

is the acknowledged leader in sport and power boats, the United Kingdom and Italy are noted for their designs in building yachts and sailboats.

Regional trade agreements such as NAFTA and the European Community do not appear to have significantly affected the boating industry, leaving international marketers to address individual markets separately. Mexico's currency instability, for example, has prevented it from becoming a sure destination for U.S.-made boats. And value-added taxes still vary by country in Europe, while the Australian government recently stopped imposing the VAT on wholesalers.

Foreign visitors to IMTEC tend to be long-standing marine-dedicated family-owned distributors, as opposed to dealers, who come to do the same things American attendees do: keep up relation-

ships with American suppliers, look for new products and keep an eye on the competition. Because of the maturity of these relationships, payment terms are generally on open account. Most distributors are experiencing a growth in sales of between 5 and 30 percent.

An average sales force ranges from three to eight and receives sales training as opposed to regular product training. Sales teams are usually organized by geographical territories rather than by product responsibilities.

Advertising expenditures range from 5 to 10 percent, but little is spent on marketing research. Although few international distributors have adopted new marketing techniques such as CD-ROM, the Internet, e-mail or EDI, fax machines have accelerated the pace of international business. Answers are now expected

by and from customers in less than two days, regardless of where they are.

Most distributors do a significant amount of business with their neighbor countries; Australia with New Zealand, for example, Germany with Austria, and Switzerland and France with Spain.

Many distributors carry American products because they believe that U.S. goods offer quality for the price and because manufacturers grant exclusive territories. They say that selling quality products and offering service and competitive prices are the prevalent reasons their customers buy from them.

—Michael Muth

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