

- 3) It is important to have local staff who are familiar with regulations, can stamp drawings, and win contracts.
- 4) Government funded projects may require some local content.

However, this does not prevent companies who want to enter the market in increments from a Canadian base from doing so, particularly if the company is selling products versus services.

It is imperative that a company currently in the wastewater services field stay within its market niche for several reasons. First, it is the largest market segment and is expected to remain so. Second, any firm entering a new market must stay with their strength to avoid a bad experience. Third, deviating from experience increases the risk and a mistake can destroy credibility for a long time.

It is also recommended that any Canadian firms located in Ontario or Quebec, focus their sales efforts in the northeast U.S. This area has the largest market potential, and will allow the effort to have a higher chance of success, compared to using a shotgun approach towards the whole U.S. A key ingredient to success will be a demonstration customer to showcase to others. This can best be managed in the border states closest to the Canadian facilities. There are plenty of market opportunities and reputation can't be stressed enough.

There are a number of distribution channels open to the Canadian firms to sell goods and services to the U.S. market. Where financial resources and personnel commitment are available it is recommended a direct employee be used as a New Business Development Manager to direct sell and maximize the penetration. This individual can be someone from the company, or a person in the U.S. and should have an engineering background, computer literacy, knowledge of the environmental industry as well as experience in marketing and sales. In more distant territories or where budgets restrict hiring a direct employee manufacturers' agents can be engaged.

Due to the long lead times associated with selling high technology products, significant sales will likely not begin until after the second year. Therefore, companies trying to penetrate this market must be prepared to enter the market to stay, and have the financial resources to cover the entry period. To gain market share will require commitment, a carefully organized action plan and well executed strategies.