

ASSISTANCE BY PROGRAM ELEMENT 1998-99

SECTION	APPROVED	EXPENDED
Market Development Strategies (MDS)	\$18,964,078	\$7,386,316
Trade Association Activities	\$2,188,713	\$1,758,567
New to Exporting	\$1,230,945	\$798,535
Capital Project Bidding	\$733,495	\$430,360

PEMD SUCCESS STORY**Mr. Blake Cowan**

Vice President,
Sales and Marketing
Ingenuity Works Inc.
Burnaby, British Columbia

"PEMD has allowed Ingenuity Works Inc. to introduce our newest educational software products ... into the US. We had a primary location at the National Education and Computing Conference in Atlantic City ... the NECC conference led to approximately \$10,000 in sales attributable to our presence... Currently, as a result of these initiatives and our US dealer representatives we will see over 60% of our sales come from the U.S."

MARKET DEVELOPMENT STRATEGIES (MDS)

In total, \$18.96 million of MDS assistance was approved in 1998-99. Over the same period, \$7.39 million was expended, which accounted for 71% of the total \$10.37 million in PEMD assistance expended by companies and associations.

TRADE ASSOCIATION ACTIVITIES

The trade association activities component of PEMD provides non-repayable support to non-profit national trade organizations that undertake generic promotional, market intelligence or market access improvement activities on behalf of their member companies. In 1998-99, \$2.19 million in assistance was approved for twenty-nine trade associations and \$1.76 million was expended.

NEW TO EXPORTING COMPANIES

Implemented in 1993-94 with the MDS element, this program component focuses on the specific needs of smaller companies with little or no export experience. Such a company can receive up to \$7.5 thousand in

assistance for a market visit or trade fair participation in a market it wishes to investigate. In 1998-99, \$1.23 million was approved for these companies and \$799 thousand was expended which represented 7.7% of the \$10.37 million PEMD budget.

CAPITAL PROJECT BIDDING

PEMD assists companies by sharing the costs associated with bidding on major capital projects outside Canada. This element accounted for \$733 thousand in approved PEMD assistance and \$430 thousand in expenditures in 1998-99.

In 1995, the company size eligibility criterion was reduced from companies of any size to smaller companies with sales of \$10 million or less. The high risk and cost of bidding on international capital projects, coupled with its very competitive nature, is an activity of lower appeal to small firms.