

In the Middle East Brazil Still Can Make Deals

Contributed by Alexandre Rocha
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Brazilian businessmen who participated in the Big 5 Show, a trade fair for the building sector that ended Thursday, November 27, in the Emirates, say that their expectations have been exceeded. This despite the international financial crisis and fear of its impact on the economy of Dubai.

Many of the Brazilian participants in the fair closed deals or left with negotiations well underway.

One example is that of Itagres, a porcelain manufacturer company based in the city of Tubarão, in the southern Brazilian state of Santa Catarina. According to the export manager at the company, Alessandro Camargo, business deals worth US\$ 1.5 million were agreed upon and are yet to be confirmed. According to him, most visitors were in the real estate development and building material distribution sectors.

In that same area, of ceramic facings and porcelain, Gyotoku closed deals worth more than US\$ 100,000. The representative of the company, Sérgio Neves, said, however, that the goal was not to close sales at the fair itself, but rather to prospect the market, showcase the products and check which items are best accepted.

"There was basically a demand for ceramics, which have more attractive pricing. They have a taste for porcelain, but Brazil is still regarded as a country in which pricing is low," said Neves.

In the marble industry, Santa Clara exhibited at the fair for the first time. The president of the company, Emeric Malacarne Costa, said that his expectations have been exceeded, "because the region enjoys marble products." "We are expecting to do good business," said the businessman from the city of Cachoeiro de Itapemirim, in the state of Espírito Santo.

Also in the field of ceramics, company Gail closed a deal during the fair with a client it had already been negotiating with. According to the export manager, Marlene Romano, the products that attracted the most attention were pools tiles.

She believes that new contracts should be signed in the period following the event. "We have great expectations, in spite of the crisis. The next 60 days will be crucial for us to determine what 2009 is going to be like," she declared.

Hervy, a company that makes bathroom ceramics and water usage optimization systems, was commissioned to conduct a study for an enterprise comprising 2,000 houses in Oman. Besides toilets and sinks, the company makes piping and treatment systems that allow for the water used in the sink and shower to be reused for flushing the toilet, watering the garden and cleaning the house.

According to the industrial director at the company, Walter Prado, besides being eco-friendly, the system reduces spending on water bills and sewage treatment. There are enterprises in the region that have no sewage systems, only septic tanks that must be cleaned every two or three days. The lower the volume of water used, the lower the number of times the system must be cleaned.

In the field of bathroom metals, the fair also had a positive evaluation. The president of the Union of Non-Ferrous Metal Industries of the State of São Paulo, Denis Pérez Martins, said that the participation of the sector achieved good results. "We learned a lesson, namely that here we reach not only the Emirates market, but also the Arab world as a whole," he claimed.

This was the union's first institutional participation in the Big 5, alongside nine sector companies. Among them, Soprano, which exhibited for the third time, negotiated deals and received feedback on product acceptance, especially locks and hardware for doors.

Carlos Bertuol, director at Meber, for bathroom metals, said that his products pleased visitors for their differentiated design and quality. "The fair was good, we made lots of contacts," stated the executive, who attended the fair for the first time.

His company is based in the city of Bento Gonçalves, in the state of Rio Grande do Sul. He called attention to the support work carried out by the Arab Brazilian Chamber of Commerce. The Brazilian stand was organized by the Chamber and the Brazilian Export and Investment Promotion Agency (Apex).

Company Saint Gobain-Brasilit invested in new items. At the fair, it promoted prefabricated walls made of cement plates and a polypropylene thread to be mixed with concrete. "We had a 40% increase in the number of visitors over 2007," said the export manager at the company, Eduardo Enrietti.

According to him, the enterprise inked a deal with a large distributor that is going to take the product to all of the emirates. Enrietti also said that there is a possibility of entering the markets of Saudi Arabia, Oman and Iran.

"As a consequence of the crisis, I thought that we would make less contacts the fair. However, from what I noticed, there was a reduction in the number of people from Dubai, but contacts from other Gulf countries increased, especially Iran and India," said the secretary general at the Arab Brazilian Chamber of Commerce, Michel Alaby, who attended the fair.

In fact, most Brazilian businessmen said that they received visitors from several countries in the Middle East, Africa, Asia and Europe. "This was one of the marking features of the event," said the project manager at Apex, Adalberto Schiehl. According to him, the majority of exhibitors stated that contacts this year were of better quality than last year, the crisis notwithstanding.

Arab Brazilian Chamber directors Bechara Ibrahim and Nahid Chicani, who walked over the entire fair, noticed that a large share of products exhibited by different countries is also manufactured in Brazil with similar quality. Chicani stated, however, that Italian companies attract attention for the high level of granite polishing and finishing.

Even though the outlook for 2009 is still somewhat obscure due to the crisis, all of the exhibitors interviewed for this article guaranteed that they are going to return to the Big 5 next year.

The Arab Brazilian Chamber and the Apex are trying to obtain more space, so as to be able to accommodate a higher number of companies.

During the fair, which lasted five days, the Marketing vice president at the Chamber, Rubens Hannun, had a meeting with the directors of the fair to discuss the matter. Negotiations will continue in the coming months.

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