

Plant specific telecom needs are also growing. In terms of sheer size, the second largest telecom operator in Chile is Codelco, the state-owned copper mining company. There are several potential important clients for Canadian niche and corporate telecom equipment and services suppliers. These include Codelco, other mining firms (which include all the major Canadian mining companies — which are all active in Chile), pulp and paper operations, government departments, fishing companies, banks and financial institutions, and hotel/tourism complexes.

In the television cable arena, there are three major players, namely, VTR Cable Express (which in June 1996 fused with United International Holdings (UIH) making it the biggest cable supplier in the country), Metropolis-Intercom (belonging to CTC) and Cable Vision. In the future, competition will develop in value added services such as videos on demand. Please note that in Chile no single company has a specific market assigned to it and, therefore, they all compete for market shares.

Information Technology

The major Chilean software exporters are Consultarias y Sistemas S.A. (8.89% share of the market), Emergency 24 Software (8.67%), Sonda (8.15%) and Synapsis (6.72%).

The hardware maintenance market is dominated by two firms: Microcare Servicios/Quinta Generacion and Cientec/Infoland. The top retail outfits include PCL, Computech/Synapsis and Sonda.

CHANNELS OF DISTRIBUTION

The most common distribution channels used in Chile are distributors, agents, direct purchase and subsidiary or branch offices. It is very important to have after sales services for the Chilean client. A good distributor is a key element given the high competition present in this market. In order to increase sales, the exporter should provide full support to the representative, comply with delivery dates and provide good, clear promotional material and brochures in Spanish.

MARKET ACCESS CONSIDERATIONS

Canada's relationship and business interests in Chile are expected to accelerate with the recent bilateral trading arrangement between Canada and Chile.

Import regulations

Chile enjoys a remarkably free and open import market. Import duties for all products are at a flat 11% ad valorem calculated on the CIF value.