- The Cost of a Clean Environment \$US 50
- Resource Guide to State Environmental Management \$US 40
- Encyclopedia of Associations \$US 305

Once the appropriate market research has been conducted, there are a number of activities that all firms should consider in formulating a strategy for entering the U.S. market. Some of these are practical, common business sense suggestions that we have found are sometimes overlooked when firms approach a foreign market. Other suggestions are related to the particular nature of service industries and specifically the environmental engineering consulting industry.

The following recommendations should, therefore, be considered when Canadian environmental engineering firms are preparing their entry strategies. Most are addressed to Canadian engineering firms, although some recommendations to governments and other organizations are also included.

1) Local contacts, reputation, and knowledge are very important in capturing environmental business in any U.S. region. Teaming with local partners serves a number of purposes, including reducing risk, increasing the chances of winning, lowering marketing and bid costs, and increasing the number of opportunities that can be pursued. In many instances, the "teaming" may be on a project-by-project basis, where the Canadian firm provides some niche expertise.

Buying a company or "buying" some local people may be the preferred and most profitable route to market entry. (Expected acquisition costs would likely be in the range of 3-4 times annual earnings, although higher growth firms may command a premium up to double this amount.)

- 2) In establishing their local presence, Canadian firms should extend autonomy to the U.S. operation, in effect facilitating the growing of American roots. Our discussions suggest that the Canadian benefit is derived from management fees, profit sharing, employee sharing, and technical advances, rather than through exerting tight managerial control from a Canadian base.
- 3) Successful penetration of the American market begins at home. Canadian firms should pursue opportunities within their own fields of expertise and not be unwittingly led into unfamiliar areas. In essence, Canadian firms should "ride" their own expertise and contacts into the identified U.S. market niches. Straying outside of core competences may place firms on unfamiliar and risky terrain. In this respect, one source stated that "a confused client doesn't buy", the suggestion being that firms should not confuse their potential clients by venturing into areas with which they are not familiar.
- 4) It is important that Canadian firms establish a market plan prior to investing resources in their U.S. marketing effort. The plan should articulate the objectives, strategies, financial resources,