649-7589 VOL 06 | ISSUE 05 | AUGUST/SEPTEMBER 2010

ALSO INSIDE

BUILDING NEW MARKETS

Sisk CEO Liam Nagle on diversifying geographically and sector-wise

UNDERSTANDING THE ARBITRATION ACT

Impact for Irish companies involved in international business disputes

THE NORDICS FAST-FJORD INTO PRIVATE HEALTHCARE

Opportunities from investment and facilities management to medical and IT supply

PASSING THE BATON

Why succession planning shouldn't be put on hold

CAPITAL OFFENCES

Five mistakes to avoid when pitching to investors

EMARKET



ENTERPRISE

Signing a contract within just a few months of its first meeting, manufacturer of garbage compactors Macfab has challenged all perceptions of inevitably long Japanese sales cycles.

WASTING NO TIME

"We are a smaller and more flexible company, relatively speaking, and perhaps surprisingly we are able to compete strongly on price." t is often true that when a product is right for a market, gaining entry to that market will not be too difficult. Many trade experts, on the other hand, would probably believe that Japan is more than a little different – and generally entry is only possible after protracted efforts. But May of this year saw a significant Irish exception when Carrickmacross company Macfab sold its first machine to a Japanese importer with surprising speed – within just a couple of months of first contact. Not only that, but the Japanese partner soon after exhibited it in a trade show, with engineers from Ireland on hand to demonstrate.

Macfab makes waste compactors and balers, a business it has been in for about 15 years of its 30 years as an engineering company. Its products have been sold in 21 countries, mostly in Europe, but also in the USA, Australia and New Zealand and now Japan. The specific product sold there is at the lower end of its range, a 60kgs model with a footprint of less than a square metre, which is designed to handle paper and packaging waste in commercial premises such as offices and shops, garage forecourts, restaurants and fast food outlets.

Having targeted and researched the Japanese market, Macfab worked

through the Enterprise Ireland office in Tokyo. Cian McMahon, the company's business development executive, visited the country and met a select number of potential partners identified with the help of EI.

"Our Japanese partner company Ecoss was so confident of our suitability for their market that it made a decision very quickly. So last May, for the first and indeed only time, we air-freighted a sample product to them," says McMahon. "We then flew a couple of technicians out to help our new distributor demonstrate the machine at a waste industry show."

The partner subsequently identified modifications that it believed were essential for the Japanese market in the longer term. Macfab has been working hard in recent months on a customised model. "The bale size needed to be different, and we have also introduced a longer cylinder and made the machine fully

automated," McMahon explains.

The full Macfab range includes compactors and balers up to 500/600kgs capacity, as well as bottle crushers and related equipment. "We have found that our technical and machine quality and performance are well up to any competition from other imports or local Japanese products," he says. "So we have high hopes for volume sales of the smaller models and some market penetration for the larger machines. We are a smaller and more flexible company, relatively speaking, and perhaps surprisingly, we are able to compete strongly on price."

Macfab has just shipped its first

order for four of the new Japanese-specified compactor/balers and is confident that the next step will be shipping by the container load by the turn of the year.