

CHAMPION ROAD MACHINERY LTD.

How the standards game is played.

"We're pretty tough; it takes a lot to keep us out of a market." - Tom Powell, VP Engineering

Canadian operations

Champion makes road graders. The head office and plant are located in Goderich, Ontario. They have 750 employees and annual sales in the \$120 million range.

European operations

Franchised dealers are used to distribute their machines throughout Europe. Spain, Holland, Italy, France, the U.K. and Yugoslavia are their main markets. They annually sell 120 to 160 units at \$90,000 each in Europe. This represents 10 to 15 per cent of annual sales.

Important points

A major German manufacturer of road equipment has been successful in blocking all international competition from the German market. This is particularly distressful in light of Europe 1992. Champion is concerned that the German company is using the new standards process to create a "Fortress Europe" for itself.

In the past, Champion has used dealers, the CSA, trade publications and, particularly, industry meetings to keep abreast of standards developments.

There is a major transparency problem for non-German manufacturers. They can't find out what the new standards for road equipment will be.