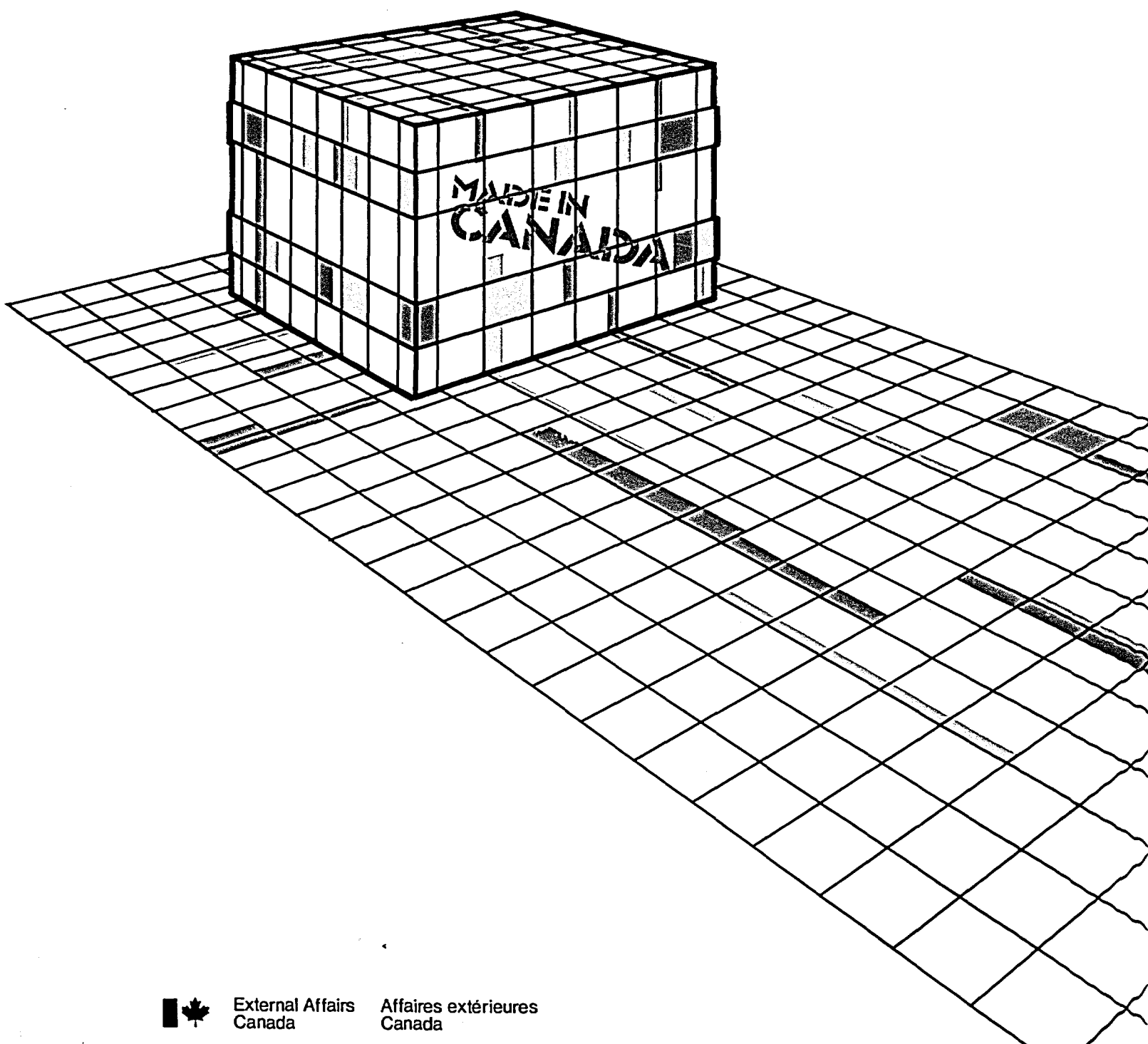


doc  
CA1  
EA518  
87S51  
ENG



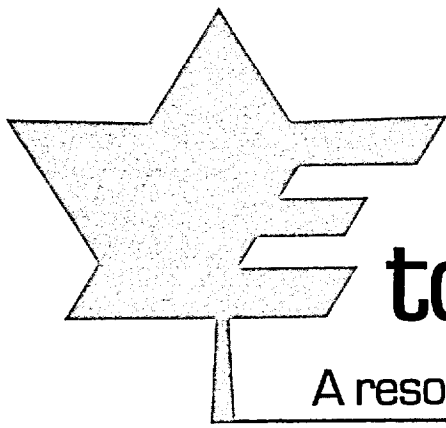
# So you want to export?

A resource book for Canadian exporters



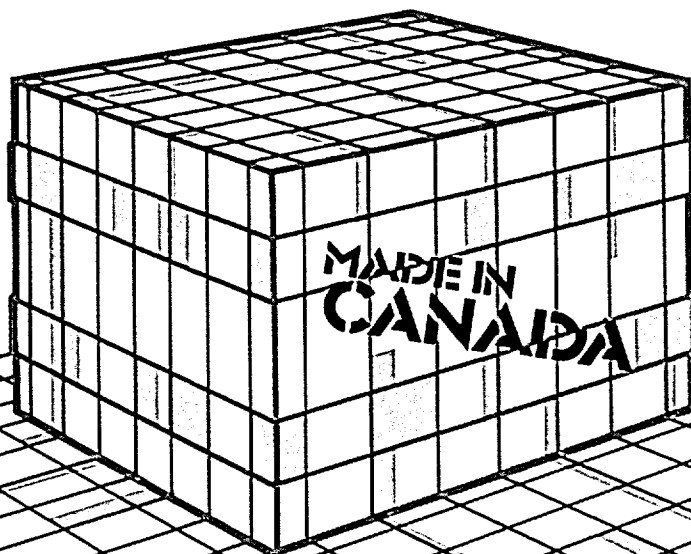
External Affairs  
Canada

Affaires extérieures  
Canada



# So you want to export?

A resource book for Canadian exporters



43-245-805

Dept. of External Affairs  
Min. des Affaires extérieures

JUN 28 1987

RETURN TO DEPARTMENTAL LIBRARY  
RETOURNER A LA BIBLIOTHEQUE DU MINISTERE

Printed in Canada  
April, 1987  
(Publié également en français)



# Table of contents

---

The prologue	1
The products and the places	3
<i>Assess your products and identify your target market countries</i>	
The market profile	5
<i>Paint a realistic picture of your target country</i>	
Prospecting	7
<i>Visit the selected country</i>	
The players	8
<i>Know the export trade professionals who can assist you</i>	
Our man in . . .	15
<i>Consult Canadian trade commissioners in missions abroad</i>	
Pointers	16
<i>Get tips on communicating, advertising, scheduling your trip</i>	
Appendices	
A An export pricing sheet	19
B A checklist for an overseas sales visit	20
C A checklist for exhibiting overseas	22
D Export jargon	26



# The prologue

*There are two simple, persuasive reasons why Canadian companies should consider exporting: more profits for themselves and more jobs for Canadians. But more than this, exporting broadens a company's marketing base and generally results in greater company growth.*

— Frank Petrie, President, Canadian Export Association

*The primary benefit to a Canadian company in exporting is growth, or in other words, the opportunity to become a big company when one is a small one.*

— Thomas d'Aquino, President, Business Council on National Issues

This booklet is about growth and profitability and the key role exporting has played in achieving them for many Canadian companies.

With a domestic market that is both mature and relatively small, many Canadian companies, including small and medium-sized ones, have found exports to be an important source of new customers, increased sales, corporate growth and greater profitability. As well, for most companies, export markets have proven to be a welcome cash flow stabilizer through the peak-and-valley fluctuations in the Canadian industrial economy. For successful Canadian exporters, selling abroad keeps production lines humming, and employment and profits up at home.

Selling abroad isn't just a game for "big boys only" — the large, national and international companies. Profitable foreign sales are possible for any company, large, medium or small, that makes a serious, reasoned corporate commitment to export and follows up its decision with the same planning, research, and plain hard work required for success in any

marketing program. The larger companies, it is true, usually have greater internal resources to research and develop new export markets. But even as an entrepreneur with high-quality, competitively priced products or services and a real desire to broaden your marketing horizons, you may feel you are not fully capable of exporting. And you are not alone.

Across Canada, a host of federal and provincial governments and agencies, trade and business associations and other organizations have a wealth of information and assistance, including financial assistance, that is available to help you establish your beachhead in markets outside Canada. In reading *So you want to export?* you are taking the first important step on the road to an informed corporate decision to join the growing number of Canadian companies that have become world-class players in international trade.

Reading *So you want to export?* won't hand you ready-made, profitable export markets. Adding the prefix "Export" to the sales manager's title won't do it either.

The first and indispensable step to an effective and successful export campaign is commitment. Commitment by the president, the board of directors and the management team to export the company's products and services and to back their commitment with the finances, personnel and other resources which will be needed to fuel the export campaign for the two or three years it will take to make it work.

*So you want to export?* can, however, provide you with a solid, hard-headed and proven matrix on which to identify and test the exportability of your best products and services and the most promising markets for them. It also lists and describes the many public and private sector market intelligence services and assistance programs readily available to you to back up and support your export marketing programs. *So you want to export?* will answer many of your initial exporting questions and will direct you to the most knowledgeable and experienced sources for the additional, detailed and specific information and assistance you require to develop your own successful export marketing campaigns.

*So you want to export?* is a Canadian exporter's program building guide and resource book. It could also be the key to new prosperity and growth for you, your company, your community, your province and for Canada.

---

This booklet is organized to examine a number of vital factors you must carefully consider in any decision to venture into new markets: *The products and the places*; *The market profile*; *The plan*; *The players*; and, in a summary, some helpful *Pointers* developed from the market-tested, real-world experiences of successful Canadian exporters in their ventures abroad. If the information in this booklet convinces you that there are export opportunities for your company, then trust the enthusiasm, confidence and determination that have made your firm what it is today. Chances are you have everything it takes for success.



# The products and the places

To sell anything, anywhere — your lawnmower to your next-door neighbour or airplanes to an airline half a world away — there are two basic essentials: something to sell and, somewhere, somebody to buy it. The two are inseparable; if either is absent, no sale can take place.

Therefore, your first step as a potential exporter is to identify which of your products have the greatest export sales possibilities and where those most promising sales opportunities are likely to be found.

It's also worth remembering that the "products" need not be physical ones, things you can see, hear, feel, taste or smell. Ideas, techniques, processes, know-how, experience and other knowledge are all valuable commercial "products" worth money to customers who do not yet have them.

## Product assessment

Start assessing your potential as an exporter with a realistic critique of your product(s) in a global framework. Ask yourself the following questions:

- Who uses your product? Is it in broad general use or is it limited to a particular socio-economic group? (Your answer here may immediately rule out certain markets.)
- Is the use of your product influenced or affected by climatic or geographic factors? If so, what?
- What is the shelf-life? Will your product be affected by its time in transit?
- Does your product involve operating costs? If so, what complementary equipment or services must the customer buy before it can be used?

Your first step as a potential exporter is to identify which of your products have the greatest export sales possibilities and where those most promising sales opportunities are likely to be found.

- Does it require professional assembly or other technical skills?
- Is special packaging or literature required? (If so, these costs must be factored in to determine whether or not you can export the product at a competitive price.)
- Must you consider technical standards or regulatory requirements that may differ from those in Canada and from country to country?
- Keeping your answers to some of the above in mind, will product adaptation be needed for your target markets? Will adaptation be difficult or simple to carry out? Are there other markets where fewer or no adaptations would be needed?
- Should you consider after-sales service? Is it needed? Is it locally available or must you provide it? If you must provide it, can you?
- How easily can the product be shipped? Would shipping costs make competitive pricing a problem?

- Among the countries in your list of potential markets, are there any in which customer acceptance of your product might be constrained by such negatives as a glut on the local market, import barriers or political roadblocks? Or are there religious or cultural traditions against the product-type? (For example, the most succulent, frozen gourmet barbecue pork chops just won't make it in most Middle East countries.)

Your own answers to these initial questions should give you a pretty good idea of the export sales potential of your best products and services.

## The places

Now that you have chosen your products for export, you still must identify your target market countries. But before you do, there's another very important judgment to be made:

If you decide to export, are you sure that you have, or will have, the capability to serve both your present domestic customers as well as the new foreign customers you hope to win? Will you be able to dedicate sufficient production to export customers regardless of the domestic demand?

---

Yes? Then draw up your first list of candidate market countries. Right off the top, you will probably come up with a respectable shopping list of target export market countries. Before you rush out to gladden the heart of your travel agent by booking a Grand Tour of the capitals of the world, are you sure your top candidate markets are really as promising as they seem at first glance?

---

Identify your target market countries.

---

You are about to make an important investment of time, effort and money to introduce your products and services to new customers. Which countries on your list combine the greatest potential for profitable export sales and the least for problems and costs? You will want to qualify your export markets, just as you would with any major potential domestic customer, to determine which one is your top prospect, which is the next best and so on.

Military strategy and export marketing share a common axiom: unless your resources are unlimited, avoid multi-front campaigns; don't risk spreading yourself too thin by trying to corner the world market the first time out.

---

Don't risk spreading yourself too thin by trying to corner the world market the first time out.

---

As coolly and objectively as you earmarked your products for export, you must now select the countries where you can most cost-effectively market them. A detailed market profile of each of the candidate foreign markets on your list will allow you to sort the wheat from the chaff and to identify your highest probability market.



# The market profile

The thoughtfully prepared market profile can be one of the exporter's strongest trump cards. It can provide a wealth of essential information — virtually everything the exporter needs to know to prepare the company to take advantage of the available opportunities and to forewarn it against, or at least to forewarn it of, any potential problems peculiar to doing business in the selected market.

---

The thoughtfully prepared market profile can be one of the exporter's strongest trump cards. It can make the difference between a profitable export contract and a red-ink profit and loss statement.

---

Possession of current, accurate knowledge of national trade statistics, business practices and customs, the quality and reliability of transportation and communication systems, the economic situation, political environment and stability, credit standing, the strength of domestic and foreign competition to be faced and a host of other vital intelligence frequently make the difference between a profitable export contract and a red-ink profit and loss statement.

Gathering the masses of detailed information required for a comprehensive market profile is a big job and an important one, but it's not an impossible one, even for a very small company. At even the smallest company's beck and call are the combined resources, the know-how, the expertise, the assistance programs and the experienced, on-the-spot trade personnel of government departments and agencies, federal and provincial Crown corporations and private sector business and trade organizations. Each of these organizations is an active member of an export trade team dedicated to building Canada by building its export trade and each is there to support your export program. (See *The players* section.)

What basic information do you need to paint a realistic picture of your target market? Essentially, it's the same kind of information you need to identify your most attractive domestic markets . . . but there's a difference. That market is THERE, where you aren't, not HERE, where you live and are familiar with the business environment. Don't make the potentially expensive mistake of assuming anything — check it out.

---

Don't make the potentially expensive mistake of assuming anything — check it out.

---

You'll want information in six main categories: General Background, Market Accessibility, Sales Potential, Regulations, Terms of Payment and Currencies, and Distribution. In each of these categories you'll want answers to some specific questions.

## General background

- What is the size of the country, its climate and terrain? What is its distance from Canada?
- What is the size and distribution of its population and income?
- Does the country have plans for development? Are they likely to enhance or diminish acceptance of your products and services? Are they likely to affect the purchasing power of your customers or the attractiveness of your products and services?
- What is the country's economic situation, its balance of trade, its foreign exchange regulations, its credit standing? Are there cultural, religious or political considerations which must be taken into account?

## Market accessibility

- Are there any restrictions on imports through taxes, import duties or quotas? What are the policies and attitudes towards imports from Canada?
- What is the actual access situation, specifically, for your products? Is it in the process of improving or is it deteriorating?
- Are there currency controls? Is currency convertible?
- Are there bilateral trade agreements favouring the goods and services of other countries?



---

## Sales potential

- What is the present demand for and the long-term potential of your products and services? To find out, you will need statistics on present imports and emerging trends by volume, value and country of origin; information on the competition you face from present and future domestic suppliers and the price differential between your products and theirs; and data on the general market's acceptance of, or resistance to, new products.
- To win customer acceptance will you have to adapt your domestic Canadian product to accommodate local preferences in quality, colour, packaging or sales methods?

---

Being able to adapt to familiar local business practices can sometimes win you the nod over a competitor.

---

## Regulations

- What measurement systems are appropriate, e.g., imperial, metric, U.S. fluid, avoirdupois?
- What are the existing health, safety and technical standards; the packaging, marking and labelling regulations?

## Terms of payment and currencies

- You will need to know the customary terms of payment employed in your target market and the currencies used.

## Distribution

- How are importers in the target country organized and how do they prefer to operate? What are their customary mark-up or commission rates? You will need to learn a lot about their preferred ways of doing business because being able to adapt to familiar local business practices can sometimes win you the nod over a competitor who cannot or will not do so. The local market structures and buying systems will help suggest how you should go about distributing your product. Will a single agent be enough or should you have a number of sales representatives? How large an inventory should you maintain? What should be the size and frequency of shipments? You will want information on the adequacy of international shippers and of inland transportation from the port of entry as well as the likelihood of negotiating commodity rates for recurring shipments.

# Prospecting

Now is the time for that chat with your travel agent. You have studied your products and determined which are the best export candidates. Next, you matched the probable demand for those products in a number of possible target countries and then profiled the market in each of the target countries you earmarked to narrow the choice to the one country that combines the greatest number of marketing criteria necessary for success. But so far it has been an academic exercise, paperwork.

---

Visit the selected country for first-hand, personal confirmation of the accuracy of your market profile.

---

The moment of truth has arrived. Now you must visit the selected country for first-hand, personal confirmation of the accuracy of your market profile. Is the niche you saw for your product really there? Are there importers eager and able to accept your product? Is the economic, social, cultural and political environment what you thought it was? Is there competition you hadn't foreseen and can you meet it? Will the product or your marketing strategy have to be amended to win needed customer support? If so, will the cost of these changes still permit you an acceptable return on your investment? Are there any unanticipated problems to be overcome or

opportunities to be taken advantage of? To find out, a personal prospecting trip to the country is required. Your homework has prepared you to make a realistic assessment of the market for your products and services; so put on your travelling shoes and start assessing.

There's perhaps no better way for you, as a novice exporter, to start than by visiting an international trade fair in your product sector. A few days spent at a trade fair will give you a good look at and a real feel for the products and the prices you will be competing against, the style and sophistication of your competitors' sales and promotion methods. International trade fairs are meeting places for the world's buyers and sellers and for the agents and distributors who bring the two together. Not only will you find a trade fair a very efficient and effective way of testing the waters in a new environment, you may even make an on-the-spot sale or two. At the very least, visiting a trade fair should provide you with a list of contacts you probably couldn't match in several individual prospecting trips. But before you finalize your travel plans, a word of warning: travel fatigue can be fatal to effectiveness. Limit your trip to no more than two weeks in no more than two countries. In taking on too much too soon, you risk returning home with a mind and notebooks bulging with disconnected facts and figures, confused and unrelated recollections which can result in costly mistakes.

---

Not only will you find a trade fair a very efficient and effective way of testing the waters in a new environment, you may even make an on-the-spot sale or two.

---

Assistance in selecting, planning for and funding your attendance at an international trade fair is available from a number of federal and provincial trade development agencies. (See *The players* section)

# The players

A corporate decision to export, particularly if you have not been involved in exporting before, is a big one. After making the decision and after your adrenalin level returns to normal, a feeling of naked isolation is not uncommon. From the comfortable, familiar environment of your domestic market, you find yourself suddenly alone in the uncharted waters of a foreign market competing against entrenched competitors for customers who don't know you or your products.

It's a lonely feeling. But it needn't be because, in reality, you are not alone. Canadians are among the world's leading international traders. Literally thousands of Canadian companies have broadened their horizons and successfully incorporated profitable international sales into their domestic operations.

Each of these companies has developed strategies and techniques for selling abroad and most of them are willing to share their experience with first-time exporters in areas where they are not in direct competition. The experience of these companies, of Canadian industry, trade and professional associations, and of federal and provincial government export trade development programs forms a priceless network of proven, professional resources available to first-time exporters.

If you feel your time and financial resources are currently limited, you may also want to make use of Canadian trading houses to assist you or undertake exporting on your behalf.

These are the "players," the export trade professionals, whose advice and assistance are readily available to you every step of the way as you identify your exportable products and services, scout your export markets, design your marketing game plans, organize your banking and financing, and mount your sales campaigns.

---

These export trade professionals offer advice and assistance and are readily available to help you every step of the way.

---

The players are the invisible support members of your company's export team. The kind of assistance they can provide the first-time exporter is assistance that few companies, regardless of their size or financial strength, could maintain on staff. The initiative to put this team to work, however, rests with you, the exporter. You are the captain of the team and only you can call the signals.

Many of the players listed in this manual provide packages of related services while others concentrate on a single, specific area of export expertise. For easier identification and reference, the line-up of players is grouped here under three main headings: Marketing Information and Assistance, Financial Information and Assistance, and Documentation. The listings include a thumbnail sketch of each organization's role in export trade development and such vital statistics as addresses, telephone and telex numbers.

## Marketing information and assistance

**Info Export (BTCE)**  
Department of External Affairs  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2  
Toll-free hotline: 1-800-267-8376  
Ottawa callers: 993-6435

For most beginning and many veteran exporters, Info Export is the best starting point. The Department of External Affairs' export trade information centre, Info Export, is your instant guide to all of the export programs and services provided by the federal government. Info Export provides exporters with the general export overview. It assists in any export program or service by directing the company to organizations such as provincial governments and Department of Regional Industrial Expansion (DRIE) regional offices. Through it you can be plugged into the department's trade information network and get general information and advice on the best potential markets for your product. A broad selection of export trade literature including the *Canada-Export* newsletter and information kits published by the department is also available.

### Geographic Information

In the Department of External Affairs, responsibility for trade promotion is organized on a geographic basis. For detailed information about foreign markets of interest, call Info Export and a trade officer will put you in touch with the appropriate geographic desk officer.

To contact the Canadian trade commissioner in the country itself, Info Export can provide you with names, telephone numbers and addresses and can send you the booklet, *Business Directory of Canadian Trade Representation Abroad*. Info Export is also your primary source for *A Guide for Canadian Exporters*, External Affairs' series of comprehensive booklets which contain geographic, climatic, cultural, economic and market data for individual countries or market areas.

---

Info Export is your instant guide to all of the export programs and services provided by the federal government.

---

### **The Council of Canadian Trading Houses**

99 Bank Street  
Suite 250  
Ottawa, Ontario K1P 6B9  
Tel: (613) 238-8888  
Telex: 053-4888

A good introduction to exporting for the novice may be through the use of a Canadian trading house. A trading house may act as your export department or provide any of the ancillary services you may require to develop your export strategy.

The Council of Canadian Trading Houses is a national association of Canadian trading houses organized under the auspices of the Canadian Export Association which requires its members to pass an accreditation procedure that focuses on a company's experience, competence and reliability. It provides referral for potential users to accredited trading houses, material on how to use and select them and conducts seminars on trading houses across Canada to disseminate information about their use as an alternative export vehicle, particularly to offshore markets.

**International Trade Data Bank**  
Library Services Division (BFL)  
Department of External Affairs  
125 Sussex Drive  
Ottawa, Ontario K1A 0G2  
Tel: (613) 992-6941

The International Trade Data Bank is an information bank based on the United Nations computer tapes which track and list the export and import flow data for 66 major trading nations as well as for groupings such as the European Economic Community (EEC) and the Organization for Economic Co-operation and Development (OECD). Essentially, the International Trade Data Bank gives current figures, provided by the member countries and listed by product category, on what and how much each country imports, the countries from which it obtains its imported products and the nature, amount and destination of its exported products.

### **Department of Regional Industrial Expansion**

The Department of Regional Industrial Expansion (DRIE) maintains a regional office in each of the 10 provinces. The DRIE regional office is an invaluable, close-to-home resource with a mandate to counsel, encourage and assist individual companies within the region to exploit international export marketing opportunities. It does this with a multi-faceted educational program of seminars, workshops and conferences on every aspect of trade. Each office maintains a regional sourcing register and will include you in its Business Opportunities Sourcing System (BOSS). The BOSS register lists the names, addresses, products, capabilities and other vital statistics of companies within each region and makes the information available to potential domestic and foreign customers.

DRIE also provides individual export counselling and information and assistance to exporters considering exhibiting at international trade fairs. As well, the DRIE office in your province can direct you to the appropriate industry sector branch in the Ottawa headquarters that has expertise concerning your product. The department is also the principal link between the trade promotion programs of the federal and provincial governments.

DRIE regional offices across Canada include the following:

**Newfoundland**

Department of Regional Industrial Expansion  
P.O. Box 8950  
Parsons Building  
90 O'Leary Avenue  
St. John's, Newfoundland  
A1B 3R9  
Tel: (709) 772-4883  
Telex: 016-4749

**Prince Edward Island**

Department of Regional Industrial Expansion  
P.O. Box 1115  
Confederation Court Mall  
134 Kent Street, Suite 400  
Charlottetown, Prince Edward Island  
C1A 7M8  
Tel: (902) 566-7441  
Telex: 014-44129

**Nova Scotia**

Department of Regional Industrial Expansion  
P.O. Box 940, Station M  
1496 Lower Water Street  
Halifax, Nova Scotia B3J 2V9  
Tel: (902) 426-7542  
Telex: 019-22525

**New Brunswick**

Department of Regional Industrial Expansion  
P.O. Box 1210  
Assumption Place  
770 Main Street  
Moncton, New Brunswick  
E1C 8P9  
Tel: (506) 857-6452  
Telex: 014-2200

**Local offices:**

Bathurst  
Tel: (506) 548-8907  
Fredericton  
Tel: (506) 452-3124

**Québec**

Department of Regional Industrial Expansion  
Tour de la Bourse, bureau 3800  
800, place Victoria  
C.P. 247  
Montréal (Québec) H4Z 1E8  
Tel: (514) 283-8185 and  
1-800-361-5367  
Telex: 055-60768

**Ontario**

Department of Regional Industrial Expansion  
P.O. Box 98  
1 First Canadian Place, Suite 4840  
Toronto, Ontario M5X 1B1  
Tel: (416) 365-3821  
Telex: 065-24378

**Local offices:**

London  
Tel: (519) 679-5820  
Ottawa  
Tel: (613) 993-4963  
Sudbury  
Tel: (705) 675-0711  
Thunder Bay  
Tel: (807) 623-4436

**Manitoba**

Department of Regional Industrial Expansion  
P.O. Box 981  
330 Portage Avenue  
Room 608  
Winnipeg, Manitoba R3C 2V2  
Tel: (204) 949-6182  
Telex: 07-57624

**Saskatchewan**

Department of Regional Industrial Expansion  
105-21st Street  
6th Floor  
Saskatoon, Saskatchewan  
S7K 0B3  
Tel: (306) 975-5318  
Telex: 074-2742

**Alberta**

Department of Regional Industrial Expansion  
Cornerpoint Building  
10179-105th Street, Suite 505  
Edmonton, Alberta T5J 3S3  
Tel: (403) 420-2944  
Telex: 037-2762

**Local office:**

Calgary  
Tel: (403) 292-4575

**British Columbia**

Department of Regional Industrial Expansion  
P.O. Box 49178  
Bentall Postal Station  
Bentall Tower IV  
1101-1055 Dunsmuir Street  
Vancouver, British Columbia  
V7X 1K8  
Tel: (604) 666-2255  
Telex: 04-51191  
Toll free: 1-800-663-0433

**Yukon**

Department of Regional Industrial Expansion  
Suite 301  
108 Lambert Street  
Whitehorse, Yukon Y1A 1Z2  
Tel: (403) 668-4655

**Northwest Territories**

Department of Regional Industrial Expansion  
P.O. Bag 6100  
Precambrian Building  
Yellowknife, Northwest Territories  
X1A 1C0  
Tel: (403) 920-8668 or 8571

**Headquarters**

Department of Regional Industrial Expansion  
235 Queen Street  
Ottawa, Ontario K1A 0H5  
Tel: (613) 995-5771

## Provincial governments

Don't forget to contact your provincial government trade department which can offer useful assistance in a variety of ways. The following is a list of the central offices; however, in a number of cases, there are offices in cities and towns throughout the province. Check your telephone directory or ask the trade officer of the central office for the address of the one closest to you.

Provincial government contacts across Canada include the following:

### Newfoundland

Trade and Investment  
Department of Development  
and Tourism  
P.O. Box 4750  
St. John's, Newfoundland  
A1C 5T7  
Tel: (709) 576-2781  
Telex: 016-4949  
Facs: (709) 576-3627

### Prince Edward Island

Marketing Division  
Prince Edward Island  
Development Agency  
First Avenue  
West Royalty Industrial Park  
Charlottetown, Prince Edward Island  
C1E 1B0  
Tel: (902) 566-4222  
Telex: 014-44109  
Facs: (902) 892-3420

### Nova Scotia

Market Development Centre  
Department of Development  
World Trade and Convention Centre  
1800 Argyle Street  
P.O. Box 519  
Halifax, Nova Scotia B3J 2R7  
Tel: (902) 424-4242  
Telex: 019-22548  
Facs: (902) 424-5739

### New Brunswick

Trade Services  
Department of Commerce and  
Technology  
Centennial Building  
P.O. Box 6000  
Fredericton, New Brunswick  
E3B 5H1  
Tel: (506) 453-2875  
Telex: 014-46100  
Facs: (506) 454-8410

### Québec

Ministère du Commerce extérieur et  
du Développement technologique  
770, rue Sherbrooke ouest  
7<sup>e</sup> étage  
Montréal (Québec) H3A 1G1  
Tel: (514) 873-5575 (Industrial)  
(514) 873-7266 (Consumer)  
Telex: 055-61760  
Facs: (514) 873-4230

### Ontario

U.S.A. Section  
International Marketing Branch  
Ministry of Industry,  
Trade and Technology  
5th Floor, Hearst Block  
Queen's Park  
900 Bay Street  
Toronto, Ontario M7A 2E4  
Tel: (416) 965-5704  
Miconet Number: 3-9872  
Facs: (416) 965-0341

### Manitoba

Trade Branch  
Department of Industry,  
Trade and Technology  
4th Floor  
155 Carlton Street  
Winnipeg, Manitoba R3C 3B8  
Tel: (204) 945-2466  
Telex: 075-87833  
Facs: (204) 945-2775

### Saskatchewan

Trade Promotion Branch  
Department of Economic Development  
and Trade  
Bank of Montreal Building  
2103 — 11th Avenue  
Regina, Saskatchewan  
S4P 3V7  
Tel: (306) 787-2232  
Telex: 071-2675  
Facs: (306) 787-2232

### Alberta

Trade Development Division  
Department of Economic Development  
and Trade  
Sterling Place, 11th Floor  
9940 — 106th Street  
Edmonton, Alberta T5K 2P6  
Tel: (403) 427-4809  
Telex: 037-2197  
Facs: (403) 427-0610

### British Columbia

International Marketing Branch  
Ministry of Economic Development  
Robson Square, Suite 315  
800 Hornby Street  
Vancouver, British Columbia  
V6Z 2C5  
Tel: (604) 660-4567  
Telex: 04-55459  
Facs: (604) 660-2457

### Yukon

Department of Economic Development:  
Mines and Small Business  
P.O. Box 2703  
Whitehorse, Yukon Y1A 2C6  
Tel: (403) 667-3011  
Telex: 036-8260

### Northwest Territories

Business Development Division  
Department of Economic Development  
and Tourism  
P.O. Box 1320  
Yellowknife, Northwest Territories  
X1A 2L9  
Tel: (403) 873-7376/873-7229  
Telex: 034-45531  
Facs: (403) 920-4218

**Statistics Canada**  
Information Section,  
International Trade Division  
Jean Talon Building  
Tunney's Pasture  
Ottawa, Ontario K1A 0T6  
Tel: (613) 990-9647

Statistics Canada (StatsCan) prepares and publishes a wealth of statistical information of interest to exporters. It will also prepare special tabulations of unpublished data to meet the specific needs of users. The StatsCan library has an extensive collection of foreign trade reports and other trade information published by sources abroad. Statistics Canada regional offices and local public libraries are also often useful sources of statistical reports and information.

**Canadian Chamber of Commerce**  
Head Office  
International Affairs Division  
200 Elgin Street  
Suite 301  
Ottawa, Ontario K2P 2J7  
Tel: (613) 238-4000  
Telex: 053-3051

The Canadian Chamber of Commerce and chambers of commerce and boards of trade in a number of centres carry out a broad range of activities designed to promote Canadian trade. These include seminars and conferences providing information on specific markets, documentation services required for exporting, and programs to put Canadian companies in touch with foreign buyers. The chamber also administers a series of bilateral and regional trade councils and recently opened a Canadian trade office in Taipei, Taiwan, the only permanent trade presence in that market. (See also Canadian Chamber of Commerce under Documentation later in this section.)

**Canadian Exporters' Association**  
99 Bank Street  
Suite 250  
Ottawa, Ontario K1P 6B9  
Tel: (613) 238-8888  
Telex: 053-4888

The Canadian Exporters' Association is a private national, non-profit organization that has worked for the enhancement and promotion of Canadian exports since 1943. Membership is made up of some 500 Canadian companies of all sizes and from every industry sector with interests in export trade. Among the services provided to members are three regular newsletters: *Export News*, *Export Digest* and *Export USA* which feature concise but comprehensive information covering the entire spectrum of activities in the world of international trade.

**The Canadian Manufacturers' Association**  
Head Office  
Export Department  
One Yonge Street  
Suite 1400  
Toronto, Ontario M5E 1J9  
Tel: (416) 363-7261  
Telex: 065-24693

With its national headquarters in Toronto, the Canadian Manufacturers' Association (CMA) operates 7 regional divisions, 22 branches and 11 offices across Canada. The CMA was an early starter in Canadian international trade.

CMA's agents were the forerunners of the official Canadian Trade Commissioner Service. As part of its international trade activities on behalf of Canadian manufacturers, the CMA publishes *World Trade News* monthly and *Canadian Trade Index* annually as

well as regular *Export Bulletins* and manuals on such topics as Understanding Export and Countertrade Advice for Exporters. It also conducts courses on export documentation, seminars on export marketing and organizes and escorts outgoing Canadian and incoming foreign trade missions.

**Canadian Commercial Corporation**  
Head Office  
Metropolitan Centre, 11th Floor  
50 O'Connor Street  
Ottawa, Ontario K1A 0S6  
Tel: (613) 996-0034  
Telex: 053-4359

A Crown corporation reporting to the Minister for International Trade, the Canadian Commercial Corporation (CCC) acts as prime contractor when foreign governments and international agencies wish to purchase goods and services from Canadian sources on a government-to-government basis. In responding to such requests, CCC identifies Canadian sources, obtains bid opportunities for suppliers and certifies their capability to perform. In addition to participating in negotiations, the corporation follows through on contract management, inspection, acceptance, shipping, payment to suppliers and collection from customers. Its participation helps to reduce the complexity of export sales for Canadian firms and often encourages foreign customers to deal with smaller or less well-known suppliers, since buyers have the comfort of dealing on a government-to-government basis through CCC.

# Financial information and assistance

## Program for Export Market Development (PEMD)

NOTE: For information on PEMD assistance programs contact the Department of External Affairs' Export Programs Division at (613) 996-8708 or your DRIE regional office. (See page 10 for list.)

The Program for Export Market Development (PEMD) is a financial assistance program of the Department of External Affairs designed to help incorporated Canadian companies to develop and increase their export activities by sharing the costs of specific export marketing activities. It is geared to encourage businesses that have not previously exported to begin and to encourage established exporters to expand their activities in new markets. Administered and delivered jointly by the Department of External Affairs and DRIE, the Program for Export Market Development operates in a number of ways, each designed to meet up to 50 per cent of the costs of specific circumstances that exporters may encounter while developing or expanding export markets.

PEMD can help Canadian exporters in a number of export business activities including the following:

- *Specific project bidding.* Sharing of costs to bid on specific projects outside Canada.
- *Market visits.* Assistance to visit potential new markets, or to bring foreign buyers to Canada.

- *Participation in trade fairs abroad.* Assistance to participate in foreign trade shows.
- *Export consortia.* Assistance to Canadian companies to develop joint export sales through the formation of permanent export consortia.
- *Sustained export market development.* Assistance to Canadian exporters to establish on-site facilities in foreign markets (outside North America).

As well as the above activities which are basically industry-driven, the Department of External Affairs also initiates trade fair and mission activities under PEMD, which shares with companies the cost of participating in national stands at trade exhibits outside Canada, sponsors outgoing trade missions of Canadian business persons to identify market opportunities abroad, and hosts incoming missions to Canada of foreign business and government officials who can influence export sales. If you are interested in participating in these government-sponsored initiatives, make your interest known to the DRIE regional office (trade) and/or to the Department of External Affairs' geographic trade division responsible for the territory of your interest. Call 1-800-267-8376 at the Department of External Affairs where you will be directed to the proper geographic division.

**Export Development Corporation**  
151 O'Connor Street  
P.O. Box 655  
Ottawa, Ontario K1P 5T9  
Tel: (613) 598-2500

The Export Development Corporation (EDC) is a federally owned corporation that insures and finances export sales by Canadian companies.

The corporation provides credit insurance, surety and performance guarantees for Canadian exporters and loans and loan guarantees for foreign purchasers of Canadian goods and services. For further information, contact the nearest EDC office at Halifax, Nova Scotia, (902) 429-0426; Montreal, Quebec, (514) 878-1881; Ottawa, Ontario, (613) 598-2992; Toronto, Ontario, (416) 364-0135; London, Ontario, (519) 679-6523; Winnipeg, Manitoba, (204) 943-3938; Calgary, Alberta, (403) 294-0928; or Vancouver, British Columbia, (604) 688-8658.

## Canadian International Development Agency

Industrial Co-operation Division  
Fifth Floor  
200 Promenade du Portage  
Hull, Quebec K1A 0G4  
Tel: (819) 997-7901  
Telex: 053-4140

The Canadian International Development Agency (CIDA) operates Canada's program of official international development assistance in some 100 countries. Together with other bilateral projects, CIDA's Business Co-operation Program helps Canadian exporters to penetrate new markets in developing countries by supporting Canadian firms seeking opportunities for investment, joint ventures and transfers of proven technology in the expanding markets of Asia, Latin America, the Caribbean and Africa.



CIDA's Industrial Co-operation Program supports the efforts of developing countries to achieve self-sustainable development by encouraging the Canadian private sector to participate in their industrial growth. The programs offer financial incentives to Canadian firms in their efforts to develop long-term arrangements for business co-operation and to carry out project definition studies in developing countries. Support is also available for building contacts and identifying opportunities through visiting missions and seminars. To be eligible for CIDA funding assistance, proposals must clearly demonstrate mutual economic and industrial benefits to both Canada and the host country. Canada benefits by supplying equipment, components, services, etc., and the host country benefits from new technology, job opportunities and business expansion.

#### **Canadian Chartered Banks**

Your bank can provide operating loans needed for your export business and the many other banking services that will be required. The bank's international department can advise you on currency exchange and the best terms and forms of payment. Through its branches in foreign countries and its correspondent banks it can also provide you with on-the-spot advice and banking services in your target markets. Most large banks have extensive international contacts and can provide a wide variety of helpful publications, information and other assistance to exporters.

## **Documentation**

Accurate documentation of your shipments to foreign countries is of paramount importance; requirements may be complex and vary from country to country.

A competent freight forwarder can explain and advise you on the documents you will require to ship your product efficiently. On receipt of the information required, the forwarder will also draw up the necessary shipment documents for you. Documentation assistance may also be obtained from the tariff officers in the geographic bureaux of the Department of External Affairs. Tariff officers can also provide information on access regulations, tariffs, quotas, etc., which apply in various countries.

#### **Canadian Chamber of Commerce**

(See also Canadian Chamber of Commerce reference earlier in this section.)

The Canadian Chamber of Commerce is the Canadian source for the invaluable Carnet. Although not strictly speaking an export document, the Carnet permits exporters to take Canadian goods as samples, demonstrators or professional equipment into more than 40 countries without going through the normal, detailed customs procedures. Goods taken into a country under the Carnet must leave the country again, usually within a year of entry. Carnet Canada offices are located in Ottawa, (613) 238-4000; Toronto, (416) 868-6415; Montreal, (514) 866-4334; and Vancouver, (604) 681-2111. Many local chambers of commerce and boards of trade across Canada also provide Certificates of Origin and other certification documents that are frequently required by importing countries.



# Our man in . . .

“Our man” (who is just as likely to be a woman) lives and works in Oslo and Buenos Aires, in Beijing and Buffalo and in all the major cities of countries throughout the world. A Canadian trade commissioner is a member of an extensive network of trade experts whose primary responsibility is to assist exporters like you to start and expand the sale of your products and services in a new territory. The Canadian trade commissioner is a public servant who is paid by the government, but works on your behalf.

---

A Canadian trade commissioner is a member of an extensive network of trade experts whose primary responsibility is to assist exporters like you.

---

Keeping the trade commissioner in each of your foreign markets up to date on your export activities pays big dividends in costs reduced, pitfalls avoided and opportunities seized. Knowing what you must do and what the trade commissioner can and cannot do is essential to effective exporting.

You should provide your trade commissioner, in advance, with

- a summary of your company's activities;
- your previous export experience;
- precise descriptions of your product;
- your product's major selling features;
- the type of distributor you want;
- your tentative travel schedule;
- requests for introductions to or appointments with potential agents and/or buyers;
- five to ten copies of your sales brochures.

Your trade commissioner will help you determine

- whether your product can be imported into the market;
- the normal distribution channels for your product;
- whether there is local or imported competition for your product;
- the buying practices in the market;
- the kind and quality of market support services such as banking, shipping and storage;
- import policies and restrictions;
- how to quote in the market;
- social, cultural, business, market and political conditions.

When your marketing plans are completed and the trade commissioner has been informed of your intentions, he or she can help you market your product by

- canvassing and recommending local agents on the basis of their interest in your product; (always get the trade commissioner's advice before appointing agents. Local laws differ from Canadian practice and changing an unsatisfactory agent in some countries can be very difficult, is usually costly and sometimes impossible;)
- arranging to obtain credit and other business information on agents and local firms;

---

The trade commissioner can be your eyes and ears and, often, a welcome helping hand in an unfamiliar marketplace.

- recommending translation, legal, advertising and other support services;
- arranging meetings for future business trips;
- receiving your mail and messages during your visits;

- interceding on your behalf when problems of duties, taxes or foreign exchange arise;
- advising you on settlement of overdue accounts;
- maintaining contact with your agent and providing him or her with support and encouragement.

The trade commissioner can be your eyes and ears and, often, a welcome helping hand in an unfamiliar marketplace.

There are some things, however, that the trade commissioner cannot do for you:

- Close the sale of your product for you. (The trade commissioner *can* promote and make the sales pitch for your product, recommend agents, research the market, make appointments for you, but actually closing the deal is up to you.)
- Be present at all your negotiations when you are closing a deal. (The trade commissioner *can* recommend appropriate technical experts to help you negotiate a deal.)
- Serve as your translator or interpreter. (The trade commissioner *can* help you find good ones to use.)
- Act as your agent. (The trade commissioner *can* be invaluable in helping you select effective agents.)
- Train or supervise your agents. (The trade commissioner *can* maintain a liaison with them and encourage them.)
- Act as your debt collector. (The trade commissioner *can* advise on the settlement of overdue accounts.)
- Act as your travel agency.

# Pointers

It may seem like carrying coals to Newcastle to compile a list of sales and marketing pointers for a successful business person. You could probably write the book on them yourself, but would it cover all the bases for marketing abroad? Because there are differences — some subtle, some not — between selling on your home turf and selling abroad, the following section has been included. The list is by no means a comprehensive one, but the tips included here have been learned the hard way, through trial and (more often) error by seasoned business people in their initial export marketing ventures. At the very least, this section can provide you with a partial checklist of things you know, but might overlook in the rush to export.

## Communicating overseas

Language is the medium of communication whether it's by telephone, telex, cable, or by mail. Whenever possible, use the language of the recipient: it's courteous and gets you into your customer's office much faster. When you must use English or French, make it clear, simple and straightforward. Avoid North American idioms, colloquialisms and slang. (You know what "the bottom line" means, but your correspondent may not and may desperately try to decipher some hidden meaning from the final line of your letter.)

The letter, the oldest form of long-distance communication, may be slow, but it's sure. Both the sender and the recipient have a permanent and tangible record of what was communicated. Use letters whenever time permits and to confirm agreements and decisions reached over the telephone. The usual rules for domestic business correspondence apply internationally, but with a few added fillips:

- Make sure your letterhead clearly conveys your company name, address and postal code, your telephone and telex numbers and the word *Canada*. Not everyone knows what country Moose Jaw and Saskatchewan are in.

Whenever possible, use the language of the recipient: it's courteous and gets you into your customer's office much faster.

- If your letterhead lists branch office addresses, be sure you make clear to which address the reply should be directed.
- Unless the message can afford a leisurely ocean cruise, always ensure your correspondence abroad bears an "Air Mail" sticker on the envelope.
- Always personally (and legibly) sign your letters; your foreign customers want to know with whom they are dealing.
- If business trips keep you from the office for long periods, make sure someone is responsible for acknowledging any mail received in your absence.

When using telex or cable, note the following tips:

- Avoid the temptation to save a few pennies by using "telegrammatic" language. What you save in transmission costs won't equal the possible cost of the problems of misunderstandings. Keep it simple — it's safer and cheaper in the long run.

The letter, the oldest form of long-distance communication, may be slow, but it's sure.

- As with telephone calls, always confirm telex and cable messages by mailing a copy. It serves as confirmation and a reminder to both parties.

When using the overseas telephone, remember calls may often be answered by people unfamiliar with English or French. Speak slowly and clearly (but not patronizingly) using only standard language. You can always modify it to match the degree of fluency you perceive at the other end.

Electronic data exchange is coming but should not be used by the first-time exporter.

## Advertising and promotional literature

Promotional literature plays a vital role in the success of a product overseas. Pay attention to the literature that supports and accompanies your product.

- Examine your current literature to see if it can be adapted to suit both your domestic and foreign markets. Some companies use English, French and Spanish, the most universal languages of trade, in their literature and catalogues to avoid the expense of separate publications in each language.
- Make liberal use of colour photographs and illustrations of the product and its application; this helps to avoid the need for lengthy textual descriptions (and their translations), especially in regions where the level of literacy is low.

---

Examine your current literature to see if it can be adapted to suit both your domestic and foreign markets.

---

- Don't scrimp on translation costs. Hire the best translators you can find. Sloppy use of language can give rise to misunderstandings and to customer fears of potential sloppiness in your product or service.

- Make sure the colours you use in your literature conform to local tastes and preferences. (In some parts of Africa, purple is associated with witchcraft.)
- Metric is the standard of measurement in most countries. Ensure your specifications are metric or that you provide metric equivalents.

## Scheduling your time

Sooner or later the time will come for your first overseas trip and one of the most critical factors to its success will be how efficiently you organize your time. Here are some time-planning DOs and DON'Ts to keep in mind.

---

Don't try to cram too much business or too many countries into your first trip.

---

**DON'T** start out on a foreign marketing trip without preplanning and organizing it carefully.

**DO** leave yourself a day or so at the start to get over your jet-lag. Use the time to check in with the Canadian trade commissioner and to wander about, looking, listening and generally getting a feel for the country.

**DON'T** try to cram too much business or too many countries into your first trip. Two countries in two weeks are probably all you can effectively absorb in a single trip, particularly the first one.

**DO** plan to spend at least three days (or a week if it is a major market) in each place you visit. You'll learn and retain as much about the country, its people and the market by osmosis as you would in a frantic round of back-to-back meetings.

**DON'T** forget that in many Far Eastern and Southern European countries, time isn't perceived in quite the same way as it is at home. Where attitudes toward time are more relaxed, you may find that a nine o'clock appointment means you won't be expected until about 9:30. On the other hand, in most Nordic countries punctuality is expected. Arrive for your nine o'clock meeting at 8:55 and be sure to phone if you're going to be delayed. Check the local custom with the trade commissioner.

**DO** get the most out of your trip by ensuring it does not coincide with traditional holiday periods. A trip to Saudi Arabia during the Moslem holy season of Ramadan would leave you with time on your hands and nary an oasis to spend it in. Similarly, not much work would be accomplished in Rio during Carneval.

---

**DON'T** show up at the office for business as usual at 9:00 a.m. on your first day back home. Take it easy; get over your jet-lag and, if you begin to chafe at the bit, spend the time at home sorting out business cards and organizing lists of people to whom you should send follow-up letters. A few words jotted on the back of each business card describing the follow-up action required and perhaps a draft of a general follow-up letter will keep your secretary busy while you clear the backlog of items that piled up during your absence.

**DO** write to the trade commissioner(s) you met on your visit. Let them know how your meetings went, who your agent is (if you appointed one) and what your future plans are. If you need any additional assistance or information, now's the time to ask for it. Keeping the trade commissioners fully in the picture lets them know you are serious and they can be on the look-out for other sales leads and opportunities for you.

# Appendix A

## An export pricing sheet

### How to work out export prices<sup>1</sup>

One of the early steps in campaigning for export markets is working out realistic export prices — or “costing,” as it is sometimes called. Too often, goods are priced for export merely on the basis of domestic price plus freight and insurance. Sometimes the resulting price is unrealistically high; occasionally it is too low. The would-be exporter should remember that foreign buyers usually have quotations from many countries to compare and will seek the best possible prices. Export quotations should therefore be kept as low as possible commensurate with a reasonable profit — and certainly a profit no higher than on domestic sales. Manufacturers who want eventually to make volume foreign sales should bear in mind that these will result from good quality offered at a fair price and should keep their profit to a minimum.

Federal sales tax does not apply to exports, and if any charge for advertising is made in domestic prices, it should be deducted from the base price before calculating export prices.

The following worksheet may serve as a sample guide to assist you in arriving at a realistic export price for your products.

### EXPORT PRICING WORKSHEET (C.I.F.)

Date: March, 1983

Ref.: 6243

Name of customer: Mr. Buyer, Importers Inc.

Address: 162 Overseas Blvd, Foreign Country

Product: WIDGET

Special terms or conditions quoted:

Unit quoted: 1 000

Gross weight: 64 kg

Cubic measure: 140 m<sup>3</sup>

Item	Cost (Can. \$)
<b>Cost and freight</b>	
1 Cost of unit before profit	10 000
2 Profit at 10% (for example)	1 000
3 Overseas agent's commission at 7 1/2% (for example)	825
4 Export packing	75
5 Labelling cost	10
6 Stencil marking cost	0
7 Strapping cost	5
8 Cartage	2
9 Freight to seaboard cost; \$6.00 per 1 000; Type of carrier: rail	6
10 Unloading charges	2
11 Terminal charges	1
12 Longload or heavy loading charges	0
13 Consular documents charges	N/A
14 Other charges (cable, phone)	4
15 Ocean freight cost	30
16 Forwarding agent's fee	10
17 Export credit insurance at 1% (for example)	100
18 Financing charges for credit sales	400
<b>Total of cost and freight</b>	<b>12 470</b>
<b>Insurance</b>	
19 Marine insurance (add 10% to total of cost and freight)	13 717
Approximate premium	+ 137
Amount to be insured	<b>13 854</b>
20 Type of insurance; All risks; Rate: 1%; Premium: 138.54	139
<b>Grand total (C.I.F.)</b>	<b>12 609</b>
Convert Canadian \$ to export market currency	104 203 zks

<sup>1</sup> By J.R. Arnold, Export Consultant, Lasqueti, B.C. VOR 2J0

# Appendix B

## A checklist for an overseas sales visit

---

Preplanning is vital to a successful overseas sales trip. The following checklist highlights a number of important details you should cover to ensure that you make the most of your first, exploratory overseas sales trip.

- If you intend to apply for PEMD assistance, make your application two to three months prior to your planned departure (see *Financial information and assistance* in *The players* section for details).
  - Two or three months prior to your departure, write to the trade commissioner at the Canadian embassy in your target country(ies) and provide details of your product and your plans to market it. Outline your objectives and expectations for this first exploratory trip. As soon as your travel plans are finalized, inform the trade commissioner.
  - Use a reliable travel agency to help you plan your itinerary and to take advantage of the most efficient and economical travel routes. When you have approved the plan, make confirmed travel and hotel reservations and reconfirm them just before you arrive.
- 

Two or three months prior to your departure, write to the trade commissioner at the Canadian embassy in your target country(ies).

---

- Carry a good supply of business cards printed in English or French on one side and, if possible, in the language of the country to be visited on the other. Exchange business cards with each of the contacts you visit.
  - Include a supply of business stationery, sales brochures, literature and photographs of your product for use abroad. A small dictaphone or recorder is very handy for making on-the-spot notes to yourself on meeting details, outcomes, agreements and undertakings made during your meetings.
- 

Give-away gifts related to your product or to Canada are always welcomed.

---

- Carry a list of C.I.F. prices for all your products for each of the countries you plan to visit and of scheduled sailings to these countries from major Canadian ports.
- Samples of your products, if feasible, or small give-away gifts related to your product or to Canada are always welcomed by contacts. Check local customs regulations on these with your trade commissioner.
- Ensure that you have a valid Canadian passport and any visas required for your trip. Carry a few extra passport photos for additional visas you may need on the trip. You should also be sure that you have an up-to-date record of required immunization shots and you should carry it with your passport.

- 
- Obtain an international driver's licence if you plan to use a car during your trip. If you are renting a car, make reservations well in advance and reconfirm them just before you leave.
  - Take advantage of any memberships you may have in international service clubs. Obtain addresses and telephone numbers of club branches in the cities you are visiting and, if possible, the names of contacts. Service clubs are excellent ways of making business contacts.
  - Obtain a letter of introduction from your bank manager to the manager of a bank in each of the cities you plan to visit. The letter can be helpful in checking references of potential customers and agents and if you run into unexpected financial difficulties.
- 

Little things like knowing the local dress codes, meal times, how to address people, and other customs will eliminate small problems and win you the good will of your hosts.

---

- Ensure that the funds you carry are more than adequate to your expected needs and that they are readily convertible.
- Background reading on the countries you plan to visit will smooth the trip by providing advance information on the history, economy and social scene. Little things like knowing the local dress codes, meal times, how to address people, and other customs will eliminate small problems and win you the good will of your hosts.



# Appendix C

## A checklist for exhibiting overseas

---

After you have made your first exploratory overseas sales trip and have observed an international trade fair yourself, you may well decide that your company should exhibit its products and services at such a fair.

---

Allow yourself a full 12 months' lead time to plan and implement your decision to participate as an exhibitor at a trade fair.

---

Info Export can provide you with general information on all upcoming international trade fairs and the trade commissioner in the host country is your best source for detailed, on-site information and a professional appraisal of the scope, quality and track record of any fairs in his or her territory. The planning and logistics of exhibiting at a trade fair demand careful advance planning. Allow yourself a full 12 months' lead time to plan and implement your decision to participate as an exhibitor at a trade fair.

The following checklist summarizes the sequence of the main activities an exhibitor must undertake in the 12 months prior to the fair.

## Twelve months in advance

Obtain current literature and information on the fair and catalogues and statistics from previous years which will provide answers to the following questions:

- How large an area does the fair cover?
- What is the range of products covered?
- How many visitors attended last year? How many countries did they come from and are attendance trends on the increase or the decrease?
- How many companies exhibited last year, where were they from and is the trend up or down?
- What is the cost of booth space and what services are included in the cost?
- What is the cost of services not supplied?
- What is the space reservation deadline?
- What are the customs and import regulations for products being exhibited? Are special licences required? Can the goods be easily taken back to Canada?
- Are there other exhibit or business opportunities available in conjunction with the fair?

---

## Nine months in advance

- Mail contracts for trade fair and send reservation deposits.
- Inform Canadian trade commissioner of your exhibit plans and keep on-going information and relevant correspondence flowing.
- Select your overseas exhibit team and make all travel and accommodation reservations.
- Plan your exhibit and booth space and make sure it includes an "office space" in which to conduct business. (The Canadian Exposition Centre of the Department of Supply and Services or the trade commissioner in the country concerned can offer valuable help on all aspects of exhibiting.)

---

Select your overseas exhibit team and make all travel and accommodation reservations.

---

- Decide whether you will design, construct and set up your own exhibit or employ consultants. Finalize arrangements for this. (Make sure fair doors, elevators, etc. will accommodate your exhibit.)
- Decide on pre-fair publicity, public relations, literature, promotional material, who will produce and translate it and finalize arrangements. Don't forget to provide fair management with your material for use in their publicity.
- Select freight forwarder and arrange shipment of exhibit.

## Six months in advance

- Check booth design and construction schedules.
- Formulate shipping plans to meet fair requirements.
- Select and order samples and give-aways.
- Determine exhibit approach. (Most buyers and agents like to see demonstrations, pick up literature and talk to the manufacturer.)
- Plan your public relations approach. (Invitations to customers to attend your exhibit? Invitations to a reception? Media releases and photographs? Advertising?)
- Plan for adequate staffing of booth. (Rule of thumb is two staffers per square metre of booth space.)
- Arrange for locally hired staff (receptionists, interpreters, etc.).
- Order exhibit supplies.

---

## Four months in advance

- Finalize shipping arrangements (transportation, customs agents, freight forwarding, etc.).
- Recheck sales and promotional materials.
- Make personnel assignments.
- Prepare booth manning schedule and begin booth staff training program. Booth staff must be thoroughly familiar with the product, prices, delivery capability and mode.

## Three months in advance

- Recheck supplies and equipment.
- Arrange to ship and insure exhibit.
- Make final approvals on local publicity and advertising.
- Order badges for booth personnel.

## Two months in advance

- Send list of booth personnel to fair management.
- Send invitations to potential customers and agents to visit your display, reception, etc.
- Recheck travel arrangements.

## One month in advance

- Check on delivery of exhibit, equipment and supplies.
- Arrange for exhibit repacking and return.
- Check on booth construction.

## Week before the show

- Check hospitality arrangements.
- Set up on-site meetings and rehearsals.
- Check on arrival and clearance of your exhibit and supplies.
- Prepare tool kit for emergency repairs to display units and equipment.
- Meet with photographer, arrange for desired photos.
- Prepare lists of all important telephone numbers (fair manager, security, decorator, maintenance, freight handler, etc.).
- Inform your office in Canada of your exhibit and hotel telephone numbers.

---

## Day before show opens

- Perform final check on booth, furniture and equipment.
- Finalize booth staffing schedules.
- Survey entire fair. See what competitors are doing and note ideas for your next exhibit.

## During the fair

- Schedule daily breakfast meetings to brief staff on day's activities.
- Check on the competition every day.
- Seek out foreign manufacturers of complementary product lines to discuss possibility of their distributing your products in their home markets.

## After the fair

- Arrange for repacking and return of your exhibit/equipment.
- Check bills and service charges.
- Plan to spend a day or two after the fair to train any agents appointed, follow up local contacts, and visit the marketplace to note competitive products, prices, presentation and local advertising practices.
- Write follow-up letters to all promising contacts made at the fair.
- Hold debriefing meeting with permanent and locally hired staff to discuss their observations, recommendations and suggestions for improvements for future exhibitions.
- Inform trade commissioner about your appreciation of the outcome of your participation and of your future plans for that market.
- Check back with the regional office of DRIE after you return to Canada and brief personnel on your participation at the fair.

# Appendix D

## Export jargon

### **C.I.F. (Cost, Insurance, Freight)**

The exporter pays the cost of the goods, cargo insurance and all transportation charges to the named point of destination.

### **Canadian and foreign port charges**

Charges for unloading or storing goods and for dock space before loading on a ship.

### **Certificate of origin**

A certification of the country where the product was made.

### **Commercial invoice**

Prepared by the exporter or the forwarder. It is needed by the buyer to show ownership and arrange for payment to the exporter.

### **Consular invoice**

May be required by certain foreign governments to have tighter control over their imports. A consular invoice requires approval of that country's consulate in Canada and frequently involves a fee.

### **Countertrade**

A generic term encompassing export transactions where a sale to the purchaser is conditional upon a reciprocal purchase or undertaking by the exporter. Forms of these may include counterpurchase, barter, compensation or offsets.

### **Customs documentation charges**

Special documents required by some countries to identify the origin and/or value of the shipment.

### **Customs invoice**

Prepared by exporter or forwarder, this is a copy of the seller's commercial invoice, describing the goods bought. Customs invoices are used for import clearances and, occasionally, vary from commercial invoices.

### **Dock and warehouse receipt**

Domestic Bill of Lading needed for contracting with trucking firm or railroad, to ship goods from the exporter's loading dock to the port.

### **Export declaration**

Prepared by exporter or freight forwarder for shipments valued in excess of a specified amount.

### **Export licence**

May be required for some export shipments, for example, strategic goods.

### **Export Management Company (EMC)**

An independent firm which acts as the exclusive sales department for non-competing manufacturers. There is usually a formal agreement to manage the manufacturer's exports. Some act as an agent for the manufacturer and, in such cases, are paid a commission on the export sales. Others operate on a "buy-sell" basis, that is, EMCs buy from their manufacturers at a set price, and resell to foreign customers.

### **Ex-factory**

The price of goods at the exporter's loading dock, i.e., the buyer owns the goods at that point and bears all the risks and cost for subsequent delivery.

### **Ex-works price**

This price normally includes export credit insurance, financing charges and the profit margin. It excludes any costs that relate specifically to the home sales operation.

### **F.A.S. (Free Along Side)**

The price of goods to delivery on the docks during loading. The buyer becomes responsible for the goods once they are on the docks alongside the ship.

### **F.D.B. (Free on Board)**

The prices of goods on board the specified vessel at the specified port of shipment. If you have quoted F.O.B. prices, you are responsible for the shipment until it is loaded on board. This could cause problems in the event of a dock strike.

### **Financing charges**

Bank fees and interest charges for handling payments, or for financing shipments.

### **Freight forwarder charges**

Charges for the use of internal freight forwarders.

### **Import tariffs**

Foreign government taxes levied on exports.

### **Insurance certificate**

Prepared by the exporter and his forwarder to indicate insurance of the goods against loss or damage.

### **Insurance costs**

Cargo insurance to cover the risks of shipping.

---

**Letters of credit (L/C)**

An arrangement whereby an importer arranges with his bank to transfer the amount of the transaction to a Canadian bank for payment to the Canadian exporter. This amount is available to the exporter provided the requirements of the letter of credit are met. When the exporter presents his invoices and shipping documents to the bank, he receives immediate payment.

**Ocean (or Airway) bill of lading**

Prepared by the carrier or freight forwarder as a contract between the owner of the goods and the carrier. It is needed by the buyer in order to take possession of the goods.

**Packing lists**

Prepared by the exporter to show the quantity and type of merchandise shipped.

**Trading houses**

Companies specializing in the exporting, importing and third-country trading in goods and services produced by others and which provide related export services. They may act on a merchant or agent basis.

LIBRARY E A/BIBLIOTHEQUE A E



3 5036 20025478 0

DOCS

CA1 EA518 87551 ENG

So you want to export? : a resource  
book for Canadian exporters. --

43245885



60984 81800

Canada