

**MAY 14. 66**

# **FOREIGN TRADE**

**DEPARTMENT OF TRADE AND COMMERCE, OTTAWA**

**Australian Expansion Continues**

**Australian Industry Needs Canadian Materials**

**Marketing Research Takes Two**

**Foreign Trade Service Abroad Directory**



# FOREIGN TRADE

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## **Australian Expansion Continues 2**

*The dynamic forward thrust in Australia, despite a serious drought, is the common motif in the six articles on this \$140 million market for Canadian products. This introductory review covers progress there and certain influences on our trade.*

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*The flow of investment capital into Australia has sustained a build-up of industry, both primary and secondary. This in turn has heightened demand for raw materials, semi-processed goods, and knowhow. This article from Sydney describes progress in various industries and the trading opportunities that result.*

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*With its heavy defence commitments in South East Asia, Australia's spending on equipment for the Armed Forces has risen steeply. The types of equipment that it requires, its supply arrangements with the United States, its methods of purchasing are set out here for the guidance of potential Canadian suppliers.*

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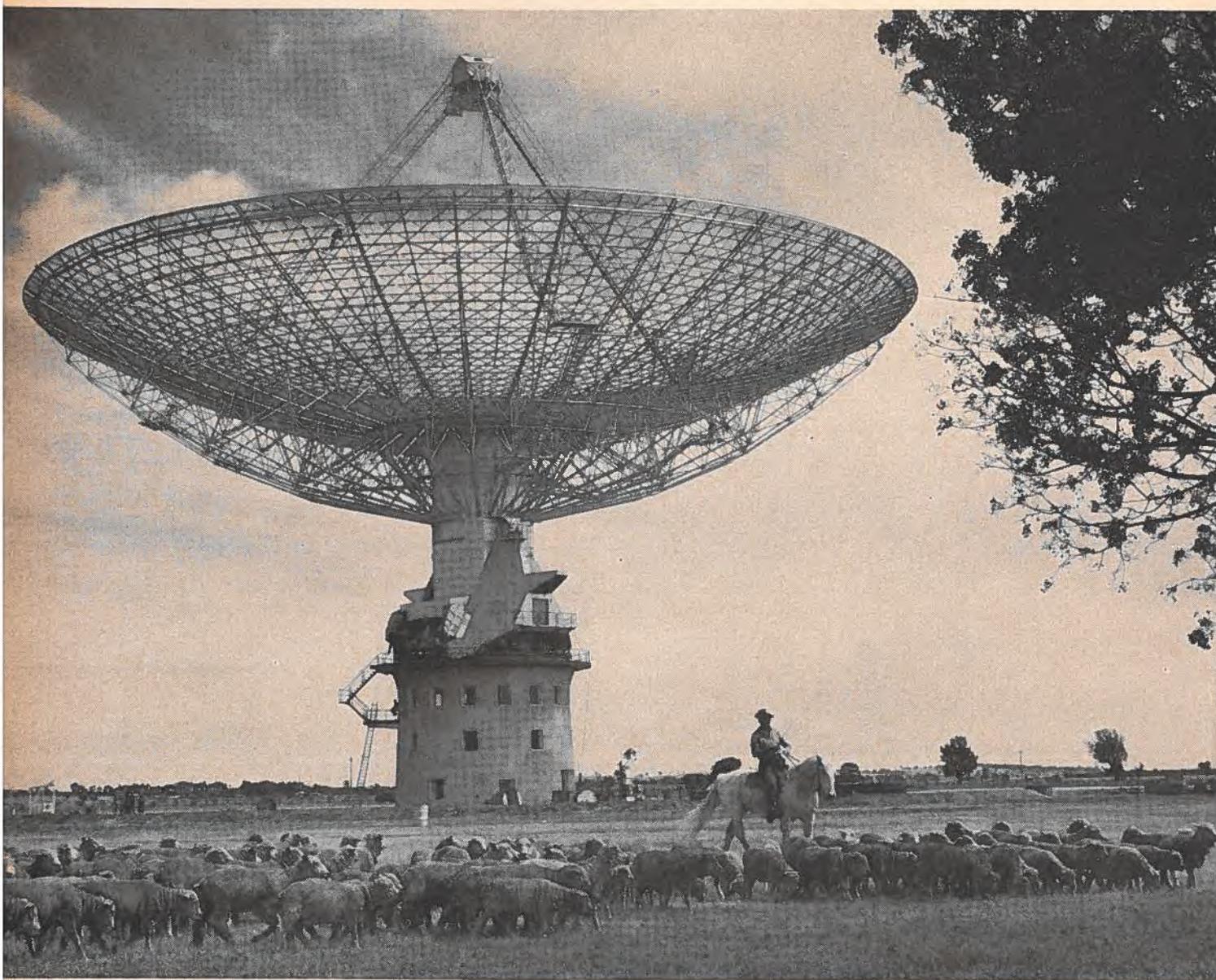
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**COMING—SELLING FOODS IN THE PHILADELPHIA TERRITORY, MAY 28 ISSUE**

# Australian Expansion



**The sheep, representing traditional industries, and the radio-telescope symbolic of new developments, together give a fair picture of Australia and its economy today.**

# Continues

GNP is still rising, despite severe drought that cut agricultural production and some levelling-off in manufacturing. Large inflow of capital is compensating for trade deficit that may reach A\$400 million in 1965-66 and is also building up foreign exchange reserves.

J. A. STILES,  
*Commercial Counsellor, Sydney.*

THE AUSTRALIAN ECONOMY continued to expand in the past twelve months, although the rate of growth has slackened in comparison with recent years. The outlook is for a 4 per cent increase in the gross national product for the fiscal year ending June 30, 1966, as against a 9 per cent rise in each of the previous three years.

Australia continues to make full use of all its resources. The country's vast mineral reserves are expected to boost exports considerably during the next few years. Several large contracts have been signed for the export of pig iron and iron ore to the Japanese steel industry. At present, oil is Australia's largest single import but a number of important discoveries have been made which should lead to a reduction in these imports. Foodstuffs and raw materials make up a very large proportion of the total export income, but exports of manufactured goods are rising and now account for about 13 per cent of the total. Manufacturing industries, which employ about 30 per cent of the labour force, were the main force behind the rise of the gross national product in 1964-65.

Although the over-all position indicates continued growth, some sectors of the economy have been causing concern. During the past year a severe drought in New South Wales and Queensland resulted in a decrease of 7 per cent in total acreage sown to major crops, poor growing conditions, and substantial stock losses. Farm production for this year is expected to fall 10 per cent below the record level of 1964-65 and the value of rural exports is also expected to decline. This could mean a loss in Australia's current export income of some A\$170 million.

During the past seven months, output of Australia's manufacturing in-

dustry has tended to level off; declines in motor vehicle production, household appliances and building materials have been offset by expansion in base metals, machinery and chemicals. The previously tight labour situation has eased slightly but the shortage of skilled workers, particularly in the electrical and metal industries, persists. The estimated rate of unemployment at the beginning of 1966 was, however, only 1.7 per cent of the work force.

### Prices Are Rising

There is some apprehension about rising prices. In the past year, prices of consumer goods rose by 4 per cent and the forecast is for at least a similar increase in the current year. A substantial rise in the basic wage rate this year is also expected and this will mean increasing pressure on current price levels.

The chief impetus to the economy in the past twelve months has been the substantial growth in public spending, particularly in defence (up 30 per cent) and education (up 12 per cent). Total government expenditure in 1965-66 is expected to rise by A\$440 million, some 11 per cent above 1964-65. Another growth area has been private fixed capital expenditure; investment in the Australian mining industry was particularly important.

### Trade and Payments

Australia achieved an export surplus of A\$396 million in the record trade year 1963-64. Since then, however, imports have consistently exceeded exports in value and the trading deficit in 1964-65 reached A\$262.1 million. The same trend has continued this year and the 1965-66 trade deficit is expected to reach as much as A\$400 million.

In the past, this situation would probably have resulted in government action to restrain imports. This has not happened this year because of the unexpectedly large inflow of overseas funds, particularly to assist in finan-

cing new Australian mining developments. These funds have helped to maintain Australia's foreign exchange reserves at a comfortable level (A\$1,291 million at February 1966).

Britain continues to be Australia's leading trading partner (and source of investment funds) but the United States has become increasingly important and now supplies to this market almost as much as Britain does. Britain, however, buys twice as much from Australia as the United States does. Japan has become a major buyer of Australia's grains, minerals and

TABLE I  
AUSTRALIAN FOREIGN TRADE

	Imports	Exports	Balance
	(Aust.\$ million)*		
1962-63	2,128.3	2,102.4	-25.9
1963-64	2,329.6	2,725.6	+396.0
1964-65	2,841.3	2,579.2	-262.1
1965-66 (July-Dec.)	1,507.5	1,304.7	-202.8

\*One Australian dollar equals Can.\$1.21.

TABLE II  
LEADING CANADIAN EXPORTS  
TO AUSTRALIA

	1963	1964	1965
	(millions of Can.\$)		
Automobiles, trucks and parts	19.3	21.2	23.5
Newsprint	12.4	20.5	19.4
Lumber Douglas fir	8.6	8.0	8.7
Asbestos groups 4-9	4.0	5.0	6.1
Aircraft complete	.2	14.7	6.2
Sheet and strip steel	1.8	3.9	5.5
Wood pulp, sulphate	2.2	2.8	4.7
Sulphur, crude or refined n.e.s.	.7	2.5	4.1
Plastic and synthetic rubber not shaped n.e.s.	3.3	8.1	3.1
Nickel anodes, cathodes, ingots, rods	1.5	1.7	1.7
Office machines and parts n.e.s.	.2	.2	1.5
Pipes and tubes, iron and steel	.3	.8	1.3
	54.5	88.4	85.5
Other exports	46.3	57.4	54.8
<b>Total exports</b>	<b>100.8</b>	<b>145.8</b>	<b>140.3</b>

wool, with current purchases equalling 90 per cent of Britain's imports from Australia. Japan has also made substantial progress as a supplier to Australia and its exports to this country increased more than 40 per cent over the previous year. Germany and Canada continue to be Australia's fourth and fifth suppliers.

Australia was Canada's sixth largest customer in 1965, taking some \$140 million worth of Canadian goods. Chief among these were automobiles, trucks and parts, newsprint, lumber, aircraft, steel, sulphate wood pulp and sulphur. Our 1965 purchases from Australia included raw sugar for refining, fresh and frozen meats, raisins, wool, canned fruits and canned corn beef, for a total of approximately \$45 million. Traditionally, Canada has had a favourable balance of trade with Australia, although we are an important market for some of Australia's main exports, such as canned fruit, meat and wine.

### Market Prospects

The prospering Australian economy offers many opportunities to Canadian exporters. As local industries expand, they will need more machinery and raw materials which Canada should be able to supply competitively. Commodities with at least a 75 per cent, or in some cases 25 per cent, Canadian content enjoy the advantage of British preferential tariff rates.

There are also many similarities in the growth patterns of Canada and Australia. In some instances, especially in the chemicals field, Canada has started production of new products before Australia and has been able to export them to Australia until local production began. Canadian experience in the oil and gas industry could be useful in this country, which seems to be approaching a breakthrough in finding commercially important quantities of oil and gas.

Power generation in Australia will be expanding rapidly in the future and deserves careful study by exporters of thermal and nuclear power machinery and equipment.

The coming years will probably see expansion in Australia's fertilizer industry, with good prospects of increasing local interest in Canadian supplies of potash. Defence equipment purchases have also been mounting and this

bids fair to continue in the immediate future. In addition, there has been a growing demand for consumer goods such as men's sportswear, hosiery, cutlery and toys.

Our trade offices in Australia have recently been receiving inquiries for frozen and canned fish and also for various chemical products, steel pipe, soybean meal and wheat gluten, which could be of interest to Canadian suppliers.

### Tariffs May Be Problem

There is no doubt that Australia is anxious to develop its local industries as quickly as possible to create additional employment for its expanding labour force. This expansion is largely the result of an active immigration program, plus the fact that many more

Australians are reaching working age. The Government has therefore tended to protect a local industry promptly when it can show that it is able to supply domestic requirements.

### Good Weather Ahead

The outlook is for a steady rise in Australia's export income and general prosperity in the future, particularly as a result of recent mineral developments. By 1970 it is expected that the income from mineral exports alone will total more than \$600 million, almost double the current annual value. Canadian exporters are therefore urged to consider carefully the steadily increasing opportunities in Australia for marketing a wide variety of raw materials, machinery and consumer goods. ●

## Australia Discovers Major Natural Gas Field

The recently discovered Australian natural gas field on the Gippsland Shelf in Bass Strait has more potential than any previous discovery in the sub-continent. Production from the field is expected to be about 150 million cubic feet a day. The field has the added advantage of being only 145 miles from Melbourne and only 70 miles from the Melbourne-Morwell gas pipeline. This line was originally laid to carry gas from brown coal in the Latrobe Valley at Morwell and Yallourn.

Plans are already being made for the conversion of existing users in Melbourne from industrial to natural gas. The possibility of piping excess gas to Sydney (380 miles) is also being investigated.

The State Government of Victoria, seeking expert advice on the orderly development of this gas field, appointed Mr. Charles Hetherington of Calgary, Alberta, to investigate and report on its potential and prospects. His report was released by the Victorian Government on March 30th. The main points of the report were summarized by one of Melbourne's papers, *The Age*, as follows:

- Development of the field would cost A\$116 million over five years; A\$80 million would be needed in the next two years.

- Bulk transport of the gas through trunk pipelines should be placed in the hands of a single company authorized by the Government, with shares held by producers, distributors, inter-state pipeline owners and ordinary investors.

- Distribution to consumers should be in the hands of privately owned companies, each with an exclusive franchise in its own area. The trunk pipeline company should not take part in buying and selling the gas.

- Government regulation of gas prices and market conditions should be exercised through the Minister of Fuel and Power, but should be minimal.

- An oil and gas advisory board should be set up to assist the Ministers of Mines and Fuel and Power.

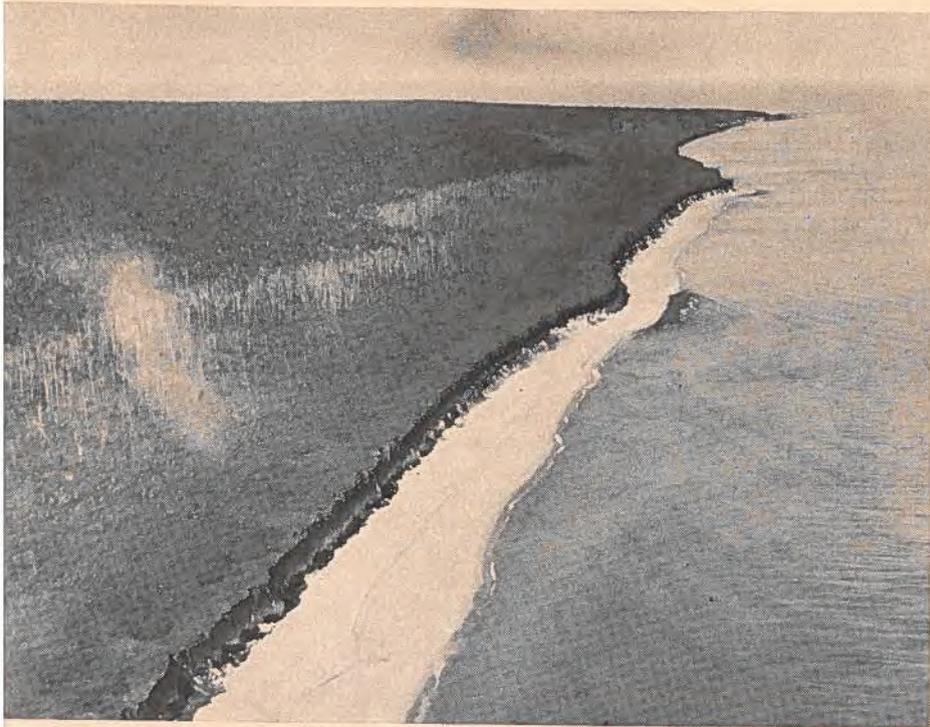
- The Gas and Fuel Corporation's Morwell plant should be retained after the changeover only as a petrochemical plant to handle byproducts from the gas field.

- Immediate development of the gas should be for the domestic and commercial market—with planning for a big industrial market and eventual sales to other states of gas from expected future finds.

- Gas prices should be cut by 25 per cent initially and eventually halved.

Those interested in reading this report in detail can obtain copies from the State Government Printer in Melbourne at A\$1.50.

—H. A. GILBERT,  
Commercial Counsellor, Melbourne.



Aluminum is a leader in Australia's current surge of industrial development. Some of the bauxite this industry uses comes from this area on Cape York Peninsula in Queensland, where the world's largest single deposit was discovered.

# Australian Industry Needs Canadian Materials

Active investment in and expansion of Australian industry offers Canadian firms good opportunities for selling raw materials, semi-processed products, capital equipment and knowhow.

MAY 14, 1966

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R. L. RICHARDSON,  
*Commercial Secretary, Sydney.*

NEW CAPITAL EXPENDITURE by manufacturing firms in Australia increased 27 per cent last year in comparison with 6 per cent in 1963-64 and 4 per cent in 1962-63. All sectors of the economy are sharing in this expansion. Investment is going into the building of new industries, extension of capacity in existing ones, and installation of advanced equipment and technology. What does this expansion mean for Canadian business?

Canadian participation in Australia's development includes sales of Canadian raw materials, semi-processed and finished products, and know-how. Expansion of capacity in an Australian industry such as newsprint may mean import replacement because our sales depend in part on the gap between local output and domestic consumption. In the same way, new industries may replace imports. Advances in technology resulting in reduced costs and/or improved design, (one example is nylon stockings) may replace Canadian export sales. Our exports can and should expand, however, with industrial development in Australia.

An increase in newsprint capacity, for example, offers opportunity for larger exports of machinery and equipment as well as for pulp. Similarly, advances in production techniques in the nylon stocking industry can mean sales of Canadian equipment which in the first instance contributed to our sales overseas of an advanced design in the finished product. Advances in Australian industry mean a larger over-all market and new outlets for raw materials, machinery and equipment, and knowhow. Australia, like Canada, must develop industry initially able to compete within a relatively small domestic market. Thus Australian industry often looks to Canada for products and techniques which can be applied successfully in the Australian environment.

## Sources of Investment

Australia depends on overseas investment to supplement national savings. A recent survey of secondary industry shows that Canada is the third largest source of overseas funds, esti-

mated at \$226.4 million.\* Britain, with \$2,181.6 million, followed by the U.S. with \$1,789.1 million, are the major sources. Allocation of new capital expenditure by manufacturing industry over the past three years follows:

**TABLE I**  
**NEW CAPITAL EXPENDITURE**  
**ON MANUFACTURING**

	1962/63	1963/64	1964/65
	(Aust.\$ million)		
Extracting, refining and founding	114.2	99.6	118.8
Engineering	77.8	88.8	107.6
Vehicles	45.6	64.4	91.6
Textiles and clothing	25.4	24.8	31.8
Food, drink and tobacco	90.4	101.0	142.2
Paper and printing	44.0	47.2	53.0
Chemicals	90.2	100.8	125.0
Other	83.0	77.6	97.2
<b>Total</b>	<b>570.6</b>	<b>604.2</b>	<b>767.2</b>
Percentage change from previous year	+4	+5.9	+27.0

### Extracting, Refining

The established iron and steel industry synonymous with the Broken Hill Proprietary Company Ltd. undertook capital expenditure over the past year at a rate of one million dollars a week. An \$80 million expansion at Port Kembla in New South Wales and the establishment of new steelmaking centres in South and Western Australia will spur investment expenditure for some years. Of particular interest to Canadian exporters is the planned extension of Tubemakers of Australia to manufacture large-diameter welded tubes.

In non-ferrous metals, the aluminium industry leads the development projects. Aluminium Ltd. has announced its decision to build a smelter at Newcastle with an initial capacity of 40,000 tons. Comalco will increase its ingot capacity so that total output of aluminium in Australia will reach an estimated 120,000 tons by 1969. Bauxite deposits at Gove will be turned into alumina at the Gladstone refinery now under construction by an international consortium; the estima-

ted capacity is 500,000 tons of alumina a year.

Other non-ferrous projects include copper, zinc, tin and beach minerals. An indication of the extent of Canadian interest in Australian mineral developments is the fact that over twenty Canadian mining companies are actively engaged in exploration and development of Australian minerals. New developments in coal and iron ore, major export earners, plus beach sand projects, are announced in the local press almost every week.

Oil and gas discoveries are of major interest to Canadian suppliers of equipment, both for exploration and marketing. Established finds in almost all states of Australia have been overshadowed by recent news of a major gas discovery in Bass Strait, with ready access to the large potential market in Melbourne. It is not possible at this stage to estimate the investment that could be required for supplying gas and oil to Australia's major markets. The Bass Strait development alone could absorb over \$100 million in funds over the next two years. The distances involved in transmission of gas from one or more potential sources to the major markets could well match the experience in Canada in the post-war years.

### Engineering Expenditure

Public investment in railway standardization and increased demand for coastal shipping has spurred major investment outlays by 16 engineering firms. Canadian equipment is being used to lay the new standard-gauge railways. In New South Wales, \$166 million has been allocated to improve port facilities over the next ten years. New and reconstructed wharves in Sydney and Newcastle will cost \$154 million, with the remainder spent on dredging. The Grain Elevators Board will install six mobile wheat-loader heads, each with a capacity of 600 tons per hour.

### Paper and Printing

Australian Newsprint Mills are installing equipment for a new machine which could add up to 100,000 tons of newsprint on the local market by 1969. The fine paper mills of APPM and Wiggins Teape are expanding their capacity to meet a rapidly growing market. In coarse papers, APM is instal-

ling its No. 6 paperboard machine, with a planned capacity of 70,000 tons per year. New machines for pulp and tissue production are being set up. Eight newspaper companies have undertaken substantial investment programs to enlarge their printing capacity.

### Building Materials

Over the past twelve months, 47 firms advised of planned investment projects in response to a 16 per cent increase in new houses and flats built in the same period. Some 112,530 houses and flats were built in 1964-65. Canadian firms may continue to share in this industry as suppliers of a wide range of building materials, from timber to door latches. In ceramic tiles, wallboard, brick kilns, paint factories, plywood and particle board, existing plants were extended and new ones built.

### Chemicals, Fertilizers

Twenty-seven chemical manufacturers reported investment projects this year, of which nine involved over a million dollars each. Leading the investment parade was ICIANZ, with projects authorized or under way costing \$64 million. The fertilizer industry shared in this boom: superphosphate and high analysis fertilizer plants are under construction in a number of states. Although the finished products will be supplied locally, the demand for imported sulphur, potash and phosphates will continue to expand over the next few years.

### Canadian Firms Note

This rapid expansion of Australian industry provides immediate and longer-term demands for imported materials and equipment. Primary energy sources must be increased and several large thermal electric projects are under way; the Snowy Mountains hydro project is now reaching the final stages. Nuclear energy may well be an alternative means of meeting future energy demands in several Australian states.

Canadian firms should be alert to the rapidly changing face of Australian industry, as highlighted in this brief summary, and ready to supply its needs as they develop. The record of Canadian interest in the Australian market has been good and could be even better in the immediate future. ●

\*All amounts quoted are in Australian dollars.

A\$1.00 = Can. \$1.21.

# Australia Increases Defence Spending

To meet its greater defence responsibilities, Australia is spending hundreds of millions on re-equipping its three armed services. This report tells you what Australia needs and is buying, and how Canadian manufacturers of defence equipment can investigate the possibilities for them in this large market.

AUSTRALIA's defence commitments in recent years have increased sharply, and expenditures have risen from slightly more than A\$108 million in fiscal year (July-June) 1949-50 to more than A\$608 million in 1964-65. The Australian Treasurer said on March 31, "Defence expenditure overseas will increase from about A\$100 million (Can.\$121 million), as it was in 1962-63, to about A\$200 million (Can.\$242 million) in this financial year. That will leave us with outstanding commitments abroad for defence equipment of over A\$1,000 million."

These increases in defence expenditure have followed the greater international defence responsibilities and commitments in the South East Asian sphere that Australia has undertaken. Its forces are on duty in Thailand, South Vietnam, and Malaysia in support of such treaties as SEATO, ANZUS, and Commonwealth arrangements in the area. Because of limited resources and population, Australia co-operates closely in all fields of defence activity, including equipment, with Britain and the United States, the two nations capable of contributing strong forces in the area. And, because of its geographic location, it places special emphasis on highly mobile forces capable of operating in underdeveloped areas which often lack normal communications facilities.

## AUSTRALIA'S DEFENCE EXPENDITURE

July-June Years	Army	Navy	Air Force	Total Defence Costs
	(A\$millions)			
1949-50	27.8	24.9	19.0	108.5
1959-60	131.5	84.6	123.7	387.2
1962-63	135.7	98.8	134.9	428.1
1963-64	158.1	111.1	178.4	520.9
1964-65	199.9	136.0	185.9	608.9

Source: Hansard.

Note: Other items charged to defence, such as aid, are not included.

## Departments Responsible

Australia's defence program is the collective responsibility of five government departments, each supervised by a Minister. The senior authority rests with the Department of Defence which oversees the three-year expendi-

ture programs of the Departments of Army, Navy and Air Force. The Department of Supply is responsible for the purchase of equipment from Australian industry for the three services and itself manufactures munitions, aircraft and guided missiles, and undertakes scientific research and development.

An accelerated re-equipment program for the navy, army and air force has been announced. Governing this program are two agreements with the United States: one relates to supply support for forward areas and the other to logistic arrangements.

## Logistic Arrangements

Early in 1965, the Australian Minister of Defence and the United States Secretary of Defense agreed on a logistic arrangement covering Australian purchases estimated at U.S.\$350 million during the three-year period to June 30, 1968. This relates to all defence items to be provided through United States Government agencies, in contrast with the earlier system under which financial terms were arranged separately for each individual purchase. The arrangement permits the Australian Government to spread payments over an extended period. From July 1, 1966, the cost of the purchases in the U.S. will be funded each year under a credit arrangement in which payments will be spread over seven years with half-yearly repayments and with interest of 4¾ per cent on the outstanding balances.

The main items in the \$350 million deal are: for the navy, Tracker anti-submarine aircraft, torpedoes, missiles and ammunition; for the army, fixed-wing aircraft and helicopters, radio and radar equipment, and for the air force, Hercules medium transport aircraft, Orion maritime reconnaissance aircraft, weapons and missiles for the F111A aircraft, radar and communications equipment. The arrangement does not cover the Charles F. Adams class destroyers or the F111 aircraft.

## Supply Support

Australia has also concluded a complementary agreement with the United States Department of Defense for the continued maintenance of capital equipment purchased from the U.S.,

without the need to place additional sales orders each time spare parts are needed. This enables the Australian services to obtain logistic material and services, equivalent in timeliness and effectiveness to that provided to the U.S. services, for Australian military equipment which is specified by arrangement and is common to the armed forces of the two governments.

### Re-equipping Program

● **The Navy**—The Royal Australian Navy has embarked on an extensive program of expansion and development, and expenditure in 1965-66 is expected to be 40 per cent higher than in the previous financial year when the total budget was A\$136 million. The funds are needed to increase the manpower strength and to acquire new anti-submarine aircraft and new vessels ranging from guided missile destroyers to patrol boats. Most important are the three Charles F. Adams class guided missile destroyers, the first of which has already been delivered. Their armament will include the Australian Ikara anti-submarine missile system and the Tartar anti-aircraft missile systems. As well, the first of four Oberon class submarines will be ready in 1966, and 14 Tracker anti-submarine aircraft are on order in the U.S. for the Fleet Air Arm.

● **The Army**—The accelerated re-equipment program is designed to make the army capable of meeting a wide range of military situations, both in limited war and in situations short of limited war. A rising scale of expenditure on capital equipment has been approved—from approximately A\$40 million in 1965-66 to A\$50 million in 1966-67 and A\$60 million in 1967-68. The major requirement is that equipment should be standard, or at least compatible with that of Australia's allies, and this is facilitated by the basic standardization agreement between the armies of the United States, Britain, Canada and Australia. The following are some typical items being obtained: "Redeye" surface to air guided missile, 40mm M79 launcher grenade, 84mm anti-tank gun (Carl Gustaf), 9mm F1 sub machine gun, 81mm mortar, landing craft, radio equipment, aerial delivery equipment, and mobile radio control target system (Dart).

● **The Air Force**—To meet its present commitments in South Vietnam, Malaysia, Thailand, New Guinea and Darwin, the Royal Australian Air Force has and will require a wide range of aircraft and support equipment, such as the following in use and on order:

*Sabre aircraft* armed with Sidewinder air-to-air missiles.

*Mirage fighters*—100 have been ordered, a number have been delivered. These aircraft are intended to replace the Sabres eventually and carry the Matra air-to-air missile as primary armament.

*Variable geometary wing F111A's*—a firm order for a number has been placed.

*P3A Orion anti-submarine aircraft* have been selected to re-equip in 1968 one of the two Neptune squadrons maintained on anti-submarine exercises.

*Caribou*—final delivery of a total order of 25 aircraft was completed in 1965. They are used in the tactical air transport role and for joint service training with the army under simulated battle conditions.

*Iroquois helicopters* are used for short range operations in search and rescue work, troop lifts and reconnaissance flights.

*C130E Hercules transport aircraft*—12 have been ordered and deliveries are expected to begin this August.

The RAAF co-operates with other Australian authorities in air traffic control and weapons research and maintains close liaison with the Department of Civil Aviation.

### Department of Supply

The Department of Supply plays an important part in Australia's defence equipment procurement. It engages in scientific research and development, manufactures munitions, aircraft and guided weapons in government factories, and is responsible for the purchase of equipment for the navy, army and air force. For example, the Supply Department arranged contracts with Australian suppliers on behalf of departments of the Defence Group and

other Commonwealth authorities to the value of A\$111 million during 1964-65. Australian manufacturers are interested in producing more of their country's defence equipment and in recent months the Department of Supply has been concerning itself more with the proportion of contracts awarded to domestic industry.

### Canadian Position

Canadian sales of defence equipment to Australia have not been great in recent years but there are opportunities. A number of points should be noted. Most important is the influence on the purchases of the Australian Defence Group of the Logistic and Supply Support arrangements with the United States. With very few exceptions, a precondition to Australian procurement of a defence item is that it be in use or intended for use with United States forces. In this connection, the Canada-United States Defence Production Sharing Agreement is of assistance to Canadian manufacturers. As well, the Australian Defence Departments are interested in whether or not the item has been purchased for Canadian defence purposes. Therefore, any item falling under the ABCA Agreement, of which Canada is a member, should at least be well known to Australian Army personnel.

Canadian manufacturers who are interested in selling defence equipment to Australia can get assistance from three sources. The Department of Defence Production offers a number of facilities, the most important of which is the contractual guarantee available if a government purchases through the Canadian Commercial Corporation. Further information on Australian equipment requirements is available from the Australian Supply Mission in Washington which is engaged in purchasing from North American sources. Finally, the Commercial Division of the Office of the High Commissioner in Canberra was recently made responsible for assisting Canadian manufacturers of defence equipment to secure sales in Australia. Trade and Commerce officers are also resident in Sydney and Melbourne. With assistance from these sources, Canadian manufacturers of defence equipment should be able to assess their opportunities in the Australian market. ●

# What's Current in Commodities in Australia?

**Heavy Electrical Equipment**—Expanding demand has brought steep rise in electrical power output; this has increased need for heavy equipment in new and existing projects. Some Canadian firms are already selling there, despite stiff competition.

R. D. LUCAS, *Assistant Commercial Secretary, Melbourne.*

THE high rate of industrial expansion in Australia is illustrated by the sharp rise in electrical power output during the past five years. Total capacity installed at June 30, 1960, was just over 5,640 megawatts; five years later, the figure had reached 8,406 megawatts, almost a 50 per cent increase. Tables I and II give a summary of power generated by type of plant and state for the year ended June 30, 1965. (For a more complete breakdown, see the May 1, 1965, issue of *Foreign Trade*.)

Increased demand for electricity throughout Australia can be traced to several factors:

1. A rapidly increasing population, which includes a large intake of immigrants (population has increased by one million to 11.4 million in the past five years).
2. A greater emphasis on local manufacture, particularly of consumer goods.
3. A surge in resource development, highlighted by important discoveries

of iron ore, bauxite, coal and natural gas.

## Thermal Power Leads

The "mix" of types of primary energy for electrical generation differs substantially in Australia from the Canadian. At the end of 1964, Canada had over 27,000 megawatts of installed capacity, of which three-quarters came from hydro sources. The remaining plants were thermal, with only a fraction of a percentage nuclear power. In direct contrast, of Australia's 8,400 megawatts installed at June 30, 1965, 75 per cent was thermal and the remainder hydro. Australia has no nuclear installations at present, although the Atomic Energy Commission in Sydney is doing research on a high-temperature gas-cooled reactor of the pebble-bed type. Fossil fuels will doubtless remain the chief Australian source of energy for many years to come, with coal continuing to occupy the major position. New South Wales and Queensland have large deposits of a high-ranking black coal and Victoria has the world's largest deposits of brown coal (lignite) in the Latrobe Valley. In addition, large finds of oil and natural gas have been made recently; the most important is an offshore deposit in Bass Strait near Melbourne.

TABLE I  
GENERATING PLANT INSTALLED FOR YEAR ENDED JUNE 30, 1965

	Hydro	Steam	Internal Combustion (megawatts)	Total
New South Wales	140.0	2,677.6	40.9	2,858.5
Victoria	351.9	1,682.1	19.0	2,053.0
Queensland	132.0	777.3	33.9	943.2
South Australia	—	664.3	11.0	675.3
West Australia	2.0	287.5	25.6	315.1
Tasmania	856.5	—	0.4	856.9
Snowy Mountains & Papua—New Guinea	665.9	15.0	23.8	704.7
<b>Total</b>	<b>2,148.3</b>	<b>6,103.7</b>	<b>154.7</b>	<b>8,406.7</b>

Source: Electricity Supply Association of Australia.

TABLE II  
POWER GENERATED for YEAR ENDED JUNE 30, 1965

	Hydro	Steam	Internal Combustion (millions of kwb.)	Total
New South Wales	653.1	10,781.5	61.9	11,496.5
Victoria	814.5	7,443.6	26.8	8,284.9
Queensland	500.4	2,756.3	52.2	3,308.9
South Australia	—	2,658.4	15.8	2,674.2
West Australia	8.9	1,215.5	52.7	1,277.1
Tasmania	3,706.8	—	1.2	3,708.0
Snowy Mountains & Papua—New Guinea	2,609.0	52.5	49.6	2,711.1
<b>Total</b>	<b>8,292.8</b>	<b>24,907.7</b>	<b>260.3</b>	<b>33,460.8</b>

Source: Electricity Supply Association of Australia.

## Imported Equipment Needed

Over A.\$2,000 million (or about Can.\$2.4 billion) has been spent on acquiring new plant and equipment since mid-1960. Local manufacture can meet most needs of the state-owned electrical commissions but there are opportunities for the heavier categories of equipment plus specialized types. Imports of Class XII-B of the Australian import classification, "dynamo electrical machinery and electrical appliances and equipment, not being machinery" increased from \$89.2 million\* to \$139.3 million from mid-1960 to mid-1965. These figures,

\*Throughout this article Australian dollars are used.

however, include everything from hearing aids and lightning arrestors to turbo-alternators. The figures for "dynamo electrical machinery" only are \$16.2 million for mid-1960 and \$19.7 million for mid-1965, which reflects the increasing proportion of local manufacture. Canada's share of total Class XII-B imports was, incidentally, \$421,000 in 1960 and \$3.17 million in 1965. Imports of selected items of heavy equipment for last year are shown in Table III.

The over-all growth rate of power in Australia over the past five years has been about 10 per cent a year, which means that total load has been doubling at the rate of once every seven years. This high rate of increase will apparently continue for at least another five years. All six states except Western Australia have shared in the big growth in the last five years, as follows: New South Wales 905 megawatts (47 per cent), Victoria 715 megawatts (54 per cent), Queensland 265 megawatts (39 per cent), South Australia 242 megawatts (56 per cent), Western Australia 15 megawatts (5 per cent), Tasmania 314 megawatts (58 per cent). (The first figure is the net increase in megawatts, the figure in brackets is the percentage growth.) The federal Snowy Mountains hydroelectric scheme, now nearing completion, has already added several hundred megawatts; ultimately it will add over 3,000 to be shared by the state systems of New South Wales and Victoria.

### New South Wales

In New South Wales, which generates about 34 per cent of Australia's present capacity, the trend has been to locate very large stations at or near black coal deposits and transmit the generated power at high voltage, currently 330 kv. The Electricity Commission is committed to thermal power until 1974 and thereafter there is a possibility of turning to nuclear fuel. The largest current project is a coal-burning station, Liddell, which will consist of four units of 500 megawatts each. Tenders are out for the supply of major equipment and the first unit is due to be commissioned in 1969. It seems likely that another large thermal station will go in after completion of Liddell. Another station being worked on at present is Munmorah, where the first of four 350-megawatt turbine gen-

erators will come into operation in late 1966. About 1,500 miles of 300 kv. line will be built between now and 1975.

### Victoria

Victoria continues to depend almost solely on brown coal with a calorific value of about 3,400 BTU's per pound and a moisture content of over 60 per cent. The Hazelwood station, consisting of eight 200-megawatt units, is the current undertaking. Its first unit was commissioned in 1964 and the last is due for commissioning in 1971. Another large station, Yallourn "W", is to be ready by 1969. It will consist of two units of 350 megawatts each. In the period 1975-80 an additional 2,500 megawatts of plant will be required and the State Electricity Commission is currently preparing plans for this expansion. A major discovery of natural gas in Bass Strait only 130 miles from Melbourne may influence the State Electricity Commission's choice of primary energy for the post-1974 period.

### South Australia

Nuclear power prospects appear brightest in South Australia, a state with little indigenous fuel. The size of the present system, based mainly on imported oil and some black coal, is about 675 megawatts, with an expansion rate of 13 to 14 per cent a year. A new station with four units of 120 megawatts each is being built at Tor-

rens Island. The first of these oil-fired units will be commissioned in 1967. The boilers for this station are designed for easy conversion to natural gas, should a sufficiently large supply become available. Gas discoveries in the north of the state and the new finds in Victoria will influence future planning and possibly postpone plans for the introduction of nuclear power.

### Queensland

In size, Queensland's electrical system is the third largest within Australia. Its prime source of energy is plentiful supplies of open-pit black coal, although there is some hydro potential remaining in the north of the state. Tenders for equipment for a new station, Swanbank-B, which will consist of four units of 120 megawatts each, closed recently. It seems likely that the site for another thermal station will be selected before the end of 1966, because demand continues to rise rapidly.

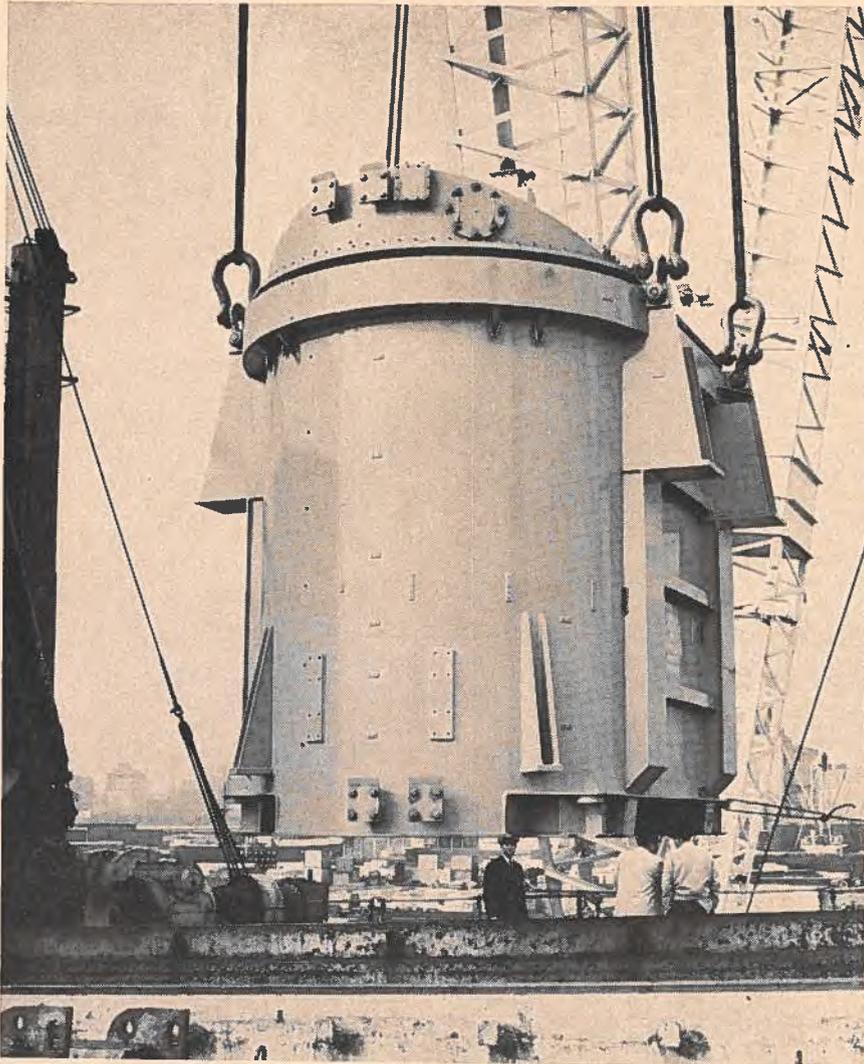
### Tasmania

Tasmania's system is based exclusively on hydro power, and there is still considerable potential to be tapped. Three new stations totalling 85 megawatts are now being built on the Lower Derwent River. Seven more on the Mersey-Forth system will be started next year and will add another 300 megawatts. Two more rivers, the Gordon and the Savage-Pieman, will

TABLE III—AUSTRALIAN IMPORTS OF HEAVY ELECTRIC

Item	Canada	Britain	Sweden	United States	Jap
Static transformers (above 1,500 kva.)	223,692	118,534	1,093,670	174	994
Parts for static transformers	28,634	44,904	203,360	—	—
Circuit breakers (above 1,000 v)	146,814	2,998,062	1,459,326	14,966	—
Current limiting reactors	27,936	36,278	—	17,798	—
Relays	—	1,413,356	53,082	347,048	83
AC generators	—	1,102,076	146,740	502,888	13
DC generators	—	952,314	—	461,926	12
Parts for current-generating machines	—	770,134	1,371,056	679,902	—
Electric motors AC induction type over 100 hp.	—	2,100,252	90,804	39,416	—
Power boilers, drums and parts	462,294	2,783,126	—	180,654	—
Steam turbines	120,164	604,276	—	987,614	16
Electrical porcelain	19,122	414,480	—	36,470	1,071
<b>Total</b>	<b>1,028,656</b>	<b>13,337,792</b>	<b>4,418,038</b>	<b>3,188,856</b>	<b>2,192</b>
<b>Percentage of market</b>	<b>3.7</b>	<b>48.1</b>	<b>16.0</b>	<b>11.5</b>	<b>7</b>

Source: Commonwealth Statistician, Commonwealth Bureau of Census and Statistics



About to begin its journey, this is the last of sixteen 90-ton, 68,000-kva. transformers supplied by a Canadian company for Australia's big Snowy Mountains power development in New South Wales. Continuing power developments provide good opportunities for Canadian sales of heavy equipment.

ultimately be developed. Thereafter, Tasmania may be in a position to consider nuclear installations of at least 200 megawatts.

### Western Australia

Work is going on at the Muja power station in Western Australia. The first of four 60-megawatt units was recently commissioned and the work will be completed in 1968. Another station at Kwinana (two units of 120 megawatts each) has been designed and tenders called. Extensive mining developments taking place in the north of the state will use private power sources, mainly diesel.

### Other Projects

Several projects of major significance are taking place in addition to the state-sponsored works mentioned above. The Snowy Mountains hydroelectric scheme will not be fully completed until 1975, although new development planning has now slowed down. Work is in train on the two Murray River stations, which will eventually yield 1,500 megawatts. The Tumut 3 Station, largest of the scheme at 1,500 megawatts, has yet to be built. Another project privately financed is the building of a 120-megawatt brown coal station by Alcoa of Australia at Anglesea, Victoria.

Rapid expansion in the Australian electrical industry is likely to continue for several years and there are good opportunities for increased sales of Canadian heavy equipment, although international competition can be expected. A personal visit is the best course but failing that, a good opening move is to contact the Canadian Trade Commissioners in Australia or the Electrical and Electronic Equipment Division of Trade and Commerce in Ottawa. ●

### EQUIPMENT FOR YEAR ENDED JUNE 30, 1965 (A\$)

Switzerland	Germany	France	Denmark	Netherlands	Austria	Italy	Other	Total
454,110	77,840	179,000	—	—	—	—	13,904	3,155,178
16,118	—	—	—	—	—	—	19,960	312,976
628,468	—	539,282	—	—	22,112	28,902	19,526	5,857,458
—	—	—	—	—	—	—	1,718	83,730
138,480	295,842	28,030	—	—	—	—	43,488	2,403,252
68,400	424,432	—	7,716	—	—	—	6,332	2,272,430
23,968	10,112	—	—	20,960	—	—	9,372	1,490,790
16,376	—	56,746	—	—	—	—	33,014	2,927,246
—	103,016	—	—	1,000	—	—	—	2,334,488
—	—	—	—	—	—	—	17,262	3,364,124
—	61,638	—	—	—	—	—	458	1,790,594
32,900	30,844	10,486	14,366	—	—	—	42,178	1,672,282
<b>378,820</b>	<b>1,003,724</b>	<b>813,562</b>	<b>22,082</b>	<b>21,960</b>	<b>22,112</b>	<b>28,902</b>	<b>206,486</b>	<b>27,664,548</b>
5.0	3.6	2.9	0.1	0.1	0.1	0.1	0.9	100.0

## Toys and Sporting Goods—More money in Australian pockets means more to spend on toys and sporting goods. Canadians who can offer quality products should do well here.

A. D. SCHULMAN, *Assistant Commercial Secretary, Sydney.*

THE rapid expansion of the Australian economy is reflected in the growing demand for toys, sporting goods, and recreation equipment. Australians spent some Can.\$45 million on these in the year ended June 30, 1965. The toy market alone—worth about \$30 million—absorbed \$14 million worth of imports and imports of sporting goods and recreation equipment exceeded \$4.4 million.

Competition in this market is stiff, both from the domestic industry, which has increased its output by about \$1 million in the last three years, and from other exporters. The principal suppliers are Britain (over 33 per cent), Japan (20), and Hong Kong (16).

### Selling Toys

Imports of toys cover the full range, with electrical and plastic items in the lead. Although inexpensive toys sell well, the Australian buyer aims primarily at the middle range, with the more expensive types selling well at Christmas. There is a strong demand for quality toys and strong loyalty to well-known brand names. Canada benefits from this because it has a name for quality products; in addition, our exporters have the advantage of the British preferential tariff, provided the toys have a minimum Canadian content of 75 per cent by value.

Canada's share of the toy market was about 3 per cent, with sales to Australia totalling \$422,500 in the twelve months ended June 30, 1965, compared with \$422,000 in 1963-64 and only \$267,500 in 1962-63. Between 1962 and 1965, however, the

toy import market expanded and our share of it dropped from 3.63 to 3.07 per cent. As in past years, the Canadian toys in most demand were dressed dolls (\$136,250), undressed dolls (\$36,900), plastic toys (\$95,130), and textile plush toys (\$88,900). Staple products such as plush toys, dolls and plastic toys are in steady demand but in selling these, price is important. Educational and semi-educational kits proved popular at the recent First International Sydney Toy Fair and local buyers also showed keen interest in construction kits and scientific toys. Winter toys as we know them in Canada are in limited demand but outdoor toys and games in general sell well. New table games are popular; for example, Scrabble is in demand but imitators have found it difficult to establish themselves. Another popular game is Monopoly plus a local version called Squatter. Originality, ingenuity and durability are the key factors in

selling a new line. Over the past few years the Australian has become more discriminating in his purchase of toys. He keeps up-to-date with all the latest developments and fashions and attempts to dispose of old stock in this market generally meet with failure.

### Selling Sporting Goods

In sporting goods and recreation equipment, the Canadian share of the market is growing; our sales in 1962-63 of \$121,000 represented 3.12 per cent of imports; in 1964-65, our sales of \$229,000 represented 7.56 per cent.

The Australian love of outdoor sports and recreation has made possible Canadian sales in 1964-65 of archery equipment (over \$40,000), fishing gear (\$39,000), golf clubs and parts (over \$22,000). Sales of skiing and ice-hockey equipment have been limited because of the temperate climate and the relatively few snow areas; the recent increase in the rate of development of the skiing areas in the Snowy Mountains, however, suggests the possibility of a new market for skiwear and skiing equipment. Football as it is known in Canada is unknown here, where rugby (English football) is played. Only a resolute



Miniature cement trucks travel down the production line in an Australian toy factory. Australians demand good quality in toys; best sellers throughout the year are in the middle price range.

few play baseball but cricket is extremely popular.

Aquatic sports—particularly surfing, skin diving, sailing and fishing—are very popular; so are camping and caravanning. Australians are enthusiastic golfers and facilities for this are ideal; there are over 80 courses in greater Sydney alone. The smaller diameter English golf ball is used, rather than the larger Canadian and American one. Tennis, badminton, squash, and lawn bowls attract many followers.

In addition, things related to the above sports—such as clothing—are of interest in this market but suppliers should remember that outdated styles and equipment just won't sell. Modern communications and transportation and the reversal of the seasons mean that Australia is seldom more than four to six months behind North America and Europe. Conversely, a new item might be tested here four to six months before selling it in the Northern Hemisphere.

The Australian's love of sport and recreation means that he looks for quality and durability as well as up-to-date design. Price is, of course, a major factor but nowhere else is it more important that the price reflect the quality of a product. If a reputation for quality and attractive pricing is established, then the name alone becomes the best advertisement.

To date, cricket, badminton, tennis, rugby and golf equipment have been largely supplied by Britain, Pakistan and Japan. The main sources of fishing gear (annual market, over \$1.5 million) in 1965 were Japan (over \$520,000), France (\$160,000), Norway (\$15,000), and Britain (\$115,000). Imports from Britain of ice and roller skates (Australian statistics combine the two types) reached \$194,000 last year; Canada sold almost \$20,000 worth of ice skates. Britain also sold over \$160,000 worth of darts and dartboards. Children's sub-regulation sporting goods amounted to about \$115,000 (about 71 per cent from Japan).

### Representation

The Australian offices of the Canadian Trade Commissioner Service would be pleased to hear from exporters who wish to explore this market. Many Australian agents have expres-

sed interest in representing Canadian manufacturers of toys and sporting goods, but to get a new line launched, local agents frequently ask for some help with initial promotion.

Correspondence should be sent by airmail because seamail takes up to two months. Goods should also be carefully packed to avoid damage in transit.



*Kid-glove treatment with a new type of handling gear was given to this shipment of Canadian newsprint at Melbourne, Australia. The radically simplified gear was tested recently on this shipment and is now in regular use. The Australian stevedoring company that developed the device says that it has improved the discharge rate while reducing the constant problem of scuffing and edge damage on large newsprint rolls.*

*The reels of newsprint are cradled in four polythene covered wires, suspended from a tubular steel spreader which is designed so that all reels automatically plumb themselves even if slung out of line. Once slung, they remain completely square and the wires are held in place by the weight of the reels themselves. A special rubber-mounted wooden platform is used in conjunction with the gear to protect both the paper and the wires from damage when the cargo is landed on the wharf.*

MAY 14, 1966

92921-3

# Marketing Research Takes Two

... the exporter and the Trade Commissioner. Remember, though, the Trade Commissioner is no mind reader. To give a Canadian company the best marketing advice, he needs facts and figures about the company, its products and its aims. This report gives potential exporters a general idea of the information the T. C. looks for. Other posts will report later on their particular needs.

MALCOLM ROWAN, *Consul and Assistant Trade Commissioner, Chicago.*

DO YOU NEED marketing assistance in the Chicago area? Perhaps you require a distributor, a manufacturers' representative or a complete market survey? If you do, then contact us at the Trade Commissioner's office in Chicago.

A preliminary market study can save both you and the Trade Commissioner a lot of time and trouble. Ideally, marketing research should start before a new product is even turned out, so that the manufacturer knows what the market wants, how to produce what will satisfy that want, and how to sell the product at a profit. And when an existing product is being introduced into a new marketing area such as the United States, market research proves its worth in guiding decisions on the best methods of introduction and distribution.

Good marketing research calls for both firsthand study of a market and for judicious use of secondary source material put out by organizations, associations, business publications, or individuals. The value of this secondary information naturally depends upon its source and upon the confidence that you have in it. But used selectively, it can save the researcher valuable time.

One source of secondary market information is the "Market Information Guide" that is published in the United States by the magazine *Industrial Marketing*, 740 Rush Street, Chicago, Illinois 60611. This guide, which appears each August, covers 32 industries and services, ranging from aero-

space to transportation. Each section lists and describes market data available from publications, government agencies, and trade associations. Most of the items listed are free. To give the reader some idea of the information contained in the Guide, we are listing on the opposite page some 15 sources of secondary material in four fields. Readers of *Foreign Trade* who would like copies of any of these pamphlets should write directly to the publisher of each.

## T. C. Will Study Potential

Good marketing research, as we emphasized before, needs more than just secondary source material. Canadian producers may and are encouraged to request the Trade Commissioner in that part of the United States in which they are interested to undertake a full market survey on the potential for their particular products.

A good market survey or distributor recommendation results from a team effort between your company's sales manager and the Trade Commissioner. The success of the Trade Commissioner's contribution depends primarily on how freely you give him information about your company, your product, and your past experiences in this market. Equally important—you must know exactly what you hope to achieve and outline clearly your aspirations and objectives in your first letter to us.

In short, we must for a time become an integral part of your company's

marketing staff and must know every facet of your operation if our efforts for you are going to be worthwhile.

## Checklist

When you write, provide us with basic information. Use the checklist shown on page 16 as a guide to the minimum amount of information we require.

Keep in mind that we may not know anything about your company or your product. Certainly the majority of distributors, manufacturers' representatives and other people we contact on your behalf will not know anything about you.

Putting this information down in an orderly fashion helps you, the manufacturer, to understand exactly what your objectives are in this particular market. Additional correspondence, telephone calls, etc., will be necessary to round out the picture, but if you provide us with the basic information we require, it will go a long way toward assisting us to serve you better.

## Requisites

In our opinion, there are four requisites for successful Canadian marketing in the Chicago area. These are:

A. Have the right "attitude" to selling in the United States. By this we mean you must look upon the U.S. market as an extension of your Canadian market and lavish as much attention and care on your U.S. accounts as you do on

## Market Information Guide—Published by Industrial Marketing

### Electricity

#### *Electrical Apparatus Market Report*

##### *Procurement '65*

Miss Wendy Spero,  
Promotion Dept.,  
Mactier Publishing Corporation,  
820 Second Ave.,  
New York, N.Y. 10017.

### Electronics

#### *Electronic Technician Profile*

Mr. Angus Stone,  
Marketing Manager,  
Ojibway Press, Inc.,  
Ojibway Bldg.,  
Duluth, Minn.

#### *Use of Mica in Electrical and Electronic Products*

Mr. Lincoln R. Samelson,  
Editor and Publisher,  
Insulation,  
Box 270,  
311 East Park Ave.,  
Libertyville, Ill. 60048

### Forest Products

#### *A Nationwide Study of Paper Merchant Markets and Operations*

Mr. L. Q. Yowell,  
Editor,  
American Paper Merchant Magazine,  
Peacock Business Press Inc.,  
200 S. Prospect Ave.,  
Park Ridge, Ill. 60068

#### *Canadian News of the Month*

#### *Canadian Pulp and Paper Industry*

Mr. F. A. Price, P. Eng.,  
Editor,  
Pulp & Paper Magazine of Canada,  
Gardenvale, Que.

#### *Geographical Breakdown of U.S. Paper and Pulp Industry*

#### *Eighty-Seven Major Expansion Projects in New Mills and Major Expansion—Canada*

#### *PTJ Market Data*

Mr. Robert H. Ramage,  
Paper Trade Journal,  
49 West 45th St.,  
New York, N.Y. 10036

#### *Millwork Producers Report*

Mr. William J. Dukes,  
Editor,  
Industrial Woodworking,  
1 River Rd.,  
Cos Cob, Conn. 06807

#### *Use of Finishing Materials and Equipment*

Mr. R. Laboissonniere,  
Vice President & Publisher,  
Hitchcock's Woodworking Digest,  
Hitchcock Bldg.,  
Wheaton, Ill. 60188

#### *Your \$100 Million Market*

Mr. Don Fraser,  
Manager,  
Canadian Forest Industries,  
1450 Don Mills Rd.,  
Don Mills, Ont.

#### *Wood & Wood Products Reader Study on Use of Basic Materials*

#### *Analysis of 3,253 Machines Reported by 141 Subscribers of Wood & Wood Products*

Mr. J. F. Koellisch,  
Editor & Publisher,  
Wood & Wood Products,  
59 East Monroe St.,  
Chicago, Ill. 60603

### Retailing

#### *Anatomy of a Market*

Mr. Robert C. Adams,  
Managing Editor,  
Home & Auto Retailer,  
75 Station St.,  
Southport, Conn. 06490

#### *Canada's Retail Buying Markets*

Mr. James Nuttall,  
Editor,  
Volume Retail Merchandising,  
93 Railside Rd.,  
Don Mills, Ont.

#### *Department Store Market Today*

Mr. Peter Noon,  
Promotion Manager,  
Department Store Economist,  
Chestnut and 56th Streets,  
Philadelphia, Pa. 19139

#### *Retail Photographic Survey*

Mr. Irvine A. Brace,  
Editor-Manager,  
Photo Trade,  
481 University Ave.,  
Toronto 2, Ont.

#### *Mass-Market Retailing*

Miss M. Greenbaum,  
Administrative Assistant,  
Office of the Editorial Director,  
Chain Store Age,  
2 Park Avenue,  
New York, N.Y. 10016.

#### *Sporting Goods Market*

*How to Develop Distribution Among Full-Line, Full-Price, Sporting Goods Outlets, Using the Trade Show, Advertising, and Direct Mail Services of the National Sporting Goods Association*  
(New brochure available)

Mr. Robert E. Dunbar,  
Editor,  
Selling Sporting Goods,  
23 East Jackson Blvd.,  
Chicago 4, Ill.

## Checklist of Essential Data

### Company

Name of company:

Address:

Management contact:

Area code & phone number:

Number of employees:

Size of plant:

Brief history (how long in business; how it developed):

Production capacity:

Present lead time required from receipt of order:

### Product

The safest assumption is that the Trade Commissioner knows nothing about the product and is ignorant of the technology behind it. Product information should include:

**The Definition**—What is the product, what does it do, how does it work, why is it made? This may involve supporting information such as specifications, drawings, and product samples.

**The Advantages**—Why is your product particularly suited to the market? What are the advantages of using it?

**The Disadvantages**—What are the disadvantages? What can't the product do? Why are these negative features accepted as part of the design (high cost, infrequent use, etc.)?

**Approvals**—Are any approvals necessary, such as Underwriters Laboratory or A.G.A.? Do you plan to obtain such approvals?

**Brochures**—Enclose one complete set of brochures.

### Distribution

● Type of representation required:

- (a) Manufacturers' representative
- (b) Distributor (on an exclusive or open franchise?)
- (c) Sales made direct to OEM accounts, retailers, etc.
- (d) Other (please specify)
- (e) A combination of any of the above

● U.S. sales area required, by state

● Have you participated in any U.S. trade shows? Which?

● Do you have warehouse facilities in U.S.? Where?

● Previous sales experience in U.S.

- (a) In Midwest
- (b) Other areas

If yes, please specify where and give name of representative or distributor.

● Type of distribution channels used in Canada.

### Pricing

● Do you have a price schedule to cover each level of distribution required, including suggested retail prices?

● Prices should be quoted c.i.f. Chicago, duty and other import charges paid in U.S. funds; f.o.b. factory prices should also be included.

● Do you have a binding U.S. Customs ruling?

● Are you familiar with export pricing?

### Competition

● If possible, give a list of major U.S. competitors.

● A competitive comparison chart should show models, prices and specifications of your company's products and those of all major competitors side by side. It is then easy to see where you stand.

● The competitors' weaknesses should be covered in a report on existing competition. Where possible, the limitations to his strong points should be covered. State where competition advertises, and how else he promotes sales.

### Markets

● If a product has more than one market, all possible outlets should be listed.

● Each potential market should be defined. The sales influences, their importance and their power should be covered. Eccentricities of the market should be described.

● Please advise us of the volume you expect from this market, initially and over a period of time.

This checklist gives us some idea of your expectations and knowledge (or lack of it) about this market. It will help us to determine how much help you may need. For example, there may be sections of the checklist you are unable to complete because you are totally unfamiliar with the market. If so, please tell us and we will try to fill in the blanks. ●

your domestic customers. Remember that the United States is the most sophisticated market in the world and there are probably dozens of competitors making products similar to yours. If you service your U.S. accounts less regularly than your Canadian accounts, how can you hope to compete with U.S. firms operating in their own domestic market? Our experience shows that second class efforts bring second class results.

**B.** Provide the Trade Commissioner with complete information about your intentions, your company, and your

product so that he can quickly produce a useful market report or distributor recommendation.

**C.** Take time out to assess thoroughly the Trade Commissioner's report. Question it. Ask for clarification if necessary and then visit the area to get firsthand knowledge and to check on the distributors or representatives that he recommends.

**D.** Remember the importance of constant follow-up and customer service. Continue to work with the Trade Commissioner to refine and upgrade

your distributor and representative network.

We want you to look upon us as a Chicago-based extension of your marketing operations—an extension able to save you time and money by doing much of the initial contact work so necessary for a full understanding of the best way to sell here.

We are effective only when we understand your aims fully. You are only successful when you too understand them. The preparation needed to give us the information outlined in the checklist may be a hard job initially, but it will pay dividends. ●

# Foreign Trade Service Abroad

## ARGENTINA

**Commercial Counsellor**  
**Canadian Embassy**  
**Bartolome Mitre 478**  
**Buenos Aires, Argentina**

M. B. Bursey, Commercial Counsellor  
H. E. Ryan, Assistant Commercial Secretary (Agriculture)

*Cable:* CANADIAN      *Phone:* 33-8237

*Territory:* Paraguay.

## AUSTRALIA

**Commercial Counsellor for Canada**  
**P.O. Box 3952, G.P.O.**  
**A.M.P. Building, 21st Floor**  
**Circular Quay**  
**Sydney, Australia**

J. A. Stiles, Commercial Counsellor for Canada  
R. L. Richardson, Commercial Secretary  
A. D. Schulman, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 27-7565

*Telex:* SYD 600 (CANADIAN SYD)

*Territory:* States of New South Wales and Queensland, Capital Territory, Northern Territory, and Dependencies.

**Commercial Counsellor for Canada**  
**Mobil Centre**  
**2 City Road**  
**Melbourne, Australia**

H. A. Gilbert, Commercial Counsellor for Canada  
R. D. Lucas, Assistant Commercial Secretary  
J. D. Tennant, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 61-3473

*Telex:* MLB 501 (CANADIAN MLB)

*Territory:* States of Victoria, South Australia, Western Australia, Tasmania.

**Commercial Counsellor**  
**Office of the High Commissioner for Canada**  
**Commonwealth Avenue**  
**Canberra, Australia**

I. B. O'Neill, Commercial Counsellor  
D. I. Campbell, Assistant Commercial Secretary

*Cable:* DOMCAN      *Phone:* 7-2541

*Telex:* CBA 62017 (DOMCAN CBA)

## AUSTRIA

**Minister-Counsellor (Commercial)**  
**Canadian Embassy**  
**P.O. Box 190, Vienna 1/8**  
**Obere Donaustrasse 49/51**  
**Vienna II, Austria**

C. F. Wilson, Minister-Counsellor (Commercial)  
F. I. Wood, Commercial Secretary  
R. J. L. Berlet, Assistant Commercial Secretary  
B. A. Gagosz, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 23-32-94

*Telex:* 07-5320 (DOMCAN VIENNA)

*Territory:* Albania, Bulgaria, Czechoslovakia, Hungary, Rumania, Yugoslavia.

## BELGIUM

**Commercial Counsellor**  
**Canadian Embassy**  
**35 rue de la Science**  
**Brussels 4, Belgium**

D. M. Holton, Commercial Counsellor  
M. Faguy, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 13.38.50

*Telex:* 221613 (DOMCAN BRU)

*Territory:* European Economic Community, European Atomic Energy Community, European Coal and Steel Community. Other countries: Luxembourg.

## BRAZIL

**Commercial Counsellor**  
**Canadian Embassy**  
**Caixa Postal 2164-ZC-00**  
**Edificio Metropol**  
**Av. Presidente Wilson 165**  
**Rio de Janeiro, Brazil**

C. M. Forsyth-Smith, Commercial Counsellor  
R. W. Burchill, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 42-4140

*Telex:* Rio 175 (DOMINION RIO)

**Consul and Trade Commissioner**  
**Canadian Consulate**  
**Caixa Postal 6034**  
**Edificio Alois**  
**Rua 7 de Abril 252**  
**São Paulo, Brazil**

C. T. Charland, Consul and Trade Commissioner

*Cable:* CANADIAN      *Phone:* 36-6301

MAY 14, 1966

**BRITAIN**

**Minister (Commercial)**  
**Office of the High Commissioner for Canada**  
**One Grosvenor Square**  
**London, W.1, England**

L. H. Ausman, Minister (Commercial)  
 W. D. Wallace, Commercial Counsellor  
 G. E. Woollam, Commercial Counsellor (Agriculture)  
 J. M. Rochon, Commercial Counsellor (Metals and Minerals)  
 H. M. Maddick, Commercial Counsellor  
 W. M. Miner, Commercial Secretary (Agriculture)  
 E. J. Ward, Commercial Counsellor (Timber)  
 O. Hickie, Commercial Secretary (Timber)  
 R. M. Shaw, Attaché (Publicity)  
 M. R. Bell, Assistant Commercial Secretary  
 H. G. Garland, Attaché (Fisheries)  
 Miss M. A. Armstrong, Attaché (Exhibitions)

*Cable:* SLEIGHING, London, W.1.      *Phone:* MAYfair 9492  
*Telex:* 22526 (DOMINION LDN)

**Canadian Government Trade Commissioner**  
**Martins Bank Building**  
**Water Street**  
**Liverpool, England**

W. R. Van, Canadian Government Trade Commissioner  
 K. R. Higham, Assistant Trade Commissioner

*Cable:* CANADIAN      *Phone:* MARitime 2177  
*Territory:* Midlands, North England.

**Canadian Government Trade Commissioner**  
**Cornhill House**  
**144 West George St.**  
**Glasgow C.2, Scotland**

D. G. Nelson, Acting Trade Commissioner  
*Cable:* CANTRACOM      *Phone:* DOUGlas 6751  
*Territory:* Scotland.

**Canadian Government Trade Commissioner**  
**15-17 Chichester St.**  
**Belfast 1, Northern Ireland**

D. G. Nelson, Acting Trade Commissioner  
*Phone:* 21867  
*Territory:* Northern Ireland.

**CEYLON**

**Commercial Division**  
**Office of the High Commissioner for Canada**  
**P.O. Box 1006**  
**6 Gregory's Road**  
**Cinnamon Gardens**  
**Colombo, Ceylon**

*Cable:* CANADIAN      *Phone:* 91341  
*Telex:* 106 (DOMCAN COLOMBO)

**CHILE**

**Commercial Counsellor**  
**Canadian Embassy**  
**Casilla 771**  
**Agustinas 1225, 5th Floor**  
**Santiago, Chile**

R. E. Gravel, Commercial Counsellor  
 Z. W. Burianyak, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 64189

**COLOMBIA**

**Commercial Secretary**  
**Canadian Embassy**  
**Apartado Aereo 8582**  
**Edificio Banco de Los Andes**  
**Carrera 10, No. 16-92**  
**Bogota, Colombia**

J. G. Ireland, Commercial Secretary  
 J. C. Bradford, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 43-00-65  
*Territory:* Ecuador.

**CUBA**

**Commercial Division**  
**Canadian Embassy**  
**Gaveta 6125**  
**Calle 30 No. 518 esquina 7<sup>a</sup> Avenida**  
**Miramar**  
**Havana, Cuba**

*Cable:* CANADIAN      *Phone:* 2-6421

**DENMARK**

**Commercial Counsellor**  
**Canadian Embassy**  
**Prinsesse Maries Allé 2**  
**Copenhagen V, Denmark**

K. Nyenhuis, Commercial Counsellor

*Cable:* CANADIAN      *Phone:* Hilda 3306  
*Telex:* 5036 (DOMCAN KH)  
*Territory:* Greenland, Poland.

**DOMINICAN REPUBLIC**

**Acting Commercial Secretary**  
**Canadian Embassy**  
**Apartado 1393**  
**Edificio Copello 408**  
**Calle El Conde**  
**Santo Domingo, Dominican Republic**

J. E. Kepper, Acting Commercial Secretary

*Cable:* CANADIAN      *Phone:* 2-8138  
*Territory:* Puerto Rico.

## FRANCE

**Minister-Counsellor (Economic/Commercial)**  
**Canadian Embassy**  
35 Avenue Montaigne  
Paris 8\*, France

R. Campbell Smith, Minister-Counsellor (Economic/Commercial)  
J. E. Montgomery, Commercial Secretary (Agriculture)  
G. P. Morin, Assistant Commercial Secretary  
C. J. St. Pierre, Assistant Commercial Secretary

*Cable:* CANADIAN Paris 086      *Phone:* BALzac 99-55  
*Telex:* 20600 or 20601 (DOMCAN A PARIS)  
*Territory:* Algeria, Morocco.

## GERMANY

**Commercial Counsellor**  
**Canadian Embassy**  
Kennedy-Allee 35  
Bad Godesberg, West Germany

H. J. Horne, Commercial Counsellor  
W. F. Hillhouse, Commercial Counsellor (Agriculture)  
G. H. Musgrove, Assistant Commercial Secretary (Agriculture)  
R. J. Buchan, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 76995  
*Telex:* 886421 (DOMCAN BONN)  
*Territory:* States of Baden-Wuerttemberg, Bavaria, Hesse, Rhine-land-Palatinate, Saar; West Berlin.

**Consul**  
**Canadian Consulate**  
Koenigsallee 82  
4 Duesseldorf 1, West Germany

H. E. Campbell, Consul  
J. A. Elliott, Consul  
G. D. Valentine, Vice Consul

*Cable:* CANADIAN      *Phone:* 2-05-25  
*Telex:* 8587144 (DOMCAN DUESSELDORF)  
*Territory:* State of North Rhine-Westphalia.

**Consul General**  
**Canadian Consulate General**  
Ferdinandstrasse 69  
Hamburg, West Germany

R. W. Blake, Consul General  
D. S. McCracken, Consul

*Cable:* CANADIAN      *Phone:* 326149  
*Territory:* City States of Bremen and Hamburg; States of Lower Saxony and Schleswig-Holstein.

## GHANA

**Commercial Secretary**  
**Office of the High Commissioner for Canada**  
P.O. Box 1639  
E 115/3 Independence Ave.  
Accra, Ghana

(continued)

## GHANA (continued)

V. B. Chew, Commercial Secretary

*Cable:* CANADIAN      *Phone:* 4824

*Telex:* 224 (DOMCAN ACC)

*Territory:* Guinea, Ivory Coast, Liberia, Mali, Mauretania, Togo, Upper Volta.

## GREECE

**Commercial Counsellor**  
**Canadian Embassy**  
31 Vassilissis Sophias Ave.  
Athens 138, Greece

B. A. Macdonald, Commercial Counsellor  
E. E. Price, Assistant Commercial Secretary

*Cable:* DOMCAN ATHENS 5584      *Phone:* 714-041

*Telex:* 5584 (DOMCAN ATHENS 5584)

*Territory:* Turkey.

## GUATEMALA

**Commercial Secretary**  
**Canadian Embassy**  
P.O. Box 400  
5a Avenida 11-70, Zone 1  
Guatemala City, C.A., Guatemala

J. H. Nelson, Commercial Secretary  
P. D. Donohue, Assistant Commercial Secretary (absent)  
D. J. Browne, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 28448

*Territory:* Costa Rica, El Salvador, Honduras, Nicaragua, Panama, and Canal Zone.

## HAITI

**Chargé d'Affaires, a.i., and Consul**  
**Canadian Embassy**  
P.O. Box 826  
Route du Canape Vert  
St. Louis de Turgeau  
Port au Prince, Haiti

## HONG KONG

**Senior Canadian Government Trade Commissioner**  
P.O. Box 126  
P & O Building, 11th Floor  
21-23, Des Voeux Road, Central  
Hong Kong, Hong Kong

R. K. Thomson, Senior Canadian Government Trade Commissioner

R. G. Woolham, Trade Commissioner  
John M. Fraser, Trade Commissioner  
D. A. Anderson, Assistant Trade Commissioner  
A. Blum, Assistant Trade Commissioner

*Cable:* CANADIAN      *Phone:* 224087

*Telex:* HKG 391 (DOMCAN HKG)

*Territory:* Cambodia, Communist China, Laos, Vietnam, Macao.

MAY 14, 1966

**INDIA**

**Commercial Counsellor for Canada**  
**P.O. Box 11**  
**13 Golf Links Road**  
**New Delhi 1, India**

R. R. Parlour, Commercial Counsellor for Canada  
 W. G. Roberts, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 61-8254

*Telex:* 346 (DOMCAN DLI)

*Territory:* all Indian States except Gujerat, Maharashtra, Andhra Pradesh, Mysore, Madras, Kerala. Other countries: Bhutan, Nepal, Sikkim.

**Canadian Government Trade Commissioner**  
**P.O. Box 886**  
**Gresham Assurance House**  
**Mint Road**  
**Bombay 1-BR, India**

S. G. Harris, Canadian Government Trade Commissioner

*Cable:* CANADIAN      *Phone:* 255154

*Territory:* States of Gujerat, Maharashtra, Andhra Pradesh, Mysore, Madras, Kerala.

**IRAN**

**Commercial Counsellor**  
**Canadian Embassy**  
**P.O. Box 1610**  
**Bezrouke Building**  
**Corner of Takht Jamshid Ave. and Forsat St.**  
**Tehran, Iran**

W. Gibson-Smith, Commercial Counsellor

*Cable:* CANTRACOM      *Phone:* 613560,4-9291

**IRELAND**

**Commercial Secretary for Canada**  
**66 Upper O'Connell St.**  
**Dublin, Ireland**

W. G. Huxtable, Commercial Secretary for Canada

*Cable:* CANADIAN      *Phone:* 44251

**ISRAEL**

**Commercial Secretary**  
**Canadian Embassy**  
**P.O. Box 20140**  
**84 Hahashmonaim St.**  
**Tel Aviv, Israel**

B. C. Steers, Commercial Secretary  
 D. S. Armour, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 37161/2

*Telex:* 740 (DOMCAN TV)

*Territory:* Cyprus.

**ITALY**

**Commercial Counsellor**  
**Canadian Embassy**  
**Via G. B. De Rossi 27**  
**Rome, Italy**

J. H. Stone, Commercial Counsellor  
 P. A. Freyseng, Commercial Secretary  
 C. D. Miller, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 864-327

*Telex:* 61056 (DOMCAN ROME)

*Territory:* Provinces of Toscana, Marche, Umbria, Lazio, Abruzzi-Molise, Puglia, Campania, Basilicata, Calabria, Sicilia, Sardegna. Other countries: Libya, Malta.

**Consul General and Trade Commissioner**  
**Canadian Consulate General**  
**C.P. 3977**  
**Via Pirelli 19**  
**Milan, Italy**

A. B. Brodie, Consul General and Trade Commissioner  
 N. R. Cumming, Consul and Trade Commissioner  
 C. E. Rufelds, Consul and Assistant Trade Commissioner

*Cable:* CANTRACOM      *Phone:* 652-485/652-600

*Telex:* 31368 (CANTRACOM MILAN)

*Territory:* Provinces of Emilia-Romagna, Lombardia, Piedimonte, Trentino-Alto Adige, Veneto, Liguria, Trieste, Valle D'Aosta, Friuli-Venezia.

**JAMAICA**

**Commercial Secretary**  
**Office of the High Commissioner for Canada**  
**P.O. Box 225**  
**32 Duke St. (corner Duke and Barry Sts.)**  
**Kingston, Jamaica**

L. D. Burke, Commercial Secretary  
 D. I. Ditto, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 2-5864

*Territory:* Bahamas, British Honduras.

**JAPAN**

**Minister (Commercial)**  
**Canadian Embassy**  
**c/o Akasaka Post Office**  
**16, Omote-Machi**  
**3-chome, Akasaka, Minato-ku**  
**Tokyo, Japan**

J. C. Britton, Minister (Commercial)  
 W. G. Brett, Commercial Secretary  
 R. A. Food, Assistant Commercial Secretary  
 E. L. Gray, Assistant Commercial Secretary (Agriculture)

*Cable:* CANADIAN      *Phone:* 408-2101/8

*Telex:* TK 2218 (DOMCAN TK 2218)

*Territory:* Korea, Okinawa.

## LEBANON

**Commercial Counsellor**  
**Canadian Embassy**  
**Boîte Postale 2300**  
**Alpha Building**  
**Rue Clemenceau**  
**Beirut, Lebanon**

I. V. Macdonald, Commercial Counsellor  
R. H. M. Cathcart, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 250955  
*Telex:* 652 (DOMCAN BERYT)  
*Territory:* Iraq, Jordan, Persian Gulf area, Saudi Arabia, Syria.

## MALAYSIA

**Commercial Counsellor**  
**Office of the High Commissioner for Canada**  
**P.O. Box 990**  
**A.I.A. Building, Ampang Road**  
**Kuala Lumpur, Malaysia**

P. Stuchen, Commercial Counsellor

*Cable:* DOMCAN      *Phone:* 89722/4  
*Telex:* KL/TX279 (DOMCAN KL)

## MEXICO

**Commercial Counsellor**  
**Canadian Embassy**  
**Apartado Postal 5-364**  
**Melchor Ocampo 463, 7th Floor**  
**Mexico 5, D.F., Mexico**

M. B. Blackwood, Commercial Counsellor  
J. E. G. Gibson, Assistant Commercial Secretary  
R. A. Kilpatrick, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 33-14-00  
*Telex:* 00017716 (DOMCAN MEX)

## NETHERLANDS

**Commercial Counsellor**  
**Canadian Embassy**  
**Sophialaan 5-7**  
**The Hague, Netherlands**

D. A. B. Marshall, Commercial Counsellor  
J. B. McLaren, Commercial Secretary

*Cable:* CANADIAN      *Phone:* 61-41-11  
*Telex:* 31270 (DOMCAN HAGUE)

## NEW ZEALAND

**Commercial Counsellor**  
**Office of the High Commissioner for Canada**  
**P.O. Box 1660**  
**ICI Building, 3rd Floor**  
**Molesworth Street**  
**Wellington, New Zealand**

(continued)

## NEW ZEALAND (continued)

C. A. Carruthers, Acting Commercial Secretary

*Cable:* CANADIAN      *Phone:* 70-644  
*Telex:* Wellington NZ 3505 (DOMCAN NZ 3505)  
*Territory:* Fiji, Tahiti, Tonga, Western Samoa.

## NIGERIA

**Commercial Secretary**  
**Office of the High Commissioner for Canada**  
**P.O. Box 851**  
**Barclays Bank Building, 4th Floor**  
**40 Marina Road**  
**Lagos, Nigeria**

G. F. Mintenko, Commercial Counsellor  
H. R. Wilson, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 25262  
*Territory:* Dahomey, Gambia, Niger, Senegal, Sierra Leone.

## NORWAY

**Commercial Counsellor**  
**Canadian Embassy**  
**Fridtjof Nansens plass 5**  
**Oslo 1, Norway**

J. E. P. Lancaster, Commercial Counsellor

*Cable:* CANADIAN      *Phone:* 33-30-80  
*Telex:* Oslo 1880 (DOMCAN OSLO)  
*Territory:* Iceland.

## PAKISTAN

**Commercial Secretary**  
**Office of the High Commissioner for Canada**  
**P.O. Box 3703**  
**Hotel Metropole, Victoria Road**  
**Karachi, Pakistan**

R. D. Lee, Acting Commercial Secretary

*Cable:* CANADIAN      *Phone:* 50322  
*Telex:* Karachi 10 (DOMCAN KHI)  
*Territory:* Afghanistan.

## PERU

**Commercial Counsellor**  
**Canadian Embassy**  
**Casilla 1212**  
**Edificio El Pacifico**  
**Corner Avenida Arequipa and Plaza Washington**  
**Lima, Peru**

K. G. Ramsay, Commercial Counsellor  
A. T. Eyton, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 72760  
*Telex:* WLA 5323 (DOMCAN LIMA)  
*Territory:* Bolivia.

**PHILIPPINES**

**Consul General and Trade Commissioner**  
**Canadian Consulate General**  
**P.O. Box 1825**  
**L & S Building, 3rd Floor**  
**1414 Dewey Boulevard**  
**Manila, Philippines**

J. L. Mutter, Consul General and Trade Commissioner  
 R. C. Anderson, Consul and Trade Commissioner

*Cable:* CANADIAN *Phone:* 5-85-97  
*Telex:* 3252 (DOMCAN MN)  
*Territory:* Republic of China (Taiwan).

**PORTUGAL**

**Commercial Counsellor**  
**Canadian Embassy**  
**Rua Marques de Fronteira, No. 8—4° D°**  
**Lisbon, Portugal**

M. S. Strong, Commercial Counsellor  
 P. A. Thébèrge, Assistant Commercial Secretary

*Cable:* CANADIAN *Phone:* 55-31-18  
*Territory:* Angola, Azores, Cape Verde Islands, Madeira,  
 Portuguese Guinea.

**SINGAPORE**

**Commercial Counsellor**  
**Office of the High Commissioner for Canada**  
**P.O. Box 845**  
**American International Building**  
**Robinson Road and Telegraph St.**  
**Singapore, Singapore**

J. H. Bailey, Commercial Counsellor  
 F. M. Mulkern, Assistant Commercial Secretary

*Cable:* CANADIAN *Phone:* 74633  
*Telex:* SE TC 277 (DOMCAN SPORE)  
*Territory:* Thailand.

**SOUTH AFRICA**

**Canadian Government Trade Commissioner**  
**P.O. Box 715**  
**Mobil House, 17th Floor**  
**Corner Rissik and De Villiers Sts.**  
**Johannesburg, South Africa**

C. R. Gallow, Canadian Government Trade Commissioner  
 S. B. McDowall, Assistant Trade Commissioner

*Cable:* CANADIAN *Phone:* 834-6521  
*Territory:* States of Natal, Orange Free State, Transvaal.  
 Other countries: Malagasy, Mauritius, Mozambique, Reunion.

(continued)

**SOUTH AFRICA (continued)**

**Canadian Government Trade Commissioner**  
**P.O. Box 683**  
**African Life Centre, 13th Floor**  
**St. George's St.**  
**Cape Town, South Africa**

H. W. Richardson, Canadian Government Trade Commissioner  
 D. H. Leavitt, Assistant Trade Commissioner

*Cable:* CANADIAN *Phone:* 2-5134/5  
*Territory:* Cape Province. Other countries: St. Helena, South  
 West Africa.

**SPAIN**

**Commercial Counsellor**  
**Canadian Embassy**  
**Apartado 117**  
**Edificio Espana**  
**Avenida de Jose Antonio 88**  
**Madrid, Spain**

L. A. Campeau, Commercial Counsellor  
 R. M. Dawson, Commercial Secretary

*Cable:* CANADIAN *Phone:* 247-54-00  
*Telex:* 7347

*Territory:* Balearic Islands, Canary Islands, Gibraltar, Rio Muni,  
 Spanish Sahara.

**SWEDEN**

**Commercial Counsellor for Canada**  
**P.O. Box 14042**  
**Skeppsbron 24**  
**Stockholm, Sweden**

G. A. Browne, Commercial Counsellor for Canada  
 J. P. Bell, Assistant Commercial Secretary

*Cable:* CANADIAN *Phone:* 24-87-42  
*Territory:* Finland.

**SWITZERLAND**

**Commercial Counsellor**  
**Canadian Embassy**  
**Kirchenfeldstrasse 88**  
**Berne, Switzerland**

S. G. MacDonald, Commercial Counsellor  
 R. G. Godson, Assistant Commercial Secretary

*Cable:* CANADIAN *Phone:* 44-63-81  
*Telex:* 32-489 TT TANDC BERNE (DOMCAN BERNE)  
*Territory:* Tunisia.

## TRINIDAD AND TOBAGO

**Commercial Secretary**  
Office of the High Commissioner for Canada  
P.O. Box 1246  
Colonial Building  
72 South Quay  
Port-of-Spain, Trinidad

L. D. R. Dyke, Commercial Secretary  
D. H. Clemons, Assistant Commercial Secretary

*Cable:* CANADIAN      *Phone:* 34787  
*Territory:* Barbados, Leeward and Windward Islands, British  
Guiana, French Guiana, Surinam, Guadeloupe, Martinique.

## UNION OF SOVIET SOCIALIST REPUBLICS

**Commercial Secretary**  
Canadian Embassy  
23 Starokonyushenny Pereulok  
Moscow, U.S.S.R.

J. M. T. Thomas, Commercial Secretary  
Y. C. Jauron, Assistant Commercial Secretary

*Cable:* CANAD      *Phone:* 415142  
*Telex:* 945 (DOMCAN MSK)

## UNITED ARAB REPUBLIC

**Commercial Division**  
Canadian Embassy  
Kasr el Doubara Post Office  
6 Sharia Rouston Pasha  
Garden City  
Cairo, Egypt

*Cable:* CANADIAN      *Phone:* 23110  
*Territory:* Aden, Sudan, Ethiopia, Yemen.

## UNITED STATES

**Commercial Counsellor**  
Canadian Embassy  
1746 Massachusetts Ave., N.W.  
Washington, D.C. 20036

S. G. Tregaskes, Commercial Counsellor  
G. W. Green, Commercial Counsellor  
W. R. Hickman, Commercial Counsellor (Agriculture)  
Miss V. F. Wightman, Attaché (Agriculture)

*Cable:* CANADIAN      *Phone:* DEcatur 2-1011 (Area Code 202)  
*Telex:* 0089664 (DOMCAN WSH)

**Counsellor (Energy)**  
Canadian Embassy  
1746 Massachusetts Ave., N.W.  
Washington, D.C. 20036

N. R. Chappell, Counsellor (Energy)

*Cable:* CANADIAN      *Phone:* DEcatur 2-1011 (Area Code 202)

(continued)

MAY 14, 1966

## UNITED STATES (continued)

**Deputy Consul General (Commercial)**  
Canadian Consulate General  
680 Fifth Ave.  
New York City, N.Y. 10019

C. J. Van Tighem, Deputy Consul General (Commercial)  
A. A. Lomas, Consul and Trade Commissioner  
C. G. Bullis, Consul and Trade Commissioner  
George Hazen, Consul and Assistant Trade Commissioner  
J. D. Welsh, Vice Consul and Assistant Trade Commissioner

*Cable:* CANTRACOM      *Phone:* JUdson 6-2400 (Area Code 212)  
*Night Line:* JUdson 6-2321

*Telex:* 00126242 (DOMCAN NYK)  
*Territory:* States of Connecticut, New Jersey (eleven northern  
counties), New York. Other countries: Bermuda.

**Consul and Senior Trade Commissioner**  
Canadian Consulate General  
607 Boylston St.  
Boston, Massachusetts 02116

M. R. M. Dale, Consul and Senior Trade Commissioner  
W. A. Stewart, Consul and Trade Commissioner  
D. S. Baker, Vice Consul and Assistant Trade Commissioner

*Phone:* 262-3760 (Area Code 617)  
*Telex:* 0094567 (DOMCAN BSN)  
*Territory:* States of Maine, Massachusetts, New Hampshire,  
Rhode Island, Vermont.

**Consul and Senior Trade Commissioner**  
Canadian Consulate General  
310 South Michigan Ave., Suite 2000  
Chicago, Illinois 60604

D. H. Cheney, Consul and Senior Trade Commissioner  
J. A. Doyle, Consul and Trade Commissioner  
R. H. Gayner, Consul and Trade Commissioner  
M. Rowan, Consul and Assistant Trade Commissioner  
L. G. Lee, Vice Consul and Assistant Trade Commissioner

*Phone:* 427-7926 (Area Code 312)  
*Telex:* 0025571 (DOMCAN CGO)  
*Territory:* States of Illinois, North Dakota, South Dakota,  
Minnesota, Wisconsin, Indiana, Iowa, Kansas, Kentucky,  
Missouri, Nebraska.

**Consul and Senior Trade Commissioner**  
Canadian Consulate  
Illuminating Building  
55 Public Square  
Cleveland, Ohio 44113

A. W. Evans, Consul and Senior Trade Commissioner  
N. L. Currie, Consul and Trade Commissioner

*Phone:* 861-1660 (Area Code 216)  
*Telex:* 00985364 (DOMCAN CLV)  
*Territory:* State of Ohio.

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## Foreign Trade Service Abroad

### UNITED STATES (continued)

**Consul and Trade Commissioner**  
**Canadian Consulate**  
1139 Penobscot Building  
Detroit, Michigan 48226

H. S. Hay, Consul and Trade Commissioner  
K. D. Taylor, Consul and Assistant Trade Commissioner

*Phone:* WOODWARD 5-2811 (Area Code 313)  
*Telex:* 0023445 (DOMCAN DET)  
*Territory:* State of Michigan.

**Consul and Senior Trade Commissioner**  
**Canadian Consulate General**  
510 West Sixth St.  
Los Angeles, California 90014

F. B. Clark, Consul and Senior Trade Commissioner  
L. J. Taylor, Consul and Trade Commissioner  
J. H. Suggitt, Consul and Assistant Trade Commissioner

*Phone:* MADISON 2-2233 (Area Code 213)  
*Telex:* 00674119 (DOMCAN LSA)  
*Territory:* States of California (ten southern counties), Arizona,  
New Mexico, Clark County in Nevada, and Hawaii.

**Consul and Trade Commissioner**  
**Canadian Consulate General**  
225 Baronne St., Suite 1710  
New Orleans, Louisiana 70112

P. A. Savard, Consul and Trade Commissioner  
R. E. Pedersen, Vice Consul and Assistant Trade Commissioner

*Phone:* JACKSON 5-2136 (Area Code 504)  
*Telex:* 0058237 (DOMCAN NLN)  
*Territory:* States of Louisiana, Texas, Oklahoma, Arkansas,  
Mississippi, Tennessee, Alabama, North Carolina, South  
Carolina, Georgia, Florida.

**Consul and Trade Commissioner**  
**Canadian Consulate**  
3 Penn Center Plaza  
Philadelphia, Pennsylvania 19102

W. J. Millyard, Consul and Trade Commissioner  
R. F. Turcotte, Consul and Assistant Trade Commissioner

*Cable:* CANADIAN *Phone:* LOCUST 35838 (Area Code 215)  
*Telex:* 0083396 (DOMCAN PHA)  
*Territory:* States of Delaware, Maryland, New Jersey (nine  
southern counties), Pennsylvania, Virginia, West Virginia.

**Consul General**  
**Canadian Consulate General**  
333 Montgomery St.  
San Francisco, California 94104

*Phone:* YUKON 1-2670 (Area Code 415)  
*Telex:* 0034321 (DOMCAN SFO)  
*Territory:* States of California (except the ten southern counties),  
Wyoming, Nevada (except Clark County), Utah, Colorado.

(continued)

### UNITED STATES (continued)

**Consul General**  
**Canadian Consulate General**  
1308 Tower Building  
Seventh Avenue at Olive Way  
Seattle, Washington 98101

*Phone:* MUTUAL 2-3515 (Area Code 206)  
*Telex:* 0032462 (DOMCAN SEA)  
*Territory:* States of Oregon, Idaho, Washington, Montana, Alaska.

### URUGUAY

**Commercial Counsellor**  
**Canadian Embassy**  
Casilla Postal 852  
No. 1409 Avenida Agraciada Piso 7°  
Montevideo, Uruguay

B. S. Shapiro, Commercial Counsellor

*Cable:* CANADIAN *Phone:* 96096  
*Telex:* 398078 (DOMCAN MVD)  
*Territory:* Falkland Islands.

### VENEZUELA

**Commercial Secretary**  
**Canadian Embassy**  
Apartado del Este 11452  
Avenida La Estancia No. 10  
Ciudad Comercial Tamanaco  
Caracas, Venezuela

J. D. Blackwood, Commercial Secretary  
J. R. Caux, Assistant Commercial Secretary

*Cable:* CANADIAN *Phone:* 32.40.41/44  
*Telex:* DOMCAN CARACAS VENEZUELA 877 (877 DOMCAN)  
*Territory:* Netherlands Antilles.



Another export order is filled as the first of fifty L923 dump trucks is towed from the yards at Canadian Kenworth's plant in Burnaby, B.C. The buyer is Empresa Argentina de Construccion in Buenos Aires.



# Canadian Kenworth

## Builds for the Long Haul

Turning out rugged trucks and freight haulers tailored to specific industrial needs and varied climates, this Burnaby, British Columbia, company is successfully invading foreign markets.

O. MARY HILL, *Editor, "Foreign Trade"*.

"MOST of our models are tailored to the needs of a particular industry and often to the needs of a specific customer," said the sales manager, as he walked with a visitor through the Burnaby plant of Canadian Kenworth Limited in Vancouver, B.C. Lining the aisles were huge trucks in various stages of completion and destined, as he pointed out, for widely separated markets.

Logging trucks, freight haulers, off-highway trucks, models for use on mining sites or oilfields—Canadian Kenworth makes them all. And in the ten years since the company was established in Canada as a wholly-owned subsidiary of Pacific Car and Foundry Company of the State of Washington, it has sold its production not only to Canadian industries but in

a number of foreign markets too. And it is in those markets that modifications or adaptations in design may be needed. These changes are generally minor and do not involve basic engineering, says W. J. Ferguson Jr., Canadian Kenworth's president. What foreign customers are looking for and buying above everything else, he says, is advanced Canadian technology in the heavy trucking field, and many are willing to pay higher prices for Canadian Kenworth's quality product.

Adaptations that the company has made include gauges in the metric system, speedometers in kilometers, and lettering in Spanish—if the trucks are going to a Latin American country, as a number did in 1962. Others include putting in right-hand drive for

orders shipped to New Zealand, flotation tires and "outsized" cooling systems on models destined for the Algerian desert, or cold-weather insulation and engine air intakes to provide warm air instead of cold if they are bound for the Arctic.

### Order from Argentina

Although Canadian Kenworth is a branch of a U.S. company, it has a permissive parent and is free to seek export markets on its own. Sometimes, in fact, Pacific Car turns over to the Canadians some of the orders it has obtained but cannot fill quickly. In 1961, it relayed news of a possible order in Argentina to the Burnaby firm. Mr. Ferguson made two trips to Buenos Aires and eventually won a contract to supply dump trucks, against the competition put up by other Canadian, French and Swedish manufacturers. The Argentine Government bought the trucks on behalf of a private contractor and the 300 per cent import duty was waived; otherwise the Canadian offer would

not have been competitive. Delivery of the order was completed in 1962.

### Delivering and Financing

That word "delivery" is important; in fact, it is sometimes the decisive factor in obtaining an order; the customer will even pay more if he can get what he wants quickly. Canadian Kenworth landed orders for trucks for the oilfields in Libya and Algeria a few years ago because it was difficult to find manufacturers in other countries who could promise fast delivery.

Almost as vital in landing orders is the question of financing the deal; these heavy-duty trucks, ruggedly built, come expensive—anywhere from \$20,000 to \$60,000 for one truck. Sometimes Canadian Kenworth can help with this problem because it has its own finance company and because its U.S. parent occasionally will assist in financing an order.

### Pricing and Shipping

Prices normally are quoted f.o.b. plant, says Mr. Ferguson, but c.i.f. or f.a.s. quotations will be given if the customer requests them, and heavy lift charges can be included. To New Zealand, trucks are shipped completely knocked down because the New Zealanders insist on doing the assembly themselves. This method saves on cubic content charges and the cab can be completely boxed. Occasionally delivering the trucks involves an unusual method of shipping. Take the four Canadian Kenworth models that were sold for an oil-drilling operation in Alaska. They went by barge down the Mackenzie River to the Arctic Ocean, the barge was towed by tugs along the Arctic shore to the mouth of the Colville River in Alaska, and thence 100 miles up the Colville to destination. (Incidentally, these trucks are also used in oil exploration on Ellesmere Island.)

### Using Distributors

In foreign markets, Canadian Kenworth finds it best to work through a distributor; commission agents do not suit this type of trade. In exploiting the market in New Zealand, its first step was corresponding with a distributor who represented other Canadian companies. Later an executive of the firm made two trips to that country and a distributor was

then selected. More than a dozen trucks have since been shipped to New Zealand, mainly for use in timber operations or on a hydroelectric project in the South Island. (Australia is largely served by the parent company.)

The distributor buys the trucks outright and also undertakes to maintain a stock of parts and to provide service. In India, where the company shipped trucks to the Kundah hydroelectric project under a subcontract with Montreal Engineering, the distributor received a commission on the sale because he supervised the unloading, prepared the trucks for use, and provided any servicing needed.

Canadian Kenworth has had its eye on the British market for some time; as Mr. Ferguson puts it, "quality can be sold to the British but it takes a little longer and you have to demonstrate it." An order came to the Canadian company a short time ago from a trailer-maker who wanted to

exhibit his trailers in England and in the Common Market countries and needed trucks to draw them. Both the trailers and the trucks got a good reception but the company feels that, for its part, the only way to get into the British market successfully is to manufacture there under licence. This step is being considered.

### Potential Markets

Looking to the future, Canadian Kenworth has decided that its best export prospects lie in two areas: the Commonwealth (especially those countries in which it benefits from the Commonwealth tariff preference) and South America. With production in its plant now expanding to 750 units a year, it intends to pursue overseas orders vigorously, relying upon its own reputation for quality and on Canada's as a good testing-ground for trucks used in highway, logging, mining and oilfield operations under rugged conditions. ●

## Jamaica Is Developing Dairy Industry

JAMAICA has a predominantly agricultural economy but a large part of its requirements of foodstuffs must be imported. In 1964 imports of food amounted to over \$60 million, a significant part consisting of butter, cheese, skim milk and other dairy products.

A rapidly increasing population and a steady rise in the standard of living have created a growing food demand. In an effort to reduce its dependence on imported foods, the Jamaican Government brought into being a Farmers Production Program. To cost an estimated Can.\$ 40 million for the five-year period 1963-1968, it is designed to step up food production for local consumption, with particular emphasis on the dairy industry.

At present, Jamaica produces about 40 million quarts of fresh milk annually and supplements this by imports of powdered skim milk amounting to approximately 12 million pounds a year. To improve this situation, the Government has set a production target of 120 million quarts of fresh milk by 1973. The Farmers Production Program is giving technical assistance to farmers and providing loans and subsidies. These are to be used for improving pasture and animal husbandry methods, for constructing farm buildings, and for purchasing ma-

chinery and equipment. The United States Government under its AID program is providing part of the financing with a loan of approximately Can.\$4 million.

A local company producing condensed milk has also initiated a scheme similar to the FPP for obtaining more fresh milk for its use. In addition, the Government is attempting to step up the output of milk by upgrading and increasing the size of the national dairy herd and by supplementing this with imports of dairy cattle.

Local authorities and the dairy industry have selected the Holstein-Friesian as one of the main breeds for this purpose. This breed has been most successful in Jamaica and many farmers are now importing their breeding stock from Canada and the United States. In the past few months, over a hundred Holstein-Friesians have been purchased from Ontario, firmly establishing Canada as a source of supply.

The current rapid development of the Jamaican dairy industry indicates that within the next decade local production will meet most of the country's requirements for dairy products.

—P. HO FATT,  
*Commercial Assistant, Kingston.*



## How to Win World Markets 24

The letters an exporter writes influence his sales; so do the ones he doesn't write. Is your firm making good use of this simple, effective way of communicating with overseas customers?

O. MARY HILL, *Editor, "Foreign Trade"*.

# Four Principles of Export Correspondence

"THE successful exporter pays close attention to correspondence with his foreign agent and his customers. He realizes that sometimes for months or even longer letters may be the main means of contact between principal and agent, or between supplier and foreign buyer. Learning how to carry on this correspondence well is a type of export expertise that is often neglected."

That is the considered opinion of at least one experienced export manager. Most exporters agree on

the importance of export correspondence; not all of them believe that, in practice, it differs much from domestic correspondence. One businessman puts it this way: "Export correspondence is just like any other and the same rules apply: be polite, be prompt, be precise."

### **Be Polite**

The rules may be the same, but applying them may be another matter. *Be polite*, for example. This isn't difficult when you are writing to John Smith in Brandon; you are familiar with his background and literally and metaphorically he speaks the same language. An agent in Pakistan or a customer in Portugal does not.

What about language? Should a Canadian, to be truly polite, write to an agent in Milan in Italian or a firm in Mexico City in Spanish?

Or is it safer to stick to English and avoid misunderstandings? *Foreign Trade* discussed this question—to translate or not to translate—with a number of exporters. They came up with three different answers.

1. *Correspond in the language of the recipient, if you can find adequate translation services.* This depends largely on the language needed and on the city in which you live. Often the language departments of the universities can put you in touch with translators; so can trade associations. Or you can check the Yellow Pages. But make sure that the man you choose understands commercial and technical translation (this is vital if yours is a highly technical business) and the need for speed. Remember too that the same language may vary slightly from region to region: Spanish in Colombia, for example, differs from Spanish in Argentina. If you feel unable to sustain a correspondence in Spanish or German, an initial letter in that language will earn goodwill—or at least apologize for your language disability. Companies with large foreign business interests often solve the translation problem by building up multilingual staffs.

2. *Write to the agent or client in English and leave him free to answer in whatever language he chooses.* This prevents misunderstandings and, as one executive puts it, "offers in good English are preferable to those in bad German." Getting the replies translated is not difficult and each writer can feel at ease using his mother tongue.

3. *Correspond in English only and ask for replies in English—probably the least satisfactory solution.* In this situation, remember to phrase your letters simply and clearly and to steer away from colloquial expressions that may not be understood by someone without a North American background.

Whatever the solution, this problem of the language in which to correspond should be raised and settled in the early stages of negotiation with a customer or agent. (Direct mail, which will be covered in another article, naturally must be in the language of the country.)

There are other facets of the injunction, "be polite". The phrase has different connotations in different regions. Forms of address and the salutations and closings in letters vary considerably from country to country; the Canadian Trade Commissioners or foreign diplomatic representatives here in Canada can coach the exporter on these points. He can then phrase letters that will have a greater appeal for Herr Eckhard in Hamburg or Abdul Rashid in Beirut. Many businessmen overseas find Canadian letters a bit aggressive and abrupt; they prefer a more formal, even roundabout, approach and the soft sell.

It is when trading problems arise that the injunction "be polite" is most important and is most often forgotten. An irritated exporter fires off an angry letter to his agent, say, and the situation rapidly deteriorates. And it can't be straightened out by a get-together over lunch or a personal telephone call. The exporter should assume initially that the agent or client has misunderstood him and compose his letter tactfully. The result will be faster progress in solving the problem.

The appearance of the letter matters too. One of the first essentials for an exporter is a well-designed letterhead for his overseas corre-

spondence. A letter is often the recipient's first contact with the Canadian firm and the letterhead should be attractive and dignified. It should also give all the needed information—the firm's name, address, telephone number, cable address or telex number, city, province, and the word "Canada". (A surprising number of letterheads omit the latter.) Special airmail stationery is also a good idea.

Like the letterhead, the physical appearance of the letter should leave the impression that this is a competent, well-managed business. Don't accept a letter with strikeouts or erasures and insist that it be well placed on the page. If there are a number of enclosures, have the typist list these separately; then the recipient can check whether they are all there.

#### **Be Prompt**

"*Be prompt*" means, above everything else, observing the most important single rule about letters in export trade—*write them*. This rule applies even when you have no definite information to give or when no business will result. Say that a manufacturer of washing machines receives an inquiry from a Peruvian importer. His plant cannot supply at the moment, so he has the letter filed and forgets about it. This adds up to poor public relations for Canada and for Canadian businessmen. A brief well-phrased letter explaining the situation and adding that this may change in the future gives the Peruvian a favourable impression. (Some companies go a step further and suggest other suppliers.) The same applies when foreign agents write soliciting your account—answer promptly even if you can't use their services.

Promptness also means acknowledging an order at once, especially when it will take time to assemble and ship it. Some companies find it possible to give an approximate shipping date and the probable time of arrival of the goods. It may be

necessary to settle how they are to be shipped; if so, this correspondence should be initiated at once. Delays in shipping should always be explained, with suitable apologies. When the order is finally under way, a letter thanking the client is often sent. Whether or not you find these practices worth following, remember this slogan adapted from election campaigns: "Write as you like, but write." Any Trade Commissioner knows how often his telephone rings and a plaintive voice says: "I wrote to Mr. X in Hamilton weeks ago, but I haven't had a reply. Is he still in business?" If your job takes you away from head office frequently, instruct your secretary to acknowledge all foreign correspondence and give the probable date of your return, if your deputy cannot handle the matter.

When your letter is ready, dispatch it by airmail. Obvious? Yes, but veterans in foreign trade know how many exporters—or their mail clerks—violate this rule. Make sure too that your mailroom keeps up-to-date on postage rates; insufficient postage on an airmail letter to Melbourne, Australia, for example, may mean that the letter goes sea-mail and arrives two months later. (Naturally the airmail rule does not apply to purely routine correspondence with areas not far away.) Some exporters make a point of using stamps and not a postage meter for foreign mail. Why? Because a letter with an attractive overseas stamp on it inevitably gets more attention. Besides, your correspondent may be an avid stamp collector.

Letters do have their limitations. In export trade the race is often to the swift and mail may be too slow in certain circumstances. Today cable, telephone and telex are all to hand and should be used to take care of urgent matters. They anticipate or supplement letters but do not replace them altogether. Important telephone conversations should be confirmed by letter and letters

can also put flesh on the bare bones of telex or cable.

### Be Precise

The third rule of export correspondence, "*be precise*", scarcely needs emphasis here—except to point out that it takes longer to straighten out a business muddle that involves a far-distant agent or client than it does when a telephone call will do it.

"Be precise" also means "be complete". When a foreign agent or importer inquires about a firm's product, the reply should describe that product fully. Take washing machines: the letter should describe the type (wringer, automatic, separate tank for heating the water, etc.), capacity, usual type of export packing, usual delivery time, and so on. The price quoted should be either duty-paid delivered, or f.o.b. with transportation cost given separately; the correspondent is interested in knowing exactly what the machine will cost him. Information about canned peas should include type of peas, sizes of cans offered, number of cans to a case, and so on, and several labels from the cans might well be sent with the letter. Offers should always be so worded that there is no possibility of a misunderstanding.

Seasoned exporters also make clear to their correspondents the exact meaning of the terms they use when these vary from country to country. Tons should be defined as metric, short or long; "shipping time" distinguished from "delivery time", and the interpretation of common trade terms such as f.o.b. and f.a.s. checked. (See an earlier article in this series "Trade Terms Must Be Defined" in our issue of September 18, 1965.) Problems of interpretation can crop up even in exporting to the United States, where the "ounce" and "gallon" differ from Canadian measures. If the correspondence contains a number of technical expressions and goes to someone whose native lan-

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Order from: University of Toronto Press, Front Campus, University of Toronto, Toronto 5, Ont.

Harvard, Joseph, and Felix Rose. *Bilingual Guide to Business and Professional Correspondence, French-English (and English-French)*. Oxford, Pergamon Press, 1965. 140 p. (Pergamon Bilingual Series, v. 1).

Price: \$4.95

Order from: Pergamon Press Ltd., 6 Adelaide St. East, Toronto, Ont.

Harvard, Joseph. *Bilingual Guide to Business and Professional Correspondence, German-English (and English-German)*. Oxford, Pergamon Press, 1965. 140 p. (Pergamon Bilingual Series, v. 2).

Price: \$4.95

Order from: Pergamon Press Ltd., 6 Adelaide St. East, Toronto, Ont.

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guage is not English, it is often helpful to send along a technical dictionary to which he can refer. Some firms follow this practice.

If you are dispatching a particularly important communication and there is even an outside chance of its going astray, send a duplicate copy by a later mail. If both arrive, the second can serve as a memory-jogger.

### Be Persistent

To the three rules cited at the beginning of this article, a fourth should be added—*be persistent*. A number of letters may accomplish what one will fail to do. Take the matter of keeping an agent interested and productive. Some exporters never write to an agent after making the initial arrangement with him, until they eventually dispatch a letter that says: "You aren't bringing in any business; we wish to terminate the arrangement." This is

unfair. Exporters with the long view use various methods of encouraging agents to better their performance. Some send circular letters to all of them every three months, in addition to regular correspondence. These circulars may give details on new products that the company is developing, on any supply problems expected, and on trends in the industry. Individual letters are, of course, even more effective; one pretext for these is some development that has come to the principal's notice that may increase sales opportunities.

One Canadian pulp and paper company says that it writes to and hears from all its agents at least once a month and the more energetic ones at least once a week. Another firm checks every three months on the orders received from all its agents; the good performers get a letter of congratulation and the poor ones a tactfully worded one asking for reasons. Other companies consider a year-end check sufficient.

Being persistent also means following up opportunities that arise or sales initiatives made. On returning from a business trip to the U.S. or overseas, for example, many exporters write to all the firms and individuals upon whom they called. These letters express the writer's pleasure at meeting the recipients and stress his continuing desire to serve them.

Sometimes the shoe is on the other foot and it is the exporter who waits in vain for an answer to his letter. There are sometimes good reasons for delay. One may be the language difficulty. Another is that in some countries one agent with a small office staff may handle as many as 150 agencies and promptness goes by the board. In other areas the pace of business is more leisurely than it is in North America. In the United States, on the other hand, the pace is often so hectic that buyers simply don't have time to get letters out. In all these

instances, if the business is worth going after, don't let the correspondence lapse out of pique. Persistence may pay off.

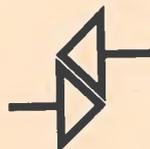
Here is one example. The head of a small Vancouver firm with expanding sales in the United States

emphasizes this point in a recent letter. "My advice to eager-beaver exporters is never feel crushed if you don't get a reply; keep on bashing out the mail. Sooner or later you may get a 'live' one. Department store people especially never

answer mail. But they compensate for this by signing worthwhile orders."

These simple rules of export correspondence, tested by a large number of firms, may work for you too. Why not try them and see?●

## trade fairs



### Everything for the Home at Danish Show

HOUSEHOLD GOODS will be featured at the Copenhagen Trade Fair 1966 which is to be held in the Bella Centret, October 21 to 30. The exhibition will be split up into five sections: kitchen equipment, glass and crockery; furniture and furnishings; arts, crafts and gift articles; radio and television sets; and hobby and leisure-time products.

The fair is open to the general public except in the mornings which have been reserved for members of the various participating trades. Another feature will be a

series of conferences and seminars to which both Danish and foreign speakers are being invited.

For more details, write to: Copenhagen Trade Fair 1966, Bella Centret, 64 Hvidkildevvej, Copenhagen F., Denmark.

### London Show Features Lighting

LAMPS AND LIGHTING for the home have reached a new peak of interest in Britain over the last two years, and the British Lighting Council is doing its best to cash in on the situation. One of its main efforts is the International Domestic Lighting Exhibition (LITEX) in London.

The first show was held in the Alexandra Palace in February 1965, and the organizers claim that approximately 10,000 trade visitors from 30 countries came to the five-day, vertical exhibition. The 1965 fair had 65 exhibitors from 20 countries showing all types of domestic lamps and fixtures. Canadian officials who visited LITEX reported that the exhibitors were unanimous in saying that they preferred to have a show devoted entirely to lighting since this ensures that the buyers who attend come for only one purpose—to purchase lights and fixtures.

The 1967 fair is to be held from April 25 to May 4 at Earls Court, London. Besides lamps, fixtures and components, exhibitors will show associated equipment such as illuminated ceilings and signs, light meters and light control equipment.

LITEX is sponsored by the Electric Light Fittings Association Ltd. of Britain. More information can be obtained from the organizers: F. W. Bridges & Sons Ltd., Commonwealth House, 1-19 New Oxford Street, London, W.C. 1, England.



Visitors view the attractive displays at the International Domestic Lighting Exhibition, sponsored by the British Lighting Council. The 1967 show has been arranged to run from April 25 to May 4 at Earls Court in London.

## To a Trade Fair—with Tubes

WALTER FREYBE of Vancouver is a trade-fair fan—and with good reason. Last fall, just before applications for the Canadian section at the ANUGA Fair in Cologne closed, a Canadian participant withdrew. "That gave me my chance," says Freybe. Shortly after, he dispatched to West Germany by air freight samples of his line—sliced smoked salmon, smoked salmon sides, frozen pack, and a novel product, smoked salmon paste in tubes. In six of the eight days that ANUGA lasted, he sold 2,600 tubes of the paste and used up 40 pounds of it on sample crackers given out to the public.

Freybe had one great advantage in his first sally into the European market—he knew its tastes and preferences well. A German himself, he came to Vancouver about eleven years ago and went into the delicatessen business. At the same time, he began experimenting with smoked salmon in various forms with the export market in mind. This meant close co-operation with the Department of Fisheries, plus obtaining information on food regulations in Europe and also in Australia and the United States, all of which were potential markets. After two years of experimenting, he had an acceptable smoked salmon paste and by last summer was ready to begin promoting it.

At this point he remembered that European housewives are accustomed to buying many products in tubes (such as mayonnaise, sauces and mustard) that we buy in glass jars. Why not smoked salmon paste in tubes to take along on a picnic or camping tour? He found a manufacturer to turn out some tubes and they went on display at ANUGA. But his problems weren't all solved! Canadian packaging companies, he explains, are not very interested in small orders for tubes because their machinery is geared to big runs.

ANUGA brought the answer to that one: he made contact with a large company in Hamburg that has contracted to import the smoked salmon paste in drums and put it into tubes made in West Germany for sale there and in Scandinavia, Holland and Belgium. The other types of smoked salmon will go forward to Hamburg packaged and ready for sale. Freybe will himself look after other European markets, such as France, Spain, Italy, Austria, and Switzerland. At the fair he talked with interested importers in nearly all these countries, with the exception of Spain. But hardly had he returned to Vancouver when he received a telex from a Spaniard who had seen his products at ANUGA and wanted to have prices.

Acceptable packaging, he has found, is the biggest hurdle in marketing this type of food product. To succeed in Australia, for example, he must design an entirely different tube that will conform with Australian food laws. And the product itself must meet pure food requirements that differ from country to country—for

example, he wished to put up smoked salmon slices in oil but the salt content required in Canada would make it unacceptable to European tastes.

Tariffs too must be surmounted. The duty on smoked salmon going into the United States is 8 per cent, but Freybe, who has done some prospecting in Seattle and has sent sample tubes to Los Angeles, hopes eventually to do business there. In West Germany, he faces a tariff of 16 per cent plus a turnover tax of 6 per cent, but because he has something special to offer, he feels that he can develop a good market. So far, his inquiries in other overseas countries have led to potential sales in several countries.

Freybe's ingenuity is perhaps best illustrated by his approach to labelling. His products carry a colourful label that features a B.C. totem pole. The label is printed in three languages—English, German and French—and it can be so folded that only the desired language will show on the tube or package.

What comes next? More sales, Walter Freybe hopes, as he follows up the leads that his fortunate appearance at ANUGA gave him and continues to explore markets outside of Europe.



The National Association of Home Builders Exposition in Chicago last December was the site of this prestige Canadian Government lumber exhibit. Between 40,000 and 45,000 visitors attended and many of them took time to visit the two-storey structure. More than 50 cases and boxes of promotional material and give-aways were distributed from the stand.

# Guyana— the New British Guiana —Becomes Independent

with impressive assets and an ambitious development plan. Market potential is excellent for active and aggressive Canadian exporters.

D. H. CLEMONS, *Assistant Commercial Secretary, Port-of-Spain.*

BRITISH GUIANA approaches independence on May 26th as a muscular adolescent. This South American country of 83,000 square miles and 660,000 people has impressive resources and is growing rapidly, but is still uncertain about how best to use its resources.

One of the world's major bauxite producers, British Guiana exported 881,240 long tons of bauxite, 274,662 long tons of alumina, and 485,953 long tons of calcined bauxite in 1965. Alcan's Demerara Bauxite Co. Ltd., the major producer of this mineral and largest single firm in British Guiana, announced an expansion program for 1966 totalling close to Can.\$23 million—an expression of confidence in this young country.

## Sugar, Rum, Cattle

With one of the most highly mechanized rice industries in the world, British Guiana produced 155,926 tons of rice in 1964 and a revitalized Rice Marketing Board is actively seeking new export markets. Production of sugar, a traditional crop, totalled 299,809 tons in 1965, up from 258,378 in 1964. An important byproduct of the sugar industry is rum and in 1964, 3,059,402 proof gallons were produced. Most of this was exported to Britain for blending and bottling for consumption or for re-export.

The vast Rupununi uplands in the interior of British Guiana are home to large herds of beef cattle; this area is

inaccessible except by air for the time being but could be of great interest in the future. Meanwhile, the northwest territory on the coastline is being developed by the Government and private interests as a region for producing beef for export to neighbouring countries and the Caribbean. A supporting stock-feed industry and a small dairy industry are also being developed.

Another sector of the economy of great potential interest for development is the forest industry. Greenheart

and crabwood lumber are produced for sale in the Caribbean and several other varieties of termite-resistant woods are being considered for export as lumber or pulp.

## Light Industry Attracted

The most noteworthy recent expansion in the British Guiana economy has been in light industry, as supported by the Industrial Development Corporation Pioneer Industry Scheme. Tax holidays, duty-free concessions and other attractions are offered to new firms interested in producing for this growing market. (For an interesting list of Guianese products of this type see Table I.)

Early in 1966, a Free Trade Area Agreement was signed with Barbados and Antigua, in an attempt to rationalize industrial location in the Eastern Caribbean and to ensure an adequate market for new firms. The effects of this agreement are already evident in increased investor interest, but it remains to be seen how successful it will be.

## Imports Are Large

With this impressive array of export capacity, British Guiana is able to pay for a wide variety and a large volume of imports. Tables II, III and IV give total imports by product and by country and imports from Canada by product.

Canada's growing share of this market is based on traditional lines such as salt fish, newsprint, flour, and fresh produce. Newer products taking ad-

TABLE I

### PRODUCTS OF B.G. LIGHT INDUSTRY

Poultry and animal feeds
Lard substitutes and margarine
Biscuits
Jams and jellies
Preserves
Candy
Baking powder
Beer and stout
Matches
Drugs and patent medicines
Toilet waters and lime oil
Drinking straws
Clothing
Packing crates and boxes
Oxygen, acetylene and carbon dioxide gases
Building blocks
Particle board
Paints
Aluminum, steel and cane furniture
Soaps and bleaches
Ham and bacon
Mineral waters
Shrimps

vantage of rising incomes—such as canned foods, dry goods, and household appliances and sundries—are further expanding our share. Part of our success stems from our historic trading and investment ties with British Guiana that began over a century ago. A further strengthening of these ties has been evident since the opening in Georgetown of the Office of the Commissioner for Canada.

### Development Program Set Up

After this adolescent has graduated into nationhood as Guyana, it will follow a course laid down in the Seven

Year Development Plan prepared by the Government assisted by United Nations personnel. The Plan calls for an impressive total investment for the next seven years of Can.\$180 million, only \$30 million of which is expected to come from within the country. This capital investment will be channelled mainly into developing the infrastructure and making untapped resources accessible.

In January 1966, the United Nations announced that two surveys costing some Can.\$3 million would begin in 1966. One of these will concern the forest industry and will determine the



British Guiana's Rice Marketing Board is looking for new export markets for the rice crop, which yielded 155,926 tons in 1964. The Central Agricultural Station is experimenting to find a pure seed: a technician examines some experimental rice.

MAY 14, 1966

**TABLE II**  
**WHAT BRITISH GUIANA IMPORTS**

	1964 (W.I.\$)
Food	28,679,718
Beverages and tobacco	1,731,919
Crude materials, inedible, except fuels	791,647
Mineral fuels, lubricants and related materials	14,486,395
Animal and vegetable oils and fats	1,179,680
Chemicals	16,459,519
Manufactured goods, classified chiefly by materials	32,766,318
Machinery and transport equipment	38,426,797
Miscellaneous manufactured articles	14,822,396
Miscellaneous transactions and commodities, n.e.s.	437,053
<b>Total</b>	<b>149,781,442</b>

Source: The Statistical Bureau, Ministry of Economic Affairs, Georgetown.

**TABLE III**  
**BRITISH GUIANA'S SUPPLIERS**

	1964 (W.I.\$)
Britain	50,040,819
United States	33,759,394
Trinidad and Tobago	16,314,008
Canada	13,526,861
Netherlands	6,920,775
West Germany	4,530,004
Japan	2,894,177
India	1,982,401
France	1,585,007
Denmark	1,123,749
Other countries	17,104,247
<b>Total imports</b>	<b>149,781,442</b>

**TABLE IV**  
**WHAT CANADA SELLS  
BRITISH GUIANA**

	1964 (Can.\$ f.o.b.)
Dried salted pollock	566,228
Mining industrial machinery pt. oil and gas	464,971
Dried split peas	377,297
Combine reapers threshers	263,075
Canned sardines	256,543
Newsprint paper	190,185
Fancy meats, cured	136,476
Tobacco	120,512
Onions	113,917
Broad woven fabrics, cotton	105,575

Source: Dominion Bureau of Statistics

nature of existing forests, possible methods of extracting timber, recommendations for marketing it, and studies of the feasibility of a pulp and paper industry. The second survey concerns hydroelectric power development and will attempt to establish the feasibility of installations at Tiger Hill on the Demerara River and at the Tiboku Falls on the Mazaruni.

The United States has announced two major programs connected with transportation for 1966. A road is to be built from Atkinson Field, the chief airport, to Mackenzie, the location of Demerara Bauxite Co. Ltd. The airport itself is to be extended and rebuilt to handle the increasing number of larger aircraft now servicing the country.

Well over a dozen firms have already examined briefly the country's mineral potential and within the next three to five years base metals, molybdenum and gold could be mined on a large scale.

### Opportunities for Canadians

The long-standing trade and investment ties between British Guiana and Canada mean a somewhat favoured position for our products in the Guyanese market. Increasing awareness of new product lines from Canada is being fostered but an active promotion program is necessary to keep the Guyanese looking to Canada for new products. As foreign investment there increases, it is possible that our position may be lost and an even more aggressive sales effort will be required. None the less, Guyana is a market with excellent potential for forward-looking Canadian manufacturers and exporters.



Liners like this one, the *Queen of Bermuda*, are a familiar and frequent sight in the beautiful harbour of Hamilton, chief city and capital of this mid-Atlantic tourist mecca.

# Come to Bermuda for Sun, Sea and Sales

An abundant supply of tourist dollars, little domestic industry and Commonwealth tariff preferences make this \$60 million import market worth Canadian investigation. The author of this report will be on tour in Bermuda from May 23 to June 3.

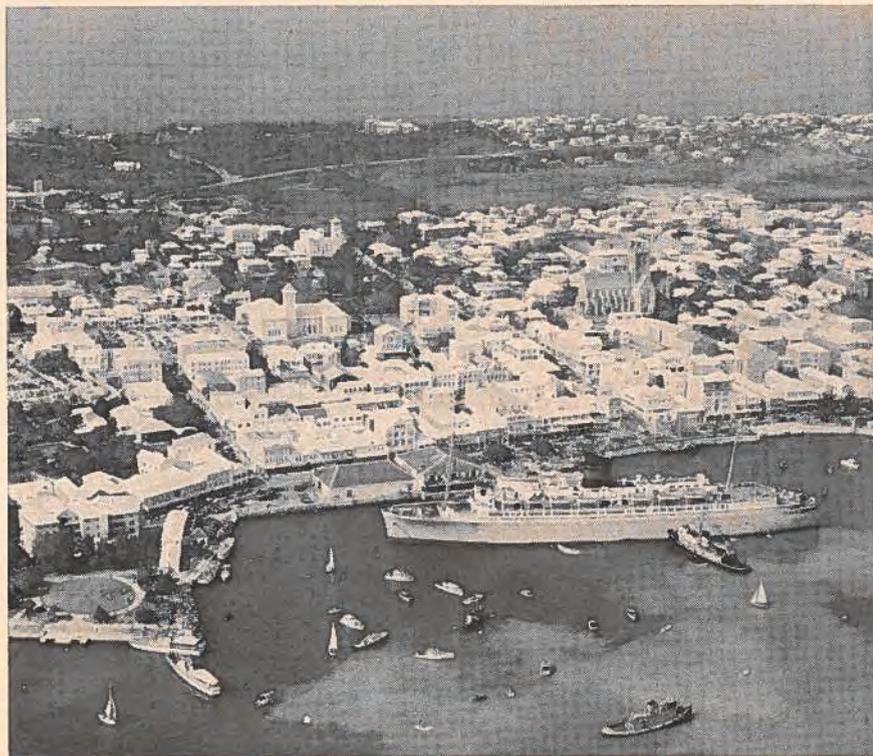
J. D. WELSH, *Vice Consul and Assistant Trade Commissioner, New York.*

MANY CANADIANS know Bermuda as a tourist resort. The unspoiled natural beauty, mild climate, hospitable people and relaxed, unhurried style of living add up to the perfect vacation for over 20,000 Canadians each year. But this vacationland offers more than sun and sea: its imports total \$60 million a year because the islands produce only a small part of the products they use. The combination of relatively wealthy Bermudians (by North American standards) and over 230,-

000 tourists a year presents a very attractive consumer market.

Canada is in a preferred position in this market because we enjoy a substantial tariff preference in Bermuda as a member of the British Commonwealth. In addition, the islands' businessmen, many of whom went to school in Canada, have strong ties with Canada. There are also many former Canadians living in Bermuda.

In spite of Canada's built-in advantages, the United States, without a



preference, supplies nearly one half of Bermuda's \$60 million imports, and Canada only one tenth. We supply only one sixth of a \$12 million a year market for food products, one fifth of a \$4 million a year market for clothing, and one fifth of a \$500,000 a year market for furniture. The story is the same or worse for many other items of which Canada is a competitive supplier—home appliances, souvenirs and jewellery, stationery, toys, office furniture and equipment, scientific apparatus, electric generating machinery, etc.

The internal marketing structure in Bermuda is basically a simplified version of the North American distribution system. Although a few concerns buy for resale through their own retail outlets, the majority of the trade is conducted by importer-distributors who will buy either for their own account or on a commission basis to service the retail and institutional trade.

The larger wholesalers have well-established lines and are not looking for many new ones. The medium and small firms are aggressive and eager for new accounts to expand their share of the market. Competition is strong among importers, but not cutthroat or underhanded; the market is too small for secret dealings.

### Traditional Tastes

Sales in Bermuda are promoted with the same advertising methods used in Canada. However, the consumers, when compared with North Americans, display some differences. The strength of tradition and resistance to rapid change are important factors. Bermudians prefer quality workmanship and traditional styling to novelty and gadgetry. The bi-racial aspect of the market must also be considered. A market study for your product should, when possible, consider this dual racial character and the differences in demand by each group.

### Easy Access

Access to the Bermuda market is not a problem. Valuation of your product for duty purposes is usually based on the f.o.b. Canadian ocean port price. A surcharge of 10 per cent of the duty payable is applied to all dutiable articles. This surcharge appears to be a permanent feature: customs levies

provide almost all of the Government's revenue.

Servicing the Bermuda market should not present any major difficulty. Shipping facilities are readily available from Canada, both by sea and air. Saguenay Shipping and the Royal Netherlands Steamship Co. offer frequent service from the east coast, and Air Canada has Vanguard service from Toronto, Montreal and Halifax.

If you wish to give serious consideration to this market, the Canadian Consulate General in New York will be pleased to survey the sales potential for your product and recommend appropriate distributors.



## Cod Fisheries Get a Shot in the Arm

MANY MILES from Newfoundland, in North Germany, an event took place recently which signals the beginning of a development of far-reaching importance to the Newfoundland cod fishery and to Canada's export markets for our "First among Fish". With the German flag snapping at the masthead, the 500-ton fishing trawler *Barmbek* moved out of the German port of Cuxhaven and headed into the choppy waters of the North Sea. Only hours later, after a colourful changeover ceremony at sea, the same ship, renamed *Newfoundland Trainer* and sailing under the Maple Leaf flag, pointed her prow across the Atlantic towards Canada.

This purchase of a modern trawler by North Eastern Fish Industries Limited of Harbour Grace, Newfoundland, marks the beginning of a multi-million-dollar enterprise to exploit the fish resources of the Labrador coast and the Grand Banks. It is also a first class example of international co-operation, because this is a joint venture on the part of the Canadian company and Birds Eye Foods Ltd. of England, assisted by its German associate, Nordsee Hochseefischerei. The aim is to service the markets for Canadian fish in the U.S., on the Continent, and particularly in Britain through Birds Eye Foods Limited, the leading quick-frozen food company in Britain and the second largest in the world.

The *Newfoundland Trainer* will serve as a training ship for North Eastern Fish Industries Limited, which plans to operate a fleet of 25 ultra-modern stern trawlers off the coast of Labrador and on the Grand Banks by 1973. Because of the

The obvious key to Bermuda's economic future is the tourist industry. Ninety per cent of the population is dependent directly or indirectly on tourism and Bermuda recognizes and accepts the economic risk this creates. Although it is taking modest steps to diversify the economic base, it is still concentrating on preserving and enhancing the beauty of the islands.

Bermuda, now and in the foreseeable future, is an enviable place to do business. The standards of living are high, money is available, and the business community is responsible. Above all, Canada is in a prime position to take full advantage of existing opportunities.

shortage of trained trawler operators, the *Newfoundland Trainer*, with a mixed Canadian-German crew, will act as a floating school to teach Newfoundlanders how to operate the new ships. Four of these technologically advanced stern trawlers will be operational within a year; they will cost over one million dollars each.

International tenders for these vessels are to be called in the immediate future and the company hopes that Canadian shipyards will be successful bidders because of the 50 per cent federal subsidy on ships built in Canada. The trawler fleet will be increased gradually until the full complement of 25 ships is reached within six years.

The new ships are designed to catch over 6½ million pounds of fish each per year. This will give an anticipated total annual production of over 160 million pounds when the fleet is at full strength. The majority of the catch will be cod but about 10 per cent will consist of other marketable varieties such as flounder, haddock and redfish. The entire production will be processed in the company's plants in Newfoundland which, it is hoped, will create year-round employment for over 1,000 persons on shore and another 300 at sea. All of the catch will be exported.

For those who like comparisons, each new trawler has a capacity of 200 tons of fish on each trip, almost double the gross tonnage of the ship in which John Cabot sailed into Newfoundland waters nearly five hundred years ago.

—D. S. McCracken,  
Consul, Hamburg.

# Trade Commissioners on Tour

## In Canada

The following officers are undertaking tours of business centres throughout Canada as detailed below. Businessmen who wish to see them should get in touch with the Board of Trade or Chamber of Commerce in the cities mentioned, with the following exceptions: Toronto, Canadian Manufacturers Association; Windsor (Ontario), Greater Windsor Industrial Commission; St. John's, Halifax, Montreal, Ottawa, Winnipeg, Edmonton and Vancouver, Department of Trade and Commerce; Fredericton, Department of Industry.

**Britain**—M. R. Bell, Assistant Commercial Secretary in London:

Winnipeg, Toronto and Montreal—July 11-29

**Colombia**—J. C. Bradford, Assistant Commercial Secretary in Bogota, who will be posted to Cleveland, Ohio, as Vice Consul and Assistant Trade Commissioner:

Quebec City, Montreal, Toronto and Southwestern Ontario—June 22-July 8.

**Germany**—W. F. Hillhouse, Commercial Counsellor (Agriculture) in Bad Godesberg, who will be posted to Washington with the same title:

Montreal—June 16-18  
Toronto—July 6-8

Winnipeg—August 20-29

**Guatemala**—P. D. Donohue, Assistant Commercial Secretary in Guatemala City:

Montreal—June 6-10  
Toronto—June 13-17  
Winnipeg—June 20-21

Vancouver—June 22-24  
Hamilton—June 27

**Hong Kong**—R. K. Thomson, Senior Trade Commissioner in Hong Kong, who will be transferred to Duesseldorf, West Germany, as Consul:

Vancouver—June 27 and 28  
Winnipeg—June 29

Montreal—September 6-7

**Italy**—W. J. Jenkins, Commercial Secretary in Rome, who will be posted to Islamabad, Pakistan, as Commercial Counsellor:

Montreal—May 30-June 4  
Toronto—June 6-10

J. H. Stone, Commercial Counsellor in Rome:

Montreal and Toronto—September 26-October 7

**Lebanon**—V. G. Lotto, Assistant Commercial Secretary in Beirut, who will be posted to San Francisco, California, as Vice Consul and Assistant Trade Commissioner:

Toronto—June 27-30

**Pakistan**—R. D. Sirrs, Commercial Secretary in Karachi, who will be posted to Guatemala City as Commercial Secretary:

Montreal—June 24-30  
Toronto—July 1-8  
Hamilton—July 8

Winnipeg—August 11-12  
Calgary—August 15  
Vancouver—August 17-19

**United States**—N. W. Boyd, Commercial Secretary in Washington, who will be posted to Johannesburg, South Africa, as Trade Commissioner:

Winnipeg—May 23-24  
Montreal—May 25-26

N. L. Currie, Consul and Trade Commissioner in Cleveland, who will be posted to Lagos, Nigeria:

Montreal, Toronto, Southwestern Ontario—May 17-30

M. R. M. Dale, Consul and Senior Trade Commissioner in Boston:

Regina, Saskatoon,  
Winnipeg—May 16-20  
Toronto—May 24-25

Amherst, N.S.—May 26-27

A. W. Evans, Consul and Senior Trade Commissioner in Cleveland:

Hamilton—May 19

W. A. Stewart, Consul and Trade Commissioner in Boston, who will be posted to Santo Domingo, Dominican Republic, as Commercial Secretary:

Maritimes—August

L. G. Lee, Vice Consul and Assistant Trade Commissioner in Chicago:

Toronto—May 24 and 25

Malcolm Rowan, Consul and Assistant Trade Commissioner in Chicago; Mr. Rowan is also responsible for Department of Defence Production liaison with U.S. prime contractors in the Chicago area:

Guelph, Cooksville—  
May 16

Toronto—May 17-27  
Montreal—June 1-3

K. D. Taylor, Consul and Assistant Trade Commissioner in Detroit, who will be posted to Karachi as Acting Commercial Secretary:

Toronto—May 26-27  
Peterborough—July 18-19

Montreal—August 4-5

## Temporary Duty in Ottawa

**M. R. Bell**, Assistant Commercial Secretary, London, May 30-June 10. Contact Commonwealth Division, phone: 992-2421.

**M. B. Blackwood**, Commercial Counsellor in Mexico City, September 6-20. Contact Latin American Division, phone: 992-7641.

**N. W. Boyd**, Commercial Secretary in Washington, May 2-20. Contact United States Division, phone: 992-5176.

**J. C. Bradford**, Assistant Commercial Secretary in Bogota, Colombia, June 8-21. Contact Latin American Division, phone: 992-7641.

**D. H. Branion**, Assistant Commercial Secretary in Paris, France, May 6-20. Contact European Division, phone: 992-8727.

**L. D. Burke**, Commercial Secretary in Kingston, Jamaica, September 6-9. Contact Commonwealth Division, phone: 992-2421.

**C. A. Carruthers**, Assistant Commercial Secretary in Wellington, New Zealand, July 25-August 5. Contact Commonwealth Division, phone: 992-2421.

**N. L. Currie**, Consul and Trade Commissioner in Cleveland, May 31-June 10. Contact United States Division, phone: 992-5176.

**R. M. Dawson**, Commercial Secretary in Madrid, Spain, July 5-15. Contact European Division, phone: 992-8727.

**P. D. Donohue**, Assistant Commercial Secretary in Guatemala City, May 24-June 3. Contact Latin American Division, phone: 992-7641.

**A. W. Evans**, Consul and Senior Trade Commissioner in Cleveland, May 16-18. Contact United States Division, phone: 992-5176.

**J. E. G. Gibson**, Assistant Commercial Secretary in Mexico City, June 13-July 15. Contact Latin American Division, phone: 992-7641.

**W. R. Hickman**, Commercial Counsellor (Agriculture) in Washington, September 12-16. Contact United States Division, phone: 992-5175.

**W. F. Hillhouse**, Commercial Counsellor (Agriculture) in Bad Godesberg, June 19-30. Contact European Division, phone: 992-8727.

**W. J. Jenkins**, Commercial Secretary in Rome, Italy, June 13-24. Contact European Division, phone: 992-8727.

**L. G. Lee**, Vice Consul and Assistant Trade Commissioner in Chicago, May 26-27. Contact United States Division, phone: 992-5176.

**V. G. Lotto**, Assistant Commercial Secretary in Beirut, Lebanon, July 4-15. Contact Asia and Middle East Division, phone: 992-5642.

**J. E. Montgomery**, Commercial Secretary (Agriculture) in Paris, France, July 18-29. Contact European Division, phone: 992-8727.

**J. H. Nelson**, Commercial Secretary in Guatemala City, November 18-December 1. Contact Latin American Division, phone: 992-7641.

**R. D. Sirrs**, Commercial Secretary in Karachi, Pakistan, June 6-17. Contact Commonwealth Division, phone 992-2421.

**W. A. Stewart**, Consul and Trade Commissioner in Boston, Massachusetts, June 8-17. Contact United States Division, phone: 992-5176.

**J. H. Stone**, Commercial Counsellor in Rome, June 28-30 and September 19-25. Contact European Division, phone: 992-8727.

**K. D. Taylor**, Consul and Assistant Trade Commissioner in Detroit, July 20-August 3. Contact United States Division, phone: 992-5176.

**R. K. Thomson**, Senior Trade Commissioner in Hong Kong, September 8-23. Contact Commonwealth Division, phone: 992-2421.

## In Territory

**Bermuda**—J. D. Welsh, Vice Consul and Assistant Trade Commissioner in New York, will visit Bermuda May 23-June 3.

**Ceylon**—S. G. Harris, Trade Commissioner in Bombay, India, will visit Ceylon May 15-25.

**Iceland**—J. E. Lancaster, Commercial Counsellor in Oslo, Norway, will visit Reykjavik June 1-9.

**Malta**—J. H. Stone, Commercial Counsellor in Rome, Italy, will visit Malta May 16-20.

**Mexico**—R. A. Kilpatrick, Assistant Commercial Secretary, will visit Monterrey May 16-20.

**Michigan**—H. S. Hay, Consul and Trade Commissioner in Detroit, will visit the entire northern peninsula of the State and the northern part of the southern peninsula June 24-30.

**Thailand**—F. M. Mulkern, Assistant Commercial Secretary in Singapore, will visit Bangkok May 22-27.

**Yugoslavia**—R. J. L. Berlet, Assistant Commercial Secretary in Vienna, Austria, will visit Novi Sad and Belgrade May 15-23.

Businessmen who would like these officers to undertake assignments for them should write to them at their posts as soon as possible.



## Jamaica

**IMPORT RESTRICTIONS ON ELECTRIC IRONS AND ROLLED OATS**—Effective April 14, the Jamaican Government has placed electric irons and rolled oats on specific licensing. Exporters should ensure that their customers in Jamaica hold a valid import licence before making shipments.

## Peru

**INTRA-LAFTA CREDITS**—On September 22, 1965, the Central Banks of the nine members of the Latin American Free Trade Association agreed to handle all intra-LAFTA credits and payments through a single agent, the Peruvian Banco Central de Reserva. A number of agreements between individual members have been signed and are to come into effect on May 1, 1966. When all member countries have signed agreements with each other, transfers will be effected through the Peruvian bank. In the meantime, they are being handled directly by the Central Banks of the countries concerned—Lima.

The following nominal quotations may prove useful in checking prices. Canadian traders should consult their banks before making any firm commitments.

Conversion into Canadian dollar equivalent and units of foreign currency per Canadian dollar have been made at cross rates with sterling or the United States dollar on the date shown.

Except when buying and selling rates are specified, the mid rates only are quoted. The buying rate is that at which banks purchase exchange from exporters. The selling rate is that at which banks sell exchange to importers.

When several rates are indicated, the rate applicable depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the Office of Trade Relations, Department of Trade and Commerce, Ottawa.

Rates used exclusively in non-merchandise trading are *not* included in the table.

For conversion to United States dollar equivalent multiply by .9292

## Foreign Exchange Rates

Country	Unit	Type of Exchange	Can. dollar equivalent April 29	Units per Canadian dollar	Notes (see below)
Algeria .....	Dinar .....	.....	.2196	4.56	
Argentina .....	Peso .....	Free .....	.0057	176.68	
Australia .....	Dollar .....	.....	1.2027	.83	
Austria .....	Schilling .....	.....	.0417	23.98	
Bahamas .....	Pound .....	.....	3.0068	.33	
Belgium and Luxembourg .....	Franc .....	.....	.0216	46.25	
Bermuda .....	Pound .....	.....	3.0068	.33	
Bolivia .....	Peso .....	.....	.0915	10.92	
Brazil .....	Cruzeiro .....	Official Free .....	.0005	2,053.39†	
Britain .....	Pound .....	.....	3.0068	.33	
British Guiana .....	Dollar .....	.....	.6264	1.60	
British Honduras .....	Dollar .....	.....	.7517	1.33	
Burma .....	Kyat .....	.....	.2260	4.42	
Ceylon .....	Rupee .....	.....	.2255	4.42	
Chile .....	Escudo .....	Bank rate .....	.2850	3.51	
.....	.....	Free .....	.2392	4.18	
Colombia .....	Peso .....	Free .....	.0598	16.72	
.....	.....	Certificate .....	.1196	8.35	
Congo, Republic of .....	Franc .....	.....	.0072	139.47	(1)
Costa Rica .....	Colon .....	.....	.1625	6.15	
Cuba .....	Peso .....	.....	‡	‡	
Czechoslovakia .....	Koruna .....	.....	.1495	6.68	
Denmark .....	Krone .....	.....	.1557	6.41	
Dominican Republic .....	Peso .....	.....	1.0763	.93	
Ecuador .....	Sucre .....	Official .....	.0598	16.72	
.....	.....	Free .....	.0485	20.62	
El Salvador .....	Colon .....	.....	.4305	2.32	
Fiji .....	Pound .....	.....	2.7088	.337	
Finland .....	Markka .....	.....	.3363	2.97	
France, Monaco, etc. ....	Franc .....	.....	.2196	4.56	(2)
Franco-African Republics, etc. ..	Franc .....	.....	.0044	227.79	(3)
French Pacific .....	Franc .....	.....	.0211	82.64	(4)
Germany .....	D Mark .....	.....	.2678	3.73	
Ghana .....	Cedi .....	.....	1.2527	.80	
Greece .....	Drachma .....	.....	.0359	27.86	
Guatemala .....	Quetzal .....	.....	1.0763	.93	
Haiti .....	Gourde .....	.....	.2153	4.64	
Honduras .....	Lempira .....	.....	.5381	1.86	
Hong Kong .....	Dollar .....	.....	.1879	5.30	
Hungary .....	Forint .....	Official .....	.0921	10.86	

†The Cruzeiro was devalued November 16, 1965; the Central Bank of Brazil is expected to issue soon the new cruzeiro. One new cruzeiro will then equal one thousand old cruzeiros.

‡There is no trading in Cuban pesos in U.S. or Canadian banks at present.

Country	Unit	Type of Exchange	Can. dollar equivalent April 29	Units per Canadian dollar	Notes (see below)
Iceland	Krona	Official	.0250	40.00	(1)
India	Rupee		.2255	4.42	
Indonesia	Rupiah		*	*	
Iran	Rial		.0142	70.30	
Iraq	Dinar		3.0135	.33	
Ireland	Pound		3.0068	.33	
Israel	Pound		.3587	2.78	
Italy	Lira		.0017	581.06	
Japan	Yen		.0030	335.57	
Lebanon	Pound	Free	.3476	2.87	
Malaysia	Dollar		.3516	2.84	
Mexico	Peso		.0861	11.61	
Morocco	Dirham		.2153	4.65	
Netherlands	Florin		.2961	3.38	
Netherlands Antilles	Florin		.5707	1.75	
New Zealand	Pound		2.9960	.33	
Nicaragua	Cordoba		.1537	6.50	
Nigeria	Pound		3.0068	.33	
Norway	Krone		.1504	6.64	
Pakistan	Rupee		.2255	4.42	
Panama	Balboa		1.0763	.93	
Paraguay	Guarani	Free	.0091	109.89	
Peru	Sol	Free	.0401	24.94	
Philippines	Peso	Free	.2767	3.62	
Poland	Zloty	Fixed-basic rate	.0449	22.27	
Portugal & Colonies	Escudo		.0374	26.74	(5)
Sierra Leone	Leones		1.5085	.66	
South Africa	Rand		1.5034	.66	
Spain and Dependencies	Peseta		.0180	55.55	
Sweden	Krona		.2085	4.79	
Switzerland	Franc		.2492	4.02	
Syria	Pound	Controlled rate	.2817	3.55	
Thailand	Baht	Free	.0525	19.12	(1)
Tunisia	Dinar		2.0610	.48	
Turkey	Lira		.1196	8.35	(1)
United Arab Republic	Pound	Official	2.4754	.40	
United States	Dollar		1.0763	.93	
Uruguay	Peso	Free	.0167	59.88	
Venezuela	Bolivar	Official Free	.2396	4.17	
West Indies	Dollar		.6264	1.60	(6)
	Pound		3.0068	.33	(7)
Yugoslavia	Dinar	Official	.0861	11.61	

\*As Indonesia is no longer a member of the International Monetary Fund, a realistic exchange rate is not available.

## Notes

1. Additional rates are in effect.
2. Franc is also used in French Guiana, Guadeloupe and Martinique.
3. Chad, Central African Republic, Congo, Dahomey, Gabon, Ivory Coast, Mali, Islamic Republic of Mauritania, Niger, Senegal, Upper Volta, Camerouns, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.
4. New Caledonia, New Hebrides, French Polynesia.
5. Portugal; approximately same rate for Portuguese territories in Africa.
6. Barbados, Trinidad and Tobago, Leeward and Windward Islands.
7. Jamaica.

# trade lines



## From Australia

**Australia's estimated population at September 30, 1965, was 11,411,368**, an increase of 51,858 over the previous quarter, the Federal Bureau of Census and Statistics reported on January 22. The state by state figures were: New South Wales 4,211,922, Victoria 3,224,286, Queensland 1,614,185, South Australia 1,056,482, Western Australia 810,843, Tasmania 367,181, Northern Territory 35,502, Australian Capital Territory 90,967—Melbourne.

**The first shipment of iron ore from Australia to Japan** under long-term contract was loaded at the port of Geraldton, Western Australia, on March 16. The ore was from deposits at Koolanooka which are being developed by Western Mining Corporation Ltd. and its partner, Hanna Mining Company of the United States.

The Koolanooka project involves the export of 5.1 million tons of iron ore over eight years. The contracts are worth about \$40 million in export income. About 500,000 tons will be delivered in the first year, and this will increase to 700,000 tons by 1970.

Under contracts already concluded and others now under negotiation, a total of about 330 million tons of iron ore and pellets, worth an estimated \$3 billion, will be exported to Japan over the next 25 years—Melbourne.

**Drought in the Australian states of New South Wales and Queensland** caused meat production to fall to 518,592 tons for the four months ended October 1965, 58,141 tons below the same period of the previous year. The number of livestock slaughtered dropped by 1,150,000 to 13,331,000. Milk production declined by 12,290,000 gallons to 549,466,000 gallons—Melbourne.

**A \$832,000 program to allow gradual conversion of domestic gas appliances to natural gas** was announced by the general manager of the South Australian Gas Co. In June the company completed an A\$1.4 million project for the design and erection of two catalytic re-forming plants and the laying of an 18-mile, high-pressure steel pipeline to bring refinery gas from the Port Stanvac oil refinery to the main gas plant at Brompton. The new plan calls for the erection of two additional catalytic re-forming plants at Brompton and the installation of a 500,000 gallon storage tank for reserve feed stock of light virgin naphtha.

The new plants would re-form light virgin naphtha for direct use in town gas mains, but they could also convert a variety of oil products and natural gas. Work on the project has already started; completion is expected by the winter of 1967—Melbourne.

**An A\$2,400,000 dredger for Australia's Morwell open-cut mine** has been ordered by the State Electricity Commission of Victoria. The largest in the Latrobe Valley, the new dredger will be supplied by Maschinenfabrik Buckau R. Wolf A.G., West Germany. It is capable of excavating 2,000 tons of brown coal an hour, or 2,400 tons of overburden.

More than half the purchase price will be spent in Australia for the supply of components and the erection of the machine by Australian subcontractors—Melbourne.



The Canadian Trade Commissioner's office in Sydney is in the A.M.P. Building (left foreground) on Circular Quay.



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