

GOING GLOBAL

In a room decorated with a World Equine Congress poster and a map indicating the direction and force of the major ocean currents, the directors of Kentucky Equine Research International (KERI) are outlining today's work and tomorrow's vision. Setting up delivery of equine-related goods and services to countries outside the United States is a complicated task that might prove daunting to less confident individuals, but Florencia Arrambide and Jill Hutchinson don't seem intimidated. Despite different accents and inflections, they speak with one enthusiastic voice: "This new venture is exciting!"

The sphere of international business is nothing new for KER, as the company has supplied products and services to Team Members in Europe, Asia, and other overseas locations for several years. A slow but steady expansion of this foreign trade made it necessary to think about how to standardize and streamline the procedures involved in worldwide equine commerce.

During the same period, KER secured roles in supplying horse feed to the Atlanta and Sydney Olympic Games and the World Equestrian Games (WEG) in Jerez, Spain. At that time there were no companies specializing in the procurement and shipping of feed, bedding, and other equine needs on a worldwide basis. In the midst of arranging the hundreds of necessary details involved in ordering and transporting tons of hay and feed, Dr. Joe Pagan, president of KER, realized that this service paralleled some of the international trade in which KER was already involved. The idea began to crystallize for a new company that could do more than just expedite trade with KER's established international customers.

Extensive media coverage of high-level equine competi-



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Trucks carry feed and supplies to coastal staging areas where they are packed into containers for shipment overseas.

tions such as the Olympic Games has resulted in greater public interest, and some of the top riders have become sports heroes in their own countries. Companies have stepped forward to offer sponsorship, but they often need assistance in delivering their products to riders as they compete in events all over the world. After working with riders, chefs d'equipe, veterinarians, and horse transporters at the elite level, Pagan was aware of their needs as well. KERI was established to develop the logistics of global equine commerce, providing coordination and service to feed distributors, athletes, support teams, sponsors, and event organizing committees.

Horses go right on eating, even in non-Olympic years, and one of the first objectives of the new organization has been to centralize and standardize the handling of international product orders. Jill Hutchinson, who manages the office and arranges all aspects of product transport, explained that this step was one of the most



Florencia Arrambide, general manager of KERI, enjoys traveling and experiencing varied cultures around the world.

crucial for the fledgling company's smooth operation. "KERI took over not only the global trade originally handled by Kentucky Equine Research and its marketing partner, Kentucky Performance Products, but also the international customers who used to be served by Kentucky Equine Research Australasia," she explained. Because these clients were acquired over a period of several years and had been handled by various managers in widely separated offices, business procedures had little in common from one order to another. "It seems that each account was set up just a little differently as to shipping schedule, pricing, and other protocols," Jill said. "We're still in the early stages of sorting out the complications. Right now we're concentrating on standardizing the way we process orders from established customers. This will help to streamline the flow of business so we can provide the best service to new customers as well as our current clients. It may also show us ways we can consolidate overseas orders and deliveries."

Another important task for the KERI staff has been to identify the most reliable and economical methods to procure and transport supplies, both within the United States and abroad. A number of different firms had been used to move supplies across the country, prepare products for export, and arrange overseas transport by air or water. Narrowing this list to a few major firms, Jill said, has simplified this part of the business. "Most trucking companies can pick up and deliver merchandise anywhere in the coun-

try, but each company usually has a particular 'lane,' or region of the country, where it can offer the best prices on its standard routes. At KERI we are now using two or three truck brokers and one freight forwarder for almost everything we do."

KERI often calls on C.H. Robinson Worldwide, Inc., a truck broker handling shipments to the West Coast, to organize transport of the various pieces of an order to a consolidation point from which they will be routed overseas. For example, an Asian client might call KERI and place an order for several tons of ready-to-sell horse feed. To fill this order, KERI must arrange to send empty feed bags and a quantity of KER-formulated balancer pellets from North American Nutrition Companies, Inc. in Ohio. These materials must be delivered to Farmers Warehouse in California where the feed will be manufactured, bagged, loaded into a container, and sent to a pier for ocean shipment. Instead of putting in several hours of phone time to arrange these steps, KERI can place one call to the truck broker and be assured that pickup and delivery times, shipping routes, paperwork, and any other details will be planned and carried out by an experienced firm that handles such requests many times a day.

The next leg of the journey is the responsibility of Eagle Global Logistics, a freight forwarder. Eagle's personnel assist with documentation, customs, and other regulations. Some paperwork may start in the KERI office and be passed on to the freight forwarder. While most KERI goods travel by water, shipments that need to arrive more quickly are sent by air. Eagle handles arrangements for both types of transport.

With years of experience working for a central Kentucky company that shipped forklift equipment to nearly every corner of the world, Jill brought a store of valuable knowledge to her position at KERI. She has had extensive training in practices, terminology, and the intricacies of import and export documentation. Jill emphasized, "Absolutely nothing can move until the paperwork is in place!" Regulations vary from one country to another, and keeping up with the latest changes is another instance where the assistance of a freight forwarder is invaluable.

What does the international trade in forklifts have in common with shipping equine products around the world? In both cases, communication can be a challenge, according to Jill. Telephone messages are occasionally hard to decipher, especially when the caller may not be familiar with products, prices, and ordering procedures, but the widespread use of faxes and e-mail helps to ensure that transactions are clearly understood. Electronic technology also helps to close the gap between time zones, allowing orders to be placed 24 hours a day.

Language barriers are not a consideration for Florencia Arrambide, KERI's general manager. She's fluent in Spanish,

French, and English, and understands enough Italian and Portuguese to carry on a reasonable conversation. Florencia specializes in trade with South America and Europe, continents she sees as familiar neighborhoods. Born in Argentina, she earned an equine degree in England and now considers Spain to be her home address when she's not in the KERI office. "I've always been interested in cultures and customs of different countries," she said. "I guess this is a legacy from my grandfather. As the son of an ambassador, he traveled all over the world and developed a great enthusiasm for the variety of people he encountered. He picked the best parts of each culture and incorporated them into his lifestyle, and I've tried to do the same."

Five years' employment as a manager for a major British feed company was interesting, Florencia said, because she gained experience living and working in a non-Latin culture. "I learned to fit in and to appreciate the little things that make each place unique, and I picked up the skills to help other people feel comfortable in surroundings that are unfamiliar to them," she commented. "Working with and for people from Portugal to Finland, I came to see an advantage in not having a home in just one country. Now I'm happy when I can keep moving!"

Florencia brings impressive and varied credentials to her KERI assignment. She has a background in riding and show jumping, some technical training, years of management experience, and knowledge of the equine feed industry. Reviewing this potpourri, she commented, "I can analyze our business from many points of view—rider, stable manager, feed manufacturer, and international traveler—and

provide better service because I understand the needs of all the players and the way each one looks at a particular situation. For instance, in some countries there's a huge emphasis on pedigrees. To get a superior young horse, the experts spend a lot of time examining bloodlines and choosing the right stallion and mare for a mating. Then after the foal is born, the owners pay almost no attention to nutrition. The influence of feeding is just not something that's been considered very important in the development of a young horse. When things go wrong, it's seen as inevitable. There's no thought that many problems can be solved or even prevented."

Obviously, a feed dealer who doesn't understand this situation will not be effective in communicating with owners, no matter what language is spoken. Florencia emphasized that establishing business relations with horse owners in one of these countries must begin with a recognition that this type of cultural gap can exist. For Florencia, customer relations becomes a process of education in the light of understandings, attitudes, and differences. "To establish a business relationship with a client, I have to be perceptive enough to identify a need, and adaptable enough to meet it," she explained.

Florencia and Jill both emphasize the tremendous potential for KERI to expand in the next few years. Priority will be given to serving existing overseas clients. Visiting and talking with horse owners, farm managers, and feed manufacturers will identify ways KERI can provide help with formulation, ingredient procurement, logistics of product distribution, and the newest technologies such as growth-tracking programs. Already ideas have emerged for several new products that may find a ready market when they are developed.

The company is also interested in continuing to manage equine services for major national and international competitions. According to Florencia, this is a business prospect with almost unlimited potential. Because horses perform best when they are comfortable and relaxed, it is vitally important to change their routines as little as possible when they travel. If KERI can carry out its dream for the future, equine athletes arriving at an event halfway around the world will find their customary feed, hay, supplements, and bedding available as soon as they settle into their accommodations.

After hours of grooming, cleaning stalls, measuring feed, and toting bales, every horse owner knows the wonderful feeling of walking down the barn aisle, turning off the lights, and hearing contented horses munching hay as they relax for the night. The KERI managers would agree with horsemen all over the globe: "It doesn't get any better than this!" ☺☺



Catherine Bishop

Coordinating the many details of worldwide commerce is just part of a day's work for office manager Jill Hutchinson.