

Trade Promotion Initiatives

To help SMEs become involved in export markets, the NST will encourage strong Canadian participation at the Union Internationale des Transports Publics (UITP) Show, a large international trade show to be held in Toronto in 1999. The NST will also encourage more participation by SMEs in consortia led by industry leaders.

Opportunities for the sale of new and used rail and urban transit equipment to Mexico and other Latin American countries will be pursued through active consultation with the NST, Canadian missions and industry associations.

The transportation sector was identified by the Task Force on IFI Procurement as a key sector for attention by the interdepartmental Capital Projects Action Team (CPAT). CPAT is a recently completed initiative aimed at focussing and co-ordinating existing government resources on a limited number of high-potential IFI opportunities where industry is exercising leadership and collective commitment. Several high-potential countries have been identified in Asia (China, Indonesia, India, the Philippines, Vietnam) and Latin America. Government and industry will continue to monitor projects to seek opportunities for Canadian manufacturers.

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SPACE

The space industry consists of companies and organizations that provide products, including hardware and software, that generally form part of larger space systems, such as satellites, space vehicles, ground stations for communicating information and/or controlling space assets, and launch vehicles, including expendable and reusable rockets, space planes and the International Space Station. It also includes a range of service providers (such as geomatics and telecommunications firms) whose business activities depend on the use of space systems.

Main Challenges

Technological Leadership

- Maintain technological leadership in existing market niches and develop technological leadership in anticipated growth areas, especially in the face of foreign competitors whose research and development (R&D) activities are often heavily supported by their governments. This is crucial to continued competitiveness and access to large international projects.

Market Access and Development

- Maintain and develop access for Canadian space companies to established foreign markets, of which the United States and Europe will continue to be important, particularly in light of the economic and technological trends identified above.
- Gain access to developing markets dominated by government procurement. Countries in the Asia-Pacific and Latin America possess the greatest growth potential, as they view space as an instrument of sovereignty and national economic and technological development. The challenge is to access these foreign markets in the face of local preferences, the need for domestic spin-offs, and strong domestic and foreign competition.

- Co-operate with Canadian companies in their efforts to win foreign contracts and penetrate foreign markets.
- Establish and maintain supplier relationships with large foreign prime contractors in the U.S. and Europe, who are the principal customers for Canadian space products. The challenge is to forge and maintain supplier relationships with these foreign primes in the face of strong competition, which often comes from within the foreign firm itself.
- Join international consortia of large U.S. and European prime contractors, directly or through supplier relationships. Companies can gain access through government assistance in the form of regulatory support, by developing in-demand advanced niche technologies, and through financial participation at the front end of a program.

Intelligence

- Gain access to timely information concerning procurement and alliance opportunities, competitors' activities in priority markets, as well as analyses and assessments of long-term market, industrial and technological trends. This is particularly true for the Asia-Pacific region and Latin America.

Broadening the Export Base

- Increase the number of Canadian companies with export capabilities, thereby broadening the space sector's export base, particularly for small and medium-sized enterprises (SMEs).

Strategic Direction

The Canadian government's strategy for supporting the space industry's international marketing efforts is based upon a recognition of the structural conditions and challenges outlined above and is oriented toward: