

Don Griffin of Lowe-Martin suggests that a joint venture will work if both partners contribute something of value to the relationship. For example, one company has capital, but has no potential investments in mind whereas the other company has identified some opportunities but has limited capital. Geographic location can be valuable as well. For example, Lowe-Martin has cutting edge front end and DI technology. Obviously, a partnership with a U.S. company in a high-tech center could be extremely successful. Finally, Mr. Griffin, of Lowe-Martin, believes that joint ventures and partnerships are being made easier by advanced communication technology. Diskettes, computers, faxes and modems all make working with someone in another country easier.

Sales Representatives and Print Brokers

For clarification, this report defines sales representative as an individual who works solely for a particular Canadian printer. A print broker is an agent who represents many different printers. Some of the interviewees recommended avoiding print brokers. They felt that brokers could not provide the detailed product information which U.S. buyers would need. Sales representatives were preferable because they would provide individual attention and in-depth product knowledge to customers. The estimated cost of a U.S. representative salary and commission plus office expenses range from \$75,000 to \$150,000 per year (\$75,000/yr. for a smaller market like Columbus, Ohio, but \$150,000/yr. for a large eastern city like New York). Two of the companies interviewed, Webcom and MM&T, had previous experience in establishing stand-alone representatives and offices, but John Morris of MM&T found this strategy to be "totally ineffective." MM&T had opened an office in New York City to prospect the consumer-goods labeling niche. After approximately one year it found the anti-foreigner bias to be too great and withdrew from the market. On the other hand, Webcom has been very successful with its offices in the United States and its New York City and Cleveland offices have successfully targeted the large book publishing markets in those cities. As mentioned earlier, the Boston office of Webcom has also generated substantial business for catalogs and related products through colleges and universities in the area.