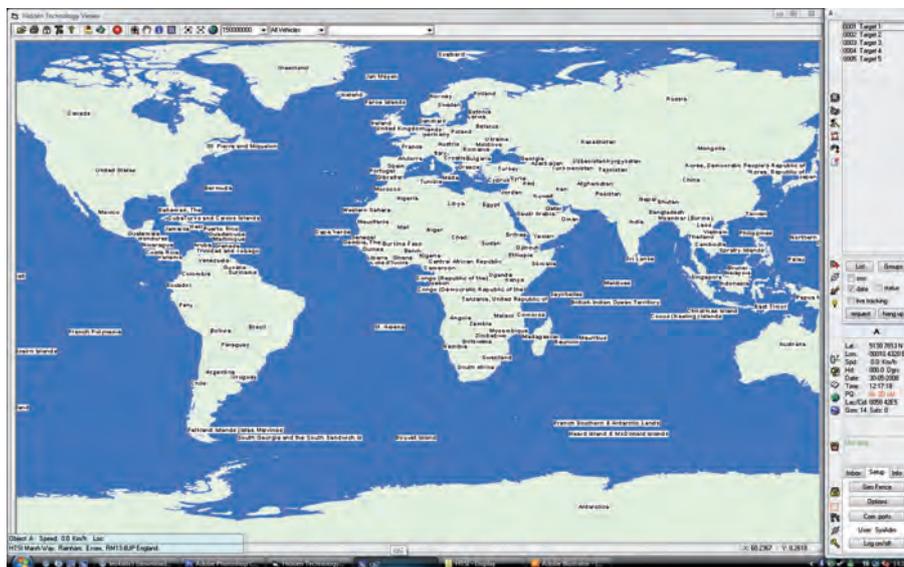


SURVEYING THE GLOBAL MARKET

CASE STUDY: HIDDEN TECHNOLOGY

Thanks to introductions made by UK Trade & Investment, UK based SME Hidden Technology Systems International Ltd has expanded its business into the US, Italy and Saudi Arabia.



FAST FACTS

COMPANY: HIDDEN TECHNOLOGY SYSTEMS INTERNATIONAL LTD

COUNTRY: UK

INDUSTRY: SECURITY/MANUFACTURERS

WEBSITE: WWW.HIDDENTEC.COM

Since the shocking terrorist attacks of September 11, police and counter-terrorism units all over the world have had their work cut out securing their communities. Military special forces units have also become increasingly involved in this task to share the load. The police and the military are alert to new products that can help them to identify and eliminate security threats, precisely and effectively.

Essex based company Hidden Technology manufactures and supplies surveillance and intelligence gathering equipment to police, military and government security agencies around the globe. In the UK alone, the company has 18 members of staff working as

engineers and trainers and in sales support and production. Since acquiring a Dutch security manufacturing company in 2000, it has also invested in R&D facilities in the Netherlands, and operates its European support office from those premises.

“Over the past eight years, we have been focussing not so much on sales as getting our very niche products recognised as the best in the world,” says Chris Nyland, International Marketing and Special Projects Director at Hidden Technology. “By displaying our products at the right exhibitions, and through word of mouth, we have grown the business so that we now sell in 27 countries around the world.”

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STATESIDE SUCCESS

In its early years, Hidden Technology relied primarily on distributors to bring in new business in the US. But, over time the company found that, although the distributors had secured some large contracts, they lacked the commitment required in the long-term.

Confident that its equipment was top quality and comparable to what was already available in the US, Hidden Technology decided to take charge of its own destiny. When the distribution agreements came to an end, the company began to promote its products itself. But, after a positive response to a presentation to the New York Police Department failed to result in a contract, Hidden Technology turned to UK Trade & Investment's Defence & Security Organisation (DSO) Ministry of Defence (MoD) Industrial Participation Unit (MOD IPU) for help.

"We knew that the IPU had excellent connections with some of the biggest players in the US," says Chris Nyland. "We approached them for help getting into the market, and they pulled out all the stops. An email was sent on our behalf to introduce our company and products to key target companies. They even arranged one-to-one meetings with the right contacts within those companies, so we knew we were talking to the decision makers."



Hidden Technology has expanded into the US with the help of UKTI DSO and MOD IPU.

SECURING CONTRACTS

One large US defence company was so impressed with Hidden Technology's offering, that it took the company under its wing. Together with the IPU, Hidden Technology was advised that it needed a physical presence in the US, offering after-sales support and training, if it was to win over any new clients.

Hidden Technology had a former distributor that had worked with the company for eight years in Germany, and had US citizenship. As an ex-narcotics investigating officer in the US army, Gary Bryant was the perfect choice to head up the new US operation. Following the advice of the IPU, he was posted in new premises in Florida at the end of 2007 and began building his team.

"As a small company, we value the input of those with more experience than we have," says Chris Nyland. "When the large US company saw that we had followed the advice of the MoD, its commitment to us increased, and the company went on to introduce us to its big contacts in the US. The Company's own Head of Security tested all our products, and reported back to us that he had rarely seen such high calibre equipment. They are now set to buy our products for their own high level security needs. This endorsement went down well with other prospective clients, including high level police contacts that the Head of Security introduced us to."

GLOBAL STRATEGY

Hidden Technology continued to work with UK Trade & Investment's DSO Small Business Unit, first to identify potential target regions and then to develop a strategy to win business globally. From the UK, the company was put in touch with the relevant UK Trade & Investment staff posted around the world, and they in turn were able to introduce Hidden Technology to the right people.

"The help UK Trade & Investment DSO gave us was overwhelming," says Chris Nyland. "The in-country contacts that we were introduced to really know the local market and made sure we were able to present our products to the people who were in a position to make a decision whether or not to buy."

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THE ITALIAN JOB

Hidden Technology had received some enquiries from potential customers in Italy. The company decided to explore this market further, and UK Trade & Investment suggested it enlist the help of the British Consul General in Milan.

UK Trade & Investment was taking a stand at Sicurezza 2008, an international security exhibition in Milan. The Consul General in Milan agreed to distribute Hidden Technology's brochures to relevant people visiting the UK Trade & Investment stand. The response was so positive, that the company arranged a five day visit to Italy in March 2009 to meet with interested parties.

"We were blown away by the help we had from UK Trade & Investment in Italy," says Chris Nyland. "Not only did they distribute our brochures for us, but when we planned our follow-up trip to Italy, they helped us with everything from arranging hotel accommodation and interpreting services, to setting up private closed meetings in Rome, Milan and Naples where we could demonstrate our equipment. We are now quoting to those organisations we met on the trip and if the contracts come in, they could be worth up to 100,000 euros."

MIDDLE EASTERN PROMISE

Saudi Arabia was another area that Hidden Technology had been thinking about over the past five years. Again, local distributors had helped the company to win some contracts, but when things went quiet, it spoke to the Saudi Arabia desk in UK Trade & Investment to help get things moving again.

As with the US, UK Trade & Investment advised Hidden Technology that it was possible and advisable to set up an office in Saudi Arabia, albeit with a local sponsor. This arrangement would give the company more control over its marketing efforts in the region. Hidden Technology found a Saudi national with experience of the security industry and a strong client base. A Joint Venture was formed and Hidden Technology Systems International Middle East began to serve new and existing clients.

"By setting up a joint venture with a Saudi company, we are now able to bid directly for tenders and contracts," says Chris Nyland. "This arrangement also allows us to provide in-country support to our clients, 24/7, 365 days a year, which is so vital in winning new business."

CHALLENGES

The journey that Hidden Technology has taken to achieve this global presence has brought with it many lessons. Whilst attending trade shows is a crucial part of building a reputation and getting known in the market, the company has learned to be discerning about which exhibitions are crucial to attend, and which ones are not respected by the industry. What's more, each new region it explores has challenges to overcome, but the company is open to putting in the effort required to succeed.

"Given the global concern for security these days, our industry is a good market to be in right now," says Chris Nyland. "But, even so, to succeed globally you need to have something special to differentiate yourself from the other companies in the field. In the US, for example, although our products were recognised as being superior to locally developed alternatives, price was a major sticking point. We had to go into the market selling for dollar to pound, which at the time was around half the price we could command around the world, in order to win any market share. We took a gamble, hoping to make up for this in volume of sales, and the gamble paid off."

"To succeed globally you need to have something special to differentiate yourself from the other companies..."



TRADE ASSOCIATIONS

Since 2000, Hidden Technology has been a member of the Defence Manufacturers Association and the www.appss.org.uk Association of Police and Public Security Suppliers (APPSS). These trade associations work to assist the UK security industry to benefit from defence business at home and overseas.

"Membership of these trade associations is invaluable," says Chris Nyland. "There are some security companies and so called

manufacturers out there with dubious credentials, but here in the UK we vet our members to make sure that they are trustworthy and that the products and services they provide are of high quality. The associations are pro-active in supporting UK security companies in a range of ways, from providing seminars and marketing data to organising attendance by members at overseas exhibitions."



UK Trade & Investment is the Government organisation that helps UK based companies succeed in international markets. We assist overseas companies to bring high quality investment to the UK's dynamic economy.

For further information, please visit: www.uktradeinvest.gov.uk

Please quote reference: 1234 when you call or email.