

Success Story

Growing Strong with International Sales

NuStep



American-made NuStep recumbent cross trainers are shipped all over the world.

The Company

NuStep was founded about 20 years ago by Dick Sams, a biomedical engineer and creator of one of the first heart-lung machines. He sold a business developed around that device and decided to focus with his next company on the prevention of heart disease. One aspect of prevention is exercise. Sams had an idea: to help change people's lives through exercise and movement. NuStep makes machines for people who have health conditions that make exercise challenging.

The company sells products in 25 countries and the international business is now about 15 percent of total revenue. NuStep has only been exporting for 4 years.

The Challenge

The biggest challenge was where to find international customers. So Sams hired an international sales manager to execute a go-to-market strategy. He recruited Elena Stegemann, a native of Ukraine who speaks several languages and is comfortable getting on a plane and flying to unfamiliar places. She summed up the situation

simply: "How is this little company in Ann Arbor, Michigan, going to reach out to the rest of the world? And we had to recognize, that being a small company, we didn't have offices around the world. We didn't have a global team of salespeople who were going to knock on doors and do this on our behalf."

Early on Stegemann made the decision that the company would build a team of what she called "sophisticated visionary-type of distributor companies who really got the idea and understood the challenge that they were going to have in creating awareness for our product in their market but yet saw the huge opportunity for them."

Another challenge is the product can be considered either medical or exercise equipment. If the former, as it is in Europe, there is a different process for qualifying it for sale in those countries; but one only needs to do it once for the 28 member states. Brazil has a different process, and the steps and rules can be daunting without some expert guidance. Again, Stegemann relied on the U.S. embassy team, who provided what she needed to know and do.

The Solution

For help, she turned to the U.S. Commercial Service. The services she used including checking out potential distributors. “They would say, ‘Yeah, these guys, you know, whatever weirdness you’re getting from them, that’s actually how people interact in that part of the world. They’re OK.’ Or actually, like the people in Brazil, I was able to get some information that the U.S. Commercial Service got from the embassy that really ended up helping me make the decision to not work with people who would have gotten me into trouble. So access to those people on the ground there is like having your own consultant network for free or very low cost. So how great is that?”

She also took the advice to participate in a big German trade show that focuses on medical equipment. She went to MEDICA in 2009 because she wanted sales in European countries. She said: “This was the place where I met a lot of people. We were treated like royalty by the U.S. government staff who worked at the USA Pavilion. We had our own interpreter. He made appointments for us. They brought us coffee. I felt like a CEO, which is the name of the program. We ended up having conversations with distributors from different countries. And as a result of those meetings, we ended up having agreements that are still in place in Germany, Australia, and Italy. So this was the first year that we decided to go international. And if we hadn’t gone to MEDICA and hadn’t used the U.S. Commercial Service, I think that would have delayed us by several years.”

Lessons Learned

She believes that being a global company gives NuStep a competitive advantage over other companies who don’t have an international presence. She said: “When you’re present and mindful, you see things going on there that are precursors to trends that will eventually come to the U.S. So we sometimes have the opportunity to see the future. It’s like a crystal ball, and you have to be observant.”

A second lesson was that as a woman she can move in mostly male business circles with confidence and mutual respect. “I was a little bit nervous, I remember, going to Japan for the first time because I had done some homework. I had read up on their culture, how women are still kind of kept out of the corporate world. But when I walked in and I was there to do business and I was excited and happy to be there, I had prepared, I had done my homework, I had shown them respect by taking their culture very seriously—the respect was reciprocated.

“So whatever was going on inside of their heads, whatever discomfort they may have felt at being with a woman—and in fact, the first time I went, I traveled with my boss, a male, who’s a VP in our company and they kept on talking to him and asking him questions. And he would then ask me for the answer. And I could see the confusion in their faces the first day or so. They just didn’t know how to deal with that. But eventually they got over it. So being a businesswoman and dipping your toe in the waters and stepping out is a transformational opportunity not only for myself, but also for other people that I interact with.”



NuStep's products can improve health through exercise, regardless of age or level of function