

## APPENDIX C

### Canadian Manufacturers' Perceptions of Obstacles to Exporting to the United States

Canadian manufacturers perceived the following as obstacles to entry in to the U.S.: lack of financial resources, too much red tape in U.S. and Canada, lack of management capabilities, lack of capability to offer after-sales service, U.S. tariffs and duties, distribution problems, and lack of unique products.

Manufacturers' perceptions differed as a function of their experience with exporting to the U.S. Experienced exporters (those whose exports to the U.S. account for more than 30% of total sales) perceive the major obstacles to be mostly external (red tape, tariffs, duties). Less experienced exporters (exports to U.S. accounting for less than 30% of sales) perceived obstacles to be mostly internal (lack of financial resources, lack of after-sales service capability, high manufacturing costs, lack of management capability. Nonexporters to the U.S. perceive the major obstacles as being too much red tape in the U.S., lack of contacts with U.S. distributors, higher manufacturing costs in Canada, and lack of contacts with U.S. clients.