

Seminar, Canada tour to promote Saudi trade

It's an "enormously wealthy" market and one that is safe and secure.

But, say trade officials, Saudi Arabia — and its immense commercial and economic opportunities — is not being exploited to the fullest by Canadian exporters. They are missing out, quite literally, on potential deals worth millions.

This is the rationale behind a cross-Canada trade promotion tour slated for Jan. 28 to Feb. 11 by Canada's Ambassador to Saudi Arabia, Douglas Valentine.

The blitz, aimed specifically at interesting exporters new to the region and, to a lesser extent, at established exporters to the Kingdom, will feature public and private meetings with the Canadian business community and media.

"Saudi and the Gulf," says an External Affairs trade official experienced in the region, "are enormously wealthy, with immense private sector and public sector purchasing power and, unlike most of today's world, pay cash."

What is more, adds Paul Dingledine, Director of External Affairs' Middle East Trade Development Division, the opportunities are not, as

is the misconception, confined solely to public sector mega projects.

"In fact," says Dingledine, "the market has changed considerably in the last few years, in some ways more positively for Canada."

The potential, he says, is "excellent" for sales of equipment and, particularly, services by Canadian companies to the defence, medical, educational, high technology, mining, transportation, automotive and consumer good sectors.

"These are million, not billion, dollar sales," says Dingledine. "As such, they are within reach of many Canadian firms who previously may have rejected the Saudi market."

These and other relevant matters will be on the agenda when Ambassador Valentine visits Ottawa Jan. 28-31; Toronto, Feb. 1-4; Edmonton, Feb. 5; Calgary, Feb. 6-7; and Montreal, Feb. 8-11.

At the Hilton Harbour Castle Hotel in Toronto on Feb. 4, Ambassador Valentine will be keynote speaker at a seminar and luncheon sponsored by the Canada-Arab Business Council. Registration fee is \$45. Details are available from the Council's Peter Egyed at (613) 238-4000.

For more information on the Ambassador's promotional tour, contact Paul Dingledine at (613) 993-7030.

Canada's efforts in promoting increased trade with Saudi Arabia are evidenced by a number of External Affairs-supported trade fairs and missions slated or proposed for 1987-88.

Among them are:

- Saudi Communications and Computer Show (Jan. '88), offering major opportunities in the communications sector. Estimated sales over three to five years are \$350 million in goods and \$1.2 billion in services;
 - Saudi Agriculture '87 (Apr.), where previous participation has shown "considerable returns;"
 - Operations and Maintenance Mission to Saudi and the Gulf (Oct. 87), where prospects are "bright" as the peninsula countries will have to spend billions of dollars to maintain giant infrastructure investments.
 - Incoming Saudi Chamber of Commerce Mission, offers trade and investment opportunities;
 - Telecommunications Mission from Saudi Arabia, with sales potential over time exceeding \$50 million;
 - Incoming Electrical Equipment buyers from Saudi, Kuwait, United Arab Emirates and Oman, with potential reported "good" in this sector; and
 - Mission from Abu Dhabi, Kuwait and Saudi on Health Care Services and Equipment.
- Information on these and other Saudi trade-related events is available from Gary Scott of External Affairs' Middle East Trade Development Division (GMT), tel: (613) 993-6847; or call Info Export. ★

China stranglehold key to new markets

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years ago, Cybernex participated in a federally-sponsored trade mission to the People's Republic. While in Chengdu, the centre of China's electronics industry, Cybernex representatives visited the Chengdu Radio

Great Wall is no barrier

Gaining insight into business practices and trade opportunities behind the "Great Wall" was just one of the benefits gained by six Quebec business representatives on a recent mission to China and Hong Kong, organized by World Trade Centre Montreal.

The mission, financed in part by the Program for Export Market Development (PEMD), focused on technology transfer with China, specifically covering the sectors of refrigeration, textile weaving, plastics and packaging.

World Trade Centre Montreal executive director Jean-René Scheffer said the "mission proved a tremendous success," enhancing the Montreal Centre's stature in the Chinese marketplace.

"This endeavour," Scheffer said, "is but the first step in the process of establishing meaningful business relations and contacts with a view to penetrating and understanding this new and vast market."

World Trade Centre Montreal is located at 772, rue Sherbrooke ouest, Montreal H3A 1G1. Telephone (514) 288-8048 for information on services it provides. ★

Factory — a large manufacturer of black and white television sets.

That "fluke" meeting which, over the years, led to many subsequent meetings between the two companies, paid off — in time.

Today the companies have a licensing arrangement under which the Chinese manufacturer will produce the RG-220 Turbo for sale in China. Production this year is expected to total between 1,000 and 2,000 units. The goal is 20,000 units worth some \$17 million by 1990.

Not a bad "fluke" because Cybernex will receive the equivalent of 9 per cent of production as a royalty!

What is even more significant for Cybernex, says President Londry, is that Chinese government regulations prohibit the importation of products similar to those made in China. Now that Cybernex is on the inside, says Londry, its product has a "virtual stranglehold" on the immense and important segment of the Chinese computer market.

Until now, Cybernex terminals have been produced only in Ottawa, primarily for the North American market. This deal not only opens the door to China but also to markets worldwide, Londry indicates.

For the present, Cybernex, which provided the training and the equipment to produce the terminals, is looking forward to yearly increases in royalties from Chengdu. And, in "time," a couple more "flukes." ★

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