

Department of Trade and Industry (DTI). The High Commission will organize a mission of Canadian business and professional service providers who are seeking to export services to the United Kingdom for the first time. While there is a wealth of market intelligence and information relating to potential markets and local competitors, Canadian companies should be diligent in their selection of market information. We are evaluating a number of market intelligence sources and will be able to advise companies on the most pragmatic approach for their business and the intended market for their services.

In conjunction with the DTI, there is likely to be an opportunity over the next two years (1997-98) to develop a series of workshops to promote service companies in international markets, particularly North America. A key element of this initiative will be the practical consideration of partnering and joint ventures in the development of new business. For further information contact:

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CONSUMER PRODUCTS

A consumer product is any non-food product bought by the general public through one of the normal retail channels (e.g., shops, mail order, catalogues). The size of the consumer products sector in the United Kingdom is vast, with retail sales in excess of \$120 billion. Canadian exports of consumer products to the U.K. were valued at \$200 million in 1995; they have shown consistent year-on-year growth of 20 percent, on average, over the past three years.

Canadian Exports of Consumer Products to the U.K. (1995) (\$Millions)

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|-------------------------------|-------|
| Toys, games, sports equipment | 28.0 |
| Textiles and fabrics | 26.5 |
| Furniture, bedding, lighting | 24.7 |
| Apparel and footwear | 20.5 |
| Printed books and newspapers | 19.0 |
| Glass, glassware, ceramics | 12.5 |
| Works of art and antiques | 9.0 |
| Others | 64.6 |
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| Total | 204.8 |

Canadian companies supply most product groups within the broad range of consumer products. However, several product groups are particularly noteworthy: toys and games, textiles, clothing (particularly women's wear), and furniture. Other particular successes have followed recent High Commission promotional activities in the outdoor sports/adventure equipment sector.

Canadian exporters tend to be successful in the high value-added, top-end products in their respective markets. Where design, technical content, style, service, and other value-added elements are important selling points, Canadian companies can show competitive advantage. Lower-end products in the United Kingdom are invariably supplied by imports from low labour-cost regions of the world.

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Business Environment

Most consumer products from Canada are subject to import tariffs that vary with each product but fall within the 5 to 14 percent range.

Consumer products generally have to comply with a variety of packaging, labelling, user instruction, and safety requirements. Broad requirements are generally available through the British Standards Institute.

Major chain buyers are considerably less accessible than in Canada and the United States. They may often refuse to see companies that do not have an established U.K. presence through a distributor or a subsidiary. Cold-calling and