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Wheeling and dealing with Uncle Sam

Canadian companies have an impressive record when it comes to winning big contracts from the U.S. government. In 2005, for example, Uncle Sam awarded more than 700 Canadian exporters with over \$1 billion in prime contracts for goods and services, an increase of about 12% from the year before. This success owes as much to American confidence in Canadian quality as it does to our approach and contracting know-how.

One way exporters can do business with the U.S. government is through General Service Administration Schedule Contracts or GSA schedules (see *CanadExport*, Vol. 24, No. 16) which cover 53 different groups of products and services. But it's not the only way.

What's a GWAC?

Another important way to win contracts with Uncle Sam is through Government-Wide Acquisition Contracts, or GWACs.

This is only for technology products and services. Technology companies can use either GSA schedules or GWACs, or both, but there are differences. GSA schedule contracts require that offerings be available on the commercial market and GWACs do not.



Another difference is that GSA schedules are open to new vendors all year long but GWACs have bid closing dates.

see page 3 - Canada does big business

CanadExport to go electronic!

Starting in November 2006, *CanadExport* will be moving to an electronic format distributed by email.

Like the paper edition, the new *CanadExport* will provide trade news and events, advice and market intelligence to exporters every two weeks. But it will also have expanded content, be delivered on a more timely basis and contain live links that connect exporters to websites including *InfoExport*, *Invest in Canada* and *ExportSource*. It will also link to trade commissioners directly.

Current subscribers should watch this space for further details or send their name and subscriber number by email to canad.export@international.gc.ca to be on the new mailing list. We're confident that you will enjoy and profit from the new *CanadExport*.



Foreign Affairs and
International Trade Canada

Affaires étrangères et
Commerce international Canada

Canada

Canadians say China's market most promising

A national opinion poll by the Asia Pacific Foundation of Canada and *The Globe and Mail* suggests that Canadians believe China holds greater potential for Canadian exports and investment than the United States.

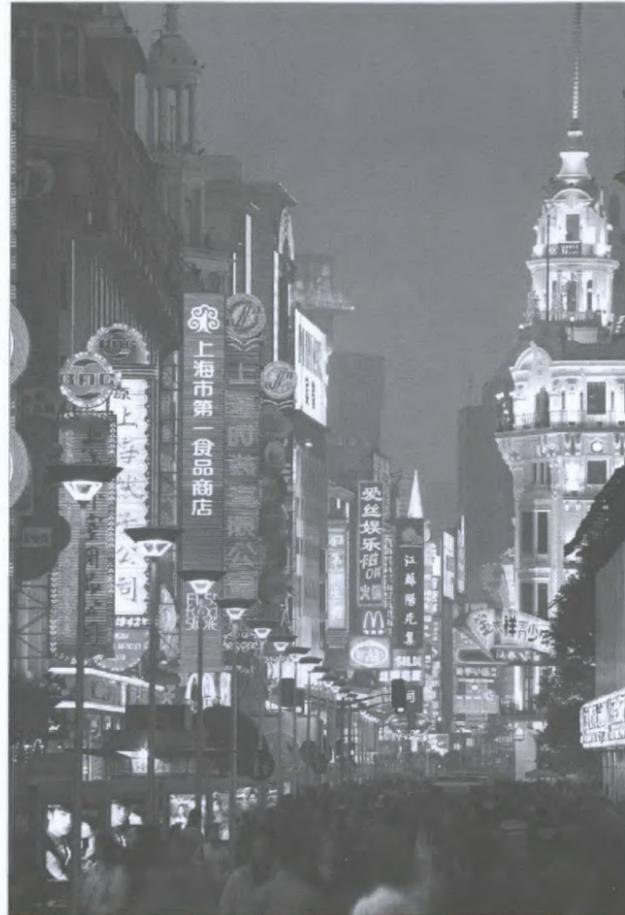
Forty-two percent of respondents identified China as the market with the greatest potential, well ahead of the United States at 29%. The next most important markets were Japan, India, Southeast Asia and the European Union.

However, when asked about the importance of different countries and regions for Canada's prosperity and well being, the U.S. was selected by 89% of respondents, followed by China at 77%, the European Union at 66% and Japan at 65%.

"The poll demonstrates that Canadians are attuned to the rise of China as an economic power. Whether or not China in fact holds greater potential than the U.S., Canadians are embracing economic relations with China as a necessary and positive development," said Yuen Pau Woo, foundation president.

Only 38% of respondents believe that China's growing importance as an economic power is more of a threat for Canada than an opportunity. Seventy-three percent agree that increased Canada-China trade will "mostly help" Canadian consumers.

Regionally, there were differences in views about China. While Quebecers were split on whether China or the U.S. holds more potential for exports and investment, the rest of Canada chose China over the U.S. by a margin of 18 percentage points. The gap in favour of China was even larger in western provinces, especially British Columbia, where 57% of respondents said China had the most potential, compared with only 18% who chose the U.S.



Canadians say China holds the greatest potential for exports and investment, according to a recent poll.

The poll, based on 1,014 respondents, was conducted between August 2 and 9, 2006, by the Strategic Counsel on behalf of the Asia Pacific Foundation and *The Globe and Mail*. Results for the national sample are accurate to within 3.1 percentage points 19 times out of 20.

For more information, go to www.asiapacific.ca.

Canada does big business with a big customer - continued from page 1

Another method is through Simplified Acquisition Procedures which account for about 11% of Canada's contracting total. These contracts are used for transactions worth less than \$100,000. However, these smaller contracts don't mean that they are limited to small businesses; the top six companies using Simplified Acquisition Procedures each reported sales of over a million dollars.

More than just contracts

But how important is the contract type? Judy Bradt, a former Canadian trade commissioner who has helped thousands of Canadian companies win U.S. government work, says it's just one piece of the pie.

"Most vendors start by focusing on the procurement process. You have to do that, but it's not enough. Vendors start to make headway when they realize they need relationships with people, because many jobs depend on a contractor's performance," she says.

"Then the light comes on," she adds. "Buyers choose the vendors they trust most to solve their problems. That's what's so impressive about recent Canadian winners. They've worked hard to build deep trusting relationships."

Canadian success by the numbers

Two of those companies are Forensic Technology Systems of Montreal and Nightingale of Toronto, which each won contracts worth about \$17 million. They led nearly 200 Canadian companies that won a total of some \$123 million in U.S. federal prime contracts for IT and telecommunication solutions last year.

The U.S. Department of Defense was Canada's top U.S. government customer, accounting for three quarters of its total. Some top companies making major sales to the U.S. military were Med-Eng of Ottawa, a company that makes protective gear for people who disable explosive devices, Lotek Wireless of St. John's and Toronto that makes transmitters for fish and wildlife tracking, and Norsat International of Burnaby that provides intelligent satellite solutions.

"Canada's growth in awarded contracts reflects the confidence that Americans have in Canadian firms," says Bradt, who points out that every contract, whether for military or civilian clients, is an impressive

business achievement that demonstrates exceptional marketing skill as well the ability to meet demanding performance standards.

But two things matter much more than the type of contract, she cautions. Canadian companies need to find out how their best prospects buy the kind of product or service that the company sells and what the most effective strategy is to reach those buyers.

"After all, GSA schedule and GWAC contracts account for less than 15% of the value of all U.S. government purchasing," she says. The U.S. government uses a wide range of other contracts and acquisition strategies for the rest of its purchases.

To learn more about Simplified Acquisition Procedures, SmartCard, Basic Ordering Agreements, Negotiated Procurement (like requests for proposals), and Invitations for Bid (also known as Sealed Bidding), go to www.arnet.gov.

Helpful websites

- U.S. General Services Administration: <https://fsstraining.gsa.gov>
- Canadian Commercial Corporation: www.ccc.ca
- U.S. Federal Procurement Data System: <https://www.fpds.gov>
- U.S. federal government market intelligence: www.summitinsight.com and www.eagleeyeinc.com

Did you know?

The Canadian Commercial Corporation (CCC) handled 75% of Canada's export sales to the U.S. military, which hit a record high in 2004-2005. CCC's services include pre-contract review and post-contract prompt payment.

Tom DeWolf, CCC's Director of Business Development for Aerospace, Defence and Security, says orders in his sector using CCC's contracting services amounted to \$1.4 billion in sales in 2004-2005, including over \$1 billion to the U.S. Department of Defense alone.

"CCC continues to strengthen our relationships with both U.S. buying agencies and the Canadian industrial base to connect Canada's top suppliers with the world's largest customer," says DeWolf.

For more information, go to www.ccc.ca.

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The Canadian Trade Commissioner Service at the cutting edge of e-service delivery

The vision of the Canadian Trade Commissioner Service is to be known for the excellence of its people, for the high quality of its services, and for its contribution to making Canada a prosperous and innovative nation.

The Trade Commissioner Service is truly global, with 149 offices abroad located in 101 countries and 12 regional offices in Canada.

Through client surveys, the Trade Commissioner Service re-aligned its service delivery to better serve Canadian business. One of the main components of the re-engineered client service delivery was, and continues to be, a focus on e-services, in order to provide clients with timely business intelligence.

The Trade Commissioner Service is at the forefront of e-service delivery, both for Canadian clients as well as for foreign companies. With a well established website and online service delivery to Canadian clients through the Virtual Trade Commissioner, the Trade Commissioner Service provides consistent and value-added service to Canadian businesses. In addition, the Trade Commissioner Service has played a leading role in the development of a website to help foreign companies do business with Canada.

InfoExport

The website of the Trade Commissioner Service, www.infoexport.gc.ca, is the public access website for existing and new clients of the Trade Commissioner Service. Through this site, clients can identify trade commissioners responsible for their specific industry sectors in every country. They can also access industry- and country-specific information, including industry sector reports, economic profiles and regulatory information, as well as lists of key trade events, hotels and providers of additional business services in their countries of interest.

The Virtual Trade Commissioner — Personalized export resources

The Virtual Trade Commissioner is a customizable, online tool which provides access to business leads, sectoral news, timely market and sectoral information, contacts and services according to a Canadian company's specific international needs. This free tool is a single-service window to personalized export services 24 hours a day, 7 days a week.

The Virtual Trade Commissioner provides direct access to over 900 Trade Commissioners in Canada and abroad. Companies can register online at www.infoexport.gc.ca.

Doing Business with Canada — website for foreign businesses

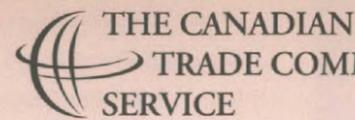
The www.DoingBusinessWithCanada.gc.ca website provides foreign businesses with one-stop, online information and services on how to do business with Canada. It was developed in collaboration with all government departments and agencies involved in Canada's international business development activities.

Through its e-services, the Trade Commissioner Service effectively delivers international business development services to Canadian clients, providing the valuable business and market intelligence companies need to stay competitive in the increasingly complicated world of international commerce.

Register for your Virtual Trade Commissioner and discover how the Canadian Trade Commissioner Service can help you succeed in global markets.

Find out more at:

www.infoexport.gc.ca



THE CANADIAN
TRADE COMMISSIONER
SERVICE

Brazil and Argentina to host health sector mission

Buenos Aires and Sao Paulo, November 19-25, 2006 > Quebec businesses and organizations in the health industry are invited to participate in a trade mission to South America.

Brazil and Argentina represent a very promising market for health industry businesses. If you are a Quebec-based business in the health sector and you don't yet do business in this market, this is a great way to start. As well, if you are already doing business there, this may be a great way to expand your activities.

Spend two and one half days each in Buenos Aires and Sao Paulo, have at least six individual meetings

with potential leads, attend information seminars on the sector, how to approach it and on business opportunities, and take part in a variety of networking activities.

This trade mission is being offered by the Ministère de Développement économique, de l'Innovation et de l'Exportation du Québec in partnership with the World Trade Centre (Montreal), the Quebec Regional Office of Foreign Affairs and International Trade Canada, the Canadian Embassy in Buenos Aires and the Canadian Consulate General in Sao Paolo.

For more information, go to www.btm.qc.ca/brazil-argentina.

Raise your profile in the following sectors:

- Medical equipment and supplies
- Pharmaceutical, natural products and cosmetics
- Biotechnology and lab equipment
- Hospital construction and infrastructure management
- Health system management

Doctor's in at Indian medical fair

Hyderabad, February 10-12, 2007 > **MediTec 2007**, India's premier medical equipment and technology show is shaping up to be the biggest medical technology event in the country and Canadian companies are being sought for a Canadian pavilion.

India has been identified as a key market for the global healthcare industry. The current healthcare market in India is estimated to be worth some \$21 billion, growing at about 15% per year, and is expected to reach \$51 billion by 2012. Huge investments to the tune of \$55 billion are planned over the next 10 years with 70% funded by private sector.

Good healthcare facilities in India are in short supply and demand for quality modern medical care is increasing rapidly. The country's pharmaceutical market is getting bigger too, estimated at over \$11 billion, and India is fast becoming a key destination for clinical trials and contract drug research.

Every company that took part in last year's Canadian pavilion were able to identify distribution partners for their products. The show offers an excellent platform for Canadian companies to market their products and services and to identify potential partners. One of the event's highlights include various technical seminars and

conferences conducted by leading doctors and specialists from the medical field.

The trade team at the Canadian Consulate in Chennai will help organize meetings and site visits in other cities like Mumbai and New Delhi and provide logistical support for participating companies.

Spaces with the Canadian pavilion be offered on a first-come, first-served basis and the deadline for registration is December 15, 2006.

For more information, contact Kishore Kumar, Canadian Consulate in Chennai, tel.: (011-91-44) 2833-0888, or 6547-7818, cell: (011-91-44) 98402-57388, fax: (011-91-44) 4215-9393, email: cheni@gocindia.org, website: www.meditecinternational.com.

Eat up the competition at Foodex

Tokyo, March 13-16, 2007 > With over 95,000 trade professionals expected to attend and over 2,200 exhibitors from more than 70 countries, **Foodex Japan 2007** is expected to be the largest food and beverage trade show in the Asia-Pacific region.

Don't miss this opportunity to interact with new and established contacts in the world's most dynamic consumer food market, and seize the benefits of

exhibiting with the Canada pavilion. This year's pavilion is being organized by Agriculture and Agri-Food Canada, which will get a special boost since this year is Canada's 25th year participating at Foodex.

For more information, go to www.ats.agr.gc.ca/foodex, or contact Greg Folinazzo, Agriculture and Agri-Food Canada, tel.: (613) 759-7523, fax: (613) 759-7506, email: folinazzog@agr.gc.ca.



Make connections at Spanish wireless event

Barcelona, February 12-15, 2007 > For the first time, Canada will have a national pavilion at **3GSM**, the world's largest wireless industry event.

After 20 years in France, this event moved to the dynamic city of Barcelona last year, where more than 50,000 visitors from the world's wireless industry attended—an increase of 47% over 2005. Some 50 Canadian organizations participated last year, the largest number ever.

The Canadian pavilion will include 15 companies that will showcase their expertise to the world's key players in the mobile telecommunications industry.

The presence of a national stand will improve Canadian visibility and demonstrate Canada's strengths in the wireless field. Complementary activities, such as a networking seminar, are being planned for Canadian participants.

Space in the pavilion are limited and are booked on a first-come, first-served basis.

For more information, contact Frédéric Fournier, Canadian Embassy in Spain, email: frederic.fournier@international.gc.ca, or Elaine Sullivan Butcher, Foreign Affairs and International Trade Canada, tel.: (613) 995-4595, website: www.3gsmworldcongress.com.

Top wireless event features Canadian pavilion

Orlando, March 27-29, 2007 > Join the Canadian pavilion at **CTIA Wireless 2007**, where the world shops for innovative products and services in the wireless communications, Internet, computing and mobile technology sectors.

The pavilion will help to introduce and promote Canadian small and medium-sized enterprises to the international wireless technologies and solutions marketplace and help them capture business development opportunities. Moreover, attendees at CTIA are influential; some 76% of the participants have purchasing power and 69% are executive and management level.

This event not only attracts the traditional wireless audience of service providers, carriers, distributors, resellers and manufacturers, but also end-users from the automotive, education, entertainment, financial services, government, healthcare, transportation and utilities sectors. It will attract around 1,000 exhibitors, over 35,000 attendees from 90 countries and will draw the attention of some 1,000 media outlets.

For more information, contact Pat Fera, Foreign Affairs and International Trade Canada, tel.: (613) 944-9475, email: pat.fera@international.gc.ca, or Charlene Wheatley, tel.: (613) 944-8823, email: charlene.wheatley@international.gc.ca, website: www.ctiawireless.com.

EDC launches contest to win a business trip abroad

To offset the high cost of business travel that Canadian exporters face, Export Development Canada is launching the *Fly Abroad to Export Success* contest for a chance to win \$5,000 in cash toward a trip to meet U.S. or foreign customers.

If you are an actively exporting Canadian business and are thinking about developing or growing your sales into new international markets, a trip to that market is key.

Trade experts agree that there are a number of reasons why this is important, including allowing you to size up the competition, evaluate opportunities, and perhaps most importantly, forge those all-important relationships with your prospective buyers. After all, buyers often view your visit as a demonstration of your commitment to the market and to providing personalized customer service.

Moreover, when exporters take into account the time it takes to do market research to pinpoint opportunities, identify potential customers and ensure that an understanding is reached of the cultural, legal and political differences in each market, it can seem a little overwhelming.

EDC has been helping Canadian companies sell their products and services internationally for more than 60 years. EDC provides financing and insurance to help Canadian exporters and investors expand their international business.

EDC helps 7,000 Canadian companies and their global customers in up to 200 markets worldwide each year.

Qualified participants can enter by filling in the online registration form at www.edc.ca/contest.



China may replace Canada as top exporter to the U.S. by 2007

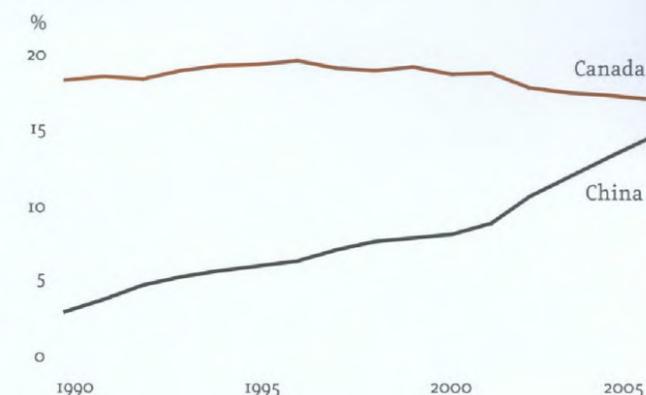
As most Canadians are aware, the U.S. consumes the majority of Canada's merchandise exports—84% in 2005. Canada has been the largest exporter to the U.S. over the past several decades. But Canada's share of U.S. merchandise imports has decreased from 18.5% in 1990 to 17.2% in 2005. Over the same period, China, with its surging growth in exports, has seen its share of the U.S. import market increase from only 3.1% in 1990 to 14.6% in 2005. If Canada's and China's exports to the U.S. continue to grow at the same pace as they have over the past five years, China will surpass Canada as the largest exporter to the U.S. market as soon as 2007.

To find out more, go to www.international.gc.ca/eet/reports-en.asp.

Provided by the Office of the Chief Economist, Foreign Affairs and International Trade Canada.

FACTS & FIGURES

Share of U.S. merchandise imports



Data: Statistics Canada

TRADE EVENTS

AEROSPACE & DEFENCE

San Diego, January 31 - February 2, 2007 > Join the Canadian pavilion at **West 2007**, the Armed Forces Communications Electronics Association annual conference and exposition. It is the largest military and government technology exposition on the U.S. West Coast.

Contact: Sean Barr, email: sean.barr@international.gc.ca, and Jeffrey Gray, email: jeffrey.gray@international.gc.ca, Canadian Consulate General in Los Angeles, tel.: (213) 346-2752, fax: (213) 346-2767, website: www.west2007.org.

ENVIRONMENTAL INDUSTRIES

London, February 27 - March 1, 2007 > **Ecobuild** is the United Kingdom's only event dedicated to sustainable design and construction. It attracts hundreds of suppliers of green building products and services and brings together professionals from all parts of the construction sector.

Contact: Jason Kee, Canadian High Commission in the United Kingdom, tel.: (011-44-20) 7258-6600, fax: (011-44-20) 7258-6384, email: jason.kee@international.gc.ca, website: www.ecobuild.co.uk.

FOREST INDUSTRIES

Dubai, February 2 - March 1, 2007 > The **Dubai International Wood and Wood Machinery Show** is the only trade fair in the Middle East bringing together manufacturers, suppliers, contractors and traders in the wood industry.

Contact: Saif Hashmath, show organizer, tel.: (011-971-4) 282-9299, fax: (011-971-4) 282-8767, email: info@dubaiwoodshow.com, website: www.dubaiwoodshow.com.

HEALTH INDUSTRIES

Minneapolis, February 2-3, 2006 > **Healthy Life Expo** features many local and national exhibitors offering the latest in cutting edge health information, products and services that promote healthy lifestyles.

Contact: Katherine Saba, Canadian Consulate General in Minneapolis, tel.: (612) 333-4641, fax: (612) 332-4061, email: katherine.saba@hotmail.com, website: www.mediamaxevents.com.

METALS & MINERALS

New Delhi, January 22-25, 2007 > India's Engineering Export Promotion Council is organizing the **India Engineering Meet and Exhibition**, which will feature capital goods, iron and steel, non-ferrous metals and products, consumer durables and other engineering products.

Contact: C.B. Thapliyal, High Commission of India in Canada, tel.: (613) 744-3751, fax: (613) 744-0913, email: hicomind@hciottawa.ca, website: www.hciottawa.ca.

Jaipur, February 1-4, 2007 > The **International Stone Industry Exhibition** features over 300 varieties of stone, including marble, granite, sandstone, slate, flaggy limestone and quartzite.

Contact: C.B. Thapliyal, High Commission of India in Canada, tel.: (613) 744-3751, fax: (613) 744-0913, email: hicomind@hciottawa.ca, website: www.hciottawa.ca.

Cape Town, February 6-8, 2007 > The **Mining Indaba** is a professional conference dedicated to the development of mining

interests in Africa. Mining executives, explorers, geologists, engineers, bankers, financial advisors, analysts, governments, lawyers, mining services and professional investors will get the opportunity to network with the global mining industry. **Contact:** Gwenaele Coubrough, Canadian Trade Office in South Africa, tel.: (011-27-11) 442-3130, fax: (011-27-11) 442-3325, email: jobrg@international.gc.ca, website: www.iiconf.com.

MULTI-SECTOR

Panama, March 7-10, 2007 > **EXPOCOMER** is an international multi-sectoral commercial exhibition. Attracting buyers from around the world, the event generates million of dollars in sales every year and is a great introduction to the dynamic Central and South American markets.

Contact: Luis Cedeno, Canadian Embassy in Panama, tel.: (011-507) 264-7115, fax: (011-507) 263-8083, email: luis.cedeno@international.gc.ca, website: www.expocomer.com.

PLASTICS

Cairo, March 8-11, 2007 > **Plastex 2007** is an international trade fair for the plastics industries and is the only exhibition of its kind in the Middle East and North Africa, serving the markets of more than 21 countries.

Contact: Joseph Tadros, Canadian Embassy in Egypt, tel.: (011-20-2) 791-8860, fax: (011-20-2) 791-8865, email: joseph.tadros@international.gc.ca, website: www.plastex-online.com.

ENQUIRIES SERVICE

Foreign Affairs and International Trade Canada's Enquiries Service provides departmental information, publications and referral services to Canadian exporters. Contact us at: **1 800 267-8376** (National Capital Region: (613) 944-4000), TTY: (613) 944-9136, email: enqserv@international.gc.ca, website: www.international.gc.ca.

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