

State are many and varied, as are the distribution channels and marketing strategies entrepreneurs can use to penetrate this geographical area of the U.S. To demonstrate this diversity of opportunities and market-entry strategies, several examples are presented below of Canadian establishments that have entered the New York State or U.S. marketplace successfully. Initially, all of these software firms were small businesses, often beginning as one- or maybe two-person operations. The particular cases chosen to be presented in this Guide are representative of the diversity of avenues that can be utilized to penetrate the U.S. marketplace. Information for the cases is based upon telephone and in-person interviews.

#### **a. Case #1: Establishment A**

Establishment A is a Canadian firm that has been selling software applications in New York State and other parts of northeastern United States for approximately 15 years. It began as a two-person operation, and now employs around 70 people. One of the initial founders of the firm had been employed at Statistics Canada for several years, and was very much interested in developing computer applications that would integrate census data with other vital information and enable the firm to conduct marketing and location analyses for private-sector businesses.

Initially, it was difficult for Establishment A to enter the U.S. market because of competition from U.S. companies; consequently, several avenues of penetration were explored. First, they began to participate actively in trade shows in New York State and Massachusetts. At the same time, they began to put small ads in trade journals that were aimed at urban and regional planners and location consultants. In addition, one of their first hires was a marketing person from the U.S. who already had established relations with a few clients in the northeastern part of the U.S.

While these activities were going on, Establishment A was also busy improving its software capabilities. Emphasis was eventually given to establishing a user-friendly geographical information system that could represent census data within a spatial context. In addition, the firm focused much of its attention upon marketing its programs and application software to targeted clients in Canada. This work quickly established the company's experience and reputation in the field in Canada, and eventually won it the attention of a large New York State company that had a similar operation throughout the U.S. Ultimately, Establishment A formed a joint venture with the U.S. competitor and now acts as a subcontractor in the U.S. for custom-designed software and applications.