

4.5 Program for Export Market Development

The companies we interviewed are not currently major users of the Program for Export Market Development, in the context of IFI marketing. The program was mentioned infrequently and is clearly not a major factor in their marketing efforts.

When PEMD was mentioned the interviewees tended to see it as too narrow in its eligibility requirements to serve their interests. Their view tended to be that Canada spends too much effort supporting neophyte firms that have little chance of succeeding in this market, and too little effort supporting experienced firms that do have reasonable prospects of being successful but which face strong international competition.

Interviewee Comments

- The company used PEMD 15 years ago when it was first attempting to develop contacts in China as a preliminary to CIDA Inc. proposals. [16]
- A big proposal can cost \$1 million to \$2 million. It would be great to have a PEMD contribution to the costs of the proposal [say 25%], fully reimbursable on success. This would encourage the company to take more risk and bid on more opportunities. [17]
- The federal government places too much emphasis on helping neophyte companies make their first trips and marketing approaches overseas and too little on helping small successful firms get better and larger. "A pet peeve is that PEMD rejects us because we are not new to a market – just because we have won some ADB work does not mean we no longer need support." Many of the "new" companies are not serious about international work. [22]
- Change the rules to be able to help small companies with some success grow rather than working only with neophytes. [22]
- Better information about the package of services and contributions available to a Canadian firm going after IFI work. Perhaps PEMD capital projects provides proposal support contributions [no one was sure in the meeting]. Perhaps PEMD, CIDA, and EDC information should be available in the one package. [26]
- The association has received a PEMD Trade Association grant of up to \$100,000 in annual shared costs [50/50] for marketing to the AsDB and the World Bank in Asia. The funds will be used to hire a second person to assist the Director. [42]

4.6 Sub-Contracting, a "Pull Strategy"

One way to increase Canadian participation in the IFI markets, especially in regard to large projects, is to emphasize sub-contracting. To do this Canadian firms have to build good reputations and good relationships with the very large international companies that are likely