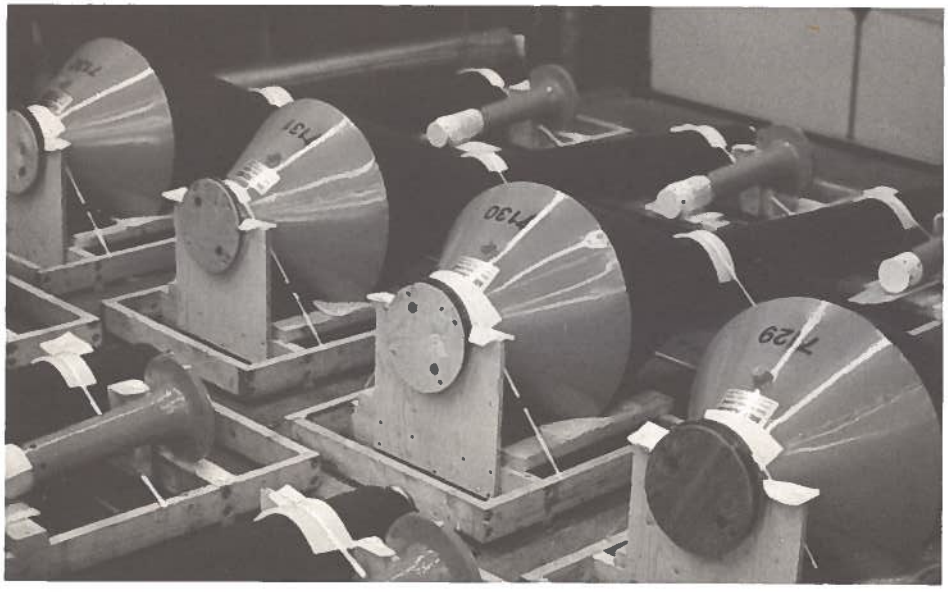
NOVA SCOTIA
EXPORT NEWS



# Exporting to the Netherlands

For centuries, the Dutch have been known as traders—and they continue to live up to their reputation. Today, more than half of everything consumed in The Netherlands comes from outside the country (compared to about one-quarter in Canada and only 5% in the U.S.). More and more Nova Scotia companies are discovering the benefits of exporting to this prosperous, compact nation of 14 million people.

METOCEAN was established five years ago and now has 26 employees and annual sales of about $2 million, including export sales to seven countries. The company sold its first drifting buoy to the Netherlands Meteorological Institute last November–after winning a competitive bidding process–and is "looking forward to many more contracts there," according to Sylvia Rudderham, METOCEAN's marketing and contracts administrator.



*METOCEAN now sell their drifting buoy to the Netherlands Meteorological Institute.*

METOCEAN Data Systems Ltd. of Dartmouth is one such company. One of METOCEAN's products is a high-tech oceanographic instrument known as a drifting buoy. The buoy is deployed in remote offshore waters and transmits meteorological data, plus the buoy's current location, to an orbiting satellite for relay to shore-based weather stations.

Rudderham says that METOCEAN's Dutch client "made it easy for us to do business with them," and notes that English is widely spoken in The Netherlands.

Loring Wilmot, marketing manager at Oxford Frozen Foods, agrees that there are few barriers to doing business in Holland. But he advises companies thinking about exporting there to remember the trading reputation of the Dutch.

"They are *very* tough businesspeople ... they're fair, but they're sharp," says Wilmot, whose company has been exporting frozen blueberries to The Netherlands for the past 15 years. He stresses the importance of offering a competitively-priced product when trying to sell to the Dutch. He also underlines the need for personal contact, and recommends attendance at trade fairs in particular.

Oxford Frozen Foods and METOCEAN export products in two sectors—food products and advanced technology—in which the prospects for increased sales to The Netherlands are "excellent and improving," according to Canada's Department of External Affairs. The other sectors on External's 1989/90 list of priority areas for export promotion in The Netherlands are forest products and equipment plus defence products—sectors in which Nova Scotia firms are well represented.

The Department of External Affairs is bullish on Canada's overall prospects for increased exports to The Netherlands. The department's Trade and Economic Overview for 1989/90 cites "a remarkable increase in Dutch enquiries for Canadian goods," due to factors such as the sizeable increase in value of the Dutch guilder versus the Canadian dollar over the past three years.

Kathy Patton, desk officer at External Affairs headquarters in Ottawa, points to a less tangible, but no less important, reason why the Dutch look favorably on Canadian products.

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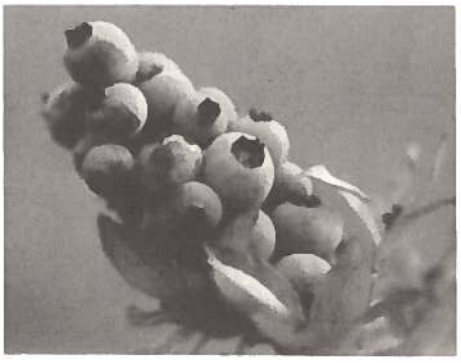
"The Dutch have a very warm feeling for Canadians," she says. This stems in part from the fact that the Dutch royal family lived in Canada during the Second World War, after The Netherlands was occupied by the Nazis. Queen Beatrix, the current monarch, was a young member of that family in the 1940s. This link between Canada and The Netherlands was strengthened by large-scale Dutch immigration to Canada in the post-war years. The result of the "warm feeling" of the Dutch towards Canadians, according to Patton: "Canadian companies get very good treatment in The Netherlands."

One factor facilitating exports from Nova Scotia is KLM's new twice-weekly nonstop flights from Halifax to Amsterdam. These flights are of particular interest to anyone exporting perishable or time-sensitive goods.

Gerald Risser, president of Risser's Lobster Pound of West Dublin, is one KLM customer. His company will send as much as $300,000 worth of live lobster to The Netherlands by air this year.



*Oxford Frozen Foods have been exporting Nova Scotia blueberries to the Netherlands for the past 15 years.*

The Netherlands is often referred to as the gateway to Europe. Thanks to its location, its excellent transportation network (which includes the port of Rotterdam and Schiphol airport) and the trading acumen of its people, the country has become a major European marketing and distribution centre.

With the impending removal of all remaining barriers to the free flow of goods and services among the 12 countries of the European Community (to be completed by the end of 1992), The Netherlands is billing itself as Canadian companies' gateway to a European market of more than 300 million people.

Kathy Patton of External Affairs describes The Netherlands as "a wonderful place for distribution to the European Community," and points to McCain Foods as one company that has already taken advantage of this opportunity.

Nova Scotia firms thinking about trying to gain a foothold in the European market in time for "Europe 1992" would do well to consider The Netherlands as their first step.■

# The Canadian Exporters Association in Nova Scotia

When it comes to exporting, the waters can be hard to navigate and an experienced hand is a welcome sight. Such a hand in Nova Scotia is the provincial chapter of the Canadian Exporters' Association, C.E.A.

"We are not consultants but we will steer a company to the consultant route if they need to be, and a lot of that type of information is in the kit companies receive when they join the association," says Ross Stinson, chairperson of the provincial chapter.

The provincial chapter, which also extends into Prince Edward Island, was established eight years ago and the focus of the group has been constantly evolving.

"In the business world companies, and the organizations they belong to, must adjust to the current climate and shifts in trade winds or else they could be in trouble," says Stinson, a lawyer with the Halifax-based law firm of MacInnes Wilson Flinn Wickwire.

Stinson feels the organization is an important "umbrella group" for any exporter and believes a growing, number of companies are beginning to realize the potential of the export market.

**... a growing, number of companies are beginning to realize the potential of the export market.**

The C.E.A. was founded in 1943 and one of the things it does is create panels of experts on a subject, such as free trade, which travels across the country talking to exporters in seminar situations. At each stop a local expert will often be on the panel to put a more focused perspective on the talk. Last year the C.E.A. had four seminars on free trade and how exporters can take advantage of the deal.

Although last year's course was established for educating exporters, this year's path will be on generating interest in a trade mission, to a yet unnamed destination, and attracting new businesses to the association.

"To do this we have to go out and talk to the various boards of trade and chambers of commerce around the province. I also think we should forge stronger links with these groups because there is an overlap in areas of interest and becoming more in tune with each other only makes sense," says Stinson who became chairperson in July when the former chair was transferred to Ottawa.

Stinson plays a double role when working with C.E.A.. He is not only the chair of the local chapter but also a member of an exporting firm. MacInnes Wilson Flinn Wickwire export a service: their legal knowledge to U.S.-based companies who want to deal in Canada.

"The service sector is one area that is often overlooked when people consider exporting, but it is one which has the potential to be very large," says Stinson

*Continued on page 3 ...*

# The U.S. Trade Tourism and Investment Development Program

How would you like to turn a 150 per cent profit? In a sense you already have when you consider that every tax dollar spent on trade fairs and missions to the United States generates $150 in export revenues. Not a bad investment for your tax money and also a clear sign that many Canadian companies have successfully tapped into the huge American marketplace.

Many Canadian exporting success stories are the result of the U.S. Trade, Tourism and Investment Development Program, administered by the Department of External Affairs.

"It's a program which helps small- and medium-sized Canadian companies take advantage of opportunities flowing out of the Free Trade Agreement," says Bill Clarke, Director General of the U.S. Trade and Investment Development Bureau in Ottawa.

"The program also helps Canadian firms protect and expand their access into the U.S. market if they are already exporting there," adds Clarke.

**every tax dollar spent on trade fairs and missions to the United States generates $150 in export revenues.**

The program is not a new one but was enhanced when John Crosbie, the Minister for International Trade, obtained cabinet approval for a $57 million five year budget for the program.

A few of the programs funded with this money are trade fairs and missions, satellite offices, directories, seminars, the New Exporters to Border States (NEBS) and the New Exporters to the U.S. South (NEXUS) programs.

"Trade missions and fairs are very important to our exporters," says Bill Clarke

In the past two years the number of fairs and missions being attended by Canadian companies has tripled, demonstrating the effectiveness of this type of marketing.

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who heads up a group within the law firm which concentrates on exporting.

Stinson also hopes to decentralize the local chapter. With the past three chairs based in Halifax, Stinson feels some people may see it as being a Halifax-based association and not a Nova Scotia wide one.

"It is kind of natural to have many of the meetings here because of all the facilities, but it would be nice to get to other parts of the province, into Cape Breton and down to Yarmouth, with some of our events; there's no reason not to," says Stinson.

**... it would be nice to get to other parts of the province, into Cape Breton and down to Yarmouth, with some of our events ...**

With Stinson at the helm of the provincial C.E.A. the association should be in for a time of clear sailing with course changes when needed.■

# Marketplace 1989

*What would you call an event where a company can obtain information on over 35 different export markets?*

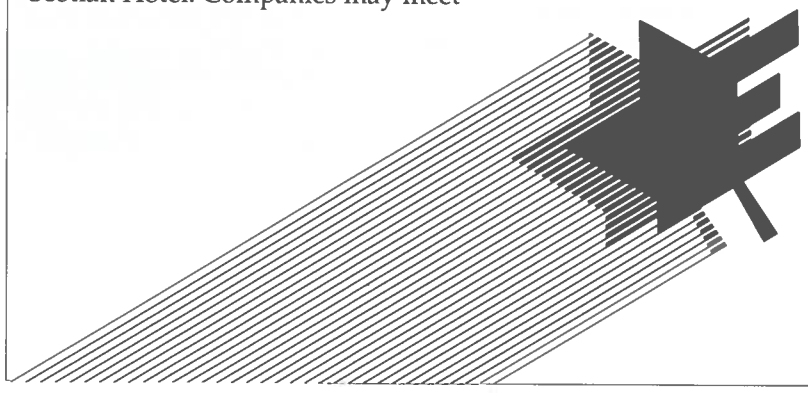
*What would you call a happening that brings together marketing specialists from virtually every region on the globe?*

*How much would you pay to be able to speak to such experts and acquire their advice?*

We call it **Marketplace 1989** and it brings to Nova Scotia approximately 35 Canadian Trade Commissioners from the U.S.A., Asia, Europe, Latin America, and the Middle East. They will be in Halifax for one day only—November 6—at the Hilton Nova Scotian Hotel. Companies may meet individually with six Trade Commissioners (more if the schedules of the Trade Commissioners permit) as well as with officials from CIDA, the Asian Development Bank, and the African Development Bank. Also, there will be assistance available from the International Trade Centre, External Affairs and International Trade Canada, the Export Development Corporation, the Federal Business Development Bank, and the N.S. Department of Industry, Trade and Technology.

Don't miss this important trade event! Mark **November 6** on your calendar now!

For more information, telephone 426-7543.■



# Trade Potential in the U.S. Pacific Northwest

The U.S. Pacific northwest is a long way from Nova Scotia and, apart from Alaska, evokes only vague images in the popular mind. Yet it's a place that has a potential for East Coast exporters to do business, says Paul Hubbard, Consul and Senior Trade Commissioner at the Canadian Consulate General in Seattle. He points in particular to oceans-related possibilities and the huge Boeing aircraft installation in Seattle and the high-tech spinoff industries it supports.

Some East Coast industries do business there already, and more are showing an interest. The Pacific Ocean is an obvious draw for anyone in oceans-related activities. The American fishery in the northern Pacific is mostly prosecuted out of Washington state, and there is oceanographic activity as well, mostly centred around the University of Washington at Seattle.

*Paul Hubbard, Consul and Senior Trade Commissioner at the Canadian Consulate General in Seattle.*

Indeed, a number of East Coast companies were due to attend two major trade shows in Seattle this fall—Oceans 89 in September, covering marine technology, and Fish Expo in October, an exhibition primarily of on-board fishing equipment (a big item in the Pacific since most groundfish processing is done aboard freezer-trawlers rather than in-shore plants).

The Seattle trade mission covers Oregon, Idaho, Washington and Alaska. These four states have a combined population of nearly nine million people (Washington is the largest with 4.5 million). It's far from the size of the larger population centres of the U.S. but still constitutes a substantial, diversified consumer market, one in which a small exporter can find a "niche" and thrive, says Hubbard.

However Nova Scotian exporters, with other consumer markets handy, are more likely to be interested in supplying industrial inputs. Fishing and other oceans activities are the obvious area, but Hubbard also insists on Boeing and its spinoffs as possible markets. Boeing already has one Nova Scotia supplier—IMP's Aerospace Division of Halifax which manufactures electric wire harness. Boeing is huge. With 110,000 employees and back orders for aircraft of $60 to $80 billion it is the lifeblood of Seattle, a city of a half million. It is also the mother of a thriving aircraft-related high-tech industry in the area.

The company is "very difficult to get into, but it can be done," says Hubbard. "They're not interested in people who show up once a year. You've got to show interest. You've got to be here and be ready to live to extremely high standards."

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***The U.S. Trade Tourism and ...***
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The department also has a database of some 22,000 exporting companies and will involve 10,000 of those in missions and fairs by the end of this year's program.

Trade fairs show their worth when one considers that Canadian companies will rack up an estimated $700 million worth of on-site sales and a projected additional $1.5 billion in sales within twelve months.

The NEBS program takes about 25 companies at a time through the entire exporting process. The program also discusses export documentation papers needed for goods to cross the border with the least amount of difficulties, one of the basic issues in exporting that changed with the Free Trade Agreement.

The NEXUS program helps exporters who are mainly selling in the northern border states move into the southern states and open up new markets in that region. Approximately 4,000 companies have gone through the program in the past four years.

The infusion of money into the program helped open five new satellite trade offices, bringing the total number in the United States up to 28. The new offices are in San Juan, Miami, Princeton, San Diego and Denver.

"The satellite offices make our representation in these areas much more effective which will also reflect on the success of Canadians exporting into these cities," says Clarke.

The annual directories are divided into economic sectors.

"These directories are our basic tools for getting the information out and they do create a fair bit of traffic between our offices and exporters," says Clarke.

With new satellite offices now in place and the on-going trade missions and fairs, Canadian exporters can't help but realize the new and expanding opportunities south of our border.■

# Business Opportunities Increase with Changes in the European Community

The creation of the world's largest single market through the integration of 12 European economies will lead to enormous opportunities for business, among them Nova Scotian companies who last year sold some $300 million worth of goods to the European Community (EC). But to cash in, exporters must learn how the swiftly-changing European order is evolving.

**But to cash in, exporters must learn how the swiftly-changing European order is evolving.**

This message was put forth by speakers at a business briefing September 27 at the World Trade Centre in Halifax. It was organized by the Netherlands government, which encourages exports to the EC while urging exporters to use the excellent import facilities and business services possessed by the free-trading Dutch.

"1992" has become a catchword for Europe at the end of that year: an economy of 324 million people and a gross national product of $5.5 billion with the nearly-free movement of capital, goods, services and persons.

The catch is that not all barriers will actually come down. Some 50 business people and government trade officials in attendance heard that such things as national legal systems, currency and the need to label in local languages will remain. For some, especially small companies now selling to one EC country, exporting could in fact become more complicated with the changes. Import duties into the EC will not disappear either. Indeed concerns about a "fortress Europe" with greater, not lesser, barriers against the outside are justifiable, said Jaap Willeumier of the Dutch commercial law firm of Stibbe, Blaise & De Jong, one of five speakers on various aspects of doing business with the EC. Nevertheless, he was confident that "the changes will be to your advantage."

**... concerns about a "fortress Europe" with greater, not lesser, barriers against the outside are justifiable ...**

**... the Dutch are telling exporters to keep up with events, and even try to influence them through lobbying.**

Since the "harmonization" of trade is only half done the Dutch are telling exporters to keep up with events, and even try to influence them through lobbying. European industry will be trying to impose products standards to their advantage, Willeumier said. Since there are a huge number of technical standards and product specifications, even a small Nova Scotia company might have an influence on a spec close to its heart by complaining through

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and be ready to live to extremely high standards."

Forest, chemical and petroleum products, industrial and agricultural machinery, transportation and construction equipment and tools and hardware are Canada's main export to these northwest states. The consulate has targeted transport systems and equipment, agriculture and food products, consumer products and services, and construction, high-tech and forestry equipment and services as its promotional priorities for Canadian exporters, in that order, for this year.

Within those large sectors, however, the Consulate's main aim is to assist small and new exporters. This role is emphasized more in "border" posts like Seattle, Buffalo and Boston than in others. And although the Seattle post serves primarily exporters from B.C. and Alberta, Hubbard says interest has been growing farther east. "We recently had a big delegation from Ontario and Quebec. Boeing put on a briefing for them."

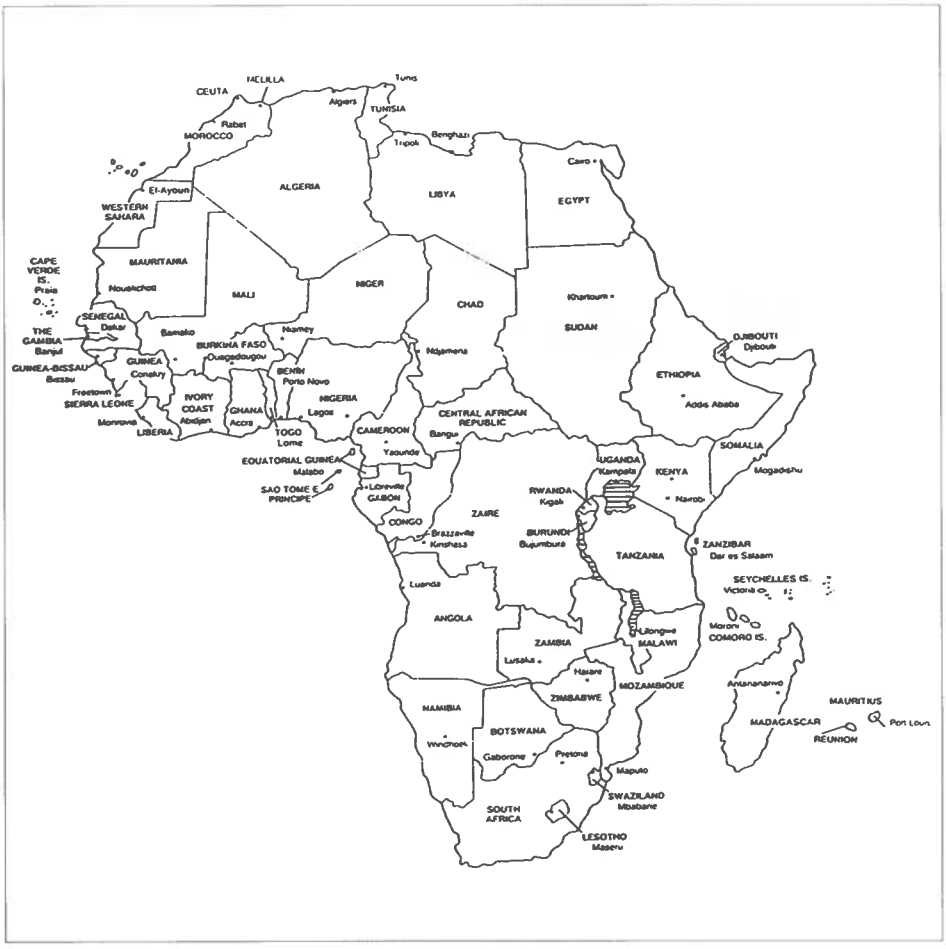
**... the Consulate's main aim is to assist small and new exporters.**

He says he's waiting for more interest from even farther east. Distances may seem daunting "but anyone who can contemplate Europe can come here." As a first step, he says, "it's a question of letting us know what you have." After that it's a matter of cultivating markets and "paying attention to your distributors."

**Distances may seem daunting "but anyone who can contemplate Europe can come here."**

Seattle is the largest metropolitan area with over 2 million people; however, Portland Oregon is another major city in the Pacific Northwest, with over 1 million inhabitants. Other centres are: Spokane (344,000) and Anchorage Alaska (523,700).■

# Business Opportunities in Africa




For many Canadians, Africa means one thing above all else: famine. The haunting pictures of starving children in Ethiopia, Sudan and elsewhere are the only image of Africa they have. But Bernard Dussault knows this isn't the full story.

Dussault, who heads the Africa Trade Development Division at External Affairs and International Trade in Ottawa, says many Canadians make two mistakes when thinking about Africa.

First "we package Africa ... we tend to forget the diversity" of Africa's 50 countries, he says. Second, many people, even in the business community, fail to realize that "there *are* markets in Africa," says Dussault. The continent's imports last year exceeded $80 billion.

Dussault brought his message to Nova Scotia recently. He was one of the speakers at a half-day conference on economic prospects and business opportunities in Africa, organized by Dalhousie University's Centre for International Business Studies in conjunction with the ISTC Nova Scotia International Trade Centre.

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***Changes in the European Community***
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government or commercial channels, including its partners or agents in Europe or trade associations such as the Canada-Holland Chamber of Commerce.

**The best way to keep up with events is to read the European Commission's white paper on what 1992 is meant to be, and also European "action lists" such as one put out by the British government ...**

The best way to keep up with events is to read the European Commission's white paper on what 1992 is meant to be, and also European "action lists" such as one put out by the British government on how to deal with the changes, said Alfons Schmid of Royal Ahold Ltd., a Dutch food company. (The EC delegation in Ottawa has the white paper; officials at the provincial department of Industry, Trade and Technology or Industry, Science and Technology Canada can help get these documents). Schmid also exhorts exporters who want to keep ahead of the game to cultivate EC trade officials in Brussels.

The sector with the most internal trade barriers already down is food. Packaging, labelling, testing, inspection and so forth are all becoming standardized, Schmid said. He added that along with the move to integration, other swift changes are occuring, and not just in the food sector—notably concentration. Fewer, larger firms might make selling less complicated for exporters "but they will press you on price."

**Packaging, labelling, testing, inspection and so forth are all becoming standardized ...**

Gerard van Epen, the Economic Councellor with the Dutch Embassy in Ottawa emphasized Holland's expertise in the distribution of goods in Europe, its central geographical position and its attention to foreign investment through banking, knowledge of languages, familiarity with foreign ways and so forth which make it a natural entry point and place in which to invest. There's a whole infrastructure available to Canadian exporters, he said, "including the professionals you need to talk to before making any decisions."■

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Conference participants heard a series of speakers analyze the bleak economic situation that currently prevails in most of Africa. (Per capita income in most countries is lower now than it was at the start of the 1980s.) But they also heard about the business opportunities that exist in several African nations.

Denis Belisle, vice-president of the Business Cooperation Branch at the Canadian International Development Agency (CIDA), listed a dozen African countries where "the entrepreneurial spirit, the political will and the commercial financial capability exists ...."

**... "the entrepreneurial spirit, the political will and the commercial financial capability exists ...."**

The list includes countries such as Morocco, Ghana, Kenya, Cameroon and Zimbabwe (see map). For Canadian exporters, an added attraction of those countries is that exports to them are eligible for coverage by Canada's Export Development Corporation.

Possibilities for "profitable business collaborations" in Africa lie not only in exporting products, but also in setting up joint ventures and providing technical services to help African companies, said Belisle. He pointed to a New Brunswick company, Connors Brothers Ltd., as one example of a firm that realized that "trade is a two-way street."

With assistance from CIDA's Industrial Cooperation Program, Connors Brothers was hired by a fish processing company in Morocco to assist with their quality control. Connors sent their quality control director to Morocco, and he helped the company improve packaging and other procedures. The objective: increased exports to Europe and North America.


**All speakers at the conference emphasized the importance of personal contact when doing business in Africa.**

All speakers at the conference emphasized the importance of personal contact when doing business in Africa. Robert Shishakly, vice-president of Black and MacDonald Ltd., a Montreal-based engineering firm active in developing countries, told conference participants that "it's absolutely vital to go there, to get to know the countries and the culture."

To help Canadian companies establish personal contacts, the Canadian government has trade promotion staff at all 14 Canadian embassies in Africa ready to advise on local market conditions and business practices. In addition, government financial assistance is available to help exporters make market reconnaissance trips, attend trade fairs and conduct studies on possible joint ventures.

Canadian companies have a long way to go in tapping Africa's markets: Canada accounts for only one per cent of all exports sold in Africa by the major Western economic powers.

Despite the geographic distances and cultural differences to be bridged in exporting to Africa, Canadian firms do have some advantages. Canada is linked to most African nations through either the Commonwealth or La Francophonie, and the languages of business in Africa are English and French. What's more, Canada is widely respected for the leadership it has shown on the South African situation and foreign aid issues.

**... the languages of business in Africa are English and French.**

For most Canadian companies, entering an African market for the first time is likely to be a long and difficult process. But according to CIDA's Denis Belisle, private-sector partnerships between Canada and developing nations are both essential for the development for the Third World and in the best interests of the Canadian companies that seize the available business opportunities.■

# List of Export Publications Recently received at ITC Halifax

- Report on the 1989 Boston Seafood Show
- Guidelines for Canadian Fish Exporters—Côte d'Ivoire
- Anotated Fish Product Export Market Opportunities Guide, 1988-89
- Report on Sea Fare International '89
- Guide to Hi-Tech Electroinics Trade Shows in U.S.A., 1989-90
- How to Trade with Korea, 1989
- Export Guide—A Practical Approach
- Directory of Canadian Business in Hong Kong, 1988-89
- Communications in Canada—A Sector Overview
- Report on SIAL '88—Europe's Second Largest Food Show

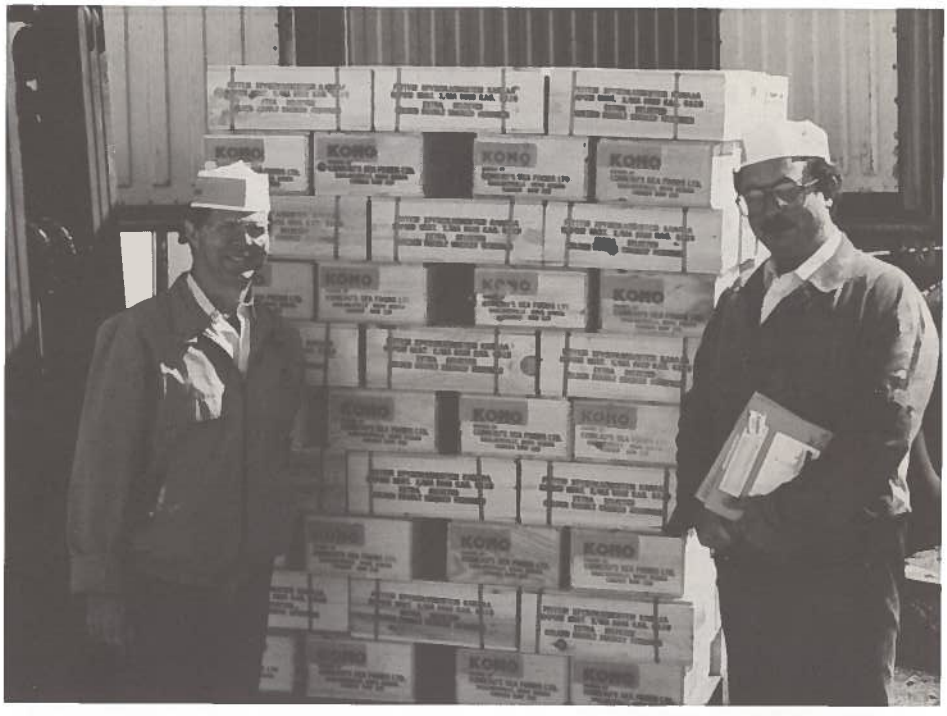
# Nova Scotia Herring to Greece

Christos Diamantopoulos, Commercial Officer, Canadian Embassy, Athens, Greece is shown next to a pallet load of Nova Scotia processed herring destined for his home country of Greece. On the left is Noel Despres, General Manager for Comeau's Sea Foods, producer of the herring. The picture was take at the loading area of Comeau's Sea Foods in Saulnierville, N.S. adjacent to the company's modern smoking facilities.

Comeau is the largest supplier of the these "extra selected golden double smoked herrings" to the Greek Market. They are just one of the more than thirty different herring products produced by this forty-year-old company. The herring undergo a sophisticated smoking process and take on a golden hue during this process. The herring are then packed in eight kilogram wooden boxes, are stacked on pallets and loaded into ocean containers. The containers arrive in Greece about ten days after having left Southwestern Nova Scotia.

Mr. Diamantopoulos was on his first visit to Nova Scotia. His visit here was a familiarization tour of the fishing industry. Part of his responsibilities at the Canadian Embassy are to promote the sale of Canadian fish products in Greece. His visit to Comeau was coincidental to the loading of herring for his home country.

Fish processors interested in the potential of the Greek market for their products can contact Mr. Diamantopoulos directly, at the Canadian embassy in Athens. Contact can also be made at the International Trade Centre, ISTC Halifax, The Brewery, Halifax, N.S..■



*Noel Despres, General Manager, Comeau's Sea Foods (left), and Christos Diamantopoulos, Commercial Officer, Canadian Embassy, with a pallet-load of processed smoked herring bound for Greece.*

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Canada

## October is Canada Export Trade Month