

1. Distributors are the most important link in the distribution channel. End customers rely on dealer/contractors for purchase advice; dealer/contractors rely on distributors. Products that distributors support sell, products that they don't support don't sell. A good sales force or a good manufacturer's rep who can support a distributor is important.
2. Manufacturer's representatives can be a very important link for Canadian manufacturers. They replace, at reasonable cost, a field sales force, and they have valuable knowledge of local market conditions and customs. Manufacturer's representatives were found to be very receptive to Canadian manufactured heating equipment.
3. Other participants in the heating equipment market, such as dealer/contractors, builders, homeowners, and retail outlets are of secondary importance to manufacturers. Contact with them is usually limited, and usually involves either distributors or manufacturer's reps.
4. It is difficult for distributors to exercise control in their markets. There are many competing products available, and most offer similar features. Consequently, competition often reduces to price competition.
5. The similarity of most equipment available in the market means that distributors are very interested in any products that have different or unique features. Manufacturers able to offer such features should use them to build stronger distributor ties.

Product and Market Support

Product and market support includes all of the aspects of product qualification, sales support, customs clearance and transportation, product promotion, and pricing that go into making products available and attractive in U.S. markets. Field interviews with distributors and manufacturers representatives were unequivocal in reporting that the key to success is to conform to practices familiar