

of the differences between the regions in terms of income, population and diversity,” says Wada. “Each region has to be approached separately because the homogenous approach does not work. Depending on which port you enter, it can be several days before your consignment is allowed to enter the country and then to enter a state you have to allow for the fact that each one has its own, separate tax structure.”

Marcos Calliari, managing director for Kantar Worldpanel Brazil, goes further, describing the economic situation in Brazil over recent months as “not at all positive”. After a decade of strong growth the nation’s economy is showing signs of stalling, with ratings agency Standard & Poor’s downgrading Brazil’s credit rating in April.

Experts are pinning their hopes of an economic recovery on the host nation’s performance in the upcoming tournament. “Success in the World Cup could lead to a revival in the Brazilian miracle,” says James Massoud, editor of BRIC Magazine. And major fmcg groups are expected to play a vital role in this miracle, he adds, “particularly given that 74% of the market there is comprised of around 20 companies, each with reported revenues of over \$65m”.

UK importers

One of the most prominent British brands currently negotiating its way through the minefield of doing business in Brazil is ABF-owned Twinings. David Care, business development manager for Latin America, says Twinings is now the fourth largest tea brand in São Paulo state, an area with an estimated population in excess of 40 million. Despite Twinings’ recent success Care admits that more needs to be done if it is to realise its goal of being tea market leader by 2020.

“In Brazil, 94% of tea sales come from infusions, not the strong, black tea that is the norm back in the UK, hence we will be focusing the majority of our efforts in this area.”

As well as enjoying a nice cuppa, Brazilians also love a drink, much to the delight of UK alcoholic beverage producers – the FDEA sees sales of alcoholic drinks and soft drinks as being two of the biggest opportunities for UK brands.

Brazil is the leading worldwide export market for Johnnie Walker Red Label whisky brand, one of an extensive portfolio of international products Diageo has been successfully pitching to Brazilian consumers for the past 15 years. However, the spirits market is dominated by local beverage cachaça, with sales of



What UK brands are exporting

- **Aspall:** vinegar and cider
- **BrewDog:** entire core range
- **Diageo:** Johnnie Walker, Guinness, plus range of non-UK brands
- **Fuller’s:** London Pride, Organic Honey Dew, ESB, India Pale Ale, London Porter, Golden Pride, 1845, Black Cab Stout and Wild River
- **Greene King:** Old Speckled Hen, Old Crafty Hen, Hen’s Tooth, Old Golden Hen, Belhaven Twisted Thistle, Belhaven Wee Heavy, Belhaven Scottish Stout, Greene King Strong Suffolk, Greene King Abbot Reserve and Wexford Cream Ale
- **Twinings:** range of 22 teas
- **Walkers:** shortbread biscuits

other spirits relatively low in global terms. According to a Diageo spokesperson, whisky only has 17% penetration and vodka 24% – in more mature markets, these numbers are above 30%.

Not so beer, of course, with Skol, Brahma and Bohemia among Brazil’s most valuable brands [Millward Brown]. There is also growing demand for premium real ales in Brazil. Diageo has been distributing Guinness in the country since 2000. Other brands making inroads in the premium beer category include Fuller’s London Pride and India Pale Ale, and Greene King’s Old Speckled Hen, which has been “extremely well received” in Brazil since its introduction in 2001, according to export sales director, Richard Cutler.

“We experience strong year-round demand for both kegs to drink at the bar and cans for at-home consumption,” he explains. Greene King also launched its Belhaven range last year and Cutler says the lines have received a good reception, especially in speciality beer stores.

BrewDog

The most recent entrant to the Brazilian beer market was controversial Scottish craft brewer BrewDog, which launched its own bar in São Paulo, in January this year. International manager Neil Taylor says the brand has enjoyed a “phenomenal” response to the bar and the BrewDog range of beers sold through it. So much so it is poised to launch a beer specially for