The small size of the U.K. division in the first two years created a credibility problem. No definite solution was found, but the following tactics helped.

- Com Dev sent clients to Canada to reassure them of the seriousness of the company.
- The first major European contract was signed with the Canadian company, but subcontracted to the U.K. division to reassure the European customers.
- The U.K. company swiftly imported the parent company's processes and procedures that had contributed to its reputation.
- As soon as the level of activities allowed, Com Dev acquired a small manufacturing capacity.
- Final establishment in Europe is now being confirmed. In 1990-91, Com Dev Europe moved into a purpose-built facility of 13,000 ft^2, representing a further investment of more than $3 million.

Daily freedom for U.K. management was balanced by monthly financial reporting to headquarters. The U.K. management enjoys a great deal of freedom on daily decisions, but some control from the Canadian company is maintained through monthly financial reporting. The president or the chairman visits every two to three months.

Frequent technical exchanges are viewed favourably. On the engineering side, the two companies exchange telephone calls almost daily. These exchanges are a useful source of new ideas (products, techniques, marketing) for both sides. Exchanges of people to work on a particular project, for a period varying from one to several weeks, are a regular feature.

Emphasis on differences in business culture is used positively. Transferring the Canadian culture and participative management style to the U.K. operations was considered essential. However, differences in the social landscape of the two countries were also taken into account. Com Dev now offers what it describes as a "broad level of equality" to all employees. Because of the frequent contacts between North American and European employees, management spent much time highlighting those differences (e.g., holidays are much longer in the United Kingdom than in Canada, fringe benefits are generally more generous in the United Kingdom, the salaries are higher in Canada, profit-sharing is much more ingrained in Canada).

U.K. operations were divided into two parts to minimize taxation load. To minimize the taxation load, U.K. operations were at first divided in two parts with the trading activities considered as Canadian revenues, and the capital assets activities assigned to a U.K. registered limited company. Through this agreement, the company was able to offset the losses of U.K. operations against its Canadian revenues, and hence reduce its tax bill. However, as soon as the U.K. company began to break even, U.K. trading activities came under the U.K. company.

This arrangement was designed by Com Dev's accountants, who were chosen especially because of their knowledge of international taxation.