

- To be consistently successful, the firm has to develop a good network of satisfied clients, alliances with other firms and *"country presence"*. [40]
- It helps to be working in a business area in which Canadian firms in general have a good reputation. [40]
- As well, the owner/ entrepreneur goes to great lengths to provide extraordinary after-sales service – the objective is to remove all risk from the government buyer. For example, he once personally flew from Canada to a relatively remote province of the home country to deliver a heavy part for a fire-damaged construction vehicle. The entrepreneur is constantly looking for better equipment and keeps a close eye on how the buyers' capabilities to pay for better equipment are improving over time. [41]
- *"The company does not chase the money by monitoring the Banks. It looks for a need and becomes involved with the potential client long before the question of financing arises."* *"It is easier to go to the client directly and get them pumped up about the equipment?"* [43]
- "Students who make contact with the firm are treated with respect – they are the future clients." [43]
- Repeat business is very important to the company. *"We work very hard not to lose a client once the relationship is established."* [43]
- "You have to be there. One cannot do business by fax and phone." [44]

### 3.5 Agents and Local Partners

The interviewees were ambivalent about local partners. On the one hand many think that they are essential to winning work on IFI-financed projects, even when the procurement is advertised internationally. Several Canadian firms seem to regard the local partner as a buffer between the firm and the less savory local business practices. On the other hand, local partners can themselves be a source of trouble and expense [see Section 2.5, *Business Ethics and Risk*]

The need to have a local partner is a barrier to entry for SMEs since few are of interest to the local partner because their business is too small and too infrequent to contribute significantly to the partner's income. Local partners we heard of were all on commission-only arrangements with Canadian firms so the prospective volume of work is vital from the local partner's point of view.

DFAIT's locally-engaged staff have a good reputation among Canadian business people for assessing local partners, among other things. Their capabilities were often mentioned favorably compared with the trade commissioners posted to a country.