

Whether it is product changes or other modifications that are required will only become apparent to executives that have their eyes open and ears attuned to the new market. Even large, successful exporters make mistakes. Bill Ballard, general manager of chemicals and plastics, Dow Chemical Canada Inc. recounts the following story:

"We were moving a product into China and this had to be packaged, so we decided to put it in polyethylene bags and ship it . . . But it came back that the Chinese wanted a cross between a jute and a polyethylene bag. We said 'That's stupid. We can't do it. We'll offer them a penny a pound off if they will take it in a straight polyethylene bag.' We finally got it through our peoples' heads that it wouldn't matter if we offered five cents off . . . The reason they wanted the jute bags was first, so they could reuse them and second, there is no polyethylene bag that can be economically made to withstand the way they handled it."

In Dow's case, people in their Pacific organization were instrumental in bringing this problem to the attention of headquarters. Photos of trucking and handling operations in China got the jute bag message across. This leads logically to the next piece of advice.

Ensure you have effective representation overseas

"Your network must deliver"

Once the export plan has been formulated and set in motion, overseas potential must be turned into sales through the foreign marketing organization. This organization may be staffed with full-time company personnel but, more frequently for new exporters, takes the form of an agent or distributor network. Whatever the case, the network is the company's marketing arm overseas, working as the critical company-customer interface.

Large and small exporters use agents or distributors and make these networks deliver for them. Tom McGuigan, vice-president of marketing for Litton Systems Canada Limited remarks,

"We make a very strong effort to be in close communications with the agent. We're always standing there watching him and prodding him to make sure he's out there doing something."