

Export Development Day

MANTECH's Export Experience



>2,600 analyzers installed, >500,000 results every day.

Trusted by Governments and Industry to provide quality, accurate results.



Snapshot

- July 1, 2010 Incorporation
- Sales Break Down as of June 30, 2020
 - 10 years in business completed
 - CA: 32%
 - +24% YoY
 - USA: 33%
 - -8% YoY
 - ROW: 34%
 - +80% YoY



Target Customers

- Accredited, Audited Environmental Labs
 - Government
 - Commercial
- Agricultural and Academic Labs
 - Government
 - Commercial
 - University or other Research Institute, e.g. ELA
- Process Waters
 - Municipal Wastewater
 - Municipal Drinking Water
 - Industrial Wastewater



Sales Channels

- Canada
 - Direct Effective January 1, 2019
- USA
 - Direct Effective October 6, 2020
 - Acquired our distributor
 - Move most sales to Canada Corp
 - Some sales through MANTECH USA Corp
 - Government in some cases
 - Unwilling to buy from foreign Corp

- ROW
 - Distribution
 - Receive training in Canada (pre-COVID)
 - Take ownership of product
 - Transfer pricing to account for
 - In market sales & marketing
 - Warranty Coverage
 - Support
 - Margin
 - Some direct for Process Water Customers
 - Lower capital priced product
 - Simple to install and operate

Innovation Guelph

- 2015 needed key strategy for how we can scale
- Fast Lane Success
 - 2016
- 5 Pillars Identified



Government Supports

- Trade Commissioner Service Canada
- Ministry of Trade and Export Ontario
- NRC-IRAP
 - CanExport
 - IRAP
- EDC
 - Introductions
 - Receivables Insurance
- Biotalent and ECO Canada



Knowledge

- Know you market
- Know your value proposition
- Secure IP
 - if part of your competitive advantage
- “Thought Leadership”
- Pillar 1
 - Going direct in Canada gave us the insight for above
 - Makes us more effective exporters that will scale



Margin

- Ensure your earning profit
- Strategic “buying a sale” in some cases upon entering a market
 - Geographic or niche
 - Academics are strategic for us
- Growing sales means nothing if not profitable
- Capital Items are market priced
 - Improving margins year over year
- Consumables higher margins
 - More analyzers more consumables
 - Critical component if you can have it in your product mix



Ensure you are Paid

- Do not take risks!



Export Growth

- Pillar #2

- Go direct in the USA
- Increased sales by 34%
- Profit increase as well
- Overall decrease in expenses through centralized operations

- ROW

- Cautious growth by exclusive distribution agreements by country
- Increase by 3-5 per year
- Generally come to us and we pick those to target
- Require both training and capital (demonstration equipment) investment
 - Critical for the distributor to have skin in the game!

Export Growth

- How do we get found?
 - Marketing focused on email communications
 - Built-up an International mailing list
 - Beginning to focus on social media
 - LinkedIn: recently completed a professional business and personal page
 - Still learning
 - Twitter: still learning



Pillars 3, 4 and 5

- Confidential:
 - Centered around R&D, and IP
- Will contribute to
 - Export sales growth
 - Margin growth per sale



Pivot – The Pandemic Environment

- Pandemic has required a pivot in all areas of our business
- Challenges:
 - On-site installations
 - Training distributors
 - Service agreements
 - Maintenance
 - Trade shows are non-existent
 - Is there money out there?
- Opportunities
 - YES!

