

9. Only one company made use of an international trading house, i.e., CC Chemicals. No firm indicated they had used the services of a Canadian trading house on a CT transaction.
10. Most companies found negotiating with Eastern European FTO's time-consuming and irksome; the majority stated they were unsuccessful in finding high-quality, price-competitive goods. Officials indicated that they would try to get out of CT obligations through tough bargaining, though not to the extent that they would lose the deal.
11. No CT deals have as yet been signed by Canadian Firms in the People's Republic of China, although several are now being negotiated.

East-West Project Survey¹

In the 1979 survey of the 137 firms which responded to questionnaires, seventy-eight indicated that they had sold products or services in the U.S.S.R. and Eastern Europe. Only five of the responding firms indicated they had acquired Eastern products under counterpurchase commitments. The firms in each case were from an engineering or closely related industry (fabricated metal products, machinery and equipment). The counterpurchase arrangement was a vital element for the successful sale of three of the five firms. None of the five firms indicated the use of a trading house suggesting that these firms either used the commodities internally or sold the goods through their own marketing channels.

With regards to compensation-type arrangements, the report states:

"In general Canadian firms have not shown any indication of entering into long-term business arrangements with Eastern enterprises, involving enterprise-level cooperation in research and development, production or marketing. However, a few Canadian firms have demonstrated a capacity to act as prime contractor for capital projects in the region."²

¹ Carleton University, Institute of Soviet and East European Studies, East-West Commercial Relations Services, The Participation of Canadian Firms in East-West Trade: A Statistical Profile (Ottawa)

² Ibid., p. 36.