2002



On the right track

Canada's transit sector in the U.S. cuta (1) actu

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anadian vendors dominate the supply of products and services related to urban public transit in North America. Even in the global marketplace, Canada is a major player with a respected track record across Europe, Asia and Australia. While companies such as Bombardier and Ballard have become global leaders in the transit industry, dozens of smaller suppliers are building a reputation for themselves and for Canada.

Canada's bus and railcar manufacturing industry has long been a strong suit for this country, traditionally supported by

CUTA President & CEO Michael Roschlau (left) greets Hans Rat, Secretary General of the International Public Transport Association, in CUTA's display at the recent International Public Transportation Expo in Las Vegas.

Canada's very efficient and highly productive public transit industry. Over the years, many affiliated suppliers continued on page 4 - Public transit

US \$94 million contract secured

Nortel Networks/Netas expands in Turkey

The world telecommunications industry may have slowed down, but that has not stopped Nortel Networks from expanding its wireless networks. Nortel Networks/Netas, a Turkish Nortel Networks subsidiary, will supply Aycell, Turkey's newest GSM 1800 (Global

System for Mobile Communication) operator, with base stations and related equipment, as well as project management, technical support, training, repair and return, and other engineering and customer services an expansion valued at US\$94 million. continued on page 5 - Nortel

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Dept. of Foreign Affairs

Going for it

The art of bid preparation

ost often, the path to an export contract leads through Request for Proposal (RFP) territory—that tricky, sometimes thorny land of complex buyer requirements and competitive challenges. It's not always easy to navigate, and many companies can get lost along the way. So how do you make sure your proposal is the best it can possibly be? We put that question to the Canadian Commercial Corporation's (CCC) contract specialists. Here's what they had to say.



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Nail down the basics

Every RFP tests your ability to deliver a product or service, interpret what a customer is really asking for and to market all the strengths you have to

It's true that many RFPs ask for the same kinds of information about the company, like its products, services and experience. And, for sure, it makes sense to have some readymade answers handy— 'boilerplate' content, as it's called

However, no two RFPs are exactly alike. Review all of your pre-fab proposal material to make sure it reflects the nuances of the particular bid you are responding to. Sensitivity to details can make a big difference.

Think marketing

While RFPs describe what a buyer is looking for, some solutions do not exactly fit the bill. If yours doesn't, don't despair. The important thing is to explain where your proposal differs. Tell the customer why your solution is every bit as good as what's been asked for-or maybe even better.

Sell yourself. Just remember to be honest about it. Some companies may go too far and try to talk their way into a sale even though their solution really doesn't fit. There's no advantage to doing so; either you won't get the business, or else you will and be in way over your head.

Stick to the specs

You may have an absolutely full-featured product or service, but when it comes to winning a contract, more isn't necessarily better. Look at the specifications carefully and do your research.

CCC recalls a company that bid on a project in Thailand, only to find its price—which seemed reasonable for

Put the power of Canada behind your export sales

The Canadian Commercial Corporation (CCC) is Canada's export contracting agency. CCC specializes in sales to foreign governments and provides special access to the U.S. defence and aerospace markets. Canadian exporters can gain greater access to government and other markets through CCC's contracting expertise and unique government-backed guarantee of contract performance.

CCC provides export contracting services that often result in the waiving of performance bonds, advanced payment arrangements and generally better project terms. CCC can provide access to commercial sources of pre-shipment export financing. When requested, CCC acts as prime contractor for appropriate government-to-government arrangements.

For more information, contact CCC, tel.: (613) 996-0034, toll-free in Canada: (1-800) 748-8191, fax: (613) 995-2121, Web site: www.ccc.ca

what was offered-30% too high. The company lost the bid. The supplier sent someone over to Thailand to see what the winner eventually supplied: a truly bare-bones set up, but the exact minimum of what the RFP had specified.

The lesson? Stick to the specs. And if you really want to promote your fuller solution, include it as an extra option. The buyer then has a chance to see how you'll meet the basic requirements of the contract, and also how you're capable of delivering far greater value.

To access CCC bid or proposal preparation advisory services or to find out more about how CCC can help you put the power of Canada behind your export sales, visit www.ccc.ca or call 1-800-748-8191. *



With more than 500 trade professionals in 140 cities around the world, the Canadian

Trade Commissioner Service has helped thousands of companies succeed at doing business

abroad. What follows is the fifth in a series of descriptions of the core services of the Trade

Access our market studies and our network of professionals at

www.infoexport.gc.ca



Commissioner Service—available to you, the Canadian trader. Face-to-Face Briefing

hen you are planning a visit to your target market abroad, make sure you schedule the Trade Commissioner Service up front on your itinerary.

Visiting is by far the best method of developing a new foreign market. And one of the biggest benefits a market visit provides is the opportunity to meet and speak in person with posted Canadian trade commissioners working in the market on your behalf.

A Face-to-Face Briefing

with officers of the Trade Commissioner Service is not only an excellent way for you to obtain up-todate market intelligence in a confidential setting. It is also a way for you to build a solid and abiding relationship with the Canadian trade professionals whose business it is to help you get results abroad.

What happens at a Face-to-Face Briefing?

At an appointed time, you will go to the mission to confer privately with trade commissioners to discuss your marketing plans. They will also review with you the latest market and policy trends, provide advice about doing

business in the market and point out any potentially sensitive issues.

We recommend that you plan a Face-to-Face Briefing for as soon as possible following your arrival in the territory and a second briefing at the end of your visit—to follow up on your progress.

> What should I expect from a Face-to-Face **Briefing?**

In a Face-to-Face Briefing, trade commissioners provide market intelligence that has been gathered in the regions

and that adds value to a company's prior research and planning at home. The briefing will be based on the expectation that you have have already acquired at least a sound basic knowledge of the market and its territory. We suggest that you visit www.infoexport.gc.ca, the web site of the Canadian Trade Commissioner Service and

www.exportsource.ca, Team Canada Inc's Web site. You should also visit the Web site of the embassy (accessible through

www.infoexport.gc.ca) and the target country web site.

Trade commissioners will not divulge confidential information about other Canadian companies in the market.

What information will trade commissioners require from

First of all, trade commissioners need time to prepare for your Face-to-Face Briefing. Make sure you give them two weeks notice of your visit.

Also, they need to have as much information as possible about your company and your plans. When making your request for a Face-to-Face Briefing, be prepared to give detailed answers, in strict confidence, to the following questions:

- When do you plan to visit the market?
- What is unique or special about your company, product, or service?
- Who are the end users of your product or service? To whom do you sell in Canada and abroad, and how?
- · Which countries or regional markets are you targeting and why? What do you know about your target market?
- · How do you plan to enter the market-export licence, joint venture, or investment?
- How would you describe the typical buyer, distributor, agent, or partner with whom you want to work within your target market?
- Have you considered adapting your product or service literature and business cards to the market?

Published by the Trade Commissioner Service Marketing Division (TCW)

Public transit - continued from page 1

have grown and naturally turned to the U.S. market for an increasing share of their sales.

This includes component suppliers, software developers, engineering, planning and design consultants, as well as the Canadian Urban Transit Association's (CUTA) own education and training services. These various sub-sectors have operated in a synergistic fashion, helping each other build a broad U.S. market.

Bus builders dominate

"Without major exports, Canada could barely support one major urban bus manufacturer, let alone three," says CUTA Chair Eric Gillespie, General Manager of the St. Catharines Transit Commission.

The three major urban bus builders in Canada—New Flyer Industries of Manitoba, NovaBUS Corporation of Quebec, and Orion Bus Industries of Ontario-directly employ over 2000 people, with over 80% of production bound for the U.S. market. They are among the top suppliers of city buses in the U.S., and together account for well over half of all buses produced by the six major North American builders.

"The Canadian Consulate General in Chicago and the Canadian Embassy in Washington D.C. have provided years of market access assistance to many of Canada's top companies," says Ann F. Rosen, Business Development Officer at the Chicago Consulate General.

Canadian design, training and software

The planning and design of urban public transit systems has long been the domain of Canadian specialists, with much being exported to the U.S. Be it the design of bus rapid transit systems, operational and planning reviews or terminal studies, chances

are good that a Canadian firm was involved.

The same is true for transit education and training. CUTA is the preferred supplier of training services to the North American public transit industry. Also. Canadian software is often found behind the scenes and in the computers that run the U.S. transit system.

Opportunities

Pat Amlinger, President of Daytech Manufacturing Ltd.—a manufacturer of transit shelters with offices in Toronto and New York-reads the Transportation Export Review, a quarterly newsletter written by the Canadian Consulate General in Chicago and distributed by Industry Canada. "The newsletter provides me with a quick read of current industry news and key contacts," says Amlinger. "The exclusive interviews with transit property managers and procurement executives not only provide us with information on upcoming projects, but also assist us in understanding how to work with a particular transit property.

"Additionally," says Amlinger, "Ann Rosen is useful in making introductions for us in her geographic region, the Midwest U.S." To become a subscriber to this free newsletter, contact Ann Rosen, e-mail: ann.rosen@dfaitmaeci.gc.ca

For more information, contact Dan Mrkich, Trade Commissioner, U.S. Business Development Division, DFAIT, tel.: (613) 995-0759, e-mail: dan.mrkich@dfait-maeci.gc.ca or CUTA, tel.: (416) 365-9800, Web site: www.cutaactu.ca

(For the unabridged version, see www. infoexport.gc.ca/canadexport and click on "The U.S. Connection".)

Export USA Calendar

For information about:

- Trade missions to the U.S.
- · Seminars on the U.S. market Visit the Export USA Calendar at: www.dfait-maeci.gc.ca/nebs/

menu-en.asp

Venture Capital Financing Program launched

The Canadian Consulate Trade Office in San Francisco-Silicon Valley has developed a hands-on program specifically designed for Canadian technology-based companies seeking Silicon Valley financing.

In order for new Canadian technology companies to launch products in the U.S. and beyond, venture capital (VC) funding is often required. In fact, business development, U.S. market entry strategy and financing have become inextricably linked.

The VC Financing Program at the Canadian Consulate has a number of components which are designed to assist Canadian technology companies in their efforts to secure financing from Silicon Valley sources. These components can be grouped into three areas:

- Market information: Market education on how Silicon Valley company financing works
- Counselling and preparation: Client company preparation prior to approaching Silicon Valley investors (e.g., business plan, investor pitch presentation)

continued on page 5 — Venture

Nortel Networks in Turkey

— continued from page 1

Well established

Netas has managed to be a pioneer in transferring into Turkey the latest telecommunications technology. Netasthe largest Canadian investment in Turkey—has the most extensive private research and development group in Turkey. The company has played a major role in modernizing and digitizing the Turkish telecommunications infrastructure for 35 years by supplying approximately 12.5 million lines of switching equipment as well as transmission and datacom systems to Turk Telekom.

Netas also provides total communications solutions to its customers throughout Turkey and other countries in Europe, the Middle East, the Commonwealth of Independent States, Far East and Africa to design, operate and market network services supported by continuous online technical assistance.

Strategic partnership

Aycell is counting on Netas' experience and track record. "We have big expectations from our cooperation with Netas," said Fahrettin Aydin, General Manager of Aycell. "Netas expertise in GSM technology, network solutions and service enablers will support Aycell in reaching its goals quickly and with confidence. Our target is 500,000 subscribers by the

end of 2002," said Aydin. "We will secure this number with high-quality, reliable and value-added services."

For Netas, Aycell represents an opportunity not to be missed. "We are delighted to be working with Aycell, and are focused on bringing to them the benefits of our experience in wireless networks by offering a solution



Darryl Edwards (left), President of Nortel Networks' Central Region, and Sait Gözüm, President of Nortel Networks/Netas, at the 35th anniversary of the Nortel Networks/Netas partnership

with optimized cost and performance from day one," said Sait Gözüm, President of Netas. "We have been successful in winning contracts with both established players and new market entrants throughout Europe, and are recognized as a vendor of choice by a number of the strongest players in the European and global markets."

Trade Commissioner Service

Netas credits the support of the Trade Commissioner Service at the Canadian Embassy in Ankara for its success with Aycell. Gözüm notes that "former Ambassador Duval and the Commercial Section at the Embassy extended to us valuable and continuous support in dealing with this very important business opportunity. In the exchange of information with the decision makers, the Canadian Embassy contribution was vital to the success we enjoy today. Although we always aim to offer the most effective solutions to our customers, in such competitive markets the offer itself sometimes is not good enough to explain its added value.

"Moreover," said Gözüm, "Export Development Canada (EDC) made a valuable contribution to the realization of this project. Although our customer eventually chose to finance the project by its own resources, without the timely support of EDC during the negotiations we would not have been able to reach the final stages."

Future prospects

Nortel Networks, which owns 53.13% of Netas, looks to Turkey as a strategically important country. Netas is very active in markets such as Russia, Kazakhstan, Azerbaijan, and recently in Bangladesh where it has won a contract to digitize its telephone network. Netas believes that the Aycell contract will enhance its competitiveness in these and other wireless markets around the world.

Turkey, therefore, is becoming a major centre for intercontinental communications. Darryl Edwards, President of Nortel Networks' Central Region, sums it up: "The contract with Aycell is a significant achievement for Nortel Networks in Turkey. There are great opportunities there."

For more information, contact Can Ozguc, Commercial Officer, Canadian Embassy in Turkey, tel.: (011-90) 312-459-9353, fax: (011-90) 312-459-9365, e-mail: can.ozquc@dfait-maeci.gc.ca *

Venture Capital Financing Program — continued from page 4

• Partnering services: Introductions to the most appropriate intermediaries and investors active in a company's marketplace

For more information about how the program works, including the application process, contact the Canadian Consulate Trade Office in San Francisco-Silicon Valley, tel.: (415) 834-3180, Web site: www.cdntrade.com/vc or contact one of the VC financing team members whose contact information is listed in the "Contact Us" section of the Web site.

Ireland's environmental market

reland generates approximately 12 million tonnes of solid waste annually. It is estimated that 90% of solid waste is accumulating in landfills. As the economy and population of Ireland have grown, the pressure on landfills has increased accordingly. Many of the 76 existing landfills are nearing maximum capacity and nearly half of these sites are scheduled to close by late 2003.

The Irish government began to address this issue by making solid waste management and recycling a priority. As such, the Irish government's National Development Plan for 2000-2006, allocates an investment of approximately \$1.75 billion into the area of waste management infrastructure and initiatives. The importance of addressing such environmental issues is amplified by the necessity to comply with European Union environmental legislation.

Due to the traditional use of landfills, the market for waste technologies is quite new and underdeveloped. Many local companies have limited experience and capabilities in innovative environmental technologies.

Similar problems have emerged in Ireland's water and waste water infrastructure as well. The population increase and economic upturn has increased water and water waste needs; this is evident in the unprecedented demand for housing. It is predicted that 160,000 new homes will be built in the next decade.

Opportunities

As a result, a variety of opportunities exist for partnering with Irish firms as Ireland seeks environmental management technologies. Although the

market is competitive, Ireland recognizes that there is a base of established Canadian expertise in this field.

There is an interest in Ireland for 'design, build and operate' contracts.

Irish markets desire infrastructure development outsourcing that will include operation and maintenance. Also, many environment-related projects are emerging from the public sector and are therefore offered by way of public tender. Key tenders are publicized by DFAIT's International **Business Opportunities Centre at** www.iboc.gc.ca

On March 26 and 27, 2003, two exhibitions will be held jointly in Dublin, Ireland: the Irish Water, Waste and Environment Exhibition as well as the Irish Recycling and Waste Management Exhibition. For more information on these events, visit www.environmentireland.com or visit ENFO, a public information service on environmental matters (www.enfo.ie), the Irish Department of the Environment and Local Government (www.environ.ie), and the Environmental Protection Agency (www.epa.ie).

Czech environmental opportunities

Due to the major flooding in the Czech Republic this past August, Czech government authorities are urgently seeking ways to solve a variety of environmental problems.

This disaster has brought the Czech Republic back to the environmental status it had 12 years ago and comes at a time when the country is planning to join the European Union (EU). However, for the Czech Republic to reach the environmental standards of the EU, considerable improvement in many environmental subsectors notably waste water treatment—must be achieved.

Throughout the Czech Republic, approximately 60 waste water plants were affected by the flooding and require cleaning, verification, analysis, and repairs to its systems and associated equipment.

Sewage treatment systems are also among the key environmental priorities for the Czech Republic. In

fact, the Environment Ministry fears that the inability to quickly clean up in some areas poses an environmental threat, especially because flood water knocked down most of the sewage plants along the Vltava River. Indeed, all such systems in Prague and throughout the country have sustained flood damage and will need to be reconstructed and modernized.

Canadian companies, therefore, are invited to market their products and expertise to the Czech Republic.

For more information, contact the Canadian Embassy in the Czech Republic, tel.: (011-420) 27210-1800, e-mail: prgue@dfait-maeci. gc.ca Web site: www.canada.cz

China's bottled water market

t is estimated that only 13.8% of water used for drinking in China is actually potable. As a result, the lack of potable water has created an enormous demand for bottled water.

China is the largest bottled water market in Asia and is among the top 10 markets in the world.

Bottled water sales in this large market have been increasing overall

alongside increasing incomes and greater awareness of health issues.

Opportunities

Bottled water consumption in China is expected to grow from 6.4 billion litres in 2001 to 8.5 billion litres in 2002. Market growth is expected to continue in the coming years, with consumption

rates reaching 14 billion litres by 2005. Historically, Canada has not been a consistent supplier of bottled water to China; Canadian exports of bottled

water to the region in the January to October 2001 period totalled approximately \$32,000. Opportunities, therefore, may exist for a dedicated Canadian exporter. A careful marketing and supply strategy may bring success in this market. France's Danone Group is the largest exporter of bottled water to China and provides the greatest competition for Canadian exporters.

For more information, contact the Canadian Embassy in Beijing, tel.: (011-86-10) 6532-3536, fax: (011-86-10) 6532-4072, e-mail: bejing-td@dfait-maeci.gc.ca Web site: www.canada.org.cn

For the complete market report, visit www.infoexport.gc.ca *

Centres of opportunity

The Kansai: Japan's biotech belt

ith a massive influx of capital, infrastructure renewal, and an explosive domestic market, Japan's biotech belt offers Canadian enterprises an exciting and potentially highly rewarding challenge.

The Kansai region of Japan includes such world famous cities as Kyoto, Osaka, Kobe, and Nara. Today these cities, which have been historically significant as business and cultural centres, form a ribbon of biotechnology innovation across Japan.

Opportunities

Of the 15 leading Japanese pharmaceutical companies, eight are based in the Kansai region. These companies have traditionally been engaged in the entire process from research to manufacturing and marketing of

drugs—a characteristic of Kansai-based

However, R&D strategies have undergone drastic changes. It is no longer possible for each company to handle all of the necessary technical know-how for in-house research. As a result, the focus of business development has been on joint research with both domestic and overseas partners in order to optimize R&D results.

Major investment

The Japanese government has allocated \$1.6 billion to an 'aging project' which includes human genome analysis and regenerative medicine. As Japan's major centre of excellence in the bioscience and medical/pharmaceutical industry, the Kansai region has received a heavy portion of this investment,

allowing each of the biotech belt cities to expand both in size and capability.

Unprecedented growth

This biotech belt gains strength from the Japanese domestic market; the decade between 1990 and 2000 saw a fourfold increase in sales from \$4 billion to \$16 billion for bio-

technology products. This accounts for 23% of global biotech sales, ranking Japan second only to the U.S. The Japanese government predicts that this growth rate will be explosive, reaching a market size of \$333 billion by 2010.

For more information, contact Jean-Pierre Petit, Trade Commissioner, Japan Division, DFAIT, tel.: (613) 996-2467, e-mail: jean-pierre. petit@dfait-maeci.gc.ca or Tara Scheurwater, Consul and Trade Commissioner, Canadian Consulate General in Osaka, tel.: (011-81-6) 6212-4910, fax: (011-81-6) 6212-4914, e-mail: tara.scheurwater @dfait-maeci.gc.ca

(For the unabridged version, see www. infoexport.gc.ca/canadexport and click on "A Yen for Japan".)

Cultural events calendar

MULTIMEDIA

BETT, the Educational Technology Show (www.education-net.co.uk)

MONACO — February 3-6, 2003 — IMAGINA, the International Festival for Digital Images (www.imagina.mc/)

CANNES — February 4-6, 2003 — **MILIA**, the World's Interactive Content Marketplace (**www.milia.com**)

Los Angeles — May 13-15, 2003 — E3 Interactive Entertainment (www.e3expo.com)

SOUND RECORDING

HALIFAX — February 13-16, 2003 — East Coast Music Awards (www.ecma.com)

TORONTO — February 26-March 1, 2003 — Canadian Music Week (www.cmw.net)

VANCOUVER — May 2003 — New Music West (www.newmusicwest.com)

TORONTO — June 2003 — North by Northeast Music Festival and Conference (www.nxne.com/ index2.html)

VISUAL ARTS

MIAMI — December 5-8, 2002 — Art Basel Miami Beach (www. artbasel.com/miami_beach/) San Francisco — January 17-20, 2003 — San Francisco International Art Exposition (www.sfiae.com/)

New York — March 7-10, 2003 — Armory Show art fair (www. thearmoryshow.com)

TORONTO — May 1-31, 2003 — Contact Photography (www. contactphoto.com)

Chicago (www.artchicago.com)

PERFORMING ARTS

CALGARY — January 2003 — High Performance Rodeo, Performance Theatre Festival (www.oyr.org)

MONTREAL — May 21-June 7, 2003 — Festival de théâtre des Amériques (www.fta.qc.ca)

Vancouver — May 26-June 1, 2003 — Vancouver International Children's Festival (www.vancouverchildrens festival.com) Burnaby — April 2-5, 2003 — Pacific Contact 2003 (www.bctouring.org)

Edinburgh — August 10-30, 2003 — Edinburgh Festival (www.eif.co.uk)

New York — January 11-14, 2003 — Association of Performing Arts Presenters (www. artspresenters.org) *

Trade show workshops

Trade Shows and Beyond, a one-day conference on exhibiting excellence, will be held in the following cities:

TORONTO — November 20, 2002

CALGARY — December 12, 2002

VANCOUVER — February 13, 2003

TORONTO — February 27, 2003

MONTREAL — March 6, 2003

FREDERICTON — April 28, 2003

MISSISSAUGA — June 17, 2003

For more information, call 1-800-358-6079, e-mail: info@ siskindtraining.com Web site: www.siskindtraining.com *

MEOS 2003

BAHRAIN — March 22-25, 2003 — Take part in the 13th Middle East Oil Show & Conference (MEOS 2003).

For more information on exhibiting in the Canadian pavilion, contact Anne Heath, Unilink, tel.: (613) 549-

0404, fax: (613) 549-2528, e-mail: ah@unilinkfairs.com or Imad Arafat, Commercial Officer, Canadian Embassy in Riyadh, tel.: (011-966-1) 488-2288, ext. 3360, fax: (011-966-1) 488-0137, e-mail: imad. arafat@dfait-maeci.gc.ca Web site: www.aeminfo.com.bh/meos2003/index.htm

Enquiries Service

DFAIT's Enquiries Service provides counselling, publications, and referral sevices to Canadian exporters. Trade-related information can be obtained by calling

1-800-267-8376 (Ottawa region: (613) 944-4000) or by fax at (613) 996-9709; by calling the Enquiries Service FaxLink (from a fax machine) at (613) 944-4500; or by accessing the DFAIT Web site at www.dfait-maeci.gc.ca

Return requested if undeliverable: CanadExport (BCS) 125 Sussex Drive Ottawa, ON K1A 0G2

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