



AGEXPORT

Vol.2, No. 1

July 18, 1994

TRADE SUCCESS

Great Western: "Choice" beer

Four years after 16 former employees bought a redundant brewery, Great Western Brewing is exporting about 45 per cent of its products beyond the borders of Saskatchewan. Based in the province with the lowest per capita consumption of beer in Canada, the company is looking abroad to expand its sales and line of products. It recently launched GW Ice Draft in four provinces and has pioneered the use of plastic bottles, in an effort to cut prices. The company also produces a low-alcohol beer for Loblaw's President's Choice product line. Great Western Brewing also exports to California.

For more information contact: **Jack Whyte, Great Western Brewing Company**, Tel.: (306) 653-4653, Fax: (306) 653-2166.

Corey Feed Mills will make dinners for U.S. pets

New Brunswick's Corey Feed Mills Ltd. is making a splash in the aquaculture feed markets of Atlantic Canada and the northeastern U.S. The Fredericton company has watched its sales grow from \$100,000 to more than \$3 million annually, supplying the growing fish farming industry on the East Coast. The company has also entered the pet food market in Atlantic Canada and plans to launch its Companion's Choice product line of pet foods in the U.S. in 1995. Corey Feed Mills Ltd. has increased its manufacturing output to four tonnes per hour since it began producing private label brand pet foods. The company's products are sold in markets as far away as Arizona and British Columbia.

For more information contact: **Lee Corey, Corey Feed Mills Ltd.**, Tel.: (506) 459-5588, Fax: (506) 450-4817.

Small networks, big results

Small business networks, otherwise known as flexible manufacturing networks or alliances, are gaining more attention in Canada because of their success in other countries. When small to medium-sized businesses combine resources, they gain advantages of scale, scope and speed, improving their competitiveness.

Two of the best examples of such networks can be found in Italy and Denmark.

It all started in the Emilia-Romagna district of northern Italy about 20 years ago. The area previously had the lowest wage rates in Italy. It now has the highest, and a vibrant and growing economy which most experts attribute to flexible networks and the support they had from regional governments.

This success has included the creation of an additional 20,000 manufacturing jobs between 1972 and 1987. The region has outstripped the more industrialised northwest, and Italy as a whole, in terms of industrial output. It has also increased its share of Italy's exports from 7.9 per cent to 18.6 per cent.

Italian networks evolved naturally and

are based on unique economic, cultural and historic conditions. But Danish networks are the best known model of a purposefully crafted inter-connected small to medium-size enterprise economy.

The Danish manufacturing economy has long been populated almost exclusively by small, export-oriented firms with a long history of associative organization through trade and industry groups.

In 1989, Denmark began to design and implement its own process. Rather than try to create Italian-style industrial districts, Denmark promoted complementary production and marketing for small firms. A nationwide system trained network brokers and provided challenge grants to encourage cooperative behaviour. Some \$25 million was invested in small to medium-sized businesses in this way.

For more information, contact:

Pam Forward
Agriculture and Agri-Food Canada
Tel: (613) 954-9554
Fax: (613) 954-0122

ASEAN members trading more freely

The ASEAN Free Trade Agreement (AFTA), which came into effect at the beginning of 1993 creates an integrated market of 340 million people with a combined GDP of US \$293 billion growing at seven per cent per year. Tariffs on all goods with 40 per cent or more ASEAN content are due to fall to 5 per cent by 2008. Goods in 15 special

categories are supposed to reach that target earlier, in 2003, under the Common Effective Preferential Tariff scheme. Under this scheme, Malaysia and Singapore have made immediate cuts in some tariffs. However, other nations will not begin to cut their rates until later. Thailand and Indonesia, for

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