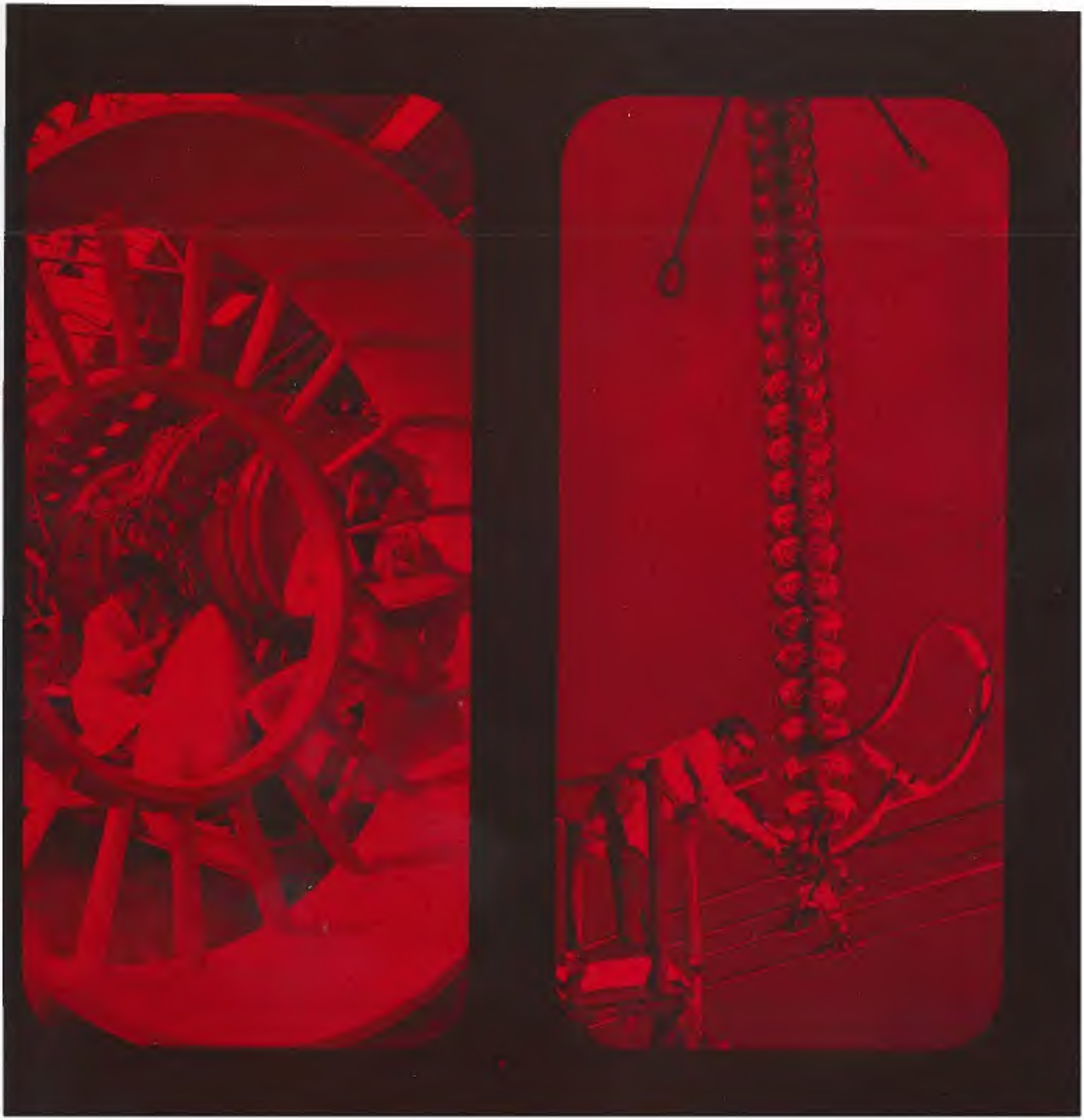
# foreign trade

Department of Industry, Trade and Commerce, Canada **November 22/69**



## Selling in a Changing Britain

That's the title we have chosen for the special feature in this issue on the market in Britain. The articles that the London office has contributed reflect a Britain that is producing an aero-engine for the U.S. Lockheed L-1011 three-engined air bus under a £175 million initial contract (see front cover, left, where a mockup of the engine is photographed through a model of its own fan casing). It's a Britain that is innovating. with products like the toughened glass single-string insulators, first of their type, to be used on 400-kilovolt transmission lines (front cover, right). It's a Britain where some of the trains operate automatically (Look, Ma, no hands!) with only one man in charge of the whole train. (See back cover.) It's a Britain where a duke razes his ancestral castle and puts up a timber frame house. (See inside back cover.) It's a Britain of supermarkets, computers, "New Towns", and management consultants.

The stereotype of Britain as a market for foods and raw materials only is fast becoming outdated. Today it grows more of its own food and buys less abroad. We still sell wheat, grains, apples, potatoes and maple syrup there as we did in the thirties—but $4 million worth of the potatoes are frozen, mostly French fried, and much of the fish is precooked and frozen too.

British imports contain a greater percentage of manufactures today, in both absolute and percentage terms. Canadian figures confirm this trend: out of total exports to the British last year of $1.21 billion. fabricated materials made up $591 million and end products, inedible, $70.5 million, as against $271 million for food, feed, beverages and tobacco. And the long list of exports includes electronic tubes and parts, jewellery, games and toys, electric stoves, navigation instruments, and measuring and testing equipment.

Selling manufactured goods and processed foods in Britain isn't easy; the competition from other industrial countries, especially Germany and other European countries and the United States, is constant and intense. The import deposit remains in force for another year, though it has been cut from 50 to 40 per cent. But Canadians can still benefit from the preferential tariff and often from duty-free entry.

The articles in this issue are intended to help the exporter make a more intelligent approach to the British market —and a more successful one—by giving him background on the changes in the British economy and their influence on business and on the consumer. For the answers to additional questions or for advice on selling a specific product, we suggest that readers get in touch with the Commonwealth Division of the Department, or with the London office.

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Established in 1904. Published fortnightly by the Department of Industry, Trade and Commerce.



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**Vol. 132 No. 11** **November 22/69**

## Articles



## Selling in a Changing Britain



## Departments



## Subscription

**$5.00 a year in Canada, $7.00 abroad. Single copies 25 cents each. Please forward all orders, with cheque or money order made out to the Receiver General of Canada, to the Queen's Printer, Ottawa, Canada.**

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# Why Not Share in Tourist Boom?

A 500 per cent growth in ten years—that's the goal for tourism in the Eastern Caribbean. You should investigate incentives that these islands are offering to potential investors.

J. M. CLAUDE LAVOIE
Assistant Commercial Secretary, Port-of-Spain

The smaller islands of the Eastern Caribbean have sponsored a study on the prospects for tourism in the region through the Regional Development Agency in St. John's, Antigua. This study was recently completed by a U.S. consulting firm under the title *The Future of Tourism in the Eastern Caribbean.* It puts forward recommendations based on projected figures which show that tourism in the Eastern Caribbean will increase dramatically in the next decade.

**Between now and 1972 tourism in the Eastern Caribbean is expected to expand at a rate of close to 25 per cent a year** and then level off to some 15 per cent by 1977. Why such a fantastic growth? The trade gives many explanations but basically, the main reason is that tourist facilities in most islands are under-developed. For example, on an island like Montserrat, which in 1967 attracted only 6,000 tourists, an increase of 30 per cent would mean only 1,800 more visitors a year. This figure is well within the realm of possibility.

In 1967, some 294,000 tourists altogether visited the Eastern Caribbean. This figure is expected to increase to 814,000 by 1972 and 1.7 million by 1977. Table 1 gives a breakdown of the growth for each island. In addition, by 1977 these visitors will spend an estimated U.S. $260 million compared with $50 million in 1967. Very few industries can boast of increasing their sales volume by 500 per cent in a decade. Yet tourism seems able to achieve this because of several factors. One is that world tourism is growing at a rate of 15 per cent a year. Most of the travelling is done by North Americans and this market is expanding rapidly because of the shorter work week, longer holidays and growing affluence. The traditional holiday areas of the Caribbean (the Bahamas, Puerto Rico, Virgin Islands) are becoming more and more crowded, with the result that sun seekers have to travel farther south.

With the advent of jumbo jets, air fares to the Eastern Caribbean will eventually be reduced, giving more people the opportunity to travel.

In addition, Eastern Caribbean islands are close enough to North America to benefit fully from this reservoir of potential visitors. And they are also close enough to South America to be the first ones to benefit when new air routes are opened to that area.

Sun, beaches and sea are plentiful but most of the beaches are still undeveloped. This is one of the few natural resources of these islands; in order to develop their economies they must exploit them fully.

**To meet the tremendous demand for tourist facilities, the Eastern Caribbean islands will have to provide at least 10,000 new hotel rooms by 1977** (see Table 2). The main difficulty they will encounter in doing this is the lack of local capital to develop these facilities themselves; they will have to rely on the influx of foreign capital. If we consider that the average cost of a hotel room is in the vicinity of U.S. $15,000, the total investment required will be some $150 million.

**Each island realizes the need for foreign capital and has introduced incentive legislation to attract potential investors.** These include tax holidays, accelerated depreciation on capital investment, carry-over of losses, tax exemptions on dividends, duty-free entry of original material, drawbacks, and so on. The incentives offered are basically similar

*Coming in from a swim in warm tropical waters are two of the over 90,000 tourists who came to Barbados in 1967. By 1972 the number may rise to 500,000.*

TABLE 1

**EASTERN CARIBBEAN TOURIST TRADE**

| | | | | |
|---|---|---|---|---|
| **Antigua** | | | | |
| 1967 | 59,000 | tourists averaging a | 5–6-day visit, | spending an average $25 a day |
| 1972 | 147,000 | | 4–5 | $35 |
| 1977 | 296,000 | | 3–4 | $40 |
| **St. Kitts/Nevis** | | | | |
| 1967 | 7,000 | tourists averaging a | 7-day visit, | spending an average $25 a day |
| 1972 | 22,000 | | 6 | $30 |
| 1977 | 49,000 | | 5 | $35 |
| **Montserrat** | | | | |
| 1967 | 6,000 | tourists averaging a | 7-day visit, | spending an average $20 a day |
| 1972 | 18,000 | | 6 | $30 |
| 1977 | 40,000 | | 5 | $35 |
| **Dominica** | | | | |
| 1967 | 7,000 | tourists averaging a | 3–4-day visit, | spending an average $25 a day |
| 1972 | 23,000 | | 4 | $30 |
| 1977 | 52,000 | | 4–5 | $35 |
| **St. Lucia** | | | | |
| 1967 | 16,000 | tourists averaging a | 5-day visit, | spending an average $17 a day |
| 1972 | 53 000 | | 4 | $27.50 |
| 1977 | 119,000 | | 3–4 | $35 |
| **Barbados** | | | | |
| 1967 | 91,500 | tourists averaging a | 9-day visit, | spending an average $20 a day |
| 1972 | 250,000 | | 7 | $30 |
| 1977 | 500,000 | | 5 | $35 |
| **St. Vincent** | | | | |
| 1967 | 10,000 | tourists averaging a | 4–5-day visit, | spending an average $25 a day |
| 1972 | 34,000 | | 4 | $30 |
| 1977 | 76,000 | | 3–4 | $35 |
| **Grenada** | | | | |
| 1967 | 20,000 | tourists averaging a | 5-day visit, | spending an average $25 a day |
| 1972 | 67,000 | | 4 | $30 |
| 1977 | 150,000 | | 4 | $35 |
| **Trinidad & Tobago** | | | | |
| 1967 | 77,790 | tourists averaging a | 6-day visit, | spending an average $33 a day |
| 1972 | 200,000 | | 5 | $35 |
| 1977 | 402,000 | | 4 | $40 |

TABLE 2

**HOTEL ROOMS IN THE EASTERN CARIBBEAN**

| | Total rooms | Additional rooms required | | Total rooms |
|---|---|---|---|---|
| | 1967 | 1967/72 | 1972/77 | 1977 |
| Antigua | 750 | 790 | 610 | 2,150 |
| St. Kitts/Nevis | 130 | 180 | 200 | 510 |
| Montserrat | 65 | 205 | 130 | 400 |
| Dominica | 60 | 170 | 250 | 480 |
| St. Lucia | 200 | 290 | 390 | 880 |
| Barbados | 1,800 | 1,810 | 1,400 | 5,010 |
| St. Vincent | 80 | 250 | 210 | 540 |
| Grenada | 250 | 390 | 610 | 1,250 |
| Trinidad & Tobago | 1,200 | 1,400* | 1,500* | 4,100 |
| Total | 4,535 | 5,485 | 5,300 | 15,320 |

*Figures are those of the writer.

for each island (see box feature). Most are subject to negotiation and the investor's bargaining power will usually increase with the size of the proposed investment. A minimum of 10 to 15 hotel rooms is required before a local government will consider granting incentives to investors. Here are some points to keep in mind when considering these incentives.

**Tax Holidays**—These vary from five to fifteen years, depending on the size of the investment. This applies to profits generated during that period.

**Accelerated Depreciation**—Although this pertains mainly to investment in the manufacturing field, concessions of this type could conceivably be granted, depending on the bargaining power of the investor.

**Carryover of Losses**—Each island has a clause in its Income Tax Ordinances allowing for carryover of losses. Most of them will also allow an investor to carry over losses sustained during the tax holiday beyond this period. There is usually a restriction placed on the amount to be carried over. For example, the carryover of losses cannot affect more than 50 per cent of the taxable income each year.

**Tax-Exempt Dividends**—In normal circumstances, dividends are taxable at a rate of 15 per cent when declared. As an incentive most islands (with the exception of Montserrat) allow a company to declare a dividend without being taxed during the tax holiday plus an additional two years after the end of that tax holiday.

**Drawbacks**—Imported material and equipment for the original building or for the extension of existing facilities will be allowed entry duty-free. If materials are bought locally, the buyer will be entitled to a drawback of the duty paid by the supplier. This is subject to a licence for duty-free import being issued to the investor. It is usually easy to obtain.

**Local Participation**—Only St. Kitts/Nevis requires local participation in a project. It is mandatory that at least 25 per cent of the equity be owned by a national of St. Kitts/Nevis. It may be wise, regardless of the place of investment, to have as a partner a national of the island where the investment is to take place.



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**Financing**—It is rather difficult to assess exactly the availability of financing. In most islands there are some individual investors who could supply some financing, but they are few and the demand for local funds is high. Other alternatives can be considered. For instance, the World Bank and the Inter-American Development Bank have shown their readiness to lend money to finance tourist ventures. But this would necessitate some delays and be subject to special arrangements with local governments. Local banks (mostly Canadian) could also be a source of short- to medium-term financing.

**Casinos**—Very few islands are ready at the moment to allow hotels to have casinos. The only one now in operation in the Commonwealth Caribbean is in Antigua.

**Foreign Staff**—Local governments are conscious of the high rate of unemployment throughout the Caribbean and place restrictions on foreign staff. They are therefore pressing foreign investors to employ as many local workers as possible. If there is a lack of skilled personnel to fill managerial or key positions in an hotel, the hotel operator would probably be permitted to obtain personnel from abroad.

**Food Imports**—Local governments are also aware of the high import bill facing them in catering to the tourist industry and encourage hotels to obtain their food products locally, when available. When the Caribbean Free Trade Association (CARIFTA) came into being in 1968, trade restrictions on imports of most foodstuffs from member states were lifted, with an obvious change in the competitiveness of goods from outside the CARIFTA region. This has not so far posed significant hardships for hotels.

**Licences**—Any foreign person wishing to invest in the Eastern Caribbean requires a licence from the government of the country in which he is planning to invest. This licence is easily obtained and is merely a way to ensure the bona fides of the prospective investor.

It is evident that the Eastern Caribbean islands are looking for investors in the hotel field. They welcome prospective ones with open arms but under their own conditions.

The Commercial Division of the High Commission in Port-of-Spain has gathered a wealth of information designed to help interested Canadians in developing a basic knowledge of the opportunities in the tourist field. Any further information can be obtained by contacting Kenneth G. Ramsay, Commercial Counsellor, Office of the High Commissioner for Canada, P.O. Box 1246, Port-of-Spain, Trinidad and Tobago, West Indies, or F. R. Harris, Tourist, Hospital and Education Division, Department of Industry, Trade and Commerce, Tower B, Place de Ville, 112 Kent Street, Ottawa.

## Incentives Offered to Investors

| Type | Applies in |
|---|---|
| Tax holiday | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Accelerated depreciation on capital invested | Barbados, Montserrat, St. Lucia, Trinidad & Tobago |
| Capital allowances | Barbados, Grenada, Trinidad & Tobago |
| Carryover of losses | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Vincent, Trinidad & Tobago |
| Tax exemption on dividends | Antigua, Barbados, Dominica, Grenada, St. Kitts/Nevis, St. Lucia, Trinidad & Tobago |
| Duty-free entry of original material and equipment | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Drawback | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Local participation mandatory | St. Kitts/Nevis |
| Availability of local funds | Barbados, Grenada, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Possible casinos | Dominica, St. Kitts/Nevis |
| Restrictions on employing foreign management | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Restrictions on employing foreign labor | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Designated areas for development | St. Kitts/Nevis, St. Vincent, Trinidad & Tobago |
| Import restrictions on food for hotels | Antigua, Barbados, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, St. Vincent, Trinidad & Tobago |
| Restrictions on origin of capital | Dominica |
| Alien licence required | Antigua, Dominica, Grenada, Montserrat, St. Kitts/Nevis, St. Lucia, Trinidad & Tobago |

# Selling in a Changing Britain

*The day of the shopper in the High Street, basket on arm, is passing in Britain and supermarkets with food and non-food lines are coming in—just one indication of new trends that the exporter must recognize.*

*A number of officers stationed in London gather in the board room to discuss matters of mutual interest with two businessmen. (Left to right) G. M. Deyell, Assistant Commercial Secretary; I. R. Smyth, Commercial Counsellor; H. C. Falkiner, W. C. Pitfield & Co. (London) Ltd.; G. E. Blackstock, Commercial Secretary (Agriculture); C. J. Van Tighem, Minister (Commercial); K. D. Taylor, Commercial Secretary; K. Dovey, Bank of Nova Scotia; J. C. Bradford, Asst. Commercial Secretary.*

The London office of the Department of Industry, Trade and Commerce stands ready and able to help you sell your products in Britain. Any Canadian exporter contemplating the British market should initiate contacts with the Commercial Division of the Office of the High Commissioner for Canada located at Macdonald House, One Grosvenor Square.

Preliminary arrangements for the business visitor to Britain can be made by correspondence with our office. We can supply basic marketing information and a suggested travel itinerary for travel within Britain, and make specific appointments as needed. Our Trade Commissioners and Commercial Officers would welcome the opportunity to discuss your marketing approach with you and to recommend suggested methods of penetrating this market based on the information and experience that our office has accumulated.

Even with this preliminary investigation by correspondence, there is no substitute for direct contact between exporter and importer. The British market demands a well-thought-out approach and considerable effort, but the results can be worthwhile. If you feel your products have sales possibilities in Britain, contact us and we will help you determine whether opportunities can be developed.

The British economy has partially recovered from the last balance-of-payments crisis, and the encouraging performance of exports in the last two quarters is expected to help the situation considerably. However, the prior deposit scheme will continue in effect for another year at the rate of 40 per cent rather than the previous 50. In response to the improved prospects for the British economy, Canadian exports should enjoy moderate success, particularly manufactured goods.

I suggest you read what the following articles have to say about opportunities in a changing Britain. Then come and see us. We will ensure that your visit will prove worthwhile.

C. J. VAN TIGHEM
Minister (Commercial), London

# Self-Service Brings Changes

. . . both in British shopping habits and in methods of marketing Canadian food and non-food lines. Supplying private labels could provide good entrée to the British market.

G. M. DEYELL
Assistant Commercial Secretary, London

The concept of self-service and supermarket retailing was introduced into Britain shortly after World War II but rationing and building controls prevented its adoption until the late 1950's. Removal of the controls saw the beginning of the swing away from the daily or even twice daily trips to the greengrocer, the dairyman, the butcher, the fishmonger, the baker, and the provisioner. But Napoleon's reference to the English as a "nation of shopkeepers" still has some truth in it. As late as 1961 there were 580,700 retailers—one for every 90 Britons. By 1966 the number was down by 70,000 and the rationalization of food retailing was well under way. Canadian suppliers, accustomed to North American tastes, demands and habits, will find the emerging patterns familiar and worth a closer examination.

At the beginning of 1968 Britain had approximately 9,000 self-service outlets and 2,800 supermarkets. **During 1969 nine new supermarkets were expected to open each week** and by 1980 there should be 4,000 in business. This program will require a capital expenditure of about £300 million. In the same eleven years the number of self-service outlets (smaller than supermarkets) is expected to increase by 30,000.

Supermarkets are also getting larger. A store must have 2,000 square feet to be classed as a supermarket. In 1967 the average area was 3,744 square feet and this average has increased to the 5,000 to 10,000 square foot range


*As self-service stores expand their non-food lines, Britain, like Canada, moves closer to one-stop shopping for consumers.*

for those now under construction or planned. Stores up to 50,000 square feet are expected to be common within a few years. One 100,000 square foot store has even been opened.

The share of the grocery trade held by self-service stores and supermarkets has risen from about 25 per cent in 1959 to 53.2 per cent in 1967, and an estimated 60.9 per cent in 1968. In the next ten years it is expected to reach 70 per cent and this includes meat, green grocery and bakery products.

**Food products account for some 85 to 90 per cent of self-service and supermarket sales and they come from every corner of the world**. Britain has always relied and will continue to rely on offshore sources and chain store buyers are always on the lookout for reliable sources of competitive products. This applies to the full range of supermarket products and particularly to those not available from domestic sources.

Shoppers are demanding a greater variety of foods, and speed and ease of preparation have become more important. Supermarkets, the innovators in the food industry, are constantly on the lookout for new products that will foster this image and release the housewife from the kitchen.

Instant preparations are gaining in popularity, with more shelf space devoted to instant breakfasts, instant desserts, instant sauces and the like. Instant mashed potatoes is the most recent success story and here Canadian manufacturers played a leading role. British sales of these increased from $625,000 in 1964 to $14 million last year, with Canadian suppliers accounting for nearly 28 per cent.

**Supermarkets and self-service stores have introduced the housewife to frozen foods,** particularly the blast-frozen free-running variety that means she can buy larger packs, use a portion, and store the rest. Frozen food sales have had the highest single growth rate and continue to offer the greatest potential, despite the lack of instore freezer space. The new supermarkets are rapidly entering the frozen-food age. Many operators are seeking better equipment and display cases and those who have installed new equipment have found their turnover has quickly doubled or trebled. Birdseye, with a two-thirds stake in the British market, believes it has only scratched the surface. Frozen food sales at present total $2.4 billion and in the 1980's are expected to reach $10 billion.

The Canadian supplier must bear in mind that 50 per cent of British households still do not have refrigeration, although this situation is changing rapidly. Only 1 per cent have freezers that permit the storage of any quantity of frozen food. In households that do have refrigerators, the units average considerably under 10 cubic feet.

**Canadian manufacturers would be well advised to look into the possibility of packing "own label" lines for British stores**. Canada is looked upon as a source of quality food products and the lower cost of producing private labels could mean greater profit. Private labels have overcome the stigma once attached to own-brand products that were introduced to circumvent retail price maintenance. They are no longer associated with poor quality, thanks to the extremely high standards set by such outlets as Marks and Spencer and Sainsbury's.

Three generally accepted criteria must be met before a private label goes on the shelf. The quality must be as good as that of the brand leader, the price must generally be 10 to 20 per cent lower than that of national brands, and the retailer must be offered better margins. Other factors are the strength of the existing brands and potential sales volume. High volume and quick turnover are important. "If we could find the right supplier and could be certain of maintaining the necessary quality control, most of our worries would be over," is a frequent comment from retail buyers.

Private labels (not restricted to food products) do not appear to be reaching the saturation point. Sainsbury's, for example, now has some 1,100 and this figure does not include the perishables, wine, spirits and beers, and household products packed under the Sainsbury name. Although Sainsbury's and Marks and Spencer are somewhat unique in this, they tend to be the pacesetters. Fine Fare (the Weston Group) has over 400 private labels and has found many of these are outselling national labels two and sometimes three to one.

As the number of private labels increases, the competition for shelf space becomes fiercer. Experience has shown that private labels gain space at the expense of the secondary brands and that major national banks are not affected. Although many of the chains do not envisage private labels accounting for more than 20 per cent of their total sales (Sainsbury's and Marks and Spencer would be exceptions), many smaller manufacturers are turning to these as a means of maintaining their market position.

**Private label products are usually tailor-made to suit the client**. Although there are examples of the aggressive representative selling private labels to buyers he had otherwise been unable to interest, the normal practice is for the chains to deal directly with the manufacturer.

Although the British family spends less and less of its income on food, the amount the housewife spends in the supermarket increases. This points to a growing trend to expand the range of goods offered in the supermarket. **Britain is moving closer and closer to one-stop shopping as more stores expand their range of non-food lines**. There is no general pattern in this expansion. Some stores like Sainsbury are cautious, with non-food items accounting for only 10 per cent of sales. Their policy is to stock only items the housewife is likely to buy every week. On the other hand, there are stores that are stocking paint, hardware and clothing (including men's suits) and sometimes a full range of household appliances. But the general approach is the one taken by Fine Fare. From a modest start less than two years ago, Fine Fare now offers some 2,000 items under its Fine Ware label, but basically only products that the customer can carry away. Canadians should remember that the automobile is not a normal part of the British shopping pattern because only 167 per 1,000 housewives have access to a car, and also because the majority of supermarkets are located in built-up areas without parking facilities. This pattern is changing but for some time to come the British housewife will continue to shop on foot.

The non-food lines offer an average gross margin of roughly 35 per cent—

or more than double that realized on groceries—but they do raise a number of problems. Stock turnover averages up to eight weeks compared with two to three weeks for groceries. And non-food lines are not always compatible with food products when it comes to warehousing. Consequently some stores are moving cautiously. Turnover is receiving increasing attention. Speed is essential. Although the supermarkets want to maintain a balance between private and national brands, private brands offer obvious advantages. As retail price maintenance is gradually laid to rest, the number of lines offered by self-service and supermarket outlets will continue to increase.

**Canadian manufacturers familiar with supermarket purchasing practices at home will find a similar pattern in Britain.** All the major food chains (the principal ones are listed in the accompanying box) operate central buying offices. Their preoccupations are the same as in Canada—price, quality, reliable and continuing source of supply, and willingness to co-operate in promotions.

Price still comes first. Traditionally, any price concessions had to come from the seller but competitive pressures have forced British buyers to introduce more flexible pricing policies. Sometimes this is carried to the extreme of price regardless of quality. Generally, however, the Canadian supplier will find the British buyer prepared to give a little in price to get quality. This is particularly true of private label orders.

Delivery and continuity of supply are also very important. Special attention in this area, particularly for a new Canadian exporter, will go a long way toward establishing buyer confidence. It is important to have a reliable and active representative who calls regularly on the trade and can carry stocks.

**If after a preliminary assessment the market looks promising, we recommend that a company representative visit Britain to gain a firsthand impression and meet buyers.** The London office maintains close contact with the local food industry and can introduce the Canadian to potential representatives.

It is important for Canadian suppliers, particularly new ones or those introducing new products, to consider promotion methods. With supermarkets, the principal vehicle is an instore promotion supported by local advertising. As in Canada, British stores thrive on special offers and **many Canadian suppliers find that co-operative promotions can be arranged easily and reasonably for any product that attracts and increases turnover.** Normally these take the form of fortnightly or weekly promotions with special gondola and aisle-end displays at "tuppence or thruppence off". Often all the Canadian manufacturer need do is supply the product at a promotion discount and co-operate with the store in local advertising. The store arranges for the actual display, including display cards and other material. There is usually no space charge. The expense is minimal but the impact is maximal.

The Department of Industry, Trade and Commerce, through its London office, has arranged a number of promotions along these lines covering a range of Canadian products. The Department has also participated in national and regional food and trade fairs and many Canadian companies have found that these offer an excellent opportunity for promoting existing or new products. The Macdonald House showroom (see *Foreign Trade* of December 9, 1967) has also been used successfully by Canadian food manufacturers or their representatives in Britain.

The British market is by no means new to many Canadian manufacturers. However, some subtle and some not-so-subtle changes have come about and have necessitated a re-examination of selling practices by many of the traditional suppliers. For both the established and the potential supplier, now is the time to take a close look at the opportunities in Britain.

## Principal Food Chains in Britain

Tesco Ltd.
Tesco House, Delamare Road
Cheshunt, Waltham Cross, Hertfordshire
Telephone: 97–27611
750 branches, 376 self-service, 374 supermarkets

J. Sainsbury Ltd.
Stamford House, Stamford Street
London S.E.1.
Telephone: 01–928 3355
247 branches, 88 self-service, 21 part self-service, 103 supermarkets

Fine Fare Ltd.
P.O. Box 50
Gate House, Fretherne Road
Welwyn Garden City, Hertfordshire
Telephone: 96–28140
1,000 or more branches, 350 self-service, 450 supermarkets, 4 department stores

Safeway Food Stores Ltd.
Rye Lane
Dunton Green, near Sevenoaks, Kent
Telephone: Sevenoaks 56131
31 supermarkets

Pricerite Ltd.
Migol House, Goldsel Road
Swanley, Kent
Telephone: Swanley 3222
70 branches, 70 self-service, 58 supermarkets

David Greig Ltd.
145 Waterloo Road
London S.E.1.
Telephone: 01–928 6912
171 branches, 26 self-service, 28 supermarkets

Key Markets Ltd.
320 New North Road
Ilford, Essex
Telephone: 500–1060
237 branches, 130 self-service, 68 supermarkets

Co-operative Wholesale Society Ltd.
Central Buying Office
1 Balloon Street
Manchester
Telephone: 061–834 1212
about 26,000 branches, 640 supermarkets

The Home & Colonial Stores
179/180 City Road
London E.C.1.
Telephone: 01–253 2000
323 branches, 75 self-service, 29 supermarkets

Lipton Ltd.
179/189 City Road
London E.C.1.
Telephone: 01–253 2000
133 self-service, 66 supermarkets

Waitrose Ltd.
421 Norwich Road
Greenford, Middlesex
Telephone: Waxlow 4393
24 branches, 21 supermarkets

Allied Suppliers Ltd.
179/189 City Road
London E.C.1.
Telephone: 01–253 2000
1,278 self-service, 414 supermarkets

# Computers—a Coming Market

Spending in Britain on all types of computer facilities is expected to reach $3.6 billion in 1975 and $5.5 billion by 1980. Canadian firms should investigate chances of selling software, or making licensing agreements for manufacture and marketing.

G. M. DEYELL
Assistant Commercial Secretary, London

The over-all growth rate for the computer industry in Britain is estimated at 18 per cent but there are wide fluctuations in that rate for sectors within the industry. (See the breakdown in Table 1.) The fastest growing areas are terminal equipment, data transmission facilities, the service bureaux (the major users of the equipment in the two previous categories) and external software.

The British computer market is expanding impressively but it is not likely to develop as spectacularly as in the U.S., partly because the British buyer benefits from the experience of his U.S. counterpart. The British are conscious of the need to foster a domestic industry (the success of this is demonstrated in Table 3). But at the same time, the British buyer is very much aware of technological developments outside the country. Consequently, any manufacturer entering the British market will find it extremely competitive. Nevertheless, in our experience, the buyer in Britain prefers Canadian equipment to that from other offshore sources.

Virtually every British manufacturer can provide hardware in the middle range at an annual rental of anywhere between $30,000 and $50,000 so it is on either end of the scale that attention is now being focused. With the advent of fourth generation hardware accompanied by larger-scale integration, manufacturers are concentrating on designing smaller and cheaper machines. At the same time, the development of larger and more powerful computers is receiving increasing attention. Both of these developments are aimed at expanding the base of computer users. Firms currently excluded from having a computer will be able to choose between having their own small computers or using a connection with a bigger machine.

Despite the dramatic increase achieved in the last decade, **the demand for bigger, faster systems continues to expand**. Systems that only a short while ago were used almost exclusively for scientific and technical purposes are today frequently applied to commercial fields. In Britain, for example, the major clearing banks exemplify this development and here, as in other areas, there is growing demand for responses from the system in "real time". Consequently, the call is for greater power plus high reliability.

The development of a British "super computer" received a setback recently when ICL announced that it would not continue the development of its 1908 A model. This decision may mean that a number of universities and research institutions will have to look at overseas equipment.

A direct result of increased computer power and capacity is the tremendous growth in time-sharing. The linking of a large number of users into one central computer system so that all can use it simultaneously is one of the most rapidly growing markets in the computer industry here. Not only

TABLE 1

BRITISH COMPUTER MARKET

| Supplies and Services | Cdn.$million Total DP Market 1968 | 1970 | 1975 | 1980 | Per cent Average annual growth rate 1968–70 | 1970–75 | 1975–80 |
|---|---|---|---|---|---|---|---|
| Hardware | 351.5 | 520.0 | 1,040.0 | 1,625.0 | 22 | 15 | 9 |
| Terminals | 4.8 | 16.6 | 109.2 | 247.0 | 84 | 46 | 18 |
| Data transmission | 4.8 | 16.6 | 109.2 | 247.0 | 84 | 46 | 18 |
| DP supplies | 104.0 | 156.0 | 286.0 | 468.0 | 22 | 13 | 10 |
| Software (external) | 5.2 | 16.6 | 145.6 | 327.6 | 80 | 54 | 21 |
| Consultancy | 6.5 | 9.6 | 18.2 | 27.3 | 21 | 13 | 8 |
| Service bureaux | 52.0 | 96.8 | 300.0 | 1,255.8 | 34 | 30 | 28 |
| Total supplies and services | 528.8 | 832.2 | 2,008.2 | 4,197.7 | 26 | 20 | 15 |
| **Other Expenditures** | | | | | | | |
| Software (internal) | 379.6 | 535.6 | 1,206.4 | 1,482.0 | 26 | 18 | 4 |
| Operations (excl. supplies) | 247.0 | 403.0 | 837.2 | 1,424.0 | 28 | 16 | 11 |
| Total, all expenditure | 1,108.3 | 1,773.2 | 4,115.8 | 7,083.7 | — | — | — |
| Less expenditure by suppliers on above items | 68.3 | 109.2 | 475.8 | 1,623.7 | — | — | — |
| **Total market** | **1,040.0** | **1,664.0** | **3,640.0** | **5,460.0** | **26** | **17** | **8** |

TABLE 2

COMPUTERS INSTALLED IN BRITAIN

| | July 1968 | July 1969 |
|---|---|---|
| ICL 1900 series | 646 | 848 |
| IBM 360 | 569 | 734 |
| NCR 500, 5900 | 149 | 301 |
| Elliott 900 series | 231 | 334 |
| Philips Electrologica 4000, 5000 and 8000 | 2 | 90 |
| Ferranti Argus, Hermes | 96 | 158 |
| Honeywell H200 series | 140 | 195 |
| IBM 1130, 1800 | 45 | 88 |
| Univac 9000 series | 28 | 60 |
| PDP range | 109 | 140 |
| NCR Century | 2 | 32 |
| ICL System 4 | 78 | 102 |
| Honeywell DDP | 15 | 36 |
| Major withdrawals over the year were the following machines: | | |
| IBM 1401, 1410, 1440, 1460 | 310 | 223 |
| ICL 1300 series | 124 | 106 |
| ICL Mercury, Pegasus, Deuce | 39 | 24 |
| IBM 1620 | 22 | 11 |

## Datafair '69

The City of Manchester was the scene from August 25 to 29 of what was undoubtedly the largest and best computer exhibition and conference in Britain. Datafair, in spite of unfortunate timing in the holiday period, attracted some 7,000 visitors. Most of the 50 exhibitors were enthusiastic about the interest shown and about the contacts they made.

Visitor interest was stimulated by not only the equipment demonstrations but also by the numerous invitations to participate in business games and other events, using on-site equipment. Apart from these business games, the Exhibition offered the visitor the opportunity to assess and evaluate current methods of handling information and to obtain an appreciation of the lines along which computers will develop in the immediate future.

In addition, he could also learn from papers presented at the Conference on a wide range of topics. A number of these placed emphasis on the need for improved management techniques and understanding in the application of computers to business needs, but the scientist and process engineer were not neglected. Several papers described experiences and problems in computerizing industrial and research processes.

One of the most exciting and colorful presentations was the Univac lectures on the NASA programs, which included a color film of the Apollo 11 flight. From the data processing manager's point of view, the paper describing the designing and use of the large computer system employed by the French National Railways offered an insight into the business uses of super-computers. The system keeps account of freight cars and shows exactly how much mileage each has done. The paper also outlined a three-year plan for the design installation of another large computer system for seat reservations.

has time-sharing expanded the user population—it has also offered increased efficiency and productivity to existing users who no longer have to employ batch processing systems.

**A necessary corollary to the increase in time-sharing and service bureaux installations is the need for an efficient data communications network**. Such a system becomes more involved as more and more data are stored on line. A package of work consists of assessing the mass of data, perhaps updating it, operating on it, and producing selective output. Consequently, any system must not only concern itself with availability of computer power but must deal with requirements for remote file access.

At the present time, developments are centered on the existing telephone network. However, the system has some obvious physical limitations and investigations are under way by both the General Post Office and private organizations for alternative networks. These include what is termed the "store and forward" principle—a communications network specifically designed to meet the requirements of data transmission. The second alternative is really an extension of the present method (based on the telephone network) concerned with establishing a fast switching network.

If the latter method proves the more successful, it has been estimated that within a very short time, the number of telephone lines in Britain carrying computer information will equal the number of current lines.

It is reasonably safe to say that for most applications today, **satisfactory hardware is either available or will be shortly. The same cannot be said for software.** In a number of instances recently, the deciding factor in the choice of a computer system has been the availability of U.S. software. It was said not long ago (and not entirely sarcastically) that fourth generation software will not be fully operational until the fourth generation hardware is complete. Most if not all British manufacturers are concerned about this problem and are searching for the proper balance between the hardware and software content of their systems. They are, however, wooing the non-technical user and the trend is towards the development of greatly simplified and quickly learned languages that make it possible for the non-computer expert to talk directly with the computer in solving his problems.

Following the U.S. example, manufacturers are separating the hardware and software package—"unbundling"—and this is expected to affect significantly the development of external software services (note predicted growth rate in external software in Table 1). It is also expected to improve the manufacturers' performance in this area.

**The expansion in the range and types of computers has necessarily resulted in greater requirements for peripheral equipment**. Peripheral manufacturers have been turning their attention recently to the trend to desk units and remote terminals. The collection of management and scientific information from scattered locations requires increasingly sophisticated equipment that provides great accuracy and reliability at low cost.

Similarly, the advent of larger central processing units for service bureaux and time-sharing centers demands peripherals of another type. Storage units offering rapid access coupled with imput/output devices are the principal concern in these areas.

**The Canadian company interested in the British market and familiar with the marketing of computer equipment**

**and supplies in North America will feel at home in Britain**. Essentially the British buyer is looking for the same things as his North American counterpart. These are price, reliability, availability, service and backup, and compatibility.

**Price is always the first consideration.** Any piece of equipment or service must offer some cost advantage over the alternatives. The product offered must be reliable and this usually involves some demonstration of the equipment's reliability. The experience of other customers (particularly local ones) is helpful here. Once the decision has been made to use a particular product, it must be easy to obtain. Even more important is the availability of competent service engineers on short notice. Compatibility is important for manufacturers of peripherals and components.

It is always difficult to generalize about the effective marketing approach in an area such as this. Often there are as many approaches as there are participants. Nevertheless, **there are a few things worth keeping in mind when you decide to try your fortunes in Britain**. First, we recommend that you start with a preliminary assessment of the market opportunities. The London office will be pleased to assist you here and you can either contact us directly or through the Electrical and Electronics Branch of the Department in Ottawa.

If this preliminary assessment proves promising, an official of your company should visit the market to get a firsthand impression and establish personal contacts. Again the London office can assist in making the arrangements and appointments. This is particularly important in technical fields; computer people like to talk to computer people.

Once you decide whether there is a market for your equipment, you may want to consider the experience of other offshore suppliers starting out in Britain. Many companies find their product is competitively priced, offers a high degree of reliability, and either requires a minimum of servicing or can be maintained and serviced by the user's own staff. If so, the buyer often finds it advantageous to import the product directly from the manufacturer. In this case, it is best to find a local representative who can handle marketing and distribution in Britain. There are some organizations which can offer marketing and distribution service with servicing but they are difficult to find.

*By 1980 the market for computers in Britain should increase fivefold to a value of $5,460 million, as the demand for bigger and faster systems continues to grow.*

**Others find it advantageous to license a British firm to manufacture and market their equipment**. Ensuring adequate maintenance and service appears to be one of the chief reasons for choosing this method. (There are others.) One interesting aspect is that not infrequently an offshore manufacturer finds that a British manufacturer is interested in entering into a reciprocal manufacturing arrangement.

The last approach is the one selected by most of the large U.S. computer manufacturers—establishment of a British manufacturing operation. In some cases, the British company is used to service areas in Western Europe as well.

Whichever approach suits your requirements, the facilities of the Department and particularly of the London office are at your disposal.

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British businessmen who wish to send a gift for Christmas to their overseas business contacts are being encouraged by the Board of Trade to send a bound copy of "Britain 1970", the annual handbook on Britain. The donor receives an attractive greeting card to mail and the book is later sent direct, with a compliment slip. Canadian businessmen might follow their example and send a copy of the latest "Canada Handbook" to their good foreign customers.

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# Timber Frame Takes Hold

More than 36,000 timber frame homes have gone up in Britain in five years. Canada's campaign to sell this technique, begun in 1963, continues to bring worthwhile results.

C. I. ROOKE
Commercial Officer (Timber), London

*The load-bearing timber frames of this house will be lined inside and insulating material inserted before bricking is done.*

For the second year running, the building industry in Britain completed more than 400,000 homes in 1968. In fact, it constructed a record 413,715, 2 per cent over the 1967 figure. This achievement was possible only because of the substantial contribution from the industrialized housing sector. Some 191,722 subsidized municipal houses were built last year and 30.4 per cent of these in England and Wales and 32.6 per cent in Scotland were of non-traditional construction.

This industrialization has largely been confined to local authority housing and its contribution was 61,249 housing units. This represents only 15 per cent of all housing completed in 1968, but it is expected that as more local authorities realize the advantages in time and costs, this figure as a percentage of the whole will double.

Between 1963 and 1968 the labor force in the building industry dropped from 567,000 to 539,000, or just over 5 per cent, but house completions rose from 307,714 to the record 413,715. In 1964 average costs for municipal houses stood at £3 11s. 9d. per square foot for industrialized units against £3 5s. 4d. per square foot for traditional homes. Improved techniques and greater volume changed this figure by 1968 to £3 15s. 7½d. for industrialized homes against £4 1s. 0d. for traditional ones. (These figures exclude construction costs applicable in the Greater London Council region.)

Although the use of prefab concrete systems for high-rise and (in minor instances) low-rise developments dominates the industrialized housing field, **the versatility of timber frame for single and two-storey homes has placed this technique in a close second place in over-all importance in the housing field.**

Most Canadians in the timber and construction fields are aware of the campaign put on in Britain by the Canadian Government to promote

timber frame construction. It began with the coming of a British Housing Mission to Canada in June 1963 and was followed by the building of three pairs of Demonstration Homes in various parts of Britain and a second Home Builders Mission from Britain that toured Canada in 1964. The late summer of 1966 brought the start of construction on a medium-density housing project of 173 Canadian wood frame homes designed by Canada's Central Mortgage and Housing Corporation to the requirements of the Harlow New Town Development Corporation of Harlow, Essex. Canadian lumber, plywood and other building materials were used extensively.

**This Canadian-developed campaign gave the impetus to a quiet and gradual revolution in the British home-building industry.** Developments based on the Canadian wood frame construction technique were undertaken at first in small groups and then in ever larger numbers. Today projects consisting of 200 and 400 units in the private sector and 600 units for local authorities are not uncommon. In the eyes of the authorities as well as the public, the new technique from across the Atlantic is being accepted and is gaining respectability.

Once timber frame construction had gained momentum, it was necessary to ensure that the techniques of successful timber frame construction were fully appreciated and closely followed. For this reason a third mission was formed from all levels of the British building industry as well as the British timber trade, which was, of course, concerned about the volume of forest products coming from Canada to satisfy the growing timber housing market. Their findings substantiated the comments of the two previous missions.

**By this time, reports were being received in the London office from all parts of the British Isles of successful timber frame housing developments based on proven Canadian techniques.** Discerning home owners were demanding a dry, well-insulated home where they could take advantage of central heating without finding the cost crippling. Builders too were not slow to take advantage of industrialization and under-cover production techniques once the public and the loan companies accepted the new building concept. As one major construction company remarked: "This system, while no cheaper than traditional methods, does allow us to sell the home first, then start to build and have it completed before the purchaser has finalized his loan arrangements to pay for it." (There is also a reduction of almost 50 per cent in call-back service.)

By 1968 the Department of Industry, Trade and Commerce in London decided to attempt to arrive at a realistic estimate of the number of completions of timber frame houses by sending a brief questionnaire to some 160 British companies known to be actively engaged in supplying and erecting timber frame dwellings. Not all firms felt free to supply the simple information requested but **based on the returns received, some 36,000 timber frame units had been built to the end of 1968.** A further 25,000 had either been contracted for or were expected to be built in 1969. Unfortunately, it proved impossible to include in this survey those small builders who had put up only a few individually designed houses but these must add up to some thousands in the whole British Isles.

It would be wrong to suggest that only Canadian forest products were used in all these homes but it is reasonable to assume that some 75 to 80 per cent contained timber and plywood of Canadian origin. With an average lumber and plywood content of 2½ standards per house at a cost of £250, this works out to an extra market of £7.5 million for Canada, with a further annual gain of perhaps £4.5 million.

The British timber trade, through the columns of one of its trade papers, bears witness to the success of the timber frame promotion project in a leading editorial that says in part:

"Advances in the timber and plywood trades in recent years have been spectacular in at least two spheres—exterior grade plywood in civil engineering and packaging, and timber in timber frame construction. A lot of extra business has come to our trade as a result. In both instances a lot of the credit for these successes must go to the Canadians for the persistent and extensive promotion work they have done.

. . ."Would anyone pretend that timber frame housing would have reached its present level without the tremendous publicity work done by the Canadians? Yet they have done no more than proclaim and demonstrate the merits of this system."

One measure of success of the timber frame construction technique is the

*Part of an 18-unit timber frame housing development put up in 1968 by the Netherton Group, using the Swift Homes system. Eventually the development, located at Longthorpe, Peterborough, will be expanded to contain between 350 and 400 homes.*

fact that the new system has not been limited to any one section of the community. Its adaptability has enabled it to be used effectively and economically for all classes of homes. From the senior citizen delighted with his insulated, dry and centrally heated home to the mass market of subsidized municipal housing that accounts for approximately 46 per cent of annual home construction, it was a natural method to use. That most conservative section of the British building industry, the private estate developer, is also beginning to accept the new concept and small estates of timber frame housing units, often made to look like traditional homes, are appearing all over Britain.

One of England's premier land-owning dukes, the Duke of Westminster, faced with the impossible task of maintaining an old, uneconomic ancestral home, came to the conclusion that it would have to be demolished and a new one erected in its place, in line with the modern requirements of his family. The new house in Cheshire may not be as imposing as the former massive Gothic palace with 100 bedrooms but built of Canadian timber and clad externally with western red cedar, it reflects a modern concept of the stately home, combining luxurious living with twentieth century comfort and economy.

Timber frame promotion in Britain is continuing at various levels. In 1969 the *Woman's Journal* selected an executive type of home built using timber frame construction techniques and Canadian lumber and plywood. This was the third time that the *Journal* had chosen a Canadian-style home. (See box feature.)

**It is not only in Britain that this new construction concept is finding acceptance.** Some of the leading British companies in the house prefabrication field were quick to recognize the export potential and have successfully shipped their dwellings not only to Europe, but as far as the West Indies and Ceylon. Although this export trade can only be relatively small, it has created sufficient interest in the Continental building industry for it to take a serious look at the new technique. **Locally built wood frame houses constructed to proven Canadian principles and mainly with Canadian materials are now being erected in Holland, France, Switzerland, and Germany.** There is every possibility of expanding the market in this area for Canadian lumber and allied building components. In fact, one of Canada's largest home builders has recently completed a contract with a major French building firm to put up in the first instance some 250 Canadian timber frame houses just outside Paris. When these are completed, there is every possibility that this venture may develop into an outlet for 1,000 Canadian-style homes each year.

Attempts by various Canadian prefab companies to export homes to Britain failed to develop when it was realized that the prospects at best were for very small numbers of one-off homes, requiring modifications to comply with British building regulations. The only alternative was a joint venture with an established British company, and making all components in Britain. Two North American home builders have set an example by establishing subsidiaries here. They are among the leading timber frame home producers covering the local authority and private housing market.

## House of the Year

The *Woman's Journal*, one of Britain's most prominent women's magazines, has selected a timber frame house as the setting for a practical display in domestic design and comfortable living for the third successive year. The house was chosen for the wide scope that it gave to the *Woman's Journal* team to display a variety of decorative treatments and furnishings.

Following the suggestion of the Commercial Counsellor (Timber) of the Office of the High Commissioner for Canada in London, the *Woman's Journal* chose the Sharen house manufactured by Swift Homes Ltd. of Peterborough, Northamptonshire. This model is ideal because it is large, with five bedrooms, two bathrooms, a living room, a family room, a dining room and a laundry-games room.

The house was selected too for its ideal location. Wansford, a small town just outside Peterborough in East Anglia, is a charming stone village

*Fold-bock louvred doors lead into the dining-room, furnished in rosewood.*

in the valley of the River Nene, just a few minutes over the hour by British Rail from Kings Cross in the heart of London.

Swift Homes Ltd. was established in 1964 as a result of an agreement between the Netherton Group of companies, Swift Industries Inc., Pittsburgh, and Vandor Real Estate Ltd. of Montreal. It produces precision-engineered timber frame structures incorporating exciting designs which are not readily achieved by other methods and which are for the most part unknown in British house-building. Netherton has stated publicly its intention of changing rapidly to timber frame housing using Swift's plant in Wigan, Lancashire.

The large and luxurious Sharen is priced at £17,900, complete with land and landscaping of the front garden. Its floor area is 2,714 square feet; the plot selected is 110 × 180 feet. It is one of a cluster of 18 houses which will eventually be built on the gently sloping hillside facing down the valley. This site was chosen for timber frame houses because it would be possible to include the basements which are usual in North American designs.

Structurally, the home is of the familiar timber frame construction using pre-treated CLS timber with a moisture content of 18 per cent. The wall components are sheathed with a fibreboard skin and pre-glazed before leaving the factory. After erection on site, glass fibre quilting one inch thick is placed between the studs and the exterior walls are sealed internally with a 250-gauge polyethylene barrier before the fixing of 3/8 inch plasterboard dry lining.

Flooring joists are of 2″ × 8″ or 2″ × 10″ CLS, precut with headers to the correct length. Exterior grade 5/8″ T and G plywood provides the solid subfloor.

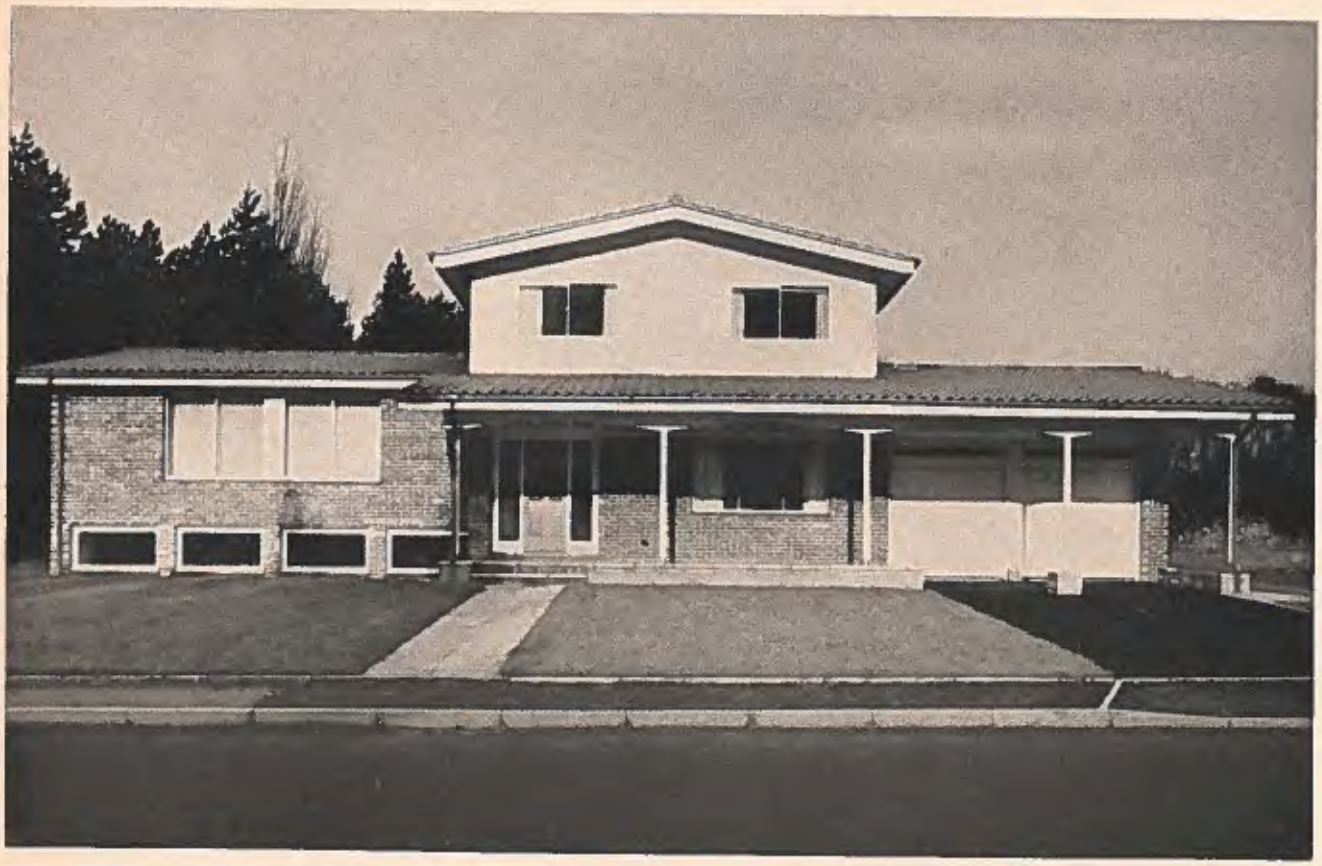
Other Canadian components include a British-manufactured Lennox G8-88 gasfired, warm-air furnace using perimeter diffusers; Canadian louvred bifold doors and a Georgian door of western red cedar, and white Alcan weatherboarding finished with stone-enamelled aluminum.

The interior of the house was expertly furnished and fitted by the staff of the *Woman's Journal* to display to best advantage some of the new products useful to a person who wishes to live comfortably. It includes a basement converted into a rumpus room and a separate small flat for a senior member of the family.

This house was opened at Wansford on April 23, 1969, by Lady Nicholls, wife of the M.P. for Peterborough. Provided with ample coverage by the BBC and local news media, it drew 60,000 visitors from April 23 to May 26. The timber trade took advantage of the opportunity to familiarize itself with the house and arranged a press visit of editors and writers from the building industry press April 14.

The selection by the *Woman's Journal* of a timber frame house as its House of the Year in the Peterborough area should be a prelude to the extensive use of this form of construction in East Anglia. A new town of 250,000 is being planned just outside Peterborough—a development which should offer other builders in the area an opportunity to extend the use of timber frame construction in quoting for specific projects in the new town.

W. D. WARDLE
Assistant Commercial Secretary (Timber,)
London



*This 1969 House of the Year selected by the "Woman's Journal"; timber frame, five bedrooms, two bathrooms, price £17,900.*

# Preparing for D Day

In February 1971, Britain will replace its present currency with a decimal system. The writer discusses the planning for the changeover and how business will be affected.

L. N. LAUNDY
Commercial Officer, London

The British Government's firm decision to go decimal was finally made on March 1, 1966, when the Chancellor of the Exchequer announced that decimal currency would be introduced in February 1971. The Decimal Currency Act 1967, passed in July of that year, confirmed this decision and finally settled the nature of the decimal currency.

The decimal system will be based on the pound sterling and the present pounds, shillings and pence system will be replaced by a pound and new penny system. The pound is unchanged and will be divided into 100 new pence. The symbol for pound will remain £ and the abbreviation for new penny or new pence will be p. The new halfpenny will be expressed as ½p.

**The seven coins in general use in 1967 and the 10-shilling note are being replaced over a period by six decimal coins as follows:**

1. Three decimal bronze "copper" coins—with plain (unmilled) edges: ½p—current value 1.2d; 1p—current value 2.4d; 2p—current value 4.8d.

2. Two cupro-nickel-silver coins with milled edges will be 5p—current value 1s and 10p—current value 2s. (These are identical in value, size and weight with present shilling and two-shilling pieces.)

3. One cupro-nickel seven-sided coin with a plain edge will be 50p with a current value of 10s.

**The introduction of the coins is being phased to help the public become familiar with them.** The 5p and 10p coins came into circulation as legal tender on April 23, 1968. Except for the designs, these coins are identical in value, size, weight and metal content to the shilling and two-shilling piece and completely interchangeable. The

**New coins, actual size**

*All the new coins carry on the obverse the portrait by Arnold Machin, OBE, RA, of the Queen wearing a diamond tiara, a wedding present from Queen Mary.*

*The reverse designs of the coins are by Christopher Ironside.*

*The Royal Crown*

*A portcullis with chains royally crowned, originally a badge of King Henry VII, and for long closely associated with the Palace of Westminster.*

*The badge of the Prince of Wales: three ostrich feathers enfiling a coronet of crosses pattée and fleurs-de-lys, with the motto 'Ich Dien'.*

*The badge of Scotland: a thistle royally crowned.*

*Part of the crest of England: a lion passant guardant royally crowned.*

*Britannia seated beside a lion.*

50p entered general circulation to replace the 10s piece on October 14, 1969, and the 10s note will be progressively withdrawn. The bronze coins will not be legal tender until D Day.

**The withdrawal of the current coins is also being phased.** The halfpenny ceased to be legal tender on August 1, 1969, and the half crown will be withdrawn on June 1, 1970. The penny, threepenny piece and sixpence will cease to be legal tender at the end of the changeover period (not later than August 1972). Decimalization on the basis of the pound sterling makes it possible for the present £1, £5 and £10 bank notes to be retained. They will be replaced, starting in 1972, by smaller notes with new designs.

**The standard method of expression when writing amounts in pounds only is to have the £ sign followed hy a number—£5 or £2,750.** A permissible alternative, mainly useful in accounting, is £5.00 or £2,750.00.

When writing amounts in new pence, only two methods of expression are acceptable. The first is 97p, 6p and ½p; the second is £0.97, £0.06, and £0.00½. The first method is probably more acceptable for everyday use and for price labels in shops. The second will be required for accounting. With mixed amounts, both the decimal sign and the pound symbol should always be used. The new penny abbreviation is not used—for example, £1.10, £29.27, £25,397.69.

The new halfpenny should generally be expressed as a vulgar fraction (½p) and not as a third place of decimals. Both of the following methods are correct: 3½p, 98½p, ½p, or £0.03½p £0.98½p, and £0.00½p.

In printed and handwritten documents the decimal point should generally be opposite the middle of the figure (not on the base line). In typewritten and other documents produced on machines which have no decimal point, the use of a stop on the base line (a full stop) is the acceptable alternative.

The £ symbol should always appear when the point is used and the p abbreviation should never appear when the point is used. The £ and p should never appear together.

Conversion tables will be required in order to determine the decimal equivalents of £sd amounts in accounting records, to provide a common language for the conversion of cash records, to minimize disputes, and to act as a guide for the repricing of commodities and services after D Day.

In the new system there is no payable exact equivalent of any £sd sum which is not a multiple of sixpence. Official conversion tables will give recommended decimal equivalents. Some penny amounts will be rounded up and an equal number will be rounded down so that the losses and gains balance. But many £sd amounts (e.g., wholesale unit prices and hourly wage rates) can be converted exactly on the basis that 1d = 5/12p because they are units of calculation, not payable amounts.

The new halfpenny conversion table, or shoppers' table, rounds to the nearest ½p. All those responsible for prices will be expected to follow it wherever practicable in repricing their goods and services. This will be the table displayed in shops and used in dual pricing. It is expected that the use of this table, coupled with the forces of competition and the goodwill of traders, will ensure that decimal currency does not put up the cost of living.

The whole new penny table (or banking and accounting table) rounds to the nearest 1p. It is needed because the banks will not record new halfpennies and there will be no point in writing them on cheques. For some purposes this table has statutory force.

**The banks will be closed for public business from Thursday, February 11, 1971, to Sunday, February 14.** On and from D Day all banking documents, including cheques, will have to be written in decimal currency using the new £p system in place of £sd.

Most government departments will change to decimal working on D Day and income tax, social security bene-

**Decimal Currency Conversion Table**

| Old Currency | New Currency Shoppers' Table to nearest halfpenny | Banking and Accounting Table to nearest penny |
|---|---|---|
| 1d | ½ penny | 0 penny |
| 2 | 1 | 1 |
| 3 | 1 | 1 |
| 4 | 1½ | 2 |
| 5 | 2 | 2 |
| 6 | 2½ | 3 |
| 7 | 3 | 3 |
| 8 | 3½ | 3 |
| 9 | 4 | 4 |
| 10 | 4 | 4 |
| 11 | 4½ | 5 |
| 1s | 5 | 5 |
| 1/1 | | 5 |
| 1/2 | | 6 |
| 1/3 | | 6 |
| 1/4 | | 7 |
| 1/5 | | 7 |
| 1/6 | | 7 |
| 1/7 | | 8 |
| 1/8 | | 8 |
| 1/9 | | 9 |
| 1/10 | | 9 |
| 1/11 | | 10 |
| 2s | | 10 |

fits and deductions, etc., will be decimalized. The Post Office and many shops and offices will also switch immediately.

A total overnight switch to decimal currency is, however, not practicable. It is impossible to convert or replace so quickly all the machines which now record £sd amounts or operate with £sd coins. About 2½ million business machines such as cash registers, accounting machines and price computing scales will be affected and about the same number of slot machines. These include vending machines for cigarettes, chocolate and drinks, parking meters and telephone coin boxes.

**D Day will be followed by a changeover period not exceeding 18 months,** during which it will be legal to conduct business—except banking—in either £sd or £p and businesses will select the date for their own changeover. Pennies, threepenny bits and sixpences will be demonetized at the end of this period.

Both £sd and £p will be in use together during the changeover and contracts may be negotiated in either. Banking is an exception. All bank documents, including cheques and other bills of exchange, will have to be in decimal from D Day. Two factors will determine the length of the changeover—the conversion of machines and the public attitude to the new system.

In the changeover period some shops will still trade in £sd, with £sd prices and £sd cash registers and change given in sixpences, threepenny bits and pennies (which will still be available from the banks). Other shops, rapidly increasing in number, will trade in £p with £p prices, £p cash registers and giving change using 2p, 1p and ½p. All the "silver" coins will be usable in both £sd and £p shops because they have exact equivalents in the other system. Even the lower coins (which will not have exact equivalents) can be used in either £sd or £p shops in multiples of 6d and 2½p. To help shoppers to judge £p prices in familiar terms, many shops will "dual price" articles for sale. But they will only sell at one price; the second will simply be for guidance.

Results of a recent survey by the Decimal Currency Board show encouraging progress. A great deal of planning has been done and evidently the publicity efforts of the Board, professional and trade associations, the business machine industry and others have made some impact. Some 95 per cent of firms with over 1,000 employees have started to prepare for decimalization and 82 per cent of all firms have taken some action in this direction. **Of the largest firms, 51 per cent will switch to decimal accounting on or before D Day.** For retailers the results were less encouraging. It is estimated that at the present time more than 50 per cent of medium and small retailers are not aware that D Day is 1971. The plan is to mount a large campaign to explain the changeover to the public some weeks before D Day in February 1971. This will employ press, television, films and posters.

The major advantage of decimal currency is expected to be higher productivity in all calculations involving money and easier trading. It will, however, be a costly business for industry and commerce to adapt or replace machines; it is estimated that there are approximately 5 million in use in Britain which will be affected by decimalization. Of this, 2,223,000 are business machines (adding, accounting, cash registers, etc.) and 2,763,000 are coin-operated machines, (vending machines, gas and electricity meters, etc.). There will be no compensation from the Government except for normal tax relief on equipment, but it is expected that in most instances these extra costs will be rapidly offset by increased turnover and efficiency. And for the general public the new coins, fewer and lighter than the existing range, should make cash transactions quicker and simpler.


*Examining the documentation for a Canadian Pacific container at London docks are (left to right) Thomas Holland, H. M. Customs watcher; L. M. Laundy of our London office, and John Whatley, H. M. Customs & Excise officer.*

# Selling Management Services

Reputation acquired by U.S. management consultants benefits Canadian consulting firms who want to sell their services in Britain, where their expertise is in demand.

K. D. TAYLOR
Commercial Secretary, London

The sale of services and technology is becoming an important feature of British/Canadian trade. Canadian management consultants stand to profit from the dynamic growth in this field.

British industry looks to the United States for new concepts in management. American secondary industry and the ambitious M.B.A. managers in charge carry a certain mystique in Britain. Understandably, American consulting firms operating in Britain benefit from this attitude. Canadian consultants to a degree enjoy the same positive response from the potential client in Britain. With this promising market in mind, a brief outline of **the structure and operation of consultants in Britain and their approach to business development is worth study.**

Management consulting is Britain's fastest growing service industry. A growth rate of 15 per cent a year has increased the number of firms from 15 in the early 60's to the current 50. Turnover is estimated at $50 million, 70 per cent of which is shared by six firms: PA Management Consultants, Booz Allen & Emerson, P-E Consulting Group, Urwick Orr, AIC, and McKinsey. PA employs about 500 consultants and hold 20 per cent of the market; the other five share the remaining 50 per cent. As in North America, accounting firms are taking a strong position in management consulting, with Cooper Brothers, Peat Marwick Mitchell, and Price Waterhouse among the leaders.

**Basically there are two types of consultants in Britain**. One is the large organization offering a full range of services and the other the small firm specializing in a certain field. Specialized firms have traditionally concentrated on the shoemaking, non-electrical engineering, brewing, shipbuilding and steel sectors. Now a third type of organization is emerging—a firm which has cut back its staff and services and retained only a small group of its top-calibre people, each a specialist in his own field. It then looks for international firms to associate with in Britain.

Turning to the specialties of particular firms, Urwick Orr is recognized as a leader in management by objectives; Urwick Diebold is a leading systems consultant; P.E. Consultants are generally associated with production engineering. Management selection is also a field on which several firms concentrate, particularly PA. Management selection was pioneered in Britain by Management Selection Ltd. John Tyzack and Partners, Canny, Bowen, Howard and Peek, and Sidney Bowden are the other leaders in the executive search field in Britain.

The range of services that the consultant in Britain offers has broadened dramatically from the prewar emphasis on the factory floor and the setting of standards of production and cost as a means of control. In 1968, for instance, consultants earned the following percentage of their fees from different assignments: production 35 per cent, finance and administration 25 per cent, company appraisal and over-all policy development 15 per cent, marketing 12 per cent, management development and personnel selection 10 per cent. During the last few years a growing demand has arisen for consultants to analyze and solve the problems of top organization, company structure and corporate planning.

Top-level consultancy has traditionally been considered an American purview rather than British. McKinsey—by virtue of its work for Shell, Bank of England and ICI—has underlined the predominance of U.S. firms in the Board consulting field. Recently a number of the larger British firms have established separate sections to counter American competition. Board consultancy in Britain concentrates on the consideration of comprehensive over-all company problems rather than single aspects, teams of consultants rather than the usual resident consultant and visiting supervisor, and a series of policy recommendations rather than concrete instructions submitted to the client.

Company appraisal and policy development are not only taking more of the consultants' time, but are also one of the prime revenue earners. McKinsey, which concentrates on the corporate appraisal field, charges about $1,300 a week per consultant.

It has 75 consultants on its staff and annual company revenue totals about $5 million. Some of the other large firms in Britain charge about $800 a week. The consultant himself, starting at the age of 30, earns about $6,500, a senior consultant $12,000 to $15,000, and a regional manager or partner around $18,000. The salary of a consultant accounts for one half of the fee income (fees in Britain are usually quoted inclusively). Another 17 per cent covers expenses and 9 per cent is the average expended on training. This leaves about 20 per cent of income as gross profit margin.

**A Canadian consulting firm finding the British market attractive can either establish itself by buying or associating with an existing practice or starting and operating independently.** Most of the U.S. companies establish independently and then often acquire existing British practices to widen their staff and contacts. These arrangements are apart from those that Canadian companies already associated with British practices in Canada may follow.

**Establishing a reputation as a consultant in Britain follows a pattern similar to that in Canada.** There is little direct solicitation and most of the business comes from referrals. However, the referrals may be prompted to

some extent. Supplementing referrals are articles in the press, attendance at conferences and meetings, and lecturing. A company should also introduce its services to the British Institute of Management and the Confederation of British Industry, both of which keep lists of reputable consultants.

There is also the Management Consultants Association whose 19 members account for 60 per cent of the consultants operating in Britain. Although a firm new to the market might not qualify initially for membership in the Association or may decide eventually not to join, a call on the Secretary, Management Consultants Association, 23 Cromwell Place, London, S.W.7, could be useful. Membership in the Institute accepts individuals only and establishes grades of membership giving an indication of a consultant's professional status, experience and training.

A Canadian firm establishing in Britain is likely to find that the client accepts the recommendations of the consultant more readily than he does in North America. British firms are also able to implement the steps they recommend to the client, unlike some North American firms that limit themselves to the preparation of detailed recommendations. Ideally the consultant in Britain attempts to establish a continuing relationship with a client. Under such an arrangement, the consultant can call at regular intervals to review progress towards objectives. Most relationships do not reach this level, although some firms in Britain do call in consultants even though operations are running smoothly.

Consultants are now assessing their role in the computer field. A number of British firms have established a computer installation for their own use and for their clients, but the operations have not been profitable. Consultants can now assist in selection of EDP equipment and advise on the proper use of equipment for maximum output. A few firms offer programming or software. Eventually, some of the enterprising firms hope to evolve a strategy which will allow a client to subcontract to a consultant a computer package. The consultant then would be responsible for systems design, programming and operation.

Management and government in Britain feel that consultants have a key role in modernizing British industry. The Government, for example, has established a pilot subsidy scheme to promote the use of consultants by small firms in Bristol and Glasgow. Industry's acceptance of consultants is proved by the spectacular growth of the consulting profession. Canadian firms are encouraged to exploit current opportunities.


*NARCO Rubber Equipment Limited, sole British agent for National Rubber Co., Toronto, found its 1968 exhibit in the Macdonald House showroom in London so successful that it put on another one this year; sent out 1,200 invitations.*

# Don't Forget to Advertise!

Got a good product? Want to sell it in Britain? Promote it with vigor and imagination. How? W. E. M. Jeffery, Attaché (Publicity) in the London office, has some ideas to offer.

So you want to export to Britain!

Perhaps you have already tried out the market and found it tough going but eventually rewarding. Or perhaps you've been lucky and found it easy going and a good place to do business.

Perhaps your firm has discovered that what seems routine for others is difficult and frustrating, that sales are hard to come by, that no one seems to know anything about your products or, even worse, seems even remotely interested.

It may not be the fault of the market or of your products. The fault may lie in your approach to selling in Britain.

If you're a newcomer to Britain or if you are still trying to get a toehold here, take a tip: promote your product and company image over here.

You are in the major league when you are batting for business in Britain and we are convinced that many Canadian companies strike out for lack of proper promotion. It continues to confound us that Canadian companies that actively promote their products at home fail to recognize the slightest need for doing the same here.

We are not alone in this observation. During a recent trade fair a British agent for a Canadian firm selling watch straps complained that he would be able to sell twice as many watch straps and watch bands if his Canadian client would only agree to advertise. His complaint, typical of those of many British agents, was that Canadian companies do little to help themselves in this market.

"I'm beaten before I start," he said.

"I get in to see a busy executive. He's on the phone one minute and jotting something down for his secretary the next. He gives me a worn smile, asks my business, and three minutes later I'm cooling my heels outside his office because he has never heard of the company I am representing." Selective advertising in leading and influential trade publications could alter this situation.

If market research indicates that you have export sales potential in Britain, by all means come prepared to sell.

**Participation in trade fairs or other trade events is an excellent start** but—I hasten to emphasize—only a start. Trade fairs are ideal vehicles for gauging market response and a good place to meet buyers, technical experts, other manufacturers, and trade journalists. Participating also gives you an excellent opportunity to discuss your goods and services with our trade officials. You'll be surprised how much you can learn from a session with one of our Trade Commissioners.

If you have found participation in one of these trade events rewarding, you will probably want to engage a reliable and resourceful agent—one who knows something about your product category and knows his way around in the companies you are interested in reaching. **If you do pick an agent, help him to help you by promoting your products.** If you have picked a good representative, he'll know what kind of promotion is required. He should be able to put you in touch with the editors of key trade publications and, if need be, recommend a firm of effective public relations consultants who can advise how and where you should be advertising.

Before engaging a PR firm to take on your account, you may find it advisable to check with the Institute of Public Relations to find out whether the firm you are considering is a member. The Institute is based at 20-26 Lamb's Conduit Street, London, W.C.1.

I know one successful Canadian company that authorized its British agent to commission a firm of PR consultants to help launch a new product line. A series of product press releases were sent to technical journals, followed by invitations to the editors to attend a reception to meet Canadian executives and see the new lines. Further invitations for a series of receptions spread over five days went out to the trade. The result: good product publicity and keen trade interest which culminated in sales.

The showroom at Macdonald House, where the Commercial Division of the High Commission of Canada has its offices, is available for functions like the one mentioned above. If you would like more details about using it, write to the head of the London post, C. J. Van Tighem, Minister (Commercial), One Grosvenor Square, London, WIX OAB.

Of course there are other approaches to promotion. **In addition to using your agent as a direct sales force, you can promote by direct mail.** The cost depends on the size and weight of what you send through the post. On the average, direct mail costs about £35 per 1,000 mailings for one-color letterhead and text, two-color double-sided leaflet, and one-color reply card printed on both sides.

**There's the trade press, a very effective medium.** In a typical trade or technical journal an advertisement can reach from 1,000 to 60,000 consumers. The cost of a black-and-white page averages £100 but this varies with the prestige of the journal and its circulation. For multiple insertions, rates are lower.

Women's magazines are sometimes worth considering if your target is primarily women all over the country who are able to afford good quality household supplies or imported apparel. A four-color page in a weekly with a circulation from one million to three million costs about £450.

The advertising rates in national dailies are high but advertising in the more prominent London nationals such as *Financial Times*, *The Times*, *The Guardian* and *The Daily Telegraph* can lend prestige to your company. Cost of a half-page ad is close to £1,000 and even higher for guaranteed positions. The best bet is to tie in with a Canadian supplement; *The Times* and *Financial Times* publish supplements on Canada once a year.

Then there are posters, indoor and outdoor advertising, point-of-purchase material, films, radio and television advertising.

We know one Canadian firm that invited 250 potential British customers to view a 12-minute, full-color, 16 mm. film showing the company's equipment at work in the Canadian bush. In 12 minutes that film accomplished more for the company than any previous form of promotion it had tried. The result: three orders and scores of interested customers with prospects for further sales.

Another Canadian firm got on our honor list by authorizing its agent to hire a PR firm to plan a technical seminar on its new line of die-casting equipment. Again, technical editors and members of the trade were invited to meet the Canadian executives, see the new equipment, and listen to a discussion on its merits. The result: market penetration and a firm toehold in Britain.

Picking a good agent and commissioning a firm of public relations specialists (they come in categories over here —consumer, corporate, political and industrial) can pay big dividends when you're planning promotions such as advertising campaigns, instore promotions, trade fair participation, technical seminars, equipment demonstrations and receptions. Even if

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*1. Thrashing aut a prablem that invalves documentation of a Canadian shipment arriving at Landon's Rayal Victaria Docks, are (left to right) Miss V. D. Overton of aur Londan staff; L. N. Laundy, Commercial Officer; Thamas Halland, H. M. Customs watcher, and John Whatley, H. M. Customs.*

*2. At the famaus Billingsgate Market, H. G. Garland, Attaché (Fisheries) (left) discusses prospects for Canadian fish with S. D. Gibbard af Jahn Koch Ltd. The display includes shrimp fram the Maritime Provinces, frozen Pacific salman, and smaked salman produced fram Canadian Red Springs.*

*3. G. D. Coaper (left) Commercial Officer in Landon, chats with John Wilsan, (center) Marketing Manager af Ridpath Brathers Ltd., meat imparters and whalesalers, and Ridpath's sales representative at the Smithfield Market in Landon. This firm imparts both park and beef affals fram Canada.*

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you have your own advertising agency in Canada, you will find it a good idea to have a British agency evaluate your approach to this market.

**Whenever you issue new product information, shoot it over to your agent** and ask him to pass it along not only to customers and new prospects but to the technical press as well. British trade editors are always on the lookout for filler stories about new products, new techniques, cost-saving devices, new materials, and equipment that do the job twice as fast at half the cost.

Finally, **make sure that your agent knows as much about your company and your products as you do.** After all, he's your salesman over here. Communicate with him frequently, visit him at least twice a year, and if possible bring him to Canada to acquaint him with your company's operations.

It isn't always easy to export and it isn't always fun. But to be a successful exporter requires a lot of hard and detailed work, painstaking market research, and a willingness to promote goods and services over here by well-conceived and well-designed promotion, written or spoken in a language that Mr. British Businessman understands readily.

Your job—and our job—is to persuade the consumer, whoever he or she may be, that it is good business to buy Canadian.

*Canada exhibited far the first time this year at the Internatianal Watch and Jewellery Trade Fair in Landan; the 12 Canadian participants reparted sales af same $77,000 with ather arders expected in the future.*

*1. Mrs. Harald Wilsan, wife af the Prime Minister, examines rings made by I. S. Jewellery of Montreal, with K. D. Taylar, Cammercial Secretary, and Max Sigal and Leslie Gefin, an duty fram the Montreal firm.*

*2. C. J. Van Tighem, Minister (Commercial), admires some Blue Mauntain Pattery, a line crafted by Internatianal Silver. On the left is the campany's J. A. Durie.*

*3. J. A. Durie (right) explains one af International Silver's silverplate patterns ta K. D. Taylar and C. J. Van Tighem, wha listen intently.*

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# Foreign Tariffs and Trade Regulations

**Israel has made the following additions to the list of commodities for which it issues import licences without restriction:**

| Tariff No. and Description | Rate of Duty | Purchase Tax |
|---|---|---|
| 09.03.9900<br>Vegetables provisionally preserved in brine, in sulphur water or in other preservative solutions, but not specifically prepared for immediate consumption | 45% of c.i.f. value | |
| 20.01.400<br>20.01.9900<br>Vegetables and fruit preserved or prepared in vinegar or acetic acid, with or without sugar, whether or not containing salt, spices or mustard—including tomatoes but excluding olives, cabbages, cucumbers or mangoes | 45% of c.i.f. value | |
| 20.02.9900<br>Vegetables prepared or preserved otherwise than by vinegar or acetic acid (excluding olives, cucumbers, sauerkraut, tomatoes; including in juice or in puree, peas). | 45% of c.i.f. value | |
| 20.06.4000<br>20.06.9900<br>Fruit puree and fruit in sugar syrup | of peaches 60%<br>other 45% | exempt |
| 21.02.1000<br>Instant coffee | 15% + IL.12.11 per kilo | exempt |
| 33.05<br>33.06<br>Perfumery, cosmetics and toilet preparations | 150% | varies from 30% to 40% |
| 73.10.1019<br>73.10.1090<br>Bar and rods of low carbon steel | 30% + IL.12.07 per kilo | 15% (as from Jan. 1, 1970: 15% + 12.23.50 per ton |
| 87.09.3000<br>Cycles fitted with an auxiliary motor | 80% but not less than IL.12.45 each | varies from 10% to 25% |

Inquiries about this notice should be addressed to the Asia and Middle East Division, Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

**Japan has announced two changes in its import regulations.** Effective October 1, 1969, five items have been removed from the restrictive Import Quota (IQ) list: ex. 22.09-1(2) brandy, ex. 22.09-2-(1) liqueurs, 84.35-1 printing machines and parts thereof, 84.41-1(2) industrial sewing machines, ex. 85.21-1 thermionic valves and tubes. Import licences will be granted automatically for brandy and liqueurs. For the other products, an import quota allocation certificate will be granted automatically, with the import licences specifying the quantity of goods that may be imported.

Effective October 20, 1969, the Japanese Government has reduced from 5 per cent to a uniform 1 per cent the import deposit that must be made at the time an import licence is issued. The deposit is returned when at least 80 per cent of the licensed import has cleared customs.

**In October the New Zealand Minister of Customs announced a list of products to be exempted from import licensing on July 1, 1970.** Provision has been made for local manufacturers to object to the proposed exemptions, such objections to be lodged not later than January 5, 1970.

Many items, such as canned fish, chemicals for conversion to plastics, liquid fuel pressure lanterns and internal combustion piston engines are now being exported from Canada. Many other items will interest potential Canadian exporters. This liberalization of the licensing system will create new opportunities for Canadian exports to New Zealand but will also intensify competition within that market.

The complete list of proposed exemptions is reproduced below. Further information is available from the Commonwealth Division, Department of Industry, Trade and Commerce.

SCHEDULE 1

**Goods Classified under Certain Tariff Items**

| Tariff Item | Description |
|---|---|
| 06.02.01<br>06.02.09 | Other live plants, including trees, shrubs, bushes, roots, cuttings and slips. |
| Ex 15.04.01 | Cod liver oil in containers of a capacity in excess of 1 gal. |
| 16.04.02<br>16.05.02 | Prepared and preserved fish, crustaceans and molluscs: Preparations such as sausages, "prepared meals" and the like (other than pastes). |

SCHEDULE 1

**Goods Classified under Certain Tariff Items**

| Tariff Item | Description |
|---|---|
| | Preserved:<br>In airtight containers such as cans, jars, and the like: |
| 16.04.03 | Herrings. |
| 16.04.04 | Pilchards. |
| 16.04.05 | Salmon. |
| 16.04.06 | Sardines, sild, brisling. |
| 16.05.03 | Crustaceans and molluscs. |
| 16.04.08<br>16.05.09 | Otherwise packed. |
| 16.04.09 | Caviar and caviar substitutes. |
| 32.10.09 | Artists' and students' colours, modifying tints, amusement colours and the like, in tablets, tubes, jars, bottles, pans or in similar forms or packings, including such colours in sets or outfits, with or without brushes, palettes or other accessories (excluding those of a kind used by signboard painters). |
| Ex 37.03.01<br>Ex 37.03.09 | Sensitised paper, paperboard or cloth, unexposed or exposed but not developed (excluding dyline, diazo and blueprint paper, paperboard or cloth). |
| 37.04.00 | Sensitised plates and film, exposed but not developed, negative or positive. |
| Ex 38.03.09 | Activated clay, activated bauxite and other activated natural mineral products (excluding activated carbon and activated diatomite). |
| 38.15.00 | Prepared rubber accelerators. |
| 38.19.25 | Ink removers put up in packings for sale by retail. |
| Ex 40.14.01 | Erasers, date and other stamp type, paste applicators and other articles of stationery of unhardened vulcanised rubber (excluding rubber bands). |
| Ex 39.01.11<br>Ex 39.01.19<br>39.02.12<br>to<br>39.02.18<br>39.03.31<br>39.03.39<br>39.05.31<br>39.05.39<br>39.06.21<br>39.06.29 | Condensation, polycondensation, polyaddition, polymerisation, and copolymerisation products (excluding urea and phenol formaldehyde in water soluble powder form); regenerated cellulose; cellulose nitrate, cellulose acetate and other cellulose esters, cellulose ethers and other chemical derivatives of cellulose; chemical derivatives of natural rubber; other high polymers, artificial resins and artificial plastic materials: in powder, granules, flakes, blocks, lumps and similar bulk forms. |
| Ex 39.01.41<br>Ex 39.02.41<br>Ex 39.03.61<br>Ex 39.04.31<br>Ex 39.06.51<br>Ex 40.09.01<br>to<br>Ex 40.09.09<br>Ex 62.05.19<br>Ex 73.11.37<br>Ex 73.11.43<br>Ex 76.02.03 | Weatherseal (other than wholly of rubber). |
| Ex 39.01.69 | Condensation, polycondensation and polyaddition products, viz: polyethylene terephthalate film. |
| Ex 39.02.29 | Polymerisation and copolymerisation products in the form of liquids, pastes, solutions and emulsions, viz: P.C.R. 2 on declaration for use in the manufacture of rubber goods. |
| Ex 39.02.64<br>Ex 39.02.67<br>Ex 39.02.69 | Polymerisation and copolymerisation products, viz: cast polymethyl methacrylate (acrylic) sheet; polypropylene glass cloth laminate; polycarbonate sheet; acetal sheet; fluorocarbon sheet and film. |
| 39.04.11<br>39.04.19 | Hardened proteins, in blocks, lumps and similar bulk forms. |
| 39.07.67<br>70.15.00 | Clock and watch glasses curved, bent, hollowed and the like; glass spheres and segments of spheres of a kind used for the manufacture of clock and watch glasses and the like. |
| Ex 40.10.01<br>Ex 40.10.09 | Transmission, conveyor or elevator belts or belting, of vulcanised rubber, viz: Vee belts. |
| 40.11.01<br>to<br>40.11.03 | Pneumatic rubber tires, tire cases, inner tubes and tire flaps of sizes approved by the Minister (excluding cycle racing tires having the tube permanently enclosed in the outer casing; interchangeable tire treads; and metal cord tires). |
| 40.11.11 | Interchangeable tire treads. |
| 44.05.31<br>to<br>44.05.34<br>Ex 44.05.35<br>44.05.36<br>44.05.39 | Wood sawn lengthwise, sliced or peeled, but not further prepared, of a thickness exceeding 5 mm, of non-coniferous species (excluding balsa wood). |
| Ex 44.22.02 | Casks and barrels, unassembled, suited for packing meat products, whether or not including hoops, viz: hard fir casks only. |
| Ex 44.25.04 | Wooden tool handles, viz: shovel and similar handles, double bent or Ames pattern; spade handles, double bent type; other tool handles of wood (excluding file, knife, and lawnmower, broom, mop, hoe, rake, and similar handles). |
| 46.02.01<br>46.02.09 | Plaiting materials bound together in parallel strands or woven, in sheet form, including matting mats and screens; straw envelopes for bottles. |
| Ex 48.03.05<br>Ex 48.03.09 | Glassine paper (excluding tracing paper). |
| Ex 43.21.09 | Articles of paper pulp, paper, paperboard or cellulose wadding, viz: recording dials and sheets and rolls for self-recording apparatus. |
| Ex 51.02.19 | Nylon monofilament sewing thread. |
| Ex 58.07.02 | Chenille yarn, gimped yarn, viz: piping on declaration for use in the manufacture of rubber goods. |
| Ex 59.01.09 | Cotton flock on declaration for use in the manufacture of rubber goods. |
| Ex 59.07.18<br>59.07.19 | Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books. |
| 62.03.02<br>62.03.09 | Sacks and bags, of a kind used for the packing of goods. |
| 67.03.00 | Human hair, dressed, thinned, bleached or otherwise worked; wool or other animal hair prepared for use in making wigs and the like. |
| 68.13.05<br>68.13.09 | Fabricated asbestos and articles thereof, reinforced or not, other than goods falling within Tariff heading No. 68.14; mixtures with a basis of asbestos and mixtures with a basis of asbestos and magnesium carbonate, and articles of such mixtures (excluding millboard and asbestos fabrics, clothing and footwear). |

| | |
|---|---|
| 70.04.01 to 70.04.09 Ex 70.05.00 70.06.01 70.06.09 | Cast, rolled, drawn or blown glass, in rectangles, not further worked than surface ground or polished (other than unworked drawn or blown clear glass sheets of 16.32 oz., 3/16 in., 7/32 in., 1/4 in.). |
| 73.09.01 73.09.09 | Universal plates of iron or steel. |
| Ex 73.10.10 Ex 73.10.20 | Bars and rods of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (excluding: wire rod of 2, 3, and 5 to 7 gauge in diameter; rounds (including deformed bars but excluding wire rods) 1/4 in. to 1½ in. diameter inclusive; flats, viz: 1 in. to 1¾ in. wide by 1/8 in. to ½ in. thick, and 2 in., 2½ in., 3 in., 3½ in., and 4 in. wide by 1/4 in. to ½ in. thick); hollow mining drill steel. |
| Ex 73.11.11 to Ex 73.11.49 | Angles, shapes and sections, of iron or steel, hot-rolled, forged, extruded, cold-formed or cold-finished (excluding: metal backed weatherseal; taper flange joists, viz: 3 in. by 2 in., 4 in. by 1¾ in., 4 in. by 2½ in.; equal angles, viz: 1 in. to 1½ in. by 3/16 in. and 1/4 in.; 1 in. to 2 in. by 1/8 in.; 2 in. by 3/16 in., 1/4 in., and 5/16 in.; 2½ in. by 1/4 in., 5/16 in., and 3/8 in.; 3 in. by 1/4 in., 5/16 in., and 3/8 in.; 3½ in. by 1/4 in., 5/16 in., 3/8 in.; channels, viz: 2 in. by 1 in.; 3 in. by 1½ in.; 4 in. by 2 in.; 5 in. by 2½ in.; unequal angles, viz: 3 in. by 2 in. by 1/4 in., 5/16 in., 3/8 in.; "Klip-lok" and similar roofing and decking; "Y" section fence standards and "Y" section for fabrication into fence standards); sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements. |
| Ex 73.12.01 to Ex 73.12.09 | Hoop and strip, of iron or steel, hot-rolled or cold-rolled (excluding: galvanised hoop and strips; "Klip-lok" and similar roofing and decking). |
| Ex 73.13.11 to Ex 73.13.29 73.13.32 to 73.13.39 73.13.42 to 73.13.49 Ex 73.13.54 to Ex 73.13.61 73.13.62 73.13.64 73.13.69 | Sheets and plates, of iron or steel, hot-rolled or cold-rolled (excluding: corrugated sheet iron; galvanised iron or steel sheet). |
| Ex 73.14.06 | Iron or steel wire, coated, but not insulated, viz: bead wire on declaration for use in tire manufacture. |
| Ex Tariff heading No. 73.15 | Alloy steel and high carbon steel of Tariff heading No. 73.15 in the forms specified in Tarriff heading No. 73.09 to 73.13 (excluding: stainless steel bars and rods, angles, shapes, and sections, universals, plates, sheets, hoop and strip; corrugated sheet iron; high carbon and alloy wire rod of 5 gauge to 7 gauge). |
| Ex 73.15.98 | Wire of alloy and high carbon steel, viz: bronze coated alloy steel wire on declaration for use in tire manufacture. |
| Ex 73.40.99 Ex 76.16.99 | Metatarsal pads. |
| Ex 73.40.99 | Other articles of iron or steel, viz: bead nipples on declaration for use in tire manufacture. |
| Ex 76.16.99 | Other articles of aluminum, viz: metal neck bands on declaration for use in the manufacture of hot water bottles. |
| 79.02.01 to 79.02.09 | Wrought bars, rods, angles, shapes and sections, of zinc; zinc wire. |
| 79.03.11 to 79.03.14 | Wrought plates, sheets and strip, of zinc; zinc foil. |
| 79.04.00 | Tubes and pipes and blanks therefor, of zinc; hollow bars, and tube and pipe fittings of zinc. |
| Ex 73.21.09 Ex 76.08.09 Ex 79.05.00 | Scaffolding fittings of metal. |
| Ex 73.27.05 Ex 73.27.09 | Stainless steel woven wire cloth of 0-17½ s.w.g. |
| 83.05.01 Ex 83.05.09 | Letter clips, paper clips, staples, indexing tags, and similar stationery goods, of base metal (excluding: fittings for loose-leaf binders, for files or for stationery books, of base metal; paper clips constructed solely of wire up to a maximum thickness of 20 s.w.g. |
| Ex 83.07.09 | Liquid fuel pressure lanterns and parts thereof. |
| 84.06.21 to 84.06.24 | Marine internal combustion piston engines. |
| 84.06.25 84.06.37 | Internal combustion piston engines and other parts thereof, suited for use on cycles, when declared that they will be so used. |
| 84.06.26 Ex 84.06.38 | Internal combustion piston engines and other parts thereof (excluding valves), suited for use on tractors, when declared that they will be so used. |
| 84.06.29 | Other kinds of internal combustion piston engines. |
| 84.08.30 | Other engines and motors (excluding internal combustion piston engines, hydraulic engines and motors, aircraft engines, and gas turbines). |
| 84.37.01 84.37.02 | Knitting machines. |
| 84.41.01 84.41.02 | Sewing machines, domestic. |
| Ex 84.52.01 Ex 84.52.09 Ex 84.53.00 | Electronic data processing machines or systems designed to accommodate a stored programme of sufficient capacity to enable a variety of processing operations to be carried out; auxiliary or peripheral units designed to be connected to the central processing unit of the above machines or systems either directly or through another auxiliary or peripheral unit but not including ancillary equipment used in conjunction with but not connected to the above machines, systems or units. |
| 84.61.01 | Valves, and parts therefor, for pneumatic tires and tubes. |
| 84.65.01 | Lubricators, grease cups, grease nipples. |
| 85.05.01 85.05.02 85.05.04 85.05.05 Ex 85.05.06 Ex 85.05.09 | Tools and parts thereof for working in the hand, with self-contained electric motor (excluding concrete vibrators and chain saws). |

## SCHEDULE 1

**Goods Classified under Certain Tariff Items**

| Tariff Item | Description |
|---|---|
| 85.10.01 | Portable electric battery and magneto lamps specially designed for use as miners' safety lamps, and parts thereof. |
| 85.10.03 | Portable electric battery and magneto lamps, other than lamps falling within Tariff heading No. 85.09, viz: flashlights or torches. |
| 85.21.01 to 85.21.08, 85.21.12 | Thermionic, cold cathode, and photo-cathode valves and tubes and parts thereof; photocells; mounted transistors and similar mounted devices incorporating semi-conductors; mounted piezo-electric crystals (excluding television picture tubes and parts thereof). |
| 85.23.27 | Lacquer or enamel insulated electric wire or cable. |
| 90.26.11, 90.26.19 | Electricity supply or production meters. |
| Ex 90.28.00 | Electrical measuring, checking, analysing or automatically controlling instruments and apparatus (excluding echosounding and ultrasonic sounding or detecting equipment and photographic exposure meters). |
| 92.01.01, 92.01.09 | Pianos; harpsichords and other keyboard stringed instruments; harps but not including aeolian harps. |
| 92.02.01 to 92.02.19 | Other string musical instruments. |
| 92.03.09 | Reed organs, including harmoniums and the like. |
| 92.04.01, 92.04.09 | Accordions, concertinas and similar musical instruments; mouth organs. |
| 92.05.00 | Other wind musical instruments. |
| 92.06.00 | Percussion musical instruments. |
| Ex 92.07.09 | Electro-magnetic, electrostatic, electronic and similar musical instruments, (excluding electronic and electrostatic and electromagnetic organs and electric guitars). |
| 92.08.01, 92.08.02, 92.08.09 | Musical instruments not falling within any other heading of Tariff chapter 92; mechanical singing birds; decoy calls and effects of all kinds; mouth-blown sound signalling instruments. |
| 92.10.02 to 92.10.04 | Metronomes and tuning forks. |
| 92.11.01, 92.13.02 | Office dictating machines and reproducers ancillary thereto (including parts and accessories peculiar thereto) as may be approved by the Minister and under such conditions as he may prescribe. |
| Ex 94.02.01, Ex 94.02.09 | Surgical operating tables; dentists' chairs with mechanical elevating, rotating and reclining movements; parts of the foregoing articles. |
| Ex 97.06.19 | Skis (other than water skis), ski sticks, and parts thereof. |
| Ex 98.03.01, 98.03.03 to 98.03.06, Ex 98.03.19, 98.04.01, 98.04.09 | Fountain pens, stylograph pens and pencils and other pens (excluding ball point pens and pencils and marking pens and like appliances incorporating felt wick or similar type applicators), pen-holders, pencil-holders and similar holders, propelling pencils and sliding pencils; parts and fittings thereof (other than of ball point pens and pencils); pen nibs and pen points. |
| 98.05.01 to 98.05.05, 98.05.07 to 98.05.12, 98.05.14 to 98.05.19 | Pencils (excluding ball point, propelling and sliding pencils), pencil leads, slate pencils, crayons and pastels (excluding sheep marking crayons and pastels), drawing charcoals and writing and drawing chalks (excluding school chalks); tailors' chalks and billiards chalks. |
| Ex 98.06.00 | Slates and boards, with writing or drawing surfaces, whether framed or not (excluding blackboards). |
| 98.07.01, 98.07.09 | Date, sealing or numbering stamps, and the like, designed for operating in the hand; hand-operated composing sticks and hand printing sets incorporating such composing sticks. |
| 98.09.00 | Sealing wax in sticks, cakes or similar forms; copying pastes with a basis of gelatin, whether or not on a paper or textile backing. |

## SCHEDULE II

**General Classes of Goods**

Air rifles and air pistols.

Beads (excluding those of imitation pearl), pierced or unpierced, on declaration that they will be used only in the manufacture of imitation jewellery.

Blanks for making cake servers, other than such blanks of stainless steel or brass.

Burners, radiants and other parts of lamps, gas fires and stoves, of ceramic materials.

Drawing pins.

Elastic, knitted, with overlocked edges, when declared by a manufacturer for use by him only in making surgical corsets.

Feathered dart flights.

Ferro-cerium and other pyrophoric alloys, prepared for use.

Flower seeds of a kind used for sowing, other than in retail packs.

Ink-pads.

Ornaments (other than of plastic), on declaration that they will be used only in the manufacture of footwear.

Peat (including peat litter), whether or not agglomerated (other than articles thereof).

Ski boots.

Stamp hinges.

Tin foil of a weight (excluding any backing) not exceeding 1 kg. per sq. m., neither printed nor embossed.

Tree seeds, of a kind used for sowing.

Vegetable seeds of a kind used for sowing, other than in retail packs.

Waste paper and paperboard (other than paper wool); scrap articles of paper or of paperboard, fit only for use in paper making.

# Trade Commissioners on Tour

## In Canada

If you wish to meet the officers whose itineraries are listed below, get in touch with—

In Ottawa—
Department of Industry, Trade and Commerce

In St. John's, Halifax, Montreal, Winnipeg, Regina, Edmonton, Vancouver—
Regional Office, Department of Industry, Trade and Commerce

In Toronto—
Canadian Manufacturers Association

In Windsor, Ontario—
Greater Windsor Industrial Commission

In Fredericton, New Brunswick—
Department of Industry

In all other centers—
Board of Trade or Chamber of Commerce

**Germany**
H. Vogel, Commercial Officer in Duesseldorf:
Toronto: November 20–26
Halifax: November 27–28
Saint John: December 1
Montreal: December 3–5

**Pakistan**
J. E. G. Gibson, Commercial Secretary in Islamabad:
Montreal: December 8-10
Toronto: December 11-12

## Temporary Duty in Ottawa

Trade Commissioners on temporary duty in Ottawa may be contacted through the Trade Commissioner Service, phone 992-9930 (area code 613).

**M. A. Brault**
Assistant Trade Commissioner
Johannesburg, South Africa
February 1–7

**J. E. G. Gibson**
Commercial Secretary
Islamabad, Pakistan
December 1-5

**G. M. Wansbrough**
Assistant Commercial Secretary
Tokyo, Japan
December 8–12

## In Territory

Businessmen who would like Trade Commissioners to undertake assignments for them should write to the post as soon as possible.

**Bolivia**
M. R. Bell, Commercial Secretary in Lima, Peru, will visit La Paz early in December.

**Bulgaria, Hungary, Romania**
Trade Commissioners in the Vienna, Austria, office make frequent visits to these countries, but often there is not time to publish their itineraries in advance. Therefore, Canadian businessmen who would like the Trade Commissioners to undertake assignments for them in these East European countries are advised to write to the Vienna office immediately.

**Colombia**
J. A. Elliott, Commercial Secretary in Bogota, will visit Cali and Medellin November 24–28 and Cartagena, Barranquilla and Santa Marta January 26–30.

**Costa Rica**
A. L. Lyons, Assistant Commercial Secretary in Guatemala City, will visit Costa Rica February 2-7.

**Cuba**
T. F. Harris, Commercial Counsellor, and A. D. McArthur, Assistant Commercial Secretary, in Mexico City will visit Cuba November 24-December 1.

**Cyprus**
An officer from the Tel Aviv, Israel, office will visit Cyprus every month for at least three days, usually in the second half of the month.

**El Salvador**
Officers of the Guatemala City office will visit El Salvador as follows:

S. G. Tregaskes, Commercial Counsellor, November 24-29.

J. D. Tennant, Assistant Commercial Secretary, March 16-20.

**Guyana**
Officers of the Port-of-Spain, Trinidad, office will visit Guyana as follows:

D. Hobson-Garcia, Commercial Officer, December 1-5.

J. M. C. Lavoie, Assistant Commercial Secretary, January 26-30.

D. J. McJanet, Commercial Secretary, February 16-20.

D. Hobson-Garcia, Commercial Officer, March 16-20.

**Honduras**
S. G. Tregaskes, Commercial Counsellor in Port-of-Spain, Trinidad, will visit Honduras February 23-28.

**Indo-China**
M. Lemieux, Assistant Trade Commissioner in Hong Kong, will visit South Vietnam November 22-December 1, and Cambodia December 1-6.

**Nicaragua**
Officers of the Guatemala City office will visit Nicaragua as follows:

S. G. Tregaskes, Commercial Counsellor, November 24-29.

W. Kuhn, Commercial Officer, January 26-31.

**Pakistan**
M.H. Jafri, Commercial Officer in Islamabad, will visit Karachi December 15-19.

**Panama**
Officers of the Guatemala City office will visit Panama as follows:

A. L. Lyons, Assistant Commercial Secretary, November 30-December 6.

S. G. Tregaskes, Commercial Counsellor, January 11-15.

**Trinidad**
Officers of the Port-of-Spain office will visit North and South Trinidad as follows:

North Trinidad
J. M. C. Lavoie, Assistant Commercial Secretary, December 2.

D. J. McJanet, Commercial Secretary, February 25.

South Trinidad
J. M. C. Lavoie, Assistant Commercial Secretary, November 27.

J. A. Ahow, Commercial Officer, March 25.

# Foreign Exchange Rates

These nominal quotations may help exporters in checking prices. but they should consult their banks before making any firm commitments. When more than one rate is shown, the one to be used depends on the commodity traded. Information on the rate for any specific commodity may be obtained from the Office of Area Relations, Department of Industry, Trade and Commerce, Ottawa.

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

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

**For conversion of column one to the U.S. dollar equivalent, *multiply* by .92.** **To convert column two, *divide* by .92.**

| Country and Currency | Value of foreign currency unit in Canadian dollars at November 7 | Canadian dollar in foreign currency units |
|---|---|---|
| **Algeria** | | |
| Dinar | .1946 | 5.13 |
| **Argentina** | | |
| Peso (free) | .0030 | 333.33 |
| **Australia** | | |
| Dollar | 1.204 | .8340 |
| **Austria** | | |
| Schilling | .0415 | 24.03 |
| **Bahamas** | | |
| Dollar | 1.054 | .94 |
| **Belgium and Luxembourg** | | |
| Franc | .0216 | 46.72 |
| **Bermuda** | | |
| Pound | 2.572 | .39 |
| **Bolivia** | | |
| Peso | .0906 | 11.06 |
| **Brazil** | | |
| Cruzeiro (official free) | .2563 | 3.90 |
| **Britain** | | |
| Pound | 2.580 | .38 |
| **British Honduras** | | |
| Dollar | .5380 | 1.80 |
| **Burma** | | |
| Kyat | .2259 | 4.42 |
| **Ceylon** | | |
| Rupee | .1811 | 5.52 |
| **Chile** | | |
| Escudo (bank rate) | .1097 | 9.11 |
| (free) | .0959 | 10.42 |
| **China, Republic of** | | |
| New Taiwan Dollar (official) | .027 | 37.04 |
| **Colombia** | | |
| Peso (fixed) | .062 | 15.87 |
| **Congo (Kinshasa)** | | |
| Zaire | 2.154 | .4651 |
| **Costa Rica** | | |
| Colon | .1627 | 6.14 |
| **Cuba**[1] | | |
| Peso | ..... | ..... |
| **Czechoslovakia** | | |
| Koruna | .1497 | 6.68 |
| **Denmark** | | |
| Krone | .1434 | 6.98 |
| **Dominican Republic** | | |
| Peso | 1.078 | .93 |
| **Ecuador** | | |
| Sucre (official) | .0599 | 16.72 |
| (free) | .0536 | 18.65 |
| **El Salvador** | | |
| Colon | .4304 | 2.32 |
| **Fiji** | | |
| Pound | 1.232 | .81 |
| **Finland** | | |
| Markka | .2567 | 3.89 |
| **France, Monaco, etc.**[2] | | |
| Franc | .1929 | 5.18 |
| **Franco-African Republics**[3] | | |
| Franc | .0039 | 256.4 |
| **French Pacific**[4] | | |
| Franc | .0107 | 93.44 |
| **Germany** | | |
| D Mark | .2917 | 3.42 |
| **Ghana** | | |
| New Cedi | 1.056 | .94 |
| **Greece** | | |
| Drachma | .0359 | 27.93 |
| **Guatemala** | | |
| Quetzal | 1.078 | .92 |
| **Guyana** | | |
| Dollar | .5395 | 1.85 |
| **Haiti** | | |
| Gourde | .2156 | 4.63 |
| **Honduras** | | |
| Lempira | .5391 | 1.85 |
| **Hong Kong** | | |
| Dollar | .1779 | 5.62 |
| **Hungary** | | |
| Forint (official) | .0921 | 10.85 |
| **Iceland** | | |
| Krona (official) | .0122 | 81.96 |
| **India** | | |
| Rupee | .1421 | 7.03 |
| **Indonesia**[5] | | |
| Rupiah | ..... | ..... |

| Country and Currency | Value of foreign currency unit in Canadian dollars at November 7 | Canadian dollar in foreign currency units |
|---|---|---|
| **Iran** Rial | .0142 | 70.42 |
| **Iraq** Dinar | 3.021 | .33 |
| **Ireland** Pound | 2.572 | .38 |
| **Israel** Pound | .3083 | 3.25 |
| **Italy** Lira | .0017 | 588.23 |
| **Jamaica** Dollar | 1.286 | .77 |
| **Japan** Yen | .0030 | 333.33 |
| **Kenya** Shilling | .1526 | 6.55 |
| **Lebanoo** Pound (free) | .3345 | 2.99 |
| **Malaysia** Dollar | .3515 | 2.84 |
| **Mexico** Peso | .0863 | 11.60 |
| **Morocco** Dirham | .2222 | 4.50 |
| **Netherlands** Florin | .2980 | 3.35 |
| **Netherlands Antilles** Florin | .5722 | 1.75 |
| **New Zealand** Dollar | 1.204 | .82 |
| **Nlcaragua** Cordoba | .1542 | 6.50 |
| **Nigeria** Pound | 3.017 | .33 |
| **Norway** Krone | .1508 | 6.63 |
| **Pakistan** Rupee | .2266 | 4.42 |
| **Panama** Balboa | 1.079 | .92 |
| **Paraguay** Guarani (free) | .0086 | 116.28 |
| **Peru** Sol (free) | .0248 | 40.65 |
| **Philippines** Peso (free) | .2748 | 3.63 |
| **Poland** Zloty (fixed basic rate) | .2700 | 3.71 |
| **Portugal & Colonies**[6] Escudo | .0375 | 26.66 |
| **Saudi Arabia** Riyal | .2066 | 4.84 |
| **Sierra Leone** Leone | 1.502 | .66 |
| **Singapore** Dollar | .3525 | 2.85 |
| **South Africa** Rand | 1.502 | .66 |
| **Spain & Dependencies** Peseta | .0155 | 64.93 |
| **Sweden** Krona | .2083 | 4.80 |
| **Switzerland** Franc | .2479 | 4.03 |
| **Syria** Pound (free) | .2819 | 3.55 |
| **Thailand** Baht (free) | .0523 | 19.15 |
| **Trinidad & Tobago**[7] Dollar | .5392 | 1.85 |
| **Tunisia** Dinar | 2.055 | .48 |
| **Turkey** Lira | .1199 | 8.35 |
| **United Arab Republic** Pound (official) | 2.482 | .40 |
| **United States** Dollar | 1.078 | .92 |
| **Uruguay** Peso (free) | .0043 | 232.56 |
| **Venezuela** Bolivar (official free) | .2405 | 4.17 |
| **Yugoslavia** Dinar (official) | .0863 | 11.61 |

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

2. Franc is also used in French Guiana, Guadeloupe and Martinique.

3. Chad, Central African Republic, Congo (Brazzaville), Dahomey, Gabon, Ivory Coast, Islamic Republic of Mauretania, Niger, Senegal, Upper Volta, Cameroons, Togoland, and Malagasy. Also Reunion, Comoro Islands, St. Pierre and Miquelon.

4. New Caledonia, New Hebrides, French Polynesia.

5. Because of the complexity of the Indonesian exchange rate system, it is impractical to quote a single representative rate for the rupiah.

6. Approximately same rate for Portuguese territories in Africa.

7. Also used in Barbados, Leeward and Windward Islands.

# Marketing Data Sheet

## Britain

**Area**
94,214 square miles.

**Climate**
Mean average temperature is 10.3 C. Centigrade scale is used.

**Population**
In 1967, the total population was 55.1 million. The number of males 35 and over was 12.6 million; 25 to 34, 3.4 million; 15 to 24, 4.2 million. The number of females 35 and over was 14.7 million; 25 to 34, 3.3 million; 15 to 24, 4.0 million.

**Households**
In 1967, there were 16.2 million households.

**Income**
Total personal income in 1967 was £33,435 million; per capita income £607.4. Average weekly earnings for males over 21 were £20 19s 6d.

**Retail Sales**
Retail sales in 1967 totalled £11,791 million. Retail sales per capita were £214 12s 0d.

**Motor Vehicles**
In 1966, there were 9.5 million passenger cars, 1.6 million commercial vehicles and 1.5 million motorcycles and scooters.

**Telephones**
Some 25 per cent of households had telephones in 1967.

**Radio and Television**
Virtually every household has a radio and 88 per cent of households have a television set. Radio is publicly owned and television (405 and 620 lines) is both publicly and privately owned. In 1968, some 12.8 million television licences and 18.0 million television and radio licences were issued.

**Water Supply**
Safe to drink. Average pressure is 30 feet. Mineral content and hardness vary from very soft to very hard. In London the water is very hard.

**Electric Power**
Fifty cycle a.c. 220/460 volts, domestic and commercial two-phase, industrial three-phase. Frequency stability ± .01 per cent. A grounding conductor for appliances is not mandatory but it is safer. The distribution system has a ground wire. The public utilities have 15 million domestic customers, 1.4 million commercial customers, and 480,000 industrial customers. National capacity is 150 million kwh.

**Coal**
All types are available. For complete details write to the National Coal Board, Hobart House, Grosvenor Place, London, S.W.1, England. In 1968, consumption was 164.4 million long tons. Based on present technology and known deposits, present coal deposits are sufficient for 50 years.

**Gas**
Coal gas, natural gas, butane and propane.

**Petroleum Products**
All grades are available.

**Weights and Measures**
Scientific use is mostly metric. Surveying and bulk measurement are the same as in North America with the exception of liquids which are measured in imperial units. Within the next five years most of these measurements will be metric. For metrication in the construction industry see *Foreign Trade*, November 9, 1968.

**Screw Thread**
Metric, Whitworth, North American SAE, left or right hand are all used. However, everything is going metric over the next five years.

**Standards**
Official approval is mandatory for all appliances. Write to the British Standards Institution, Park Street, London, W.1, England.

# Stately Home not so stately - - but much more comfortable

—Daily Telegraph photo

This attractive timber frame house belongs to the Duke of Westminster and was erected recently on his 11,000-acre estate near Chester, England. It's built of CLS hemlock, sheathed with Douglas fir plywood, and clad with Western red cedar.

Faced with high costs of maintaining his 100-bedroom ancestral Gothic castle, the Duke opted for comfort and economy by demolishing the palace and replacing it with this Canadian-style home. Some four years ago a golf clubhouse in the same timber-frame style was built and with weathering has come to fit harmoniously into the Cheshire countryside. This influenced the ducal decision about his new home.

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