



## Challenger Communications: A Story of Success



From Albion, MI to Argentina and Mexico, a manufacturing company expands exports to global markets.

World-class antenna manufacturer from small town Albion, MI, [Challenger Communications, LLC](#) is a 12-person operation that has championed international trade and has come to export products all across the world. Challenger's top-of-the-line antenna systems are sold for commercial use as well as application in the defense industry. Direct exports account for 11% of the company's total revenue with clients in Europe, Mexico, and South America. When you factor in sales from Challenger's primary distributors that number increases to 35%.

Prior to forming Challenger Communications in 2011, Gene Sorgi was Vice President and Director of Manufacturing of Patriot Antenna Systems. Cobham, PLC purchased Patriot Antenna Systems in 2007 but closed the factory in 2010. Demand from Patriot's former customer in the United Kingdom remained so, with the experience and expertise from his previous role, Sorgi built Challenger Communications from the ground up. After fulfilling the order from the customer in the U.K., Challenger strategized about the company's goals and potential in international markets.



Photo Courtesy: Challenger Communications, LLC.

In 2015, Challenger was busy identifying new markets to enter when a business acquaintance introduced the company to the Michigan Economic Development Corporation (MEDC) International Trade Program. In order to expand to additional global markets, Challenger knew they would need assistance getting in front of key decision makers at companies that were the best fit for them.

Fortunately, through a partnership with the Great Lakes and St. Lawrence Governors and Premiers (GSGP), the International Trade Program works closely with international trade centers in six regions around the world. These centers provide services to companies interested in expanding their sales to the Arab Gulf, Brazil, Canada, China, Europe, and Mexico. The centers are in-country and well suited to vet local agents, distributors, and customers.

Weiwei Lu, MEDC's regional International Trade Manager responsible for western Michigan, worked alongside Challenger Communications to identify which of the Program's services would best serve the company. In November 2017, Challenger joined their first MEDC-sponsored trade mission. Led by GSGP, the company traveled to Brazil and Argentina, and spent a week engaging in high-quality meetings and initiating sales. Six months after the trip, a purchase order that originated from meetings in Argentina became finalized. In March 2018, Challenger traveled to Mexico on another GSGP mission in partnership with the MEDC. Only eight months later, they received another purchase order resulting from meetings on that trip. Although the industry norm is a long 1-3 year business cycle, Challenger experienced much faster than normal turnaround time on deals because of participation in these trade missions.



Photo Courtesy: Challenger Communications, LLC.

“While in-country on the trade missions, MEDC’s International Trade Centers take care of the logistics that we don’t have time to do, and they speak the local language, which helps tremendously. They take a list of companies we are interested in, confirm that those companies are interested in our products, and set up the meetings,” said Jill Reschke, Challenger Communications’ Director of Sales and Marketing. “They also make all the arrangements that make meeting possible, like transportation and translators. And the safety and comfort that traveling in a group provides, especially a group that knows the area, local laws, and signage, is invaluable.”

Challenger set forth to equip themselves with necessary knowledge and resources to navigate international markets for sustainable and long-term growth. The company attended the MEDC-sponsored Foster Swift Collins & Smith legal trainings on intellectual property, business partner due diligence, and export control compliance. Challenger also leveraged the MEDC International Trade financial assistance program – MI-STEP – and has been awarded seven SBA and state-funded grants to offset expenditures related to export development.

These MI-STEP grants offset the cost of the trade missions they attended as well as exhibiting at trade shows like the National Association of Broadcasters (NAB) Show. Challenger has been exhibiting at the NAB Show since 2016. The company always receives a lot of traffic, interest, and quote requests, and the show is something that Challenger says continues to bring the company much success. Exhibition at this show is critical for their business since it provides exposure to many companies – foreign and domestic – who would not otherwise know they existed. Seeing these contacts at the show strengthens their relationship and keeps Challenger at the forefront of the industry.

"Challenger Communications has benefitted greatly from the assistance of MEDC and the MI-STEP program. The grant monies helped to cover expenses that Challenger would have struggled to afford on its own," Reschke said. "Even more helpful is the professional support that Challenger has received from Weiwei Lu. She, in addition to other representatives of the MEDC, have been instrumental in connecting Challenger with Michigan's International Trade Centers. The officers of these Trade Centers have introduced Challenger to, and arranged face-to-face meetings with, strong international prospects in the satellite communications market in three different countries so far."

Challenger's export sales increased 2,735 percent from 2015 to 2016 – their first year as a client of MEDC International Trade Program. From 2016 to 2017, export sales grew another 81 percent. In an effort to continue growing, Challenger Communication participated in their third MEDC-sponsored trade mission to Israel in December 2018. All the positive experience on previous missions along with momentum from recent purchase orders gave Challenger high hopes for this trip. Though Israel was new territory for the company, their schedule was packed full of meetings with individually vetted companies. The company is eager to see what comes from the connections they made in Israel. What's more? Challenger is looking ahead to 2019 trade missions and the successes those will bring.