

since its reputation in this area is enhanced in direct ratio to the ministry's favorable publicity.

A coordinated P.R. and press campaign is an integral part of our trading efforts and is facilitated by having our own in-house Trading unit that is fully aware of this important role.

By its nature, trading involves Spar intimately with the business and government infrastructure of the country and this has created a substantial element of Spar partisans and advocates who will serve us well in years to come.

Spar's network of trading contacts in Brazil parallels and complements contacts in the country's communications industry. This doubles our ability to serve Brazil and improve our future business prospects. It also increases our sensitivity to the issues of the country and the upcoming needs of our customer.

When it embarked on the Brazil offset program, Spar knew that there would be no penalties imposed for non-performance. But it was clear that failure to live up to the spirit as well as the letter of the agreement would mean the company could be shut out of future opportunities in Brazil and possible other markets where customers were monitoring closely Spar's credibility with potential customers.