

Industry and government are coming to realize that changes are required in the software situation, precisely the reason for the Sigma Program mentioned earlier. There is a push to move to packaged software to gain its inherent efficiencies. Government is promoting the use of standardized software environments to lower costs, a push that will open doors to imported software. There is, as well, the rapid rise of the yen which makes the use of imported software more attractive.

The pace of change in Japan and the varied pressures for change work both to create problems and to open new opportunities for foreign companies. Firms must recognize the usual barriers and problems of distance, language, culture and business practices. Equally, however, they must recognize that new opportunities like those in software and manufacturing equipment exist and may be successfully exploited. Small companies need not be equated with poor performance or lack of capability - they can and do produce world class products. Canadian companies can be competitive in Japan, despite their smaller size and limited resource picture.

The companies of most interest to foreigners are, of course, the multinational, multi-billion dollar, system-driven giant corporations that have product lines ranging from personal computers to consumer electronics. They often supply their own components internally. To them, in many cases, Canada is an unknown quantity or is seen as a distributor of system-level products. Canada is often overlooked as a source of technology or is overshadowed by the close proximity of the U.S. and its fascination for Japanese producers. Japanese companies often don't understand the trade advantages Canada may offer or its unique position vis-a-vis the U.S.

The development of a Canadian presence in Japan, and in the minds of Japanese business people, while a long-term proposition, will do much to overcome such information-based problems. Mission members felt that many business relationships could be effectively developed in the microelectronics field. They made a number of recommendations as a result of this mission. Included in these recommendations:

- that government should continue the assistance provided by such vehicles as these cooperative missions since such assistance is often essential in helping Canadian companies overcome the difficulties posed by differences in size, scale, orientation and focus of Japanese companies;