

Team Canada reaches high water mark in Thailand

January 17, 1997
Bangkok, Thailand

Prime Minister Jean Chrétien and Team Canada today witnessed the signing of 55 new business deals worth more than \$1 billion. This brings the total to 180 new business deals signed during Team Canada 1997 trade mission worth \$2.13 billion.

The business deals signed in Thailand include \$614.09 million in commercial contracts and \$407.74 million in agreements in principle, including memoranda of understanding and letters of intent.

"We are completing our business deals on this Team Canada mission with a bang," said the Prime Minister. "It's no coincidence that today's signings are the biggest yet on the Team Canada trip. Canada has the technology and expertise to become a major player in the Thai market. Our companies together with their Thai partners are setting a pace that will be hard to match."

Companies entering new business relationships in Thailand today represent a wide range of industries and expertise from across Canada. These deals mean new jobs not only for the companies signing deals, but also for their suppliers and other business partners. Many of today's business deals were facilitated by Enterprise Thailand Canada, a Canadian International Development Agency project that supports the formation of joint ventures and technology transfer.

"It is a priority for myself and the Premiers to support Canadian companies in markets like Thailand," said the Prime Minister. "Positioning Canadian companies to take advantage of trade and investment opportunities in today's expanding world markets is what Team Canada is all about."

Details of the deals signed today in Thailand are in the attached backgrounder.

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NEW CANADIAN BUSINESS INITIATIVES IN THAILAND Background to Signing Ceremony in Bangkok January 17, 1997

AGRA Inc., Oakville, Ontario

AGRA Monenco, a wholly owned subsidiary of AGRA Industries Limited, has signed a memorandum of understanding with Union Energy Co Ltd. of Bangkok to establish a partnership for the marketing, management, financing and development of power and infrastructure projects in Thailand. Under this agreement, AGRA Monenco and Union Energy will target opportunities for the development, engineering and construction of power and infrastructure projects in Thailand. Union Energy is the majority partner of a consortium planning the 1400 megawatt, US 1.3 billion power development at Hinkrut, Prachuap Khirikan Province, Thailand. AGRA Monenco will serve as owners engineer for the project.

Acadian Seaplants Ltd., Dartmouth, Nova Scotia

Acadian Seaplants, manufacturer of seaweed products that employs 100 employees full-time and more than a thousand seasonal workers, has signed letter of intent with Inter Crop Ltd. of Bangkok to purchase Acadian Seaplants' products. The agreement is valued at \$1.4 million.

Atlantic Combustion Products, Amherst, Nova Scotia

Atlantic Combustion Products, a manufacturer of the CoMate Combustion Catalyst that employs about 20 people, has signed a memorandum of understanding with Asia Combustion Product Co. and the Electricity Generating Authority of Thailand to begin supplying its CoMate Combustion Catalyst on a product trial basis.

Aviron (Quebec) Inc., Québec City, Quebec

Aviron Quebec Technical College, which has a staff of 25 full-time and part-time teachers and provides

college level programs in computer repair, electronics and computer assisted drafting, has signed a contract with A.L.T. Co., Ltd. of Bangkok to establish a Thai Technical College in Bangkok. The contract will generate an estimated \$1.5 million over the next few years.

Bayly Communications Inc., Ajax, Ontario

Bayly Communications Inc., a worldwide supplier of network transmission and access products that employs 25 people, has signed a sales agreement recognizing Shinawatra Computer & Communications as its retailer in Thailand. Shinawatra will integrate Bayly's Omniplexer family of digital transmission products into complete telecom systems for Shinawatra's local customers. This agreement is valued at \$1 million in annual sales.

Bennett Environmental Inc., Vancouver, British Columbia

Bennett Environmental Inc., which designs manufactures and operates high temperature waste destruction incinerators and employs 30 people, has signed a joint-venture agreement with Valance Corporation Ltd of Bangkok to develop a central incineration facility. The contract is valued at \$4 million.

Canadian Airlines International, Mississauga, Ontario

Canadian Airlines International has signed a contract with Commercial Transport International Co. Inc., a Thai-Canadian joint venture. Under this agreement, Canadian has committed to use the air cargo services of Commercial Transport International on routes between Canada, its Asia Pacific destinations and other routes. The agreement is valued at a minimum level of \$12 million over the next three years.

The Canadian Chamber of Commerce, Ottawa, Ontario

The Canadian Chamber of Commerce has signed a memorandum of understanding with the Thai-Canada Chamber of Commerce of Bangkok to co-operate on the promotion of bilateral trade and investment and to facilitate business introductions for its members in both countries.

Canadian Wheat Board, Canada

The Canadian Wheat Board, which exports wheat and barley to 70 countries around the world, has signed a letter of agreement with seven Thai flour mills to target sales in excess of 1 million tons of wheat over the next five years. The Thai flour mills are: United Flour Mill Co. Ltd., Siam Flour Trading Co. Ltd., Laemthong Corporation Ltd., Thai Flour Mill Industry Co. Ltd., Bangkok Flour Mill Co. Ltd., Nisshin-STC Flour Milling Co. Ltd. and Kerry-Glory Flour Mill Co. Ltd.. This business is valued at \$250 million at current wheat prices.

Canora Asia Inc., Calgary, Alberta

Canora Asia Inc., which specializes in environmental engineering with access to 2000 professionals, has signed a letter of intent with Udonthani Industrial Zone Co., Ltd. (Udon) to design and install on a turn-key basis the environmental infrastructure systems for its 160 hectare industrial, commercial and residential development outside Udonthani in northeastern Thailand. The environmental infrastructure of the project includes water supply and distribution, wastewater and solid waste management systems. The project will be conducted over two phases and involve Canora's environmental/engineering expertise and local Thai support for the design and construction of the facilities. Canora and Udon entered into a joint venture to complete the environmental management plan of the project. Canora and Udon will also explore options for jointly operating the installed systems after construction. The agreement is valued at \$8 million.

Challenger Surveys and Services Ltd, Edmonton, Alberta

Challenger Surveys and Services Ltd., a geomatics firm that provides high-tech services including the development of software for survey and mapping operations and employs 80 people, has signed a joint venture agreement with Southeast Asia Technology Company (SEATEC) of Bangkok to form a company called Geomat International Co. Ltd. and open an office in Bangkok. This company will market Canadian geomatics technology and expertise throughout Thailand and Southeast Asia. The venture could generate revenues of \$5 million over the next five years. Enterprise Thailand Canada, a program funded by the Canadian International Development Agency, assisted Challenger to establish the joint venture.

Colco International Industries Ltd., Surrey, British Columbia

Colco International Industries Ltd., which designs and manufactures complete hydraulic component remanufacturing systems and employs 12 people, has signed an agreement with its joint venture partner, Metro Machinery of Bangkok, to expand their present facility to a new location. The expanded facility is also intended to become a base for expansion of sales into China. The project has an estimated value of \$2 million.

Commercial Transport International (Canada) Ltd., Mississauga, Ontario

Commercial Transport International, a freight forwarding, logistics management and distribution company that employs 200 people in Canada, has signed a memorandum of understanding with CTI Holdings Co. Ltd. of Bangkok which extends their current joint venture and establishes a new company in Canada to represent several airlines as general sales and handling agents. The agreement also calls for the establishment of a unit in Canada to handle logistics, distribution and shipping of cargo from U.S. cities through Canadian gateways (Toronto, Montreal and Vancouver) and Canadian carriers.

DESSAU, Laval, Quebec

DESSAU, a major Canadian engineering firm that employs more than 800 employees, has signed a memorandum of understanding with LVM Asia Ltd. of Bangkok to pursue contracts in the implementation of ISO 14000. The two companies have been working closely to secure engineering and environmental services contracts in the transportation, water and industrial sectors.

DESSAU has also signed a memorandum of understanding with PTE Engineering Consultants Ltd. of Bangkok to secure an engineering services contract from the Public Works Department of Thailand in the field of bridge engineering. The companies will pursue further contracts in the transportation sector (bridges, roads and railways) with new public and private sector clients. The anticipated revenue, based on a programmed budget, is \$8 million.

ECO Process & Equipment Inc., Terrebonne, Quebec

ECO Process & Equipment Inc., which specializes in industrial and domestic wastewater treatment and employs 40 people, has signed a memorandum of understanding with UGC Engineering Co. Ltd. of Bangkok to establish a joint venture to market Eco Process' expertise in the biological treatment of industrial and domestic wastewater in Thailand.

EDM Consultants Ltd., Deer Lake, Newfoundland

EDM Consultants, an environmental consulting engineering company that employs 35 people, has signed a memorandum of understanding with UGC Engineering Co. Ltd. of Bangkok to pursue business opportunities in wastewater treatment. EDM expects this agreement could result in \$2 million over the next year.

Edwards International, Mississauga, Ontario

Edwards International, the export sales, engineering and marketing arm of Edwards Systems Technology (EST), a leading manufacturer and supplier of fire detection systems with over 1300 employees in Canada and abroad, has signed a contract with Teeya Master Systems of Bangkok to sell and install fire alarm systems for commercial and industrial buildings. The contract is valued at \$12 million over five years.

Elsag Bailey (Canada) Inc., Burlington, Ontario

Elsag Bailey (Canada) Inc., which is wholly owned by Elsag Bailey Process Automation and employs 550 people in the design and supply of state of the art control and information systems, has signed a market development cooperation agreement with Loxley Public Co., the joint venture partner in Elsag Bailey Thailand. This agreement will provide investment into Thailand to assist in the development of business and its execution. This agreement will also help maintain and increase Elsag Bailey's sales of control systems in Thailand.

Engineered Aluminum Products Inc., Calgary, Alberta

Engineered Aluminum Products (EAP) Inc., which designs, engineers and manufactures exterior cladding for commercial buildings and employs 50 people, has signed a shareholders agreement with Alfab (Thailand) of Bangkok to pursue business opportunities in the Southeast Asian construction industry. EAP plans to transfer its technology, project management and installation expertise to the new company, to be known as Alfab Engineered Aluminum Products Inc. (AEAP). AEAP will open an office and begin work in early 1997. The project is valued at \$40 million. The joint venture was developed with the assistance of Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

Fording Coal Limited, Calgary, Alberta

Fording Coal Limited, which produces and exports coal from mines in British Columbia and Alberta and employs 1800 people, has signed a memorandum of understanding with Thai Special Steel Industry Co., Ltd (T.S.S.I) of Bangkok for the supply of coking coal to T.S.S.I's blast furnace/coke oven complex. The contract between Fording Coal and T.S.S.I is planned for finalization in early 1998, followed by the start up of the complex. This agreement is valued at \$150 million over 5 years.

FRE Composites Inc., St-André est, Quebec

Héroux Inc.'s subsidiary, FRE Composites, which manufactures filament wound advanced composite conduit system products for the industrial, utilities and electrical sector and employs 85 people, has reached an agreement to form a joint venture manufacturing facility in Bangkok with its Thai agent, Fluid Holding Company Ltd.. FRE Composites Inc. will transfer manufacturing technology and know-how to the new company to be called FRE Thailand Ltd., which will produce Fiberglass Reinforced Epoxy (FRE) conduit system products for electrical and telecommunications network and distribution systems in Thailand. The project is valued at \$4.0 million.

Golder Associates Ltd., Calgary, Alberta

Golder Associates, an international consulting firm of over 1800 people, which operates in five provinces and one territory and specializes in environment, mining and civil infrastructure, has signed a letter of intent with the Betagro Group of Bangkok to establish a joint venture company. The new company, BTG-Golder Environment Company Ltd, will pursue environmental service and development projects in Thailand and the region with particular emphasis on the assessment and rehabilitation of water resources. Golder Associates will help clean up waterways in Thailand using technology developed with the National Water Research Institute of Environment Canada. The project is valued at \$22 million over five years. Support for market analysis and the joint venture between Golder and Betagro was provided by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

H.A. Simons/Simons International Engineering Ltd., Vancouver, British Columbia

Simons International Engineering Ltd, part of the H.A. Simons group of companies which employs 2500 people in Canada, has signed a heads of agreement with Siam Paper Co., Ltd. of Bangkok for the construction, training, modelling and operations' assistance service for a new 350 t/d paper mill to produce coated fine paper at Sampran. (The paper mill also includes a cogeneration plant, new effluent treatment system and finishing, converting and maintenance facilities. Start-up is scheduled for the second half of 1997). The services are valued at \$2.6 million.

Le Groupe CGI, Montréal, Quebec

Le Groupe CGI, the largest Canadian-owned information technology company with more than 1700 employees in Canada and abroad, has signed a contract to supply Nakornthai Strip Mill Public Company Limited of Chonburi with a business system that will support various activities in a new steel production facility in Thailand. The contract is valued at \$2 million.

InterHealth Canada Limited, Markham, Ontario

InterHealth Canada Limited, which was created to pursue and gain international contracts for the Canadian health sector firms and employs five people, has signed a memorandum of understanding with Kluaynamthai International, a subsidiary of Kluaynamthai Hospital company of Bangkok, to develop Thailand's first chiropody clinic. InterHealth Canada has the role of business partner representing the Mitchener Institute of Toronto and the Toronto Hospital in this agreement. Within this agreement, Thai professionals would be trained at the Mitchener Institute with clinical support and back-up provided by the Toronto Hospital. The project is valued at \$500,000. InterHealth Canada Limited's joint venture company, Interhealth Neuro-Rehabilitation International (INRI), which includes McMaster University and Chedoke McMaster Hospital of Hamilton Ontario, has developed and opened a neuro-rehabilitation clinic in Bangkok - the first of its kind in Asia - with Kluaynamthai International.

J.P. ENVIRONMENTAL PRODUCTS Inc., Kitchener, Ontario

J.P. ENVIRONMENTAL PRODUCTS, which specializes in the design and manufacture of noise and vibration control products and employs 20 people, has signed an agreement with Enviro-Tech Engineering Co. Ltd. to form a new joint-venture company J.P. Environmental (Hong Kong) Ltd.. J.P. Hong Kong will appoint Tebaaf Company Ltd. as JPEP's agent in Thailand to pursue business opportunities in the expanding noise control products markets in China and Thailand. Enviro-Tech has acted as J.P. ENVIRONMENTAL's licensee in Hong Kong and China for seven years. The joint-venture could generate revenues of \$4 million.

JetForm Corporation, Ottawa, Ontario

JetForm Corporation, which develops web-based and client-server electronic forms software products and services and employs 425 people, has signed an agreement appointing Metro Systems Corp. Ltd of Bangkok as its regional distributor. The agreement is valued at \$337,500 (US\$ 250,000) for the first year.

LanSer, Westmount, Quebec

LanSer, which researches and develops wireless communications products and employs 75 people, has signed a letter of intent to form a joint venture with Spec Thai Public Company Ltd. of Bangkok to introduce the Cellpac wireless credit card payment system in response to the demand of merchants, banks and credit card holders in Thailand. The project is valued at \$52 million.

Millennium Gold Corporation, Montréal, Quebec

Millennium Gold Corporation, which acquires and develops gold mining properties in Southeast Asia and employs 18 people, has signed a contract formalizing the acquisition of M.G. Siam Mining Co. Ltd. of Bangkok. This agreement represents a direct investment of \$2.55 million.

Millennium Gold Corporation has also signed a contract with Padaeng Industry Public Company Limited of Bangkok for the exploration and development of gold projects contained in 35 exploration licenses in northern Thailand. The contract is valued at \$13.5 million.

Miranda Technologies Inc., St-Laurent, Quebec

Miranda Technologies Inc., which develops and markets a wide range of digital video interfaces for professional video and broadcast production, has entered into a strategic alliance agreement with Caveman X of Bangkok to expand the distribution of Miranda's products in Thailand. The alliance is valued at an estimated \$500,000 in its first year.

mitec telecom inc., Pointe Claire, Quebec

Mitec telecom inc., which designs and manufactures subsystems for terrestrial microwave, satellite and cell-based communication systems and employs 225 people globally, has signed an agreement with Microwave Technology Corporation of Bangkok to expand their manufacturing centre for microwave ferrite components for global distribution and sale. The project is valued at \$2.5 million.

In addition, mitec telecom inc. has signed an agreement with Technology Gateways (Asia) Co. Ltd. of Bangkok, Thailand, to supply a Satellite Earth Station Remote Monitor and Control System (RCMU). The initial phase of this program amounts to approximately \$200,000 with an option to supply at least double this amount in the next expansion phase slated for later this year.

Nalley's Canada Limited., Delta, British Columbia

Nalley's Canada Limited., a processor of North American style snack foods that employs 200 people, has signed a memorandum of understanding with Osotspa Co. Ltd. of Bangkok to market each others' products and to pursue the possibility of creating a joint manufacturing facility. The agreement is expected to generate \$32 million in revenues by the year 2000 from the sale of snack foods and energy drinks in both countries. Enterprise Thailand Canada, a program funded by the Canadian International Development Agency, was of critical assistance for Nalley's to enter the Thai market.

NII Norsat International Inc., Vancouver, British Columbia

NII Norsat International Inc., which designs, manufactures and distributes electronic products used in satellite communications and cable TV systems and employs 150 people, signed a memorandum of understanding with Samart Cable Systems of Bangkok to distribute Norsat's products throughout Thailand and Southeast Asia. The two companies are also contemplating licensing and manufacturing arrangements which would involve technology transfer, training and job creation. Norsat and Samart were introduced by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

Norwest Labs, Edmonton, Alberta

Norwest Soil Research Ltd., operating as Norwest Labs, which provides analytical and advisory services and employs 200 people, has signed a joint venture agreement with the Premier Group of Companies of Bangkok to offer laboratory services throughout Southeast Asia for environmental and agri-food analysis. The company created through this agreement, to be called International Quality Assurance Laboratories, will transfer scientific technology in the areas of environmental management and laboratory techniques. The project is valued at \$2.5 million. The development of this joint venture was assisted by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

NOVAMMAN International Inc., Toronto, Ontario

NOVAMMAN International Inc. has signed a joint venture agreement with the Betagro Group of Bangkok to establish a network of analytical laboratories specializing in food quality and environmental testing in Thailand and eventually throughout Asia. NOVAMMAN employs approximately 500 people and has six

laboratories in Canadian cities as well as in Mexico and Eastern Europe. NOVAMMAN will make an initial investment of \$2 million in the laboratory network. The agreement is valued at \$10 million. The partners were introduced by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

Northern Telecom Ltd., Brampton, Ontario

Northern Telecom Ltd. (Nortel), which designs, builds and integrates digital networks for a variety of applications and employs 65,000 people, has signed a contract with Wireless Communications Services (WCS) of Thailand to design and implement the largest Nortel Personal Communication Network (PCN) in Asia to date. The project is valued at \$200 million, of which about 50 per cent is Canadian content.

Nova Pole International Inc., Vancouver, British Columbia

Nova Pole International Inc., a corporate group which has developed a high volume tubular steel pole production technology, has signed a joint venture agreement and equipment supply contract with NSPM Group Ltd., MCI and Siam Steel Gratings for the establishment of Eastern Steel Pole Ltd., a semi-automated, steel pole production project. The project is valued at more than \$17.55 million (US\$13 million). It will be situated in the Hemeraje Industrial Estate on the Thailand Eastern Seaboard and will supply and support infrastructure development in Thailand and surrounding ASEAN countries.

Orion 2000 Technologies Ltd., Richmond, British Columbia

Orion 2000 Technologies Ltd., which is developing a global interchange network for the Member Banks of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP), has signed a memorandum of understanding with the Industrial Finance Corporation of Thailand for an A-net network and secured electronic commerce products. The agreement is valued at \$10 million.

Polar Bear Water Distillers Mfg. Co. Ltd., Pickardville, Alberta

Polar Bear Water Distillers, which manufactures water distillation equipment for residential, commercial and industrial use and employs 80 people, has signed a contract with Omniact Co. Ltd. of Bangkok for the purchase and distribution of Polar Bear products for 1997. The project is valued at \$200,000.

Pro Form Feeds Inc., Vancouver, British Columbia

Pro Form Feeds Inc., an animal feed supplier with 300 employees, has signed a memorandum of understanding with Betagro Group of Bangkok to supply pet food for the Japanese and Southeast Asian markets. The agreement is expected to lead to the eventual establishment of a \$25 million joint venture pet food manufacturing plant. The project is valued at an estimated \$100 million. Enterprise Thailand Canada, a program funded by the Canadian International Development Agency, provided preparatory assistance in the initial stages of this agreement.

Roadware Corporation, Paris, Ontario

Roadware Corporation has signed an exclusive four-year distribution agreement with InfoHitech Co. Ltd. of Bangkok. InfoHitech will use Roadware's Automatic Road Analyzer (ARAN) van to create video image databases of roads and surrounding features throughout Thailand. It is expected that these databases will be utilized by government, real estate agencies and the travel industry. The first phase of this agreement is worth \$607,500 (US\$450,00).

Shooting Star Technologies Inc., Calgary, Alberta

Shooting Star Technologies Inc., which markets the expertise of the Gimbel Eye Centre in Calgary, signed a joint venture agreement with Asoke Sin Co. Ltd. of Bangkok to build a laser refractive eye surgery centre in association with the Rutnin Eye Hospital in Bangkok. The new joint venture company also intends to open centres in other Thai cities to offer a full range of ophthalmic services, including cataract surgery. The project is valued at \$10 million. The partners were introduced by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

SPL Coatings Technology, Burnaby, British Columbia

SPL Coatings Technology, which specializes in specialty plastic coatings and employs 30, has signed a memorandum of understanding with Inter Far East Engineering Public Company of Bangkok that is expected to lead to a joint venture manufacturing plant to blend specialty plastic coatings for sale in Thailand and the region. Other facilities are also planned to refurbish office equipment using SPL's proprietary technology and to conduct research to develop paints and coatings for the automotive and related industries. The project is valued at \$15 million. The partners were introduced by Enterprise Thailand Canada, a program funded by the Canadian International Development Agency.

Spar Aerospace Ltd., Ste. Anne de Bellevue, Quebec

Spar Aerospace Ltd. has signed a contract with the National Research Council of Thailand, through the Canadian Commercial Corporation, to construct a remote sensing satellite system to the specifications of the Thai government. The contract is valued at \$155 million.

Survival Systems Group Limited, Dartmouth, Nova Scotia

Survival Systems Group Limited, which provides basic sea survival training and employs 20 people, has signed a memorandum of understanding with the National Petrochemical Public Co. Ltd. of Bangkok to establish a joint venture to operate a survival training institute to serve Thailand and other countries in Southeast Asia. This project is valued at \$10 million.

TransCanada, Calgary, Alberta

TransCanada, which transports and markets natural gas in North America and employs 2500 people, has signed a memorandum of understanding to undertake a feasibility study to establish a joint venture with the Petroleum Authority of Thailand (Bangkok) for the construction and operation of a refined product pipeline. The eventual project has a positive value of \$1 billion.

Telesat Canada, Gloucester, Ontario

Telesat Canada, Canada's domestic satellite operating company with over 400 employees, has signed a contract with Asia Broadcasting and Communications Network Ltd. (ABCN) of Bangkok whereby Telesat will control and operate ABCN's L-STAR Satellites for a period of 18 months after launch. Telesat will also provide training on the operation and control of the satellites to ABCN employees. The operations of the L-STAR Satellites will be performed from Telesat's Satellite Control Centre located in Gloucester through its Perth, Australia, TT&C Facility. This contract is valued in excess of \$5 million.

University of British Columbia, Vancouver, British Columbia

University of British Columbia has sign