

It is also necessary to bring general knowledge of the preferred methods (joint ventures in R&D or production, in the distribution of markets, or in licensing practices, etc.) in the target country. That expertise comes naturally to our Trade Service, and thus the marketing work does not create new requirements in our posts. The only difference is that concluding licensing and joint venture agreements is much slower and more laborious than simply setting up contacts. And we must not rule out the possibility, given that Canadian firms in general are smaller than their foreign counterparts (in such countries as Germany, Sweden, and even Italy and Switzerland), that they will need much more assistance than in the case of general trade activities. Thus marketing in the area of high technology is a much longer-term activity: this is not one-shot action, but contacts and negotiations over a long period. Here again our posts must be equipped with sizeable memory tools that are more reliable and can be more quickly accessed than files, to guarantee continuity in service to the client.

Finally, seeking out and concluding transactions requires much travel between Canada and the country in question. It is therefore important to provide simple, quick cost-sharing formulas. Here again the use of the CSF should be available, particularly to the small and medium-sized firms for which success in exporting is a matter of life and death, especially in the initial phase of their activity. It has been stated that in its initial phase (fewer than 50 employees and \$1 million in sales), a high-technology firm must export 80% to 90% of its product. It is during this time of scarce funds and extreme fragility that basic commercial assistance (travel costs) is most needed and appreciated. Once a firm grows to become medium-sized and its survival is assured (200-300 employees and \$5 million in export sales), it generally also possesses the resources to follow the PEMD route, with its auditing requirements and delays. At that point it also has a basic clientele and is beginning to establish and develop its own network of international contacts.