



## Beyond the Border: **Getting Started**

“First of all, do your homework and know yourself. Realize that it is a commitment for a long, long term. Know your strengths ... Do your research on your product or your service and then go for it.”

– Exporter

### **Exporting: What's in it for you**

Business has gone global. That's hardly news anymore, but it's remarkable nevertheless – because, for the first time in human history, the world marketplace is open all day and every day, unrestricted by distance, technological barriers or country of origin. The entire world is within our reach in ways that weren't possible before. Like any business venture, of course, entering the arena of global trade presents both opportunities and challenges. At first, you may not even be sure how exporting can help your company, or what the drawbacks of such a project may be.

Experienced exporters, though, have a pretty good idea of both the benefits and problems of international trade. For example, they know a business can gain a lot from a successful exporting venture, including:

- **Increased sales** – if domestic sales are good, exporting is a way to expand your market and take advantage of demand around the world. You may also find foreign niche markets where your product is rare or unique.
- **Higher profits** – if you can cover fixed costs through domestic operations or other types of financing, your export profits can grow very quickly.
- **Economies of scale** – when you have a larger market base, you can produce on a scale that lets you make the most of your resources.
- **Reduced vulnerability** – if you diversify into international markets, you avoid depending on a single marketplace. A domestic downturn, for example, will be less damaging if you have other markets where demand remains high.
- **New knowledge and experience** – the global marketplace abounds with new ideas, approaches and marketing techniques. You may find them very successful in Canada, too.
- **Global competitiveness** – foreign companies are entering Canadian markets and Canadian companies are going foreign. The experience your company gains internationally will help keep you and Canada competitive in the global marketplace.
- **Domestic competitiveness** – if your company succeeds in the global marketplace, it means your product can compete with the best the world can offer. This helps you succeed at home and ensures your resilience when faced with foreign competition in Canada.

### **Exporting goods versus exporting services**

Exporting goods and exporting services present quite different challenges. The former must deal with packaging, customs and physical delivery, for example, while the latter confronts issues such as work permits, communications infrastructure in the target market and travel to and from the market.