

# CONNECTING WITH MIDDLE-EAST BUYERS

## SEMA Business Development Program Forges Valuable Relationships



■ First-time exhibitor Specialty Vehicle Engineering Inc./DBA Hamburger's Superchargers Inc. attracted lots of attention among local buyers. Vice President of Marketing David Hamburger (second right) noted that he and Sales Manager P.K. Krwawecz (third right) enjoyed their first SEMA overseas business trip, especially explaining the features and benefits of Hamburger's superchargers to potential UAE clients. The company will be also participate in the association's upcoming trip to Australia.

time to strengthen partnerships," said Bob Scheid, director of business development for McLeod Racing LLC. "The importance of being face-to-face with our customers in the Middle East each and every year was evident again this year. Only by being there can we see the market trends and how those trends can lead to increased sales of our products. SEMA has given us a great format to get a diverse view of the market in a very affordable and time-effective way."

Josh Abbott, global sales manager for Borla Performance Industries, agreed. His company has participated on each of the SEMA overseas trips, including the eight to the Middle East. "We once again had the chance to meet a great selection of buyers from the region, conducted critical and very useful conversations with existing partners and had the opportunity to learn about the market itself," he said. "The UAE continues to be one of the most rewarding territories in the Gulf Cooperation Council (GCC) for Borla Performance."

Jeff Hermann is product manager for powered vehicles at FOX. His company also has distribution in the UAE. "The SEMA Middle East trip was an excellent opportunity to validate and strengthen our current business relationships in the region," he said. "We were also able to speak directly to consumers at the show and get valuable

**O**ne hundred and fifty-seven SEMA-member companies have traveled to the United Arab Emirates (UAE) with the association to take part in the SEMA Middle East Business Development Program and Custom Show Emirates trade show since the inaugural trip there in 2012. While certain trends, vehicle mixes and other factors have changed in the intervening eight years since the first trip, some fundamentals are consistent, including the following.

### The Importance of Building Relationships Before Business in the Gulf

"Business in the Middle East is based on relationships," said Mark Whitney, owner of Performance Analysis. "Coming over to the show and meeting the customers is the best way to build those relationships and grow your business in the market." Added Ace Chato, regional sales manager and Middle East sales manager for MW Company: "The face-to-face meetings are invaluable in establishing customer rela-

tionships and securing a piece of the performance market in the UAE."

### Participating in SEMA Overseas Trips Is Designed for Those Visiting the Market for the First Time as Well as Those With Existing Customers in the Region

"For those with existing distribution in the market, traveling to the region allows for a review of relationships and

firsthand feedback on trends and market requests specific to the region.”

Dan Muldowney, CEO of Motorsports Fuel and Equipment/RACE GAS, enjoyed visiting the market for the first time and saw potential for his company and other SEMA members. “We were very impressed with how enthusiastic and eclectic the car culture is in the Middle East,” Muldowney said. “We saw everything from supercars to sand buggies. If it has an engine, you will find a shop in that market that will want to make it go faster!”

In fact, 100% of the participants—both returning and new to the market—reported in a post-event survey that they developed leads and plan to actively seek to turn those leads into sales over the next 12 months.

### **The Growing GCC Racing Scene Provides Sales Opportunities for U.S. Companies**

The Gulf region receives worldwide attention for hosting F1 races on state-of-the-art circuits in Bahrain and the UAE, and rumors that Dakar racing might be coming to the region is also good news. But some of the best opportunities are with the more grassroots events that involve passionate car enthusiasts with various levels of expertise and vehicle customization, including drag racing; drifting; karting and many other types of on- and off-track racing; sand dragging; dune climbing; and desert rallies, such as the Abu Dhabi Desert Challenge. That translates into a great and growing opportunity for U.S. companies.

“The majority of engine, brake, suspension and other products to make vehicles in the Gulf region race-ready are coming from the United States,” according to Saeed Al Marzouqi, the CEO of Custom Show Emirates.

### **The Automotive Specialty-Equipment Market Continues to Evolve**

One of the latest niches to explode is the UTV market, and it’s creating opportunities for U.S. manufacturers of aftermarket parts for those popular vehicles. Trucks (particularly the Nissan Patrol and Toyota Land Cruiser) have long been among the most popular off-road vehicles and are easy

to spot on any trip into the desert, though sand cars, UTVs and ATVs are the fastest-growing segment.

“The UTV market in the gulf region is growing at a good pace,” said first-time exhibitor Saniya Bindrani, inside sales for Demon Powersports. “SEMA made it easier to connect with buyers and help us get an insight into the market. It is very exciting to be a part of an up-and-coming market and to be able to shape it like the first SEMA Shows did to the U.S. market.”

### **Custom Show Emirates Is the Largest Show in the Gulf and a Great Venue for U.S. Companies to Raise Brand Awareness, Strengthen Relationships With Exhibiting Customers and Meet Potential New Distributors**

The SEMA delegation exhibited in turn-key booths at the Abu Dhabi-based show. More than 32,000 attended this year’s event, which featured local distributors in addition to the displays by the manufacturers, such as those in the SEMA section. This year, the show added new sections for RVs, UTVs/ATVs, sand buggies and power motorsports. The event also featured a wide array of competitions, including an “engine battle” between a U.S. and UAE company in which the company producing the most horsepower was named the winner. There was also a biker build-off and a custom car competition as well as drifting demonstrations in front of packed bleachers.

“By participating in the SEMA UAE Business Development Program and Custom Show Emirates, we were able to connect with key buyers in the region as well as learn about market-specific needs, challenges and expectations,” said Vitaliy Maksimov, founder and CEO of OBD Solutions.

### **Companies Participating in the 2019 SEMA Middle East Business Development Program**

- BDS Suspension
- Borla Performance Industries Inc.
- DeatschWerks Fuel Systems
- Demon Powersports/Rugged ATV UTV Products/PD International
- FOX
- Injen Technology
- McLeod Racing LLC
- Mickey Thompson Performance Tires & Wheels
- Motorsports Fuel and Equipment Inc./RACE-GAS
- MotoshieldPro
- Mustang Dynamometer
- MW Company
- OBD Solutions
- Performance Analysis
- Precision Turbo and Engine
- Sherwood Innovations
- Specialty Vehicle Engineering Inc./DBA Hamburger’s Superchargers Inc.
- VP Racing Fuels
- Wilwood Engineering



■ Ron Scudder (center), international sales manager for BDS Suspension, met with local business representatives during the consumer and trade event. Each SEMA member was provided with a 3x3-m. turnkey booth at the three-day Custom Show Emirates.





■ “The SEMA trip to the Middle East was a great experience,” said Josh Abbott (right), global sales manager for Borla Performance Industries Inc. “Thanks to the always amazing and very professional SEMA crew, we once again had the chance to meet a great selection of buyers from the region, conducted critical and very useful conversations with existing partners, and had the opportunity to learn about the market itself. For Borla Performance, the UAE continues to be one of the most rewarding territories in the Gulf region. The market consists of mostly young and middle-aged enthusiasts with a higher disposable income and immense love and passion for cars and modifications, which translates into strong business potential. We will sure go back next year to capitalize on future opportunities.”



■ “The SEMA Middle East trip was an excellent opportunity to validate and strengthen our current business relationships in the region,” said Jeff Hermann (left), product manager for powered vehicles at Fox Factory. “We were also able to speak directly to consumers at the show and get valuable firsthand feedback on trends and market requests specific to the region.”



■ Jay Crouch (left) attended the UAE show as director of global business development for Injen Technology. The California-based company has been actively developing their brand and distribution network in the Middle East. That effort includes regular trips to the region.



■ “We had a good mix of trade buyers from several GCC countries present again this year who were ready to conduct business,” said David Reyna (right), international sales for DeatschWerks Fuel Systems.



■ “The UTV market in the gulf region is growing at a good pace,” commented Saniya Bindrani (not pictured), inside sales at Demon Powersports/Rugged ATV UTV Products/PD International. “SEMA made it easier to connect with buyers and helped us get an insight into the market. It is very exciting to be a part of an up-and-coming market and to be able to shape it like the first SEMA Shows did to the U.S. market. I think the biggest struggle today is finding the right customers to help us in that adventure.” Pictured above is Sarankan Sri (right), Demon Powersports R&D/sales representative.



■ “The SEMA Middle East Business Development Program provides insights into a developing automotive market and customer base in the region,” said Bill O’Roake (left), international sales manager at Mickey Thompson Performance Tires & Wheels. “The SEMA group does a great job of organizing the entire experience, including potential new customer contacts. It is also a great show from an enthusiast’s perspective. If you want to sell more products in the Middle East, learn how to market in the region and meet the right types of distributors and dealers who will succeed in marketing your brand, I would recommend attending.”





■ CEO Rick Fung (second from right) and Vice President of Sales Bryan Ingram (right) attended the UAE event for MotoshieldPro. "We are grateful for our experience and time with SEMA in Abu Dhabi. As a result of being an exhibitor, we are now connected directly with distributors for our products. Overall the event has generated meaningful, impactful and strategic connections into the GCC. We look forward to exhibiting again next year," commented Ingram, a first-time exhibitor.



■ "The yearly Middle East is a great opportunity for the entire MW Company portfolio of brands as well as other manufacturers within the automotive aftermarket to reach one of the fastest-growing international business populations," said Ace Chatoo (right), regional sales manager at MW Company. "The face-to-face meetings are invaluable in establishing customer relationships and securing a piece of the performance market in the UAE."



■ "By participating in the SEMA UAE Business Development Conference and Custom Show Emirates, we were able to connect with key buyers in the region as well as learn about market-specific needs, challenges and expectations," said Vitaliy Maksimov (third left), CEO of OBD Solutions. "The program helped us uncover opportunities we would not have on our own."



■ "I have found that the customers know what they want and are very intelligent about the products that are available," said Mark Whitney (left), owner of Performance Analysis. "The customers that come up to your booth already know your product and are so happy to see you in their market."



■ Pictured is Scott Sobie (right), Mustang Dynamometer sales manager. This is Mustang Dynamometer's seventh time participating on the SEMA Middle East program held in Abu Dhabi.



■ Custom Show Emirates set new attendance records with 100% of the exhibitors reported finding new leads during the trip and will be actively following up upon returning home.





■ In addition to exhibiting in a turnkey booth, each participant visited specialty-equipment shops in Dubai and Abu Dhabi and were briefed by a panel of top buyers. Representatives of SEMA-member companies such as Joe Krivickas (left), site manager for Precision Turbo and Engine, also attended a market overview with U.S. government representatives in the region.



■ “We were very impressed with how enthusiastic and eclectic the car culture is in the Middle East,” said Daniel Muldowney (center right), CEO of Motorsports Fuel and Equipment Inc. “We saw everything from supercars to sand buggies. If it has an engine, you will find a shop in that market that will want to make it go faster!”



■ Chris Cosentino (center), chairman of Sherwood Innovations, and Alice Nassar (right), the company's marketing coordinator. The company, which traveled with SEMA to the Middle East for the first time, will also be participating in the upcoming trip to Australia.



■ “The importance of being face to face with our customers in the Middle East each and every year was evident again this year,” said Robert Scheid (left), director of business development for McLeod Racing LLC. “Only by being there can we see the market trends and how those trends can lead to increased sales of our products. SEMA has given us a great format to get a diverse view of the market in a very affordable and time-effective way.”



■ “We were most gratified to see so much brand recognition for VP from the multiple countries in the region,” said Peter Coleman (right), business development manager for VP Racing Fuels. “We had the opportunity to discuss both our current distribution and potential to expand further, and SEMA's actions in extending our influence in this lucrative market were very much appreciated.”



■ “The Middle East SEMA experience has provided us with increased opportunities for product development and sales of brake systems for SUVs, off-road and armored vehicles that we would not have been aware of without our participation in the event,” said Robert Reese (right), business development for Wilwood Engineering. “I cannot say enough about the positive experience of meeting so many new customers.”





■ The SEMA Middle East program provided participants with the opportunity to not only network with overseas buyers but also with each other. Pictured here, the group gathered for the opening session.



■ The 2019 SEMA Middle East event kicked off with a panel of top buyers. Among the topics discussed was the growing racing scene in the UAE and the Gulf region and how it is translating into increased sales for U.S. companies. The buyers of racing and off-road products talked about the challenges and opportunities of doing business in the region, the positive partnerships they have formed with U.S. companies, and their current needs for additional suppliers.



■ Liz Couch from the U.S. Department of Commerce's headquarters in Washington, D.C., briefed the SEMA delegation on doing business in the region. She was joined by U.S. government representatives based in the UAE, Kuwait and Saudi Arabia.



■ Delegation members participated in one of two tours of shops. The first group selected the installers, retailers and distributors of products for car performance and racing (primarily drag racing and drifting), and the other visited shops specializing more in styling and engine performance for trucks and off-road racing. "It always brings a big smile to my face to see Wilwood products on American muscle cars all over the world. Especially when they are on ones that have been restored to such a spec as this 6.2L supercharged SS," commented Charles Dixie (left), who works in sales and engineer for Wilwood Engineering.



■ Eight shops in Abu Dhabi and Dubai were included on a tour of specialty-equipment businesses this year. During one visit, Mark Link (right), president and COO of Race Gas, chatted with the general manager of a high-end racing/performance installer in Dubai.



■ The trip provided a great networking opportunity with not only Middle Eastern buyers but also each other, such as this discussion between Ed Hamburger (left), CEO of Specialty Automotive, and David Reyna, international sales for DeatschWerks Fuel Systems.



■ The delegation visited some of the leading UAE shops for specialty-equipment products, including a shop that offered installations, retail and online sales under one roof. 🛠️