

New York City, Long Island, and the Buffalo/Rochester area.

Attention is given in **Section 4** to the kinds of strategic decisions **Canadian software developers should consider** in an industry where "the rate of technological and competitive change is so extreme that the market information is often unavailable or obsolete, where strategic windows are opening and shutting very quickly, and where the cost of error is involuntary exit." It is suggested in the Guide that software developers should formulate an overall strategic plan and be prepared to implement it quickly; that successful Canadian exporters to the United States typically emphasize specialty or niche products with narrowly defined applications and place a strong emphasis upon quality rather than price; that the U.S. market consists of a myriad of diverse regional markets, which in many instances are best accessed through a manufacturer's rep or agent; and that Canadian establishments in several key sectors of the computer software industry are well-positioned to compete successfully in the North American market.

Three sets of practical suggestions for **penetrating the computer market in New York State** are presented in **Section 5** of the Guide. The first set consists of advice on how to access the market in New York State. Important considerations include the proper timing of product entry into the market; partitioning the market into appropriate, homogeneous submarkets to maximize market penetration; taking advantage of numerous trade shows throughout the State; and participating in one of Canada's New Exporters to Border States (NEBS) trade missions.

A second group of recommendations is focused upon **identifying appropriate channels of distribution to the New York State market area**. Channel decisions typically involve legal commitments of a long-term nature, and it is therefore important to try and maximize flexibility and to utilize several channels simultaneously. Also noteworthy is the realization that the choice of distribution patterns will usually dictate the mode of entering the market, which in turn will affect options regarding pricing, producing, and promoting software products and services. The process of selecting proper distribution channels will also depend upon the characteristics of the software establishments and their products and applications, as well as upon the changes that are occurring nationally in the software distribution system. In addition to the mainstream distributor/dealer channels and the new two-step networks, other avenues for selling software in New York State include the employment of a direct sales force, the use of independent sales representatives, direct marketing, strategic partnering, and the establishment of a separate business entity in New York State.