

# Success Story

# Cleaning Up in New Markets

## Jet Incorporated



### The Company

Jet Incorporated of Cleveland, Ohio, was founded in 1955 to replace septic tanks with advanced technology, treating wastewater using a smaller, cleaner system. Over the years, the company expanded into commercial systems (“small package plants”) for decentralized locations such as small villages, hotels, and tourist resorts.

In short, Jet provides biological wastewater treatment solutions. Wastewater enters a tank, solids are digested by aerobic bacteria, and air is injected to promote bacteria growth—speeding up the digestion process.

Company founder David MacLaren made exporting his goal right from the start, and he obtained patents in several countries.

### The Challenge

According to Jet’s CEO Ron Swinko, the most significant challenge has been servicing international distributors. Because some countries have lax environmental regulations, the distributors must be convinced of the

product’s merits—and this means educating the distributors.

According to Swinko: “Developing countries may be focused on environmental sustainability, even to a greater extent than we are here in the United States, because of the scarcity of water. But they may not necessarily understand the benefit of regulation or the equipment that’s available.”

Swinko said it’s important to have enough inventory for immediate shipment to meet distributors’ demands. It’s essential to understand export regulation and documentation requirements for each country, as well as to provide needed technical support for installed systems. Providing support often involves training the distributors to service the equipment, having support personnel available by phone at odd hours, and, if all else fails, being prepared to dispatch technicians from the United States.

Jet discovered the importance of expanding its education program to include local regulators. “In the Cayman Islands and in Kenya, we hosted a seminar on wastewater management for the

Architectural Association of Kenya to at least provide some education into how wastewater treatment systems can generate water for reuse, and how our systems can be incorporated into sustainable projects for dwellings and resorts.”

## The Solution

Like many other successful small U.S. exporters, Jet turned to the U.S. government for help. “We’ve used the U.S. Commercial Service quite extensively,” said Swinko. “Because our business relies on increasing the number of distributors, we look in developing countries for distribution partners who are technically capable either because they’re currently in the water purification or construction business.”

Recently, Swinko used U.S. Commercial Service support to expand into Southeast Asia and South America. He recently returned from a trade mission to Brazil that included four meetings with potential distributors in São Paulo. “The trade mission itself was impressive, we met with high-level government officials and high-level management of potential clients. We received very detailed technical presentations on their environmental sustainability programs—and certainly, from our perspective, the mission was well worth the participation and the trip. We’ve already had detailed discussions with two companies, and three quote requests”

Swinko added that Jet got a lot of new business at very low cost. “The U.S. Commercial Service spends a great deal of time learning about our business, learning about our company and the requirements for distributors in the location, and then evaluates potential distributor partners and partner companies in that area. They set up the meetings after they reviewed our requirements and found good matches in terms of company personality and technical expertise.”

The increase in global sales has been a boon for Jet, which has grown to 30 employees including, recently, an engineer focused on international work. And because most of Jet’s domestic business depends on residential construction, the export sales helped keep the business growing during the U.S. housing market collapse.

“Today, international business is about 25 percent of total revenue with some nice year-over-year growth in the 30-plus percent range,” he said. “The future outlook is maintaining those increases, especially in the markets where we have a significant presence, like Africa, as well as the South American and Latin American countries.” Swinko believes there is room for considerable potential for growth in developing countries.

## Lessons Learned

There is considerable value in product “Made in the USA.” In Swinko’s experience: “In many cases the U.S. brand can compensate for the higher price. Overseas buyers greatly respect our emphasis on environmental regulation. And U.S.-made equipment has a very positive reputation.” He also says buyers ask about non-U.S. components, so the more U.S. content, the better.

Asked if Jet is a better company because of its international experience, Swinko replied: “We’re a better company because each of those countries, while they can use the basic equipment, do require some modification, do require particular levels of service. And so that knowledge has really driven some of our innovation of the equipment systems we produce.”

Jet plans to keep working with U.S. government export assistance programs. “‘I’m from the government and I’m here to help,’ has never been a laugh line for us. Just the opposite—we say, ‘Welcome, and let’s go.’”