

List of New Canadian Business Initiatives in Chile

January 22, 1998
Santiago, Chile

Aastra Telecom Inc., North York, Ontario Aastra Telecom Inc. has signed a strategic alliance agreement with North Supply Chile of Santiago to establish a marketing and distribution program for telephone equipment in Chile. Aastra will provide Canadian-developed telephone equipment through North Supply Chile, while North Supply Chile will provide local technical support, certification, marketing and distribution. Several of Aastra's telephone equipment have received approval and orders of over \$200,000 have been placed by a major telephone company in Chile during this first quarter. Estimated annual sales during the first year is expected to be over \$1 million. North Supply Chile is an affiliate of Sprint North Supply of Kansas City.

Alliance Medical Inc., Saint-Laurent, Quebec Alliance, a manufacturer of highly specialized medical equipment, has signed a contract with Indura S.A. Industria y Comercio of Santiago for the distribution of its products in Chile. Alliance, which employs 70 people, estimates the value of the contract will be \$1 million over three years. Alliance believes the agreement will help to open up the South American market for its portable and mobile ultrasound devices, which can be used in obstetrics, gynaecology, radiology, urology, cardiology and cardio-vascular surgery. Alliance works with distributors in 55 countries.

Alliance of Manufacturers and Exporters Canada, Toronto, Ontario The Alliance, with the support of the Canadian International Development Agency's Southern Cone Transfer Fund, has signed a memorandum of understanding with Fundación Chile in Santiago to develop and implement technology flows between Canadian industry and research and development institutions and Fundación Chile over a two-year period. The project will identify and transfer to Chile appropriate and proven Canadian technologies in forestry, marine resources and agrobusiness. The Alliance is a national organization with more than 3,500 member companies, representing manufacturers, exporters and provincial research organizations. Fundación Chile is a private, non-profit technology transfer organization whose primary mission is to transfer to Chile those technologies which can assist Chile to optimize the use of its natural resources and productive capacity.

The Alliance has signed a letter of intent with Sociedad de Fomento Fabril (SFF), Chile's leading industrial association, to evaluate the potential and feasibility for assisting SFF in the development of the overall concept and program definition for establishing an industrial research organization focusing on problem solving for manufacturers in Chile. The Alliance will use the expertise and experience of members of the Alliance's Science and Technology Network. This initiative will provide an opportunity for the development and exchange of ideas between industry and research leaders in both countries.

Association of Canadian Community Colleges (ACCC), Ottawa, Ontario The ACCC has signed a memorandum of understanding with the Centro de Investigación y Desarrollo de la Educación (CIDE) (the Center for Research and Development) to establish a business relationship that will be used to develop commercial exchanges and co-operation in education and training. The ACCC represents 175 Canadian colleges and technical institutes and promotes industry-education linkages nationally and internationally through technology transfer, human resource development and other initiatives. The CIDE is an independent academic centre whose main concern is education for the poorest segments of society.

The ACCC has also signed a memorandum of understanding with the Programa Interdisciplinario de Investigaciones en Educación (PIIE) (Interdisciplinary Research Program in Education) to establish a business relationship that will be used to develop commercial exchanges and co-operation in education and training. PIIE is a non-profit, academic institute, which conducts theoretical and practical research on the economy and society.

Association of Universities and Colleges of Canada (AUCC), Ottawa, Ontario The AUCC has signed a memorandum of understanding with the Chilean Council of University Rectors (Consejo de rectores universidades chileanas - CRUC) to promote greater cooperation between Canadian and Chilean universities in areas such as student and faculty exchanges and research collaboration. The AUCC is a non-profit, non-governmental organization that represents all Canadian universities and degree-granting colleges.

B.C. Bearing Engineers Ltd., Burnaby, British Columbia Synergy Engineering Ltd., which is 50 per cent owned by B.C. Bearing Engineers Ltd., has signed a contract with B.C. Bearing Chile S.A. of Santiago to form a joint venture that will launch Synergy in the Chile. The joint venture will provide better service and stronger technical background to Synergy's customers in Chile. The project is valued at \$2.1 million. Synergy offers turn-key, variable frequency drive systems.

B.C. Bearing Engineers Ltd. has also signed an agreement with F.A.G. Interamericana of Santiago to whereby B.C. Bearing will become an authorized distributor of F.A.G. products and services in Chile. The project is valued at \$5 million over the next three years, of which \$1 million will be Canadian content. B.C. Bearing Engineers Limited supplies industrial products and services. The company represents over 100 manufacturers, with a product line that includes bearings, power transmission components, materials handling components and variable frequency drives. B.C. Bearing employs over 300 people worldwide.

Bayly Communications Inc., Ajax, Ontario Bayly Communications has signed a memorandum of understanding to strengthen its relationship with Raylex Diginet of Santiago, which already distributes Bayly's digital telecommunications products in Chile. The agreement calls for Raylex to provide technical support services to customers. New business will be from customers in the government, private and wireless sectors, and is valued at \$300,000 over the next two years. Bayly Communications Inc. manufactures and sells digital access and transmission products to domestic and international markets.

Berg Chilling Systems Inc., Scarborough, Ontario Berg Chilling Systems Inc. has signed a memorandum of understanding with Pesquera Lota Protein of Santiago to facilitate the augmentation of their ice-making capability. Pesquera Lota Protein is a producer of fish meal flour and the additional ice-making equipment is essential to preserve the quality of their harvested fish stock on board their vessels and in their holding ponds until processing can occur. Berg Chilling designs and manufactures cooling solutions and ice makers for industrial processes. Large capacity ice plants and industrial cooling systems are being sold and installed throughout the world. This particular phase of expansion is valued at approximately \$469,000 (US\$ 327,000).

Berg Chilling Systems has also signed a memorandum of understanding with Los Elefantes to facilitate the augmentation of their ice-making capability. Los Elefantes is a producer of Chilean farm-raised salmon and additional ice-making equipment is essential to preserve the quality of their harvested fish stock while being shipped to their growing world market. This particular phase of expansion is valued at approximately \$129,000 (US\$ 90,000).

BioChem Immunosystems Inc., Montreal, Quebec BioChem Immunosystems, the diagnostic subsidiary of Biochem Pharma Inc., has reached a \$600,000 contract, \$100,000 of which would be Canadian content, with Arquimed S.A. of Santiago for the sale, service and distribution of Biochem's haematology, immunology and radioimmunoassay products. Biochem will provide marketing, scientific, engineering and service support to Arquimed. Biochem Pharma is an international biopharmaceutical company dedicated to the research, development and commercialization of products for the prevention, detection and treatment of human diseases. Its subsidiary, BioChem Immunosystems, manufactures diagnostic systems and reagents, in three areas: immunology, endocrinology, and haematology. BioChem's products are distributed and marketed in more than 50 countries worldwide.

British Columbia Institute of Technology (BCIT), Burnaby, British Columbia BCIT has signed a memorandum of agreement with Minera Escondida Limitada (MEL) of Antofagasta, a major mining company, to operate the Instituto Profesional Escondida for five years. The main objective of the \$20 million deal, of which \$5 million would be Canadian content, is to implement BCIT's apprenticeship training system in the electrical, heavy duty mechanic, millwright, welding and industrial instrumentation trades. It is hoped that the arrangement will become a model for Chile, and will result in further collaboration.

Canada Mortgage and Housing Corporation, Ottawa, Ontario The Canada Mortgage and Housing Corporation has signed a memorandum of understanding with Fundacion Chile which covers areas of mutual interest, such as jointly sponsored technical training seminars and the facilitation and co-ordination of incoming and outgoing trade missions. Other future initiatives include co-operation in the feasibility of establishing a Canadian wood-frame demonstration project in Chile and joint research on the application of the National Building Code of Canada to Chilean conditions. Fundacion Chile focusses on research and technology transfer, primarily in the areas of agri-food and agricultural, marine and forestry resources. Through its forestry department, Fundacion Chile promotes residential wood-frame construction in Chile, based on the Canadian model.

Canadian Advanced Technology Association (CATA), Calgary, Alberta CATA has signed a contract for a joint venture with CINDEX to develop and manage a virtual business corridor to encourage business deals and strategic partnerships between Canadian and Chilean high technology firms. The project is expected to generate revenues of \$250,000, of which \$100,000 would be Canadian content. The association has developed TechnoGate, an electronic business system that encourages strategic commercial partnerships to identify distributors, agents, and skilled workers, by interconnecting global virtual business corridors. The association employs 19 people.

Canadian Airlines International Ltd., Calgary, Alberta Canadian Airlines has signed a commercial alliance agreement effective March 11, 1998 with Lan Chile of Santiago, a Chilean international carrier. Canadian and Lan Chile will co-ordinate their schedules to offer customers convenient services from Canada to Santiago. The market size between Canada and Chile is estimated at over 40,000 passengers per year. The new agreement is valued at over \$100 million in revenue over the next five years. Canadian Airlines has been Canada's carrier to Latin America for almost 50 years.

Canadian Association for Community Living, North York, Ontario The CACL has signed a memorandum of understanding with the Unión Nacional de Padres y Amigos Deficientes Mentales (UNPADE) (National Union of Parents and Friends of Persons with Mental Disabilities) of Santiago. The project will promote the social and labour market participation of people with disabilities. By helping persons with disabilities to join the workforce, the project will contribute to poverty alleviation and to the strengthening of civil society through the active participation of persons with a disability, their families and their organizations.

The Canadian Council for the Americas (CCA), Toronto, Ontario The Canadian Council for the Americas has signed a protocol of co-operation with the United Nations Economic Commission for Latin America & the Caribbean (ECLAC). The institutions will assist each other and exchange information to promote commercial exchanges and economic co-operation. They will also identify areas where business, economic, industrial and technical co-operation can be increased in order to maximize opportunities for trade, investment and other commercial exchanges between Canada and Latin America and the Caribbean. The CCA has more than 500 members, representing a broad range of Canadian business interests in Latin America and the Caribbean.

College of the North Atlantic, St. John's, Newfoundland The College of the North Atlantic (CNA) has signed a memorandum of understanding with the Universidad Santo Tomas (UST) de Chile in Santiago. The agreement covers collaboration on several issues, such as the joint development of initiatives to participate in development projects in South America that are funded by the World Bank and other international financial institutions. Other specific areas are exchange programs for students and faculty; raising the standard of technical programs at UST's technical institutes to the standards applicable to CNA's technical programs; co-marketing and co-delivery of programs; joint development of distance education capability; private sector partnerships; and the use of information technology to develop business opportunities.

Ecolo Odor Control Systems Worldwide, Mississauga, Ontario Ecolo has signed a \$500,000 agreement whereby The Synergy Group of Santiago will become a full-service distributor for Ecolo's products and services, including the sale and service of Ecolo's systems to sewage plants, landfill sites, slaughterhouses, hotels, hospitals, restaurants and large residential complexes. The Synergy Group has been operating in Chile for three years in the areas of odour control, water treatment and bio-remediation. Ecolo Worldwide specializes in environmentally-friendly odour-control systems, which are distributed in over 37 countries around the world. The company employs 25 to 35 people in Ontario.

Eicon Technology, Montreal, Quebec Eicon Technology, which offers worldwide remote-access solutions including WAN, ISDN, and SNA connectivity, has signed a contract renewal with ISC Technology to recognize the continued mutual business opportunity that exists by ISC Technology distributing Eicon's products. The partners will continue their long business relationship and have agreed to a one-year marketing strategy designed to increase awareness for Eicon's products. The agreement is expected to generate \$350,000 in revenues in 1998.

Eicon Technology has also signed a contract renewal with Tasco to recognize the continued mutual business opportunity that exists by Tasco distributing Eicon's ISDN products. The agreement is expected to generate \$350,000 in revenues in 1998.

Export Building Products Initiatives of Manitoba (EBPIM), Manitoba The Export Building Products Initiatives of Manitoba has signed a co-operation agreement with the Wood Housing Builders and Industries Association of Chile (ACIM). This agreement is designed to establish links between the two associations and give the Manitoba association better access to the rapidly expanding Chilean housing market.

FGA Consulting Engineers, St. John's, Newfoundland FGA Consulting Engineers has signed a memorandum of understanding with STI Ingenieria Anticorrosiva, Sociedad Comercial Santa Teresa Ltda. of Santiago to provide inspection and non-destructive testing services as well as to transfer technology in the fields of welding engineering and quality assurance. STI Ingenieria Anticorrosiva are designers of anti-corrosion coating systems for industrial applications in industries such as pulp and paper, mining and petroleum refining. FGA specializes in structural, civil and welding engineering, non-destructive testing and materials engineering and quality assurance services.

Fonds de solidarité (FTQ) , Montreal, Quebec The Fonds de solidarité (FTQ) and Celdex Technologies have signed an agreement with ENASA (Empresa Nacionales de Servicios de Aseo) for the development of a solid waste landfill for the 13 municipalities in the greater metropolitan area of Santiago. Fonds de Solidarité is a union fund that manages more than \$2.3 billion in assets, has invested in 664 Quebec companies so far.

Gasoducto del Pacifico, Santiago, Chile Gasoducto del Pacifico (Nova Gas International of Canada, El Paso Energy International Company from the United States, ENAP and GASCO from Chile and YPF, from Argentina) have signed an intent, approved by each of their respective boards, to proceed with the energy project Gasoducto del Pacifico, a \$574 million (\$US 400 million) integrated natural gas project which will transport, market and distribute natural gas from the province of Neuquén, in Argentina to Chile's VIII Region.

Genesis Organic Inc., Corner Brook, Newfoundland Genesis has signed a contract joint venture with Fundacion Chile to develop a waste management composting facility in Chile. The partners intend to compost waste wood bark from the forest industry and fish waste from fishing and aquaculture operations. The resulting compost will be sold to the horticultural and home gardening markets in South and Central America, and will help solve waste disposal problems for two major industries. The Canadian International Development Agency in affiliation with the Alliance of Canadian Manufacturers brought the joint venture partners together through the Latin America Business Linkages Program. The project will see the export of Genesis large-scale aerobic composting technology to South America. The contract is valued at \$2 million, of which \$1 million is Canadian content. Genesis has projects under development in British Columbia and Dubai in the United Arab Emirates and operates the largest dedicated composting site in Canada at Wild Cove, Newfoundland.

Golder Associates Ltd., Mississauga, Ontario Golder Associates Ltd. has signed a memorandum of understanding with Golder Associates S.A. of Santiago to open a new office in Santiago to provide integrated environmental and engineering services in Chile. The office will be staffed by Canadians and Chileans, and will deliver comprehensive services needed for the expanding markets in natural resources and infrastructure development. Golder Associates' new Santiago office is the newest addition to a network of 80 offices in 14 countries.

Groupe Cardinal Hardy, Montreal, Quebec Groupe Cardinal Hardy signed a contract with representatives of the City and the port of Valparaiso for the development of the plaza, the port and the railroad station land. The project will be realized by a consortium that includes Canada's Group Axor of Montreal, Quebec, and Chilean partners. These three sectors will be transformed into a new urban place, with tourist, commercial and community facilities. The value of the project is \$72 million, of which \$23 million is Canadian content. The conceptual study for this project has been approved by the different groups involved and the feasibility study will be completed within the next eight months, with the assistance of the Canadian International Development Agency's Inc. program.

Groupe Cardinal Hardy has also signed an agreement with representatives of the Technical Industrial Park in Quillota region. The industrial park will be developed on a turn-key basis, with an overall investment of \$243 million (US\$ 170 million), of which \$100 million would be Canadian investment, with the remainder composed of Chilean investment. The partners project that the park will house 215 companies and will focus on agro-industrial, metalmech and construction sectors, with joint ventures focussed on technology transfers. The feasibility study has been completed with the assistance of the Canadian International Development Agency's Inc. program in collaboration with SNC-Lavalin of Montreal, Quebec.

Highland Homes, Cottlesville, Newfoundland and Labrador Highland Homes and Agromanzun Limitada of Temuco have a joint venture agreement for the development of Primavera, a 1,000-home satellite town located outside the city of Temuco. Highland Homes will provide Canadian-crafted homes for this housing development and assist in the financing and administration of the project. The overall project value is estimated at \$82 million, of which about \$30 million would be Canadian content, and will span six years.

HYGREXT-Spehr Industries, Bolton, Ontario HYGREXT-Spehr Industries has signed an exclusive distribution agreement with Wintec EMC Chile S.A. of Santiago, a subsidiary of Wintec EMC of Toronto, Ontario, and Enertech S.A. of Buenos Aires for the marketing and distribution of HYGREX closed-loop drying systems, an award-winning environmental technology. HYGREX, which employs 20 people, specializes in drying applications where water is basically the only medium to be removed. This agreement is valued at approximately \$1 million.

Industry Canada, Ottawa, Ontario Industry Canada's SchoolNet (Information Highway Applications Branch), has signed a memorandum of understanding with the Universidad of Chile, which is seeking Canadian expertise in a variety of areas. These include: delivery of multi-media; distance teaching and training; content for digital media; internet-ready material; and the use of information and communication technologies as they apply to teaching and learning, health management, and the delivery of health services.

Lakefield Research Ltd., Lakefield, Ontario Lakefield Research Chile S.A., owned by Lakefield Research Ltd., has signed a contract to purchase the sample preparation laboratories of Rio Tinto Technical Services Ltd. (ANAMET) of Peru and Chile. ANAMET is based in Bristol, the United Kingdom. The investment is worth approximately \$270,000. Lakefield plans to continue the operation and provide quality sample preparation services to the mining industry. The company provides specialized technical expertise and support to the mining and mineral industries.

Loewen Windows, Steinbach, Manitoba Loewen Windows has reached an agreement for Las Americas Empresa Constructora of Santiago to become the first authorized Loewen Windows dealer in Latin America. Las Americas has purchased Loewen windows for a condominium project in Santiago and are selling Loewen window products to builders and architects in and around Santiago both for the Chilean standard construction as well as for 2X4 Canadian-style housing.

M.G. Environmental, Lunenburg, Nova Scotia M.G. Environmental, a Canadian manufacturer and distributor of "Right Water" Clarification System Equipment with offices in Oakville, Ontario, has signed a letter of intent with Puga, Mujica Asociados S.A. of Santiago for a joint venture on a wastewater treatment plant in the town of Chillan. M.G. Environmental will supply equipment for the project. The project is valued at an estimated \$1.6 million.

M.G. Environmental has also signed a letter of intent with Ecosystem S.A. of Santiago for a joint venture on a pilot wastewater plant in the food processing sector in the Puerto Montt District. M.G. Environmental will supply equipment for the project. The project is valued at an estimated \$400,000.

Manitoba (Province of) The Province of Manitoba, on behalf of the Manitoba - Chile Education Initiative, has signed a memorandum of understanding with the University of Santiago in which they agree to establish links of understanding and co-operation that facilitate relationships in the area of higher education. Specifically, the partners will identify and implement academic programs intended to promote scientific, humanist and technological exchange, and develop teaching, research and professional development resources to stimulate interest and cooperation.

Martec Liquid Products Ltd., Magrath, Alberta Martec Liquid Products Ltd. has signed a distributor agreement with J.P. Auto Centre Ltd. of Santiago for the exclusive distributor of Fuel Clean in the Chilean market. Fuel Clean is a 100 per cent Canadian fuel blend developed and manufactured by Martec Ltd. to significantly reduce emissions, increase fuel efficiency and lower maintenance costs in diesel and gasoline engines in Chile. The agreement provides for J.P. Auto Centre to receive full support from Martec Liquid Products and allows the Chilean company to introduce Fuel Clean to markets in Mercosur (Argentina, Brazil, Paraguay and Uruguay). The estimated value of the agreement is \$800,000 in the first 18 months. Martec Liquid Products Ltd. is a Canadian research and manufacturing company based in Alberta which exports virtually all of its product from its facilities near Edmonton and in Southern Alberta.

Memorial University, St. John's, Newfoundland and Labrador Memorial University is signing a memorandum of understanding with the Universidad Santo Tomas de Chile, in collaboration with a consortium of public and private sector agencies, for distance education in Newfoundland and Labrador (the Open Learning Information Network, and the province's corporation responsible for supporting the growth of information technology, Operation On-Line). The purpose of the memorandum of understanding is to adapt and develop distance-education programs and delivery management developed in Newfoundland and Labrador, to be implemented by Universidad Santo Tomas in Chile and Latin America. Working in collaboration with private sector partners and the College of the North Atlantic, Memorial University offers special areas of interest to the Universidad Santo Tomas de Chile, including training in technical support for health services. The delivery mechanisms for distance technologies will be developed in Chile and other parts of Latin America.