

Ottawa Banknote Company on a Roll on Peruvian Bank's Roll

Winning contracts through public tendering can be time-consuming and requires much patience. Even after a first success with the same Peruvian company, the procedures can be just as demanding the second time around, as B A Banknote found out recently.

The Ottawa-based company founded in 1866 — a division of Quebecor Printing Inc. since 1990 — started investigating the Peruvian market some three years ago, winning its first contract worth \$1.5 million with the local Central Bank early last year.

"That contract for printing 50 million 10 soles whetted our appetite for a much larger tender with the same bank," says B A Regional Director for Latin America and the Caribbean, Ricardo Tortosa.

This time, the specifications called for the printing of 95 million bank notes in denominations of 10, 20 and 50 nuevos soles, for a total value of \$5 million.

Specifications and price

Tortosa made several trips to Lima to once again demonstrate his company's capabilities, put together a formal bidding request, have it legalized, and then scrutinized.

"This qualifying envelope," Tortosa recalls, "was followed by another one responding to the technical specifications, with the third one containing all the financial details.

"Each envelope is opened publicly in front of all competitors," he adds, "and then the next one, to find out the bidders who qualify on all three counts."

As a matter of fact, that's how Tortosa also learned who some of his competitors were: from the U.K., Germany, Italy, France, Spain and the United States.

It took B A Banknote about a year before getting word that it had won the contract on the merits of its technical specifications and lowest price.

Tortosa acknowledges that having been successful on a previous tender with Peru's Central Bank gave his company some advantage.

"We had a good idea of what to look for," he admits, "and how to meet tender expectations as far as quality, pricing and delivery capabilities."

Select a good agent

Another key factor in B A's success in Peru — and many other countries it is active in — is the presence of a reliable and committed representative who is familiar with the local customs, languages and potential client base.

"We have an agent in all of our major markets," says Tortosa; "they register us with the local authorities. Our representative in Peru was recommended to us by a colleague who used to work for the Canadian Dairy Commission, so at one point in his life our Peruvian agent was actually promoting Canadian powdered milk before representing us," he adds with a chuckle. "He knows the Peruvian market well."

In certain countries, B A keeps in close contact with the local Canadian Trade Commissioners. "The Canadian Embassies have recommended local individuals and companies that have been instrumental in assisting us in

making representation to potential clients," says Tortosa.

"Even in Peru where we have been successful now on several fronts — including last year's \$2.9-million contract for printing 500,000 passports for the government — I always make a courtesy call on Trade Commissioner Kenneth Ko whenever I'm in town, to get a briefing on the market."

Know your customer

Canadian Trade Commissioners can definitely help you get acquainted with the local market but, according to Tortosa, it is up to you to know your customer well.

"This is absolutely essential," he adds, "especially if there are cultural and linguistic differences to contend with. That's where it's crucial to have a local rep who knows all these differences and who's attuned to the local bureaucratic maze."

Another advantage is to have a company official conversant in the language of the prospective market — Tortosa speaks Spanish fluently, having spent eight years in Argentina, while other B A officials looking after Asian markets are fluent in those languages.

"Above all," he recommends, "don't give up, do what you're good at and build on your expertise."

For more information, contact Regional Director for Latin America and the Caribbean, Ricardo Tortosa, tel.: (613) 728-5854, fax: (613) 725-0674.