

Royal Star Moving in New Directions

Baxter Simms, more at home in P.E.I. seafood circles than at official receptions, is working the crowd in Bangkok's Oriental Hotel, feeling a bit out of place.

Simms, the CEO of Royal Star Foods Ltd. of Tignish, P.E.I., wants to expand his company's operations for lobster, crab, herring and mackerel. While the company's oldest markets in New England are still lucrative, the competition is fierce, and margins are slipping. But the "folks back home" are depending on his efforts. Bangkok may be warm and sunny, but Simms is feeling the heat in a different way altogether.

Simms already knows the value of exports: 95 per cent of his company's products are sent beyond Canada's borders, mostly to the United States, Europe and Japan. Last year the company's sales in fish products were about \$18 million.

But to maintain his firm's 330 seasonal jobs, and to give those employees even more work at higher wages, Simms has been knocking on doors in Seoul, Manila and Bangkok, trying to penetrate new markets.

"I'm here because I have to increase my margins. I have to increase the length of time my employees work, and I have to get my market strength up. I'm here to do business."

Many of the high-level contacts that Simms wants to do business with were at the Oriental Hotel, and their interest will be crucial in developing the kind of market clout he needs to move his company in new directions. Simms has ambitious plans for several lines of sophisticated, value-added fish products such as spreads and artfully stuffed lobsters.

Simms is unsure about the Thai market just yet, but an informal survey among Thai business people at a luncheon where lobster was served was encouraging: "They loved it."

Simms was likewise encouraged by his visit to Seoul and Manila. In Seoul, he made several important contacts, one of whom had already called his company back home to enquire about products, prices and distribution before Simms had left Asia.

In addition, a Korean businessman promised to visit the plant shortly to see the product at the source.

In Manila, Simms met the head of a major Philippine food import company and was invited to tour a fish plant. If all goes well, he said, Royal Star may even import some of the plant's products.

If Simms was, as he admits, sceptical about the usefulness of Team Canada missions before he left home, he's now a believer: "Do you know how long it would take me to make contacts if this didn't exist? I don't know if it could be done."

Do you know how long it would take me to make contacts if the Team Canada mission didn't exist?

I don't know if it could be done.

Baxter Simms, CEO

