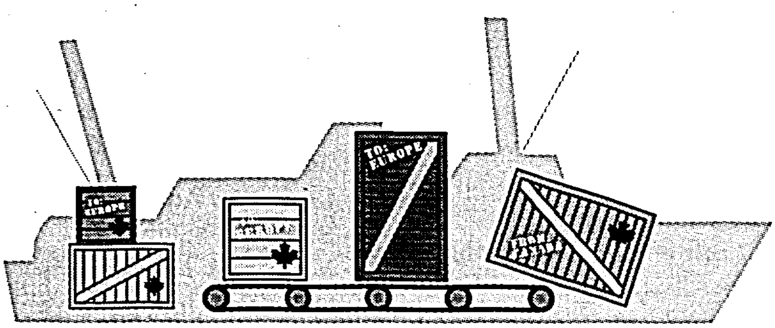
If your company produces a cost competitive resource or a product at the right price and quality, you may decide to export. This will be possible as long as you remain competitive after the tariffs are added and the technical standards are met.

New markets for imports will be created as EC industries restructure and rationalize. Studies predict that the imports into the EC from all sources are expected to increase by about 7% in the medium term. With innovative technology and effective marketing, Canadian companies can be competitive in this promising market.

Exports to the EC



Incoterms are international trade terms with which you should be familiar. They are published by the International Chamber of Commerce. *Incoterms*, and its supplement *Guide to Incoterms*, contain universally recognized and accepted definitions of international trade terms. Business people throughout Europe refer to these handbooks to avoid misunderstandings in contractual relationships. They are available through the Canadian Chamber of Commerce in Montreal (see Appendix E for address and telephone number).

However, it is crucial that exporters go beyond delivering products. With a sophisticated European market, Canadian firms have to develop effective distribution networks and provide efficient after sales services. In order to ward off competitors and enhance their market share, many Canadian firms have chosen to complement their export strategy through various forms of investment.

Checklist for Exporters

Have you:

- ❑ checked the credit standing of a foreign buyer?
- ❑ protected yourself against currency fluctuations?
- ❑ studied the local selling terms in each market?
- ❑ explored the government programs available to assist you in establishing an export market?
- ❑ ensured that your product name is appropriate in foreign languages?
- ❑ examined your packaging and promotion material to ensure that it is suited to the tastes of your new market?
- ❑ inquired about product modifications required to adapt to specific market nuances?
- ❑ determined if your product is easy to ship and if there are any special handling costs?
- ❑ evaluated the costs of export selling?
- ❑ researched whether an exclusive distributorship or agency agreement will enhance market potential? What markups do they want? What promotional assistance is provided?
- ❑ explored distribution channels? What control do your competitors have over them?
- ❑ ensured that your goods can be safely shipped?
- ❑ examined the pricing policy of your competition?
- ❑ determined what the normal terms of payment are?
- ❑ looked into the opportunities available from participating in trade fairs and exhibitions?