

Nothing speaks louder than a track record and in this way, the presence of in-house expertise represents a real asset for the company in the current situation as well as for future contracts.

A corporate trading department can be put to use in a number of scenarios to further the interests of the company. Of course, it can be called in to deal with specific obligations after marketing has signed a contract. This was the case with Brasilsat.

But Corporate traders can also be used more proactively by arranging export transactions before a contract is awarded and thereby improve the probability of getting the deal.

Finally, an in-house trading department can fulfill an advisory role and assist marketing executives in negotiating contracts where offsets are expected to be a factor. This can put the exporter in the position of directing discussions in such a way that the final obligations are drafted in a workable way with a manageable degree of risk.

In one case, the presence of specialized in-house staff can pre-empt the problem, in the second case, help to neutralize it.

Clearly, the creation of a corporate trading company is practical only for firms of a certain size which can dedicate resources for an extended period. It is a formula that works where there is a long-term involvement and a commitment to the idea at the most senior management level.