

Are You Ready to Tackle the Mexican Market?

Companies that succeed in Mexico are generally the ones with export experience. Successful companies take the time to thoroughly assess the market and define an appropriate entry strategy. They also take advantage of the many available federal and provincial government programs.

Export Development Canada (EDC) has doubled its support for Canadian firms in Mexico and now has representatives based in Mexico City and Monterrey. Local representation helps EDC better serve the financial needs of Canadian exporters and investors and their Mexican partners. Further, EDC is establishing lines of credit and other credit facilities with targeted Mexican buyers. These steps will encourage key

Mexican buyers to focus on Canadian suppliers and facilitate the timely conclusion of transactions through pre-approved credit facilities.

Contacts and Web sites

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The Canadian Embassy in Mexico
www.canada.org.mx

See the people and the programs at your embassy in Mexico City.



Team Canada Inc
www.exportsource.gc.ca

A great source of information to help prepare companies for export opportunities.

The Canadian Trade Commissioner Service
www.infoexport.gc.ca

Access country-specific information, including hundreds of market studies and profiles.



NAFTA Celebrates 10 Years of Success

As we approach the tenth anniversary of the NAFTA on January 1, 2004, it is clear that the agreement has been a resounding success. Not only did it create the largest free trade area in the world, it has made North America one of the world's most efficient, integrated and competitive regions. Total merchandise trade among the three partners—Canada, Mexico and the United States—has increased by about 150 percent (from \$374 billion in 1993 to \$944 billion in 2002) since the agreement came into force. Canada-Mexico trade has also benefited enormously, with total two-way trade up 233 percent over the last 10 years.

China's product mark deadline extended

As mentioned in the March 1 issue of CanadExport, China has created regulations for a new compulsory product certification mark called the China Compulsory Certification (CCC). The new regulations were to be fully implemented in May 2003, but in light of recent public health concerns, **the Chinese government has extended the deadline to August 1, 2003.** As of this date, the 132 products covered by the regulations will need to obtain the compulsory CCC mark before being exported to China. For a listing of the products covered by the new regulations, go to www.cqc.com.cn/ccc/catalogueeng.pdf

The new mark replaces the old CCEE mark (quality assurance symbol for China-made products) and the CCIB mark (quality assurance symbol for imported products). The CCC scheme will standardize technical regulations, certification marks and fee schedules for both domestic and imported products. These



changes stem from China's commitment to conform to the World Trade Organization's Agreement on Technical Barriers to Trade. Canadian companies exporting to China are urged to prepare for the new system and take necessary action to receive the CCC mark. More information on how to apply for the

CCC mark is available on the China Quality Certification Centre Web site at www.cqc.com.cn/index-e.htm

In addition to the application, product inspection and label costs, applicants are also responsible to pay for factory and annual inspections. Companies applying for the CCC mark must also provide the inspection body with a detailed list of production and testing equipment and key components for all products being exported to China.

For more information, contact Eric Pelletier, Trade Commissioner, China and Mongolia Division, DFAIT, tel.: **(613) 996-7177**, e-mail: eric.pelletier@dfait-maeci.gc.ca or Pierre Pyun, Trade Commissioner, Canadian Embassy in Beijing, tel.: **(011-86-10) 6532-3536**, e-mail: pierre.pyun@dfait-maeci.gc.ca ✳

(For the unabridged version, see www.dfait-maeci.gc.ca/canadexport and click on "Roadmap to China and Hong Kong".)

Going the extra steps

Canadian successes in Japan

Who can predict which meeting, trade show or mission will lead to results? Offshore markets do require lots of time and energy, and the following three success stories are examples of Canadian companies that have gone the extra steps, leading them to deals with Japanese companies.

IDELIX is a Canadian leader in 2D and 3D graphics technology. System IO is a Japanese systems integrator based in Tokyo. After meeting for a few minutes at a JETRO (Japan External Trade Organization) information technology mission in Vancouver in 2001, the two companies made a connection. Shortly after this first meeting, negotiations started and lasted for more than one year, until a deal was struck. In January 2003, IDELIX launched its

visualization software toolkit called Pliable Display Technology (PDT) in Tokyo. IDELIX and System IO hope for strong business in Japan through the integration of PDT technology in various visual and graphic applications like aerial mapping, games and online publishing, to name a few.

Ottawa-based **Databeacon**, a company specializing in Web reporting and data analysis solutions, was invited to a reception in Ottawa during the visit of the Kansai Information System Industry Association delegation—a group of Japanese business representatives from the Kansai. In this informal setting, Databeacon met Wescom, one of Japan's most successful integrators and developers specializing in microcomputer systems, OSI integration, and system installation support services. This short meeting set the tone for what was to

come, and within seven months the two companies had a formal agreement. Wescom will adapt Databeacon's software for Japanese users and sell it in Japan on a non-exclusive basis.

As soon as **Infinity Technology Services (ITS)**—an Ottawa firm that developed a unique intrusion detection system—filled out its application form to participate in the Canadian Security Solutions Showcase in Tokyo in February 2003, the Embassy started promoting its profile to Japanese companies. Among them, Daikin—a Japanese firm active in electronics, computer networks and security—insisted on meeting with ITS even before the showcase. Less than two months later, a letter of intention was signed outlining the two companies' objectives for the next 12 months including marketing, sales and support of ITS products by Daikin in Japan, the creation of a joint venture and the co-development of future products.

continued on page 8 — Success