

CASE STUDY

A MANUFACTURER'S STORY OF ENTERING THE U.S. MARKET

PRECISE. PROVEN. PERFORMANCE.

After dabbling in the U.S. market a family-owned manufacturing business – parents and children – located in Australia wanted to fully enter the U.S. market.

How Moore Stephens Doeren Mayhew Helped

Moore Stephens Doeren Mayhew guided the owners on how to enter the U.S. market, helping them to position themselves in the event of a future sale. Our discussions included:

- *What are your objectives?*
- *What type of legal entity needs to be formed?*
- *Where do you want your cash?*
- *Where do you want your intangible property to be owned and utilized?*
- *How can we best monetize not only the sales of your products but your intellectual property within the organization to your advantage?*

Moore Stephens Doeren Mayhew helped put this company in the best position for growth in the U.S. market.

A Twist

The planning was done from the perspective of the company and family being based out of Australia. However, about five years later the family recognized the size and opportunities of the U.S. market and decided to immigrate to the United States.

THE AMERICAN GROWTH STRATEGY HAS TAKEN HOLD AND SUCCEEDED.

This meant that Moore Stephens Doeren Mayhew needed to revise all of the planning and manage the process in the most advantageous way. The Australia-based company became a U.S.-based company and several key employees decided to immigrate to the U.S.

This was a complicated issue. Moore Stephens Doeren Mayhew assisted the company with U.S. GAAP matters. We spent time with the client in finance meetings to help them understand U.S.-specific issues regarding financial reporting, budgeting, and what to keep in mind if they grow the business to the point where they sell it.

The Result

As result of Moore Stephens Doeren Mayhew working with this family-owned company revenues have increased significantly as the American growth strategy has taken hold and succeeded.

We assist them with budgetary functions and provide business advice on whatever they need to monitor their business.

The client determines the products to develop and the markets to enter. We talk through these issues with them along with considerations of different industries and the related regulatory and environmental issues. We identify considerations to bring up to their attorneys for legal matters.

Bottom line: We developed a full understanding of their business and their products so we could fully utilize tax benefits, e.g., the production deduction, making sure that we didn't overcapitalize cost.

They continue establishing operations in other worldwide markets. We help them to develop a way to penetrate the market in a low-cost manner without having to establish an entity until they grow to a point where they need it. This requires distributors and other service providers. We talk them through these options and utilize our contacts in the Moore Stephens International network.