Amortization	6 837 €	6 837 €	6 837 €	5 838 €	338 €
Total Operating Costs	107 743 €	291 300 €	492 860 €	758 048 €	1 293 048 €
Operational result	92 429 €	395 004 €	536 595 €	957 710 €	765 862 €
Financial Income					
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Current Income	87 833 €	390 408 €	532 459 €	954 034 €	762 645 €
Extraordinary Results					
Result before Tax	87 833 €	390 408 €	532 459 €	954 034 €	762 645 €
Income Tax	20 202 €	89 794 €	122 466 €	219 428 €	175 408 €
Net Result of the Year	67 632 €	300 614 €	409 993 €	734 606 €	587 237 €

Attachment 11: Treasury budget

Treasury budget - Optimist					
Year	2024	2025	2026	2027	2028
Opening Balance		62 123 €	29 200 €	460 367 €	962 697 €
Treasury	0 €	62 123 €	29 200 €	460 367 €	962 697 €
Receipts					
Year Sales	200 172 €	686 303 €	1 029 455 €	1 715 759 €	2 058 910 €
VAT current year	46 040 €	157 850 €	236 775 €	394 624 €	473 549 €
Other receipts					
Sales/ receipts from last year		31 138 €	106 758 €	160 137 €	266 896 €
VAT sales last year		7 162 €	24 554 €	36 832 €	61 386 €
Total Receipts	246 211 €	944 576 €	1 426 743 €	2 767 719 €	3 823 438 €
Payments					
Investment payments i.					
Investment VAT					
Merchandise Suppliers	108 242 €	302 271 €	604 543 €	939 438 €	1 388 514 €
VAT Suppliers	24 896 €	69 522 €	139 045 €	216 071 €	319 358 €
Personnal Expenses	22 750 €	42 882 €	43 783 €	44 702 €	45 641 €
Other Suppliers	12 390 €	21 686 €	22 141 €	22 606 €	23 081 €
Other Suppliers VAT	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
SOPE (SS, IRS withheld)	4 503 €	8 487 €	8 665 €	8 847 €	9 033 €
SOPE (VAT)		57 935 €	61 062 €	125 250 €	266 132 €
Payment from year before					
Merchandise Suppliers		19 671 €	53 641 €	107 282 €	172 885 €
VAT Merchandise Suppliers		4 524 €	12 337 €	24 675 €	39 763 €
Other Suppliers		2 065 €	3 614 €	3 690 €	3 768 €
Other Suppliers VAT		475 €	831 €	849 €	867 €
SOPE (VAT)		4 149 €	11 587 €	12 212 €	25 050 €
SOPE (IRC)		1 318 €	3 168 €	15 611 €	20 572 €
SOPE (SS, IRS withheld)		901 €	1 697 €	1 733 €	1 769 €
Other Tax (stamp)		184 €	165 €	147 €	129 €
Total Payments	175 630 €	541 059 €	971 373 €	1 528 312 €	2 321 870 €
Operating Balance	70 582 €	403 516 €	455 370 €	1 239 407 €	1 501 568 €
Funding					
Receipts					
Equity	5 000 €				
Bank Funding	65 000 €				
Supplies					
Short term credit					
Total Receipts	70 000 €	0 €	0 €	0 €	0 €
Payments					
Fixed Capital					
Bank Refund		6 500 €	6 500 €	6 500 €	6 500 €
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Supplies					
Total Payments	4 596 €	11 096 €	10 636 €	10 176 €	9 717 €
Financial Balance	65 405 €	-11 096 €	-10 636 €	-10 176 €	-9 717 €
Total	135 986 €	392 421 €	444 734 €	1 229 230 €	1 491 851 €

Treasury budget - Pessimist					
Year	2024	2025	2026	2027	2028
Opening Balance		62 123 €	29 200 €	460 367 €	962 697 €
Treasury	0 €	62 123 €	29 200 €	460 367 €	962 697 €
Receipts					
Year Sales	160 137 €	457 536 €	915 071 €	934 288 €	984 288 €
VAT current year	36 832 €	105 233 €	210 466 €	214 886 €	226 386 €
Other receipts					
Sales/ receipts from last year		24 910 €	71 172 €	142 344 €	145 334 €
VAT sales last year		5 729 €	16 370 €	32 739 €	33 427 €
Total Receipts	196 969 €	655 531 €	1 242 280 €	1 784 624 €	2 352 131 €
Payments					
Investment payments i.					
Investment VAT					
Merchandise Suppliers	141 604 €	245 079 €	413 903 €	310 326 €	473 443 €
VAT Suppliers	32 569 €	56 368 €	95 198 €	71 375 €	108 892 €
Personnal Expenses	22 750 €	42 882 €	43 783 €	44 702 €	45 641 €
Other Suppliers	12 390 €	21 686 €	22 141 €	22 606 €	23 081 €
Other Suppliers VAT	2 850 €	4 988 €	5 093 €	5 199 €	5 309 €
SOPE (SS, IRS withheld)	4 503 €	8 487 €	8 665 €	8 847 €	9 033 €
SOPE (VAT)		57 935 €	61 062 €	125 250 €	266 132 €
Payment from year before					
Merchandise Suppliers		23 601 €	40 847 €	68 984 €	51 721 €
VAT Merchandise Suppliers		5 428 €	9 395 €	15 866 €	11 896 €
Other Suppliers		2 065 €	3 614 €	3 690 €	3 768 €
Other Suppliers VAT		475 €	831 €	849 €	867 €
SOPE (VAT)		4 149 €	11 587 €	12 212 €	25 050 €
SOPE (IRC)		1 318 €	3 168 €	15 611 €	20 572 €
SOPE (SS, IRS withheld)		901 €	1 697 €	1 733 €	1 769 €
Other Tax (stamp)		184 €	165 €	147 €	129 €
Total Payments	216 665 €	475 546 €	721 149 €	707 399 €	1 047 301 €
Operating Balance	-19 696 €	179 985 €	521 131 €	1 077 226 €	1 304 830 €
Funding					
Receipts					
Equity	5 000 €				
Bank Funding	65 000 €				
Supplies					
Short term credit					
Total Receipts	70 000 €	0 €	0 €	0 €	0 €
Payments					
Fixed Capital					
Bank Refund		6 500 €	6 500 €	6 500 €	6 500 €
Financial Expenses	4 596 €	4 596 €	4 136 €	3 676 €	3 217 €
Supplies					
Total Payments	4 596 €	11 096 €	10 636 €	10 176 €	9 717 €
Financial Balance	65 405 €	-11 096 €	-10 636 €	-10 176 €	-9 717 €
Total	45 709 €	168 890 €	510 495 €	1 067 049 €	1 295 113 €

Attachment 12: Balance Forecast

Forecast Balance - Optimist					
Year	2024	2025	2026	2027	2028
Assets					
Non-current asset					
Tangible Fixed Asset	25 250 €	25 250 €	25 250 €	25 250 €	25 250 €
Intangible Fixed Asset	2 000 €	2 000 €	2 000 €	2 000 €	2 000 €
Financial Investments					
Accumulated Amortizations	6 837 €	13 675 €	20 512 €	26 350 €	26 687 €
Total Non-Current Assets	34 087 €	40 925 €	47 762 €	53 600 €	53 937 €
Current Asset					
Stocks:					
Goods	0 €	60 052 €	197 312 €	368 888 €	574 779 €
Debts to Third Parties:					
Clients	0 €	31 138 €	106 758 €	160 137 €	266 896 €
SOPE	0 €				
Available	0 €	135 986 €	466 284 €	881 818 €	1 650 682 €
Total Current Assets	0 €	227 176 €	770 355 €	1 410 844 €	2 492 356 €
Total Assets	34 087 €	268 100 €	818 117 €	1 464 443 €	2 546 294 €
Equity & Liabilities					
Equity					
Equity	5 000 €	5 000 €	5 000 €	5 000 €	5 000 €
Supplementary Payments					
Transited results		22 933 €	82 881 €	393 129 €	803 396 €
Net Result	22 933 €	59 948 €	310 248 €	410 268 €	461 069 €
Total Equity	27 933 €	87 881 €	398 129 €	808 396 €	1 269 465 €
Liabilities					
Medium Long term					
Bank Loans	65 000 €	58 500 €	52 000 €	45 500 €	39 000 €
Short Term					
Suppliers	0 €	26 736 €	70 424 €	77 874 €	158 661 €
SOPE (IRC, SS, IRS, VAT)	0 €	6 368 €	16 452 €	29 556 €	47 391 €
Total Liabilities	65 000 €	91 603 €	138 876 €	152 930 €	245 052 €
Total Equity & Liabilities	92 933 €	179 484 €	537 005 €	961 327 €	1 514 517 €

Forecast Balance - Pessimist					
Year	2024	2025	2026	2027	2028
Assets					
Non-current asset					
Tangible Fixed Asset	25 250 €	25 250 €	25 250 €	25 250 €	25 250 €
Intangible Fixed Asset	2 000 €	2 000 €	2 000 €	2 000 €	2 000 €
Financial Investments					
Accumulated Amortizations	6 837 €	13 675 €	20 512 €	26 350 €	26 687 €
Total Non-Current Assets	34 087 €	40 925 €	47 762 €	53 600 €	53 937 €
Current Asset					
Stocks:					
Goods	0 €	124 107 €	295 682 €	547 327 €	684 588 €
Debts to Third Parties:					
Clients	0 €	30 640 €	87 542 €	175 084 €	178 760 €
SOPE	0 €				
Available	0 €	45 709 €	152 475 €	633 770 €	1 240 453 €
Total Current Assets	0 €	200 455 €	535 700 €	1 356 181 €	2 103 801 €
Total Assets	34 087 €	241 380 €	583 462 €	1 409 781 €	2 157 738 €
Equity & Liabilities					
Equity					
Equity	5 000 €	5 000 €	5 000 €	5 000 €	5 000 €
Supplementary Payments					
Transited results		22 933 €	82 881 €	393 129 €	803 396 €
Net Result	22 933 €	59 948 €	310 248 €	410 268 €	461 069 €
Total Equity	27 933 €	87 881 €	398 129 €	808 396 €	1 269 465 €
Liabilities					
Medium Long term					
Bank Loans	65 000 €	58 500 €	52 000 €	45 500 €	39 000 €
Short Term					
Suppliers	0 €	26 736 €	70 424 €	77 874 €	158 661 €
SOPE (IRC, SS, IRS, VAT)	0 €	6 368 €	16 452 €	29 556 €	47 391 €
Total Liabilities	65 000 €	91 603 €	138 876 €	152 930 €	245 052 €
Total Equity & Liabilities	92 933 €	179 484 €	537 005 €	961 327 €	1 514 517 €