
Travel Time Pays Off

When all the hours and airline frequent flyer miles are tallied, Dennis Means spent more than a day in the air traveling thousands of miles in order to complete a two-day visit to Korea on behalf of MANA. He spoke to manufacturers in that country who are interested in marketing their products in North America. Judging from the overwhelming response the consultant received, that investment of time was well worth the effort.



Dennis Means

At the behest of the Korea Trade Center (KOTRA), Means, who heads The Marketing Company, Cleveland, Ohio, acquainted manufacturers with the independent manufacturers' representative business model.

Part of KOTRA's mission is to introduce importers to the most appropriate business partners in Korea through "our wide-ranging inquiry network, as well as business meetings held year-round. KOTRA also operates a Buyer Service Center at our head office, where buyers visiting Korea can receive assistance in arranging business meetings with Korean companies and collect information on Korean products and suppliers. KOTRA organizes trade missions to enable Korean companies to better penetrate world markets."

The organization's trade mis-

sion program is undertaken mainly for the needs of small- and medium-sized companies, many of which do not have their own overseas marketing capability.

According to Means, his two-day stay consisted of a presentation to manufacturers on the first day, followed by meetings with specific manufacturers on the second day. The latter was geared to provide more detailed information on reps.

Defining the Rep Method

According to Means, "My presentation on June 29 was to approximately 300 Korean companies interested in manufacturers' agents, MANA and utilizing the outsourced method of marketing and sales through sales reps in North America. My presentation was translated into Korean.

As I spoke, each attendee received a booklet to follow my presentation, which was conducted at the KOTRA complex in Seoul. The presentation room was in an upscale, multi-level, theatre-style auditorium with a wireless earphone for each attendee to receive English or Korean translations.

"My presentation featured:

- The concept of manufacturers' reps.
- The benefits of MANA.
- The value of using sales reps.
- Mutual expectations of sales reps and Korean companies.
- How to work with manufacturers' reps successfully on a long-term basis.
- The necessary steps to establish business in North America and penetrate the various markets through proper strategic planning.

"In addition to mine, other presentations included logistics, U.S. distribution channels, home

shopping markets, and government procurement.

"On June 30, I met with 15 Korean companies that introduced themselves individually and requested in-depth information and guidance on establishing and expanding their rep networks in North America and proper channels of distribution in the United States."

Growth in Korean Interest

Means, who had made presentations to manufacturers in Korea in 1997, maintains that several of the companies in attendance had a good working understanding of the rep concept in North America. "Many of them were very impressed with the concept, largely because of efforts they made previously in using their own people to establish business footholds in the United States and North America. Overall, those companies had limited success. That's why their interest in reps was so great. Overall, I'd say that firsthand, I've seen tremendous growth and business sophistication take place. It is truly an aggressive global market that we are in and there is a real need for quality sales agencies to partner with companies planning to do business in North America, and North American companies planning to do business around the world."

Among the key points Means made for his audience was that independent reps would be ideal for their marketing efforts in North America. "Given the sizes of the companies in attendance, reps provided the ideal means for delivering their marketing mes-

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sage. Having said that, however, these companies would probably enjoy their greatest success in working with reps if they established a combination commission and fee-based relationship. I say this since many of the companies are small- to medium-sized and it would take some time for them to establish their presence in the new market."

He adds that since his presentations, he's received several e-mails with requests for additional information on the benefits of working with reps. "I've referred all of my contacts to the MANA web site (www.MANAonline.org) and to the article that appeared in *Fortune Magazine* several years ago that described who and what reps are." A PDF of the article can be viewed from the MANA web site by selecting the "Education/Seminar" button on the home page and clicking "The Knowledge Base" from the drop down menu, then "Also of Interest" and "Outsourcing Field Sales."

Among the more common questions Means answered for the manufacturers, both during his visit and afterward via e-mail, were:

- How does the process of working with reps actually work?
- What is a model for working successfully with reps?
- What type of support do reps require from their manufacturers?

One concern, that of potential

cultural differences, was put to rest by Means based on his experience with the manufacturers. "Many of them are already familiar with the rep model. They're already experienced working in Western European markets so they're armed with information on how to conduct business in other parts of the world." In addition, he said that he found communicating with the manufacturers was hardly a problem. "They've been taught English since grade school, so we were able to understand each other very well. In addition to their understanding of the language, they also understand that it will take some time for them to get established in a new market."

For U.S.-based reps who might be interested in learning more about business opportunities with Korean manufacturers, he suggested they visit KOTRA's web site (www.kotrana.com/en/index.php3). In addition, the KOTRA web site in Korea (www.kotra.or.kr) provides basic and additional information on the Korea Trade Investment Promotion Agency, an agency of the Korean government that actively assists interested parties worldwide to conduct business with Korea and Korean companies doing business throughout the world. Means may be contacted personally at: Tmarket@aol.com. □

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