Company Overview

- Distributor of Electronic Components
- Established 1989
- 2014 Projected Turnover - $72m
- 125 Employees Globally
- Global Footprint; offices in, North America/Europe/Asia
- Focused on Defence and Aerospace Industries
Why Set up in US?
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- Key Customer Base: Blue Chip Tier One OEM, Defence and EMS
- Proportionally more customer sites in the US
- US Supply chain not overly diverse in procurement: predominately buy domestically
- Logistically beneficial
- Time difference and ability to be customer facing
How We Established Astute Inc.

- HREDA explained legalities, Incorporation process, benefits of geography, local business climate, recruitment pool and projected growth for the region
- Through HREDA’s help, multiple potential site visits were arranged
- Local city officials explained business process/practices in each region
- Recommended Solicitors and Accountants
- Options for both Banking and Insurance
- Introduced to foreign owned business’s in the area
- Offered continuous support through the whole process
How Astute Set Up in the US

- Obtained Incorporation March 2007
- Officers registered at time of Incorporation; Geoff Hill – President, Aran Coker – Vice President, Ian Fantham – Secretary
- Approved for L-1A visa
- Signed 5 Year Lease for 5000sqft facility in Suffolk, VA
- Zonal clearance obtained by City of Suffolk
- Business Licence obtained from City of Suffolk
- July 2007 – US facility open for business
- September 2007 – recruitment of first employee
Personnel

- Recruitment pool assessed; strong military and university presence
- Right to work state
- Same skill set could be employed in USD for the GBP equivalent
- Group healthcare providers and plans reviewed to fit number of employees
- 401K plans reviewed as part of employee package
- Employee Handbook created applying both US and State law
The Journey

- Q3 2007 – Open for Business
- Q4 2007 – Global Recession (that wasn’t’ in the plan!)
- Q4 2007 – First employee taken on
- 2008 – First US contract granted by BAE Systems
- 2009 - Break $2M turnover
- 2010 - Open Sales office in Guadalajara, Mexico
  - Increase number of Employees to 9
- 2011 – Sign key contracts with two major OEMs
  - Move to bigger facility increasing footprint by 125%
- 2012 – US Senate introduces NDAA Section 818
- 2012 – Break $5M turnover
  - Increase number of Employees to 14
- 2014 - achieve $7.5M in turnover
Lessons Learned

- Resilience
- Understand your US competitors offerings
- Know your USP
- Get to the point when customer facing. They want to know benefits and cost.
- Make the effort to meet; many suppliers communicate only by phone or mail
- Mexico and Canada offer huge potential
- Pick geography that benefits your industry (ie. Texas for Oil & Gas)
- Be true to what made the UK company successful
“Some days you are the pigeon, other days you are the statue”