

PRODUCTS AND SERVICES DESIGNED TO HELP YOUR BUSINESS SUCCEED.

ACOA Business Services

*Growing
Your Business
Through
Exporting*

TRADE & INVESTMENT



Atlantic Canada
Opportunities
Agency

Agence de
promotion économique
du Canada atlantique

Canada

What's so important about *trade* anyway?

The message is clear. In the global economy, increased trade means more jobs, higher incomes and greater commercial opportunities for Atlantic Canadians.

Did you know that exporting accounts for one in three new jobs, and that each \$1 million worth of exports sustains 8 to 11 full-time positions in our region?

Today, trade accounts for more than 30 per cent of Atlantic GDP. In fact, exports from our region have more than doubled in value since 1992 - from \$6.7 billion a year to \$13.5 billion.

This year alone, Atlantic exports are expected to grow by as much as 10 per cent.

While it's true that most of our export commodities tend to fall within the traditional resource sectors, rapid growth is occurring in the services sector.

Trade in financial services, computer and information services, engineering, R&D and technical services has increased by more than 150 per cent since 1990.

What's more, Atlantic Canada's "global" presence is steadily spreading.

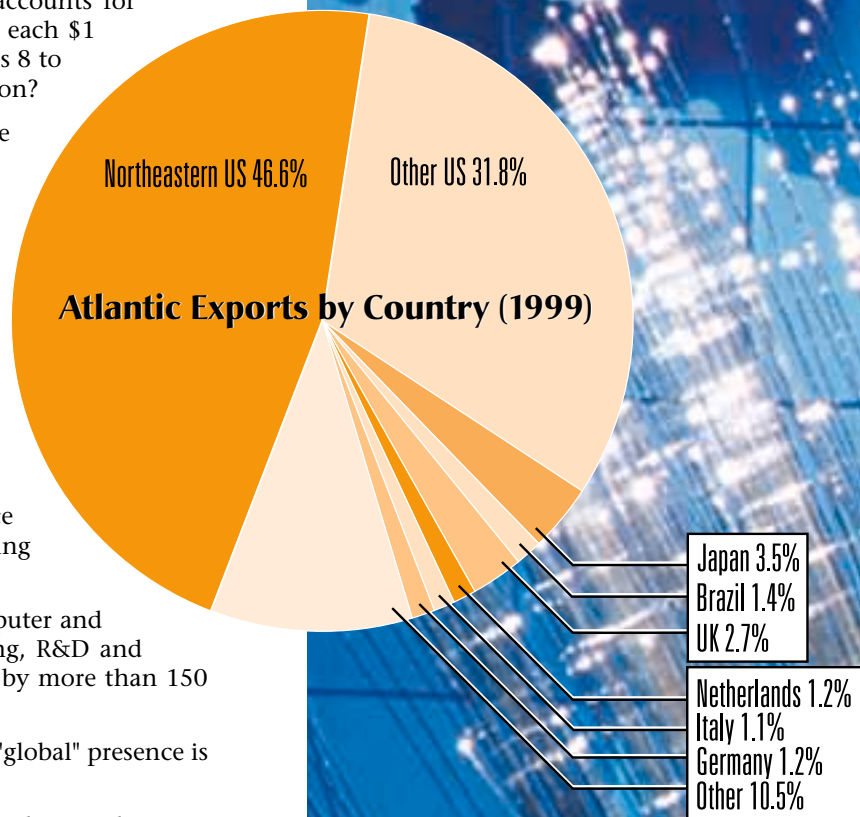
The United States - particularly the Northeastern region - remains our primary export market, accounting for roughly 78 per cent of Atlantic exports.

However our region's exports to markets outside the United States have risen by 28 per cent in just the past six years. Our businesses now sell, with increasing confidence, around the world.

So, are we a region of traders?

Not quite. The fact remains that a few large companies in Atlantic Canada dominate the trade record: less than one per cent of firms account for two-thirds of our total exports.

Yet, nearly two-thirds of all commercial enterprises in our region are small- and medium-sized businesses - of which only three per cent are involved in exporting.



"...exports from our region have more than doubled in value since 1992 - from \$6.7 billion a year to \$13.5 billion."

What does *exporting* mean to you and your business?

For many small- and medium-sized businesses, the concerns about exporting seem intractable. "It's too risky." "It's too complicated." "It's too time-consuming." "I'm happy where I am."

Did you know that export-oriented firms, according to research, are more productive, more innovative and, therefore, more secure than their non-export-oriented counterparts?

In fact, exporting brings many concrete, bottom-line benefits to small- and medium-sized businesses, such as increased sales, higher profits and less dependence on traditional markets.

Then, of course, there's access to diversified markets, new knowledge, experience and domestic competitiveness, and global competitiveness.

But, perhaps most importantly in this day and age of steadily expanding global opportunities, the option to "stay at home" is rapidly becoming no option at all.

Our region's comparatively small population limits the quantity and quality of commercial opportunities, which domestic markets can produce. Quite simply, we need to export.

It's not as challenging as you may think. Just remember, you are not alone. Help is not only available - it's plentiful.

Swedwood Limited

Profile: Located in Dartmouth, Nova Scotia, Swedwood manufactures furniture for markets across Canada and the United States.

Percentage of revenue derived from exports: 75-80%.

Annual revenue range: \$40-45 million (CDN).

Projected annual revenue range within two years: \$60-70 million.

Projected percentage of export revenue within two years: 85%.

Total workforce: 185.



"There's no doubt in my mind that successful exporting is something that should concern all small- and medium-sized businesses in Atlantic Canada. In this global economy, a strong and growing presence in international markets is a necessity and has a direct and measurable impact on the bottom line."

- Tommy Holmer, *President*

...increased higher incomes and *greater* for *Atlantic Canadians...*

Are you *export* savvy?

For years now, the Atlantic Canada Opportunities Agency has been helping small- and medium-sized business owners answer this very question.

You may be surprised to learn that four in ten ACOA clients are now selling to export markets.

A full one-third of all our clients say they intend to increase exports as part of their overall business strategies. Another 18 per cent say they plan to start.

Interestingly, the majority of companies in Atlantic Canada's emerging knowledge-based economy sectors, such as biotechnology and information technology, are exporters.

Gauge your export readiness.

While there are exceptions to every rule, export veterans know that certain factors make access to international markets easier, faster and less risky.

So start with an honest assessment of your firm's export ability. Ask some key questions to help frame your next move. Questions, such as:

- *Is your product or service already available in the foreign markets you are targeting?*
- *Does your product or service possess a distinct competitive advantage?*
- *Have you undertaken any foreign market research?*
- *Are you committed to sustaining an export effort?*
- *Do any of your employees have experience in export markets?*

Better yet, go online to www.exportsource.gc.ca for a free copy of *A Step-by-Step Guide to Exporting*.

It's a Team Canada Inc publication, endorsed by the Department of Foreign Affairs and International Trade and only one of many information resources available to you.



Where do you go from here?

The amount of information, tools and services available to exporters is growing every day. By accessing the right services at the right time, you will be in a better position to make your export venture a success.

If you are just starting out — or, in fact, are an experienced exporter looking to expand — and need basic information and/or directions, the following sources of export information will help:

- Team Canada Inc's Export Information Service (1-888-811-1119): www.cbsc.org
- ExportSource: www.exportsource.gc.ca
- Take a World View...Export Your Services!: www.strategis.gc.ca/twv
- Importing and Exporting: www.ccra-adrc.gc.ca/customs/business/importing/menu-e.html

If you are looking for information and intelligence about specific market conditions and opportunities, go to:

- Canada Business Service Centres (CBSCs): www.cbsc.org
- InfoExport at www.infoexport.gc.ca
- Strategis: www.strategis.gc.ca
- Agri-Food Trade Service (ATS): <http://ats-sea.agr.ca/public/home-e.htm>
- IFI Procurement and Capital Projects Opportunities: www.infoexport.gc.ca/ifinet/menu.asp
- Canadian Manufacturers and Exporters: www.the-alliance.org
- Businesswomen in Trade: www.infoexport.gc.ca/businesswomen/menu-e.asp
- CanadExport Newsletter: www.dfait-maeci.gc.ca/english/news/newsletr/canex

If you need information about export skills development and training programs, contact ACOA or your provincial government department of trade and export, and then check out:

- New Exporters to Border States (NEBS): www.dfait-maeci.gc.ca/geo/USA/nebs-e.asp

For information about export financing, contact:

- ACOA regional offices (See back page for contact information)
- Export Development Corporation: www.edc.ca
- Business Development Bank of Canada: www.bdc.ca
- Canadian Commercial Corporation: www.ccc.ca
- International Trade Centre: www.infoexport.gc.ca/pemd/menu-e.asp

Terra Nova Shoes Limited

“It was only when we started to export that our business really took off. Export markets provided us with a whole range of benefits: flexibility, financial stability, job security and, of course, a recognized track record. Without the ability to sell internationally, we might never have developed certain niche product markets that are now very important to us.”

- David Gill, *General Manager*

Profile: Located in Harbour Grace, Newfoundland, Terra Nova Shoes manufactures footwear for markets across North America and Europe.

Percentage of revenue derived from exports: 95%.

Annual revenue range: \$35-40 million (CDN).

Projected annual revenue range within two years: \$50-60 million.

Projected percentage of export revenue within two years: 95%.

Total workforce: 200.

Catherine Karnes Munn Collection

Profile: Headquartered in Fredericton, NB, the Catherine Karnes Munn Collection markets the well-known artist's framed limited edition prints and other collectibles to over 1,500 retail stores and manufacturers across North America.

Percentage of annual revenue attributed to export: 15%.

Projected percentage of annual export revenue in 2 years: 25%.

Total Workforce: 35+ contracted sales rep network.

“Exporting your products literally

opens up a whole new world of possibilities. With the U.S. just next door, I can't imagine companies not considering an export program. However, it's still important to remember that the U.S. is a different marketplace – with different rules, regulations and cultures. To maximize your ability to exploit the U.S. market, I would highly recommend becoming involved in ACOA's export programs. They've helped us get a toehold in the market and every advantage helps.”

- Catherine Karnes Munn



ACOA and exporting.

The Atlantic Canada Opportunities Agency (ACOA) works to strengthen the international business performance of the Atlantic region by enhancing the capacity of small- and medium-sized enterprises to enter, explore and succeed in new markets. Among our programs, ACOA administers the Business Development Program that provides financing for business start-up, expansion and modernization.

Contact your regional ACOA office to learn more about the services available to exporters in your area.

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Atlantic Investment Partnership

In June 2000, the Government of Canada introduced the Atlantic Investment Partnership (AIP). This initiative has been launched to help the Atlantic region benefit more directly from, and overcome the challenges associated with, the knowledge-based economy. The AIP's priorities of innovation, community economic development, entrepreneurship, and trade, build on the success of ACOA's existing programs which facilitate access to capital and information and other economic development support activity.

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A Commitment to Sustainable Development

At ACOA we believe that a healthy environment is essential to the development and maintenance of a strong, growing and sustainable economy. We are committed to protecting the environment of this region by setting an example in the environmental management of ACOA's own operations, by promoting sustainable businesses in the Atlantic region, and by advancing the environmental industry sector in Atlantic Canada.

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