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internationally oriented market, competition is fierce. Prospective local buyers must be given sufficient information if they are to decide whether or not to pursue the offer. Follow-up may be required in many instances (time pressures and business absence are common here too) and is a recommended practice - credibility follows consistency.

Quotations may be done in Canadian or U.S. \$; and either F.O.B. Canadian (air) port or C.I.F. Dutch (air) port and it is usually appreciated to ask the prospective buyers for their preference.

It is quite reasonable to arrange for an L/C for initial shipments with more relaxed payment conditions when sufficient mutual trust has developed. Newly imported products are often promoted by importers or agents through local trade fairs—participation in these is a good way to identify agents.

Interested local prospects will in most cases demand exclusive representation, which should be given serious consideration as the market as a rule is too small for more than one representative. Many distributors in the Netherlands have access to neighboring markets and may be interested in covering a larger area than the Netherlands alone. Depending on their representational arrangements in those markets, Canadian exporters should consider such requests and, if possible, examine them on their merits.

Europe 1992

The direct consequences of the removal of remaining barriers are cost reduction and improved access to all markets of the EC. At the same time, one large European market will mean fiercer competition from sources both within and beyond the EC. This in turn may lead to a downward pressure on prices and subsequently lower profit margins.

Many medium and large companies are in the process of consolidating their positions through mergers, take-overs and joint

ventures in anticipation of Europe 1992. For smaller companies not operating on an EC-wide level, the implications may be limited, but greater efficiency and strategy adjustment, where necessary, are the key words for all businesses.

In the Netherlands, the business community is actively preparing for Europe 92. More than ever the country promotes itself as the focal distribution point of Europe, with ambitious projects being discussed or carried out to expand and improve the infrastructure in the surface and air transport sector.

More Than a Market

The accelerated development of large trading blocs in the industrialized world may require a different approach to the traditional way of exporting.

When the Single European Market is in place, the Netherlands will be a region rather than a nation with borders; the Dutch trade and industry will likewise divide the EC into marketing areas according to individual strategies—or may already have done so.

Canadian exporters already selling to the Netherlands and other EC countries should take a hard look at their present representational or distribution arrangements. Should these be maintained as they are? Would it help to save costs and thereby enhance competitiveness by creating some sort of presence - directly or by working with one or more EC firms? Is there a need to reinforce the identity of the product or product range? These are but a few questions that may emerge in considering the possible effects of the Single Market.

Overall Advice

For companies new to the market, it is important to: make sure that you have a good product—the higher the quality in terms of design, finish and durability, the better your chances for success, particularly if you conduct business in a manner the Dutch appreciate. Above all, purpose, patience and perseverance are prerequisites for positive results.

EDC Supports Exports

A variety of financing, guarantee, and insurance services in support of Canadian exports to the Netherlands is available from the Export Development Corporation (EDC).

Over the past five years, EDC has provided short-term insurance in support of approximately CAN\$117 million-worth of Canadian exports to the Netherlands, and has provided approximately \$329 million in commercial financing support for exports of capital goods and services to the country.

EDC financing covers up to 85 per cent of the value of Canadian exports. In addition to standard buyer and supplier credit facilities, EDC can custom-tailor a variety of commercial financing geared to borrower preferences, including debt financing into domestic and foreign leases, credit enhancement, guarantee of debt securities, interest rate capping, and multiple currency loans.

Canadian exporters can obtain protection against losses due to non-payment by foreign buyers. To learn how EDC can help you make the most of your export opportunities in the Netherlands, contact one of the EDC regional offices: Vancouver, Winnipeg, Calgary, Toronto, Ottawa, London, Montreal and Halifax.

Useful Contacts

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