

---

not enough to elicit vigorous support from a trading house.) The company should also decide which (if any) of the export tasks listed above it intends to perform itself. It would, for example, be a good idea for the producing firm to do some of its own groundwork in identifying the foreign markets which present the best potential for its products. This is a task that could, of course, be performed by a trading house. However, its focus is likely to be markets where it is already firmly established, and these may not be the most attractive for a given producer.

2. There are a number of factors to be considered in selecting a suitable trading house, and many will have to do with the degree of market expertise and coverage and type of services sought. It is especially important for the manufacturer or producer to define the depth and nature of product expertise needed. This may turn out to be the key factor, since only a limited number of trading houses are likely to possess the required expertise or the capacity for developing it quickly. This does not mean that a trading house with a high level of product expertise will not have to rely on the manufacturer it represents in the course of business transactions with third parties. A manufacturing firm should know its products and end users better than anyone else. At the same time, a trading house should be able to count on the manufacturer's technical support to develop an effective sales presentation.

The above considerations lead inevitably to the pertinence of such dimensions as the trading company's size and amount of export experience.

Size should not, in itself, constitute a selection factor. While the larger company can be expected to offer wider product and market expertise and a greater variety of services, the small manufacturing concern may well find it easier to deal with a small trading house whose services are more personalized and better tailored to its needs.

Experience is a much more important factor. International trade is a difficult field of activity yet one which almost anyone may enter. As a result, the casualty rate is quite high during the first years of activity. Only the fittest survive. Amount of experience is therefore a definite sign of competence that should not be overlooked when selecting a trading house.