

SHARING TRADE SECRETS

The U.S. Market and Beyond, Through Dedication and Hard Work

Cracking the U.S. market can be enjoyable and highly profitable by following a few simple rules, as Scarborough-based KDM Electronics Incorporated discovered — the hard way.

The 20-year-old family enterprise might be small — a staff of four — but its innovative central speaker clusters and sound systems for recreational facilities “speak volumes”, literally and figuratively.

Going mainly after hockey arenas in Ontario and elsewhere in Canada — over 600 installations — KDM found that the domestic market went flat in the late 1980s.

So company President Ron Bull decided it was time to look elsewhere, and started turning his eyes south of the border.

U.S. market demanding

According to Bull, “Breaking into the U.S. market was not easy.”

It took the company about three years of constant presence at trade shows and return visits before orders started coming in.

“The U.S. customer wants proof of longevity, tenacity and

quality,” he advises, “before making a commitment. Seeing our products year after year at these shows, they were willing to place initial orders.”

By then, KDM had abandoned installation and gone into manufacturing after having developed, following advice from an architect, its revolutionary octagon speaker system.

“It was an attractive design and definitely a different shape for a speaker,” KDM’s President recalls, “but it incorporates known and accepted engineering design principles.

“Maybe an odd shape,” he adds, “but not an odd product.”

Over the years, since the introduction of the first octagon-shaped speaker, KDM has continued to improve and refine its central speaker cluster design, and also introduced new products such as the “mini octagon”

central ceiling speakers.

Then orders started coming in from U.S. customers — “mainly gymnasiums,” he says, “reflecting the popularity of basketball over small town hockey rinks which at the present time are starting to catch on in the U.S.A.”

Make the border transparent

One of the company President’s key pieces of advice for Canadian firms wanting to sell in the U.S.A. is to make the buying as hassle-free for the U.S. customer as possible.

“Pick up the transportation costs of your product to the border, as well as those for customs clearance,” he recommends, “making the border transparent to the customer.”

Bull also advises speaking the “language” of the customers, knowing exactly what they are after.

“You must make the customer feel you live next door,” KDM’s President suggests, “and understand fully the methods he utilizes to obtain products as if they were being purchased in his own country.

“You can pick up so much experience by going down there and talking to the people,” he says, “learning what they want and giving it to them.”

Entrepreneurship

KDM’s President is full of enthusiasm, convinced that “we Cana-

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