



ROBIN SUBARU ROBIN AMERICA, INC.

OVERVIEW OF LATIN AMERICAN
BUSINESS

LATIN AMERICA & THE CARIBBEAN



South America Distributors

VENEZUELA – IMPEXPAR - C

COLOMBIA – MOTOBORDA

ECUADOR – IMP ARGUDO

PERU – OR MAQUINARIA*

BOLIVIA – LUZAM IMPORT

CHILE – EMARESA *

ARGENTINA – OPEN

URUGUAY– SUBARU URUGUAY*

PARAGUAY – PROYECSA - C

BRASIL – OPEN

GUYANA – GENERAL MARINE

SURINAM – INTRAMAR



SOUTH AMERICA COMMERCIAL FLOW

NORTHERN SOUTH AMERICA: VENEZUELA, COLOMBIA, PERU, ECUADOR, GUYANAS – USA MIAMI

SOUTHERN CONE: CHILE, ARGENTINA, BOLIVIA, URUGUAY & PARAGUAY – ICONOSUR FREE TRADE AGREEMENT WITH BRASIL – USA MIAMI / EUROPE

BRAZIL – LARGELY AUTONOMOUS – USA / BRASIL / JAPAN



THE CARIBBEAN REGION

PUERTO RICO – PUERTO RICO
WIRE PRODUCTS

JAMAICA – DELTA SUPPLY

HAITI – OPEN

DOM. REP. – AVELINO ABREU*

VIRGIN ISLANDS - PRWP

TURKS – CAICOS EXPORTS

CAYMAN ISLANDS – GR CONCR

A-B-C - OPEN

TRINIDAD – HADDEN

BARBADOS - KLB, INC (BRD)

BAHAMAS– BOBCAT BAH - C

COMMERICAL FLOW IS
PRIMARILY TO MIAMI / USA



THE CARRIBEAN REGION

VIRGIN ISLANDS:

THE COMMERCIAL FLOW OF
THESE ISLAND FLOWS
TOWARD MIAMI AND THE
FOLLOWING HOME LANDS:

NETHERLANDS

FRANCE

UNITED KINGDOM

SPAIN

ST THOMAS & ST JOHN ARE
NORMALLY ATTENDED TO BY
PUERTO RICO



CENTRAL AMERICA

BELIZE – OPEN

GUATEMALA – MULTIEQUIPOS

HONDURAS – IMFERRA

EL SALVADOR-CONSTRUMARKET

NICARAGUA – RTI

COSTA RICA – TERRAEQUIPOS

PANAMA – COAMCO

COMMERCIAL FLOW IS ALMOST
ENTIRELY TO MIAMI / USA.



MEXICO DISTRIBUTOR & OEMS

CIPSA -24
NATIONAL
DISTRIBUTOR WITH
52 SERVICE CTRS
JOPER – 5 OEM
WITH 42 DISTRS
MOTORES – 20
NATL DISTR WITH
32 DLRS

COMMERCIAL
FLOW 70% USA
15% EUROPE 10%
ASIA 5% OTHER



Opportunities South America

- Direct Fuji Operations in Brazil to handle Southern Iconosur market and Paraguay, Uruguay, Chile, and Bolivia. Borderland available to assist if needed.
- Northern Cone handled by RAI in sale of engines, equipment and parts (Ecuador, Peru, Venezuela, Colombia, Surinam, Guyanas) for distributors. OEM's offered direct Fuji purchases as capable.
- RAI to provide parts support , warranty & service assistance to Fuji distributors to handle less than container load business and parts & warranty support

Opportunities Central America

- Very few OEM's in this marketplace
- Very few "Engine Houses"
- Must rely on Distributors in Light Equipment marketplace.
- Encourage distributors to attend all light equipment houses as dealers with appropriate discounting & parts support
- Orders are traditionally smaller and therefore need to be handled by RAI
- Increase equipment sales by tying activity to engine and parts distribution as a requirement.
- Insist on parts stock to fill requirements
- Insist the Distributors be warranty centers
- Borderland to sell to competitive houses if required

Opportunities Mexico

- Increase number of direct OEM's continuously
- Develop CIPSA sales / service Centers
- Participate actively in administration of CIPSA dealer network
- Begin national ad campaign in Espacios de la Construcción magazine advertizing parts & service support nationally
- Increase dealer identity of dealers thru co-op program
- Eliminate Fuji direct or indirect participation

Opportunities Mexico, Cont

- Assist Joper in a national ad program utilizing Subaru engines
- Make decision on Motores continued involvement
- Re-define Valsi pricing and strategize engine offering in all Valsi equipment. Adjust pricing
- Sign Temsa as direct RAI OEM. Limit distribution of parts and engines. Fuji to insist the Cosmos cease selling into Mexico

Fuji – RAI Distribution Conflicts

Fuji Distributors

- ARGENTINA – MUNITOL
- BAHAMAS
- BARBADOS – OPEN
- BOLIVIA – CIA COMERICAL SUIZO
- BRASIL – CMM – SOME OEMS
- CAICOS & TURKS – NONE
- **CHILE – EMARESA**
- COLOMBIA - MOTOBORDA
- **COSTA RICA – AUTO SUBARU CR**
- CURACAO – WEST INDIA MERCANTILE
- **ECUADOR – MARUYAMA**
- EL SALVADOR
- **GUATEMALA - SUZUKI**

RAI Distributors

- ARGENTINA – CANDIDATES AVAILABLE
- BAHAMA – BAHAMA BOBCAT (C)
- BARBADOS – KLB (B)
- BOLIVIA – LUZAM IMPORT
- BRASIL – WEBER, BARCOS (B)
- CAICOS & TURKS – C&T IMPORT
- **CHILE – CLOSED TO RAI – POOR SERVICE**
- COLOMBIA – MOTOBORDA
- **COSTA RICA – TERRAEQUIPOS**
- CURACAO
- **ECUADOR – ARGUDO**
- EL SALVADOR – CONSTRUMARKET
- **GUATEMALA - MULTIEQUIPOS**

Fuji – RAI Distribution Conflicts

Fuji Distributors

- GUYANA
- HAITI – AUTO ET MENANIQUE
- HONDURAS
- JAMAICA
- **MEXICO – COSMOS / ATESA**
- **NICARAGUA – AUTONICA**
- PARAGUAY - CENTRO IMPORT
- **PERU – OR MAQUINARIA**
- PUERTO RICO
- REP DOMINICANA – AVELINO ABREAU
- SURINAM – HANDELMIG
- TRINIDAD
- URUGUAY – URUGUAY MOTORES
- VENEZUELA

RAI Distributors

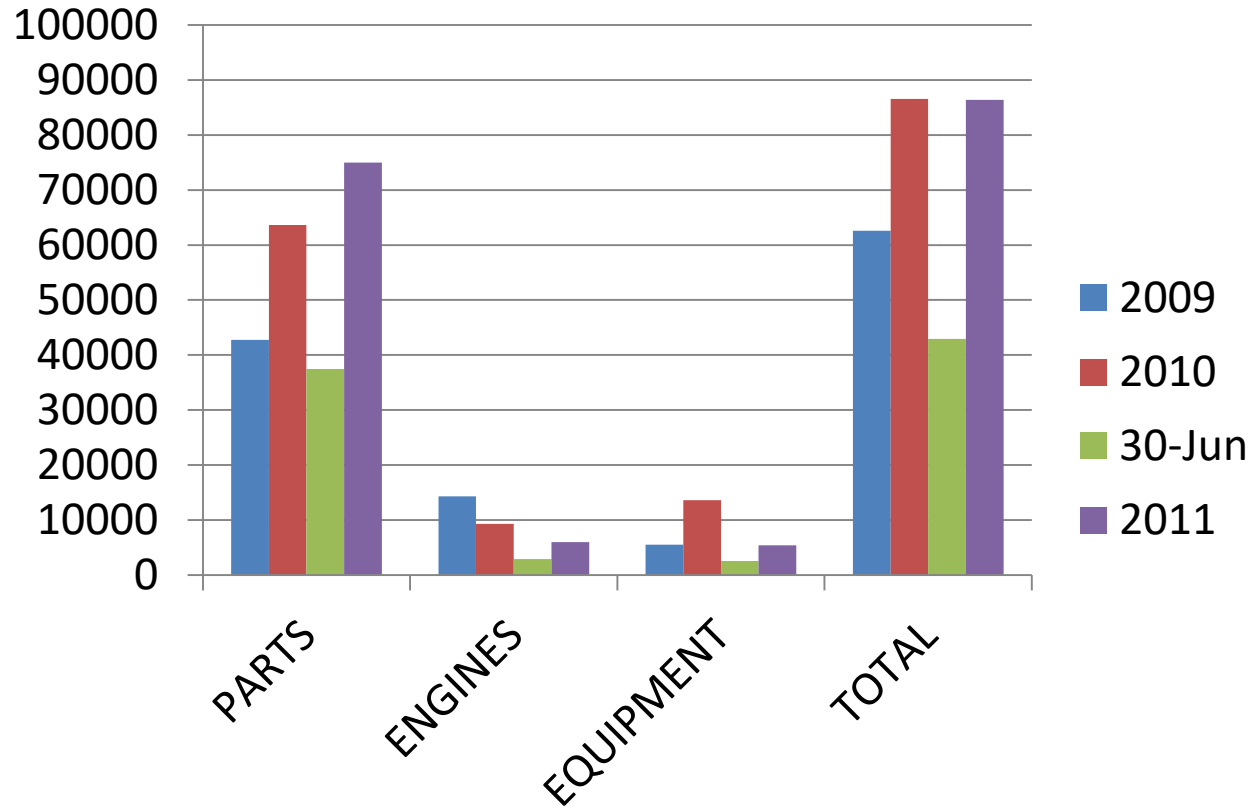
- GUYANA – GENERAL MARINE
- HAITI
- HONDURAS – IMFERRA
- JAMAICA – DELTA SUPPLY
- **MEXICO – CIPSA , MOTORES**
- **NICARAGUA – RTI**
- PROYECSA – (C)
- **PERU – OR MAQ (GENERATORS)**
- PUERTO RICO – PRWY
- REP DOMINICANA
- SURINAM – INTRAMAR
- TRINIDAD – HADDEN
- URUGUAY
- VENEZUELA

General Approach

- All Fuji direct distributors should be encouraged by Fuji to allow RAI to supply all filler or emergency parts orders and partial engine orders. Logistically sound
- Allow RAI to participate in direct distributor selection or recommendations
- Set up trusted relationship between RAI / Borderland and Fuji in a team effort
- Let RAI take the lead in markets which have a small OEM base and where commercial flow is naturally directed to the USA
- On Fuji distributors which are auto related and bring equipment orders with auto purchases, allow RAI to support after sales efforts

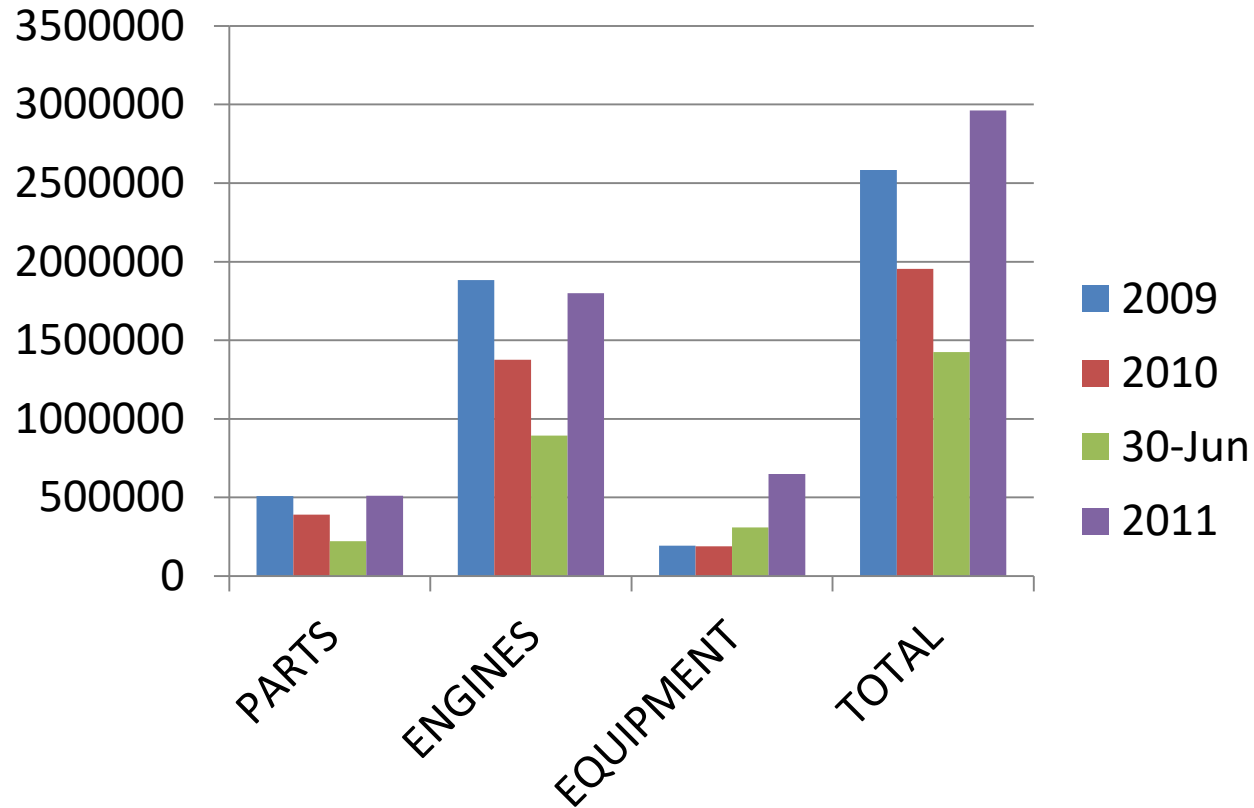
BORDERLAND PURCHASES

Invoiced to Borderland for Sale to Borderland Dealers



LATIN AMERICA & CARRIBEAN

RAI INVOICING



Order Entry Procedure

RAI Invoicing

- Distributor order for parts submitted directly to Tom Fowler with cc to Sam Wiley
- Distributor order should include qty, part number, description, shipping instructions, unit net and extended cost, and payment terms.
- Tom to send confirmation to distributor with cc to Sam Wiley
- Sam to contact distributor regarding estimated freight and total payment required
- Once payment is received Tom to send to floor to generate invoice and email to Sam with cc to Distributor.

Order Entry Parts, Cont...

- Unless specified on the distributor PO, RAI to not generate backorders.
- Sam to coordinate with Tom or Ron Poebble regarding future parts requirements so that they can be ordered from Fuji. In this way we can allow for future stock with forecast generated from parts not supplied from previous PO's
- This is required as it is not economical to ship small parts orders in most cases

Notes

Order Entry Engines & Equipment

- Distributor to submit PO to Mike Wiley at Borderland for approval
- Mike to submit to Howard Johnston
- Howard to generate confirmation and email to Mike with a freight estimate
- Mike to contact distributor to arrange for transfer of funds
- Once funds received Howard to send to floor and generate invoice

Order Entry Engines & Equipment, Cont...

- Unless specified in the distributor PO, back orders to be cancelled
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Specific Concerns

- In some cases distributors must get import licenses prior to shipment. This is generated from our order confirmation. If that invoiced is different from the import license, this causes problems at customs.
- For this reason for countries such as Ecuador or Brasil, it is important that we ship per the confirmation or pro forma invoice

Specific Concerns

- In some case it may be necessary to Pack up an order before requesting funds be transferred to RAI by distributor (Example – Argudo)

Letters of Credit

- ILC (Irrevocable letter of credit confirmed by a USA Bank in USD's)
- Should
 - Allow for partial shipment
 - Allow shipment from any port
 - Be fully Negotiable
 - Name Robin America, Inc as the beneficiary
 - Allow for transshipments

EXAMPLE OF SPECIAL INSTRUCTIONS

- **INSTRUCCIONES ESPECIALES - HONDURAS**
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- Por Instrucciones de la Gerencia General del Grupo IMFERRA y para evitar reclamos de faltantes en la mercadería, se les agradecerá realizar el siguiente procedimiento en cada despacho:
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- 1- **Tomar fotografías** de como están entregando la mercadería.
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- Sabemos que la mayoría de los proveedores sub-contratan medios de transporte, deberán tomar las medidas necesarias antes de entregarla al transportista. Lo mejor sería tomar fotografías de la carga antes de que salga de bodega y al momento de ser entregada al transportista.
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- 2- **Comprobante de Recepción** de mercadería , el cual deberán solicitar al momento de entregar la carga al Embarcador.
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- 4- **Si llegase a faltar algún artículo al momento de despacho**, el cual esté incluido en la Factura Comercial, los proveedores deberán informarlo al momento de enviar los documentos originales.
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ITEMS IN NEED OF IMPROVEMENT