
The Remarkable Travels Of Marvin Marketeer

by

Hugh Tulloch

**Regional Manager, Asia-Pacific,
Honeywell Military Avionics**

[This article was prepared by a U.S. defense contractor as a light-hearted, yet informative look at international sales from the perspective of the U.S. defense industry. As such, it complements the preceding article by Colonel Joseph E. Edwards, USAF.]

Marvin Marketeer has just assumed responsibility for an international marketing territory in the Far East. Marvin came up through Wingnut, Inc.'s engineering and program management ranks, transferring into the marketing organization for the glamorous trips and alleged high pay. He has supported customer visits, both to the plant and overseas, but now he's got his laptop, and is ready to head out to Seoul and points south for his first solo selling trip.

This trip is important to Martin and to Wingnut. The company is half the size it was in 1987, both in sales and in personnel, and another layoff is scheduled for the week after Marvin's return. Wingnut's strategy for survival in the non-defense '90's has been to win a larger share of the export market to offset falling revenues from DoD. They've taken a couple of flyers on defense conversion projects, but have generally found established commercial companies jealously guarding that turf. Wingnut is counting on overseas orders to keep production lines warm and keep their prices to DoD down.

Unfortunately, international defense budgets have been tumbling at the same (or worse) rates as the US, and international companies worldwide have been scrambling with much the same concept as Wingnut. Competition has become fierce, and certain Western European governments are increasing subsidies to their suppliers, which were already more generous than the U.S.

Marvin feels good about landing the Far East territory. Defense budgets there haven't been cut as badly, and, with a few exceptions, the indigenous industry hasn't demanded as large a share of offset or co-production as the Europeans. Wingnut has postulated Asia as the number one international market for this decade.

However, cutbacks have taken their toll on Wingnut's international marketing. Their offices in Seoul, Hong Kong, and Singapore have been closed for a couple of years, now, and limited travel budgets have made it difficult to develop relationships with these customers, and to acquire knowledge of their requirements. Marvin hasn't been able to attend the DISAM Executive course, and is secretly a little perplexed about how to proceed. As Marvin is stuffing the last brochures into his bulging hernia bag, Ben Benevolent, his marketing director, calls him aside.

"Marvin, I know you're going to do fine out there. Be sure to check in with the SAO shop and get acquainted. Those guys have really improved over the last few years, and they're starting to do a great job helping U.S. industry. We need their help in providing the official U.S. presence, the security clearances, and licensing.

“Now, your primary interface with the customer is still through the reps. You know we’ve been working with Lee Jeong Soo for almost fifteen years now, so he knows where all the bones are buried, and the embassy guys are really good about sharing unclas data with him. They know we trust him and the two can help each other. However, it’s important for you to cross check data between Jeong Soo and the embassy. They all have different contacts at different levels, and you’ll never understand what’s going on if you only listen to one of them.

“The other thing is that, no matter how long he’s been working with us, Jeong Soo is still a local, and, while that’s essential for him to be able to tell us what the customer wants, you need to work with the SAO to bridge the gaps, both in terms of requirements and cultures. Also, don’t go asking Jeong Soo for lots of information on the customer organization—org charts and stuff. They consider that classified, and the SAO shop or the air attache can usually give you most of what you need on an unclas basis.

“Both Jeong Soo and the SAO should have some data for you on how the acquisition process works, but it never works the way the charts say anyhow. The Commercial Counselor will also have some ideas on the acquisition process, and the Econ guy can tell you whether the Finance Ministry’s five-year plan will really support the acquisition. We really need to pin down whether we’re going to be able to bring this one in this year. The two of them might have some ideas on offset candidates, too.

“Now, on that big job down in Sarkhan, you know the Sarks want to buy it commercial, and the Navy is insisting on keeping it in FMS channels. We usually don’t care, but we may need the flexibility of a commercial sale since they’ve introduced the new offset regs. Be sure to get a copy of the new regs either from Commercial or Econ.

“On the other hand, everybody who’s ever done a contract with them has told me how tough the Sarks are in negotiations, and we might be better off just letting it go through on an FMS case. Make your own assessment of which channel will work better, and we’ll try to work the policy issues both over there and in Washington. At the end of the day, it’s what the customer wants which has to govern, and either way, we need to keep the SAO and the service involved.

“The other thing you should explore at the embassy is how this whole anti-corruption drive is going to work out. Ever since they threw General Sigharchomper in the slammer, everybody else has been afraid to say boo to us, and I don’t think that new rep that Walter hired is worth a damn. Talk to the Pol-Mil guys and Econ and Commercial to get a feel for whether it’s real this time, or whether Air Marshal Krashenburn is just trying to get rid of a political rival.

“Take a good look at the rep while you’re there, too. I’ve had a slippery feeling about him ever since Walter hired him, and if he’s questionable, we may need to get rid of him. The Commercial guys should have a better file on him than the stuff we saw, and the SAO should be able to tell you what his reputation is in the services. It probably wouldn’t hurt to pull files and get WTDR’s [World Trade Directory Reports] on some replacement candidates, just in case.

“While you’re gone, I’ll be working with Dave of D.C. to see if we can’t get the export finance thing through Congress this session. He’ll be working with ALESA (American League for Exports and Security Assistance), NSIA (The National Security Industrial Association), and the other trade associations to push it through. Maybe you can get the embassy to weigh in through the CINC on the impact it could have for U.S. industry in the region.

We also have to find a way to clear that NDP-E (National Disclosure Policy Exception) decision on the laser-activated flivet. That paper’s been ping-ponging back and forth across the

Potomac for the last year, and the French have been all over the customer, including tickets with families to Paris for their demo. Maybe the CINC can break it loose. If we don't get a decision soon, we might as well hand it to the French.

Now, Marvin, I don't want you to feel a lot of pressure on this first trip. We've all been in this business for years, and we understand how long it takes to develop a sale overseas. On the other hand, we've got a hole in the forecast where the big USAF program fell out, and you know how Victor VP feels about keeping the operation sized to the work in hand. If we don't get one of our international programs booked by September, he'll miss his incentive, and that won't be a pretty sign. But I don't want you worrying about that: just go out there and knock 'em dead."

Ben gave Martin a hearty clap on the shoulder and left him to finish packing. Marvin's head was spinning with the flood of instructions. Of course he'd heard about the SAO's and the other embassy organizations, but he wasn't really sure how to work with them. Can he find happiness with Major Magnificent of the SAO shop? Should he have sent a fax alerting them to the visit, and asking specific questions about his programs?

You bet, and as Marvin gets more experience, he'll find that the SAO and the embassy team can be the best force multiplier in-country he can find. With luck, he'll learn that Major Magnificent has a standing golf date on Wednesday afternoons with the Army Chief of Plans and the Air Force Acquisition Chief, and when Marvin gets his handicap down to a proper level, he'll get to play in that foursome occasionally.