dynamic and fast-growing sector has become highly competitive and is driven exclusively by market needs. Many Canadian companies have acquired a presence in the market through distribution agreements.

Other factors influencing purchasing decisions include price, past performance and familiarity, availability of service, product compatibility, delivery, and for software, the availability of national language menus and instructions.

The Polish IT sector does not require any specific approach or practices. Representational structures, distribution channels, financing practices, technical requirements for equipment, and so forth, are similar to Western conventions. There are no import quotas or non-tariff barriers.

Of interest to Canadian firms is the rapid growth in the last few years in the sale of peripherals, including CD-ROMs, multimedia systems, and modems. Key opportunities in IT are CAD/CAM and CAE, computer software and POS equipment.

Canadian companies will need a strong presence to compete in the CEFTA IT sector. Without such a presence, companies will not succeed, unless their price is unbeatable and their technology unique. Canadian companies that have established direct market presence tend to be viewed favourably.

Overview of Software Market

Large Czech and Slovak companies tend to focus on restricted areas of interest, such as AutoDesk, which executes only CAD/CAM systems, and Intergraph, which is used only for GIS.

Software products in the Czech Republic are distributed in two ways, either as a direct sale to the end-user, which might appear cheaper but excludes any technical support, or through an authorized distributor, which is more widely used and convenient for the end-user.

The region's software market is essentially dominated by American products. Domestic software companies are small but specialized, like the Hungarian firm Recignita, which is among the top three optical character recognition (OCR) programmers in the world.

Most software sales are to foreign investors, banks, government ministries, and some more profitable private Hungarian companies. The Hungarian user culture can be described as conservative. Although legislation to suppress software piracy was passed in 1993, its enforcement has, for all practical purposes, just begun. Software piracy is pervasive in this market, with upwards of 90% of all software in use being pirated. It is expected, however, that closer relations with other OECD and EU members will, in due course, bring these rates down significantly.