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markets
for canadian
exporters

UNITED STATES

NEW ENGLAND

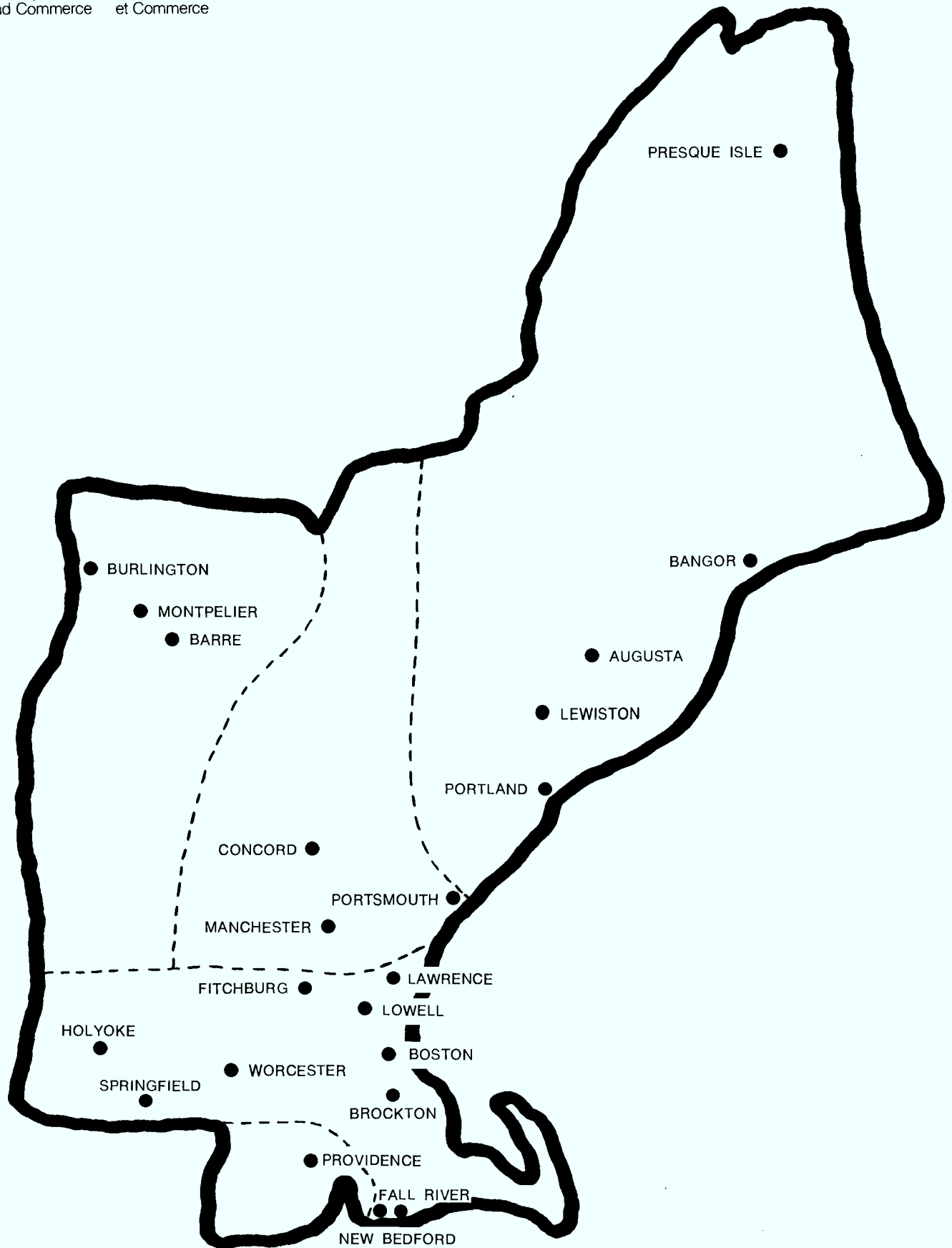


Government
of Canada

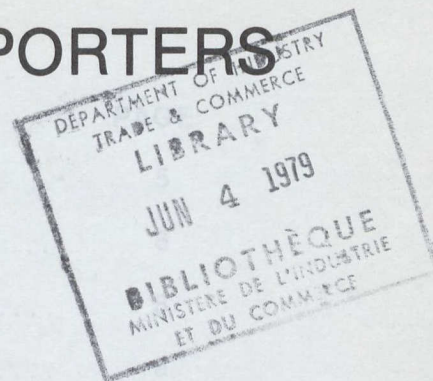
Gouvernement
du Canada

Industry, Trade
and Commerce

Industrie
et Commerce



MARKETS FOR CANADIAN EXPORTERS NEW ENGLAND



TRADE OFFICE RESPONSIBLE:

BOSTON

TOTAL TRADE TERRITORY:

States of Maine, Massachusetts, New Hampshire,
Rhode Island, Vermont

Other Countries: St. Pierre and Miquelon

FOR FURTHER INFORMATION:

Commercial Division
Canadian Consulate General
500 Boylston Street
Boston, MA 02116
Tel: (617) 262-3760
Telex: 00940625 (DOMCAN BSN)

United States Division
Western Hemisphere Bureau
Department of Industry, Trade and Commerce
C. D. Howe Building
235 Queen Street
Ottawa, Ontario K1A 0H5
Tel: (613) 992-4638
Telex: 053-4124

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THE MARKET

Maine

Area: 86,025 km² (33,215 sq. mi.) (39th)

Population: 1,091,000 (1978)

Per Capita Income: \$5,734 (1977)

Capital: Augusta

Main Commercial Centres: Portland, Bangor, Lewiston, Presque Isle

Leading Industries: Wood products, shoes and textiles, agriculture

Massachusetts

Area: 21,386 km² (8,257 sq. mi.) (45th)

Population: 5,774,000 (1978)

Per Capita Income: \$7,258 (1977)

Capital: Boston

Main Commercial Centres: Pittsfield, Springfield/Chicopee/Holyoke, Fitchburg/Leominster, Worcester, Lowell, Lawrence/Haverhill, Boston, Brockton, New Bedford, Fall River

Leading Industries: Electrical machinery, electronics, communications equipment, machinery, apparel, metal, food products, plastics

New Hampshire

Area: 24,097 km² (9,304 sq. mi.) (44th)

Population: 871,000 (1978)

Per Capita Income: \$6,536 (1977)

Capital: Concord

Main Commercial Centres: Manchester, Concord, Portsmouth

Leading Industries: Footwear, electrical and other machinery, wool and other textiles, paper

Rhode Island

Area: 3,144 km² (1,214 sq. mi.) (50th)

Population: 935,000 (1978)

Per Capita Income: \$6,775 (1977)

Capital: Providence

Main Commercial Centre: Providence

Leading Industries: Jewelry, silverware, primary metal processing, metal products, machinery, rubber and plastics, food processing, chemicals, apparel

Vermont

Area: 24,887 km² (9,609 sq. mi.) (43rd)

Population: 487,000 (1978)

Per Capita Income: \$5,823 (1977)

Capital: Montpelier

Main Commercial Centres: Montpelier, Burlington, Barre

Leading Industries: Machine tools, computer components, stone and clay products, lumber, furniture and paper, dairy

I. GENERAL

Area and Geography

The Consular territory comprises five of the New England States: Maine, New Hampshire, Vermont, Massachusetts, and Rhode Island — the extreme northeast corner of the United States. The area covers 159,544 km² (61,600 sq. mi), a little more than one-tenth of the area of the Province of Quebec and about two per cent of the total area of the United States. Three of the five states, Maine, New Hampshire and Vermont, share a common border with Canada. Maine is the largest of the five with an area greater than the other four combined. Rhode Island has the distinction of being both the smallest 3,144 km² (1,214 sq. mi.) and the most densely populated state in the Union (almost 800 people per square mile).

Climate

Varied and changeable with moderately heavy snowfalls in winter and some days of great heat and humidity in summer. Average temperature in winter is minus 1 degree celsius. Average temperature in summer is 23 degrees celsius.

Local Time

Eastern Standard Time.

Weights and Measures, Electricity

U.S. measures that differ from those used in Canada are as follows:

1 U.S. pint = 16 fluid ounces = 473.12 millilitres

1 U.S. quart = 32 fluid ounces = 946.24 millilitres

1 U.S. gallon = 128 fluid ounces = 3,784.96 millilitres

1 Imperial proof gallon = 1.36 U.S. proof gallons = 5.15 litres

Electricity for domestic use is supplied at 115 volts, 60 cycles AC

Public Holidays

The following public holidays are observed:

| | |
|----------------------------|---|
| January 1 | — New Year's Day |
| February (third Monday) | — Washington's Birthday |
| April (third Monday) | — Patriot's Day (Maine and Massachusetts) |
| May (last Monday) | — Memorial Day |
| July 4 | — Independence Day |
| September (first Monday) | — Labour Day |
| October (second Monday) | — Columbus Day |
| November 11 | — Veteran's Day |
| November (fourth Thursday) | — Thanksgiving Day |
| December 25 | — Christmas Day |

Transportation

Air

The following airlines provide daily service:

| | |
|----------------------|----------------------------------|
| Air Canada | — Boston/Toronto, Boston/Halifax |
| Allegheney | — Boston/Toronto |
| Bar Harbour Airlines | — Boston/Quebec City |
| Delta | — Boston/Montreal |

Rail

There is no direct rail service from Boston. Amtrak provides daily service from Springfield (145 km — 90 miles west of Boston) to Montreal.

Truck

| | |
|------------|--|
| Ontario: | Consolidated Freightways, Inland Express, Inc., Red Star Express, Maislin Transport |
| Quebec: | Red Star Express, Sanborn's Motor Express, Inc., Maislin Transport |
| Maritimes: | Sanborn's Motor Express Inc., St. Johnsbury Trucking, Quinn Freight Lines. |

Water

The M/S Prince of Fundy provides daily service, year round, from Portland, Maine, to Yarmouth, Nova Scotia. Sailing time: 10 hours.

The M/V Bluenose provides daily service, year round, from Bar Harbour, Maine, to Yarmouth, Nova Scotia. Sailing time: 6 hours.

II. ECONOMY AND INDUSTRY

Massachusetts

Production of electrical machinery, including electronics and communications equipment, has become the leading manufacturing sector, in terms of numbers of employees and value added by manufacture. Also important are apparel, metal and food products and plastics. Total value added by manufacture was more than \$14.4 billion in 1976. A third of the state's workers are employed in manufacturing.

Massachusetts' cranberry crop is the nation's largest. Also important are dairy and poultry products, cigar wrapper tobacco, apples, peaches, and maple syrup. Mineral production for 1976 was valued at \$70.4 million, mostly of stone, sand and gravel. Commercial fisheries amounted to \$114 million in 1976.

Maine

With more than 80 per cent of its area forested, Maine turns out wood products from boats to toothpicks, paper, lumber and Christmas trees. More than 98 per cent of the forest land is privately owned. Forest products are valued at \$900 million a year. Spruce, white pine, and birch are the most important woods.

Farm income totalled \$431 million in 1976, with poultry and eggs the largest item. The fish and shellfish catch is worth \$62 million annually to the fishermen. Also vital to Maine's economy are processed foods, shoes and textiles. Boatyards build fishing and sailing craft.

New Hampshire

Most significant industrial products are shoes and boots, electronics, electrical and other machinery, wood and other textiles and paper. The majority of factories are concentrated along the Merrimack and Connecticut Rivers, and in the seacoast area. Manufacturing employs approximately 150,000 workers.

A phenomenal economic growth has made New Hampshire the shining star of the New England regional economy. The growth is mostly in electronics and other high technology industries.

Rhode Island

The state is number one in the United States for the manufacture of jewelry and silverware. Other leading industry groups are primary metal processing, metal products, machinery, rubber and plastics, food processing, chemicals and apparel.

One per cent of the labour force is engaged in farming, and farm receipts in 1976 totalled \$30 million. Dairy and poultry are the most important lines; potatoes and apples are principal crops. The fish and shellfish catch is valued at more than \$23 million annually.

Vermont

Principal manufactured goods include machine tools, computer components, stone and clay products, lumber, furniture and paper.

The state ranks high in output of marble, granite, limestone; it is a leader in asbestos and talc.

Vermont has year-round sports, especially hiking, camping and skiing; there are more than 56 ski areas in the state.

III. SELLING TO BOSTON TERRITORY

A Good Test Market

Because of their close proximity to Canada, the New England States offer a good stepping stone for entry into the export market by Canadian firms. Many existing U.S. supply sources are more distant than potentially competitive Canadian ones.

The Canadian Image

Many American businessmen are not aware of the high level of development of Canadian industry and have misconceptions about Canadian design and quality. U.S. firms often do not regard Canada as "foreign" and Canadian merchandise consequently is bought and invoiced through domestic purchasing departments — which can work to your advantage. Proximity to Canada and personal and corporate connections result in receptivity and a willingness to buy on the same basis as from domestic U.S. sources.

Positive Sales Psychology

Canadian exporters may face a double challenge: to sell as an American vendor sells and to overcome misconceptions about Canadian capabilities. The buyer must be assured that there is nothing risky about doing business with Canada or with a new supplier.

Before selling in the United States, Canadian companies should:

- 1) Go after business on a continuing basis
- 2) Make the first impression a positive one — to a degree they might not consider important in Canada
- 3) Quote, deliver and follow up aggressively in competition with U.S. suppliers.

The Initial Approach

The best introduction is by personal visit. Some type of representative or distributor may be appointed later but large volume buyers usually want to meet their prospective suppliers personally.

Appointments often are not necessary with individual buyers but as a matter of good form it is usually advisable to start with the director of purchasing or his equivalent and through him meet the proper buyers. An advance notification in this case is suggested.

A complete presentation on the first call is important. This should include literature, specifications, samples if possible and all the price, delivery and quality-control information a buyer needs to evaluate your capabilities against his current sources. Many buyers keep up-to-date records on their suppliers. A favourable impression is made if a résumé including the following can be supplied at the time of the first visit:

- vendor's name, address and telephone number
- name, address and telephone of local representative, if applicable
- date established
- size of plant
- number of employees
- principal products
- location of plant
- description of production facilities equipment
- description of quality-control facilities and procedures
- transportation facilities

- approximate yearly sales volume
- list of representative customers
- financial and credit rating

However, before visiting this territory it is suggested that you write to the Canadian Consulate General, Commercial Division, 500 Boylston Street, Boston, MA 02116, to obtain some preliminary information on opportunities existing there. Your letter should contain the following information:

- 1) A summary of your past experience in this market territory
- 2) The channel of distribution you wish to pursue
- 3) Prices f.o.b. factory but also c.i.f. Boston, including the U.S. customs duty
- 4) Delivery time scheduling from date of receipt of order
- 5) Warranty offered
- 6) Rate of commission to manufacturer's representative or percentage discount structure for a distributor.

Reciprocal Visits

Many buying organizations survey new vendors' facilities personally before placing continuing business. If they do not come as a matter of course, it is good sales strategy to invite them.

Following Up the Initial Call

United States buyers expect to be called upon more frequently than their Canadian counterparts. This may be as often as every two weeks at some periods of the buying year. Although some Canadian companies may lack the sales force to accomplish this, the problem can be overcome by appointing a manufacturer's representative or selling through brokers, jobbers or distributors as the situation warrants.

Price Quotations

Quotations should be submitted both on a laid-down basis, buyer's warehouse or factory, and an f.o.b. Canadian plant basis exclusive of Canadian sales and excise taxes. Always quote in U.S. funds unless specifically requested otherwise. The landed price should include transportation charges, U.S. customs duties if applicable, brokerage fees and insurance. The quotation should be comparable in format to quotations from United States sources. Buyers cannot be expected to understand or be sympathetic to customs duties or other matters peculiar to international transactions. This is solely the responsibility of the Canadian exporter and a "cost" of international business.

Canadian exporters may not be granted the same opportunities for re-negotiating initial quotations as they have been accustomed to in Canada. This is because U.S. buyers must often work to tighter purchasing deadlines and target prices. Thus they may have to accept the first bid as final.

The Manufacturer's Representative

The commission agent or manufacturer's representative is more commonly used as a sales technique in the U.S. than in Canada. The better "reps" are highly qualified by education, training and experience. They know their customers and call regularly not only on the buying level, but on engineering, design and quality control offices as well. The advantages of the rep include economy, closer contacts with buyers — sometimes social — and closeness to the scene of possible problems. The Canadian Consulate in Boston maintains information on the majority of manufacturers' representatives operating in its market territory and can often make suitable suggestions for Canadian manufacturers.

Delivery

Delivery must be exactly to customers' specifications and these are as rigid as any in the world. Many U.S. plants work on inventories as short as one or two days and could be shut down by a delay of a few hours. Failure to adhere to rigid delivery schedules is one of the surest ways of not being asked to quote again.

IV. SERVICES FOR EXPORTERS

Banking

In March 1977 the Bank of Nova Scotia opened a branch in Boston with full banking facilities. The address is: The Bank of Nova Scotia, 111 Franklin Street, P.O. Box 2799, Boston, MA 02110.

The international divisions of other Canadian banks in Canada visit this territory periodically and are in a position to assist exporters.

Patents, Trademarks and Copyrights

General

An informative booklet entitled "General Information Concerning Patents" is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20302.

Patents

All business with the Patent Office should be transacted in writing and all letters addressed to the Commissioner of Patents, Washington, DC 20231.

U.S. patent laws make no discrimination with respect to the citizenship of the inventor. However, it is the inventor who must make application for patent and sign related papers (with certain exceptions).

Most inventors employ the services of patent attorneys or patent agents. The Patent Office cannot recommend any particular attorney or agent but does publish a list of all registered patent attorneys and agents who are willing to accept new clients and lists them by states, cities and foreign countries.

Trademarks

A trademark relates to the name or symbol used in trade to indicate the source or origin of goods. Trademark rights will prevent others from using the same trademark on identical goods but do not prevent others from making these goods without the trademark.

The procedure relating to the registration of trademarks and some general information on trademarks is given in a pamphlet called "General Information Trademarks" which can be obtained from the Patent Office.

Copyright

Copyright protects the writings of an author against copying. Literary, dramatic, musical and artistic works are included within the protection of the copyright law which in some instances also confers performing and recording rights. The copyright goes to the form of expression rather than the subject matter.

Note: Copyrights are registered in the Copyright Office in the Library of Congress and the Patent Office has nothing whatever to do with copyrights. Information concerning copyrights may be obtained from Register of Copyrights, Library of Congress, Washington, DC 20540.

Licensing and Joint Ventures

If you wish to market a patented invention or product in the United States, either under a joint-licensing agreement or some other arrangement, there are a number of firms specializing in patent and marketing services. The Canadian Consulate in Boston can help in choosing such firms.

The Canadian-American Commercial Arbitration Commission

Reference to the above Commission is often made in standard commercial contracts between Canadian and American companies. In the event of disputes the Canadian firm simply refers to the Canadian Chamber of Commerce, 1080 Beaver Hall Hill, Montreal, Quebec H2Z 1T2, and the American firm refers to the American Arbitration Commission, 140 West 51st Street, New York, NY 10020.

V. CUSTOMS REGULATIONS AND DOCUMENTATION

U.S. Exports to Canada

Enquiries concerning the importation of U.S. products into Canada should be referred to the United States Embassy, 100 Wellington Street, Ottawa or the U.S. Consulate or Consulate-General in Vancouver, Calgary, Winnipeg, Toronto, Montreal, Quebec, Saint John, Halifax or St. John's.

Canadian Export Documents

All Canadian exports to the United States, even when accompanying returned American merchandise, must be accompanied by Canada customs export form B-13. Canada customs requires three copies at the same time of exportation, but it is wise to prepare at least five. Two numbered copies will then be returned to the exporter unless otherwise specified on the B-13. By doing this, the exporter avoids having to submit a form C-6 for additional certified copies of the B-13 should the goods be returned to Canada for any reason. Two numbered copies of the B-13 must always accompany the Canada customs entry as proof of export. B-13 forms may be obtained from Canada customs.

U.S. Customs and Market Access Information

To enjoy success in the United States market, a Canadian exporter requires market access information which falls into two basic categories: customs and non-customs. The former covers subjects such as documentation, tariff classification, value for duty and rates of duty, while the latter relates to the many other U.S. laws affecting imports such as food and drugs, consumer product safety, environmental protection and so on. Exporters are strongly urged to obtain all market access information on new products to be marketed in the U.S. from the U.S. Division of the Department of Industry, Trade and Commerce, in Ottawa. The Division is constantly liaising

with U.S. customs and other agencies on behalf of Canadian exporters, and over the years has developed an in-depth knowledge of the interpretation and implementation of regulations governing access for imports into the U.S. market.

The address is:

United States Division
Western Hemisphere Bureau
Department of Industry, Trade and Commerce
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 996-5471

U.S. Customs Regulations and Documentation Tariff Classification and Value for Duty

Request for Prospective Rulings

The U.S. Division can obtain a PROSPECTIVE CUSTOMS RULING from Washington on behalf of a Canadian exporter for articles which have not yet been exported and are not at present under consideration by the U.S. Customs Service, provided that the following information is supplied. Failure to supply all of this information will only result in delays and confusion for the exporter.

General

- a) We require a written request signed by a person who has a direct and demonstrable interest in the question, also indicating that the merchandise or subject of the request has not previously, or is not now, under consideration by any U.S. Customs Service field office.
- b) Also, include a statement of all facts relating to the transaction such as names and addresses and other identifying information of all interested parties (if known), the probable port of arrival in the United States and a description of the transaction appropriate in detail to the ruling requested.

Tariff Classification Ruling

In addition to A and B above, the following information is required for a tariff classification ruling:

- 1) A full and complete description of the article.
- 2) The chief use of the article in the United States.
- 3) The commercial, common or technical description.
- 4) Metal, wood and mineral objects and combinations thereof should include a statement of the relative quantity (by weight and volume) and the value of each in order to determine the material in chief value and weight.
- 5) Textile materials and articles should be identified as in (4) and include the method of construction such as knit or woven, the fibres present in percentage by value and if wearing apparel, for whom it is designed to be worn.
- 6) Chemical products should be identified by their specifications and chemical analysis including a sample for U.S. customs use. Particular reference should be made if any part of the formula consists of a benzenoid chemical or its derivative stating the function of such chemical in the product.
- 7) Photographs, drawings or other pictorial representations of the articles should be submitted when samples are not sent.

Who May Enter Goods

Goods may be entered by the consignee, his authorized employees or his agent. The only agents who can act for importers in customs matters are licensed U.S. customhouse brokers. They prepare and file the necessary customs entries, arrange for payments of duties and release of goods.

The railway express companies or other transport companies may be prepared in certain cases to enter packages through customs for the account of the exporter. If there is some difficulty or special problem connected with a shipment, the carriers may turn the matter over to a U.S. customs broker at the exporter's expense.

Goods may be entered by the consignee named on the bill of lading under which they are shipped or by the holder of the bill of lading duly endorsed by the consignee. When the goods are consigned "to order" they may be entered by the holder of the bill of lading duly endorsed by the consignor. In most instances entry is made by a person or firm certified by the carrier to be the owner of the goods for customs purposes. When goods are not imported by a common carrier, possession of the goods at the time of arrival in the United States is sufficient evidence of the right to make entry.

A non-resident of the United States may make entry of his own goods as may a non-resident partnership or a foreign corporation. But the surety on any customs bond required from a non-resident individual, partnership or corporation must be incorporated in the United States. When merchandise is entered in the name of a Canadian corporation, that corporation must have a resident agent in the state of entry who is authorized to accept service of process in the corporation's behalf.

In general, to facilitate clearance of customs it is advisable to contact a licensed U.S. customs broker who will outline the services he can provide, together with particulars on brokerage fees and other related matters.

Documentation

Normally the only documents required when shipping to the United States are a bill of lading as well as a special U.S. customs invoice 5515 and/or commercial invoice (preferably both). The use of a typewriter in preparing documents is preferred; in any case, they should be legible.

Note: Do not use red ink to fill out documents.

Bill of Lading

Normally a bill of lading for Canadian shipments is required by U.S. customs authorities. In lieu of the bill of lading the shipping receipt may be accepted if customs is satisfied that no bill of lading has been issued. Entry and release of merchandise may be permitted without the bill of lading if satisfactory bond is given in a sum equal to one and one-half times the invoice value of the merchandise. A carrier's certificate or duplicate bill of lading may, in certain circumstances, be acceptable.

Invoice

Shipments in excess of \$500 and subject to an ad valorem rate of duty, conditionally free of duty or subject to duty depending in some manner upon its value, should be accompanied at entry by a U.S. special customs invoice form 5515. However, copies of the commercial invoice are sufficient for shipments with an aggregate value of less than \$500, duty-free shipments or shipments of articles subject to specific rates of duty.

Valuation Ruling

In addition to A and B above, the following information is required for a Valuation Ruling:

- 1) All information required on a U.S. special customs invoice form 5515.
- 2) The nature of the transaction, whether f.o.b./c.i.f., ex factory or some other arrangement.
- 3) Relationship of parties (if any), whether the transaction is at arms-length (i.e. between unrelated parties) and whether there have been other sales of the same or similar merchandise in the country of exportation, whether an agency situation exists and an explanation or copy of any agreement, contract or other relevant document.
- 4) A full description of the merchandise in order to determine if section 402 or 402(a) of the Tariff Act of 1930 applies and other relevant information required under the appropriate section.

Note: Privileged or confidential information should be clearly marked with an explanation as to why it is considered confidential.

Request for Internal Advice Rulings

Part 177.1(a)(2) of the Customs Regulations of the United States requires that questions arising in connection with current or completed transactions should be resolved by means of the INTERNAL ADVICE PROCEDURE at the port where entry was made. The request for an internal advice ruling can be filed by either the importer or his customs broker. The field office personnel will review the request and notify the importer of any points with which they do not agree.

The U.S. Division can provide valuable assistance and suggestions regarding points of law and previous customs practice which may support the importer's case.

Requests for advice from the U.S. Division should contain:

- 1) Copies of *all* documents related to the entry of the merchandise to which the request refers including those issued by U.S. customs.
- 2) A statement of *all* facts relative to the transaction from a commercial point of view such as domestic and foreign billing practices, price-list terms, end use of the goods, literature, drawings, pictures, method of shipment and all other pertinent facts.
- 3) A statement generally following the outline under "Request for Prospective Ruling". The U.S. Customs Service may, at its discretion refuse to consider a request for internal advice if, in its opinion, there is a clear and definitive precedent that supports its position. If the importer is not in agreement with this position, he may request a "Protest Review Decision".

Request for Protest Review

When an importer does not agree with a decision of the U.S. Customs Service, he may request a PROTEST REVIEW within 90 days from the date of liquidation. The U.S. Division can assist the importer and his broker by providing advice and suggestions on what information can be used to support the importer's case.

Entry at Customs

Goods may be "entered for consumption" at the port of arrival in the United States, whether at seaboard or on a land border, or the goods may be transported in bond to an inland port of entry and there entered for consumption.

For such transportation in bond to an interior port, an immediate transportation entry (I.T.) must be filled out at the port of arrival by either the consignee, the carrier, the U.S. customs broker or any other person having a sufficient interest in the goods for that purpose. In cases where the Canadian exporter assumes responsibility for entering the goods through U.S. customs, he may find that there are advantages in having shipments entered for consumption at the nearest or most

convenient port of arrival. In this way he can remain in close touch with the broker and U.S. customs at that port of entry. However, where the U.S. purchaser intends making his own entries, it may be more convenient to have the goods transported in bond from the port of arrival to the interior port nearest the importer.

Completion of Form 5515

U.S. customs forms 5515 are available free of charge from U.S. consular offices in Canada or can be obtained from commercial stationers. While only one copy is required by U.S. customs, it is usual to forward three: one for the use of U.S. customs when the goods are examined, one to accompany the entry and one for the U.S. custom broker's file. District directors of U.S. customs are authorized to waive production of special and commercial invoices if satisfied that the importer, because of conditions beyond his control, cannot furnish a complete and accurate invoice; or that a classification, appraisement and liquidation can properly be made without the production of such an invoice. In these cases, the importer must file the following with the entry:

- 1) any invoice received from the seller or shipper
- 2) a statement pointing out in exact detail any inaccuracies or omissions in such invoice
- 3) an executed pro forma invoice
- 4) any other information required for classification or appraisement.

Special information with respect to certain classes of goods is sometimes required when either the customs or commercial invoice does not give sufficient information to permit classification and appraisal.

Packing List

U.S. customs authorities require three copies of a detailed packing list. This should indicate what is in each box, barrel or package in the shipment. If the shipment is uniformly packed, this can be stated on the invoice indicating how many items are in each container.

Payment of Duties

There is no provision for prepayment of duties in Canada before exportation to the United States but it is feasible for the Canadian exporter to arrange for payment by a U.S. customs broker or other agent and thus be able to offer his goods to U.S. buyers at a duty-paid price.

Liability for payment of duty usually becomes fixed at the time an entry (either for consumption or warehouse) is filed with U.S. customs. The liability is fixed, but not the amount of duty which is only estimated at the time of the original entry. When the entry is liquidated, the final rate and amount of duty is ascertained. Obligation for payment is upon the person or firm in whose name the entry is filed.

Temporary Free Importation

Certain articles not imported for sale may be admitted into the United States under bond without the payment of duty.

Such articles must in most cases be exported within one year of the date of importation. Upon application to the district director, this period may be extended for a period not to exceed a total of three years.

Such articles may include the following:

- articles for repair, alterations or processing (not manufacture)
- models of women's wearing apparel by manufacturers
- not for sale samples for order-taking (not to include photo-engraved printing plates for reproduction)
- motion picture advertising films
- articles for testing, experimental or review purposes (plans, blueprints, photographs for use in study or for experimental purposes may be included). In the case of such articles satisfactory proof of destruction as a result of the tests with the production of a proper affidavit of destruction will relieve the obligation of exportation
- containers for merchandise during transportation
- models imported by illustrators and photographers for use solely in illustrating
- professional equipment, tools of trade, repair components for equipment or tools admitted under this item and camping equipment; all the foregoing imported by or for non-residents sojourning temporarily in the United States and for use by such non-residents
- articles of special design for temporary use exclusively in the production of articles for export
- works of art, photographs, philosophical and scientific apparatus brought into the U.S. by professional artists, lecturers or scientists for use in exhibition and promotion of art, science and industry
- automobiles, automobile chassis, automobile bodies — finished, unfinished or cutaway when intended solely for show purposes. The temporary importation bond in the case of these articles is limited to six months with no right of extension.

Commercial Travellers — Samples

Samples accompanying a commercial traveller may be admitted and entered on the importer's baggage declaration. In such cases, an adequate descriptive list or a U.S. special customs invoice must be provided. The personal bond of the commercial traveller is usually accepted to guarantee the timely exportation of the samples under U.S. customs supervision. Penalty for failure to export the samples entails loss of the privilege on future trips.

U.S. Anti-Dumping and Countervail Statutes

Due to the complexity of these statutes, exporters are encouraged to contact the U.S. Division of the Department of Industry, Trade and Commerce for answers to any specific questions.

Anti-Dumping

If a U.S. company has reason to believe that a product is being sold in the U.S. at a price lower than the price at which it is sold in its home market, an anti-dumping complaint may be filed with the U.S. Treasury Department. The anti-dumping petition must contain information to support the dumping allegations along with evidence of injury suffered by the U.S. industry affected.

A U.S. anti-dumping investigation must be conducted within specified time frames:

1. Within 30 days of receipt of an anti-dumping petition, the Secretary of the Treasury must decide whether or not to initiate an investigation.
2. Within six months (nine months in complicated cases) of the initiation of an investigation, the Secretary of the Treasury must issue a preliminary determination on whether or not there are sales at less than fair value, i.e. dumped prices.
3. If sales were made at less than fair value, the matter would be referred to the U.S. International Trade Commission (ITC) for an injury determination which must be made within three months of the date of referral to the commission.
4. If the International Trade Commission (ITC) finds injury to a U.S. industry, an anti-dumping finding would be issued.

Countervail

Under the U.S. Countervailing Duty Statute, an additional duty may be imposed upon dutiable articles imported into the United States if any bounty or grant upon their manufacture production or export has been made. The U.S. Trade Act of 1974 enlarged the scope of the U.S. Countervailing Duty Statute to include duty-free goods. This amendment brings within the purview of the law the 70 per cent of Canadian exports to the U.S. which were previously exempt. Application of countervailing duty against free merchandise will in most cases be subject to an injury determination by the U.S. International Trade Commission.

Marking of Goods

Country of Origin Marking

All goods must be legibly and conspicuously marked in English to show country of origin.

The use of stickers or tags is permitted if used in such a manner as to be permanent, unless deliberately removed, until receipt by the final purchaser.

Certain small instruments and utensils must be marked by die-stamping or cast-in-the-mould lettering, engraving or by means of metal plates securely attached to this article.

The U.S. Customs Service may exempt certain articles from this marking. In such cases, the container must be suitably marked.

Composition Marking

Any product containing woollen fibre (except carpets, rugs, mats and upholsteries, or articles made more than 20 years before importation) must be clearly marked with the name of the manufacturer or the person marketing the product together with a statement of the fibre content of the product. If not suitably marked, an opportunity to mark under U.S. customs supervision is granted.

When the fabric contained in any product is imported, it is necessary to state the fabric's country of origin.

Fur products must be marked as to type (particular animal), country of origin and manufacturer's name; in addition they must be marked if they are used, bleached or artificially coloured, composed substantially of paws, tails, bellies or waste.

Food Labelling

All imported foods, drugs and cosmetics are subject to inspection by the Food and Drug Administration of the United States at the time of entry. The Food and Drug Administration is not authorized to pass upon the legality of specific consignments before they arrive and are offered for entry. However, the administration may offer comment on proposed labels or answer other enquiries from importers and exporters.

Advice on prospective food labels may also be obtained from the U.S. Division of the Department of Industry, Trade and Commerce in Ottawa.

Import Prohibitions and Restrictions

In addition to goods prohibited entry by most countries in the world, such as obscene or seditious literature, narcotics, counterfeit currency or coins, certain commercial goods are also prohibited or restricted. Moreover, various types of merchandise must conform to laws enforced by government agencies other than the United States Customs Service. Fur products are also subject to the Endangered Species Act and importation of certain fur skins would be prohibited.

Animals

Cattle, sheep, goats, swine and poultry should be accompanied by a certificate from a salaried veterinarian of the Canadian government to avoid delays in quarantine.

Wild animals and birds, or products thereof, are prohibited if captured, taken, shipped, possessed or exported contrary to laws of the country of origin. In addition, the purchase, sale or possession of such animals is prohibited if contrary to the laws of any part of the United States.

Plants and Plant Products

Permits issued by the Department of Agriculture are required.

Regulations may restrict or prohibit importation.

Shipments of agricultural and vegetable seeds and screenings are detained pending the drawing and testing of samples and are governed by the regulations of the U.S. Federal Seed Act.

Postal Shipments

Parcels of aggregate value not exceeding one dollar (U.S. value) may be entered free of duty.

Commercial shipments of more than one dollar value must include a commercial invoice and a customs declaration on the form provided by the Canadian Post Office and give an accurate description and value of the contents. The customs declaration must be securely attached to the package.

If the shipment comprises two or more packages the one containing the commercial invoice should be marked "Invoice Enclosed;" other packages of the same shipment may be marked as "No. 2 of 3, Invoice Enclosed in Package No. 1."

A shipment in excess of \$500 aggregate value must include a U.S. special customs invoice (form 5515) and any additional invoice information required. A shipment under \$250 aggregate value will be delivered to the addressee. Duties and delivery fees for each package are collected by the postman. Parcels containing bona fide gifts excluding alcoholic beverages, tobacco products and perfumes to persons in the United States will be passed free of duty provided the aggregate value received by one person on one day does not exceed \$10. No postal delivery fee will be charged. Such parcels should be marked as a gift and the value and contents indicated on the parcel.

American Goods Returned

U.S. products returned without any evidence of advanced value or improved condition may be entered duty free.

Articles exported from the United States for repair or alteration shall be subject to duty upon the value of the repairs or alterations. The term "repairs or alterations" means restoration, change, addition, renovation, cleaning or other treatment which does not destroy the identity of the article exported or create a new or different article. Any article of metal (except precious metal) manufactured in the United States and exported for processing and again returned to the United States for additional processing is subject to a duty upon the value of processing outside the United States provided the material which has been processed in Canada is returned to the original exporter for the further processing of the goods.

The cost or value of U.S. origin component parts used in the production of goods imported into the U.S. may be deducted from the value for duty provided the parts have not been subject to any change except operations incidental to the assembly process such as cleaning, lubricating and painting.

Special U.S. customs procedural requirements must be followed upon the exportation and return of American goods. Details may be obtained from United States Import Specialists at border points or from the U.S. Division, Western Hemisphere Bureau, Department of Industry, Trade and Commerce, Ottawa.

Duty on Containers

If used in shuttle service, the following types of containers may enter free of duty:

- 1) U.S. containers and holders including shooks and staves of U.S. production when returned as boxes or barrels containing merchandise
- 2) foreign containers previously imported and duty paid if any
- 3) containers of a type specified by the Secretary of the Treasury as instruments of international traffic.

One-trip containers are included in the dutiable value of goods.

VI. YOUR BUSINESS VISIT TO BOSTON

When to Go

Anytime of the year except the Christmas-New Year holiday period and the July-August vacation period.

How to Get There

Air

The following airlines provide daily service:

| | |
|----------------------|--------------------------------|
| Air Canada | Boston/Toronto, Boston/Halifax |
| Allegheny | Boston/Toronto |
| Bar Harbour Airlines | Boston/Quebec City |
| Delta | Boston/Montreal |

Water

The M/S Prince of Fundy provides daily service from Portland, Maine, to Yarmouth, Nova Scotia. The M/V Bluenose provides daily service from Bar Harbour, Maine, to Yarmouth, Nova Scotia.

Rail

There is no direct rail service from Boston. Amtrak provides daily service from Springfield (145 km — 90 miles west of Boston) to Montreal.

Buses

Buses operate several times daily between Boston/Montreal and Boston/Toronto.

Highway Distance Chart

| | Toronto | Montreal | Quebec City | Saint John | Halifax | Moncton |
|--------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Boston | 909 km (568 mi.) | 606 km (379 mi.) | 670 km (419 mi.) | 736 km (460 mi.) | 933 km (583 mi.) | 891 km (557 mi.) |

Where to Stay

Refer to Part VII "Useful Addresses" for the names and addresses of some of the better known hotels.

VII. USEFUL ADDRESSES

Canadian Consulate General
500 Boylston Street
Boston, MA 02116
Tel: (617) 262-3760

Canadian Pacific Air
313 Statler Office Building
Boston, MA 02116
Tel: (617) 542-8247

Bureau of the Province of Quebec
Suite 409
Park Square Building
Boston, MA 02116
Tel: (617) 426-2660

Canadian Pacific Rail Freight
150 Causeway Street
Boston, MA 02114
Tel: (617) 523-1260

Air Canada
603 Boylston Street
Boston, MA 02116
Tel: (617) 262-0400

Canadian National Railways
75 Federal Street
Boston, MA 02110
Tel: (617) 482-3810

Canadian Defence Industrial Liaison
ESD/ESKZ - MS27
Hanscom AFB
Bedford, MA 01731
Tel: (617) 274-9096

Banks with International Departments

The First National Bank of Boston
100 Federal Street
Boston, MA 02110
Tel: (617) 434-2200

Shawmut Bank of Boston
One Federal Street
Boston, MA 02110
Tel: (617) 292-2156

New England Merchants National Bank
Prudential Center
Boston, MA 02199
Tel: (617) 742-4000

State Street Bank & Trust Company
225 Franklin Street
Boston, MA 02110
Tel: (617) 786-3795

The Bank of Nova Scotia
111 Franklin Street
Boston, MA 02110
Tel: (617) 482-9131

Custom House Brokers

Advance Brokers Ltd.
148 State Street
Boston, MA 02109
Tel: (617) 227-1386

T. D. Downing Company
88 Broad Street
Boston, MA 02110
Tel: (617) 426-4800

Air-Sea Brokers
395 Maverick Street
E. Boston, MA 02128
Tel: (617) 567-7522

D. C. Andrews International Inc.
131 State Street
Boston, MA 02109
Tel: (617) 482-7082

A. H. Derringer Inc.
Logan Airport
Central Air Freight Terminal
E. Boston, MA 02128
Tel: (617) 569-2886

Dolliff & Company Inc.
131 State Street
Boston, MA 02109
Tel: (617) 523-1240

Hotels:

Colonnade Hotel
120 Huntington Avenue
Boston, MA 02116
Tel: (617) 261-2800

Copley Plaza Hotel
Copley Square
Boston, MA 02116
Tel: (617) 267-5300

Howard Johnson's 57 Hotel
200 Stuart Street
Boston, MA 02116
Tel: (617) 482-1800

Lenox Hotel & Motor Inn
710 Boylston Street
Boston, MA 02116
Tel: (617) 536-5300

International Specialists Inc.
177 Milk Street
Boston, MA 02109
Tel: (617) 357-9383

C. H. Powell Inc.
141 Milk Street
Boston, MA 02109
Tel: (617) 426-2420

Pistorino & Company Inc.
115 Broad Street
Boston, MA 02110
Tel: (617) 482-0360

Stone & Downer Company
131 State Street
Boston, MA 02109
Tel: (617) 523-3800

Ritz Carlton Hotel
15 Arlington Street
Boston, MA 02116
Tel: (617) 536-5700

Sheraton Boston Hotel
39 Dalton Street
Boston, MA 02115
Tel: (617) 236-2000

The Boston Park Plaza Hotel
64 Arlington Street
Boston, MA 02116
Tel: (617) 426-2000

Hyatt Regency — Cambridge
575 Memorial Drive
Cambridge, MA 02139
Tel: (617) 492-1234

REGIONAL OFFICES

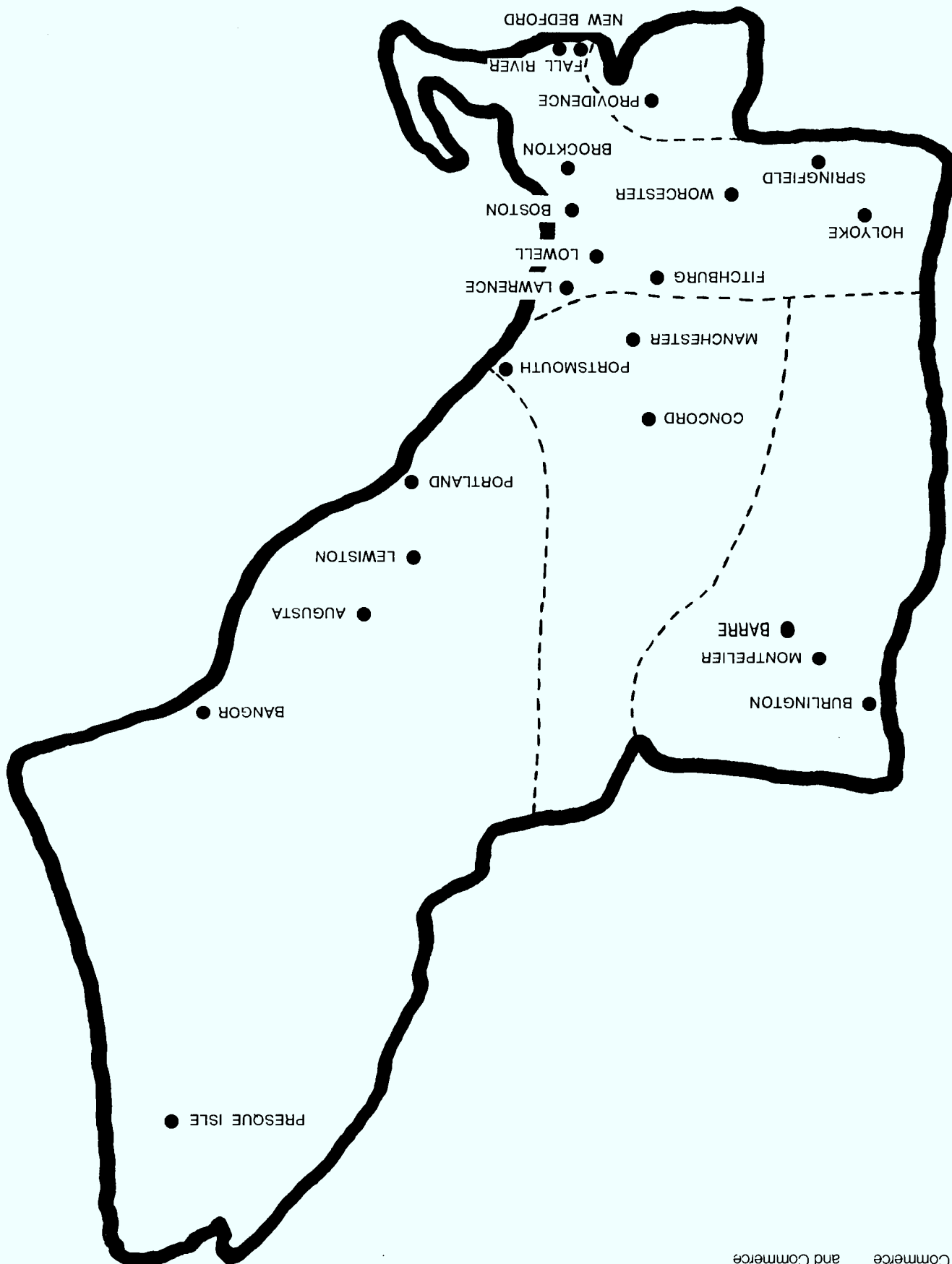
IF YOU HAVE NOT PREVIOUSLY MARKETING ABROAD, CONTACT ANY REGIONAL OFFICER OF THE DEPARTMENT OF INDUSTRY, TRADE AND COMMERCE AT THE ADDRESSES LISTED BELOW.

NEWFOUNDLAND
LABRADOR

P.O. Box 6148
127 Water Street (2nd Floor)
St. John's, Newfoundland
A1C 5X8

Tel: (709) 737-5511
Telex: 016-4749

| | | |
|-------------------------------------|---|---|
| NOVA SCOTIA | Suite 1124, Duke Tower 5251 Duke Street, Scotia Square Halifax, Nova Scotia B3J 1N9 | Tel: (902) 426-7540 Telex: 019-21829 |
| NEW BRUNSWICK | Suite 642, 440 King Street Fredericton, New Brunswick E3B 5H8 | Tel: (506) 452-3190 Telex: 014-46140 |
| PRINCE EDWARD ISLAND | P.O. Box 2289 Dominion Building 97 Queen Street Charlottetown Prince Edward Island C1A 8C1 | Tel: (902) 892-1211 Telex: 014-44129 |
| QUEBEC | C.P. 1270, Station B Suite 600 685, rue Cathcart Montréal (Québec) H3B 3K9 | Tél: (514) 283-6254 Télex: 012-0280 |
| | Suite 620, 2, Place Québec Québec (Québec) G1R 2B5 | Tél: (418) 694-4726 Télex: 051-3312 |
| ONTARIO | Commerce Court West 51st Floor P.O. Box 325 Toronto, Ontario M5L 1G1 | Tel: (416) 369-3711 Telex: 065-24378 |
| MANITOBA | 507 Manulife House 386 Broadway Avenue Winnipeg, Manitoba R3C 3R6 | Tel: (204) 949-2381 Telex: 075-7624 |
| SASKATCHEWAN | Room 980 2002 Victoria Avenue Regina, Saskatchewan S4P 0R7 | Tel: (306) 569-5020 Telex: 071-2745 |
| ALBERTA NORTHWEST TERRITORIES | 500 Macdonald Place 9939 Jasper Avenue Edmonton, Alberta T5J 2W8 | Tel: (403) 425-6330 Telex: 037-2762 |
| BRITISH COLUMBIA YUKON | P.O. Box 49178 Suite 2743 Bentall Centre, Tower III 595 Burrard Street Vancouver, British Columbia V7X 1K8 | Tel: (604) 666-1434 Telex: 04-51191 |



INDUSTRY CANADA / INDUSTRIE CANADA



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Gouvernement
du Canada
Industry, Trade
and Commerce

