
Frustration with A Buyer Sparked the Creation of A Factory

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New York - Some of the most frequent problems faced by people doing business in trade between the US and Turkey include trouble with the timely delivery of goods, the continued purchase of a product, and not making concessions on quality.

Incorrect orders, a decline in the quality and nature of products shipped after the first order, a difference in business understanding: these all present headaches from time to time for people doing business in the US.

Inseco Inc., which was started up in 1984 in New York by Mike Behmoaras as a marketing firm for automotive spare parts, is one of those companies that has had to come up with new strategies based on its experience in the sector. Behmoaras, who was educated in England, started working in the automotive sector in 1979, when he arrived in America and began working in the export department of a large American company. His six years working in this department gave Behmoaras the opportunity to become familiar with South America and the Middle East market. Later, he worked in a rug company for two years.

Mike Behmoaras' firm, Inesco, short for International Services Company, has now been in operation for the past quarter century in the New York market. Behmoaras' greatest support system and partner for the past 23 years in his business has been his wife, Lika Behar Behmoaras. Mike is responsible for the automotive sector, while his spouse Lika is responsible for textiles. Inesco's textile wing started up in 1987, when, while trying to help out a friend, Inesco procured textiles from Turkish manufacturers to sell to famous clothing stores like Calvin Klein, DKNY, Liz Clairborne, Victoria's Secret, Bloomingdale's, Bergdorf Goodman, and Lord and Taylor's. The sales of textiles by Inesco, though begun as assistance to a friend who didn't know English, have become an important source of revenue for the company.

THE SPARE PARTS FOR SOUTH AMERICA

Due to the effect of American cars on the South American markets, European automotive companies like Renault and FIAT started decreasing their investments in this market. Behmoaras, who knew that there was a wide market for the production of spare parts for these types of cars in Turkey, thought to himself, "Why shouldn't the spare parts for these cars that are produced in Turkey be sold in the South American market?"

Following this, Inesco began to sell spare automotive parts in Argentina, Uruguay, Chile, Ecuador, Columbia, Venezuela, and Brazil. The economic crisis which started in Brazil in 2001, though, meant a slow down for operations in South America.

Behmoaras then entered into a joint project with a leading American automotive spare parts firm in the Istanbul free trade region of Tuzla. They began to produce spare parts in connection with an auto firing system implemented in Turkey and neighboring countries. Sales in the US of baggage shock absorbers began to help soften the blow of the economic problems they faced in the South American markets. The shock absorbers produced in the factory they set up one and a half years ago in Bursa are now on sale under their own name and marketing style at automotive spare parts sales points throughout the US, Middle East, and Europe.

Behmoaras, who had previously experienced problems in the procurement and quality of spare automotive parts, solved his problems from the root: he set up a factory with a friend with whom he had once worked in the US, and who had returned to Turkey to live and work. The Bursa factory, which employs 30 people, is constantly raising the quality of its production according to customer need, and along with this, also raising its capacity.

SHE SACRIFICES HER BRAND

At Inesco, the automotive and textile wings of the company share equal importance. Lika Behmoaras, who runs Inesco's textile wing, finished her master's in financing in New York, after which she worked for a while in banking.

Later, she created her own label, "Lyka Bear," and began selling to the children's textile market. She worked along with her partner, Sema Gunday, for 9 years to enlarge and develop the label, but when the textile company in Turkey that they had been procuring supplies from raised its prices dramatically, "Lyka Bear" was forced to close. Lika Behmoaras then began working for Inesco, her husband's company, in 1996.

There are now 14 people working in Istanbul's Inesco office. The formation of the Turkish Inesco office follows a similar story to the formation of the factory at Bursa. Inesco decided to set up its own offices in Turkey for textiles after experiencing problems with orders that had declining levels of quality. This decision also meant that they could follow the chain of procurement more closely. The Turkish Inesco offices focus mostly on researching textiles, factory visits, and general quality control.

Lika Behroamas sells textiles from many factories in Turkey to leading brand names in the US. She notes that she currently works with nearly 25 factories in Turkey.

When asked whether the crisis that occurred in the automotive parts sector has emerged in terms of the "Chinese factor" in the textile sector, Lika Behroamas notes that her textile business stayed out of crisis by focusing on producing boutique items, and items that require extra work. She says, "By producing items which needed more specialty work and more detailing, we have proven ourselves."

"OUR DOOR IS OPEN"

For nearly 23 years, the Behmoaras pair has been working with both the US and Turkey, and they note that they can be of consulting help to people interested in opening up into the US market. Both Mike and Lika Behmoaras underscore the importance of the following pieces of advice for firms who want to try out the US market for the first time:

- * Get consulting advice from a source who knows the market.
- * Rather than opening up and waiting for customers, work to get to know the market for at least two years.
- * If you are going to open up an office, do so with someone who is familiar with the market.
- * Try to get to understand the styles, likes and dislikes, habits, and needs of the American people.
- * If necessary, make clothes for another firm until you get to know the market, and then establish a label of your own.
- * Present your goods to the market only after testing the market first.

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