

Section I

Are You Ready to Export to the United States?

The food products market in the United States is immense and very competitive. Here you must compete against successful domestic manufacturers and in specific product lines against the many off-shore producers for whom the United States represents the wealthiest, most desirable market.

The U.S. food products market offers many excellent opportunities for Canadian manufacturers who benefit from their familiarity with the American lifestyle and environment.

To be export-ready, your company should:

- have been established and operating in Canada for at least two years;
- have sales performance data for those two years or have annual sales in excess of \$100,000;
- have satisfactory marketing and managerial capabilities;
- be financially able to expand production, if necessary, to meet export demand;
- register with the World Information Network (WIN Exports) at External Affairs and International Trade Canada.

How successful your company is in penetrating the U.S. food products market will depend on:

- your product - is it competitive in terms of quality, design and price and does it fill a gap in the marketplace?
- your commitment - export sales rarely become significant until you have established a presence in the market for at least two full years; are you prepared to make the commitment to export on a continuing basis?
- your production capacity - you must have the production capacity or the resources to expand facilities to meet U.S. sales demand;
- your ability to deliver orders on schedule - nothing erases a manufacturer's name from the list of suppliers faster than missed delivery dates; and
- your preparation - the more effort you put into planning your company's entry into the U.S. market the greater the chances of success.

The Preparation

To prepare your company for the U.S. food products market, you should:

- study the quality, design and price of competitive products available in your target market;
- examine any successful market strategies used by competitors, including their distribution systems, and determine customer overall satisfaction;