

In a wide world of marketing, the provincial lose

I could give you a dozen reasons why we don't export to foreign countries, but I won't because it's nobody's business but our own.

A Utah businessman

By Max B. Knudson
Deseret News business editor

Why does your company avoid getting involved in marketing its product or service overseas? Check the answers which apply:

- () Fear of the unknown.
- () No one in your company speaks a foreign language.
- () Your domestic market is "large enough."
- () Cultural differences are insurmountable.
- () Strange rules and regulations imposed by foreign governments make trade with their countries difficult if not impossible.
- () It's just too much trouble, too intimidating, too worrisome.
- () All of the above.

Whatever your reasons, Erik C. Meyer has the same word for you that the Zenith television people have for detractors of American workers and products: "Runk!"

Meyer is president of Interconsult, a Salt Lake-based international management consulting firm specializing in export, licensing, joint ventures, business development and otherwise helping Utah companies break out of their provincial view of doing business and break into a global one.

Unfortunately, he believes, the average Utah company doesn't even know where to begin when it comes to entering world markets and is disinclined to set about changing that state of affairs despite the fact that there's money to be made.

"There are lucrative opportunities out there and I'm trying to entice our local industry to look beyond Utah's borders," said Meyer, who earlier this month escorted officers of a Salt Lake City computer company on a six-country European tour where they met with executives of 10 companies, potential and enthusiastic customers all.

"Those Salt Lake executives were overwhelmed at the reception we received," said Meyer. "Their technology was just what the Europeans had been looking for."

Meyer estimates there are at least 130 companies along the Wasatch Front that could similarly profit from developing overseas markets but, for various reasons, have so far chosen not to aggressively go after them.

Meyer, a native of Hamburg, West Germany, left Germany in the 1960s with an engineering degree and an interest in international trade. He has lived in France, Switzerland, Canada and India and, after

coming to the United States, earned an MBA degree from Rutgers University in New Jersey.

As a corporate vice president of Baker International, the parent corporation of the two Eimco companies and The Galigher Co., Meyer was sent west to Utah in 1979 to build up Galigher's international division. He liked Utah so much he decided to stay and open his own consulting firm.

Meyer speaks fluent German, English, French and Spanish, which he says are the four major business languages of the world. He contends it isn't mandatory, as many people believe, to speak Japanese or some of the other Asian languages in order to do business in the Far East. "They don't even want you to speak Japanese; it's almost an insult," said Meyer. The exception, of course, is Americans living in Japan and doing business with the Japanese on a daily basis.

More useful than commanding a broad range of languages, Meyer believes, is the art of maintaining an open mind toward other cultures and ways of doing business. The "Ugly American" syndrome is often triggered abroad by American executives almost by accident, he said, a result of their unwillingness to concede that there is any way of doing business but the U.S. way.

There are a few cases where that attitude can be excused, particularly when it comes to "greasing palms," the not-so-subtle bribes and kickbacks that are standard operating procedure almost everywhere but in English-speaking countries. Meyer concedes it is difficult to do business in countries where payola is a way of life, but such practices are illegal for Americans and "that's all there is to it."

Though Meyer is concentrating his efforts on coaxing local businesses out of their shells, he emphasizes that it isn't just Utah companies that are missing the export boat. U.S. business in general, particularly small to intermediate-sized companies, has been equally slow to adopt a "think big" marketing philosophy and Meyer believes that failure means continued escalation of the U.S. trade deficit.

For 1983, the U.S. is facing a \$60 billion trade deficit and for 1984 it is projected at \$100 billion — \$100 billion more worth of goods that Americans have bought from overseas than they have sold. By the end of the decade that deficit is projected to be \$170 billion.

"Between the federal domestic budget deficits and the trade deficit, we are borrowing against the future and playing with the well-being of future generations," said Meyer.

Even those U.S. companies which occasionally stick a toe in the murky export waters often withdraw it before finding out if they can be successful or not.

"They go about it in totally the wrong way. They



Erik C. Meyer, president of Interconsult, a Salt Lake consulting firm, wants to debunk myths that U.S. business overseas is troublesome and without profit.

receive inquiries from abroad and they don't answer them or they wait a very long time. Only if there are a large number of orders will they will someone to specifically handle out-of-country inquiries," Meyer said.

But all too often that "someone" is not the most proficient or experienced member of the staff. "It's appalling who they assign to it. Usually it's someone they can't use anywhere else. Or they grab a young kid from the shipping department who took Spanish or French in high school and they let him handle it."

Americans come by their business provincialism honestly, believes Meyer, because for most of the country's history, and particularly in this century, the domestic market was so vast that there was simply no incentive to go abroad. Let the big multinationals worry about it, has been the prevailing wisdom.

But that attitude may have been blunted by the recent recession in which most U.S. companies were hurt and many were devastated — a situation Meyer believes could have been at least partially softened by having markets outside the country.

Nationwide, the percentage of the Gross National Product derived from international business, particularly export of goods, is below 10 percent, compared with 30 percent or more for countries in Western Europe and the Far East. Still, Meyer takes heart in the fact that U.S. exports have more than doubled over the past 10 years as a percentage of GNP and it is the companies effecting this growth to which he believes the future belongs.

"The reviving world economy will offer unparalleled chances to the company with global thinking, particularly those that have products to offer that fall into the category described by the over-abused term 'high technology.' However, world-wide opportunities are not limited to companies with high-tech equipment, and any company with a quality product will find opportunities out there." But planning is necessary, Meyer emphasizes. International business does not consist of export from the home office alone, but this is usually the first step and international business will grow from there.

"Even the small and medium-sized company cannot neglect to do some kind of planning before seriously entering the international market. Once the commitment for expansion is made, the first step should be the hiring of a qualified individual or the contracting with an outside expert to build up the venture."

This individual, said Meyer, should have experience as an international manager as well as some basic international qualifications, including: an open mind to the world and an appreciation for the differences that will be encountered; an understanding of world economics, cultures and business conditions; willingness to undertake extensive overseas travel in the beginning to establish a business base in other countries; linguistic capabilities and the ability to get along with people of varying cultural backgrounds.