scientific and technical knowledge are transferred form the very basis of technological exchange, and must be studied.

- A common and effective means of acquisition often used by MNCs as well as countries like Canada is simply to attract the inventor to settle in the country. This practice, which requires the cooperation of immigration services, is systematically used by Bell-Northern, for example. We also know that the founders of MITEL and GANDALF were British.
- We must then study <u>how</u> to acquire foreign technology. This can be done in several ways:
 - by buying the product;
 - by buying a license;
 - by obtaining world product mandates;
 - by attracting investment by a foreign company;
 - by buying a foreign company;
 - by participating in a joint venture.
- 6. This immediately brings us to the problems of importations and investments.
 - In Canada, approximately 50% of high technology enters via the internal transfer of information between American MNCs and their Canadian subsidiaries: there is no precise record or evaluation of this vast system of product and process transfer.
 - The purchase of <u>licenses</u> and the subsequent payment of royalties has a negative effect on the balance of payments, whether compensated or not by the export earnings of products for which there are world mandates.
 - World product mandates can be entirely profitable if they concern an invention by a Canadian subsidiary. This sector is small but growing. It is also fragile; in cases where the technology belongs to a foreign conglomerate, the threat of pull-outs is great in times of recession. Furthermore, in cases of large-scale exploitation beyond the means of the subsidiary, the parent company loses no time in laying claim to the world market and profits made from it.