

Brazil Business Briefing

A Seminar for the Business
Community

May 8, 2003
7:45 am to 3:15 pm

Mervis Hall
University of Pittsburgh

A University of Pittsburgh Event



Sponsored by

Center for Latin American Studies, University of Pittsburgh
International Business Center, University of Pittsburgh
Mine Safety Appliances Company Charitable Foundation
Mellon Financial Corporation Foundation
Duquesne University Chrysler Corporation Small Business Development Center
Pittsburgh Regional Alliance
U.S. Department of Commerce
Southwestern Pennsylvania Commission
World Affairs Council of Pittsburgh

☆Agenda ☆

- 7:45-8:15 am Registration and Continental Breakfast
209 Mervis Hall
- 8:15 – 8:30 am Welcome by Dr. Kathleen M. DeWalt, Director,
Center for Latin American Studies
- 8:30 -9:30 am Panel I - The Brazilian Political Environment

Dr. Barry Ames, Coordinator - *Department of Political Science*
Dr. Stu Sutin- *Mellon Financial Services*
Ms. María Vélez de Berliner - *Latin Trade Solutions*
- 9:45-11:00 am Panel II - The Brazilian Economy and Business Environment

Dr. James Craft, Coordinator - *Katz Graduate School of Business*
Mr. Alan Andrews – *PNC Bank*
Mr. Tadeu Carneiro - *Reference Metals*
Mr. Paulo Sergio Geraldo – *PPG*
- 11:15-12:15 am Panel III - Business Experiences in Brazil

Mr. Glenn Flickinger, Coordinator - *Epic Capital Corporation*
Mr. Bernie Colligan - *FreeMarkets*
Mr. Edward Engler - *Summa Technologies*
Mr. Ralph McIntyre - *Mine Safety Appliances*
Mr. Jerrold Owen - *INTRIX*
- 12:30-2:00 pm Lunch in 2K56 Wesley W. Posvar Hall followed by a Keynote
Presentation on Prospects for the Business Climate in Brazil by

Dr. Arturo Porzecanski, Head of Emerging Markets
Economics & Debt Strategy and Managing Director of *ABN AMRO*
- 2:15 -3:15 pm Teleconference with the U.S. Department of Commerce in
São Paulo, Brazil
B- 75 Mervis Hall

☆Speakers' Biographies ☆ (in alphabetical order)

-- Barry Ames --

Barry Ames is Andrew W. Mellon Professor of Comparative Politics at the University of Pittsburgh. His research focuses on legislative behavior, electoral systems, and political economy. He has carried out research in Angola, Brazil, Costa Rica, Ghana, Guinea-Bissau, Kuwait, and Mexico. Professor Ames is the author of *The Deadlock of Democracy in Brazil* (University of Michigan Press, 2001), *Political Survival: Politicians and Public Policy in Latin America* (University of California Press, 1987), and *Rhetoric and Reality in a Militarized Regime: Brazil After 1964* (Sage Publications, 1973). He has served as a visiting researcher and scholar at the University of Brasília, the University Research Institute of Rio de Janeiro, and the Getúlio Vargas Foundation and has been a consultant to the World Bank mission to Brazil. Professor Ames is currently Chair of the Department of Political Science and Director of the Brazilian Studies Program at the University of Pittsburgh.

-- Alan D. Andrews --

Alan D. Andrews is Vice President and Business Development Manager in PNC Bank's Global Treasury Management Group. He holds a Bachelor of Science Degree in Business Administration from Boston University and a Masters Degree in International Management from the American Graduate School of International Management. He has more than 20 years of experience in trade finance and assists PNC's corporate customers in mitigating the varied risks of selling internationally. PNC Bank has been active in Brazil trade for many years. Most recently, PNC closed on a 5-year loan to a Brazilian company for its purchase of a cotton gin made in Alabama and a 3-year loan to the Brazilian customer of an Ohio-based manufacturer of non-woven fiber making machinery. Currently in process is a medium-term credit facility to a Brazilian health clinic. This past October, PNC Bank received the 2002 Pennsylvania Governor's Export Excellence Award, the only financial institution to be recognized. PNC ranks third among the U.S. Export/Import Bank's top lenders in the country and is one of the largest users of Ex-Im Bank's insurance programs. PNC Bank financed over \$100 million in U.S. exports through Ex-Im Bank programs in 2002.

-- Brian C. Brisson --

Brian C. Brisson serves as the Director of the U.S. Commercial Center in São Paulo. He is a graduate of the University of Notre Dame and has a Master of Public Policy degree from the University of Michigan in Ann Arbor. He began his public service career as an International Economist in the U.S. Department of Commerce's Office of Mexico and the Caribbean Basin in 1987 and began his career with the U.S. Commercial Service at the U.S. Embassy in Mexico City where he served from 1989 to 1994 as the Assistant Commercial Attaché. While in Mexico City, he coordinated the Commerce Department's support for the U.S. firms bidding on the newly established cellular telephone concessions, the Solidaridad satellite project and the privatization of the TELMEX,

among others. He also provided extensive support to the U.S. team in the NAFTA negotiations. Mr. Brisson worked at the U.S. Embassy in Guatemala City from 1994 to 1999 where he served as the Regional Commercial Attaché for Guatemala, Honduras and El Salvador. Among the initiatives he spearheaded for the U.S. Department of Commerce in the region were the first and second Central America-United States Trade and Investment Forums in Nicaragua and Guatemala in 1996 and 1997, and a Hurricane Mitch Reconstruction business mission in 1999. He arrived in Brazil in October 1999 to work at the U.S. Commercial Center in São Paulo—one of only four Commercial Centers that the U.S. Department of Commerce operates in the world. The U.S. Commercial Center provides market information and business facilitation services to U.S. exporters and Brazilian importers. The Commercial Center has primary responsibility for the Brazilian states of São Paulo, Paraná, Santa Catarina and Rio Grande do Sul, as well as the neighboring country of Paraguay.

-- Tadeu Carneiro --

Tadeu Carneiro is General Manager of Reference Metals Company, Inc. (RMC), a wholly owned subsidiary of CBMM—Companhia Brasileira de Metalurgia e Mineração of Araxá, Brazil, and is responsible for RMC's operations. He started with the parent company in Brazil fourteen years ago and was transferred to the North American subsidiary early in 1993 to initiate a new business segment for the company associated with the superconducting uses of niobium. Before joining CBMM, he worked in research and development with Aços Villares in Brazil. Mr. Carneiro completed his graduate studies in Metallurgical Engineering at the University of São Paulo, where he taught for three years. He obtained his MBA at the Katz School of Business in 1998. RMC has operated in the U.S. for more than twenty-five years. CBMM is the world's most comprehensive supplier of niobium products, an element associated with several advanced end-uses but mostly applied as a microalloying element in steel.

-- Bernard Colligan --

Bernard Colligan is the Director for Latin America of FreeMarkets, Inc. He holds a B.A. from St. Bonaventure University and a Master's of Public and International Affairs and Certificate in Latin American Studies from the University of Pittsburgh. Prior to joining FreeMarkets, Mr. Colligan served as Economic Development Coordinator in the City of Pittsburgh Mayor's Office. He is based in São Paulo, Brazil and is responsible for the development of FreeMarkets' infrastructure throughout the region, principally in Mexico and Brazil, and for developing and maintaining customer relationships in the region. He manages a team of five Customer Account Managers throughout the region.

-- James A. Craft --

James Craft is Professor of Business Administration in the Joseph M. Katz Graduate School of Business. He received his MBA and Ph.D. degrees from the University of California, Berkeley, and his B.A. from Claremont McKenna College. He has taught at the University of California, Purdue University, and the University of Pittsburgh. He has been a visiting professor at the Universidad Tecnica Federico Santa Maria in Valparaiso, Chile and at the International Management Center in Budapest, Hungary. In addition, he has conducted classes and lectured at universities in Mexico, Ecuador, Argentina, Brazil and Poland. He has been a Brookings Economic Policy Fellow and has been employed as a workforce analyst in the Department of Labor, Employment and Training Administration in Washington, D.C. Dr. Craft has held administrative positions as Director of the Doctoral Program at the Katz School, Interim Director of the Center for Latin American Studies at the University Center for International Studies, Academic Director of the Executive MBA Program, and Coordinator (Chairman) of the KGSB Organizational Behavior/Human Resources Faculty. He specializes in the areas of Human Resources Management, Organizational Behavior, and Management Theory. He has published over sixty articles, chapters and monographs dealing with a variety of subjects including: "Human Resources Planning and Strategy," "Human Resources Competitor Analysis," "Unions, Bureaucracy and Change," "Plant Closing Legislation," "The Community as a Source of Union Power," and "Personnel Testing and Industrial Application."

-- Kathleen M. DeWalt --

Kathleen M. DeWalt is Professor of Anthropology and Public Health and Director of the Center for Latin American Studies at the University of Pittsburgh. She received her PhD from the University of Connecticut in 1979. She is a cultural anthropologist whose main research interests are in medical and nutritional anthropology drawing on perspectives from both biocultural anthropology and political economy. In particular, she has interests in the health and nutrition impacts of economic and agricultural development policies in Latin America; child survival and adult health in developing countries; nutrition and health of older adults and youth in rural settings in the United States; and health decision making in pluralistic settings. She has carried out research in Mexico, Honduras, Brazil, Ecuador, and Kentucky. Her current research examines the impact of agricultural policy on the growth of children in Ecuador and the nutritional strategies of older adults in rural Kentucky.

-- Edward Engler --

Ed Engler is CEO and founder of Summa Technologies, Inc. and has a BS in Applied Math/Computer Science from Carnegie Mellon University. He founded Summa in 1996 to design and develop mission-critical web-enabled applications for large-scale systems. Summa enables its customers to bring innovative solutions to business problems using advanced technology and proven methodologies that drive risk out of software development. Under Mr. Engler's leadership, Summa has been recognized as one of Pittsburgh's fastest growing companies 3 years in a row including being the fastest growing private company in Pittsburgh in 2001. In 1999, Summa opened its office in

Sao Paulo, Brazil to serve customers in Brazil as well as provide outsourcing services for companies in the United States. Mr. Engler has 16 years of experience in distributed systems technology. He was a member of IBM Transarc's transaction processing development team and a founding member of their consulting organization. In 1994, he worked as a Senior Technical Consultant for IBM/Transarc Corporation, deploying leading-edge transaction-based software solutions. Mr. Engler was tasked with building a development team to implement a component-based, distributed system for a large bank in Brazil. He helped recruit an outstanding team of technology specialists and trained them on the relevant technologies. He also has 13 years of experience working in and leading early-stage information technology companies. He has been involved in the funding, direction or management of five different startups in Pittsburgh and works to engender successful entrepreneurial activity in Pittsburgh. As CEO of Summa Technologies, Mr. Engler is responsible for all aspects of Summa's worldwide operations.

-- Glenn R. Flickinger --

Glenn Flickinger has 25 years of investment and commercial banking experience. He currently is a private Mergers & Acquisition consultant and teaches as an adjunct instructor at Washington & Jefferson College. He was President of EPIC Capital Corp. from 1994 to 2001 and before that spent thirteen years with Mellon Bank in a variety of positions, including manager of the Health Care and Government Banking Division—managing a \$1.2-billion credit portfolio and a nationwide customer base of hospitals, health care systems, managed care companies, and nursing home chains—and working in Mellon's Capital Markets/Corporate Finance unit. Mr. Flickinger has extensive experience in international banking. He managed Mellon's Brazil operations from 1982 to 1987, during the height of the external debt negotiations in that country. He also served on the Board of Directors of Banco Bozano, Simonsen de Investimentos. Before joining Mellon, he worked in the New York City Branch of Banco Mercantil de São Paulo, a private Brazilian bank. He started his banking career with Pittsburgh National Bank in the International Department, and worked briefly for the U. S. Treasury Department and as a legislative assistant on the staff of the late Senator John Heinz.

-- Paulo S. Geraldo --

Paulo S. Geraldo is Director of Operations and Supply Chain for South America for coatings at PPG Industries Inc. He implemented new operational techniques and a leadership style in order to adjust the business to function successfully in a volatile economic environment. He also has pursued and promptly responded to opportunities in the Supply Chain area that frequently arise in a dynamic and changing business environment. He holds a Mechanical Engineering degree from FAAP- São Paulo and earned his MBA at the Katz Graduate School of Business at the University of Pittsburgh. Mr. Geraldo worked for eleven years in the auto parts industry with SKF (the Sweden-based worldwide leader in rolling bearings). He joined PPG in 1997 for the start up of the coatings business in South America. During his first two years with PPG, he staffed and made operational all of the Purchasing and Supply Chain activities in Brazil and Argentina and led all related phases (from design to operations) of the development

of two green field plants in those countries. Headquartered in Pittsburgh, PPG is an \$ 8.5 billion global maker of coatings, flat glass, continuous-strand fiber glass, and industrial and specialty chemicals that operates in 21 countries with 33,000 employees in more than 100 production facilities.

-- Ralph McIntyre --

Ralph McIntyre is Regional Director for Latin America at Mine Safety Appliances Company. He was born in Maracaibo, Venezuela, attended high school in Rio de Janeiro, Brazil, and received his B.A. from University of Michigan. He earned an MBA in International Management from the American Graduate School of International Management - Thunderbird. Prior to joining MSA (Mine Safety Appliances Company) in 1980, he worked in production and marketing with General Motors and Chrysler Corporation in Detroit. Upon entering MSA, he had export sales responsibility for technical products in Latin America until 1985 when he was assigned to MSA's joint-venture project in China. He subsequently became the joint-venture's first General Manager and in 1990 was promoted to Regional Director-Asia with responsibility for MSA operations in Japan, China, and Southeast Asia. In 1997, Mr. McIntyre returned to Latin America, as Regional Director, to manage the start-up of MSA's new company in Argentina and assume responsibility for company operations in Brazil, Chile, and Peru.

-- Jerry Owen --

Jerry Owen is President and Founder of Intrix Corporation LLC, an international business development consulting firm specializing in assisting US companies to develop business in Brazil and other South American markets. Intrix has offices in the US, Brazil (São Paulo and Blumenau), Chile, and Mexico City and a wide client list in consumer products, automotive, industrial, energy and telecoms products. Prior to this, he was president of InterMatrix Inc., an international consulting firm with offices in the US, Europe and Asia. Mr. Owen also worked for Lex Service Plc, a UK company and was responsible for building a new business for Lex in electronic component distribution in the US, Europe, and Asia. He has international business experience with IBM Europe and Plessey Telecommunications. Mr. Owen has degrees in Physics from Oxford University and an MBA from Windsor, Canada.

-- Arturo C. Porzecanski --

Arturo Porzecanski is Head of Emerging Markets Sovereign Research, with the corporate title of Managing Director, at the New York offices of ABN AMRO, a leading international banking group headquartered in The Netherlands. He is also Adjunct Professor of International Affairs at Columbia University in New York, where he teaches graduate courses in international finance. He majored in economics at Whittier College and then earned M.A. and Ph.D. degrees in economics and a Certificate in Latin American Studies at the University of Pittsburgh. As one of the pioneers of emerging-markets research on Wall Street, Dr. Porzecanski is cited frequently by major

publications such as The Wall Street Journal, the Financial Times and The New York Times and Latin America's main regional newspapers and is interviewed regularly by CNN, the BBC, Reuters and Bloomberg. Top Washington officials regularly seek out his advice and he recently was in D.C. to brief U.S. Treasury Secretary John Snow ahead of his trip to Brazil. Prior to joining ABN AMRO in July 2000, he served as chief economist for the Americas at ING Barings; chief emerging-markets economist at Kidder, Peabody & Co.; chief economist at Republic National Bank of New York; senior economist at J.P. Morgan; research economist at the Center for Latin American Monetary Studies in Mexico City; and visiting economist at the International Monetary Fund. Following its recent agreement to acquire the assets of Banco Sudameris, his employer, ABN AMRO, is slated to become the fourth largest private-sector bank in Brazil.

-- Stewart E. Sutin --

Stewart E. Sutin is Senior Vice President and Head of the International Department of Mellon Financial Corporation. He holds a B.A. from Pennsylvania State, an M.A. from Georgetown and a Ph.D. in Latin American History from the University of Texas at Austin. He also completed programs in Executive Education from the Graduate School of Business Administration at the University of Michigan. Prior to joining Mellon, he was employed by Bank of Boston for 16 years. He was President of Bank of Boston International, Division Executive for International Private Banking, Division Executive for International Trade and Banking Services, Director of the Financial Services Division in Brazil, Project Manager for International Strategic Planning (working with a team from McKinsey & Co.), District Manager for Retail Banking and Executive Vice President and Chief Executive Officer of Banco de Boston Dominicano. While at Bank of Boston, Dr. Sutin founded and was the first Chairman of the Board of the New England Export School. He served on the Governor's International Advisory Council, and was named state coordinator for Massachusetts for the War on Waste in Government (Grace Commission). He has served on the Board of Overseers of the Lemberg Program in International Economics and Finance at Brandeis University (1991-2001), the Board of Advisors of the Master's in International Business at the University of Miami (1992-94), was Vice Chairman, the Board of Trustees of the International Fine Arts College in Miami (1992-94) and served on the Board of Trustees at St. Thomas University (1992-93). He is an adjunct member of the faculty of the University of Pittsburgh's Katz School of Business and teaches a course on "Managing Risk in a Global Enterprise." Dr. Sutin has published articles on doing business overseas, and has lectured at the Darden School of the University of Virginia, Tulane, Georgetown, Babson, Brandeis, Boston College, Boston University, University of Miami, Florida International University, Carnegie Mellon University and Penn State. He co-edited Financing Development in Latin America and contributed to International Banking Handbook.

-- Maria Vélez de Berliner --

Maria Vélez de Berliner is President of Latin Trade Solutions Inc., a consulting firm dedicated to helping its clients identify, articulate, implement, and manage a market or product entry or expansion strategy to operate profitably and safely in international

markets. She has worked with U.S. companies on such strategies for over 20 years in Central and South America (including Brazil and Mexico), Europe, Japan, Canada, and Australia. She has qualified, selected, and negotiated for manufacturing sites in Mexico. She has built a strong reputation for her ability to: identify, qualify, and manage distribution channels; structure joint ventures; select foreign manufacturing locations and negotiate relevant contracts; analyze competitive market trends; provide accurate economic and political risk assessments; create trademark and brand security programs; and customize technical training for high-technology manufacturers and engineering companies. Ms. Vélez de Berliner is a Summa Cum Laude and Phi Beta Kappa graduate of Lake Forest College and holds an Honors Master Degree in International Relations and International Security from the Graduate School of Public and International Affairs of the University of Pittsburgh. She was named one of Pennsylvania's Best 50 Women in Business in 2002.

Notes: