

Success stories: Canadian companies thrive in Brazil

Canadian companies have had remarkable success in Brazil thanks in part to assistance from trade commissioners in Sao Paulo, Rio de Janeiro, Belo Horizonte and Brasilia. In the last year, more than \$1 billion in goods and services were exported there.

But what made these Canadian companies successful? According to Paula Caldwell, Senior Trade Commissioner with the Canadian Consulate General in Sao Paulo, a lot goes into being an export success. "They all got the basics down," says Caldwell. "Perhaps most importantly, they found a reliable and qualified local partner. We can help them do that. They also made plenty of visits to the market to establish their business. Getting to know your customer is key," she adds.

Here are some shining examples of Canadian successes over the past year:

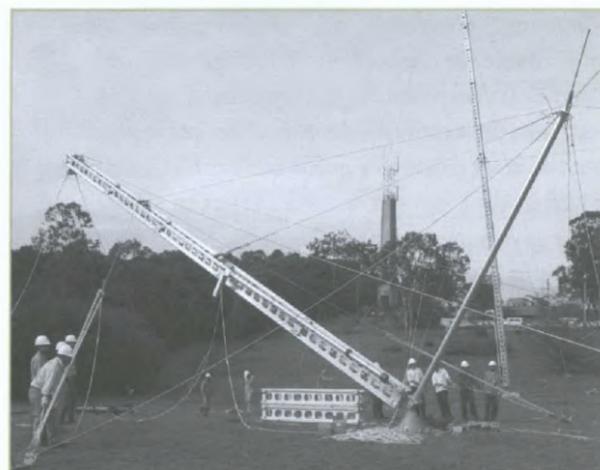
Quebec-based Pulp and Paper Research Institute of Canada, or Paprican, signed a memorandum of understanding this year with the Institute of Forest Research and Studies of Brazil to cooperate in pulp and paper research. They were introduced by the Canadian Consulate General in Sao Paulo. It is hoped that this will lead to greater market access for Canadian forestry companies in Brazil.

Calgary-based Propak invested \$75 million in GPU Guamaré, a gas processing unit in the Northeast state of Rio Grande do Norte. This was Propak's second project for Petrobras, Brazil's national oil company. The engineering and construction of the Guamaré plant took two years, was done in Airdrie, Alberta, and its processing capacity is 1.5 million cubic metres of gas per day.

Skywave Communications introduced its specialized technology to JaburSat, one of the fastest-growing road transport tracking companies in Brazil. The Ottawa-based company's satellite transceivers allow JaburSat to monitor the movement of trucks throughout Brazil and react to any truck delay. With almost two million kilometres of roadway spread over an area of 8.5 million square kilometres, truck transportation plays a significant role in the growth of the Brazilian economy.

Yamana Gold, formerly Yamana Resources, has invested \$220 million in a large-scale copper and gold mine in the Brazilian state of Goias. Another \$330 million will be invested in the coming years which will make the Toronto-based company the third-largest copper exploration company in Brazil.

SBB International has revolutionized the market for emergency electrical towers. The company has spent 10 years and over \$1.5 million developing this fast-mounting tower for the transmission of electricity. In Brazil, the company has sold more than 85 emergency towers valued at more than \$6 million. Its towers each provide up to 500 kilovolts of power, are composed of modular aluminum components and can be erected in just three hours.



SBB International's emergency electrical towers

Waterloo, Ontario-based Slipstream Data Inc. is a globally recognized software development company with customers in Latin America like POP, Terra and Embratel. The company boasts millions of subscribers in Brazil, making it the leading provider of acceleration solutions in this region.

For more information about how the Trade Commissioner Service can help you succeed in international markets, go to www.infoexport.gc.ca, or contact an International Trade Canada Regional Office near you (see contacts on page 2).

Film and television relationship growing

Canadian cultural industries have taken centre stage recently with announcements of multi-million dollar agreements.

Projects worth about \$27 million were confirmed after this year's Canada-Brazil Co-Production Forum, where 20 Canadian and some 150 Brazilian producers and experts met to discuss television and film co-production opportunities.

And just last March, the National Film Board of Canada (NFB) and the Brazilian Ministry of Culture signed a commercial cooperation agreement that will explore opportunities in co-production, film distribution, professional exchanges and the application of new production technologies.

Brazil plays a leading role in digital cinema and is recognized as a high-quality producer of film and television. In fact, Brazil will be the featured country at this year's Ottawa International Animation Festival from September 20 to 24, 2006, taking place during the Television Animation Conference.

Brazil is the largest entertainment and media market in Latin America. Currently valued at \$12 billion, this sector represents



Carlos Eduardo Nogueira's *Desirella* is about an elderly woman who wears magic shoes to make her young again. Brazil will be showcased at the Ottawa International Animation Festival.

3.5% of Brazil's GDP and is expected to grow 6% annually by 2010. Considering Brazil's economic stability and prospects for growth, the number of potential consumers in this market is expected to increase substantially.

For more information on Brazil's arts and culture sector, contact Eliana Russi, Canadian Consulate General in Sao Paulo, email: eliana.russi@international.gc.ca.

Brazil agriculture sector ripe for the picking

With a diverse climate, and some 400 million hectares of agricultural land—an area bigger than the province of Quebec—the Brazilian agricultural sector is large, highly diversified and open for business.

Processed, health and organic foods are increasing in demand. In fact, Canadian agri-food producers can find even greater opportunities with these products, says Marcio Francesquine, Trade Commissioner with the Canadian Consulate General in Sao Paulo. "With high demand and low market presence, consumers are willing to pay premium prices for these foods."

Farming now accounts for around 12% of the national GDP, considering only the value of production. Agribusiness as a whole—the sum of operations, production and distribution of supplies and new agricultural technologies—amounts to over 35% of Brazil's GDP and 37% of its jobs, making the agriculture sector the main driver of the Brazilian economy.

Brazil, however, is highly urbanized with approximately three-quarters of the population living in cities. Its population tends to follow western food trends; the biggest trend is convenience, with prepared meals, fast food and snack foods becoming more popular.

Remember that few food retailers and processors import products directly, so it is recommended that Canadian companies enlist the services of an experienced agent or invest in partnerships with local suppliers. "This ensures that the exporter has a solid understanding of the regulatory environment, marketing, promotional and business intricacies of the Brazilian industry, including the proper registration of food products," adds Francesquine.

For more information on Brazil's agriculture sector, contact Marcio Francesquine, Canadian Consulate General in Sao Paulo, email: marcio.francesquine@international.gc.ca.