

Chairman's Letter

Riding the Global Wave

In discussing the global business imperative, I have often used the analogy of an incoming tide. There are those who feel compelled to stand at the shoreline, hands up, trying to prevent the tide from flowing. My guess is that they'll eventually drown. Then there are those who grab a surfboard and learn how to use the power of the incoming tide to their advantage. It's no secret to my friends and colleagues that I think we'd better learn to surf.

Globalization presents a daunting challenge to our industry, particularly to suppliers. Many have traditionally been importers and decorators, and the prospect of their overseas sources selling imprinted products directly to U.S. distributors (or to buyers) strikes at the heart of our traditional distribution arrangement.

I suppose the last three words of the preceding sentence are the key to this article. Our "traditional" distribution arrangement, stable for so long, is transforming itself almost before our eyes, and we are not in complete control of the outcome. Perhaps America's greatest gift to the world of business is our genius for distribution—that is, getting the right product to the right place at the right price in the shortest amount of time. If there is a quicker way to distribute product, American business most likely will discover it. This has led to increasingly flatter distribution channels (office prod-

ucts and books being two prime examples). In the promotional products market, globalization is one of the two key contributors to this trend toward a flatter distribution channel (the Internet is the other).

How do we cope with this trend? The answer varies with each company but I can assure you it's not by running to the shoreline and throwing your hands up.

We should first learn to accept the fact that globalization is now a fact of life in our industry. Ignoring it, wishing it were not so or even expecting the government to protect us are just other forms of trying to prevent the tide from flowing.

Next, we should explore how we can use the surge in global business to our advantage. That's the difficult, though not impossible, task. Although all companies may not be suited to actually doing business internationally, every company should gauge the impact of globalization on its business, and how it may be used to its advantage. Not every company is in a position to *act* globally, but every company is in a position to *think* globally.

Our Association is thinking globally. One of the strategies in our new Strategic Plan calls for PPAI to "provide companies opportunities to increase their international business." One of the ways we will fulfill that strategy is through the establishment of a new International Committee. This new committee will be responsible for providing informed opinion that will assist staff in:

1. Developing and implementing educational programs appropriate for companies desir-

ing to learn about establishing international business relationships

2. Arranging opportunities for companies to participate in international business meetings, trade shows and other forums for networking with international colleagues
3. Developing relationships between PPAI and other international organizations representing the interests of companies in the industry
4. Recruiting international members
5. Providing appropriate services to the international membership, including resources, clearinghouses of information and advisory services on the conduct of international business.

Our Association cannot protect us from globalization if we continue to do business as usual. It *can* help us to cope if we are willing to think globally, and spend some time learning how to ride the wave.



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