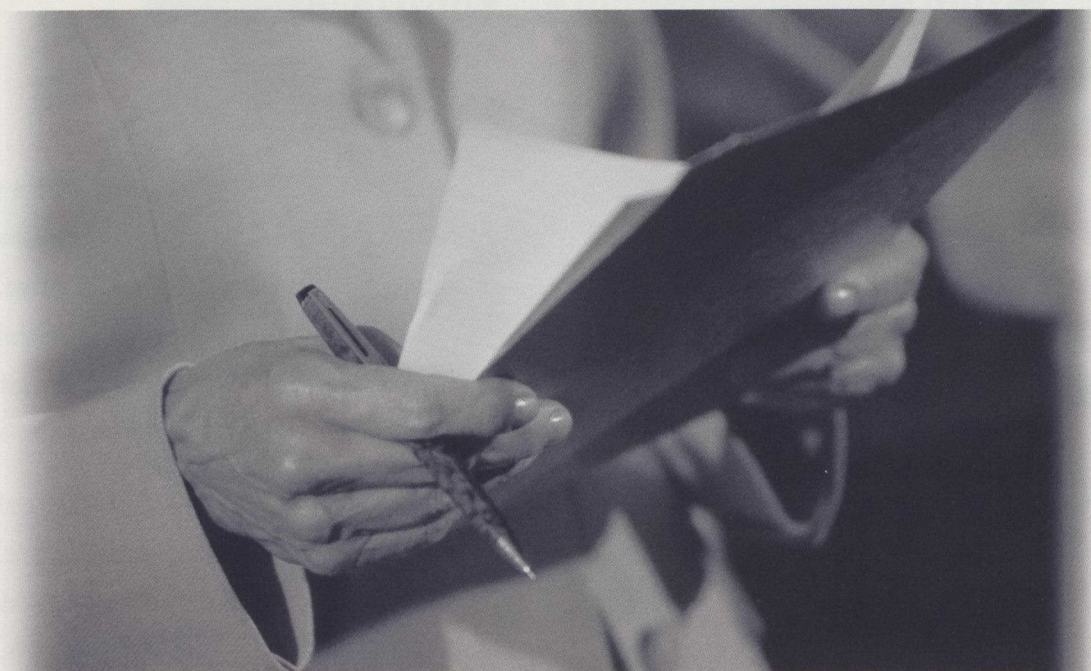




PEMD SUCCESS STORY

Mr. Robert Libbey

President and CEO
BeaverTails Canada Inc.
Ottawa, Ontario

"The assistance PEMD provided to BeaverTails Canada Inc. enabled us to move forward with our penetration of the US market. As an added benefit, it also allowed us to garner important market intelligence, increase the branding of our product and image on an international level, and identify a number of potential partners interested in investing in our unique Canadian product through participation in international trade fairs.

To have initiated this export development plan as an SME would have been difficult without the assistance received through PEMD. We would not have had the opportunity to enter into a relationship with an international developer, IntraWest with the ensuing outcome of new stores being developed in Colorado and West Virginia. This partnership will eventually lead to further expansion in the US and Europe. Due to the nature of the expansion program we expect positive returns within the next two to five years as a direct result of PEMD support."

CHANGES RECOMMENDED

Survey participants were asked what changes were necessary to make the program more effective and more useful to the Canadian Exporter. *

The majority of respondents suggested changes that revolved around the financial support and flexibility of the program. The most frequently recommended changes included expanded financial coverage to include the costs of accommodation, meals and local transport and greater flexibility regarding financial support (e.g. provide contribution *prior to* actual export activities, offer tax credits rather than direct funds).

Other recommendations included allowing greater flexibility in applying the rules to uncontrollable situations, increasing assistance in preparing for entry into export markets, streamlining and simplifying the application process and the reporting requirements and, improving the Program's repayment plans.

* Respondents' suggestions and recommendations will be taken into consideration in the on-going revision of the PEMD program.