

EASTERN EUROPE:

REGIONAL ASSESSMENT:

A lack of infrastructure and a lack of understanding of a market economy inherited from centrally planned economies has left the "Eastern-Bloc" countries with little if any distribution channels for software products. Current sales figures are not attainable at this time. Although a high demand market can be anticipated due to the high education levels and the desire to catch up, lack of hard currency and weak intellectual property protection make this a tough market for software exporters.

Only Czechoslovakia, Poland, Hungary and Yugoslavia have agreed to a software standard (IBM). Due to the political unrest and lack of stabilized economies in Yugoslavia, Russia and the Soviet satellites; Czechoslovakia, Hungary, and Poland are currently more "comfortable" markets for Canadian companies.

Although strategic relationships will be more difficult to form and the payback for efforts will take longer, established Canadian companies should make efforts to raise their product profiles in these countries. Limited market intelligence shows application development tools, utility tools, communication software and some specialized products such as Retail Point-of-Sale products are of great interest at this time.