

Canadians say China's market most promising

A national opinion poll by the Asia Pacific Foundation of Canada and *The Globe and Mail* suggests that Canadians believe China holds greater potential for Canadian exports and investment than the United States.

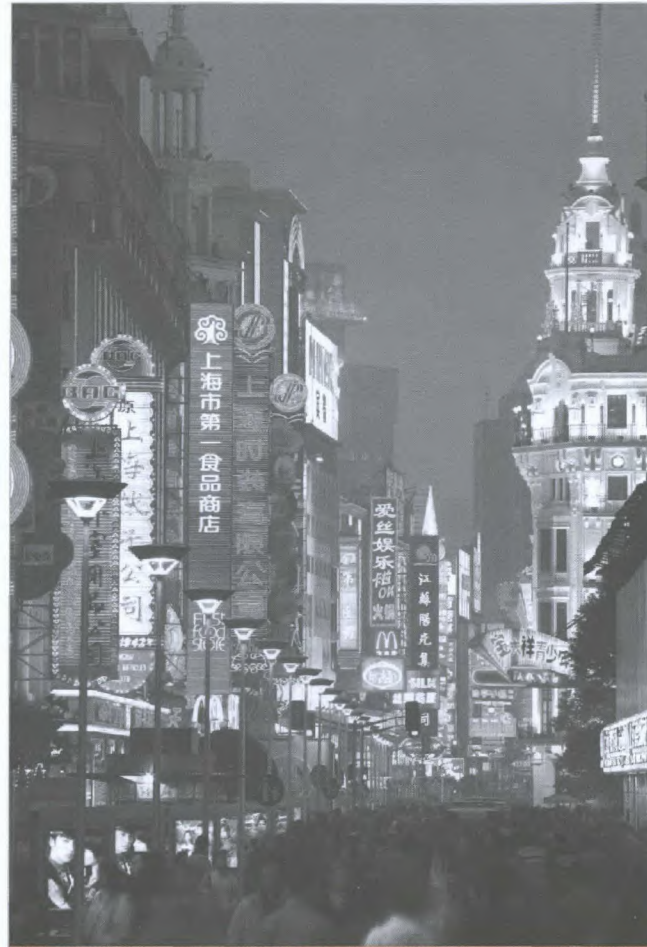
Forty-two percent of respondents identified China as the market with the greatest potential, well ahead of the United States at 29%. The next most important markets were Japan, India, Southeast Asia and the European Union.

However, when asked about the importance of different countries and regions for Canada's prosperity and well being, the U.S. was selected by 89% of respondents, followed by China at 77%, the European Union at 66% and Japan at 65%.

"The poll demonstrates that Canadians are attuned to the rise of China as an economic power. Whether or not China in fact holds greater potential than the U.S., Canadians are embracing economic relations with China as a necessary and positive development," said Yuen Pau Woo, foundation president.

Only 38% of respondents believe that China's growing importance as an economic power is more of a threat for Canada than an opportunity. Seventy-three percent agree that increased Canada-China trade will "mostly help" Canadian consumers.

Regionally, there were differences in views about China. While Quebecers were split on whether China or the U.S. holds more potential for exports and investment, the rest of Canada chose China over the U.S. by a margin of 18 percentage points. The gap in favour of China was even larger in western provinces, especially British Columbia, where 57% of respondents said China had the most potential, compared with only 18% who chose the U.S.



Canadians say China holds the greatest potential for exports and investment, according to a recent poll.

The poll, based on 1,014 respondents, was conducted between August 2 and 9, 2006, by the Strategic Counsel on behalf of the Asia Pacific Foundation and *The Globe and Mail*. Results for the national sample are accurate to within 3.1 percentage points 19 times out of 20.

For more information, go to www.asiapacific.ca.

Canada does big business with a big customer - continued from page 1

Another method is through Simplified Acquisition Procedures which account for about 11% of Canada's contracting total. These contracts are used for transactions worth less than \$100,000. However, these smaller contracts don't mean that they are limited to small businesses; the top six companies using Simplified Acquisition Procedures each reported sales of over a million dollars.

More than just contracts

But how important is the contract type? Judy Bradt, a former Canadian trade commissioner who has helped thousands of Canadian companies win U.S. government work, says it's just one piece of the pie.

"Most vendors start by focusing on the procurement process. You have to do that, but it's not enough. Vendors start to make headway when they realize they need relationships with people, because many jobs depend on a contractor's performance," she says.

"Then the light comes on," she adds. "Buyers choose the vendors they trust most to solve their problems. That's what's so impressive about recent Canadian winners. They've worked hard to build deep trusting relationships."

Canadian success by the numbers

Two of those companies are Forensic Technology Systems of Montreal and Nightingale of Toronto, which each won contracts worth about \$17 million. They led nearly 200 Canadian companies that won a total of some \$123 million in U.S. federal prime contracts for IT and telecommunication solutions last year.

The U.S. Department of Defense was Canada's top U.S. government customer, accounting for three quarters of its total. Some top companies making major sales to the U.S. military were Med-Eng of Ottawa, a company that makes protective gear for people who disable explosive devices, Lotek Wireless of St. John's and Toronto that makes transmitters for fish and wildlife tracking, and Norsat International of Burnaby that provides intelligent satellite solutions.

"Canada's growth in awarded contracts reflects the confidence that Americans have in Canadian firms," says Bradt, who points out that every contract, whether for military or civilian clients, is an impressive

business achievement that demonstrates exceptional marketing skill as well the ability to meet demanding performance standards.

But two things matter much more than the type of contract, she cautions. Canadian companies need to find out how their best prospects buy the kind of product or service that the company sells and what the most effective strategy is to reach those buyers.

"After all, GSA schedule and GWAC contracts account for less than 15% of the value of all U.S. government purchasing," she says. The U.S. government uses a wide range of other contracts and acquisition strategies for the rest of its purchases.

To learn more about Simplified Acquisition Procedures, SmartCard, Basic Ordering Agreements, Negotiated Procurement (like requests for proposals), and Invitations for Bid (also known as Sealed Bidding), go to www.arnet.gov.

Helpful websites

- U.S. General Services Administration: <https://fsstraining.gsa.gov>
- Canadian Commercial Corporation: www.ccc.ca
- U.S. Federal Procurement Data System: <https://www.fpds.gov>
- U.S. federal government market intelligence: www.summitinsight.com and www.eagleeyeinc.com

Did you know?

The Canadian Commercial Corporation (CCC) handled 75% of Canada's export sales to the U.S. military, which hit a record high in 2004-2005. CCC's services include pre-contract review and post-contract prompt payment.

Tom DeWolf, CCC's Director of Business Development for Aerospace, Defence and Security, says orders in his sector using CCC's contracting services amounted to \$1.4 billion in sales in 2004-2005, including over \$1 billion to the U.S. Department of Defense alone.

"CCC continues to strengthen our relationships with both U.S. buying agencies and the Canadian industrial base to connect Canada's top suppliers with the world's largest customer," says DeWolf.

For more information, go to www.ccc.ca.

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