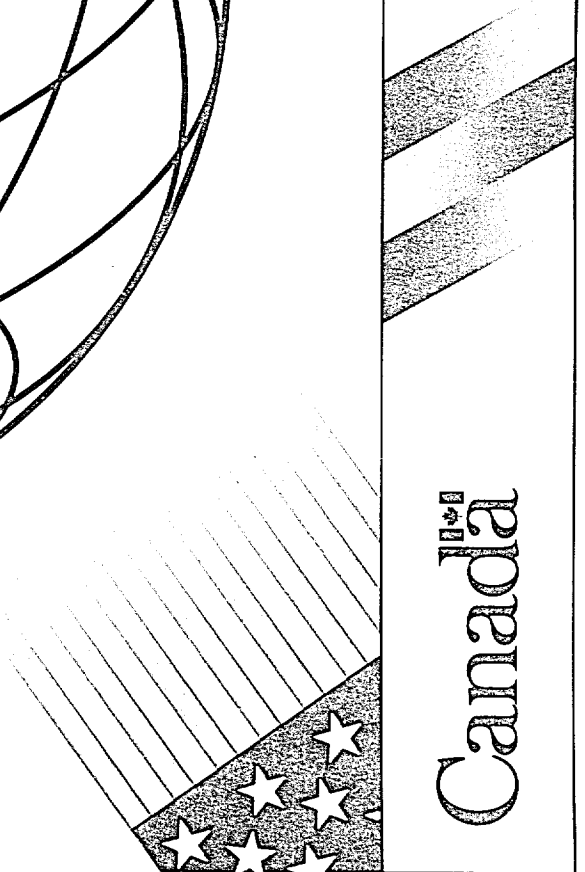
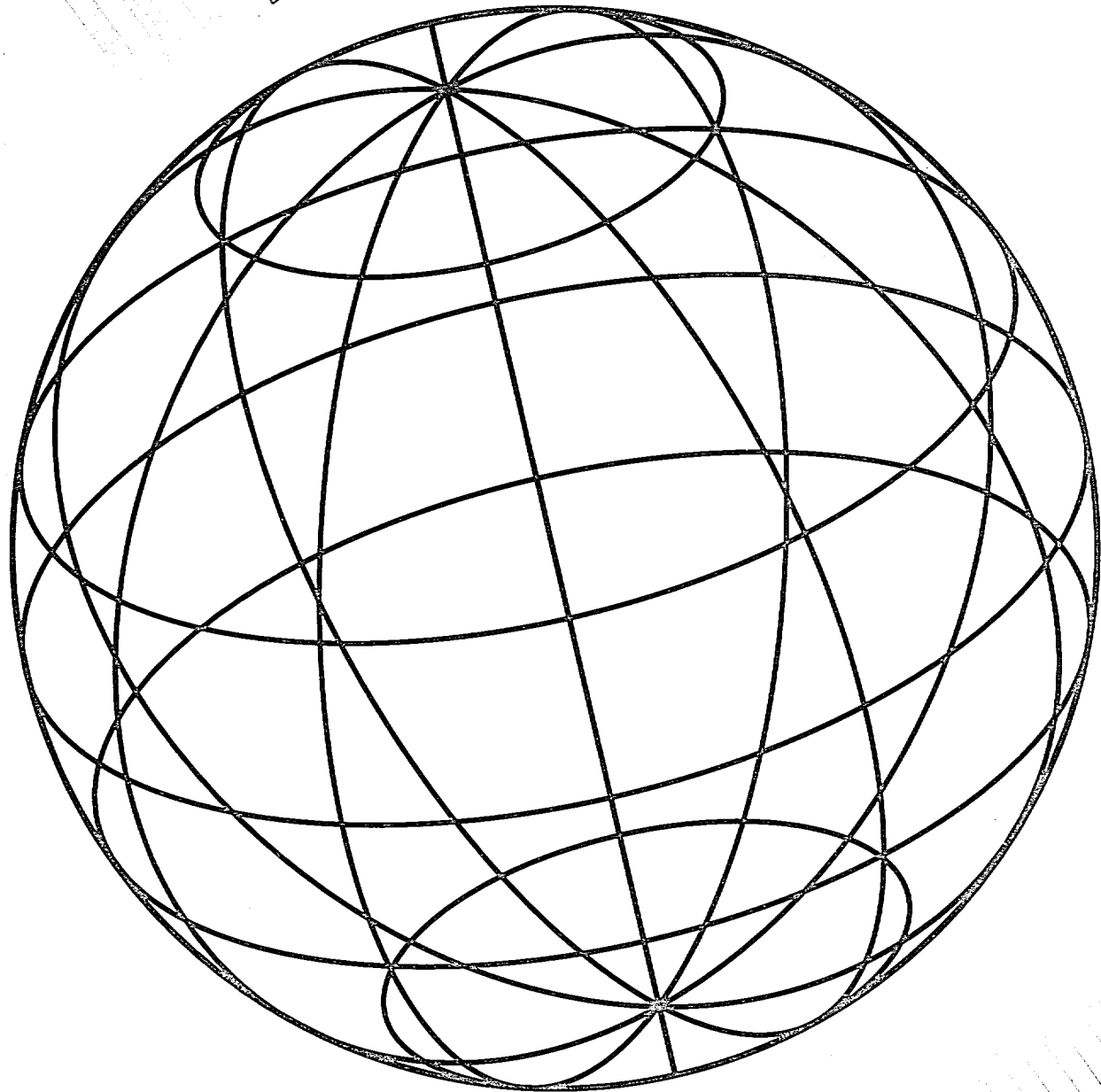


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Canadian Exporter's Guide to the U.S. Market

External Affairs and
International Trade Canada



Canada



Canadian Exporter's Guide to the U.S. Market

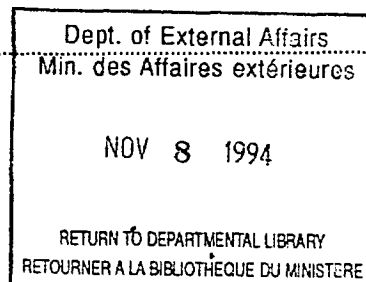
External Affairs and International Trade Canada (EAITC) is the federal department responsible for international trade. It is also responsible for operating and maintaining the Trade Commissioner Service with over 700 officers in 125 cities abroad and 13 cities in Canada. The primary responsibility of the Trade Commissioner is to assist Canadian companies starting or expanding export sales in international markets.

This publication represents part of the five-year federal government "Going Global" trade strategy announced by Prime Minister Brian Mulroney on October 15, 1989. The three key markets under the Going Global strategy are the U.S., Europe and Asia-Pacific.

*To obtain copies of this guide and other EAITC trade publications, please contact InfoEx (MKI), External Affairs and International Trade Canada, 125 Sussex Drive, Ottawa, Ontario K1A 0G2. Call toll-free: 1-800-267-8376. In Ottawa please call 993-6435.

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INTRODUCTION



The world is a tough market. To be competitive today, businesses must produce the high-quality, value-added products that are demanded by discriminating consumers.

The biggest challenge facing Canadian exporters today is finding and pursuing niche markets for their goods and services. Canada's ability to maintain its competitive edge rests with the ability of exporters to compete for those markets aggressively and successfully.

Exports are the engine of Canada's economic growth; they create jobs and ensure Canada's future prosperity.

For most Canadian exporters, the first step is south of the border. The size, proximity and familiarity of the U.S. market makes it the logical entry point for companies with export potential. As more Canadian companies take advantage of the opportunities resulting from the Canada-U.S. Free Trade Agreement (FTA), the United States will remain Canada's most promising export market in the foreseeable future.

However, taking advantage of that market is not as easy as one would think. Exporters must do their homework. Custom-tailored strategies are a prerequisite to any successful plan of action.

That is why the **Canadian Exporter's Guide to the U.S. Market** can provide assistance. It outlines a step-by-step approach to help exporters enter the U.S. market and maintain their lead. Case studies illustrate the steps taken by successful Canadian companies in the United States market.

Because this guide provides only a synopsis of what is needed to be successful, a list of contacts is included to answer questions or provide further assistance to help exporters achieve their goals.

Jointly prepared by the Canadian Chamber of Commerce, External Affairs and International Trade Canada, and Industry and Science Canada, this guide provides a quick lesson on how to prepare to enter and successfully compete in the lucrative U.S. market.

Raymond Chabot International Inc., a management consulting firm based in Montreal, assisted the Canadian Chamber of Commerce in preparing the guide.



THE EXPORTING EXPERIENCE: TWO CASE STUDIES

CANADA BELT

"Things would have been very different if we had known what we know now," says Carole Epstein, Vice-President of Canada Belt. "We could have saved a great deal of money at the beginning with some advice and more preparation."

In 1982, Canada Belt controlled about 65 per cent of the Canadian fashion belt market. The Epstein family realized that the growth of the firm would soon cease if it did not enter new markets. Attempts to produce other leather goods in previous years had been unsuccessful. The logical alternative was to start marketing belts in the United States.

The family saw no reason why its Canadian success could not be duplicated in the United States. As the largest belt producer in North America, its sales volume was high and the firm could afford a broader variety of raw materials and colours. Canada Belt's labour force had more experience than most other belt producers and was capable of launching new designs faster—an important factor in a fashion-driven industry requiring the introduction of hundreds of new designs every year.

Moreover, as far as the Epstein family could gather, the Canadian and U.S. belt markets seemed similar. Belts were retailed in the same types of stores. They were sold to buyers through showrooms or by agents in the same way as in Canada. Carole and her family had long been monitoring consumer trends in the United States and felt that Canada Belt was one year ahead of U.S. producers in adjusting to new fashions.

Confident of its ability to tackle this new market, Canada Belt created a U.S. subsidiary in 1983 and rented a showroom in Manhattan, where belt samples were displayed. A new brand name, "Emmanuel Belt", was created specifically for the U.S. market. The firm placed advertisements in specialized trade magazines and hired an American to manage the New York office and to recruit salespeople for other regions.

Canada Belt then prepared to receive its first orders during an industry market week when buyers visit showrooms to select the year's suppliers. The same type of event takes place in Canada every year and it had always proven a success for Canada Belt. "Because we had attractive products, we were certain that American buyers would welcome us with open arms," adds Carole Epstein. The company soon learned that it knew little about commercial practices in the United States.

While in Canada buyers simply stroll from showroom to showroom looking for new models, appointments are necessary in the United States. Not a single buyer showed up at Canada Belt's showroom all week.

"Despite our ignorance of U.S. commercial practices, we were lucky for the following two years," says Carole Epstein. As chance would have it, in 1984 snake leather belts became extremely popular and few U.S. producers could supply them. Canada Belt had been producing snake leather belts for many years, had access to a good supply of raw materials, and was capable of increasing its production to accommodate U.S. buyers. The snake leather belt fashion was followed by a fashion for metallic belts which Canada Belt could again supply better than most U.S. manufacturers. In 1985, sales in the United States represented more than 10 per cent of the firm's total sales.

In the process, Canada Belt learned more about prevailing U.S. commercial practices. A California store that had placed a \$5 000 "trial-order" in 1984 included Canada Belt products in its catalogue without permission and then billed the firm \$2 500 for the privilege. Other stores gave Canada Belt's samples to Asian suppliers to have them copied at a lower cost. It became obvious that there was less loyalty between suppliers and buyers in the United States than in Canada.

After the metallic belt fashion faded, Canada Belt sales in the United States fell dramatically. The sales manager left in 1986 and was not replaced. Instead, the company decided to have a Canada-based executive spend only two or three days a week in New

THE EXPORTING EXPERIENCE: TWO CASE STUDIES

York, while retaining important management responsibilities in Canada. From 1986 to 1988, the export venture was placing heavy demands on the firm's management and was not proving profitable.

"We were making the same mistakes that most new Canadian exporters make in the United States," concludes Carole Epstein. "We thought that we knew everything but we did not. We should have spent a lot more time doing our homework. We also needed a sales manager that had experience in selling accessories and had a network of contacts with U.S. department store buyers.

"The worst mistake, however, was to try to sell all our models to everybody, as we did back home. In a small market like Canada's, you supply belts to K-Mart as well as to Holt Renfrew. In the United States you need a precise target and a marketing plan. Fortunately, we had the resources to turn the situation around."

Early in 1989, Canada Belt hired a new U.S. sales manager. He was recruited with the help of a specialized firm and had experience in selling accessories. The new manager was made totally responsible for Canada Belt's sales in the United States and was promised profit-sharing.

After visiting a number of department stores around the country, he discovered that Asian producers had recently started to sell inexpensive belts in the United States. He concluded that Canada Belt should target high-income consumers to whom quality and style were more important than price. He prepared lists of stores with good credit ratings serving that market, and salespersons with a better image and the right contacts were recruited.

The new approach quickly paid off. Sales in the last quarter of 1989 were twice as high as the year previous. Most important, the firm is finally succeeding in establishing relationships with new U.S. clients, and the new accounts seem to bear a high potential for long-term growth.

Key points

- U.S.-based manager
- targeting a specific group of customers
- sensitivity to market distinction between Canada and the United States
- knowledge of the differences in commercial practices

SCREEN PRINT DISPLAY ADVERTISING*

"Everybody at Screen Print intuitively knew that exporting to the U.S. would work," says Andy Smith. In 1977, Screen Print developed and introduced a new type of in-store decorative mural for department and grocery stores. Unlike existing decorative murals which were produced by a photographic enlargement process, the new ones were screen printed using ultra-violet inks. The process not only allowed for the printing of larger murals, it produced a sharper image, had enhanced colour retention, and was more economical.

In Canada, the product had proven very successful with large grocery store chains, for whom the representation of food in vivid colour is particularly important. In 1981, the same Toronto design house that had set up Screen Print's distribution in Canada bought ultra-violet murals to integrate them in store-decor for U.S. food retail chains. The murals were noticed by another U.S. grocery store chain, who asked Screen Print to prepare a new exclusive stock line of murals for its stores in the United States. With this encouraging turn of events, Andy Smith decided in 1983 to actively market the murals south of the border. The first step he took was to gather market information through his first U.S. customers.

Screen Print was the only producer of ultra-violet murals in North America. To start producing them, competing firms would have had to make a significant investment. Andy Smith felt that this investment was beyond the resources of most photographic enlargement companies. On the other hand, he felt the

THE EXPORTING EXPERIENCE: TWO CASE STUDIES

market was too limited to attract large companies. Some European companies had the ultra-violet expertise to compete with Screen Print, but Andy believed that they did not have sufficient knowledge of North American retail markets to be successful.

Andy's research confirmed that the large supermarket chains were the most promising customers and led him to the key decision-makers within the companies. He also discovered that the market was limited by each potential customer's desire to present a distinctive interior design. Not all stores would want the Screen Print look. Andy estimated that total potential sales would be between \$4 million and \$8 million annually for the following three years.

Andy Smith concluded that only a targeted approach combined with a strong distribution could result in the implementation of a lucrative export program. Design houses appeared to be the best way to serve most grocery stores. Direct sales would be done only for custom-made products ordered by large chains. Screen Print applied for assistance from External Affairs Canada to finance part of its market development efforts. The firm received \$50 000 from the Program for Export Market Development over the following three years.

Andy Smith then bought mailing lists of U.S. design houses and grocery store chains. He also joined professional associations, thus gaining access to their proprietary listings and professional journals. He knew that the larger companies, those that were active at a national and international level, were more receptive to new products. They would thus be easier targets than firms active only in regional markets. He established a list of large grocery store chains and design houses and started to communicate with them.

Screen Print rapidly received large orders from both chains and design houses. "Once enough potential customers knew about the murals, the product was selling itself," claims Andy Smith. By 1985, sales in the United States of ultra-violet murals and ancillary products such as frames and mountings represented 30 per cent of Screen Print's total sales.

Smith also tried to use his customer base in the United States to sell other Screen Print products, such as small promotional posters and price displays. It took longer for these efforts to bring results. Although his products were more esthetically appealing and easier to install than competing U.S. products, potential customers apparently did not appreciate their qualities enough to choose Screen Print over their regular U.S. suppliers. In certain cases, samples were simply sent by potential customers to local competitors to be copied. Andy Smith says that sales of other display products are now on the rise, years after Screen Print started to receive large orders for murals.

Screen Print's U.S. venture has also produced other positive international results. As a result of the expansion in the United States, Screen Print has received orders for ultra-violet murals from design houses in Australia, New Zealand and Europe and is marketing the product overseas to continue its growth.

Key points

- a product with a technological edge on competitors
- market research
- the right distribution channels

*Part of the information presented in this case study was provided by the Business School of the University of Western Ontario.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

STEP 1

GATHERING INFORMATION THAT PAYS

Much like Andy Smith and Carole Epstein, you will need to engage in a certain amount of research before successfully doing business in the United States. Gathering basic market information is essential in identifying the best opportunities for your firm and in developing a successful strategy to pursue them. Good market research is less expensive and much more efficient than trial-and-error learning. Basic information gathering should begin before you develop relationships with potential distributors and clients and preferably before you exhibit in trade shows.

What to Look For

You must first develop an estimate of the commercial potential of your product in the United States. Knowing the gross market size is usually not very useful in the world's most segmented market. Figures on the overall market for point-of-sale display products, for instance, would not have been particularly relevant to Andy Smith's needs. You need to establish the industry, the application, or the group of customers to whom your product will be most useful or most attractive. What volume of sales do they represent? Are their purchases increasing or decreasing? Why? By discovering that potential annual sales for ultra-violet murals were only between \$4 and \$8 million in the United States, Andy Smith knew that it was not necessary to increase the production capacity or the size of his sales staff to serve the U.S. market.

Take the time to learn about American customers, their business, aspirations, tastes, and mentality. How will your product help or satisfy them? A Canadian modern home furniture manufacturer recently discovered through market research that his products did not appeal to professional Californians, as he expected, but rather to upwardly mobile Black and Hispanic yuppies in the New York area. His findings led him to scale down his efforts in California and to develop a radically different promotion campaign in New York.

Next, inform yourself about all potential distribution channels serving the market. Who are the major firms involved in distribution in each region? Classifying the end-users by size, as Andy Smith did, will make the selection of a distribution channel easier.

You should also try to gather as much information as you can on your competitors—their products, estimated market shares, distribution channels and prices. Gather this information in a format that will allow easy comparison with your firm, your own products and your technology. What are your strengths? How can you make up for your weaknesses? How are your U.S. competitors likely to react to your entry into the market?

Finally, as Carole Epstein learned the hard way, Canadian exporters need to learn about U.S. commercial practices. What methods of payment are U.S. customers using? Do they prefer to deal with a U.S. bank? What discounts are usually applied? Are clients invoiced for payments within 15, 30 or 60 days? What penalties will you face if your shipment is held by customs officials and delivered late?



- commercial potential of a product in the United States
- preferences and needs of the U.S. consumer
- distribution channels
- competitors
- commercial practices

How to Get It

The United States market is the most researched market in the world. Statistical publications and market studies are available from Canadian and U.S. government agencies as well as from many trade associations. You should consult the catalogues of specialized U.S. firms that supply off-the-shelf industry and market studies on a wide range of sectors

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

and at a fraction of the average cost for a proprietary study. Subscribe to trade magazines and read them regularly.

The most useful information for small businesses that want to export to the United States is usually gathered directly from people who have first-hand knowledge of the market and the industry. The list of people to interview should include distributors, potential clients, suppliers of components, editors of specialized publications, government officials familiar with your industry, and U.S. producers who do not perceive you as a threat.

The United States is also one of the few places in the world where detailed and sophisticated information can be gathered over the telephone. Americans are usually willing to share information over the telephone if they sense that you know the industry and if they feel that they can also learn something from the conversation.

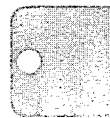
Be aware of the biases of your informers. Sincere and otherwise well-informed insiders may have misconceptions about the market. Confident entrepreneurs, for instance, tend to draw conclusions on overall market trends on the basis of their firms' own performance. Remember that confident people rarely admit to their weaknesses in a telephone interview. After talking to many people, you will develop a sense of who are the most reliable informers. Obtaining opinions and estimates from as many different persons as possible is the best way to protect yourself against biases.

Calling or even visiting a number of potential customers will give you a wealth of valuable information. You will get to know the business of your future customers, get reactions to your product, and obtain first-hand information on your competitors.

Although business associates such as distributors are good sources of information, you should not rely entirely on them. They may also have biases and their interests may be slightly different from yours. You need to generate your own market information in order to negotiate with your associates and to assess objectively their performance.

Visiting a trade show will be useful in gathering information on competing products and making contacts in the industry. It is preferable to wait until after you have gathered market information and developed a strategy before exhibiting your own products at a trade show.

"Where to Find Assistance" lists a number of sources of information and assistance that can help you prepare your export program.



Key sources of market information

- statistical and market studies available from governments, trade associations and private firms
- trade magazines and their editors
- distributors
- suppliers
- potential clients
- government officials
- U.S. producers

STEP 2

MAKING CALCULATED DECISIONS

Successful exporters use market information to make decisions about products, target markets, distribution and pricing. Making sound business choices will give a clear direction to your firm's efforts in the United States. Always make sure to consider all options. If you do not feel confident enough about a decision, take more time, gather additional information, or consult an expert.

The Right Product

Most small businesses exporting to the United States emphasize product characteristics over price competitiveness. Products most successfully marketed by Canadian small businesses in the past emphasized unique characteristics over

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

competing products, had a limited number of users, and were frequently introduced early in the product's life cycle.

To increase your chances of success, it is wise to concentrate on those products which differ the most from your competitors'. If your products are similar to U.S. ones already on the market, look for a distinctive service that your firm can offer that is of value to the U.S. customers. Competing on a price-basis only is usually more difficult for small businesses.

The case of Screen Print is particularly instructive in this regard. The firm's murals presented significant advantages over photographic enlargements and were produced with a technology that no other North American supplier of food chain murals was using. While Andy Smith says that the ultra-violet mural "was selling itself", he recognizes that it took him years to generate sales for the firm's other point-of-sale display products.



Key points

- choose product with as few competitors as possible
- emphasize product or service over price

Select a Specific Market Segment

The size of the U.S. market has diluted the efforts of many poorly prepared exporters in the past. Successful first-time exporters typically concentrate on a particular group of customers, a geographical market (keep in mind that California alone is a bigger market than Canada) or a specialized application for which they face virtually no competition. A good example is a Canadian electronics firm that developed a microprocessor specifically for the hearing aid industry. The firm was able to penetrate the U.S. market and eventually take 70 per cent of the world market in that industry.

The choice of market segment should not be determined by the first region that places an order or the first application for which an order is generated. It involves considering a number of regions, customer segments or applications and making a choice on the basis of competitive advantages, cost of entry, potential sales volume and potential growth.

In identifying business opportunities in the United States, exporters should bear in mind that the Free Trade Agreement has increased access to the U.S. government procurement market. Information on how to sell to the U.S. government is available from the business service centers of the General Services Administration (GSA), the main procurement agency in the United States, as well as from External Affairs and International Trade Canada (EAITC). See "Where to Find Assistance" for telephone numbers.



Key points

- target one market segment, be it a consumer group, a geographical area, or a specialized application
- consider the U.S. government procurement market

Find a Suitable Distribution Channel

The selection of a distribution channel is a delicate business decision that has important strategic implications. Poor distribution unfortunately accounts for a large share of failures in exporting to the United States.

You have a number of options. You can work with a trading house, an agent, a manufacturers' representative, a distributor, or you can sell direct. Trading houses and distributors will buy from you and be responsible for reselling the goods. Agents and manufacturers' representatives generally transmit orders from customers and receive a

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

commission. Selling direct is the most expensive option but usually leads to a stronger relationship with customers. Each choice implies a different degree of involvement, a different level of investment, and bears a different potential for growth.

The design houses to which Screen Print was selling were in fact acting as distributors. They were buying and then reselling Screen Print's murals. The salespeople of Canada Belt were agents. They were promoting the products and collecting orders on which they received a commission. Agents were used by Canada Belt because accessories buyers of many department stores preferred to deal with them.

When choosing your distribution channel, consider the type of product that you plan to export and the nature of your market. Enterprises manufacturing specialized industrial equipment that requires customer training usually prefer to sell directly. Businesses with limited resources that have to reach a broad client-base usually decide to sell through intermediaries.

Your firm's motives for exporting are also important factors to look at in the selection of a distribution channel. An entrepreneur who simply wants to fill an order book during the low season may decide to deal with a trading house, while a firm aiming at continued growth despite the saturation of the domestic market is more likely to use distributors or a direct sales force. Canadians use trading houses less frequently to export to the U.S. than to other countries because of the proximity of Canada to the United States.

On the other hand, manufacturers' representatives are used more frequently in the United States than in other countries for industrial and commercial products. Manufacturers' representatives are specialized agents who generally operate within a given territory and sell related lines of goods to a specific group of customers. Many U.S. buyers prefer purchasing from manufacturers' representatives because they find it less time-consuming and less risky than dealing with competing manufacturers for every single item.

Use what you know about the market to chart the distribution structure in your industry from manufacturers to end-users. Indicate the channels used by your competitors and evaluate which option will allow you to compete most effectively. Find out what the implications are in terms of service, marketing, and pricing.

Mistakes can be costly, as a Canadian manufacturer of products for landscaping recently learned. He decided to market his products more aggressively in New England after a few unsolicited orders from that region. He signed up an agent after spending thousands of dollars in legal advice, time, and travelling. To his surprise, the agent failed to generate any orders during the months following the agreement. His competitors were selling directly to distributors and large designers and, despite higher production costs, were able to cut their prices enough to keep him out of the market. He finally signed an exclusivity contract with one of Massachusetts' largest distributors, but only after another round of legal negotiations and expenses.

The establishment of a distributor relationship with a U.S. firm should also be done with great care. Avoid making a commitment to a firm only because the manager is well connected or is a distant relative of a potential client. Never sign an agreement with the first firm that you meet. The factors to consider in your decision should include the following:

- *segments served in view of your target market*
- *territory covered*
- *quality of management*
- *customers served*
- *reputation of the firm in the industry*
- *size of its sales force*
- *number and locations of offices*
- *interest in your product*
- *annual sales that the firm can potentially generate for your product*
- *what competitors are doing*

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

Trade officers based at the Canadian Embassy in Washington and in 20 Canadian government trade offices in the United States can assist you in identifying potential distributors and agents. They maintain listings of buyers, distributors and agents by sector. The last part of the guide provides the addresses and telephone numbers of the Canadian Embassy in Washington and of the consulates general in the rest of the country.

You may have to prepare a contract with a U.S. distributor of your choice to protect your firm and ensure that there is no misunderstanding regarding the agreement. A written contract is a good protection against future disputes. It should cover the following points:

- *territory covered*
- *exclusivity*
- *duration*
- *pricing, currency and terms of payment*
- *performance requirements*
- *shipment and delivery to customers*
- *promotional efforts*
- *after-sale service*
- *collection of receivables*
- *procedures to terminate the agreement*

To make sure that the contract is enforceable by local courts, have it prepared or reviewed by an attorney familiar with foreign trade.



- determine your firm's motive for exporting
- investigate which channel your clients and competitors prefer dealing with
- make your decision regarding choice of distribution channel an objective one, uninfluenced by impulse or personal loyalties
- prepare a contract that covers all your concerns and have it prepared or reviewed by an attorney

Determine the Export Price

The factors to consider in pricing your product correctly are costs, market demand, and competition.

Start with your costs. In Canada, you calculate prices by computing manufacturing cost, administration, development cost, overhead, freight forwarding, distributor margins, and profit. The same principles apply when selling to the United States if the decision to export involves product development or new equipment to increase production capacity. The costs of shipping, tariff duties, distribution and service have to be added. In the case of both Canada Belt and Screen Print, these additional costs were not high enough to affect the product's competitiveness.

In certain cases, exporters can use a marginal cost pricing method to arrive at the right export price. This approach is possible when the exported products can be produced without increasing fixed costs for the firm. It considers only direct expenses of producing and selling and uses a lower figure for manufacturing cost than that used for computing the domestic sales price. The marginal cost approach allows exporters to remain competitive despite higher distribution and shipping costs.

For all exported goods, Canadian duty drawbacks are available until January 1, 1994, for most imported components, and the federal sales tax on finished products does not apply. The goods and services tax (GST) implemented in 1991 does not apply to export sales, and the tax paid on raw materials and components will be refunded to exporters.

The next step is to evaluate your product for U.S. customers. How desirable are your product's qualities to them? How much time or money will it help them save?

Canadian and U.S. customers frequently assign a different value to the same product.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

Talking to potential customers or testing your product through a survey or a focus group can prove extremely useful in evaluating those differences. A Canadian office furniture manufacturer conducted a survey of 100 potential buyers to evaluate the attractiveness of a new model of filing cabinet to U.S. buyers before starting to market it in the United States. The last question on the survey was "How much would you be willing to pay for this model?" While the model sold for \$350 in Canada, all buyers surveyed in the United States said they would be willing to pay between \$450 to \$550. The monies spent on the survey were recouped many times by additional profits.

Finally, remember that a Canadian product will be accepted more quickly in the United States if the price is quoted in U.S. dollars and if it includes the cost of shipping to a U.S. destination, the customs duties, and the brokerage fees. It is the approach that Canada Belt took from the beginning. "It was particularly important in our case to be perceived as domestic suppliers," claims Carole Epstein, "since many department stores have fixed import budgets." Screen Print was quoting prices the same way, but payments first had to be made to a bank in Canada. Some customers found it inconvenient to send payments to Canada, and Andy Smith soon made arrangements so that payments could be made to a U.S. bank.

Many Canadian exporters find that having a U.S. address reassures U.S. buyers. For a limited fee, U.S. firms offer services such as telephone answering and call forwarding, mail processing, collection of receivables, bank deposits and other administrative services. It is crucial that doing business with a Canadian firm be just as easy as with a U.S. firm.



- estimate the cost of the product, taking into account shipping, tariff duties, distribution, and service

- evaluate the value of your product to the U.S. consumer
- quote all prices in U.S. dollars

STEP 3

COMMITTING RESOURCES TO THE EXPORT PROGRAM

Canadian firms successfully exporting to the United States have typically shown a strong commitment to the U.S. market. Before making that commitment you need to evaluate the cost of the export venture and the personnel required to manage it. Enough resources have to be available to meet your export objectives without disrupting your Canadian operations.

Exporting will create expenses through market research, product modifications, negotiations with potential business partners, promotion, and marketing efforts. You may require additional financial resources. Can you cover development expenses within your allocation for business development? If not, you will need a new provision for it in the budget. Will you need an extension of your credit line or a loan? If you were to need a loan to increase your production capacity, would your bank accept U.S. receivables as a guarantee?

Take a look at the provincial and federal governments' financial assistance programs for exporters. Some programs cover expenses for market investigation, participation in trade shows, marketing efforts, and product development. Others provide export insurance and financing. Most of those programs have been designed specifically for small businesses.

Exporting may require a reorganization of your corporate structure or at least a new definition of responsibilities within the firm. Somebody has to be personally responsible for the export venture so that there is a continuity in your firm's efforts and so that your U.S. contacts know who is in charge. The Canada Belt case illustrates how in certain cases the sales manager should be an experienced executive working full time on the U.S. market.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

Total commitment is necessary to succeed in an export market. If the resources required to succeed are not available at the moment, it is preferable to wait. Committing only a fraction of the resources does not usually yield an equivalent fraction of the expected sales. It could result in a waste of time and money. Even worse, it could tarnish your reputation and jeopardize your chances at a second attempt.



Key points

- estimate all expenses involved
- determine how to finance export activities
- investigate government assistance programs for exporters
- determine the personnel requirements of the new venture

STEP 4

PAYING ATTENTION TO DETAILS

Intellectual Property

If your product or manufacturing process is one for which you have, or are seeking, patent or copyright protection in Canada, you should consider seeking similar protection under U.S. patent law. Similar care should be taken with brand names and registered trademarks.

In general, however, patent and other intellectual property law is complex. If you believe that you may need such protection, or believe you should confirm that your product complies with U.S. patent law, your best course of action may be to retain competent and experienced legal counsel.

Canada Belt and Screen Print learned that one should be careful in handing out samples of products that can be readily copied, without taking such precautions. Another Canadian

manufacturer discovered that U.S. competitors had registered brand names that were similar to his own and were trying to prevent him from shipping across the border on the basis of brand name infringement.

Standards, Labelling and Packaging

In the case of U.S. standards, you should verify the commercial and governmental regulatory requirements and ensure that your products comply with these before shipping goods to the United States. Compliance with such standards, whether they relate to product performance, consumer protection or environmental concerns, can be required under federal or state regulations, or under standards agreed to within specific commercial or industrial sectors. In checking the requirements also ensure that, in the case of government regulations, you find out from the responsible U.S. agency which type of proof of product compliance is demanded. You will also be required to arrange for the appropriate certification and testing of your product.

Information on U.S. standards can be obtained from the Standards Council of Canada by calling 613-238-3222, or toll free at 1-800-267-8220.

The U.S. maintains strict labelling requirements which must be met to ensure customs clearance. Bilingual labels in English and French do not hamper a product from being admitted into the U.S. market. In fact, it is reported that the use of French in some cases has helped spur sales. Information about labelling requirements can be obtained by calling the U.S. Tariffs and Market Access Division of EAITC at 613-944-2711.

Under U.S. law, almost all goods are required to be marked so as to indicate the country of origin, e.g. "Made in Canada". For many of these goods, specific requirements exist regarding how and where the marking is put on the item. If these requirements are not met, your shipment may be detained and fines may be assessed.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

Shipment and Customs Procedures

Before shipping a product to the United States, the firm should make sure that the merchandise has been properly packed, labelled and documented. It should also be insured against damage, loss or theft.

As a first step toward fulfilling U.S. Customs requirements, you need to establish the tariff classification of the product or products you intend to export. Product classification can be performed by a U.S. customs broker or by a U.S. customs import specialist at a port of entry. It is also possible to seek a binding classification from U.S. Customs. It is the tariff classification that will determine the rate of duty that applies as well as, in some cases, other import requirements such as quotas. The tariff classification is also necessary to determine the origin of a product according to the rules of the Free Trade Agreement.

The Free Trade Agreement has already eliminated many tariffs on trade goods of U.S. and Canadian origin between the two countries. The FTA ensures that by 1998 all tariffs will be eliminated. In order to benefit from the preferential duty rate under the Free Trade Agreement, a certificate of origin needs to be issued for each product. The certificate is a statement by the exporter that the goods originate in Canada or in the U.S. in compliance with the rules of origin in Chapter 3 of the Agreement.

You can obtain information on the tariff, the phase-out period and the specific rules of origin that apply to your product by calling Canada Customs or EAITC, United States Tariff and Market Access Division in Ottawa. Standard certificates of origin are also available from Canada Customs and EAITC. See "Where to Find Assistance" for addresses and telephone numbers.

You should be aware that both Canada and the United States are now using the harmonized system of tariff classification for customs purposes.

At the border, customs officers now have access to a computer database containing the rules of origin applicable to each category of goods as well as information on importers, exporters, and, in some cases, on the reputation of carriers. When doubt exists as to the information provided in the certificate, the officers can request permission from the exporter to verify the information by visiting the firm's facilities.

Payment

Exporting raises questions about how to get paid in full and on time. Methods of payment in international transactions include cash in advance, documentary collection, i.e. letters of credit or drafts, and open account. Because of the proximity of Canada to the United States, cash in advance and open account sales are more frequent collection methods than letters of credit. Payments can easily be made by cheque or bank transfer.

Credit analysis is a good method of preventing collection problems. Your firm can check credit ratings with bankers, other suppliers, and private credit analysis institutions. Canada's Export Development Corporation (EDC) provides insurance coverage against non-payment by a U.S. buyer. The Insurance Policy covers up to 90 per cent of the insured loss. A processing fee which varies depending on the liability is charged to issue the policy. The terms of payment, the credit period and the credit worthiness of the buyer are among the factors that determine the applicable premium rate.

After-Sale Service

In a number of industries, Canadian exporters will have to demonstrate after-sale service capabilities to establish their credibility with U.S. customers. These services can include maintenance, repair, or even training of personnel on customers' premises. The capacity to provide appropriate after-sale service is often a major factor in choosing suppliers. Superior service can also be used as a primary sales tool and command a premium price.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.

There are three options for providing service to U.S. customers. The Canadian firm may retain a local service organization or ask the distributor to provide the service. In both cases an investment will be required to train the personnel of the service organization. Since it can be difficult to monitor the quality of the services rendered to your customers, choosing a service organization or asking the distributor to provide service presents fewer risks when the organizations in place have experience and a good reputation in serving similar clients.

The last option is to post or dispatch personnel to the United States. While it is more expensive than the previous options, it allows for a better control of the quality of service and for a closer relationship with your customers. Direct service also helps develop a positive corporate image in a new market. The Free Trade Agreement now allows technicians and engineers to enter the United States to service equipment if the service is part of the sales agreement. It is strongly suggested that U.S. immigration authorities be contacted for information on the specifics of the temporary entry requirements.

New Exporters to Border States Program (NEBS)

The New Exporters to Border States Program (NEBS) is managed by EAITC and ISC in cooperation with provincial trade departments. NEBS introduces a group of non-exporting companies to the possibility of doing business in the United States. Small groups of business people are taken to the nearest Canadian trade office in the U.S. for an intensive two-day program which demystifies U.S. Customs clearance procedures, immigration requirements, and financial and legal issues related to doing business in the United States.

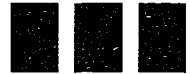
They also meet with U.S. manufacturers' agents and distributors to learn more about U.S. business practices. Some 5 000 potential new export firms have already been exposed to the U.S. market through NEBS. About 50 per cent of the participants on NEBS missions eventually make an export sale.

Trade Shows

Hundreds of trade shows take place annually in the United States. Trade shows are held for almost every conceivable product sector. Attending a trade show is a good way of gathering information on customers and competitors. Exhibiting at a trade show should take place only after you feel ready to launch an active export program. If you are exporting for the first time, it may be a good idea to start with regional trade fairs. They are less expensive and give you a chance to test your product before presenting it at a national fair. Information on U.S. trade shows can be obtained from your nearest International Trade Centre (ITC). Each year, thousands of firms participate in Canadian government-sponsored exhibitions in the United States.

To help facilitate clearing customs when carrying samples or display products you can obtain a document called an A.T.A. Carnet from the Canadian Chamber of Commerce. The Carnet is used as a "merchandise passport" when you cross the border. Goods exported temporarily from Canada can be listed on it, thus replacing any other customs documentation usually required. The fee for a Carnet ranges between \$45 and \$200 depending upon the value of your goods.

KEY STEPS TOWARD EXPORTING SUCCESS IN THE U.S.



- patent any new technology
- protect brand names
- comply with U.S. regulations regarding labelling and packaging
- insure material being shipped
- comply with all customs procedures
- check the credit of potential clients
- insure against non-payment
- have proper mechanisms in place to ensure good after-sale service
- participate in trade shows



WHERE TO FIND ASSISTANCE

I GOVERNMENT AGENCIES IN CANADA

A. External Affairs and International Trade Canada

Basic export counselling, publications, market studies, information on financial assistance programs to exporters, and a referral service linked to specific trade specialists are available from InfoEx at 1-800-267-8376.

External Affairs and International Trade Canada (EAITC) staff includes experts in a variety of industrial sectors whose aim is to help Canadian exporters in the United States. They can be reached through the U.S. Trade Promotion Division at 613-991-9480 and 613-991-9471.

A branch has been set up to coordinate the implementation of the Free Trade Agreement. For information on the impact of the Free Trade Agreement on your export activities, contact the following EAITC offices:

General information on the Free Trade Agreement:	1-800-267-8376
U.S. tariffs and classification:	613-944-5070
Rules of origin:	613-944-2711
Packaging and labelling:	613-944-2711
Country of origin markings:	613-944-2711
Customs/market access:	613-944-5047
U.S. government procurement opportunities:	613-944-9441
Temporary entry:	613-944-6869

B. Industry and Science Canada

Industry and Science Canada (ISC) maintains a staff of industry specialists whose responsibilities include helping Canadian businesses improve their competitiveness in foreign markets. For more information contact the following ISC offices:

Ottawa 613-952-4782	Vancouver 604-666-0266	Edmonton 403-495-4782	Halifax 902-426-4782
Calgary 403-292-4575	Saskatoon 306-975-4682	Winnipeg 204-983-4782	Charlottetown 902-566-7400
Toronto 416-973-4782	Montreal 514-283-8185	Moncton 506-851-4782	St. John's 709-772-4782

International Trade Centres

International Trade Centres (ITCs) in 13 cities across Canada provide "one-stop" trade services to new and experienced Canadian exporters.

The centres, operated jointly by EAITC and ISC, are staffed by experienced commercial officers who provide a wide range of services to companies seeking export counselling, export financing, export publications, participation in international trade shows and missions, technology transfer and joint ventures with foreign investors.

WHERE TO FIND ASSISTANCE

Vancouver
Scotia Tower
900-650 West Georgia St.
P.O. Box 11610
Vancouver, BC
V6B 5H8
Tel: 604-666-0434
Fax: 604-666-8330

Calgary
Suite 1100
510-5th Street S.W.
Calgary, AB
T2P 3S2
Tel: 403-292-6660
Fax: 403-292-4578

Edmonton
Canada Place
Suite 540
9700 Jasper Avenue
Edmonton, AB
T5J 4C3
Tel: 403-495-2944
Fax: 403-495-4507

Saskatoon
Suite 401
The S.H. Cohen Bldg.
119-4th Avenue S.
Saskatoon, SK
S7K 5X2
Tel: 306-975-5315
Fax: 306-975-5334

Regina
4th Floor
1919 Saskatchewan Drive
Regina, SK
S4P 3V7
Tel: 306-780-6325
Fax: 306-780-6679

Winnipeg
8th Floor
330 Portage Avenue
P.O. Box 981
Winnipeg, MB
R3C 2V2
Tel: 204-983-4099
Fax: 204-983-2187

Toronto
Dominion Public Building
4th Floor, 1 Front St. W.
Toronto, ON
M5J 1A4
Tel: 416-973-5053
Fax: 416-973-8161

Montreal
Stock Exchange Tower
Suite 3800
800 Victoria Square
P.O. Box 247
Montreal, QC
H4Z 1E8
Tel: 514-283-8185
Fax: 514-283-8794

Moncton
Assumption Place
770 Main Street
P.O. Box 1210
Moncton, NB
E1C 8P9
Tel: 506-851-6452
Fax: 506-851-6429

Halifax
1801 Hollis Street
P.O. Box 940
Station "M"
Halifax, NS
B3J 2V9
Tel: 902-426-7540
Fax: 902-426-2624

Charlottetown
Confederation Court Mall
Suite 400, 134 Kent St.
P.O. Box 1115
Charlottetown, PE
C1A 7M8
Tel: 902-566-7400
Fax: 902-566-7450

St. John's
Atlantic Place
Suite 504
215 Water Street
P.O. Box 8950
St. John's, NF
A1B 3R9
Tel: 709-772-5511
Fax: 709-772-2373

C. Revenue Canada

For enquiries concerning services to the Yukon and Northwest Territories enterprises, please contact the International Trade Centre in Saskatoon.

Revenue Canada can provide information on current Canadian duties and rules of origin applying to your products. Contact your regional customs office for detailed information.

Regional Customs Offices

Atlantic Provinces
902-426-2914

Quebec
418-648-3708

Montreal
514-283-6201

Ottawa
613-993-0566

Toronto
416-973-8022

Hamilton
905-578-8697

Southwestern Ontario
519-257-6573

Central Canada
204-983-6393

Alberta
403-292-4628

British Columbia
604-666-0456

Customs duty charged on imported parts and components is refunded when the final product is exported from Canada. The federal sales tax is also refunded to exporters who do not hold a manufacturer's licence. Licensed manufacturers simply do not pay the tax when exporting. For details contact the appropriate agencies of Revenue Canada.

Duty drawbacks:	613-954-6890
Federal sales tax refunds:	613-990-9909
GST administration and refunds:	613-990-8584
Rules of origin:	613-954-6862

WHERE TO FIND ASSISTANCE

D. Export Development Corporation

You can insure your non-Canadian receivables with EDC. Before EDC insures receivables, it reviews and has to approve the credit limits granted by the exporter to its clients. To apply, contact the Head Office in Ottawa, 613-598-2500, or your regional office.

Ottawa 613-598-2992	Vancouver 604-666-6234	Calgary 403-292-6898	Montreal 514-283-3013
Winnipeg 204-983-5114	Toronto 416-973-6211	London 519-645-5828	Halifax 902-429-0426

E. Government Services Canada

Government Services Canada publishes Government Business Opportunities which includes information on U.S. government procurement at the federal level. Subscriptions can be ordered at 819-956-4800.

F. Federal Business Development Bank

The Federal Business Development Bank (FBDB) will provide a guarantee to financial institutions for lines of credit that they extend to exporters. This guaranteed line of credit can cover from 60 to 90 per cent of the value of the export receivables that are used as security. FBDB also offers consulting services to small businesses. For further information, call your nearest FBDB branch or call toll free 1-800-361-2126.

2 CHAMBERS OF COMMERCE

The Canadian Chamber of Commerce represents Canadian business in its relationships with the federal government. The Chamber also assists Canadian enterprises in improving their competitiveness in export markets. The Chamber's electronic communication network and database, ChamberNet, also includes general trade information on the U.S. market. For more information contact the Head Office in Ottawa or branch offices in Toronto and Montreal.

Ottawa 613-238-4000	Toronto 416-868-6415	Montreal 514-866-4334
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Also contact your local Chamber of Commerce for information on its export promotion programs.

3 CANADIAN GOVERNMENT OFFICES IN THE UNITED STATES

For enquiries related to business affairs ask for commercial officers in trade offices associated with the embassy, consulates and satellite trade offices. The locations of the satellite trade offices are indicated in brackets under the address of the consulate to which they report.

A. Canadian Embassy

Canadian Embassy
501 Pennsylvania Avenue N.W.
Washington, DC 20001
Tel: 202-682-1740
Fax: 202-682-7726
(Philadelphia)

B. Canadian Consulates and Consulates General

Atlanta
Suite 400 South Tower
One CNN Center
Atlanta, GA 30303-2705
Tel: 404-577-6810/577-1512
Fax: 404-524-5046
(Miami, San Juan)

Boston
Three Copley Place
Suite 400
Boston, MA 02116
Tel: 617-262-3760
Fax: 617-262-3415

Buffalo
One Marine Midland
Center, Suite 3000
Buffalo, NY 14203-2884
Tel: 716-852-1247
Fax: 716-852-4340
(Pittsburgh)

WHERE TO FIND ASSISTANCE

Chicago
Two Prudential Plaza
Suite 2400
180 N. Stetson Ave.
Chicago, IL 60601
Tel: 312-616-1860
Fax: 312-616-1877

Los Angeles
300 South Grand Avenue
California Plaza
10th Floor
Los Angeles, CA 90071
Tel: 213-687-7432
Fax: 213-620-8827
(San Diego, San Francisco, San Jose)

New York
1251 Av. of the Americas
New York, NY 10020-1175
Tel: 212-596-1600
Fax: 212-596-1793
(Princeton)

Dallas
St. Paul Place
Suite 1700
750 N. St. Paul Street
Dallas, TX 75201
Tel: 214-922-9806
Fax: 214-992-9815

Minneapolis
701 Fourth Avenue South
Suite 900
Minneapolis, MN
55415-1899
Tel: 612-333-4641
Fax: 612-332-4061

Seattle
412 Plaza 600
Sixth and Stewart Streets
Seattle, WA 98101-1286
Tel: 206-443-1777
Fax: 206-443-1782

Detroit
600 Renaissance Center
Suite 1100
Detroit, MI 48243-1798
Tel: 313-567-2085
Fax: 313-567-2164
(Cincinnati, Cleveland
Wright Patterson AFB)

4 PROVINCIAL GOVERNMENT OFFICES IN THE UNITED STATES

Alberta

New York
212-759-2222

British Columbia

Seattle
206-628-3023

Irvine (California)
714-852-0201

Quebec

Atlanta
404-880-0250

Boston
617-723-3366

Chicago
312-856-0655

Los Angeles
310-477-2217

New York
212-397-0200

Saskatchewan

New York
212-969-9100

5 KEY U.S. GOVERNMENT CONTACTS

A. United States Embassy, Ottawa

613-238-4470, Ext. 219

WHERE TO FIND ASSISTANCE

B. American Immigration and Naturalization Service

Enquire about temporary entry rules and visas at major ports of entry.

Blaine, Washington 206-332-8511	Detroit, Michigan 313-226-3290	Thousand Islands Bridge, New York 315-482-2681
Houlton, Maine 207-532-2906	Sweetgrass, Montana 406-335-2911	Buffalo, New York 716-885-3367
Champlain, New York 518-298-3221	Calais, Maine 207-454-2546	Ogdensburg, New York 315-393-0770

Business visitors travelling to the United States via Canadian airports may enquire about entry rules and visas by calling U.S. immigration officials at the following numbers.

Calgary 403-221-1730	Edmonton 403-890-4486	Montreal 514-631-2097
Toronto 416-676-2563	Vancouver 604-278-2520	Winnipeg 204-783-2340

C. U.S. General Services Administration (Business Services)

The General Services Administration (GSA) is the main procurement agency of the U.S. government. To enquire about business opportunities with GSA, contact one of its business service centers.

District of Columbia, Maryland, Virginia 202-708-5804	Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont 617-565-8100	New Jersey, New York, Puerto Rico, U.S. Virgin Islands 212-264-1234
Delaware, Maryland, Virginia, Pennsylvania, West Virginia 215-656-5525	Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina 404-331-5103/3032	Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin 312-353-5383
Iowa, Kansas, Missouri, Nebraska 816-926-7203	Arkansas, Louisiana, New Mexico, Oklahoma, Texas 817-334-3284	Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming 303-236-7408
Northern California, Hawaii, Nevada (except Clark County) 415-744-5050	Arizona, Southern California (including Los Angeles), and Clark County, Nevada 213-894-3210	Alaska, Idaho, Oregon, Washington 206-931-7956

D. The Department of Commerce—Selected Services

International Trade Administration publishes the *U.S. Industrial Outlook*, a document reviewing more than 200 industrial sectors in the United States. Each section analyzes trends, provides statistics on production, imports and exports, and contains a bibliography, the names of trade publications, and the name of the author with his or her telephone number. You can find it at many libraries. The book can be ordered from the General Superintendent of Documents in Washington, D.C., at 202-783-3238.

Bureau of Economic Analysis provides monthly data on the U.S. economy and a number of industrial sectors. It also publishes the Survey of Current Business. For information call 202-523-0777. A subscription to Commerce Business Daily is also available from the Department of Commerce. Call 202-783-3238. It is a source of information on government procurement at the federal level and includes contract awards and upcoming opportunities. The Government Services Canada magazine called Government Business Opportunities also contains excerpts from the Commerce Business Daily.

WHERE TO FIND ASSISTANCE

6 U.S. CUSTOMS

Customs officers at major ports of entry will provide you with factual information regarding tariffs and duties pertaining to your export product.

Blaine, Washington
206-332-5771

Sweetgrass, Montana
406-335-2434

Detroit, Michigan
313-226-3177

Buffalo, New York
716-846-4354

Thousand Islands Bridge, New York
315-482-2681

Ogdensburg, New York
315-393-0660

Champlain, New York
518-298-8347

Houlton, Maine
207-532-2131

Calais, Maine
207-454-3621

7 PATENT REGISTRATION IN THE UNITED STATES

To enquire whether your product is patentable and what formalities are required, as well as what steps to take to register a trademark in the U.S., call the Patent and Trademark Office.

Patent and Trademark Office
2021 Jefferson Davis Highway
Arlington, VA 22202
Tel: 703-557-4636

8 STANDARDS AND PRODUCT CERTIFICATION

Compliance with American standards is necessary to successfully market a number of products in the United States. Following are a few addresses of standards, product testing and certification organizations.

An association made up of government and industry representatives:

American National Standard Institute (ANSI)
655 15 Street N.W.
Suite 300
Washington, DC 20005
Tel: 202-639-4090

Important government agencies involved in product approval and certification:

The Animal and Plant Health
Inspection Service
Department of Agriculture
6505 Belcrest Rd.
Hyattsville, MD 20782
Tel: 301-436-7799

Bureau of Alcohol, Tobacco
and Firearms
Department of Treasury
650 Massachusetts Avenue N.W.
Washington, DC 20226
Tel: 202-927-7777

Food and Drug Administration (FDA)
Department of Health and
Human Services
5600 Fishers Lane
Rockville, MD 20857
Tel: 301-443-3170

An independent federal agency:

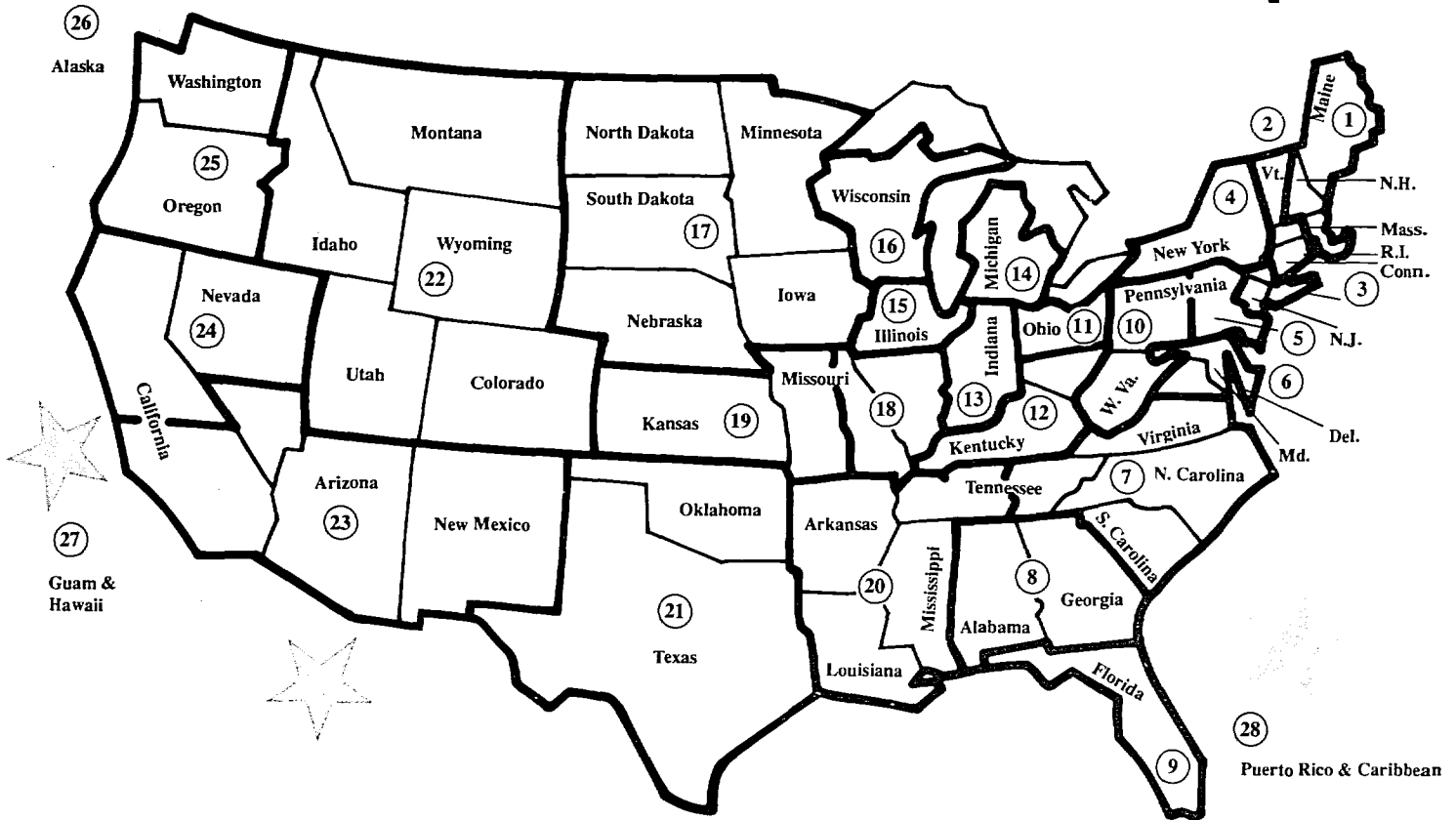
Consumer Product Safety Commission
5401 Westbard Avenue
Bethesda, MD 20816
Tel: 301-504-0580

There are also private product testing laboratories:

Underwriters Labs Inc. (UL)
333 Pfingsten Road
Northbrook, IL 60062
Tel: 708-272-8800

ETL Testing Laboratories Inc.
P.O. Box 2040
Industrial Park Rd. 11
Cortland, NY 13045
Tel: 607-753-6711

Proposed U.S. Market Segmentation

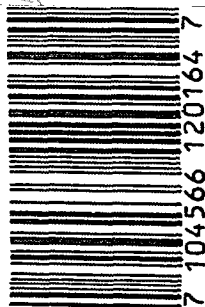


- 1. Eastern Massachusetts, Rhode Island, New Hampshire, Maine
- 2. Connecticut, Western Massachusetts, Vermont
- 3. New York City, Long Island, Westchester County, New Jersey north of Trenton
- 4. New York Upstate
- 5. New Jersey, Trenton and south, Pennsylvania east of Harrisburg
- 6. Maryland, Delaware, District of Columbia, Northern Virginia

- 7. Southern Virginia, North Carolina, South Carolina, Eastern Tennessee
- 8. Georgia and Alabama
- 9. Florida
- 10. Western Pennsylvania to Harrisburg, West Virginia
- 11. Ohio north of Route 40
- 12. Ohio south of Route 40, Kentucky
- 13. Indiana except northwestern counties
- 14. Michigan and Toledo, Ohio

- 15. Illinois, north of Rt. 36 and Lake, Porter and LaPorte counties of Indiana
- 16. Wisconsin and Northwestern Michigan (area northwest of Lake Michigan)
- 17. Minnesota, may include North and South Dakota and all or part of Iowa and Nebraska
- 18. Eastern Missouri, Southern Illinois
- 19. Western Missouri, Kansas
- 20. Louisiana, Mississippi, Arkansas, Western Tennessee

- 21. Texas and Oklahoma
- 22. Colorado, Utah, may include Montana, Idaho, Wyoming
- 23. California, Bakersfield and south, Arizona, Southern Nevada and New Mexico
- 24. California, north of Bakersfield, part of Nevada
- 25. Washington and Oregon
- 26. Alaska
- 27. Hawaii and Guam
- 28. Puerto Rico and Caribbean





External Affairs and
International Trade Canada

Affaires extérieures et
Commerce extérieur Canada

THE CANADIAN
CHAMBER
OF COMMERCE



LA CHAMBRE
DE COMMERCE
DU CANADA



Industry and Science
Canada

Industrie et Sciences
Canada

