

It's a small, small world!

**By Fred Grauer, Executive Vice President
Ryko Manufacturing Company**

Over my entire business life I have been fortunate enough not to be influenced by the World War II generation, who basically were against anything foreign. My parents were very anti anything that wasn't home grown. If it doesn't say USA on the label it was inferior and not worth buying.

As a car washer I have tried to avoid the prejudiced opinions of my parents. But let's face it, if you ask most car washers how they bleed and they'll tell you that the right arm is red, white, and blue; the left is detergent. We are a very patriotic group and on top of that we basically feel that we invented car washing! So if it wasn't built here, it basically isn't any good. Bottom line "made in the USA", just works fine.

With that said I have to admit to having a predisposition to some Asian products. As an ex motorcyclist when Honda and all the other British look alike bikes came to our shores I was impressed. Good looks, great performance, and you knew that when you went out for a ride it would always be reliable. Then like any kid of the "60's" I was into music! Take a look at the label on any music or top line video player and chances were the made in USA label wasn't there.

As I have matured and been further exposed to the world I have become a global buyer. My business life has always been involved in manufacturing and distribution. Like the countries we import from, I to had become an exporter. Other countries have recognized our skills in producing durable car wash products and as a result our expertise has found its way to other shores.

What created the wealth of our country, our manufacturing capability, has been studied, emulated and supported by other governments. As a result other manufacturing nations have become successful and very wealthy. Instead of looking at the label on a product and refusing it because it was imported we now embrace it as a way of life. How we got here and why is fodder for a much longer controversial article. But for now let us say that internal complacency has opened the door for imported products that are well made, competitively priced and meet the value equation of today's buyer.

Since 1965 the percentage of workers involved in durable goods manufacturing has shrunk more than 50% while many service industries have more than doubled. According to an article recently published in "The New York Times" we are now becoming a nation of advisors, fixers, entertainers, and high tech engineers. As we have continued to loose our manufacturing base the share of the economy that has gone to medicine, banking, and law has grown. Maybe we could help our balance of payments and trade deficit if we could export more lawyers and bankers?

No matter how you look at it the Monroe doctrine of insular isolation has no place in today's economic environment. And thank God. We have access to not only the best and brightest in our country we now have the ability, thanks to globalization to choose from

The best the world has to offer. As a nation we are the plum every exporting nation wants to grab. For these competing companies/ nations they are entering a nation of intelligent, picky, buyers. As such their job isn't easy; they have had to create strategies that meet the needs of a fickle consumer. For those who recognize this and the value of a USA base they have come to our country and invested in our greatest resource, our people. They have bought ground, built factories, and tapped into successful service and distribution channels. The smart global players realize that Americans still want to support American workers and are far more interested knowing that Americans are taking home a pay check.

In the car wash business the ability of an international player to be taken seriously has been extremely difficult. Not only do car washers wave the flag they are a notoriously practical group of business people. A car wash only makes money when the equipment is operating. The importance of "up time" for an operator is critical. Not many years ago a major national car wash chain of in bay automatics looked a downtime. In their evaluation they calculated that one percentage point of downtime was a loss of \$100. So if you were operating at 90% you were loosing \$1000 per month. Imagine now the concern an operator might have for an imported product. How easy is it to find off the shelf parts so that replacement time is at a minimum?

This recognition of up time has become an opportunity for a few smart manufacturers. Programs that guarantee a certain percentage of up time are now available. International manufacturers of car wash equipment have who recognize the importance of the American market have listened well.

Yes for some industries the distance between shores has become a nano second away. For those of us buying durable goods we are very fortunate. We now have access to and support from concerned global players. The best and brightest is a catalogue away. It certainly has become a small, small world, thank god!