

GONDOLA TRAIN HAS A FORMAL PLAN TO TAP FOREIGN MARKETS

Company Profile:

Gondola Train's roots date to 1913, starting as a general store before morphing into an Ace Hardware location. As part of being an Ace Hardware dealer, it was recommended that the store move its shelving every few years. The business developed a simple-to-use roller system to go underneath shelving so that it could be easily moved. Gondola Train began operating as a business in 1997 as a provider of systems, rollers, and equipment for moving shelving, retail fixtures, commercial equipment, warehouse racking, and office furniture. The company's name is derived from the shelves used in retail environments to display products, known in the industry as Gondola shelving. Gondola Train currently has 15 employees at its main plant in Potosi, Wisconsin, and a warehouse in Rancho Cordova, California. Gondola Train's primary customers include major retailers and general contractors, including those who work with fixtures and flooring and need to move shelves so they can perform their work.

Situation:

Gondola Train traditionally had done very limited exporting and had no formal strategic plan for shipping its products to foreign markets or attracting customers outside of the United States. Most of its foreign business focused on renting products to customers in Canada.

Solutions:

Wanting to tap into foreign markets as part of a more formal future growth plan, Gondola Train took part in WMEP Manufacturing Solutions' ExporTech™ program as a way of becoming more proactive in exporting its products. Gondola Train's management team attended three sessions of customized training through ExporTech™. Gondola Train developed an international growth plan with an initial focus on Canada and Australia, with the United Kingdom as a longer-term target. The company chose the markets after collaborative research revealed key data that then was inserted into a matrix to reveal markets with the most potential.

Results:

- Less than 1 percent of Gondola Train's revenue had stemmed from exporting. It set a goal of 25 percent by the end of the third year of its export expansion program.
- Projects tied to Gondola Train's export expansion include using grant funds to convert a portion of its website to French to serve French-speaking Canadian customers.
- ExporTech™ has provided the appropriate tools to validate any potential exporting partner.
- Exporting is allowing Gondola Train to diversify the markets it serves and insulate it from economic downturns in the U.S. market.
- Used the U.S. Commercial Service Gold Key matchmaking program that it discovered through ExporTech™ to expand exports into Canada

"When we signed up for ExporTech™, I was probably the biggest naysayer. Why do we need to do this? We have plenty of business in the United States that we could be going after. But the first meeting was an "aha" moment for me. I realized I was too old-school in my thinking."

Pat Walsh, Owner and Chief Financial Officer - Gondola Train

