

As Canada's missions abroad conduct regular corporate liaison visits to investors that already have operations in Canada, parallel "back-to-back" visits to their subsidiaries in Canada are also conducted. Alternately, efforts are made to reach them with messages of welcome and messages that confirm the industrial and economic strength of Canada so that they can bolster the confidence of their parent companies in their investments in Canada. The Department of Foreign Affairs and International Trade (DFAIT) and Industry Canada, provincial and municipal governments maintain regular contact with Canadian subsidiaries of foreign firms and with their associations such as the Toronto Japanese Association of Commerce and Industry, the Hong Kong Canada Business Association and the Taiwan Entrepreneurs and Investors Association.

Investment Promotion Techniques

Listed in tables 2-5 are key activities²³ which are commonly used for promoting investment. The activities are grouped according to the type of promotion that is appropriate for the stage of development of the client under four headings:

- (1) **Generic Promotion:** consists of proactive activities that are broadly aimed at business, financial and investment communities in order to increase awareness of Canada's favourable investment climate and to change attitudes towards investment opportunities.
- (2) **Targeted Promotion:** also consists of proactive activities designed to increase international investor confidence in Canada and to increase awareness of the advantages of doing business in Canada under the NAFTA. However, the promotion is aimed at a group of investors already selected because of the sectors they are in, or because of the fact that they are already doing business in Canada, or because they are known to be seeking investment or business alliance opportunities. Because the targeted clientele or audience for the activities is smaller than that of generic promotion activities the return per client reached will likely be high as the target group may already be disposed towards overseas investments or alliances, although not necessarily in Canada.

(3) **Services to foreign investors:** this is a reactive activity, responding to specific enquiries and information requests, often as a result of generic and targeted promotion.

(4) **Partnering and match-making services:** these can be either proactive or reactive (to a "find me a partner" request). These services are particularly relevant for attracting investments in advanced technology and in venture capital activities.

Thus an investment promotion campaign can be designed to suit a particular economy or sector or business by choosing suitable activities from this "menu", based on the client's stage of development or awareness about Canada. Typically, one starts with generic promotion when the awareness level is low (e.g. the "Canada is open for business" campaign after the repeal of the Foreign Investment Review Act in 1985). After a reasonable level of knowledge is attained, the targeted approach kicks in (as in the recent semiconductor campaigns in Japan, Korea and Taipei). These campaigns often lead to service enquiries. Match-making events are very focused (and labour intensive) but are very effective once like-minded groups of Canadian and foreign businesses have been assembled). The "investment prospecting" kits in which profiles of Canadian firms and certain niche sectors are described in detail have been used very successfully in match-making events in high tech areas such as biotechnology, medical devices and software. Another example is the recent venture capital mission to Taipei, Singapore and Hong Kong in which some 10 high tech Canadian firms gave "show and tell" talks to carefully selected audiences about their companies and the partnerships they were seeking.