

Aboriginal companies mean business

In this issue

- 2 China removes tax and tariff preferences
Japan Home Show 2003 building up
- 3 Virtual Trade Commissioner
- 4 Chicago apparel mission spells success
E-learning workshops connect Canadians
- 5 CCC recognizes innovation at Ontario Global Traders Awards
- 7 Trade news
- 8 Trade fairs and missions

About a dozen companies exhibited at DFAIT's **Aboriginal Procurement Awareness Day** last May, in Ottawa, including **Sixdion Inc.**, an Ottawa information management firm represented by Natalie Holmes (see photo). **To find more** Aboriginal businesses for the procurement of goods and services, go to www.ainc-inac.gc.ca/saea-psab/index_e.html.

Many Aboriginal firms export, as highlighted by DFAIT's *Aboriginal Exporters Directory*. This directory lists Aboriginal small and medium-sized enterprises that are either export-ready or active exporters. **To order** a copy, contact DFAIT's

Enquiries Service, tel.: **1-800-267-8376** (Ottawa area, tel.: **944-4000**), e-mail: enqserv@dfait-maeci.gc.ca or download an electronic version at www.dfait-maeci.gc.ca/foreign_policy/aboriginal/business/business-en.asp 🇺🇸



Seafood market...with a catch

Niche marketing key to Europe

The 11th annual **European Seafood Exposition (ESE)**, held May 6 to 8, 2003, in Brussels, Belgium, was a successful event for the 25 Canadian companies exhibiting in the Canadian pavilion.

Organized by a team including Agriculture and Agri-Food Canada

(AAFC) and provincial government representatives from Prince Edward Island, Nova Scotia, New Brunswick, British Columbia, and Newfoundland and Labrador, the pavilion brought together companies from across Canada at what is now the world's largest seafood show—60 national pavilions and *continued on page 6 — Seafood*

China levels playing field

Good news for Canadian pulp and paper industry

In response to lobbying efforts by a number of governments, including Canada, China has officially removed all "border trade" value-added tax (VAT) and tariff preferences for a number of goods including pulp and newsprint, effective June 1, 2003.

World Trade Organization provisions allow a government to take measures to facilitate "frontier traffic." However, since China has used this provision to justify providing tariff and tax

preferences to certain Russian goods, a number of foreign governments have complained that China's interpretation of this provision was unreasonably broad. What this means to Canadian pulp exporters is that Russian pulp producers will no longer be able to avoid the 17% VAT payable by other importers to China, which has provided Russian pulp with an unfair competitive advantage.

This is an important success for Canadian pulp exporters. China has become the largest destination in the world for pulp imports. According to China Customs, China imported almost

US\$3 billion of pulp in 2002 and this figure continues to grow quickly in 2003. Canadian exports totalled almost US\$500 million in 2002, while Russia supplied over US\$350 million—a figure that has more than tripled since 1998.

The Canadian Embassy in Beijing is optimistic that this change in Chinese government policy will create new opportunities for Canadian pulp exporters. The Embassy's Commercial Section looks forward to responding to any questions or concerns that exporters may have.

For more information, contact Pierre Pyun, Trade Commissioner, Canadian Embassy in Beijing, tel.: **(011-86-10) 6532-3536**, e-mail: pierre.pyun@dfait-maeci.gc.ca or DFAIT's China and Mongolia Division, tel.: **(613) 996-0905**, e-mail: pcm@dfait-maeci.gc.ca. 🌟

Editor-in-Chief: vacant
 Managing Editor: **Louis Kovacs**
 Editor: **Michael Mancini**
 Layout: **Yen Le**
 Circulation: **55,000**
 Telephone: **(613) 992-7114**
 Fax: **(613) 992-5791**
 E-mail: canad.export@dfait-maeci.gc.ca
 Web site:
www.dfait-maeci.gc.ca/canadexport

CanadExport

Extracts from this publication may be reproduced for individual use without permission, provided the source is fully acknowledged. However, reproduction of this publication in whole or in part for purposes of resale or redistribution requires written permission from *CanadExport*.

CanadExport is published twice monthly, in English and French, by the Department of Foreign Affairs and International Trade (DFAIT), Communications Services Division.

CanadExport is available in Canada to interested exporters and business-oriented people. For a print subscription, call **(613) 992-7114**. For an e-mail subscription, check the *CanadExport* Web site above.

For address changes and cancellations, simply send your mailing label. Allow four to six weeks.

Mail to:
CanadExport (BCS)
 Department of Foreign Affairs and International Trade
 125 Sussex Drive, Ottawa, ON K1A 0G2

ISSN 0823-3330

Japan Home Show 2003 building up

TOKYO, JAPAN — November 11-14, 2003 — The **Japan Home Show** is the largest event of its kind in Japan, featuring domestic and foreign exhibitors from a wide range of sectors in the housing and building products industry. In 2002, it attracted over 100,000 visitors and 524 exhibitors, 105 of which were from abroad, including 35 from Canada. Participants also came from the United States, other parts of Asia, Europe and South America.

The Japan Home Show provides an excellent opportunity for Canadian companies to demonstrate their capabilities in Japan and is also an ideal venue for making contact with key decision makers and representatives of the Japanese housing industry, as

well as qualified buyers from China, Korea, and other Asian markets.

The Department of Foreign Affairs and International Trade (DFAIT), Natural Resources Canada and Canada Mortgage and Housing Corporation International encourage Canadian company participation in this show. To assist Canadian exhibitors with establishing contacts in the Japanese industry, companies are invited to get in touch with the Canadian Embassy in Tokyo for the latest market updates and local company information. Embassy staff are also willing to meet with Canadian exhibitors to discuss future needs and prospects.

The range of exhibits at the Japan Home Show includes: furniture, medical
continued on page 7 — Japan

**VIRTUAL
TRADE
COMMISSIONER**
PERSONALIZED
INFORMATION AND SERVICES

The Virtual Trade Commissioner puts a world of resources at your fingertips – literally! Password-protected, private and secure, the Virtual Trade Commissioner creates an online workspace for you to identify and investigate trade prospects in your industry sector and target markets. Take advantage of personalized services from Canada's trade commissioners all over the globe.

**Spanish Companies
Looking for
International Partners
in Auto Industry**

Uninformed?

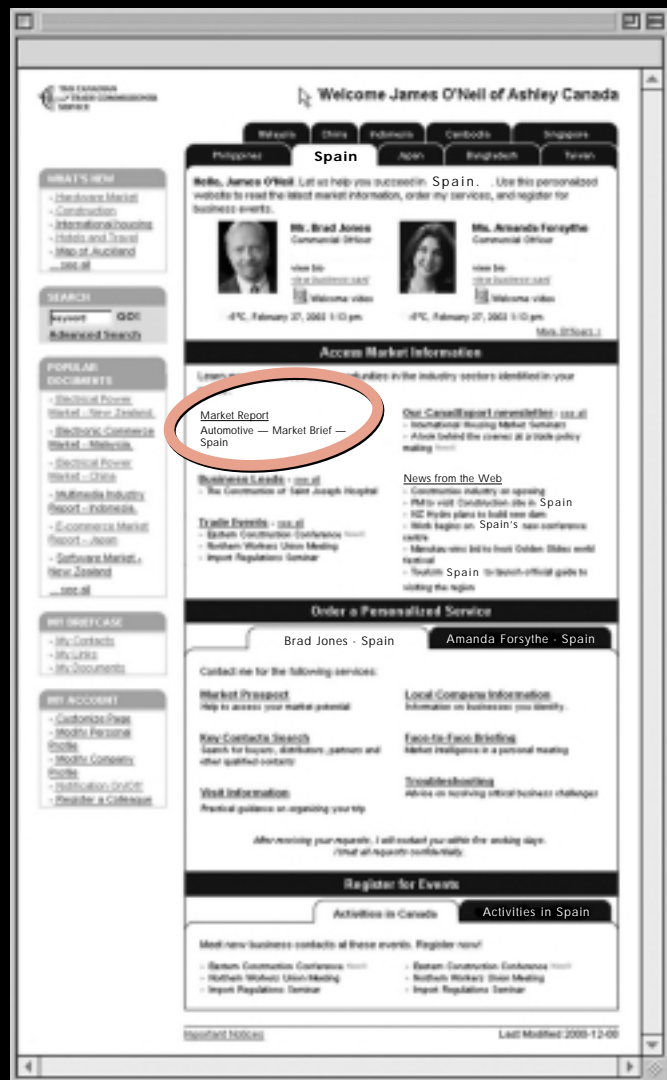
The Virtual Trade Commissioner gives you valuable information to a world of opportunity — only a password away!

CONTACTS

INFORMATION

SERVICE

Register now at www.infoexport.gc.ca and find out why thousands of Canadian businesses already have!



Learn more about this service in future editions of CanadExport

For more information on the Virtual Trade Commissioner or to register, visit:

www.infoexport.gc.ca



Chicago apparel mission makes a good fit

In late March 2003, the Canadian Consulate General in Chicago hosted the **Sixth Annual Apparel Representatives Locator Trade Mission** to Chicago's **StyleMax**, which featured more than 4,000 women's and children's apparel and accessory resources for fall 2003. Twenty-two Canadian participants from 12 women's apparel companies took part in this year's trade mission.

The mission was highly successful for all participating Canadian companies—most found at least one suitable representative or boutique to carry their lines in the U.S. Midwest. Expected future sales resulting from the trade mission are estimated at

about US\$500,000 by the Canadian Consulate General in Chicago.

Upcoming opportunities

Chicago holds a total of five women's apparel markets a year, including StyleMax (twice yearly) and the **Chicago Style Show** (three times

yearly). These events are unique in that they are a 'representative's show' where buyers and distributors from major clothing lines and manufacturers exhibit their product lines. The uniqueness of the venue provided a perfect opportunity for Canadian manufacturers to find a suitable match to distribute their product lines in U.S. markets.

The next StyleMax women's and children's apparel and accessory trade show will be held in Chicago from **October 18 to 21, 2003**.

For more information, contact Ann F. Rosen, Business Development Officer, Canadian Consulate General in Chicago, tel.: **(312) 327-3624**, fax: **(312) 616-1878**, e-mail: ann.rosen@dfait-maeci.gc.ca ✨

Building partnerships

E-learning workshops connect Canadians

In March 2003, a group of 18 innovative Canadian e-learning professionals represented their companies during strategic partnership workshops organized by the Canadian Consulate Trade Office in San Francisco/Silicon Valley. Participants sought to engage in strategic business partnerships with leading technology firms and major corporations in the San Francisco Bay Area and nearby Silicon Valley.

The three-day program included a full day of strategy development workshops that covered the nuts and bolts of how to build partnerships in Silicon Valley. Participants were given the opportunity to meet key leaders in the analyst and e-learning communities in the San Francisco Bay Area—a hotbed of development and advancement in this sector. Meetings with Bay Area

experts from SUN Microsystems, PeopleSoft, Oracle and Macromedia, were held at their respective headquarter offices.

These companies have recognized the enormous opportunities in e-learning and, as a result, have built aggressive growth strategies in this area. SUN Microsystems' strategy included an acquisition of **Isopia**, a Toronto-based learning management system company. Meetings addressed corporate e-learning business strategies and partnership programs.

The program concluded with a networking session with the E-Learning Forum, the Bay Area's leading association of e-learning professionals. Through this forum, the Canadian group took advantage of the opportunity to network with 60 of their counterparts in Silicon Valley.

Virtual participants were plugged into the workshops using web collaboration software designed by **Illuminate**, a Canadian company headquartered in Calgary, Alberta. In total, there were 71 virtual user sessions. Participant feedback to date has been extremely positive, drawing attention to their need for timely market intelligence, the introduction to key business contacts and profitable networking opportunities. Several participants are pursuing targeted partnership deals with key industry players in the San Francisco Bay Area.

For more information, contact the Canadian Consulate Trade Office in San Francisco/Silicon Valley, tel.: **(415) 834-3180, ext. 3352**, e-mail: sfran@dfait-maeci.gc.ca ✨

Export USA Calendar

For information about:

- trade missions to the U.S.
- seminars on the U.S. market

Visit the Export USA Calendar at:

www.dfait-maeci.gc.ca/nebs/menu-en.asp

CCC recognizes innovation

Celebrating export success in global markets

Worldwide, the annual government procurement market is over US\$5 trillion.

Canadian companies have captured a share of this lucrative market with a commitment to quality and innovation that is sought after by foreign buyers. For the past five years, the export success of Ontario's top small and medium-sized enterprises (SME) has been front and centre at the **Ontario Global Traders Awards**.

Presented by **Ontario Exports Inc.**, the province's leading export development agency, the awards represent the importance that the Ontario government and its partners in trade—including CCC (the Canadian Commercial Corporation)—place on supporting a robust export market.

For a few years now, CCC has been sponsoring the Innovation Award, which recognizes excellence in the use of technology in the development of new products or services, or improvements to existing products or services that have led to consistent growth in exports and job creation. "Innovation is critical to growing Canada's export base and creating a prosperous future for our country and its people," said CCC President Doug Patriquin. "For over 50 years, CCC has been acting as a global trader, bringing Canadian innovators' products and services to commercial success in world markets."

In 2002-2003, 40% of the 215 Canadian contracted exporters that used CCC were Ontario businesses. The contracts received by these businesses were valued at almost \$500 million, an important achievement as exports account for over half of the economic activity in Ontario.

The 2002 Ontario Global Traders Provincial Award Winners are:

- **INNOVATION**
EMS Technologies Canada Ltd.,
Ottawa
Optech Incorporated, Toronto
- **MARKET EXPANSION — SERVICE**
Wardrop Engineering Inc.,
Thunder Bay
- **MARKET EXPANSION — PRODUCT**
DECODE Entertainment Inc.,
Toronto
- **PARTNERSHIP**
Iroquois Water Ltd., Cornwall
Island
Cott Beverages Canada,
Mississauga
- **STUDENT ACHIEVEMENT**
Wang (Linus) Xianglin,
University of Ottawa, Ottawa
- **LEADERSHIP**
Richard Sterne, President,
DATASYM INC., Brantford

The judges reviewed some 200 nominations from across Ontario to determine award recipients honoured at four regional events earlier this year in Ottawa, Hamilton, London and Sudbury. Top regional winners then went on to compete for the provincial award in their categories. Each of the regional events featured Export Forums on doing business in the U.S.

CCC helps open the U.S.

CCC recognizes the challenges these innovative companies face when selling to foreign governments by assisting all Canadian firms wanting to do business with the military or the civilian procurement sides of the U.S. government, the world's largest buyer.

To sell to the U.S. defense market, CCC uses the Canada/U.S. Defense Production Sharing Arrangement

(DPSA). Since 1956, the DPSA has provided Canadian businesses with access to the U.S. defense market. CCC's involvement in the DPSA helps to reduce the contractual burden for the buyer and seller. It allows for duty-free entry for goods and services (where applicable), the waiver of some of the regulations of the Buy American Act and eliminates the need for Canadian firms to financially report using U.S. cost accounting standards. In addition, selling to the National Aeronautics and Space Administration (NASA) is facilitated through CCC. An agreement with NASA allows Canadian companies to use CCC as prime contractor.

Assistance to Canadian exporters wanting to sell products and services to the civilian side of the U.S. government is also available. Through the U.S. General Services Administration (GSA) Schedules Program, CCC is working with the Washington Management

continued on page 6 — CCC

Put the power of Canada behind your export sales



CCC (Canadian Commercial Corporation) is a Crown corporation mandated to facilitate international trade, particularly in government markets. Acting as a prime contractor, CCC signs export contracts providing access to markets for exporters and a government-backed performance guarantee for buyers. CCC also helps exporters to increase their pre-shipment working capital from commercial sources, and offers its international contracting expertise on a fee-for-service basis. When it comes to exports, CCC means credibility, confidence and contracts.

For more information, contact CCC, tel.: **(613) 996-0034**, toll-free in Canada: **1-800-748-8191**, Web site: **www.ccc.ca**.

Seafood market in Europe

— continued from page 1

more than 20,000 trade visitors from 100 countries.

Fishing for market opportunities

Despite high tariffs on value-added products and a growing number of technical trade barriers, the European Union (EU) remains Canada's third most important export market for seafood, with significant business being done in high-value shellfish such as lobster, shrimp, scallops and more traditional products such as canned salmon, freshwater fish and herring. There are also smaller niche markets for many more items including blue mussels, snow crab, dogfish, mackerel, and products such as geoduck and sea urchin that are purchased for sale in ethnic markets and restaurants.

However, high tariffs—designed to protect the EU seafood processing industry—make it difficult to export value-added or processed products such as smoked salmon or any of the new generation of retail-ready lobster and shrimp items. New labeling requirements, regulations on container integrity and pressure from environmental lobby groups for eco-certification have also combined to create challenges for Canadian seafood exporters.

Promising Canadian catch

Nonetheless, all exhibitors expressed satisfaction with their participation in both the pavilion and the show. Exhibitors reported over 500 leads generated by their participation in the show, most from the EU and some even came away with multi-million dollar on-site sales. Other exhibitors expect to generate sales within a year. The majority of exhibitors in the Canadian pavilion identified

maintaining market presence and visibility as their primary objective for exhibiting at ESE.

Canada's trade commissioners in the EU—many of whom attended ESE and participated in a seafood roundtable at the Canadian Embassy



Talking to customers at the B.C. Salmon Marketing Council's booth is (from left): Lewis Bubl , Chair; Grant Snell, General Manager; and Fraser Reiche, Canadian Fishing Company, Vancouver.

in Brussels, and where AAFC Deputy Minister Samy Watson made a presentation—also remain optimistic about the opportunities for Canadian seafood exporters in Europe.

The EU continues to be an important export market for Canadian seafood

processors (worth \$350 million in 2002), especially in terms of balancing trade through the economic cycles of other countries. In order to help companies access this market, a new pan-European position for seafood market development, located at the Canadian Embassy in Brussels, will be in place by September 2003.



The Canadian pavilion Chef, Robert Clark, is also Executive Chef at C Restaurant in Vancouver, largely recognized as the best seafood restaurant in that city.

Identifying products that can be competitive in the demanding European market is of critical importance. For assistance in this process, and in identifying seafood opportunities in Europe, contact the trade commissioners in your priority markets, or any of AAFC's seafood specialists like Jane Barnett, tel.: **(905) 823-0122**, e-mail: barnettj@agr.gc.ca, or Janis Raymond, tel.: **(902) 426-3130**, e-mail: raymondj@agr.gc.ca, or Lauren Lavigne, tel.: **(604) 666-1067**, e-mail: lavignel@agr.gc.ca ✨

CCC recognizes innovation

— continued from page 5

Group and the Coalition for Government Procurement—a non-profit group based in Washington, D.C.—to provide a cost-effective and knowledge-based service for Canadian companies looking to get GSA schedule award status. The GSA Schedules Program is, in effect, similar to having a standing offer with the Canadian government and buyers from all U.S. federal government agencies can procure commercial goods and services through a targeted GSA Schedules Program valued at US\$25 billion.

To learn more about how CCC can help, call **1-800-748-8191** or go to www.ccc.ca ✨

Protecting investors, stimulating exports

EDC's insurance for emerging markets

Canadian companies with investments in emerging markets are typically exposed to political risks over and above the challenges they face in the domestic market. To appreciate this, think of recent developments in countries such as Argentina, Venezuela and the Ivory Coast.

Political risks include: the inability to convert local currency into hard currency and/or transfer hard currency out of the country; actions taken by the host country government that have the effect of nationalization or confiscation; and the eruption of political violence, which destroys assets or prevents the foreign enterprise from operating.

EDC to the rescue

To mitigate such perils, Canadian firms large and small can turn to Export Development Canada (EDC). EDC has been offering political risk insurance (PRI) protection to Canadian companies investing overseas since 1969. In doing so, EDC has contributed greatly to the international expansion of these firms while stimulating the growth of Canadian exports to emerging markets.

EDC estimates that for every dollar in greenfield investment made by Canada in a developing country, a further two dollars of Canadian goods and services exports is generated in the years that follow the investment.

Over the last five years, EDC issued more than \$1 billion of PRI coverage directly to Canadian investors in such markets. Policies issued protected investments that ranged from \$250,000 to \$200 million. At times, EDC supplies PRI coverage by partnering with private sector insurers, other national export credit agencies or with the World Bank's Multilateral Investment Guarantee Agency (MIGA).

Happy customer

One medium-sized Canadian firm that has benefited from EDC's PRI services is **Canadian Bank Note Company Limited (CBN)**. CBN specializes in payment, identification and lottery systems. This company has built an international reputation for its ability to develop, install and operate on-line



electronic lotteries. CBN's lotteries assist governments in emerging markets to curb illegal gambling while helping them generate revenues to fund social programs. CBN has obtained PRI coverage from EDC in relation to four equity investments totaling \$12.5 million made in recent years in Latin America and Central Asia.

CBN's Vice-President and General Counsel Gordon McKechnie notes: "In all of our recent projects in developing markets, EDC's PRI services provided us with the reassurance we needed to invest with confidence. Emerging markets present a host of political risks. EDC's PRI allowed us to mitigate most of those risks." Every investment made by CBN in turn generated follow-on Canadian exports.

Risk assessment service

Another product that helps Canadian companies navigate investment-related risks in emerging markets is EDC's customized political and investment

risk assessment service, which is offered on a consulting basis. This product provides companies with a detailed roadmap of potential risks to consider before proceeding with an investment in a specific developing country and sector. Elements scrutinized include the regulatory and business environments, political stability and economic risks. On-demand access to experienced political risk analysts is also available.

Looking ahead, EDC PRI will continue to play a key role in helping Canadian companies of all sizes manage the political risks they face in developing markets. At the same time, EDC PRI should stimulate Canadian exports to emerging markets.

For more information on EDC's PRI, contact Joanne Palmer, tel.: **(613) 598-6642**, e-mail: jpalmer@edc.ca.

To find out more about Customized Political Risk Assessment Services, contact Rod Lever, tel.: **(613) 597-8835**, e-mail: rlever@edc.ca or go to www.edc.ca. 🌟

Japan Home Show

— continued from page 1

care, building and construction, real estate, sanitation, air-conditioning, plumbing and lighting.

For more information, go to www.jma.or.jp/JHS/en/index.html or contact Matt Fraser, Trade Commissioner, Canadian Embassy in Tokyo, e-mail: matt.fraser@dfait-maeci.gc.ca or Masayo Umeda, Commercial Officer, Canadian Embassy in Tokyo, e-mail: masayo.umedad@dfait-maeci.gc.ca or Joy Vicente, Trade Commissioner, DFAIT, e-mail: joy.vicente@dfait-maeci.gc.ca. 🌟

Plug into computers in education conference

HONG KONG — December 2-5, 2003 — Last year, the **International Conference on Computers in Education (ICCE)** was attended by some 600 participants. Organizers expect to have 1,000 participants at this year's event—400 from overseas.

The theme at ICCE will be "The Second Wave of ICT in Education:

From Facilitating Teaching and Learning to Engendering Education Reform."

Two of the keynote speakers from Canada will be Professor Susanne Lajoie of McGill University and Professor Marlene Scardamalia of the University of Toronto.

The Conference Secretariat is looking for papers and sponsorship to support the event. **For more information,**

contact Norma Domenech, Office of International Partnerships, Industry Canada, tel.: **(613) 946-9943**, e-mail: domenech.norma@ic.gc.ca or Kitty Ko, Canadian Consulate General in Hong Kong, tel.: **(011-852) 2847-7448**, e-mail: kitty.ko@dfait-maeci.gc.ca, Web site: www.icce03.org. 🌟

Central Europe venue for ICT show

BRNO, CZECH REPUBLIC — October 6-10, 2003— **INVEX** is the most important international information and communication technology (ICT) trade show in Central Europe. In 2002, the event attracted 757 companies from 16 countries and was attended by some 150,000 visitors.

The Canadian Embassy in Prague will have an information booth this year and invites Canadian companies

active in ICT, e-government, e-learning, software and multimedia to submit their promotional material.

For more information, contact Martina Taxova, Commercial Officer, Canadian Embassy in Prague, tel: **(011-420) 272-101-862**, fax: **(011-420) 272-101-894**, e-mail: martina.taxova@dfait-maeci.gc.ca, Web site: www.invex.cz/invex-gb. 🌟

KANSAI FOOD SHOW SERVES IT UP

OSAKA, JAPAN — November 19-21, 2003 — **Hoteres** and **Foodex Kansai 2003**, a bi-annual international food exhibition, is expected to attract 45,000 visitors from around the world.

For more information, contact Toshihisa Seki, Commercial Officer, Canadian Consulate General in Osaka, tel.: **(011-81-6) 6212-4910**, fax: **(011-81-6) 6212-4914**, e-mail: toshihisa.seki@dfait-maeci.gc.ca, Web site: www.jma.or.jp/hfk/en/. 🌟

Argentina to host major ICT event

BUENOS AIRES, ARGENTINA — September 24-27, 2003 — **Expo Comm 2003** is the largest telecommunications, networking and wireless

technologies exhibition in Argentina. The most highly qualified and empowered decision makers in the telecommunications and information

technology industry will be at this event, and so will more than 12,000 visitors.

For more information, contact the Canadian Embassy in Buenos Aires, e-mail: bairs-commerce@dfait-maeci.gc.ca. 🌟

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications and referral services to Canadian exporters. Trade-related information can be obtained by calling **1-800-267-8376** (Ottawa region: **(613) 944-4000**) or by fax at **(613) 996-9709**; by calling the Enquiries Service FaxLink (from a fax machine) at **(613) 944-4500**; or by accessing the DFAIT Web site at www.dfait-maeci.gc.ca

Return requested
if undeliverable:
CanadExport (BCS)
125 Sussex Drive
Ottawa, ON K1A 0G2

Canada Post
Agreement Number 40064047