

## **LONDON, UNITED KINGDOM**

### **Overview**

The UK is Canada's largest market in Europe, accounting for one-third of Canadian exports to the EC, and will continue to be the preferred access route for Canadian trading interests into Europe. The existence in London of familiar support apparatus is the predominant reason why some 250 Canadian companies have chosen the UK to establish a European presence. The support apparatus includes Canadian banks, lawyers, accounting firms, similarity of law, relatively hassle-free acquisition/investment, mergers and monopolies policies, and of course language. Stimulus for this activity has undoubtedly been EC-92. With the expansion of the European marketplace to include the EFTA countries, market opportunities will increase, but so will competition. As a market for Canadian products and services, 1992/93 should see the UK coming out of recession resulting in increased demand for imports from Canada.

An increasingly important facet of doing business in the UK in most sectors, is quality assurance represented by BS5750 certification. UK customers are seeking assurance that their suppliers meet the highest standards of quality control in their operations. The UK leads the world with BS5750 in 1979, the first quality control standard, since widely copied and reissued in 1987 as the ISO9000 series of quality control standards.

### **Telecommunications**

The UK telecommunications market is one of the largest, most developed and liberalised in the world, with spending estimated at \$5.9 billion in 1990, a rise of 60% over the previous five years (Source: TRC). It is estimated that the UK is the largest market for Business Telecoms in Europe, excluding basic public network services, at \$1.3 billion (Source: CIT Research). In mobile communications the UK is the largest cellular market in the world with over 1.3 million subscribers and it is estimated that revenues of about \$2.5 billion will be generated from mobile communications in the UK in 1991 (Source: CIT Research).

Traditionally, BT has been the major purchaser of UK manufactured equipment, taking 70% of total UK shipments, but this figure is falling as competitive pressures force BT to seek the best and cheapest equipment wherever it is manufactured. In addition new service providers have broadened the market for equipment. There are few large UK owned manufacturing companies, most being under foreign control and there are opportunities throughout the sector for innovative Canadian telecoms products and services.