

CRITIQUE OF MICROWAVE EXPORT PERFORMANCE

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The history of the microwave industry has been one of feast or famine. Not too many years ago most of us relied primarily on the Department of Defense for our well-being. In more recent years, however, with the growth in non-DOD microwave communications and radar, and commercial and industrial applications, our reliance on the DOD has diminished. We have also seen a growing interest in non-U.S. markets. The object of this paper is to discuss and critique the Export Performance of U.S. Microwave Companies.

To limit the study, I chose to concentrate my efforts on those companies exhibiting at the 1980 Microwave Symposium and in particular those that could be classified as national rather than multi-national organizations. From a list of exhibitors, I was able to select 68 companies that appeared representative of our industry. A questionnaire was prepared and mailed to each along with a stamped addressed envelope and a completed questionnaire prepared by my own company to encourage participation.

In tabulating the results and analyzing the data, it became clear that there were no surprises. It seems that because we all talk with one another, most of us conduct our export business in similar fashion.

Of 68 questionnaires mailed, 27 completed questionnaires were returned. An additional 6 were returned but with financial details omitted. Of the 27 companies, 23 had annual sales of less than \$10 million each, 3 had annual sales between \$10 and \$100 million dollars, and one had annual sales greater than \$100 million dollars.

According to the results, the group shipped about \$63 million overseas during their last fiscal years. The table shows shipments to various areas by percentages. An effort will be made to analyze the data relative to differences in sales approach and to see if there are techniques that account for improved export sales.

One overlying truth, however, is that ours is an international business and our success in our U.S. sales is indicative of our success in Export Sales. This is borne out by the fact that as our total volume of sales increases our export sales percentage increases also.

TABLE I

Company Size	Ex. U.S.	W. Europe	E. Europe	Japan	Can	Other
<\$10 million	17.2%	11.0%	.3%	1.8%	1.3%	2.8%
<\$100 million	19.7%	11.6%	.4%	2.0%	1.9%	3.7%
All	22.6					