

**W**hen Geoffrey Bennett came on board Pelorus Navigation Systems Inc. of Calgary as Vice-President and Chief Financial Officer in 1999, he was given an immediate challenge: find working capital to allow the airport navigation equipment company to deliver on a

In 1995, with prototype satellite landing system (SLS) technology in hand, the company teamed up with Honeywell Corporation to produce the Honeywell/Pelorus SLS-2000, a system that uses global positioning system (GPS) technology. Under the 10-year agreement, Honeywell and

*Precision landing with CCC assistance*

# Calgary navigation company delivers

*lucrative contract with U.S. partner and customer Honeywell Corporation. Through the National Bank of Canada, Pelorus was introduced to the Canadian Commercial Corporation (CCC), which stretched the parameters of its Progress Payment Program (PPP) to let the company's cutting-edge technology land at its destination.*

Pelorus has been in the business of designing, manufacturing and marketing ground-based navigation equipment to facilitate safe airport landings since 1983. The 30-employee company has installations in 700 airports worldwide.

Pelorus partner to develop the technology and provide internal components; Pelorus then manufactures and tests each system.

Using GPS satellites, the system can chart a course for an approaching plane that is not affected by the weather. The system also costs a lot less than its predecessor, making it affordable even for smaller airports.

By summer of 1999, while working on the SLS-3000, a second-generation system, the company found itself short of cash. "We had lots of business, but limited financing," explains Bennett.

But when the National Bank of Canada introduced Pelorus to CCC all that changed, although not immediately. Pelorus, with its Honeywell contract, was not the usual candidate for the PPP: the product was still at the prototype stage; there was no link to the buyer; and payment was held until the customer's acceptance at destination.

"There were a lot of hurdles," explains CCC Project Manager Emmanuel Florakas. "But given the strength of the Honeywell/Pelorus partnership — the fact that the customer was also the partner with a vested interest — and Pelorus' strong management team, we were able to overcome those hurdles."

With the bank accepting buyer credit risk through a discount facility for receivables, the PPP line of credit

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Canadian Commercial Corporation

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Canadian exporters can gain greater access to government and other markets, as well as a competitive advantage, through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC can facilitate export sales that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms.

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was in place by December 1999, and paid down by early February 2000 with the final delivery.

"I would absolutely use CCC's services again," says an enthusiastic Bennett. "I thought I would be dealing with a government agency boxed in by rules, but instead I found a group of people passionate about providing customer service. They worked as hard as we did to make this happen."

To date, the Honeywell/Pelorus systems are installed in Frankfurt, Memphis and Chicago-O'Hare, the busiest airport in the world. With other systems slated for Seattle and Chicago-Midway, and FAA public approval anticipated for 2001-02, the world can look forward to safer, more efficient air travel.

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(For the unabridged version, see [www.infoexport.gc.ca/canadexport](http://www.infoexport.gc.ca/canadexport) and click on "Export Sales and Contracting")

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When you're ready to pursue these opportunities, the Canadian Commercial Corporation ([www.ccc.ca](http://www.ccc.ca)) can assist you with the interpretation of the U.S. procurement system or ensure that as a Canadian company, you are eligible to participate.