Global Enterprise Institute focuses on mid-market companies

MICHAEL BEARUP is the partner in charge of KPMG’s Boulder office. He has more than 22 years of experience providing audit and business advisory services to the technology, software, medical device, manufacturing, distribution, and venture capital industries. His background includes initial public offerings, ongoing periodic reporting for publicly traded companies, and mergers and acquisitions as well as international operations of US-based technology and software companies. Bearup is an honors graduate of Washington & Lee University with a bachelor of science in accounting. He serves on the Institute for International Business (IIB) CIBER Advisory Council.

Responding to needs of the business community, KPMG LLP and the University of Colorado Denver (UCD) CIBER have taken their 20-year partnership to the next level as cosponsors of the Global Enterprise Institute (GEI), a forum where business practitioners share expertise, gain insights, and access thought of the Global Enterprise Institute (GEI), a partnership to the next level as cosponsors of the Global Enterprise Institute (GEI), a forum where business practitioners share expertise, gain insights, and access thought leadership around key middle market issues and emerging international business trends.

“Middle market companies are increasing in importance as drivers of US economic growth,” said Bearup. “The mission of the Global Enterprise Institute is to help these mid-market companies identify the risks and opportunities associated with overseas expansion.”

Four annual GEI conferences are planned along with joint research on mid-market and entrepreneurial firms in Colorado to study and facilitate international business activities. Past and upcoming conferences:

- 12/18/07 - Going Global: Inaugural Forum
- 1/11/08 - Responding to a Slowing US Economy: Opportunities/Risks of global expansion
- 9/17/08 - Foreign Corrupt Practices Act: Implications for Colorado’s global companies
- 11/18/08 - Evolution of the European Union: Impacts and opportunities for US companies
- 2/2009 - The battle for China and India: Implications for mid-market US firms

Sessions from the second GEI conference “Responding to a Slowing US Economy” are summarized in this Global Forum Report.

Business survey

In November 2007, KPMG sponsored a survey of Colorado companies. The objective was to gauge the overall business climate in the region and to better understand the effects of globalization at a local and mid-market level. Michael Bearup presented the findings at the first GEI conference last December.

“One of the things that came out of our survey was that Colorado-based companies are considering overseas expansion in response to a slowing US economy,” said Bearup. Following are some of the key findings from the 103 respondents who participated in the survey.

- 43% rate their global expansion efforts as successful; 23% rate their efforts as having little to no success.
- The majority plan to increase global presence over the next 5 years.
- The majority say global expansion is not impacting their US employee base. 33% say their US employee base has expanded.
- Economic factors in the US and abroad have the most impact on global expansion decisions.
- Language, culture, and developing new customers are key challenges.
- The right people, communication, and knowledge of the market are key to successful global expansion.
- Technology support and human resource issues are aspects of global expansion which pose the biggest risks, but no one risk presents an insurmountable barrier.
- The keys to successfully managing non-US operations and maneuvering non-US markets include knowledge of the culture, the market and the people with whom you are doing business.
- Respondent company annual revenue: 82% less than $500 million; 11% $500 million-$999 million; 4% $1 billion-$1.5 billion.

Colorado businesses beneficiary of partnership

KPMG has been a crucial supporter of the Institute for International Business (IIB) from its inception. In 1989, just after the University of Colorado Regents approved establishing the IIB, KPMG partners became a founding entity with a $50,000 commitment. Their support for international business initiatives at the University of Colorado Denver (UCD) was matched by the Peat Marwick Main Foundation.

Since that time, a member of KPMG has continuously served on the Institute’s Global Advisory Board, working to make the Institute a viable force in Colorado’s international business arena. Richard Connor, managing partner of the Denver Office of KPMG, has been on the Institute’s Board since 1997. The Global Enterprise Institute is the most recent example of KPMG’s support for UCD and Colorado’s business community.

Both Mike Bearup and Manuel Serapio, faculty director of the UCD CIBER, agree that their partnership brings together the best of two worlds: business and academia.

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- Denver Office of KPMG LLP: The Denver Office, which includes Boulder, has served Colorado’s businesses since 1930. The two locations house over 400 employees including 350 professionals and 38 partners and principals.
- UCD CIBER. The Center for International Business Education and Research (CIBER) is part of the IIB at UCD, one of 31 universities in the US recognized by the US Department of Education as centers of excellence in international business education. The CIBER mission is to increase the business expertise and competitiveness of American businesses in the global marketplace.