

A little more than a year and a half later, a lot of hard and sometimes frustrating work has produced export figures that have demonstrated to the Brazilian government our commitment and our good faith. We have completed 45 million U.S. dollars worth of export transactions and negotiated a further 96 million on a best effort basis. Given the deals we are currently pursuing, we feel confident of fulfilling the balance of our obligation on time.

Our approach is straight-forward business development. We go after genuine deals that stand on their own commercial merit. Scrupulous attention is paid to generating new business and demonstrating to the Brazilian government that our activities are geared to trade creation, not trade diversion.

That we can demonstrate new job creation in Brazil through our trading efforts is not lost on the key decision makers in government who will soon be considering other satellite contracts.

These decision makers within the government and the business community at large, form a potent coalition of support that we hope to keep on side through our trading efforts. By exporting Brazilian goods we furnish them with the political ammunition they need to justify importing Canadian technology. In fact, a recent article in a Brazilian daily began by stating that "... 34 million dollars in Brazilian merchandise have been exported during Minister of Communications Antonio Carlos Magalhaes first year in office." Such positive news coverage is important to Spar,