REPORT 4 88/07/27

QUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM AT MISSIONS ABROAD FOR FISCAL YEAR 87 FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

POST : 407-MADRID

004-DEFENCE PROGRAMS, PRODUCTS, SERV SPAIN

PLANNING: ACTIVITIES PROPOSED IN POST PLAN:

ALL SUB-SECTORS

POST IS IN PROCESS OF ESTABLISHING NEW CONTACTS WITH MOD PURCHA-SING DIRECTORATES, THE ASSOCIATION OF DEFENCE EQPT. MERS AND MAJOR LOCAL DEFENCE CONTRACTORS.

ASSIST CANADAIR IN ITS EFFORTS TO CONVINCE FOREST PROTECTION AGENCY AND SPANISH AIR FORCE TO MODERNIZE EXISTING FLEET OF CL215 S AND ADD TO IT.

PREPARE NEW MARKET GUIDE AND CONTACT LIST FOR DISTRIBUTION AT HI-TEC.

FOLLOW UP INTEREST EXPRESSED BY SPANISH CONSORTIUM IN WORKING WITH MICRONAV TO ESTABLISH MANUFACTURE OF MICROWAVE LANDING SYSTEM IN SPAIN.

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

- QUARTER: 1 ASSIST CANADAIR TO SELL CL 215. ASSIST CDN CO'S TO ACCESS MOD DECISION MAKERS.
- QUARTER: 2 -ASSIST CANADAIR TO SELL CL215. -ASSIST CDN COS TO ACCESS MOD DECISION MAKERS & APPOINT AGENTS.
- QUARTER: 3 ASSIST CANADAIR TO SELL CL215. ARRANGE PARTICI-PATION OF CDN SPEAKER IN CONFERENCE ORGANIZED BY SPAN DEFENCE INDUSTRY. ISSUE INVITATION TO SPAN AIR FORCE TO VISIT COLD LAKE WSSF IN SUPPORT OF CAE/CANADAIR.

QUARTER: 4 CALL ON SPANISH DEFENCE MINISTRY WITH EDC REP TO DETERMINE IMPORTANCE OF EXPORT FINANCING. -SUPPORT CANADAIR/CAE BID FOR F-18 WEAPON SYSTEMS SUPPORT FACILITY. - ON-GOING SUPPORT TO COS IN DEFENCE IND.

ANTICIPATED RESULTS:

STIMULATE SPANISH DECISION-MAKERS TO CONSIDER CDN COS AS JOINT-VENTURE PARTNERS ON NEW MAJOR DEVELOPMENT PROGRAMS.

SPAIN HAS JUST EXPERIENCED WORST FIRE SEASON EVER AND THERE IS POTENTIAL FOR \$ 100 MILLION SALE.

ASSIST 5 CON COMPANIES TO FIND REPRESENTATION IN SPAIN.

SPAIN IS DETERMINED TO MAXIMIZE LOCAL CONTENT FOR ITS FUTURE MLS REQUIREMENTS. A JV IS THE ONLY WAY TO GET A SHARE OF THE MARKET.

QUARTERLY RESULTS REPORTED:

PROVIDED VARIOUS TECHNICAL PAPERS TO SPANISH CONTACTS ON ROLE OF CL215 IN CDA/SPAIN CONTRACT-ING TO PURCHASE 1 CL215 THIS SUMMER. PRESENTATION ON TURBO PROP PROG PLANNED FOR FALL. ARRANGED PRE SENTATIONS FOR HEPBURN & DAVIS TO MOD IN FALL.

-CONTRACT SIGNED WITH ICONA (\$9MN) & 1 AIRCRAFT DELIVERED IN SEPT. -DAVIS ENG, LTD MADE PRESENT-ATION OF INFRARED SUPPRES'N SYSTEM TO SPANISH NAVY & APPOINTED NEW AGENT. PROPARMS APPNTD NEW AGENT FOR THEIR BOMB DISPOSAL EQUIPMENT.

CANADAIR ARTICLE WILL APPEAR IN SPECIAL ISSUE OF NUEVO LUNES NEWSPAPER ORGANIZED BY EMB. JAN 88. PAPER ON QUALITY ASSURANCE DELIVERED AT CONFER-ENCE BY MAJ. JOHNSON-CDN DEFENCE ATTACHE, LDN. INVITATION REMAINS OPEN PENDING CONT. DECISION.

EXPORT FINANCING IS NOT AN IMPORTANT FACTOR IN SPANISH PURCHASES OF DEFENCE EQPT. - ACCOMPANIED AMBASSADOR ON CALL ON MINISTER OF DEFENCE. - MET 55 COS AT HI-TEC. ARRANGED MEETINGS FOR MENASCO AT DEFENCE MINISTRY.