Conclusion

In conclusion the European strategy for Canadian oil and gas equipment manufacturers can vary from firm to firm depending of their product, their capitalization and their attitude. In any case, Western Europe should represent an interest if not for Western Europe per se for third markets such as Eastern Europe, China, South-East Asia and the African coast. For firms that do not have the potential to assure a presence in Europe they will need to adjust their home structure to be more competitive as European companies will be more competitive which will also put a pressure on U.S. firms. Since Canadian firms export up to 40% of their products, they should expect therefore more competition in third markets. In order to be more competitive, the Canadian firms will also need to find out competitive financing other than the EDC because of the reduction of concessionnal financing.

As a recommendation, firms should inform themselves on European equipment manufacturers through missions in Europe and try to target companies that could offer a complementarity for either technology exchange or joint venture to penetrate some emerging segment (gas, environmental control, automation devices, safety devices) in the EC and third countries. Also firms must develop a European attitude compatible with the European ways of doing business and develop a network because business deals cannot be made overnight.

In what concerns the services industry, we have here in Canada good assets and attractive know-how for the European. It is therefore important to have a presence in Europe either through acquisition or adhoc joint venture to penetrate the Western European market and more significantly the Eastern Europe.