ACCESS WEST

WESTERN ECONOMIC DIVERSIFICATION CANADA

April - June 2002

Discovering a World of Opportunites

Canadian businesses are showcasing their innovation, expertise and technology to world markets more than ever before. Smaller exporters are celebrating their success in both established and emerging markets, and are an engine driving Canada's economic growth and prosperity.

The Government of Canada ensures that companies looking to expand their markets beyond their city, province and country, have the information about programs and services they need to take advantage of global opportunities.

As western Canadian exporters seek new opportunities, they face a variety of challenges. Western Economic Diversification Canada (WD) helps western Canadian businesses hire recent graduates for international trade development projects, provides training sessions that help prepare a small business for entry into international markets, and helps western Canadian businesses take advantage of opportunities created by Government of Canada trade missions abroad.

The International Trade Personnel Program (ITPP) was designed to help small and medium-sized western Canadian businesses hire recent graduates for international marketing projects. From planning and implementing export market strategies, to translation of product materials and packaging, the ITPP can help a small business offset the costs of hiring a qualified individual who can help them achieve their goal of expanding internationally.

Knowing where to begin may be your biggest stumbling block if you are thinking about taking your product or service to markets outside of Canada. The **Getting Ready for Export** seminar can help you take the first steps in launching your small business into worldwide markets.

The **Interactive Export Planner** on WD's Web site is an excellent tool for putting together a plan that will help direct and ensure export success.

WD offers a pragmatic and business-like approach to supporting business in the West. For more information about WD's international marketing programs and services, contact WD at 1-888-338-WEST (9378) or visit our Web site at: www.wd.gc.ca. •



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WD Offices:

British Columbia

Suite 700, Price Waterhouse Bldg. 601 West Hastings Street Vancouver BC V6B 5G9 (604) 666-6256

Alberta

Suite 1500, Canada Place 9700 Jasper Avenue NW Edmonton AB T5J 4H7 (780) 495-4164

Suite 400, Standard Life Bldg. 639 – 5 Avenue SW Calgary AB T2P 0M9 (403) 292-5458

Saskatchewan

Suite 601, S.J. Cohen Bldg. 119 - 4th Avenue South Saskatoon SK S7K 3S7 (306) 975-4373

> 1925 Rose Street Regina SK S4P 3P1 (306) 780-8080

Manitoba

Suite 712, The Cargill Bldg. 240 Graham Avenue Winnipeg MB R3C 2L4 (204) 983-0697

Access West Editor: Barb Steele – (780) 495-4982

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WD Welcomes New Secretary of State



Stephen Owen Secretary of State (Western Economic Diversification) (Indian Affairs and Northern Development) Western Economic Diversification Canada (WD) is pleased to introduce its new Secretary of State, the Honourable Stephen Owen.

Mr. Owen has first elected as the Member of Parliament for Vancouver Quadra (British Columbia) in November 2000 and named Parliamentary Secretary to the Minister of Justice in September 2001. He has also served as a member of the Standing Committee on Justice and Human Rights.

Prior to entering federal politics, Mr. Owen was Professor of Law and Public Policy at the University of

Victoria. Mr. Owen has also served as a Commissioner and Vice President of the Law Commission of Canada (1997-2000), and while with the Government of British Columbia, held the positions of Deputy Attorney (1995-1997), Commissioner of Resources and Environment (1992-1995), and Ombudsman (1986-1992).

Mr. Owen received his law degree from the University of British Columbia in 1972 and his Masters in Law from University College, University of London in 1974. In 1986, he also received his Masters in Business Administration from the International Management Institute, University of Geneva.

"I am pleased to be the Secretary of State for Western Economic Diversification—the lead federal government department promoting economic development and diversification in Western Canada," said Secretary of State Owen. "I look forward to working with western Canadians to foster innovation and build economic strength in the West. Innovation is based on people, and we will continue to help build a world-leading economy based on innovation, ideas and talent."

Selling the West in the U.S. Team Canada West Trade Mission

by Neil Kirkpatrick Senior Economist, WD Headquarters, Edmonton

In late November 2001, Prime Minister Jean Chrétien led a highly successful Team Canada trade mission to Dallas and Los Angeles, along with four western premiers, several provincial ministers and the three territorial leaders. Also participating on behalf of the Government of Canada were Ron J. Duhamel, former Secretary of State for Western Economic Diversification, Environment Minister David Anderson, Ralph Goodale, Leader of the Government in the House of Commons, and WD's Deputy Minister Oryssia Lennie.

Over 140 Canadian organizations registered for the inaugural **Team Canada West Trade Mission** – 108 for Dallas, 94 for Los Angeles and 58 for both cities. Canadian enterprises signed 19 deals valued at \$92.8 million.

This was the first Team Canada West Trade Mission, with the Government of Canada, the western provinces and territories participating as partners, and it clearly was a success. Hospitality and networking events were well attended and included hundreds of American participants. Sessions provided good opportunities to focus discussion on Canadian capabilities and American market requirements in a range of important sectors, such as: biotechnology, information and communications technologies (ICT), agri-food, energy, building products, aerospace, and culture and entertainment.

"The range of western Canadian business expertise and entrepreneurial talent represented on the mission was outstanding. I applaud each and every company that participated for making this strong commitment to strengthening Canada's trade and investment potential," commented Mrs. Lennie. "Potential American buyers and investors were very impressed with what they heard and saw."

WD-sponsored biotechnology sessions in both cities, led by Dr. Henry Friesen who is the head of Genome Canada, and the information and communications technology session in Los Angeles. Mrs. Lennie led the Dallas



session on agri-food, speaking on the current status of the industry in Western Canada. In addition, Forintek, a forest products association that WD has worked closely with over the years, sponsored the building products session in Dallas and participated in the discussion panel.

"The challenge will be to build on the good will and new contacts that the mission generated," said Mrs. Lennie. "I would encourage western Canadian businesses to pursue trade and investment opportunities in the U.S. WD is ready to help with those plans."

For more information about the Team Canada West Trade Mission and other upcoming events, visit: www.tcm-mec.gc.ca/welcome-e.asp. •

The next Team Canada mission is planned for Delhi and Mumbai, India, from April 22 - 26, 2002.

Global S Western Canadian Companies Maki

Making the leap from local to global markets is huge. Product adaptation, translation of marketing materials and product instructions, and the ability to provide after sales service are just a few considerations for a new exporter.

For many
businesses, the
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Simply put, you need to get ready to export. For many businesses, the main obstacle is having the personnel with the skills required to help them succeed in their international marketing goals.

Western Economic Diversification Canada (WD) developed the International Trade Personnel Program (ITPP) to help western Canadian businesses and organizations with fewer than 250 full-time employees hire recent graduates who possess the expertise necessary to do just that...succeed in the global marketplace.

If you're a Saskatchewan company looking to export, you might want to contact the **Saskatchewan Trade and Export Partnership Inc. (STEP)**. The non-profit, membership-based organization is designed to promote the growth of Saskatchewan's export industry by assisting businesses realize global marketing opportunities through specially tailored programs and services. They also provide its members with services to promote their



products and services around the world and create opportunities for export sales, contracts and projects.

STEP realized that the ITPP was a good fit for their organization as it gave them the

opportunity to hire employees for areas where members require a high level of service. Kyle Mitchell was hired as a market intelligence (MI) analyst and has completed 96 market intelligence reports on behalf of STEP members, providing them with timely, accurate information about international markets. Glen Millard works one-on-one with companies to provide guidance that ensures all financial components of an export transaction are understood and financial options are explained to members. He has traveled with members to the World Bank in Washington on three occasions and organized a trade mission to Argentina and Chile.

"The ITPP is an excellent program," remarked Gerry Adamson, STEP vice president. "It provides opportunities for young people to gain experience in marketing in international business. STEP appreciates the opportunity to be involved in the program."

uccess... ing it Big on the International Stage

"Furthering your success through innovative business solutions" is the mission statement of Winnipeg's **Encore Business Solutions Inc.**, an award-winning Microsoft® Great Plains® partner that provides value-added business solutions to its customers across Western Canada and the world.

Although eager to expand their international market presence, Encore found it difficult to allocate funds and human resources needed to pursue its global ambitions. Fortunately, the ITPP assisted Encore in

Rita Hildebrand (L) and Kim Wallace (R) were tremendous additions to the Encore team.

hiring two recent University of Manitoba graduates who have developed innovative marketing tools, a contemporary and consistent corporate identity, and a wellfocused marketing strategy. Their efforts have helped position the company as a leading

developer of Not For Profit software within the Microsoft® business solutions community.

"The ability of recent graduates to effectively transfer skills from an academic to private sector environment caused us some hesitation," indicated Encore President Marc Labossiere. "The ITPP helped us overcome our uncertainty. Both Kim Wallace and Rita Hildebrand are tremendous additions to our team, helping us to grow our identity, presence and reputation within the Microsoft® community."

The graduates have tripled the company's marketing resources. As a result, Encore is significantly more proactive and successful in its marketing efforts, and can better capitalize on new and exciting opportunities in the software industry.

In 2001, **Develus Systems Inc.** (dba Procura) recognized that their future success lay in expanding their international marketing efforts. But, they also recognized that the costs of product acquisition/adaptation and marketing would be substantial.

Recent graduates hired under the International Trade Personnel Program provided the market analysis and initial contacts that led Develus Systems to acquire a division of Provider Solutions of Tampa, Florida, and strengthen its competitiveness in the U.S. home care market. Today, Procura's software provides administrative and clinical (OASIS) capacity, as well

as prospective payment system (PPS) billing for clients who provide Medicare-funded services in 14 states.

"WD's assistance through the ITPP enabled Develus Systems to invest in our U.S. marketing and recognize significant growth," indicated company president Warren Brown. "It enabled us to hire computer



specialists to adapt our products for the U.S. marketplace. Their contributions and our marketing strength have been central to our profitability and ability to invest in further product development."

Procura, the company's primary product, is the No. 1 software product in Canada for home care and the public health sector. Four of the five largest national home care agencies have installed and engaged Procura to provide the implementation, training and support services that enable them to increase profitability.

Calgary-based **PLAN:NET Ltd. (P:N)** provides governments, international and community organizations,

institutions and corporations with a range of development planning and management services.

With its sights set on global organizations such as the World Bank and various UN agencies, P:N needed a new marketing strategy to reach prospective international clients.

P:N knew it could use a young person to work on

international planning and marketing, but was unlikely to hire one due to the investment required. The company also realized that young people have great difficulty in gaining sufficient international experience to be hired by consulting firms like PLAN:NET, even

at an entry level. WD's ITPP provided sufficient incentive to overcome these reservations.

"The young people who came to us as a result of the ITPP have added a great deal to our consulting team in terms of energy, fresh approaches, new concepts and improved services," indicated P:N Executive Director Stan Benjamin.

Since adding ITPP graduates to support the experienced team of professionals, the company's project volume has doubled and their client base expanded greatly, particularly in the management services area. Markets have increased, not only domestically, but also in the Middle East and former Soviet countries.

To receive more information about the International Trade Personnel Program and learn if your company would quality for assistance, contact WD at 1-888-338-WEST (9378). A Client Service Officer would be happy to help!

Saskatchewan Trade and Export Partnership Inc.

(306) 787-9210 www.sasktrade.sk.ca

Encore Business Solutions Inc.

(204) 989-4330 www.encorebusiness.com

Develus Systems Inc.

(250) 388-0880 www.goprocura.com

PLAN:NET Ltd.

(403) 270-0217 www.plannet.ca



Philip Cox, PLAN:NET Director

(R), in India on an evaluation of

Operation Eyesight Universal.



We help new and experienced Canadian companies that have researched and selected their target markets

by Debrah Boucher,

Trade Commissioner (Youth-owned SMEs)

Export Services for Small-and Medium-Sized Enterprises Department of Foreign Affairs and International Trade

The Trade Commissioner Service promotes the economic interests of Canada in the global marketplace. There are over 500 Trade Commissioners working for Canadian businesses in more than 130 cities around the world. Here's how we can help you.

Market Prospect

Trade Commissioners will help you assess your potential in your target market and provide: advice on doing business; indication of barriers, regulations and certifications; and notification of upcoming events (fairs, conferences, seminars, trade missions). And, they have more than 1,000 free market reports.

Key Contacts Search

We can provide you with a list of qualified business contacts in your target market that have the local knowledge needed to refine and implement your market entry strategy. The list usually includes: potential buyers, partners, agents, manufacturers' representatives, distributors, importers, consultants, accountants, government officials, associations, chambers of commerce, freight forwarders, lawyers, patent attorneys, technology sources and financial institutions.

Local Company Information

We can provide information on foreign organizations or companies you have identified. Credit checks are generally referred to specialized agencies.

Visit Information

Once you decide to visit the target market, we can provide practical advice on timing and organizing your trip (local hotels, business support services, interpreters and translators, and transport providers).

Face-to-Face Briefings

A Trade Commissioner can meet with you to discuss the latest developments in your target market and your future needs.

Troubleshooting

If you have an urgent business or market access problem, call us for help. We cannot, however, enter into private disputes or act as customs broker, sales or collection agent, or lawyer.

The more we know about you, the better the service we can provide.

- What is unique or special about your company, product or service?
- Who are the end-users of your product or service?
- Describe the typical buyer, distributor, agent or partner you want to work with.
- Who do you sell to in Canada?
- Which country or regional market are you targeting and why?
- What do you know about your target market?
- How do you plan to enter the market: export license, joint venture or investment?
- When do you plan to visit the market?

Save time and money by getting the assistance you need right here at home. Call 1-888-811-1119 or visit exportsource.gc.ca. ◆

Planning is Key for Export Success

Companies look at their annual revenues and realize that a global strategy could significantly grow their company. Often, they get into exporting accidentally when a foreign customer calls and places an order. These businesses may find export success, but can make costly errors along the way without a long-term plan.

Here lies the biggest mistake many businesses make when getting into the export game — the lack of planning. It's essential! More narrowly focussed than a business plan, an export plan concentrates on the activities that a business will undertake to market and sell products and services in specific export markets.

Export plans force a company to think about its business and helps to identify cash needs and raise financing. The plan can be a communications tool for employees, investors and others. And, it provides a benchmark to compare the progress and performance of the business.

Western Economic Diversification Canada (WD) offers a link to the **Interactive Export Planner (IEP)** on its Web site at www.wd.gc.ca/eng/export/, as well as other useful export-related links. The IEP can help an entrepreneur prepare an export plan or an export-focussed business plan. The planner:

- guides you through each section of your plan using a question and answer format;
- provides definitions and tips, as well as sample plans to help you write your own;
- prepares financial projections for you based on information you provide; and
- uses the power of the Internet to help you research your export or business plan.

Guidelines for Preparing a Good Export Plan

Define your objectives – who will read it and what will they to do with the plan. Objectives help you decide how much emphasis to put on various sections.

Research is vital — tells you about your industry, potential customers and competitors, and potential sales and costs. Be sure to allocate enough time and resources to do thorough research.

Obtain feedback on your draft plans – include both business associates and others.

Write your own plan – don't borrow a sample plan and simply change the names and numbers. It must reflect what is important to your business and it should flow well, demonstrating why the business will be successful.

Prepare an outline of key points before you start writing – will ensure consistency, reduce duplication and address all key issues.

Believable financial projections – the financial section identifies your financing needs and the profit potential of your business. It is an important part of the plan that gives readers confidence in your business. Test your financial projections – failure to accurately reflect full costs of operation can destroy credibility.

Executive summary – this is likely to be the first, and often only, section people will read. A good summary is short and highlights what is important in your plan. It should be written last.

Showcasing Our Capabilities to the World

The 2002 Edition Western Canadian Aerospace Industry Capabilities Guide

by Tom Heffner, Client Service Officer, WD Calgary

YES, the 2002 edition of the Western Canadian Aerospace Industry Capabilities Guide is hot off the press! With over 300 company profiles of aerospace and related technology companies, the Guide confirms the broad capabilities and potential in Western Canada.

Published by Western Economic Diversification Canada (WD), the Guide has proven to be an integral marketing tool for WD's Procurement Advocacy/ Suppler Development team. The team uses the Guide to promote and direct sell western Canadian companies in the aerospace and other technology industries to major domestic and international companies looking for qualified suppliers.

WD has been a strong supporter of the aerospace industry in Western Canada for 15 years. In relation to the Government of Canada's Industrial and Regional Benefits (IRB) policy, WD plays an important role in collaboration with other public and private sector stakeholders, to ensure that western Canadian aerospace companies obtain maximum access to and benefit from major federal government procurement initiatives.

The Guide is used by WD at venues such as Aerospace North America (last year in Seattle, Washington), air shows, Aerospace Industry Association of Canada and other national conferences, Major Crown Project (MCP)/IRB workshops, prime contractor development tours/visits, and various other events. Prime contractors find the Guide to be of great value when researching western Canadian capability for IRB bid proposals on MCPs.

The cumulative effect of these visits, workshops and tools ensures that WD continues to foster working relationships with prime contractors for current and future projects, as well as reinforce WD's role in procurement advocacy/ supplier development.

Prompted most recently by the September 11, 2001, terrorist attacks on the World Trade Center, there is heightened urgency for far-reaching security measures, both domestically and globally. These circumstances will present opportunities to supply broad arrays of aerospace goods and services solutions. The new Guide will play a part in helping to raise awareness of western Canadian aerospace capabilities, ultimately to supply such solutions.

For more information about the Western Canadian Aerospace Industry Capabilities Guide, contact WD at 1-888-338-WEST (9378). *

estern Canadian Aerospace Industry

Capabilities Guide

Export with Serenity – Now!

by Toby Herscovitch, Export Development Canada



More than ever, going global is an appealing option for Canadian businesses – but it can be risky. The biggest risk of all is that you may not get paid for your hard-won sales. That's where **Export**

Development Canada (EDC) can help. EDC is a Crown corporation that provides trade finance and insurance services to protect Canadian exporters and help them expand their business in some 200 global markets.

EDC's Accounts Receivable Insurance protects your short-term credit sales against non-payment by foreign buyers — covering up to 90 per cent of the loss. Just as you insure your other valuable assets, it makes sense to protect one of your most important business assets — your receivables. In addition, your bank will often

lend against EDC-insured contracts, giving you more working capital.

Export Check and Export Protect are two Web-based services that make it easier for exporters to check out potential buyers and get insurance for a particular sale. With EDC's international database of 64 million companies, Export Check allows customers to find out whether a buyer is insurable for the amount of a sale. Export Protect delivers immediate quotes for EDC coverage, if the buyer is insurable.

EDC also offers other specialized services for smaller exporters, including direct loans to foreign buyers that can turn a credit sale into a cash sale. For more information on all these services, please contact 1-800-850-9626 or visit www.edc.ca.

Export Alert! – A Canadian Initiative

Provided by the Standards Council of Canada



Export Alert! is a unique automated e-mail notification service that helps Canadian exporters keep abreast of regulatory changes in global markets before they become the law. This service, the only alert service of its kind in Canada, is provided free-of-charge by the Standards Council of Canada (SCC) with the support of the Department of

Foreign Affairs and International Trade (DFAIT).

As of November 2001, Canadian subscribers to *Export Alert!* have access to an enriched version of this service that enables them to: automatically receive electronically amendment notices of new regulatory proposals from member governments of the World Trade Organization (WTO); choose the particular fields which interest them and specific countries; obtain the full text of these proposed regulations; and provide their knowledgeable feedback.

Export Alert! is just one of the many services offered by the SCC. To subscribe or change your personal settings, visit www.scc.ca/exportalert/index e.html.

The mission of the SCC is to promote efficient and effective voluntary standardization in Canada. It also coordinates in cooperation with the DFAIT, the *WTO/NAFTA Enquiry Point*, which includes the *Export Alert!* service.

The SCC recently concluded an agreement with the National Institute for Standards and Technology of the U.S. Department of Commerce to offer American citizens the *Export Alert!* program. The growth of this program into the U.S. is proof of its recognized value to clients across the continent.

For more information, contact the Standards Council of Canada at (613) 238-3222, or check out their Web site: www.scc.ca.

Web sites that Answer Exporter's Frequently Asked Questions

1. I'm interested in exporting, but I don't know where to start. Where should I go?

ExportSource: exportsource.gc.ca

Team Canada Trade Network's on-line resource for export information that provides a single access point from all trade-related government department and agencies on subjects including: market research; trade statistics; export financing, contacts and regulations/logistics; and trade shows and missions.

2. What federal government programs provide assistance to Canadian exporters?

InfoExport: www.infoexport.gc.ca
Information all on Government of Canada programs and services related to exporting.

3. Where can I find sector and country-specific market reports?

Strategis: strategis.ic.gc.ca/sc_mrkti/ibin/engdoc/dyna mrr.html

Industry Canada offers hundreds of country and sector reports, all for free.

4. Where can I find Canadian export statistics?

Trade Data Online: strategis.ic.gc.ca/sc_mrkti/tdst/engdoc/tr homep.html.

This site provides a searchable database of the latest Statistics Canada and U.S. Department of Commerce trade data.

5. Where do I go for more information about Team Canada trade missions?

Team Canada:

www.tcm-mec.gc.ca/welcome-e.asp

The Department of Foreign Affairs and International Trade provides information on all outgoing and incoming Canadian trade missions by sector and global region.

6. Where can I find information about international trade show opportunities?

ExpoGuide: www.expoguide.com

Provides a listing of thousands of trade shows from around the world.

7. What forms or other documents do I need to complete when I am exporting?

Exporting Goods from Canada: www.ccra-adrc.gc.ca/E/pub/cp/rc4116eq/rc4116-e.html Canada Customs and Revenue Agency's Web site explains the exporting paperwork.

8. Where can I find information about offshore business opportunities?

CanadExport on line: www.infoexport.gc.ca/ canadexport/menu-e.asp

The Department of Foreign Affairs and International Trade's newsletter which includes the latest news about business opportunities and trade news.

9. I'm interested in finding information about foreign companies who want to invest in Canadian business opportunities?

Invest in Canada: napoleon.ic.gc.ca/scdt/bizinvst/interface2.nsf/engdoc/0.html.
Investment Partnerships Canada can assist companies with their direct investment

Western Economic Diversification Canada also provides links to a number of other useful Web sites. To access these links or obtain other information about exporting, visit WD's Web site at: www.wd.gc.ca/eng/export.

decisions.

If undeliverable please return to:

Western Economic Diversification Canada Suite 1500, Canada Place 9700 Jasper Avenue NW Edmonton AB T5J 4H7

Do I Bow or Shake Hands?

When you're meeting a client across town, you know a handshake and a business card exchange form the basis of introductions. But if you're hosting an international client or traveling abroad on a trade mission, research into cultural protocols can make or break the deal you're looking for.

Common courtesy is a standard worldwide and appointments should be made in advance. In Japan, for example, appointments should be made through referrals wherever possible and you should remember that the person referring you is assuming responsibility for your actions.

How you greet and address your new business clients is very important. Shaking hands is the common greeting for both men and women in Guatemala, but they are gentle and prolonged. Women may also pat each other's right forearm or shoulder instead of shaking hands. In Sri Lanka, however, you should bow your head while holding the hands together below the chin as if in prayer, or shaking hands is also acceptable.

Exchanging business cards also has greater significance. In Sri Lanka, for example, use your right hand at all times to accept or pass articles, including business cards. In Japan, the act of meishi (exchanging business cards) is almost mandatory, and proper etiquette would dictate that you present and receive cards with both hands and examine the card carefully. Place cards you receive on the table in front of you for reference during meetings.



Opening ceremony at the Canada Festival in Nagoya, Japan (Feb. 1999). (L to R) Mr. Horiuchi, Chairman of Nagoya Intl. Center; Len Edwards, Canadian Ambassador to Japan; and Terry Greenberg, Consult, Canadian Consulate, Nagoya.

Photo courtesy of Suzanne Trigg, Consulate-General of Japan

Remember to consider the language you present your materials in and how you will communicate during meetings. While business cards printed in another language are a courtesy and usually not required, presentations should be printed in the native language. Many Peruvians understand and read English more fluently than they may be able to speak, so an interpreter would be useful. An interpreter can also ensure that both parties understand details of the interaction to take place.

Research will help you to learn about these and many other cultural customs and business practices that will help you succeed in your international marketing efforts. For more information, contact the Government of Canada Web site with links to all resources and the government's programs and services for exporters at www.canada.gc.ca. *



