

## HYDRONALIX GROWS EXPORT MARKETS FIVEFOLD IN FIVE YEARS

**ABOUT HYDRONALIX.** Hydronalix manufactures robotic water rescue systems and small unmanned watercraft in Green Valley, Arizona. First responders and the military use the company's products to aid in water rescue and for other applications such as bridge inspection, scientific research and law enforcement on oceans, lakes, and rivers. These systems can be equipped with personal floatation devices, sensors, cameras, and imaging sonar. Hydronalix capabilities include advanced research and development, design and prototyping, test and evaluation, production, customer training, and service.

**THE CHALLENGE.** Hydronalix and Arizona MEP, part of the MEP National Network™, first worked together to help the company develop precision molds for its vehicles. After the success of this project and learning about the company's export goals, Arizona MEP approached Hydronalix with the opportunity to enroll in ExporTech. Hydronalix was already selling into export markets but did not have a defined strategy or process. ExporTech provides a proven and systematic approach to proactively develop export markets. The Arizona State Trade Expansion Program (AZSTEP) offers services and tools to Arizona small businesses looking to enter or expand into new international markets. This program is also delivered by the Arizona Commerce Authority (ACA) and is a great companion program to ExporTech.

**MEP CENTER'S ROLE.** Tony Mulligan, Hydronalix's CEO, and his team worked with the AZ MEP client advisor through individual coaching sessions and group workshops to develop an export plan. ExporTech uses a peer group model, and cohorts are typically comprised of 7-8 companies. Through the program, Hydronalix learned how to structure and negotiate payment terms to ensure up-front payment, especially for systems customized to meet customer needs. Logistics and customs are areas where ExporTech provides advice.

Hydronalix was able to execute its export plan by participating in international trade shows, trade missions and other focused initiatives led by the AZSTEP program. AZSTEP helps fund booth space for participating companies and provides partial funding for travel costs. Participating companies travel as an Arizona small business delegation and meet with potential sales channel partners, end-users and buyers. "When we participate in these shows and trade missions, we use the opportunity to arrive a couple of days early and leave a couple of days after," said Mulligan. "During those days, we will line up demos and our distributor will work to try to get the government officials to spend a half-day with us."

**"I think the success of the program is because it's been repeatable and sustainable. It takes a lot of continuous effort to grow our global customer base. In our case, ExporTech provided that critical push. In 2016, before we started ExporTech, I think we were selling in 11 or 12 countries. Now we have distributors in 33 countries, and we sell our products in 50 countries. The program has had a big impact on our business."**

-Anthony Mulligan, CEO

## RESULTS



Expanded exports sales into **50** countries (up from 12) with distributors in 33 countries



Export sales doubled to **\$440,000** from \$220,000



Added **1** new employee to handle the exports

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