

GANONG BROS. LIMITED

Ganong Bros. is a confectionery company headquartered in St. Stephen, NB with an export and sales office in Toronto. Ganong has been exploring the international marketplace since 1988. It has already been successful in the Pacific Rim, especially Japan and received the Canadian Export Award in 1991 for its efforts in this area. It has a joint venture with a partner in Thailand and built a factory there to take advantage of that country's proximity both to supplies of raw materials and clients.

Closer to home, the company has developed business in Puerto Rico and Argentina. Thus it has some experience in Latin America. This has inspired Ganong to address the Mexican market. In addition, political changes in Mexico and changes to the trading environment have made the country's markets more appealing.

Mexico has a history of chocolate consumption predating the arrival of the Spanish. Their domestic product, however, differs from typical North American chocolate. Even so, increased international travel and exposure to foreign products have led Mexicans to develop a taste for North American chocolate bars and imported boxed chocolates, which are considered prestigious. As a result, Ganong has found a large and growing market for its boxed chocolates.

Because Mexico's population presents an enormous potential market, Ganong is continuing to search for partners with the necessary facilities, distribution networks and thorough knowledge of regional markets throughout the country. In turn, Ganong will support its products through a jointly managed promotional program incorporating marketing techniques such as couponing and sampling. The company has obtained contacts in Mexico through the Canadian Embassy, Canadian business associations, and the Department of Foreign Affairs and International Trade (DFAIT). It also takes advantage of Canadian government programs such as Program for Export Market Development (PEMD), official trade missions, and Export Development Corporation (EDC) programs to support its expansion.

Mr. David Ganong, President of Ganong says that, "exploring the possibilities in a partnership is a slow process. It takes time to develop the personal relationships necessary to succeed. An appreciation of the differences of culture and language is essential, since these affect both knowledge of the marketplace and the timing involved in developing the partnership."

Each year, the Department of Foreign Affairs and International Trade (DFAIT) participates in a number of trade fairs in Mexico. Assistance in selecting, planning for and funding attendance at international trade fairs is available in Export *i*, the Mexican Knowledge Base, which can be accessed through DFAIT's InfoCentre. Information is also available from provincial trade ministries, and from the Mexican Embassy and Consulate.

A NOTE ON PROMOTING SERVICES

Services are not generally promoted in the same way as products. Many service contracts are issued by government institutions or international development agencies and the supplier has to keep an eye on what contracts are being put out for tender. In such cases, the major form of promotion tends to be the lobbying associated with the proposal, bid or tender that leads to the contract. The support of the Canadian government and embassy, or the services of an agency such as the Canadian Commercial Corporation (CCC) or the Canadian International Development Agency (CIDA) can be extremely important.

In non-governmental service work, promotion of a service provider's offerings can involve conventional advertising though in many instances there is no substitute for direct approaches based on cold calls and personal contact. In many service-oriented sectors, a company's reputation spreads by word-of-mouth or personal referrals.