

# Selecting and managing entry modes

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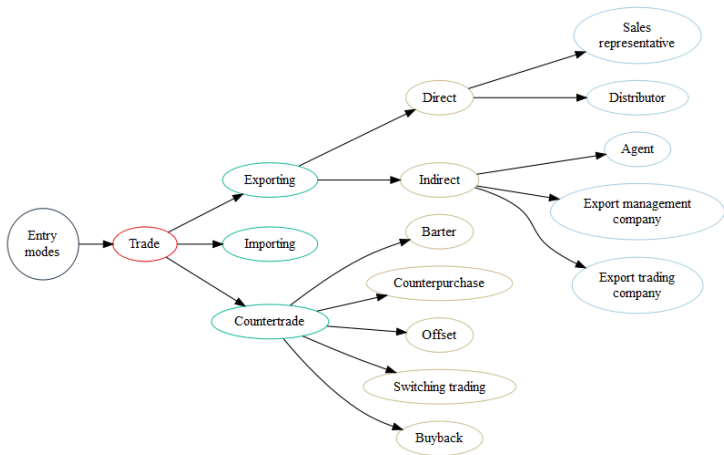
# Please Read Me

- Check the message **Welcome greeting** published in the News Bulletin Board.
- Dear student please edit your profile uploading a photo where your face is clearly visible.
- The purpose of the virtual meetings is to answer questions and not to make a summary of the study material.
- This presentation is based on ([Wild and Wild 2020, chap. 13](#))

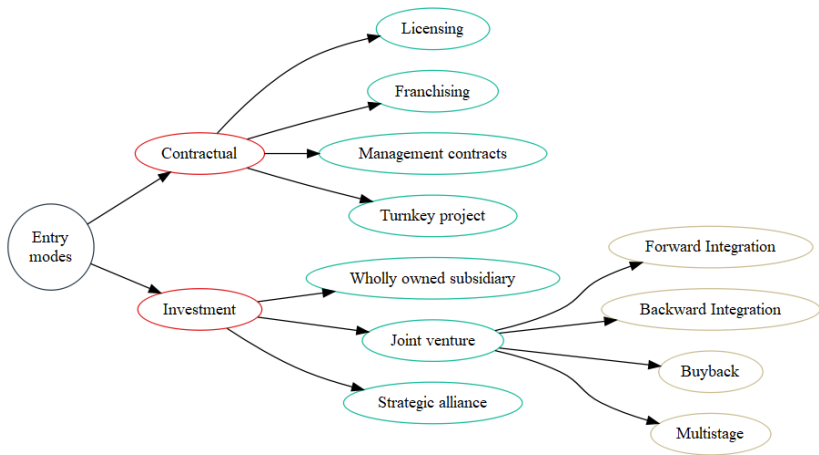
# Purpose

Introduce the students to the different entry modes companies use to do international business and participate directly into the international markets

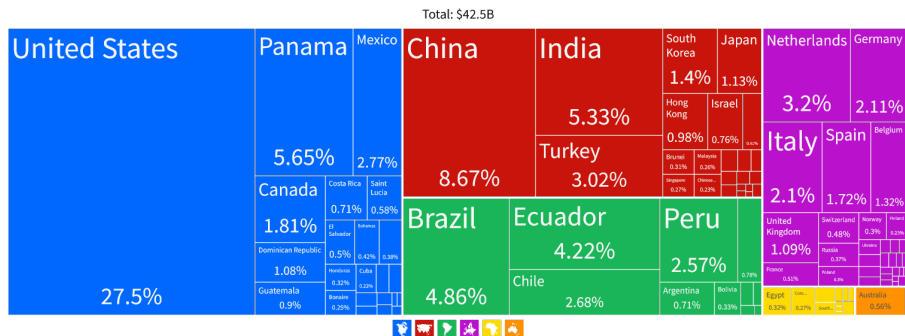
# Entry modes for international markets



# Entry modes for international markets



# Exporting goods in Colombia



**Figure 1:** Colombian exports by destination **HS (HS92) edition** year 2021 (OEC 2022)

# Exporting goods in Colombia<sup>1</sup>

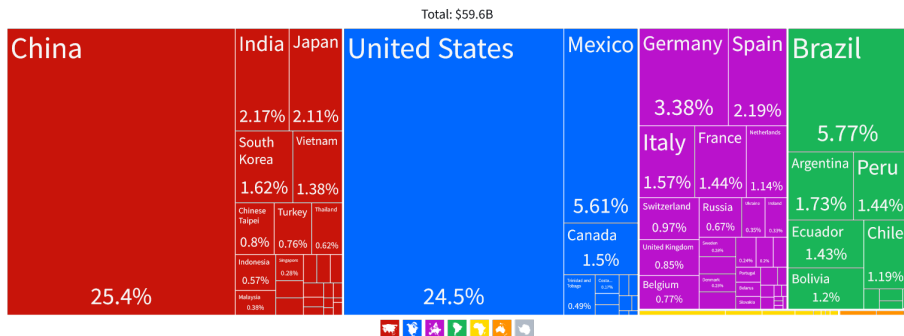
**Table 1:** Top 10 companies according to exports (FOB) in 2022

NIT	Name	Exports (US dollars)
899999068	ECOPETROL S.A.	\$13,429,282,855
800021308	DRUMMOND LTD	\$3,858,966,113
860069804	CARBONES DEL CERREJON LIMITED	\$3,674,454,168
830078038	CERREJON ZONA NORTE S. A.	\$1,654,625,316
900585067	C.I. TRAFIGURA PETROLEUM COLOMBIA S.A.S.	\$1,515,567,354
830126302	FRONTERA ENERGY COLOMBIA CORP SUCURSAL COLOMBIA	\$1,183,261,149
900112515	REFINERIA DE CARTAGENA	\$1,074,350,372
860069378	CERRO MATOSO S.A.	\$908,437,285
860007538	FEDERACION NACIONAL DE CAFETEROS DE COLOMBIA	\$712,684,852
800059470	ESENTTIA S.A.	\$503,532,549

<sup>1</sup>Check out the full data set in <https://www.dane.gov.co/> > Datos abiertos Microdatos y Metadatos > Comercio internacional > Estadísticas de Exportaciones - EXPO - 2011 A 2023 > Obtener Microdatos > Expo\_2022



# Importing goods in Colombia



**Figure 2:** Colombian imports by origin **HS (HS92) edition** year 2021 (OEC 2022)

# Importing goods in Colombia<sup>2</sup>

**Table 2:** Top 10 companies according to imports (CIF) in 2022

NIT	Name	Imports (US dollars)
899999068	ECOPETROL S A	\$5,430,265,828
890100577	AEROVIAS DEL CONTINENTE AMERICANO S.A. AVIANCA	\$1,852,155,913
830028931	SAMSUNG ELECTRONICS COLOMBIA S.A.	\$903,809,394
890900943	COLOMBIANA DE COMERCIO S.A.	\$763,598,675
900780510	AUTOMOTORES TOYOTA COLOMBIA SAS	\$629,763,358
860002304	GENERAL MOTORS COLMOTORES S A	\$623,929,989
860025792	RENAULT SOCIEDAD DE FABRICACION DE AUTOMOTORES S.A.S.	\$556,106,786
860069804	CARBONES DEL CERREJON LIMITED	\$527,578,451
900112515	REFINERIA DE CARTAGENA S.A.S	\$485,406,296
800059470	ESENTTIA S.A.	\$473,021,155

<sup>2</sup>Check out the full data set in <https://www.dane.gov.co/> > Datos abiertos Microdatos y Metadatos > Comercio internacional > Estadísticas de Importaciones - IMPO - 2012 A 2023 > Obtener Microdatos > Impo\_2022\_1 e Impo\_2022\_2

# Franchising in Colombia

- Not explicit regulated by any local law or Andean regulation (Reyes 2016)
  - Colombian Civil Code, Article 1602: franchisor and franchisee are free to perform a franchising relationship
  - Franchisor should register her trademarks, logos and slogans in agreement with the Andean Decision 486 of 2000<sup>3</sup>
- Colfranquicias - Camara Colombiana de Franquicias:  
<https://www.colfranquicias.com/>
  - Franchises
  - Consultants
  - Suppliers

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<sup>3</sup>It regulates the Common Regime on Industrial Property in Colombia

# Turnkey project and Joint venture: cement plant Río Claro (Sonsón, Colombia) case study

- Construction of a cement plant in Sonsón, Colombia<sup>4</sup>
  - Production capacity:
    - 3150 tons per day of clinker
    - 1.35 million tons of cement per year
  - Cost
    - 238 million USD (224.6 million EUR)
  - Creation of Jobs
    - 800 jobs in the course of its construction
    - 220 direct and 250 indirect jobs when it becomes fully operational

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<sup>4</sup>(Rowland 2017)

# Turnkey project and Joint venture: cement plant Río Claro (Sonsón, Colombia) case study

- Commissioned by Ecocementos S.A.S
  - Joint venture between Corona (Colombia) and Cementos Molins (Spain)
- Construction company
  - OHL Industrial (Spain)
- Equipment supplier company
  - FLSmidth (Denmark)

# Acknowledgments

- To my family that supports me
- To the taxpayers of Colombia and the **UMNG students** who pay my salary
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- To the **Linux kernel community** for allowing me the possibility to use some **Linux distributions** as my main **OS** without paying for a license

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