foreign trade

Department of Industry, Trade and Commerce, Canada

Greece Moves Forward

Oil Equipment Markets

Snowmobiles

November 7/70

Back on the Job

This morning I returned to the *Foreign Trade* office from Switzerland to find this November 7 issue on the point of going to press. Like all returning travellers, I find it hard to believe that my six-month secondment to the GATT/UNCTAD International Trade Center was not just a dream. One of these days, however, I expect to have proof of its reality when I receive a draft copy of "Getting Started in Export Trade", a manual for exporters in the developing countries, which I prepared, and also of "Researching Export Markets", a handbook on how to make a preliminary study of the market in a foreign country, in which I assisted a Swiss marketing consultant. I hope that, when these studies are approved and published, they will prove useful. I am certain of one thing—that I broadened my own knowledge of export marketing, and especially of sources of marketing information, considerably.

Some of this knowledge I absorbed when I listened in on lectures given as part of a three-month course organized by the Training Division of the Center and attended by 19 students from four Southeast Asian countries—Singapore, Taiwan, South Korea, and Thailand. These particular lectures, on sales promotion and advertising, were given by a knowledgable and witty Frenchman, who is on the staff of a Paris advertising agency and who also lectures at the Sorbonne. Each year he comes to Geneva for two or three days at a time and lectures to the trainees because he believes in the work that the Center is doing. In July he also travelled to Abidjan, Ivory Coast, to take part in an export symposium there, one of ten that the Center is sponsoring in various areas this year.

The participants in the Southeast Asian course struck me as a lively and interesting group. They were all carefully selected, as they are for all the courses, by Trade Center representatives working in the field and were required to do some preliminary assignments before coming to Geneva. Of the 19, fourteen were in government service and five were in private business. Four of these five came from Singapore and their keenness and ability augur well for Singapore's commercial future. One of the 19 was a woman, a diminutive and attractive Thai, who is an economist with the Board of Export Promotion in Bangkok.

One of the interesting and practical aspects of these courses—to which some of our own Trade Commissioners abroad sometimes lecture—is the stress on the practical aspects of marketing. Much of the time is devoted to decision-making, based on the case-study method and "business games". For a time I shared an office with a professor of business administration from University College, Dublin, who was spending the summer vacation taking charge of this part of the course. In addition, each course member must do some first-hand market research in one or two Western European cities on a product that his country exports or wishes to export. Products chosen by this group included wigs (Korea), Christmas lights (Taiwan), shellac (Thailand), and canned pineapple (Singapore). After several weeks of lectures, the group scattered to London, Paris, Amsterdam, Hamburg, etc., to do their research. Even before they had left another group arrived, this time from Peru, Ecuador, Bolivia, and Paraguay, for a course to be given in Spanish, one of the three languages (the others are English and French) in which the Center works.

These courses take place throughout the year and two or three often run at the same time; altogether ten will have taken place in Geneva by the end of the year. They are organized and administered by the Trade Center and financed by the UN Development Program. They are, of course, only one aspect of the work of the Center, which also carries out extensive market research studies for products of the developing countries, operates a Trade Promotion Advisory Service, and has a publishing program, including an export magazine and the preparation of handbooks on aspects of exporting such as packaging, design, and the use of trade fairs, and on the role of the freight forwarder in developing countries.

Exporters in what I learned to call the "industrially advanced" countries, such as Canada, want and need much the same sort of information as those in the developing countries—what to sell, where to sell it, how to sell it. This issue of *Foreign Trade* carries a number of articles of this type, discussing particular markets for heating and plumbing equipment, educational equipment, oil and gas equipment, and for snowmobiles. It will also fill you in on the current trading situation in Greece.

And so back to work—on the next issue.

O. Mary Hill

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Articles

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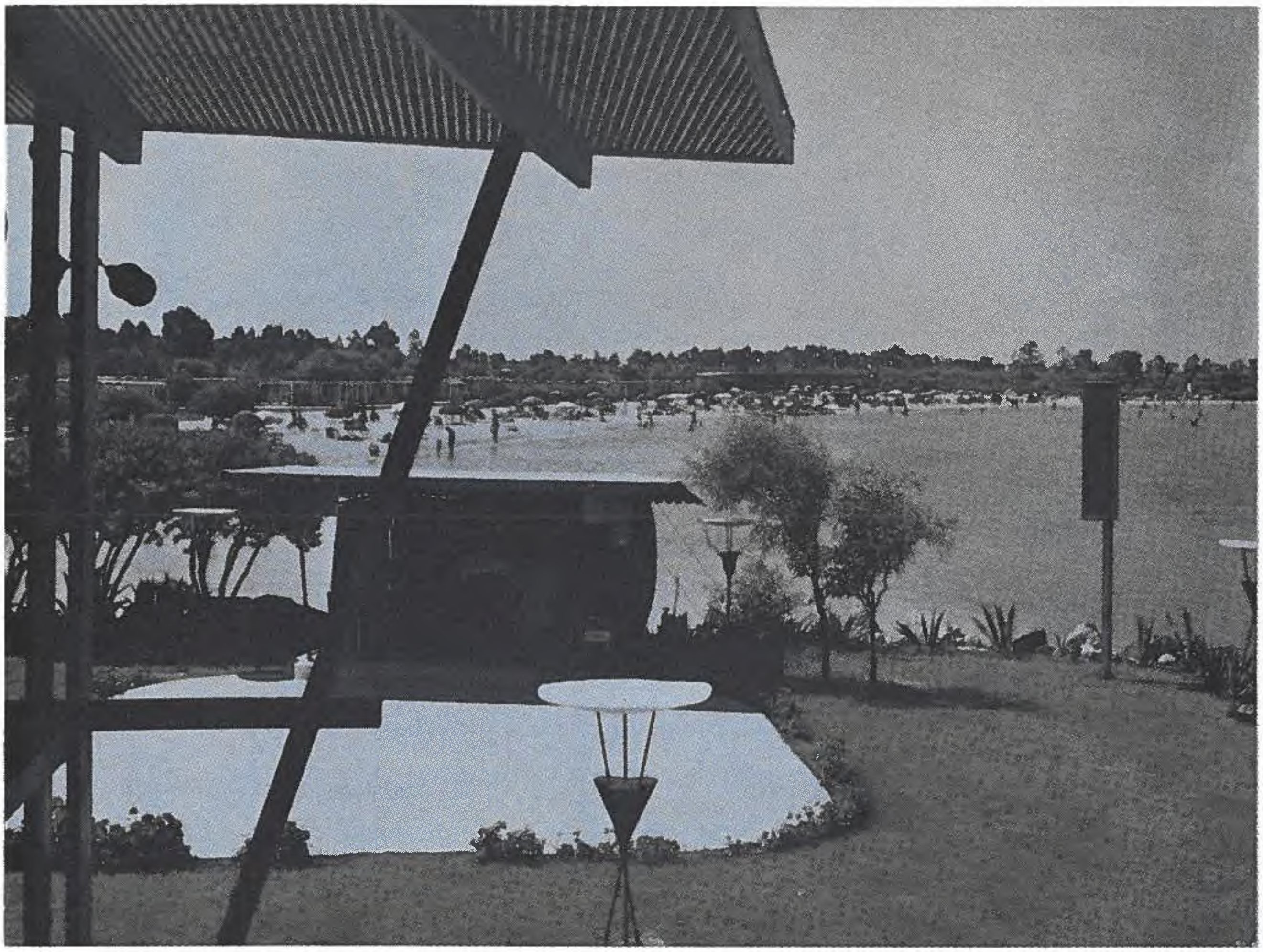
Greek Economy on the Upswing

A plan that works and vigorous activity in all sectors made 1969 a banner year, and indications point to continued expansion.



When the businessman needs a rest, there are always resorts like Glyfada (above), about half an hour by car from Athens.

P. D. DONOHUE
Commercial Secretary, Athens

In 1968, the Greek Ministry of Co-ordination published its Five Year Plan for the period 1968-72. Stated simply, the prime objective is to modernize the economy. The goals set down in the plan call for an annual growth rate of between 7.5 and 8.5 per cent, maintenance of monetary stability, increased productivity, and a change in the composition of production, investment and the balance of payments. Expansion of employment is also a major target, with improvement in income distribution.

In almost all activities of the economy, 1969 was a year of considerable expansion in Greece. A 14 per cent increase in exports was equalized by a similar increase in imports (see accompanying table). Though the Greek balance of trade leaves something to be desired, the traditional imbalance was offset by marked increases in other sources of foreign exchange revenue. Most notable are remittances from emigrants and Greeks working abroad, which totalled $268 million. Shipping remittances accounted for $242 million, and tourism receipts were estimated at $149.5 million. Without going into too much statistical detail, foreign exchange reserves remained almost constant, despite a continued unfavorable balance of trade approaching a ratio of almost three to one.

Statistics can be deceiving and it is important to note some of the more subtle changes in trading patterns. Industrial exports accounted for almost one third of Greece's export trade and have expanded almost 300 per cent over the last three years. This highlights one aspect of the Five Year Plan: diminishing reliance on an agricultural base with an expansion of the industrial base, meaning a more

Canadian exports to Greece increased last year by $1.4 million. Here a stevedore carries some Canadian seed potatoes ashore. This commodity was one of our major exports to Greece last year, reaching $851,000.

attractive balance in over all productivity.

Other indicators show a definite trend to an expanding and healthier economy. Active trading on the Athens Stock Exchange increased by almost 50 per cent in terms of shares traded. Liquidity of the economy (ratio of liquid assets held by public to disposable income) rose from 66.5 to 68.3 per cent over the previous year.

The Greek economy is most definitely proceeding at a rate consistent with the objectives and, at the same time, conducive to a steady rather than inflationary economic growth.

The two most significant areas of expansion in 1969 were industrial development (see *Foreign Trade*, October 10, 1970, page 21) and a rapidly developing infrastructure. As these affect Canadian interests, the former is not yet significant (but should be), and the latter is of considerable importance. One of the stated objectives of the Five Year Plan is the modernization of basic infrastructure, particularly in the field of public power, telecommunications, transportation and land development. The effort to achieve this goal has been relentless and it is in this area that Canadian companies have the greatest opportunity to assist in, and profit from, the rational and rapid expansion of the Greek economy.

Some Canadian firms have already exploited these opportunities, most notably Northern Electric (telecommunications), and S.N.C. Enterprises (hydro power development)—solid proof that with effort and fortitude it can be done.

Some examples of intended projects in this area, announced during 1969, are worth noting to illustrate the opportunities that exist: expansion of the Athens subway system, the Port of Piraeus, and the Athens airport, continued modernization and expansion of telephone and communications systems, construction of two (contracts already awarded) and possibly more thermal electric plants, and the exploitation of available hydro power. These are among the more important projects in the planning stage. Obviously the action is only beginning in this field, and Greece is coming up in the list of rapidly modernizing nations.

Worthy of note, and consistent with the Five Year Plan, is the planned expansion in the field of social services. Most important to Canada is the increased construction of educational (particularly vocational) training and medical centers. The following examples are indicative of the importance ascribed to this sector: construction of five hospitals with the total number of beds approaching 4,500, and the building of five vocational training schools in co-operation with the World Bank.

The balance of Greek international trade is highly unfavorable from the Greek point of view, with imports of almost $1.5 billion outstripping exports of slightly more than $0.5 billion—a ratio of almost three to one. Though offset by other sources of foreign exchange, this situation forces Greek purchasers, particularly the Government, to be very selective in their sources of supply.

Greek associate membership in the EEC is the prime factor determining its trading patterns. In fact, it is a stated objective of the Five Year Plan to fully adapt to economic conditions in the member countries of the EEC. Obviously the plan is being followed. Greek imports from EEC countries during 1969 exceeded $600 million, or almost three sevenths of its total imports (including foreign supplier credits). West Germany was the main

GREEK TRADE, BY MAJOR COMMODITY GROUP

Imports	U.S.$'000 1967	1968	1969
Foodstuffs	163,319	181,022	211,328
Raw materials	241,058	253,697	309,485
Fuels	89,227	104,964	106,936
Capital goods	302,690	325,427	390,203
Manufactured consumer goods	340,008	358,970	388,395
Unspecified (mostly freight)	13,061	12,740	12,138
Total	**1,149,363**	**1,236,820**	**1,418,485**

Exports	U.S.$'000 1967	1968	1969
Foodstuffs and beverages	148,364	150,456	150,939
Tobacco	124,955	104,553	94,084
Raw materials and semi-manufactured products	58,091	56,551	64,887
Ores and minerals	24,596	34,060	39,149
Petroleum products	2,558	9,716	4,521
Industrial and handicraft products	81,273	107,947	172,888
Other products (unspecified)	12,763	1,627	3,866
Total	**452,600**	**464,910**	**530,334**

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supplier ($270 million), followed by Italy ($143 million) and France ($88 million).

Of Greece's total exports, almost 40 per cent ($203 million) were destined to EEC customers. Germany was again the leader ($93 million) with France and Italy both purchasing goods in excess of $35 million each.

A most interesting and possibly unique aspect of Greek foreign trade, particularly for a "western" country, is its trade with the Eastern Bloc. Purchases from the Bloc totalled almost $100 million in 1969, and sales reached $84 million.

This trade is carried out under separate bilateral agreements on a "clearing account" basis. That is to say, the old system of trade by barter plays a very prominent role in this area of the world, and provides a very difficult form of competition. From the Greek point of view, it is an obvious method of conserving foreign exchange and, though it may be a less desirable way of doing business, the signs indicate it will expand until Greece establishes a sounder industrial base.

Greek trade with Canada is illustrative of her general trading pattern, but on a minor scale. Canadian sales to Greece in 1969 were valued at $10.3 million, and our purchases at $4.3 million. Major purchases by Canada from Greece included olives and olive products ($732,000), bentonite ($564,000), cheese ($442,000) and magnesia ($302,000).

Major components of Canadian sales to Greece were: telephone apparatus and parts ($2,739,000), wood pulp ($2,006,000), asbestos fiber ($1,207,000) and seed potatoes ($851,000). These figures make it appear that a few commodity areas dominate the Greek market as far as Canada is concerned. Yet DBS shows over 230 commodity classifications of Canadian sales to Greece. And this does not show sales of consulting services to infrastructure projects which, as we saw above, are extremely important to Greek economic expansion.

Approaching the Greek market is like approaching most foreign markets. Unless you have a marketing organization able to make frequent visits, a manufacturer's representative is the answer and there are several good ones in all fields.

Depending on the product, credit terms vary from letter of credit to cash against documents (most common). In some instances 90- to 180-day terms are required. For capital equipment, availability of financing is essential.

Wherever possible, quotations should be in U.S. dollars, c.i.f. port of entry.

The Greek Five Year Plan is a practical and logical approach to continuing expansion. The competition is varied and extremely keen, but there are opportunities to assist in the expansion of the Greek economy. The plan is not a "hit and miss" proposition, but a logical approach to developing a sound and viable economy within the European framework.

Perhaps Canadian companies have tended to ignore the potential of Greece, particularly in the larger context of the European market. A challenge indeed, but an opportunity rarely paralleled in today's modern trading world.

Turning on the Heat in Greece

The Canadian share of the Greek heating and plumbing markets is small, but the opportunities are there and the requirements are increasing.

GEORGE BASTOUNIS, Commercial Officer, Athens

The Greek climate being what it is —warm and dry throughout the greater part of the year, with temperatures seldom falling below freezing—the heating of buildings is not such a problem as it is in some other parts of the world. A form of heating, however, is essential and modern systems are now being installed in most new construction. Air conditioning is necessary also for comfortable living and working conditions during the long summer.

Apartment buildings are usually from five to eight storeys high, with 20 to 25 apartments of three or four rooms each. By far the most common fuel for heating is oil, of which two kinds are used: diesel and a heavy oil called mazout, which corresponds to the North American No. 6 fuel oil. Mazout, because it costs about half what diesel oil costs, is more widely used. Other forms of heating using electricity and liquefied and natural gas are used, but costs are much higher than for oil.

Greece imported $1.8 million worth of oil burners in 1968, a figure which jumped to $2.1 million last year. Principal suppliers were Italy and the U.S., followed by West Germany, Switzerland, Austria, the Netherlands and Canada. Oil burners using mazout fuel come almost exclusively from European sources. Also imported, because they are not made in Greece, are circulating pumps and controls and their components such as transformers and motors.

Modernization of the economy also extends to the countryside and (opposite page) a village group in northern Greece get together outside a local taverna to discuss plans and progress.

Statistics for pumps are not easily obtained because they are included under the category "pumps specially designed with other machines", but under this category there were imports of $1.4 million and $1.7 million respectively for 1968 and 1969. The Canadian share was $10,439 and $3,338 for the two years.

The Government is studying a plan to revitalize the gas industry. There are no natural gas resources in Greece and imported coking coal and crude oil are used as sources. Two years ago a feasibility study was undertaken on the use and expansion of present city gas facilities. According to the report the project would cost around $40 million. Another solution would be the use of butane gas from existing or soon to be established oil refineries in the Athens and Salonica areas. At present only Athens has an operating gas works.

Hospitals, schools, hotels and office blocks also require heating and are areas worth investigating by the Canadian businessman. For instance, there are several major hotel and tourist projects coming up in the Athens area and in other places that need foreign expertise and equipment in the heating and plumbing field.

As a result of the construction boom, the sanitaryware and plumbing field is flourishing. Although most of the plumbing, sanitary ware and bathroom fixtures and accessories are now made in Greece, imports continue to cover a considerable portion of the market. Sanitaryware dealers maintain luxury showrooms for the sale of their products, some of whom also handle part of the oil burner and circulating pump business.

All kinds of pipes are made in Greece, but considerable quantities of steel pipe fittings and cast iron pipes are imported.

Bathtubs, wash basins and related bathroom fixtures are mainly imported from Eastern Europe, Italy and West Germany. American Standard Inc., which has a branch plant near Athens, is rapidly gaining ground in the field of porcelain bathroom fixtures and water flushers. Preference is given to European suppliers, as North American firms do not produce the whole set of fixtures used in Greece, particularly the bidet.

Taps, faucets, valves and related items are imported from Italy and other Western European countries, mainly because of their design. Imports of these reached $4.8 million in 1969. Canada exported to Greece $1,092 of plumbing fixtures and plumbing brass in 1968 and $1,183 in 1969.

To get established, the Greek market requires more effort and patience than other larger markets. Competition is strong because of the large number of suppliers involved, and successful penetration requires alert distributors, attractive prices, plus credit facilities and advertising. A great portion of the oil burner and pump business is handled by the Greek boiler manufacturers, who represent foreign suppliers and import directly to cover their requirements. Some form of association with these manufacturers is advisable. Worth contacting are the engineers who compile the central heating installation studies, the contractors, installers, importers, and the manufacturers of custom-built air conditioning and heating units.

For additional information and potential contacts, interested Canadian firms should write direct to the Commercial Secretary, Canadian Embassy, 4 Chennadiou Street, Athens 140, Greece.

Your Business Visit to Chile

JAMES D. LEACH, Assistant Commercial Secretary, Santiago

Stretching for nearly 2,700 miles in a ribbon of land along the west coast of South America, Chile is a country of spectacular geographical contrasts. The north embraces what is believed to be the most arid desert in the world and is the region of the nitrate fields and copper mines. The middle is the agricultural and industrial area where most of the population is concentrated and most of the principal cities are located. The south is a labyrinth of islands, glaciers, inlets and fiords and is noted for sheep ranching and petroleum deposits. To the west lies the Pacific Ocean; to the east, separating Chile from its neighbours, are the highest mountains in the Western Hemisphere.

Each year an increasing number of Canadian businessmen discover Chile and the sales opportunities which it holds. Some have travelled with organized tours and missions; others have included a stop-over in Santiago on their South American itinerary; many have visited Chile on their own to establish personal contacts and to assess the potential market at first hand. If you are considering travelling to Chile this year, here is some practical information to assist you in planning your trip.

By contacting the Commercial Division of the Canadian Embassy in Santiago as early as possible, you will be able to ensure that the time you spend in Chile will be most productive. If you advise us of the purpose of your trip and provide us with some promotional literature and details of your product, we will prepare a tentative schedule for you and arrange suitable appointments which you can confirm upon your arrival. Be sure to send everything by airmail. On more than one occasion we have received brochures and technical data by seamail two months after the businessman's visit.

In addition, we will send you a copy of our guide to doing business in Chile. This booklet offers the Canadian businessman a fairly comprehensive look at Chile, its economy and foreign trade, and an outline of the customs and exchange regulations. It also includes a chapter on methods of doing business here, a map of downtown Santiago, and some advice on how to obtain a good meal in restaurants where English is not spoken and a number of the items on the menu may be unique to Chile.

To enter Chile you will require a valid passport and a certificate of vaccination against smallpox. An exit visa is only necessary if one intends to stay in the country for more than 90 days. Some businessmen also pack a small Spanish phrasebook in their briefcases.

If you have time to read a little about Chile before departing, you may find the following helpful and informative: *South American Handbook* and *Fodor's Guide to South America* are designed for travellers and contain a great deal of useful information on the countries of Latin America. You should also refer to recent articles published in *Foreign Trade*: "Chile" (March 28, 1970) and "Markets in Brief—Chile" (March 29, 1969).

In spite of the attraction of heading south after Christmas to escape the Canadian winter, you should avoid planning your visit for January or February. During this period most Chileans take their annual vacations

and suitable appointments are often very difficult to obtain.

Because of the geography of the country, Chile's climate varies from the subtropical desert in the north to the cold tundras of the far south. Santiago and environs enjoy a climate similar to that of northern California. During summer (December to March) it is often quite warm and you may find anything other than lightweight summer clothing most uncomfortable. Winter weather is generally damp and chilly; nevertheless, a raincoat or topcoat will likely prove to be more serviceable than a heavy overcoat.

Since Santiago is the headquarters for most of the major commercial, industrial, mining and distributing enterprises, most businessmen are able to do all their business without leaving the city. Therefore, try to arrange to spend an extra day or two—a weekend ideally—sightseeing, including a trip to the coast.

Your choice of airline depends on your complete itinerary if you are planning other stops en route. However, C.P. Air provides two flights weekly from Vancouver and one from Montreal/Toronto/Windsor. The return air fare from Toronto to Santiago is $678 economy and from Vancouver $848 economy. Braniff, Lufthansa and LAN Chile also offer more than ten flights each week from New York. In addition, other airlines including Aerolineas Argentinas, APSA, Avianca, Ecuatoriana, Varig, Alitalia, Iberia, KLM, British United, Air France, SAS and Swissair service Santiago from points within Latin America.

It must be realized that it is an exceedingly long flight from Canada to Chile. If you attempt the trip nonstop you may end up spending a full day just recovering.

Although Santiago has an estimated population of nearly three million, there is a definite shortage of good hotel accommodation. Most visitors prefer the Hotel Carrera-Sheraton, the Hotel El Conquistador and the Hotel Crillon which are modern and centrally located in the heart of the business-shopping-entertainment district. As all three enjoy a very high occupancy rate, you are advised to make your reservation as early as possible. Room rates range from about $15 to $20 per day single and $20 to $25 double. Make your reservations through your travel agent, or contact us as soon as your dates are confirmed.

Eating out in Santiago can be quite expensive, so allow at least $15 per day for meals. Although hotel and restaurant bills include a service charge, a moderate additional tip of 5 per cent is customary.

Water in Santiago is safe for drinking. Foods and beverages are generally perfectly safe as well, but one should exercise some caution in the selection of restaurants. Our Guide for Doing Business in Chile recommends a large number of excellent places to dine. Occasionally, visitors suffer an intestinal upset known as Chile-itis in Santiago and by other colorful names in different parts of Latin America. You might be wise to pack a box of Entero-Vioform or some similar preparations just in case.

Taxis are plentiful in Santiago and easily recognized as all are black with yellow roofs. Many were used cars before the writer was born, while others are the latest models. A tip is not expected and you need pay only the amount showing on the meter; after 11 p.m. and on Sundays and holidays, however, a 50 per cent surcharge is added. Taxi drivers do not understand English and unless you are travelling to a well-known landmark, you are advised to write out the address of your calls, in advance. Some taxis can also be hired by the hour or the day.

Although rental cars are available, driving in Santiago can be a hair-raising experience. The heavy traffic

Copper is king in Chile. One of the world's leading exporters of copper, the country depends on the export earnings from mining. This, the world's largest open pit copper mine, is situated in the northern part of the country.

and parking problems in the downtown area make it impractical for a visitor—even one familiar with the city—to drive himself. Furthermore, rental cars are exceedingly costly.

Santiago's international airport is located at Pudahuel, 12 miles from downtown. There are no airport buses operating between the airport and center of the city. Taxis are always available, however, and the ride from Pudahuel to your hotel will cost the equivalent of about $5. Baggage handlers should be tipped E°2 per bag. An airport tax is payable upon departure from Chile and so you are advised to keep enough local currency to pay this charge. At the time of writing the tax was E°25 but you should check with your airline when reconfirming your departure flight as prices change regularly in Chile.

If your business or pleasure takes you out of the city of Santiago, you will have no difficulty making connections to the other principal cities and towns in Chile. Valparaiso and Vina del Mar are easily reached by bus, train, taxi or limousine in two or three hours. LAN, the Chilean national airline (Linea Aerea Nacional) provides daily scheduled service to Arica, Antofagasta, Concepcion, Valdivia, Puerto Montt, Punta Arenas and 14 other leading communities.

Your first day in Santiago should begin with a visit to the Canadian Embassy. It opens at 8.30 a.m. and is centrally located in the downtown area only a short distance from hotels, government offices and business establishments. Note that the Embassy moved in July 1969 to new premises on the corner of Alameda Bernardo O'Higgins (the principal street in Santiago) and Ahumada. All directories, telephone books and guide books refer to the old location and if you are unsure of the address (Ahumada 11) and ask for assistance, you will almost invariably be directed to the old premises.

After planning your program, confirming your appointments and discussing business prospects at the Embassy, you will begin your visits with Chilean businessmen. Four calls a day is likely the maximum possible. Although hours of business vary considerably, they are similar to those in Canada. Often an extended lunch hour, however, will result in a later closing hour. Banks, by the way, are open from 9 a.m. to 2 p.m. Monday through Friday.

There are few places in Chile from which mountains are not in view, and skiing is a popular winter sport provided by many resorts. The 1966 World Ski Championships were held at Portillo, only about three hours away by car from Santiago.

Many officials and businessmen speak and correspond in English. However, where a language problem might be encountered, the Canadian staff here will assist you. Regardless of the linguistic capabilities of your contacts, we highly recommend that you provide sales literature and technical data in Spanish. And prices should be quoted in U.S. dollars (c.i.f. Valparaiso).

Chileans are very polite, friendly people and you should be prepared to shake hands with everyone. Your invitation for lunch will always be well received by your contact, but often not accepted. Many Chilean executives still enjoy a leisurely luncheon at home or in a private club. If your invitation is accepted, be sure to allow at least a couple of hours for the occasion as lunch is also a time for relaxation.

Although Santiago has its share of museums, art galleries, churches and other attractions, including a changing of the guard ceremony by Chile's national police force, it is not a mecca for tourists.

Nevertheless, there is still plenty to see for the businessman with only a little free time at his disposal. Santiago has a number of excellent restaurants some of which offer entertainment by typical Chilean folk groups. An immense variety of seafoods is available and some delicacies are unique to Chile. Squid, shrimp, crab, mussels, eel and lobster are common specialties. Try some erizos (sea urchins), a popular Chilean appetiser—served raw, they have a most unusual flavor and texture, and you will find them nowhere else in the world. And Chilean wines are superb and very inexpensive. If you are an avid souvenir hunter, there are a number of shops and galleries in the downtown area offering a wide selection of genuine Chilean handicrafts and jewellery. Copper and brass work, handwoven articles, the outsize silver spurs of the huasos (Chilean

Holidays In Chile

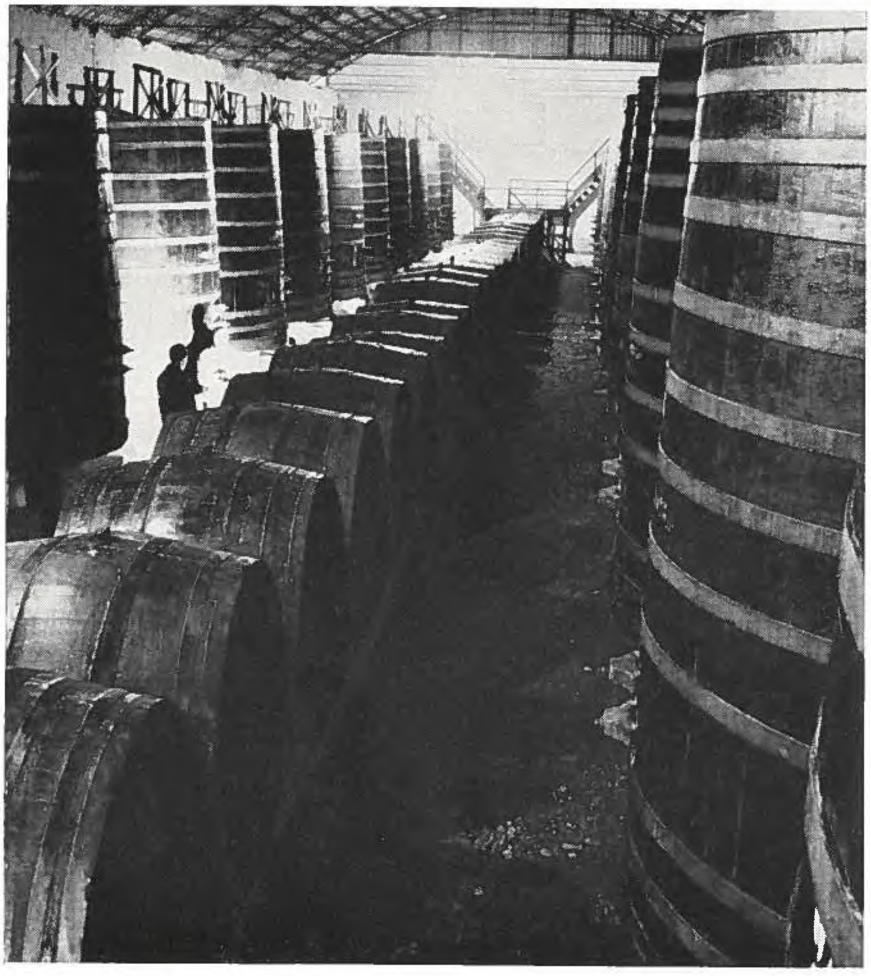
January 1	New Year's Day
April 9, 1971	Good Friday
May 1	Labor Day
May 21	Battle of Iquique
August 15	Assumption Day
September 18-19	Chilean National Days
October 12	Columbus Day
November 1	All Saints' Day
December 8	Immaculate Conception
December 25	Christmas Day
December 26	Boxing Day

cowboys), and jewellery made with the native gem stone lapis lazuli make unusual mementos. Many shops close for three hours each afternoon and all stores close at noon on Saturdays.

A trip to the coast is a must for the businessman who wishes to explore a bit more of Chile. Vina del Mar, the luxurious beach resort, boasts an elegant casino where you can while away your money—or make a pile—at roulette or baccarat.

Portillo, the world famous resort and site of the 1966 World Ski Championship, is only three hours away from Santiago by car.

A view (right) from the Canadian Embassy looking east along the Alameda Bernardo O'Higgins in Santiago, capital of Chile and main business center. Church of San Francisco, which took 50 years to build, is in foreground.



Have the famed statues of Easter Island always fascinated you? For about $325 return LAN Chile will fly you there to make your own anthropological investigation. The romantic islands of Juan Fernandez, once the site of Robinson Crusoe's adventures, are also a Chilean possession and are now accessible to the tourist.

Chile is a market worth your consideration. The Commercial Division of the Canadian Embassy is ready to assist you in locating opportunities here.

Chile produces more than 500 million liters of wine a year, rated as some of the best in the world and exported to many countries. Canada last year bought $9,600 worth. Much favored by Chileans is a grape brandy called "pisco", inexpensive but good.

Tiny Switzerland Is Big Educational Equipment Buyer

ODETTE VOULICH, Commercial Officer, Berne

Miss Helen Brugger (top, right), secretary at the Canadian Embassy in Berne, is one of a group trying out the language laboratory made by White Electronic Development Corporation of Mississauga, Ont. Below, R. D. Merner, Assistant Commercial Secretary, Berne, explains to visitors the prefabricated systems built by Harrigan Industries Ltd. of Richmond, B.C. These systems can be used for either homes or portable classrooms. The round home was filled with miniature furniture.

An impressive variety of teaching aids and equipment for educational establishments, ranging from elementary schools to universities, was shown by 827 exhibitors from 29 countries during the 10th DIDACTA—the European Educational Materials Fair held in Basel, Switzerland, this summer. Eleven Canadian companies, brought together by the Department of Industry, Trade and Commerce, exhibited their products. The Canadian displays attracted considerable attention and orders valued at approximately $150,000 were booked while the fair was in progress and it is anticipated that sales during the next year will exceed $1 million. As one happy Canadian exhibitor remarked: "I learned more about the European market for educational equipment at DIDACTA than I would have if I had travelled throughout the Continent for a month."

DIDACTA is the largest trade fair in the field of education, and this year it attracted more than 88,000 visitors from all over the world. The fair emphasized the development of new teaching methods necessitated by the enormous problem involved in the imparting of an ever-growing body of knowledge to an ever-increasing number of students. School administrators, teachers, manufacturers and distributors of educational equipment were given an opportunity during DIDACTA to study the latest proposals, developments, achievements and research. New ideas were exchanged and the latest education concepts were discussed. By making this possible, DIDACTA fulfilled an important function for schools and education throughout the world. A great many business contacts were established by manufacturers participating in this fair to find outlets for their products in new markets, or appoint distributors (or agents) to cover markets.

Basel was chosen as the site for the 10th DIDACTA because Switzerland

has reached a high standard of education and in this small country of 6.2 million inhabitants there are seven universities (the oldest, in Basel, was established in 1460), two technical universities and a commercial university, which, together, had an enrollment of 38,148 students in 1968/69. The 12 technical high schools registered 4,894 students and the eight technical evening schools 2,783. Spécial courses in arts and crafts, commerce, agriculture and domestic science provide vocational training. Then there are the actual vocational training institutions, namely 31 training colleges for teachers, 44 commercial schools, 49 manual trade schools, 40 agricultural schools, and 48 domestic science and women's handicraft schools. There is also a widespread network of primary and secondary schools, subsidized by the federal Government, but under the direction of the Cantons.

The author (top, right) tries out a machine used for giving psychological tests. It is manufactured by DBM Industries of Lachine, Quebec. Howard Campbell (below, right) Commercial Counsellor at Berne, talks with Georges Amyot, Registrar of the University of Ottawa, who took part in a symposium there.

The Swiss educational system is decentralized and there is therefore no federal system of education, but each of the 25 Cantons and half-Cantons, which differ in culture, religion and language (70 per cent speak German, 19 per cent French, 10 per cent Italian and 1 per cent Rhaeto-Romanch) are autonomous in the cultural field. Moreover, the Cantons are made up of local units called "Gemeinden" (counties) of which many had an independent status before the cantonal governments were formed. Many of these "Gemeinden" had developed educational traditions before education was made a matter of cantonal concern. It is therefore understandable that the role played by these counties in education is still very important and that they have their "say" in the planning of new schools and purchases of educational material and equipment. The Cantons do not hesitate to shoulder very heavy financial burdens which are also shared by the "Gemeinden".

Good sales opportunities exist in this industrialized country where there is an ever-increasing demand for still better education and for more specialized training. Advanced teaching, university and college education are becoming increasingly important and are claiming a continuously growing share of the resources of the community. In 1969 some $800 million were spent on education, including research.

Canadian manufacturers of educational equipment wishing to break into this promising market should appoint an agent with the ability to sell, install and service equipment. After-sales service is of prime importance. If necessary, the agent can also undertake to have the equipment tested and approved by the Swiss Electrotechnical Association (Schweizerischer Elektrotechnischer Verein) as all electrical equipment used in Switzerland has to meet SEV standards. It should also be noted that the current used in Switzerland is 220 volt, 50 cycles.

In Swiss primary and secondary schools the teachers recommend to the school board what equipment should be purchased and a decision is taken in consultation with the local authorities. In high schools and universities, the department heads decide what equipment should be bought.

These buyers of school equipment normally turn to the Cantonal School and Office Material suppliers listed in

Canadians at DIDACTA

CETA Ltd.
Fort Erie, Ontario

A participatory teaching system for electrical and electronic training.

Controlled Environments Ltd.
Winnipeg, Manitoba

A plant growth cabinet facilitating entomology research.

DBM Industries Ltd.
Lachine, Quebec

A machine for administering psychiatric, I.Q. and aptitude tests.

Education Coordinates Canada
Don Mills, Ontario

Educational consulting services.

Electrohome Ltd.
Kitchener, Ontario

Video monitors for schools.

Guy-Chart Tools Ltd.
Pickering, Ontario

Auto body repair equipment and frame-straightening equipment.

Harrigan Industries Ltd.
Richmond, British Columbia

PANELOC—relocatable prefabricated classrooms.

Mimik Ltd.
Galt, Ontario

Hydraulic tracing controls.

Stark Electronic Instruments Ltd.
Ajax, Ontario

Electronic test equipment, electrical and electronic teaching systems.

Viscount Video Systems Ltd.
Vancouver, British Columbia

Solid state video and audio switching equipment.

White Electronic Development Corp. Ltd.
Mississauga, Ontario

Language laboratory.

School Equipment Buyers

Lehrmittelverwaltung der Stadt Aarau
Pestalozzischulhaus, 5000 Aarau

Schulmaterialverwaltung U. Lehrmittelverlag Kanton Basel-Stadt,
Munchensteinerstrasse 120, 4053 Basel

Kant. Drucksachen- und Materialzentrale,
Lehrmittel- und Schulmaterialverwaltung,
Weidenhubelstrasse 35, 4410 Liestal

Materialverwaltung der Kantonskanzlei Schwyz,
3430 Schwyz

Matereialzentrale Thun,
Rathaus, 3600 Thun

Kant. Drucksachen-und Materialzentrale Uri,
Kant. Zeughaus, 6460 Altdorf

Materialverwaltung der Stadt Winterthur,
Ackerstr. 17, 8400 Winterthur

Kant. Lehrmitteldepot,
Regierungsgebaude, 6301 Zug

Schul- und Buromaterialverwaltung der Stadt Zurich
Röntgenstr, 16, 8031 Zurich

Economat communal de Lausanne,
Beau-Séjour 8, 1002 Lausanne

Economato comunale Lugano,
Via S. Balestra 4, 6900 Lugano

Schulmaterialverwaltung der Stadt Luzern
Bruchstr. 77, 6000 Luzern

Economat de la Chancellerie d'État de Neuchâtel,
Château, 2001 Neuchâtel

Schul- und Buromaterialverwaltung der Stadt Bern,
Stockackerstr. 37, 3001 Berne

Staatlicher Lehrmittelverlag Bern,
Moserstr. 2, 3000 Berne

Stadtische Einkaufszentrale Biel,
Eisengasse, 9 2501 Biel

Kant. Drucksachen und Materialzentrale Graubunden,
Planaterrastr. 14, 7001 Chur

Kant. Lehrmittelverwaltung Thurgau,
8500 Frauenfeld

Economat de l'Administration Cantonal Fribourg,
1700 Fribourg

Economat de l'État de Genève,
14 Rue des Allobroges, 1227 Genève-Accacias

Rektorat Grenchener Schulen,
2540 Grenchen

Direction des Écoles, Lausanne,
Fournitures Scolaires,
Montbenon 6, 1002 Lausanne

Rektorat de Schulen von Olten,
Frohheimweg 26, 4600 Olten

Kant. Materialzentrale, Kant. Lehrmittelverlag,
Rathaus, 8201 Schaffhausen

Kant. Materialzentrale St. Gallen,
Regierungsgebaude, 9001 St. Gallen

Kant. Lehrmittelverlag St. Gallen,
Erziehungsdepartement, 9001 St. Gallen

Kant. Lehrmittelkommission Solothurn,
Kantonsschule, 4500 Solothurn

Stadt. Einkaufszentrale und Materialverwaltung Solothurn,
Barfussergasse 17, 4500 Solothurn

the accompanying box. Most of these supplying agencies stock blackboards, crayons, scribblers and textbooks. The Commercial Counsellor of the Canadian Embassy, 88, Kirchenfeldstrasse, 3005 Berne, can assist Canadian exporters to make initial contact with the school and office material suppliers best equipped to handle their products. Descriptive brochures (preferably in German or French) and export prices should be forwarded to him in triplicate.

The private schools and educational institutions of Switzerland have an international reputation. The majority are boarding schools and offer primary and secondary education to students from all parts of the world. The Swiss Federation of Private Schools lists 180 member institutions of which 120 are boarding schools. According to the Federation's statistics, there are approximately 50,000 students attending these private schools and at least half of them are of Swiss nationality. Language instruction is very intensive in most of these institutions, but according to the Swiss Federation of Private Schools, not many of these schools use language laboratories. Canadian manufacturers wishing to consider the private school market can obtain a booklet listing all private institutions from the Swiss Embassy, 5 Marlborough Avenue, Ottawa. Here again, however, a manufacturer's agent who is in a position to offer after-sales service is a prerequisite.

The Swiss Armed Forces are actively interested in programmed instruction for recruits during their 17-week compulsory training period. The "programmed" methods of instruction are considered particularly effective for field communication and transportation training. Good results have been obtained in the two years during which teaching aids have been used by the military, but further research in this field is still being carried on. Canadian firms wishing to bring their products to the attention of the Swiss Defence Department procurement office should write in triplicate, enclosing several sets of brochures, to: Chef, Sektion Lehrmethoden und Lehrmittel, Stab der Gruppe fur Ausbildung, E.M.D. 14, Papiermuhlestrasse, CH 3000 Berne, with a copy to the Commercial Counsellor, Canadian Embassy, 3005 Berne.

Other outlets in Switzerland for educational equipment sales are the international agencies involved in training programs in developing countries. The largest purchaser of such equipment is the International Labor Office, (ILO) in Geneva. Invitations to tender are sent from the ILO to the Canadian Commercial Corporation, Gillin Building, 141 Laurier Avenue West, Ottawa 2. Canadian firms interested in obtaining a share of this business should forward descriptive literature and prices to the ILO, Route de Lausanne 154, CH 1211 Geneva and to the Canadian Commercial Corporation in Ottawa. Procurement of educational equipment by other international agencies such as the International Telecommunications Union (ITU), Place des Nations, CH 1200 Geneva, and the World Health Organization (WHO), Route de Pregny, CH 1200 Geneva, are usually arranged directly with individual suppliers. Canadian manufacturers should send descriptive literature on their products and export prices to each agency direct.

Canadian manufacturers of educational equipment who would like to participate in the next DIDACTA should notify the Trade Fairs and Missions Branch of the Department of Industry, Trade and Commerce in Ottawa.

Concentration like this is seldom seen in the ordinary classroom. Here a group of business people are intently studying with the help of a language laboratory. Canadians exhibiting at the fair were surprised at the extent of the educational market in Europe, and at the possibilities in Switzerland.

Will Norway Accept Snowmobiles?

It will take some hard selling to convince Norwegians that the evils of snowmobiles are exaggerated, but success would be well worth the trouble.

J. R. CAUX, Commercial Secretary, Oslo

The topography and climate of Norway are admirably adapted to the use of the snowmobile, with abundant snow—about 35 inches in February for the Oslo area. Although winter usually lasts from late November to the middle of April, it is not too severe; the average temperature in Oslo in January is 26° F. The greater part of Norway's territory is made up of treeless highlands with many lakes. In the wooded areas there are countless paths and trails.

The Norwegians have the financial capability for buying snowmobiles. For example, in 1968, among a population of 3.8 million, there were 619,000 cars and more than 174,000 motorcycles. Furthermore, the Norwegians owned 77,000 pleasure motor boats, as well as the numerous sail-boats in Oslo and Bergen. What, then, is the situation for the snowmobile in Norway?

The snowmobile market is usually divided into two main sectors, work and pleasure. Until now snowmobiles imported into Norway have been almost entirely for work purposes. They are used by farmers to transport wood or food in areas where roads are often blocked by snow. The telephone and power companies also use them. A few are used in ski resorts to bring in supplies and for rescue purposes. The Laplanders use them to watch and gather their reindeer herds.

There are no assembly facilities in Norway and all snowmobiles are imported. The Norwegians buy a little more than 400 units a year, mainly from Sweden, Austria and Belgium. It must be noted that the machines coming from the last two countries

There is a strong lobby against the introduction of snowmobiles into Norway, although it is ideal territory for such vehicles. Norwegian skiers and landowners fear the vehicles will harm wildlife, damage growth and be dangerous. But there are also groups who would use them, not only the younger generation such as this party gathered around Canadian-made Skidoos. If an exporter could open up the market, this country might well become a profitable area for Canadian suppliers.

are assembled in branches of Canadian companies and that Canada holds more than half the Norwegian market.

So far, the snowmobile has not been used in Norway for pleasure. The traditional winter sport is skiing, and entire families can be seen spending days on the numerous forest trails around Oslo. These skiers hate the noise of the snowmobiles and are afraid that the trails will be ruined and their lives endangered. Furthermore, the motor skis are said to pollute the pure mountain air, frighten the wild animals, and destroy the young forest growth.

The skiers, through their professional association and a number of unsympathetic articles in local papers, have succeeded in creating a powerful lobby, with the result that snowmobiles are prohibited in a great many areas, both by private landlords and by national or municipal authorities.

Also, the rules applied to these vehicles are very strict. For example, a driver's licence must be obtained to drive a snowmobile, and it must carry a licence plate. For all practical purposes they are considered as automobiles and even if an import permit is not required, a Customs fee of 8.8 per cent of the c.i.f. value is levied, plus 35 per cent of the taxable value. Finally, there is an annual driver's tax of 100 crowns ($15) and a 20 per cent sales tax.

But not all the Norwegians are against the snowmobile. Innkeepers, hunters and fishermen, particularly, raise strong protests, and many people think this kind of prohibition does more harm than good, which could be a good omen for the future.

What can be done to increase sales of Canadian machines in this country? First of all, the exporter must use a distributing agent with sales centers throughout Norway, who works through branch stores and sub-contractors. It is important that the agent has repair facilities, because these machines are, after all, fragile.

But, more important, the Canadian exporter must be ready to spend time and money on an advertising campaign, using demonstrations and films. He could even be instrumental in organizing a snowmobile association. It must be shown that snowmobiles have more advantages than disadvantages, and that the disadvantages have often been exaggerated. For this, a personal visit to Norway is probably essential.

Even if the Norwegian market is not yet ready for massive sales, it is impossible to resist the 20th century for long, and this small country could well become an interesting area for Canadian producers of snowmobiles.

Snowmobile Country-the U.S.

Sales of snowmobiles have shown consistent gains in recent years and forecasts indicate further substantial opportunities for special clothing and accessories too.

PIERRE AUBIN, Consul and Assistant Trade Commissioner, Minneapolis

Despite some sagging in the economy and the resultant cutback in consumer purchases, sales of recreational goods appear in general to be still riding a crest. Luxury cruisers and high-powered boat sales have dipped, but a good part of this is being offset by purchases of less expensive boats and other forms of recreational equipment. Americans in the middle and lower income groups, weary of polishing the car for the week-end drive, are jogging, bicycling and looking for more active pastimes.

For the winter months snowmobiles are catching on and are in the vanguard of the revolution, growing in popularity by the proverbial leaps and bounds. Minibikes (1.5 million units sold in the past three years), motorbikes (2.9 million in three years), boats, canoes, dune buggies, mini buggies and even low cost mini aircraft, designed for operation off snow and water, are becoming popular. Air cushion craft haven't caught on yet, but the outlook is promising.

The Third International Snowmobile Trade Show, held in Minneapolis this summer, attracted 250 exhibitors, including 35 Canadian companies. Many more Canadian products were displayed by U.S. agents. Some 4,000 distributors and dealers from the United States and Canada attended the three-day session.

The Canadian machines have an excellent reputation and products dis-

Part of the floor plan at the Snowmobile Show in Minneapolis, where 35 Canadian manufacturers were among the 250 exhibitors. After-sales service for these machines is becoming more important as buyers become more selective, but Canadian products have an excellent reputation in the U.S.

played by the firms from Canada signified an intention to remain leaders in the field.

Total North American sales have shown phenomenal growth, reaching 505,000 units in 1969/70, up 70 per cent from the previous year. Forecasts for 1970/71 season indicate sales of at least 600,000 units, or a minimal increase of 20 per cent.

The tremendous success of the Snowmobile Trade Show in Minneapolis was instrumental in the decision of the International Snowmobile Industry Association to establish its headquarters in Minneapolis/St. Paul and set up an office in Montreal, where shows are also held.

During the winter months, summer resorts and golf courses are transformed into snowmobile courses with equipment for rental and instruction provided. Representing a participating sport for the whole family, it has created a bonanza for the snowmobile accessories market, such as trailers and clothing. And snowmobiles are fast becoming more sophisticated and powerful, appealing not only to family recreation, but to trekkers and racing enthusiasts.

An average customer will pay $1,100 for the snowmobile and accessories. About one-third of the purchasers will trade the machine in within two years for new and more powerful models. And one-half of the customers buy a second machine for the family. A trend is appearing in still another direction as young people, no longer content to go along for the ride, pressure for a snowmobile of their own. This could develop into a strong market for the low-power vehicles that can be easily and safely handled by youngsters.

Because the snowmobile is a mechanical vehicle a manufacturer, in choosing his channels of marketing, must ensure that vehicle parts and servicing are readily available.

Up to now dealerships have not been difficult to find because the major boat dealers were anxious to secure snowmobile agencies to facilitate year-round operations. Dealers, however, recognizing the importance of snowmobiles as an integral part of their business, are insisting on good quality vehicles and the backup to ensure that there is the kind of service on which they can build a reputation. Purchasers, too, are becoming more selective and are more cognizant of the need for good servicing. The dealer is rapidly taking on a major role in widening the market and as a result is in an improved bargaining position. It becomes imperative that Canadian manufacturers ensure that they have the "right" kind of distribution if they are to meet with permanent success in this vast market to the south.

Laurent Beaudoin, president of Bombardier, Ltd., (right) shows the author of this article how to use a snowmobile. Even youngsters are now pressuring their parents for machines of their own, which may mean a bigger market for low-powered ones.

Snowmobile dealers, in addition, find it very profitable to carry lines of snowmobile clothing and estimate that the average snowmobiler spends $100 on clothing and equipment. Sportswear agents regularly call on the snowmobile dealers and Canadian winter sportswear manufacturers should ensure that they are in on this most promising market.

Our new office in Minneapolis is anxious to assist Canadian manufacturers to develop sales in the heart of the snowmobile country. For information and assistance on this upper Midwest market, contact the Consul and Trade Commissioner, Canadian Consulate, Room 1224, 15 South Fifth Street, Minneapolis, Minn. 55402.

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Strengthen Trade Links With West-Central Africa

Trade links between Canada and Ivory Coast have been strengthened by the opening of a Commercial Division within the Canadian Embassy at Abidjan, the country's capital. Addition of the trade office reflects the dramatic increase in Canada's exports to the Ivory Coast, from $50,000 in 1965 to $743,000 during the January to July 1970 period. In that period and in 1969 the major exports were machinery and parts, log-handling equipment and paper products.

The office in Abidjan is also Canada's trade link with Guinea, Liberia, Mali, Mauritania, Niger, Senegal and Upper Volta. Canadian exports to the entire territory served by the new office totalled only $2.8 million in 1965, but reached well over $4 million last year. Meanwhile imports amounted to over $6 million, away up from the 1965 total of $1.6 million. Canada's principal purchases were tropical hardwood, coffee, iron ore, cocoa and bauxite ore.

Not shown in the total of exports, but of considerable importance to Canada's involvement in these countries, are the revenues earned by Canadian consulting engineering firms through their undertaking of multilaterally financed feasibility studies and other work. These earnings in the past two years are estimated at $250,000, and are exclusive of projects financed directly as part of the Canadian aid program.

The Canadian International Development Agency (CIDA) has expanded its Independent French-speaking African States Aid Program in West Africa. CIDA has done this by increasing the number of its teachers and consultants in the territory and by financing a number of capital projects such as the highway, Route de l'Unité, in Niger and the rural electrification of the Kossan area in Ivory Coast.

The Ivory Coast, one of the most dynamic countries in West Africa, has a tradition of political stability and free enterprise. Throughout its decade of independence, it has had a favorable balance of trade which has assisted development. Abidjan usually surprises Canadian visitors by its vigor, modern buildings, the amount of construction under way, excellent hotel facilities and much more. For instance, an ice-skating rink, just completed, is certainly the first such venture in tropical Africa. The city shows the influence of the French in many ways: of the estimated 30,000 European residents, most are French businessmen, technical advisors, teachers and other professionals in the city. The Lebanese community of over 5,000 are engaged mainly in wholesale and retail trade.

Abidjan functions as a distribution center for the land-locked countries of the interior, particularly Upper Volta, because of the Abidjan-Ouagadougou railway, and also for Niger and Mali, though to a lesser degree.

The African Development Bank, a regional bank representing some 30 African states, and Air Afrique, an airline owned jointly by 12 French-speaking states in West and Central Africa and a French aviation firm, have their headquarters in Abidjan.

The Department of Industry, Trade and Commerce improved its resources for assisting Canadian businessmen to reach markets in West and Central Africa with the recent opening of a Commercial Division in Abidjan, Ivory Coast, the strengthening of the Commercial Division in Lagos, Nigeria, and the re-opening of the Commercial Division in Kinshasa, Congo. At the same time, the Commercial Division of the Canadian High Commission in Accra was closed and trade development in Ghana became the responsibility of the Lagos office.

The new posts in the region and their geographic responsibilities are:

Congo

Commercial Secretary
Canadian Embassy
P.O. Box 8341
Kinshasa, Congo

T. G. Tait
Commercial Secretary

Cable: (DOMCAN KIN)
Phone: 22706
Telex: 268

Territory: Cameroun, Chad, Central African Republic, Gabon, Congo (Brazzaville), Burundi, Rwanda.

Ivory Coast

Commercial Secretary
Canadian Embassy
P.O. Box 21194
Abidjan, Ivory Coast

J. P. Bell
Commercial Secretary

Jacques Filion
Assistant Commercial Secretary

Cable: (DOMCAN ABIDJAN)
Phone: 32-20-09
Telex: 593 DOMCAN

Territory: Guinea, Liberia, Mali, Mauritania, Niger, Senegal, Upper Volta.

Nigeria

Commercial Secretary
Office of the High Commissioner for Canada
P O. Box 851
Niger House
1/5 Cdunlami Street
Lagos, Nigeria

J. D. Tennant
Commercial Secretary

C. M. J. Courtemanche
Assistant Commercial Secretary

Cable: CANADIAN
Phone: 53630
Telex: 21275 (DOMCAN LAGOS)

Territory: Dahomey, Gambia, Ghana, Sierra Leone, Togo.

In addition, seven executing agencies of the United Nations Development Program, and a regional office of the International Bank for Reconstruction and Development (IBRD), concerned with agriculture and transportation, are located in Abidjan.

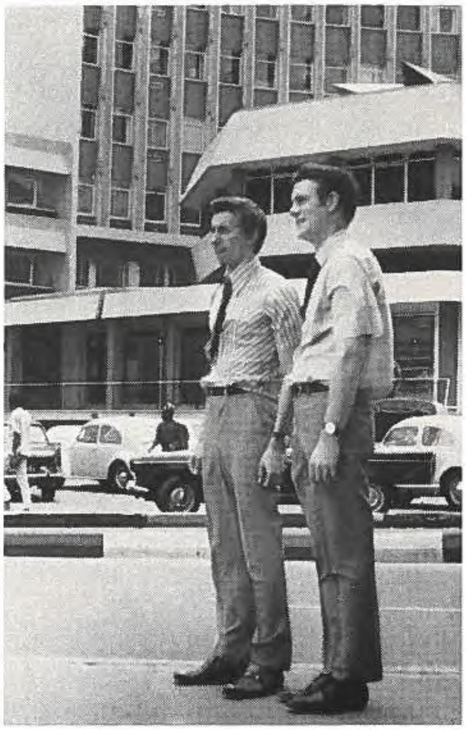
Seven of the eight countries served by the Abidjan office have French as their official language; the exception, Liberia, has English. The countries have an area of 1.8 million square miles and a population of 27 million. All are developing nations with economies based mainly on the exploitation of their agricultural, forestry and mineral resources. Their economies are progressing steadily as a result of continuing infrastructure investment financed by the Governments, with the assistance of bilateral and multilateral aid programs in areas such as education, transport, mineral exploration, agriculture and power generation, and also through the inflow of private development capital.

Two Canadian companies have already made direct investments in the territory: one has established an explosives manufacturing firm in Liberia and the other a trading joint venture in Niger. The African states are keen on seeing more Canadian direct investment in their countries, especially in priority

John Bell, Commercial Secretary in Abidjan, discusses the sale of log skidders with an Ivory Coast representative of the Canadian manufacturer, Timberjack Machines Limited.

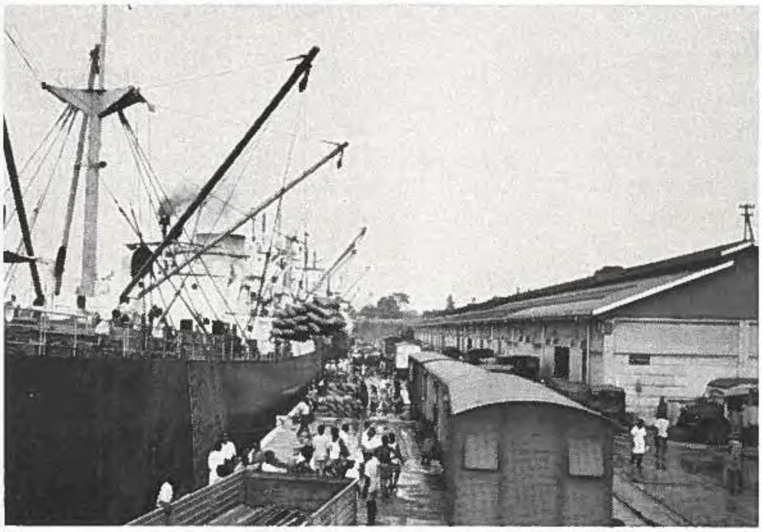
Modern department store in Port Harcourt, Nigeria. Discovery of oil in the region has made the port an important industrial center.

Jacques Filion, Assistant Trade Commissioner, (right), stands outside Bata's shoe factory in Abidjan with the manager, Mr. Aubrey.



The new Canadian trade team in Lagos, Nigeria, John Tennant (right) and Claude Courtemanche, pause in front of Niger House where their office is.

A busy scene in Port Harcourt, where a ship takes on a cargo of groundnuts. The town is terminal for an oil pipeline and base for oil exploration.



The Hotel Ivoire in Abidjan is typical of the modern buildings under construction in ever-increasing numbers in one of West Africa's most dynamic countries.

sectors and in collaboration with local interests. This, together with availability of Canadian Export Development Corporation investment guarantees, should spur more firms to take a close look at available opportunities.

There are numerous openings in the territory for Canadian firms, especially those marketing forestry, mining and industrial equipment, industrial raw materials and consulting services or interested in direct investment.

The Office of the Commercial Secretary for Canada in Abidjan (see box for address) welcomes direct inquiries from Canadian firms wishing to develop an interest in one or all of the eight countries.

Investment Possibilities in Africa

A meeting to discuss African industrial development projects and their financing will be held in Nairobi, Kenya, November 30 to December 4, 1970. This will be the fourth of such meetings to be held under UN auspices (United Nations Industrial Development Organization) and will provide opportunities for overseas investment and branch plant projects for Canadian businessmen. A similar meeting offering Asian projects was held in Manila in September 1970, and attracted Canadian attendance.

So far 15 African countries have submitted more than 100 development projects to be discussed at the Nairobi meeting. The foreign contribution desired ranges up to 100 per cent equity from, in most cases, major equity, plus management and know-how. Investment contributions desired are indicated from about $37,000 to more than $70 million (for a Kraft paper pulp factory in the Ivory Coast). Investment requirements for some projects have either not yet been estimated or have been left negotiable. In some cases, the foreign contribution has been left open for discussion— Kenya, for example, will welcome proposals from foreign sources to participate in its 12 submitted projects.

It should be emphasized that the list of development projects below is not final and that other projects may be presented at the meeting both by the undermentioned countries and by other African countries. Canadian industrialists and businessmen who are interested in any of the listed overseas joint ventures should contact either the UNIDO New York Liaison Office, Room 1829, New York Building New York 10017, New York, or the Canadian International Development Agency, 1103 Fuller Building, 75 Albert Street, Ottawa 4, Ontario.

Projects by Country

Cameroon—Paper; lyophilized instant coffee; tires for bicycles and light-weight motorcycles; wet batteries; ceramics.

Central African Republic—Cassava processing; fertilizers, mixing and packaging; bottle factory, semi-mechanical; wet batteries; tires for bicycles and light-weight motorcycles; hosiery; study of iron ore deposits with view to exploitation and establishment of related industries; exploitation of forests and establishment of related industries; fruit and fruit juice canning; cement factory.

Congo Brazzaville—Pulp and paper factory; nitrogenous fertilizers; synthetic textiles; agro-industrial pineapple complex; small manufactures of grannulars of dried cassava; salt (sodium chloride) from rock salt; chlorine and caustic soda from sodium chloride.

Congo Kinshasa—Nitrogen and fertilizers; chemical complex and PVC; processing of cassava (starch); wood industries; pulp and paper; canning (fruits and vegetables).

Ethiopia—Solvent extraction plant for edible oil and oil cake; dry salting of hides; viscose staple fiber plant; castor seed processing; cattle feed; fertilizer, dry blending; pulp dissolving plant.

Gabon—Dry batteries; galvanized steel ropes.

Ivory Coast—Kraft paper; steel rolling mill; tires for cars and trucks; brass foundry; unspecified projects in food, building, chemistry, electricity, vehicles and cycles sectors.

Kenya—Vegetable dehydration; rural-industrial development; fiberglass products; city refuse fertilizers; domestic appliances; flat glass; boat building; electrical installation materials; basic chemicals; wool carpet manufacture; poultry processing; fish meal project.

Madagascar—Pulp and paper; cashew nuts; wood furniture; tire manufacture (car).

Mali—Bag manufacture from locally grown fibers; integrated sugar plantation and refinery.

Senegal—Ship drydock; processing of shark products; bakeries (five); bolts and screws; air conditioning and refrigerators; cold storage facilities for 10 cities; pharmaceuticals; household linens and hosiery; sanitary cotton; meat canning.

Somalia—Tomato paste; corrugated paper boxes; pasta manufacture; wheat flour mill.

Swaziland—Warp knitting plant; unbleached pulp mill; tannery; asbestos cement products; wood wool slabs; dry cell batteries.

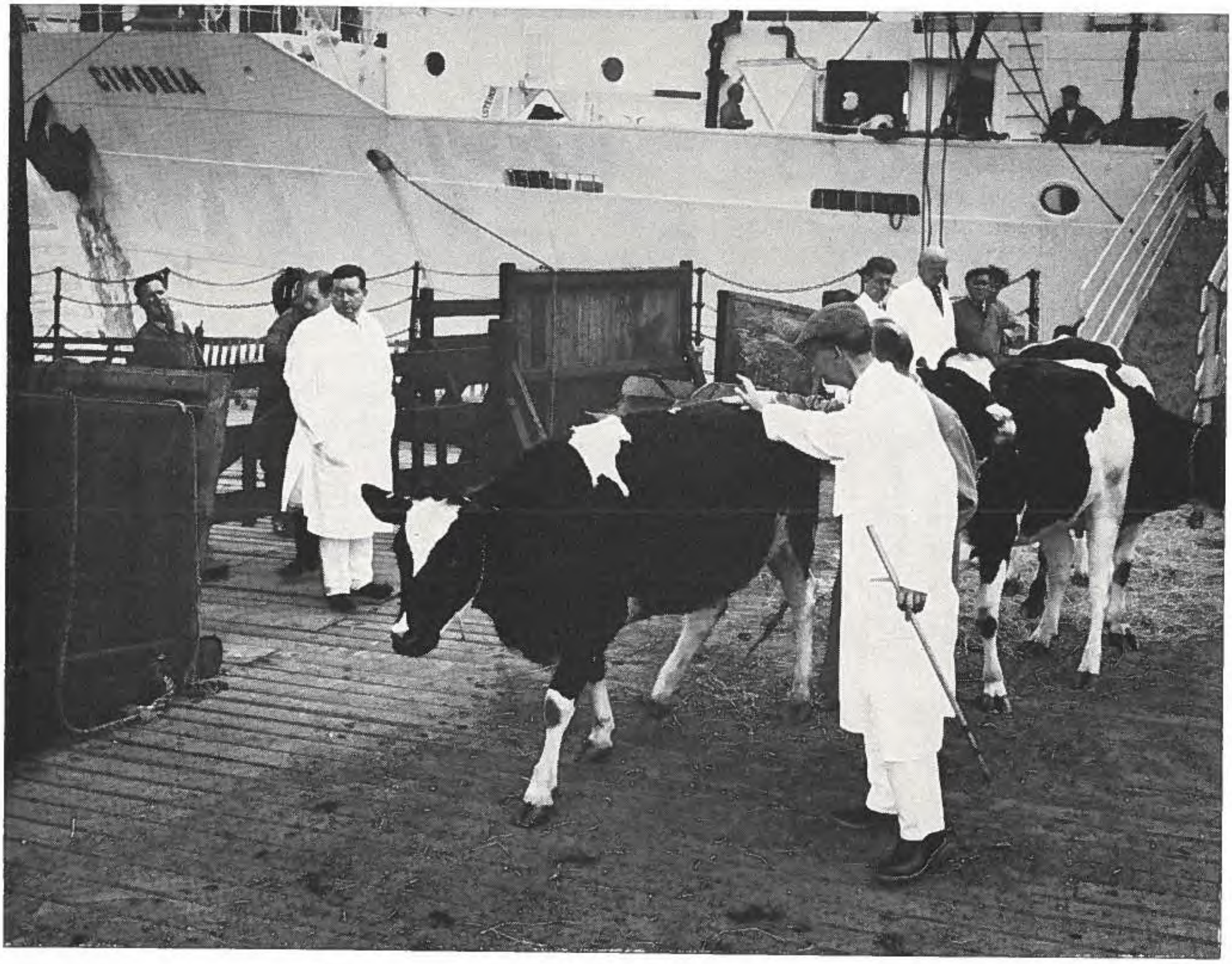
Togo—Insecticides and pesticides; cocoa butter and cakes; canning fruit juices; flour mill; vegetable protein manufacture; cashew nuts; distillery; okra canning; gauze, bandages and cotton wool; biscuits; cassava flakes for export; essential oils.

Tunisia—Mosaic tiles; red ceramic tiles.

Uganda—Salt; sodium sulphate and potassium chloride plant; iron and steel; triple super-phosphates; tannery.

They're Bonnie Braw Cattle

Scottish farmers want to improve their Holstein herds and are impressed by Canadian stock. With a little bit of selling by Canadian breeders, a good market could open up.



Holstein Friesians are making a big impact on the Scottish dairy scene and, because Scottish farmers are looking for size, Canadian cattle stand a good chance. The Scots are fully aware of the excellent reputation our animals have built up.

A. B. BRODIE, Trade Commissioner, Glasgow

British Friesians have made a surprising breakthrough in Scotland and now represent 25 per cent of all dairy breeds in the country compared to about 18 per cent in 1965. In the eastern counties of Aberdeen, Banff, Kincardine and Roxburgh they account for more than half the number of dairy cows. Though the national dairy herds in Scotland have been cut by 2 per cent (9,000 animals) during the past year with some 283 farmers opting out of dairy farming—against 196 in 1968—prospects for sales of Canadian Holstein Friesians are encouraging.

Opinions vary among the many Scottish breeders on how best to improve their black and white animals in the 70's, but the following six points give a good indication of what some of them are thinking.

1. The scale of Scottish pedigree herds will increase enormously over the next five years. This will offset, in part, the switchover in certain instances from dairy to beef and enable the Scottish dairy farms to operate on a more economical and profitable basis.

2. The tidy small Friesian cow that has to have individual attention will have to give way to an animal that can rough it in mass production units (loose housing, self feeding and bulk feeding).

3. To breed an animal which is capable of foraging for itself, a bigger

cow with a heavier frame will be necessary. The animal must be bigger all around and proportioned with a clean flat bone and a good rib. It must not be short of thigh, but big all through, with good legs and the right conformation.

4. With parlor milkings, it is very necessary that the cows should be properly shaped so that the machines can work on them (good udders and teat placings).

5. The downfall of too many breeds has been their lack of size. One prominent breeder has said. "In this respect a wee injection of Canadian blood could help, and do no harm to our vessels".

6. Another farmer said: "As a breed we don't want to lose size.

"You need some weight for the cow who has served her purpose, but is now a useful butcher's animal. Buy a bull with substance and dairy character. Get your black and white bull from a good female line. If you want cattle with tidy udders you start with the bull "

A fairly large number of Canadian-bred Holstein Friesians were brought into Scotland in 1946 with some good results. One of the Canadian progenies, "Branchal Jean Dixie", won the Royal Highland Show a few years ago. Scottish breeders swung away from Canadian cattle in 1950 and returned to Dutch Friesians. Many of the best Friesian herds in Scotland today however, carry some blood from Canadian Holstein Friesians and the Scots are proud to point this out when you visit their farms. Unfortunately, there is a dearth of Canadian-bred Holsteins in Scottish herds at the moment, but the interest in a larger animal that will serve a dual purpose—both beef and dairy—is now uppermost in the minds of the more progressive farmers in Scotland. Canadian Holstein breeders will be interested to learn that "Romandale Reflection Tradition" (born 4.3.1969) has now been officially accepted at the AI Station at Perth (Perthshire) and that he will likely be joined by "Belle Afton Rockman Allen" (born 9.3.1969). Both these animals were purchased in Canada by an enterprising group of four Scottish landowners and breeders who, because of their sincere interest in breeding a larger and more economical dual purpose animal, have recently formed the Scottish Holstein Breeders Association. The interest in "Romandale Reflection Tradition", since his arrival in Scotland, has exceeded all expectations; inquiries for his semen have even been received from New Zealand.

Fortunately for Canadian breeders, our animals are not unknown in Scotland and the Scots are becoming more impressed with the quality and performance of Canadian Holstein Friesians. Indeed, they are aware of the splendid reputation the Canadian animals have established in continental countries—particularly in France, Italy and Spain In general, however, there has been some resistance to foreign importations of dairy and other cattle into Scotland—though European breeds are being imported for experimental purposes, particularly for cross breeding for dairy animals with improved beef producing qualities. In a recent speech the president of the Scottish Milk Marketing Board said: "As a producers' organization, we have to be progressive and look to the advantages to be gained... The Ayrshires came from Europe, as did the Herefords and Friesians... To the best of my knowledge the only Scottish breeds not founded on imported stock were the Aberdeen Angus and the Galloway."

Possibly the best way to offer your dairy Holstein Friesian bulls and cows is to visit a few of the more important Scottish agricultural shows and auctions. There are over 60 such annual events from which to choose, with the Royal Highland Show at Ingliston (near Edinburgh) being the most important. This four-day exhibition is held during the last week in June. Attendance at these agricultural shows will give you the opportunity to meet the top breeders in the country and visit selected farms across Scotland.

Both the *Scottish Farmer* and *Farming News*, agricultural weekly magazines, play an important role in keeping the farmers abreast on a wide range of agricultural subjects.

Advertisements can be placed in either or both these journals at reasonable rates, and the importance of using photographs of your animals cannot be emphasized too strongly. Your advertisement will be read by more than 10,000 farmers. You may wish to consider placing 12 effective advertisements a year.

You may not be prepared to invite representative Scottish dairy farmers to visit Canada during the time of the Royal Winter Fair, but their presence in Canada would enable you to show them some Canadian pedigreed herds and assist them at the cattle auctions.

The Scottish interest in large-sized black and white dairy cattle is a sincere one. If you can tell breeders more about your purebred brucellosis-free animals—animals that give a good financial return on a dual purpose basis—there may be good opportunities awaiting you in Scotland.

Canadian Live Stock Hungary Bound

Canadian cattle will be among the high-quality breeds imported by Hungary this year as part of a major project to improve and increase its supply of livestock.

Several hundred head of Holstein Friesian breeding cattle will be shipped to Hungary this fall as part of a long-term plan to restore the country to its former position as an important European livestock producer. Others will be Austrian and Swiss Simmental and Soviet Kostroma.

The recent decline in cattle and pig stocks has been brought about largely as a result of the Government's fixed prices for livestock, milk and meat, which made the rearing of cattle and pigs less profitable. Other contributing factors were the outbreak of hoof-and-mouth disease and the poor fodder harvest of 1968.

The current short supply of pork opens the possibility of sales of between 5,000 and 10,000 metric tons of Canadian pork sides to Hungary this winter.

The Hungarian Government, as part of its over-all plan to reverse the current downtrend, has increased the marketing price of cattle by about 25 per cent and the price of pigs by about 10 per cent, and increased the subsidy on the purchase price of pregnant heifers to 50 per cent.

Take the Ambassador Bridge from Windsor to Detroit, and there you are, almost in the Kresge back yard.

All Aboard S.S. Kresge

Giant U.S. retailer spends $75 million on imports. And the key buyers are nearby for Canadian suppliers.

JOANNE KIRBY, Commercial Officer, Detroit

According to *Fortune* magazine, last year the S.S. Kresge Co. ranked number eight among U.S. retailers. Still advancing, this giant intends to extend its position as a mass merchandiser with a sales goal of $8 billion by 1980.

In 1969 Kresge recorded sales of $2,185 billion and projected an increase of 19.5 per cent for 1970. From these figures a buying power of $1.5 billion can be estimated of which 5 per cent, or $75 million, is reported to be imported items.

That's a lot of nickels and dimes!

And . . . no matter where in the United States you wish to sell Kresge, all the buying is done in Detroit.

Since 1932, Kresge headquarters has been located at 2727 Second Avenue in Detroit, but because of continued rapid expansion, the present offices are outgrown. Construction is underway on new headquarters in Troy, Michigan, and completion is expected in late 1971. Troy is located about 25 minutes from downtown Detroit. The new building will house all the corporate activities of the Kresge Company and it is expected that further expansion will be necessary within the next 10 years.

In 1962 Kresge entered the field of general merchandise discount retailing, operating principally through three divisions.

Kresge—This is the conventional variety store stocking items with average mark-ups. The percentage figure varies according to the item. Retail prices are reported to be "a bit better than our competitors".

K-Mart—The K-Mart operation is the area where Kresge creates the image of true discounting with nationally advertised goods. Every item is handled on the same basis with no exceptions. Sixty five more K-Marts were opened in fiscal 1970 and management is planning for an additional 65 to open during fiscal 1971.

Jupiter—Jupiter stores are referred to as the company's junior discount operation. This division carries a limited scope of merchandise and only promotes best sellers at discount prices.

The almost innumerable variety of items found in Kresge, K-Mart and Jupiter stores has been broken down into approximately 30 buying classifications. A senior buyer maintains full responsibility for his buying area and has the final decision on whether a given item is acceptable. Each senior buyer heads a team of three buyers and two or three associate buyers.

Buying responsibilities are divided within the classification and each team member is assigned a specific area. One buyer will handle seasonal lines and so on. If the item has possibilities it is reviewed by the sales department which in turn determines the quantities of the initial order for promotional purposes and recommends orders for the various stores.

To assure low freight costs and scheduled deliveries, Kresge headquarters provides each supplier with a routing guide indicating the type of transportation to be used for shipments to all stores.

As of June 1970, Kresge was operating 1,047 retail outlets. These outlets are divided into regions, two of which are Canada and Australia. Within the regions, district managers are responsible for the supervision of anywhere from 8 to 15 stores and potential suppliers can approach these managers for initial evaluation of their product. If found to be of interest, it is forwarded to the appropriate buyer in Detroit, or, if solely for sale in Canada, it is sent to Kresge's Canadian head office at 7 Carlton Street, Toronto.

There is one exception where the regional or buying office representatives are permitted to make a purchase, but this occurs only when such items are not available through one of the company's main sources. Approval of such a purchase must come directly from the buyer.

Canadian manufacturers interested in selling to Kresge would have a decided price edge if the goods are being purchased for shipment to Australia. While there are certain commodities which do not enjoy the lower British preferential tariff there are many more that do.

A product which sells through Kresge in Canada should be checked out with Kresge, Detroit, to see if it will sell in the international market, providing the manufacturer has sufficient production capacity.

Kresge conducts a very aggressive import operation and being right next door, Canadians are logical suppliers.

The Kresge Import Department is run on the same basis as that of many other large retail organizations. If landed cost prices have not been established, the Import Department, when supplied with all pertinent information needed to determine the landed cost, (packing, size of cartons, weight, general description of commodity, the component of chief value for duty purposes) will provide an estimated landed cost to the various warehouses. They will also arrange the financing and shipping instructions.

The Import Department will take care of everything but . . . it can cost you up to 1-1½ per cent. This is not an excessive charge, but depending on the item it can dictate whether or not the merchandise will be competitive.

By quoting a landed cost (including U.S. duty, transportation and brokerage) a supplier can work directly through the buyer and avoid this additional cost. For U.S. Customs purposes buyers should also be given the option of purchasing at f.o.b. factory prices. By offering f.o.b. factory prices as well as delivered prices U.S. Customs may establish the value for duty on the f.o.b. factory prices.

Kresge executives indicate that a primary growth area is the ready-to-wear field, especially in upgraded merchandise. Kresge's are trading up gradually and steadily, selling more

An architect's drawing of the new headquarters complex being built for Kresge at Troy, about 25 minutes from Detroit.

diversified, sophisticated merchandise that closely follows fashion trends. Although it caters to a mass market, today's mass market demands increased sophistication and diversification.

Holly Stores Inc. is a wholly-owned New York based subsidiary responsible for the operation of women's and girls' ready-to-wear department in Kresge's K-Mart stores. Holly's five warehouses, presently operating in the New York City area, will be consolidated in a 585,000 square-foot distribution center now under construction in North Bergen, N.J.

Recently Holly opened a warehouse in Los Angeles to service about 100 stores in the parent company's western region with California-made ready-to-wear and some imported goods. This structure will be enlarged in the near future to accommodate more imported merchandise.

Holly also operates a warehouse in Detroit as a merchandise processing center and storage facility for staple merchandise. Plans for 1970 include the completion of warehouses in Atlanta, Pittsburgh, and Chicago to service K-Mart's southern, eastern, and midwestern regions. These three warehouses basically will handle staple merchandise and back-up stock for peak periods.

K-Mart Enterprises Inc. of Royal Oak, Michigan, is another Kresge subsidiary which operates K-Mart sporting goods and automobile departments in the United States. The majority of existing automobile departments (tires, batteries, and accessories) are leased and are operated principally by a subsidiary of Uniroyal.

Based on the excellent acceptance of these T.B.A. departments a policy decision was made that Kresge would operate all new departments. This decision led to the development of the automotive division of K-Mart Enterprises, Inc.

Other leased departments include: millinery, home improvement items, footwear and food.

Kresge's merchandising concept has been one of the success stories of business in the 60's. With the market (heads of families in the 20 to 29 age group) growing at the rate of three times the population, Kresge has the opportunity to become one of the leading growth companies of the 1970's.

If your firm doesn't have the capacity for international marketing but is still interested in selling to Kresge, then get in touch with a Kresge district manager in Canada. District managers are located in the following areas:

Calgary, covering Alberta, British Colombia, Northern Saskatchewan; Toronto, covering Southern Saskatchewan, Manitoba, Ontario; Montreal, Quebec; Moncton, New Brunswick, Nova Scotia, P.E.I., Newfoundland.

The district manager makes regular visits to the stores in his territory and a store manager can advise when next he is expected.

If your firm does have the capacity for international marketing, then get in touch with us. We'll be happy to introduce you to the appropriate Detroit buyer.

Kresge buyers are constantly on the lookout for new items whether they are to be sold in Canada, United States, or Australia.

Let's climb aboard and get a piece of this multi-million dollar action!

International Loans

Port Improvement in Singapore

Jurong Town Corporation of Singapore has received an $8.31 million loan from the Asian Development Bank to help in the construction of four additional deep water general purpose berths, three transit sheds and another warehouse. An additional 565 feet will also be added to berth number 5 to make it 900 feet in all. The Government of Singapore, which is underwriting the loan, gives high priority to this project which it is hoped will lead to the expansion of industry and play an important role in the Republic's development (see *Foreign Trade*, May 9, 1970).

Argentina to Improve Gas System

Argentina will expand its national gas supply system with the assistance of an Inter-American Development Bank loan of $15 million. The loan to Gas del Estado, the government agency in charge of the supply and sale of gaseous fuels, will be used to carry out four projects which are part of the first phase of the agency's 1969-78 expansion plan. The projects include improvements to the recently inaugurated Neuquen-Bahia Blanca pipeline, located 625 miles southwest of Buenos Aires, and the Campo Duran-Buenos Aires pipeline, which runs from the Bolivian border south to the Argentine capital. Also included are renovation and extension of natural gas distribution networks in the greater Buenos Aires area and the cities of Rosario and La Plata; the construction of a dock for propane tankers of up to 45,000 tons displacement in the port of Buenos Aires; and automation of the Garayalde Compressor Plant in the Patagonian desert.

Technical Assistance Grants

Four technical assistance grants totalling $850,000 from the Inter-American Development Bank will help carry out agricultural training programs in Colombia and Mexico and regional development studies in Central America. Colombia and Mexico will each receive a grant of $300,000 to finance, through private organizations, the advanced training of professionals in techniques of lowland tropical farming and ranching and in modern wheat and corn farming technology respectively. The grant of $100,000 to the Governments of Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua will finance studies on the possibilities of integrated development in the river basin areas of the Gulf of Fonseca, Gulf of Honduras and the San Juan River. The remaining $150,000 grant will be used by the Permanent Secretariat of the General Treaty of Central American Economic Integration (SIECA) to help carry out agricultural development studies in the harmonization of national programs for the supply of staple foods and the setting of prices, and in prospects for the specialization of agricultural production, and the preparation of a plan for agricultural regionalization in Central America. Both Central American study programs will be coordinated by SIECA with the support of the participating Governments.

Oil Equipment Markets...

...Southwestern United States...

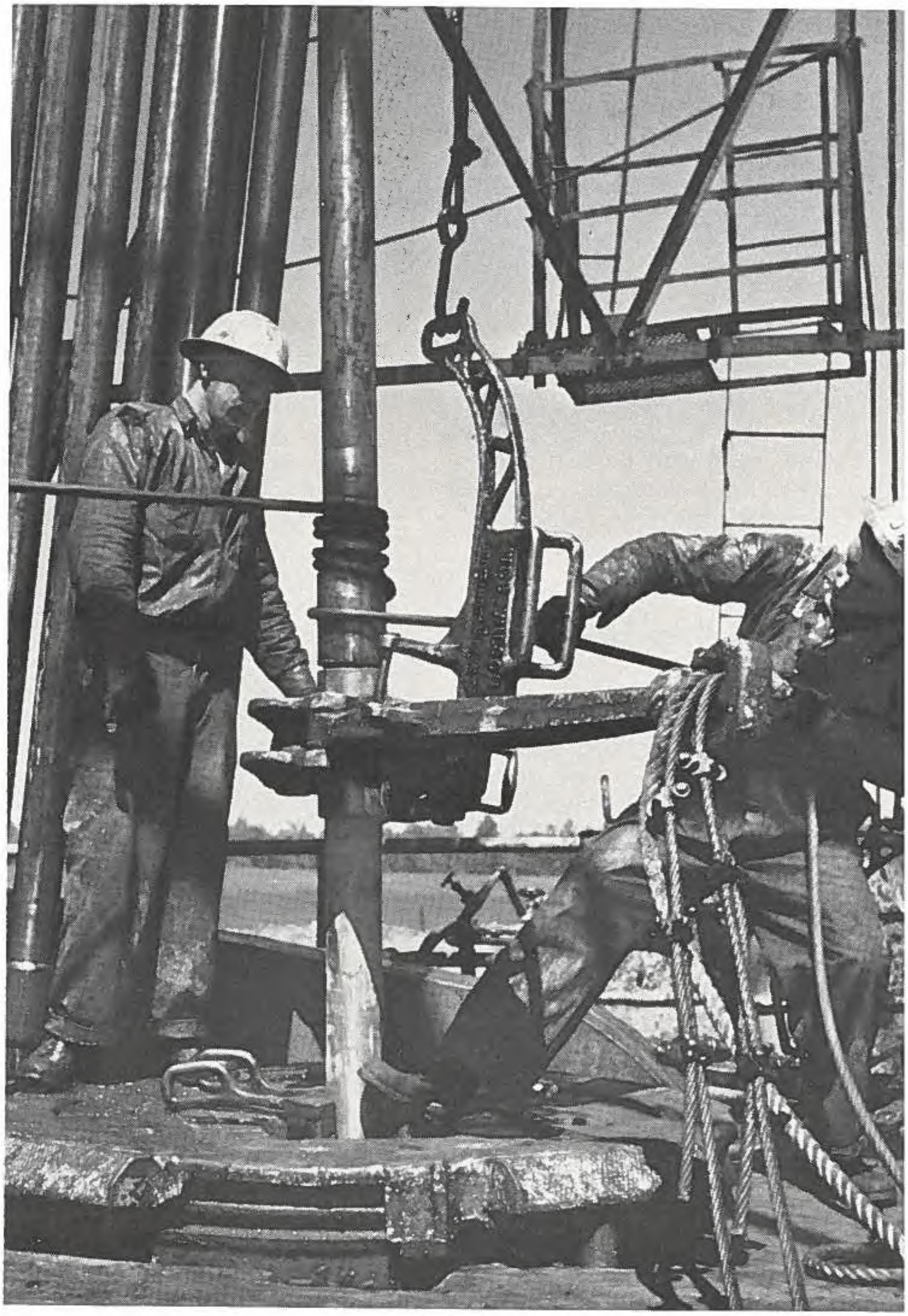
Opportunities still exist in this area—the world's largest market for oil and gas equipment—where Canadian expertise and quality products are already recognized.

C. M. FORSYTH-SMITH
Consul and Trade Commissioner,
Dallas

The largest single concentrated market for oil and gas equipment in the world is nearer than you think—in fact in the southwestern United States. Here, in an area bounded roughly by Tulsa, Odessa, Houston and New Orleans, and including Dallas-Fort Worth, is the largest proportion of the actual exploration, drilling, production, refining and petrochemical activities of the domestic U.S. industry. Here, also, a high percentage of the buying decisions for the oil industry are made—decisions that influence equipment selections not only for the southwest, but for other parts of the U.S. and the entire world.

The size and potential of the oil and gas equipment market in the southwest is shown by these figures indicating the area's share of the country's industry: 70 per cent of crude oil production, 86 per cent of natural gas and 85 per cent of liquid natural gas production, 63 per cent of rotary drill activity, 46 per cent of wildcat tests drilled, and 52 per cent of hydrocarbon processing.

The U.S. is, of course, the world's leading oil producer and the major market for oil and gas equipment and services. But what is not so widely realized is the major role played by the southwest in decisions relating to the over-all world petroleum industry. Although accurate figures are not available, the following is an approximate breakdown of where buying decisions for the industry are made: Houston, 40 per cent; Dallas 10 per cent; Tulsa/Bartlesville, 8-10 per cent; Los Angeles 15 per cent; New York 15 per cent; and elsewhere in the U.S., 10 per cent.



Many American oilmen have worked in the industry within Canada (where these men are pulling pipe to change a drilling bit) a fact that helps Canadian sales in the U.S.

An aerial view of the port of Houston, showing freighters at the docks, and the plants and oil tanks in the background.

A look at three specific segments of the industry further demonstrates the purchasing power concentrated in the southwest. Estimates are that decisions made in this area control 35-40 per cent of purchasing for the refinery sector, 65 per cent of purchasing for the petrochemical sector, and 80 per cent of purchasing for natural gas processing.

The locations of suppliers of equipment and services to an industry can usually be considered a reliable guide to the relative importance of various centers as markets. From this standpoint, the southwest rates very high. It is estimated that 50 per cent of the domestic suppliers to the industry are located within a radius of 100 miles of Houston, 10-12 per cent in the Dallas-Fort Worth area, and 10 per cent in Tulsa, 10 per cent in Los Angeles and 10-20 per cent elsewhere in the United States.

The preceding figures give some indication of the size of the market for oil and gas equipment in the southwest. They also give an indication of the influence this area exerts on purchases for use in other parts of U.S. and the world.

The far-reaching buying influence of the southwest cannot be overemphasized. For instance most policy decisions regarding purchases for Alaska, particularly for equipment and services for drilling, seismic work, processing, transportation and housing, are made at headquarters or regional offices in the United States, mainly in the southwest. The influence on overseas operations is undoubtedly less than for Alaska and major petroleum regions of the United States because a number of companies handle their overseas operations out of New York or the west coast. There is, however, an increasing trend away from New York to Houston and Dallas, and this trend is expected to continue. Even companies retaining New York head offices appear to use them mainly for matters related to financing.

Offshore activity has been escalating rapidly, and it is expected that $10-12 billion will be spent over the next five years to prove and produce free world acreage. It is estimated that by 1990, 35 per cent of total world production of oil and gas may be from offshore operations. In the U.S. in particular, heavy emphasis is being placed on offshore activities as the need to locate additional reserves becomes more pressing. Increasing expenditures on safety, fire protection, and air and water pollution control can be expected as government regulations are tightened.

All these developments offer growing opportunities for Canadian suppliers.

The question is, how can Canadian suppliers of equipment and services take advantage of this vast potential. It appears obvious that efforts to penetrate the markets controlled by U.S. companies should be heavily concentrated in the southwestern states. The principal customers, of course, are the oil companies, drilling companies, the pipeline companies, pipeline contractors, geophysical exploration companies, refining companies, petrochemical companies, natural gas processing companies, and engineering contractors. There are a number of approaches to the market, and the most effective will depend on the type of equipment and services being offered.

For exploration and survey this radio beam surveyor is being used world-wide. It is a Canadian development and is used for accurate long-distance work.

Direct sales are sometimes appropriate for high value items of a non-expendable nature, but only if the Canadian supplier is prepared to establish local sales offices or to make frequent visits to the area. For technical items, or services requiring constant contact and promotion, a well-connected manufacturer's representative is usually advisable. For items requiring servicing, a distributor who is prepared to carry an inventory of parts is essential. Expendable items required for production are usually distributed through oil-field supply houses offering specialized services such as financing and rapid delivery of emergency supplies to site, and who are prepared to accept the return of unused materials. Some of these supply houses, however, are owned by large U.S. steel companies, many are owned by equipment manufacturers, and others are tied to operators.

Whatever approach is adopted, it is important that suppliers be known to the operating personnel at the site of operations, and also to the headquarters personnel, who usually control purchasing policy. In many cases prequalification is required, and this applies particularly to technical items and engineering services. Even when local purchasing authority has been delegated it usually encompasses only suppliers previously approved by central purchasing offices.

There are important aids that should not be overlooked. Foremost are the various journals and directories. Subscriptions to appropriate ones are essential to maintain continuing contact with developments, locations of principal buying offices, and key personnel. Some of the most useful are: *The Oil and Gas Journal*, *The Pipeline and Gas Journal*, *The Ocean Industry*, *the U.S.A. Oil Industry Directory*, *The Petroleum Equipment Suppliers' Association Store Point Directory*, *American Association of Oilwell Drilling Contractors Directory*, *Pipe Line Industry*, *Hydrocarbon Processing*, *World Oil*, *Offshore*, *Petro-Chem Engineer*, *Petroleum Engineer*, and *Pipeline Engineer*. Numerous other specialized journals and directories are available and information on them can be obtained on request from the Consulate. Consideration should also be given to advertising in appropriate journals and being listed in the major industry catalogues such as *Composite Catalog*, *Pipeline Catalog*, and *Hydrocarbon Processing Catalog*.

There are many trade associations, and most of them hold periodic meetings and conventions at which key personnel can be contacted. Some of the larger conventions incorporate trade shows—useful vehicles for displaying equipment and becoming known within the industry. Participation should be considered part of an over-all marketing program. Some of the better known and most effective shows are the International Petroleum Exposition held in Tulsa, Oklahoma, at irregular intervals, the next one is in May 1971—the last, in 1966, attracted 72,000 oilmen from around the world; the Annual Offshore Technology Show in Houston, in its infancy but rapidly establishing itself as a major event in its specialized field; the Permian Basin Oil Show at Odessa, Texas, held in alternate years (the next is in 1972) and the Louisiana Gulf Coast Oil Exposition in Lafayette, Louisiana, again in alternate years to avoid conflict with the Odessa Show.

Finally, there are a number of market research organizations that might be of assistance, and again details can be obtained from the Consulate.

A number of problems face Canadian companies wishing to sell in this area. Some of these are: a natural preference for locally manufactured items which are better known; a reluctance to become dependent on sources of supply remote from bases of operations; a highly concentrated local manufacturing industry with the advantage of proximity to market; tariffs which often lead to uneconomic laid-down prices; and transportation problems which sometimes result in delivery delays and increased costs. Many Canadian companies, however, are making inroads into the market, and many more could do so.

But other factors work in our favor. These include an extensive knowledge within the local industry of Canadian capabilities (many people have worked in the industry in Canada); Canada's growing reputation for quality and technical excellence; a generally lower rate of cost increases in the Canadian industry than in the local industry; preferential rates of duties on many items purchased by U.S. companies for use in Arctic areas, particularly in Alaska.

The various steps to an orderly approach to the market are summarized as follows;

1. Study the market, using the many available reference sources or the services of a market research organization, and follow this research by personal visits and on-the-spot investigations;

2. Depending on the type of equipment or services being offered, decide on the most appropriate means of representation, and consult the Consulate for recommendations;

3. Support your representatives by advertising in suitable journals and by listings in appropriate directories, publications, and catalogues;

4. Study upcoming industry conventions, meetings and trade shows to determine the most appropriate ones to attend and participate in.

Finally, keep the Consulate advised of all your activities so that you can take advantage of the services we can give you.

Penetration of this market is not easy: customers are sophisticated, knowledgeable, conservative, and reluctant to experiment with unproved suppliers, and some tend to be nationalistic. In most cases, however, the right product at the right price, combined with active promotion, reliable deliveries, and good and continuing service will get you in. A number of Canadian suppliers are already doing well here, and there is little question that substantially increased sales can be achieved through aggressive and well-planned approaches to the market. The Dallas Consulate can help you and can give you the locations of the purchasing offices should you need them.

...Oil Centre for Southeast Asia

Singapore provides a marketplace for the growing needs of oil firms, from seismic exploration equipment to the supply of complete production facilities.

J. H. GILL, Assistant Commercial Secretary, Singapore

Singapore is becoming an important focal point in the developing oil exploration boom that is now evident in much of Southeast Asia. Due to Singapore's geographic position, economic stability and extensive infrastructure, it can supply the facilities and services required by the oil companies and their numerous suppliers.

The Singapore Government is becoming increasingly aware of the diverse needs of the oil companies and is catering to them. At the present time the 44 acres of warehousing and docking facilities at the port of Loyang in Serangoon Harbor are reserved for the exclusive use of offshore oil service companies. Loyang's expansion plans include construction of more warehouses and greater utilization of adjoining land. A second supply base is being actively considered for Jurong Port. A joint venture between the Development Bank of Singapore and Santa Fe-Pomeroy, operating under the name of Singapore Offshore Petroleum Services, is providing the required port services to Loyang.

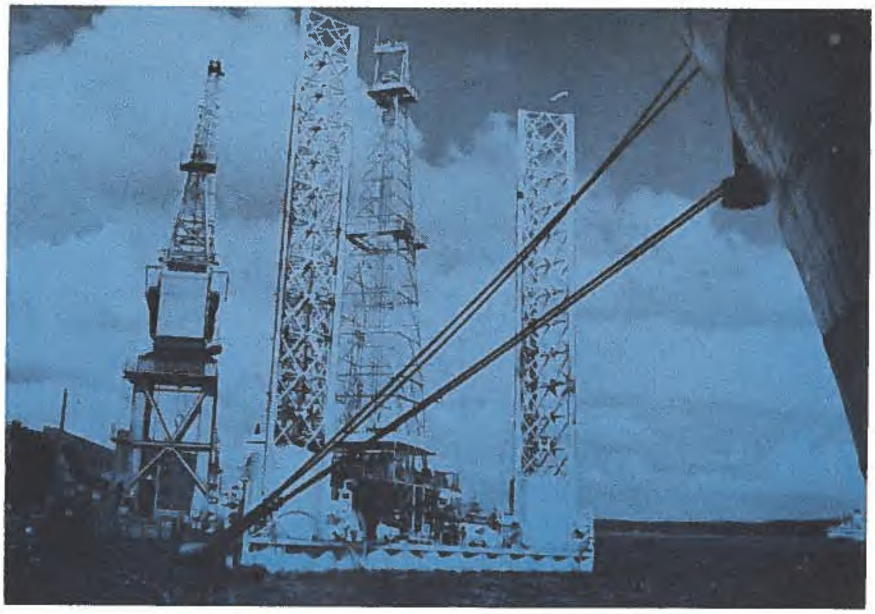
Singapore's marine facilities are being increasingly used to support the oil industry. Barges, rigs and platforms, as well as supply and crew delivery vessels, tugs and geophysical boats are all being constructed here. Repair and conversion work is also helping to keep the many Singapore shipyards busy. For example, Keppel Shipyard, under Vosper Thornycroft management, is now operating three shifts a day in an attempt to satisfy the demand. Most shipyards (there are about 45) are operating two shifts daily. Skilled labor is becoming increasingly scarce despite government emphasis on technical education. It is expected, however, that the output of the many new industrial training centers will help to ease the manpower shortage within a year or two.

Relatively little marine equipment is manufactured in Singapore. Britain has been a traditional supplier, but as both the number of shipyards and their scope of operations increase, so too do the opportunities for Canadian suppliers. This is especially true of specialized equipment for the oil industry.

It has been known for some time that oil and gas deposits exist in Southeast Asia. Prior to the last war, this area produced approximately 3.5 per cent of the world's crude oil, with the then Dutch East Indies (now Indonesia) sixth in world crude oil output. After the war some of the devastated fields were rehabilitated, but complete redevelopment has not yet been achieved.

The present oil boom can be said to have started in 1966 when the Indonesian Government gave a large petroleum contract area to the U.S. IIAPCO Company in the West Java Sea. Grants of other blocks rapidly succeeded this. Soon most of the continental shelf area of Indonesia, Thailand and Malaysia was held by oil companies in varying sized blocks under contract or concession terms. This shelf area, where the water is less than 600 feet deep, includes part of the South China Sea, extends into the Java Sea, includes the Makassar and Malacca Straits, the Arafura Sea (between Guinea and Australia), the Gulf of Siam and a portion of the Indian Ocean off the West Sumatran coast. As an extensive search for oil has just begun in this area, it is reasonable to assume that activities will not reach a peak before the mid 1970's or, more probably, the late 1970's.

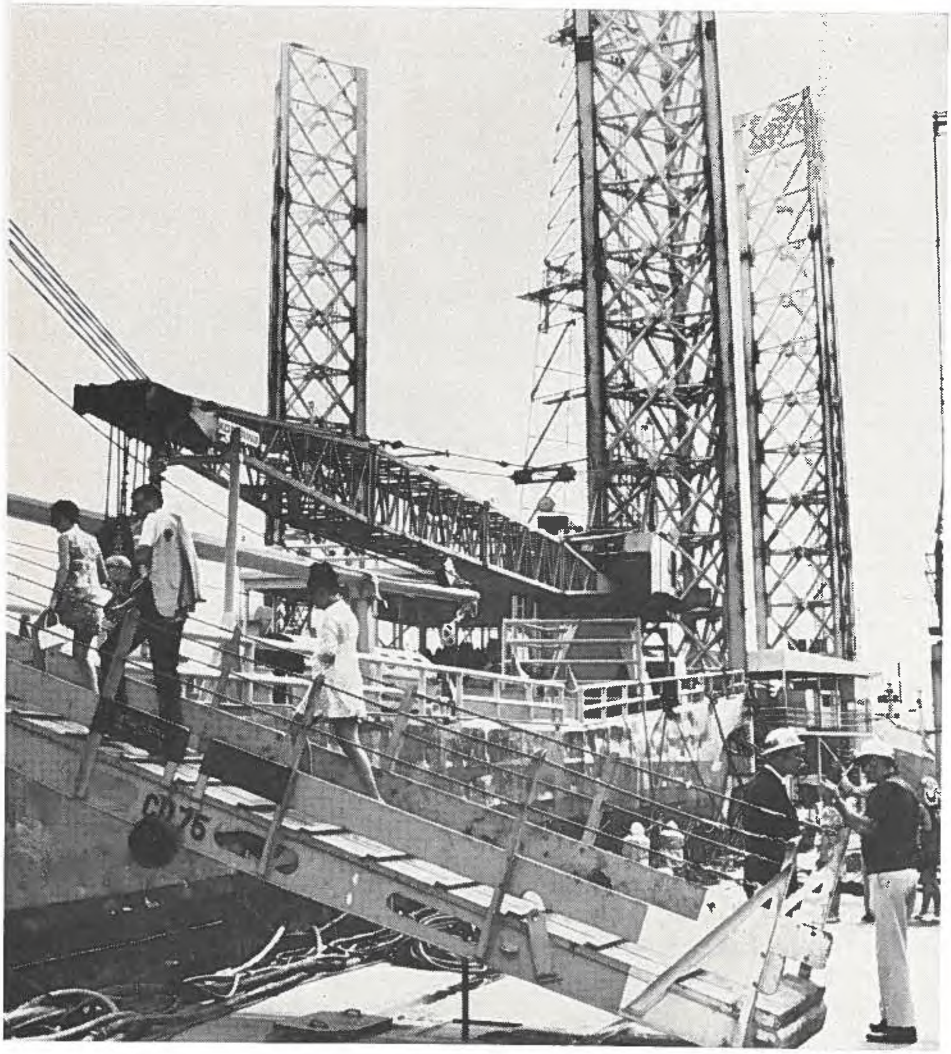
The Southeast Asia area is vast and over most of it conditions are favorable for the finding of oil. Geologists claim the necessary geological factors are all present for the generation and accumulation of large oil deposits. Although to date only a relatively limited area has been investigated, approximately 95 oil fields have been discovered. Present production is approximately 850,000 barrels a day.



A drilling mobile in the dock at Sembawang undergoes a refitting. The two triangular towers are two of the mobile's "legs". A mobile contains all the drill machinery.

Several of the long established oil companies have their own warehousing facilities which enable them to purchase their requirements direct from the manufacturer and have them shipped direct to their own supply bases. Most of the oil companies now operating in Southeast Asia, however, are relative newcomers without the required storage and back-up facilities. These companies, therefore, must buy from local suppliers or order their needs many months in advance and must arrange for storage space when these supplies arrive.

Every mobile has its own tender, which contains power units, supply and warehousing facilities and living quarters. Here visitors board one to look it over.



Most large-scale purchasing is done in New York, Houston, San Francisco or Tokyo. Many companies, however, will purchase locally if they can "economically justify" such purchases, because local purchasing saves them the costs of documentation, shipping, insurance and storage, as well as establishing a source for emergency supplies and services. The actual "economically justifiable" premium which a company is willing to pay for local supplies depends on the nature of the product and the company's present needs and policies.

With all the oil activity, especially offshore, Singapore has become a central base for the oil industry operations. An ever-increasing number of oil companies, oil field supplying, service contracting and construction companies have set up either operational bases or regional headquarters in Singapore from which they serve the oil industry. The transport of personnel and supplies by air and sea to the various operations also originates, to a large extent, in Singapore. The latest government statistics indicate there are offices in Singapore for 14 oil companies, eight geophysical companies, seven drilling contractors, six consultancy firms and 47 identifiable service, supply and construction firms connected with the oil industry.

As the industry becomes more involved in this vast area the amount of money, time and equipment invested in the exploration activity is expected to increase relatively faster than that invested in production and development activities.

However, there is a significant amount of continuous investment in refining facilities. The accompanying table gives an indication of the refining capacity now operating and under construction in Singapore. Industry sources estimate that refining capacity in Singapore alone will be 400,000 barrels per day by 1971, half a million or more by 1975, and at least one million barrels per day by the end of the decade. As only a very limited amount of sophisticated machinery is produced locally, it is evident that there is substantial scope for Canadian refinery equipment manufacturers. It must also be noted that the listed expansion plans do not include the significant amount of development now underway in the neighboring countries.

PETROLEUM REFINING FACILITIES IN SINGAPORE

Company	Plants Now Operating	Projects Being Implemented
Shell	No. 1 Refinery Pulau Bukom 46,000 barrels/day	No. 3 Refinery Pulau Bukom 100,000 barrels/day
	No. 2 Refinery Pulau Bukom 90,000 barrels/day	No. 2 lube oil plant Pulau Bukom 170,000 tons/yr.
	No. 1 lube oil plant Woodlands 30 million imperial gals/yr.	No. 2 bitumen plant Pulau Bukom 160,000 tons/yr.
	No. 1 bitumen plant Pulau Bukom 200,000 tons/yr.	No. 1 hydro-carbon solvents Pulau Bukom 60,000 tons/yr.
British Petroleum	No. 1 Refinery Pasir Panjang 20,000 barrels/day	
Mobil	No. 1 Refinery Jurong 27,000 barrels/day	
Castrol	No. 1 lube oil plant Princess Elizabeth Estates 4,000,000 imperial gals/yr.	
Caltex	No. 1 lube oil plant Tanjong Panjuru 10 million imperial gals/yr.	
Esso		No. 1 Refinery Pulau Ayer Chawan 81,000 barrels/day
		No. 1 base lube oil plant Pulau Ayer Chawan 220,000 tons/yr.
Singapore Petroleum & Chemicals Company Limited		No. 1 Refinery Pulau Merlimau 65,000 barrels/day

The Singapore Economic Development Board is now studying the feasibility of setting up naphtha, ethylene, carbon black and dodecyl benzine plants—in other words, a petrochemical complex—to serve Southeast Asia. Ten per cent of Singapore's projected 1971 output of 400,000 barrels per day is expected to be naphthol, the basic raw material for the petrochemical industry. At present, this is exported to Australia and Japan where it is converted into "intermediates" (that is, semi-processed petroleum products), and subsequently sold to other countries, one of which is Singapore.

If Singapore had its own petrochemical industry and this conversion was done here, it is estimated projected savings to the local "intermediates" buyers would be about 35 per cent, which is said to be the present freight factor in Japanese delivered costs. During the past few years, there has been a rapid growth in the use of "intermediates" throughout the region, and it is becoming increasingly feasible to establish a petrochemical industry in Singapore.

The Government is encouraging the development of Singapore as a centralized work base for the whole oil industry. Because of this policy many suppliers are establishing agents or subsidiary operations in Singapore. According to the oil companies, there is room for many more suppliers catering to all areas of the oil business. Canadian companies have an excellent opportunity to participate in this rapidly expanding market if they establish themselves now.

Suppliers would do well to note that all sensitive equipment must be tropicalized before being offered in this market. Radio communications equipment, for example, should be of solid state construction and well sealed so that it will operate effectively under equatorial operating conditions of high heat and humidity.

Contact the Department's Singapore office for further information.

Trade Lines

Aluminum

In Hong Kong the production of aluminum sheets and their manufacture into a wide variety of products is a growing segment of the industrial economy. From a modest start in utensil-making 20 years ago, there are now six major aluminum-ware manufacturers employing more than 2,000 workers. Imports of aluminum for this industry totalled 14,200 tons in 1969. Canada, Australia and the United States were prime suppliers—Hong Kong.

Computerized Customs

One of the United States largest customhouse brokerage firms, C.J. Tower & Sons of Buffalo Inc., has become the first fully computerized customhouse in the country. The company is also the first to transmit monthly computer tapes to the U.S. Census Bureau as direct input for the import statistics program—Buffalo.

Export Contracts

Motherwell Bridge Engineering Co. and its subsidiaries have won contracts in excess of $17.5 million, which include export contracts valued at $7.5 million. Export contracts include heat exchangers for Qatar and Brazil, water pressure plants for New Zealand, water treatment plants for Australia and Kuwait, and oil tanks for Cyprus, Egypt, Nigeria, Singapore and Trinidad—Glasgow.

Exports Off

West German machinery manufacturers are concerned about their showing in the field of exports. In the first quarter of 1970 export orders were 1 per cent lower than in the same period last year. Allowing for price changes, the March-to-March decline was 7 per cent. Domestic orders in the first three months of 1970 were up 12 per cent at current prices, but only 3 per cent in real terms, compared with the first quarter of 1969—Duesseldorf.

Fertilizer

Fertilizantes Fosfatados Mexicanos S.A. of Mexico City has set up a subsidiary company in Rotterdam with the name Fertilizantes Fosfatados Mexicanos Trading Nederland N.V., according to an announcement in the Official Gazette. It has authorized capital of $57,080 of which $11,416 is subscribed and paid up. Aim of the new enterprise is the import, export and transshipment of chemicals and fertilizers—The Hague.

Financing for Overseas Firms

The New Zealand Government recently modified its policy on the raising of money by overseas companies. Firms that are more than 49 per cent foreign-owned can in general borrow locally only in proportion to their New Zealand equity. However, if the New Zealand equity in an overseas company is between 51 and 75 per cent the firm may borrow 75 per cent of its loan financing within the country. Should foreign ownership be less than 25 per cent there are no restrictions on loan financing—Wellington.

Foreign Investment

Foreign investment in Morocco during 1969 totalled $13.7 million. Of this 40.3 per cent originated in the U.S., 34.1 per cent in France, 13.2 per cent in Switzerland, 3.5 per cent in West Germany, 2.6 per cent in U.S.S.R. and 4.3 per cent from other sources. Investment was distributed principally among the following sectors: industry, $3.3 million; petroleum prospecting, $2.6 million; agricultural projects, $1.3 million; commerce, $1.4 million; tourism, $1.1 million—Madrid.

Housing Shortage

The West German Federal Housing Ministry states that there is presently a national shortage of 800,000 apartments. Seven million West German apartments (35 per cent of the total) have neither bath nor shower, and 5.8 million have no sanitary facility. New apartment starts are decreasing in face of high interest rates and skyrocketting building costs—Hamburg.

Iron Project

A $300 million undertaking is planned for the Pilbara area of Western Australia to develop the Robe River iron ore project. It will comprise 100 miles of standard gauge railway, a port area for storage, pelletizing and shipment of ore and pellets, a mine town near Mount Enid in the Robe River area and a township at the port—Melbourne.

Office Park

Plans for a 131 acre office park valued at more than $150 million were recently announced in Dallas, Texas. Four buildings ranging from seven to 20 stories are currently planned, while feasibility studies indicate that 20 to 40 additional structures could be built on the site. Principals in the development include Trammel

Crow Company, a Dallas investor-developer; Portman and Associates, Atlanta architects; and Coker Brothers Construction Company, Dallas, general contractors—Dallas.

Hydro-electric Plant

Ingenieros Civiles Asociados (ICA) S.A., a Mexican engineering firm, will construct the $22.3 million hydro-electric complex at Alto Anchicaya, Colombia. Completion of the plant is due in December 1973, and its generating capacity will be about 330 mw—Mexico City.

Machinery Complex

The East Pakistan Industrial Development Corporation and the U.S.S.R. have signed a memorandum of intention for the conducting of a feasibility study for a heavy machinery complex. The proposed complex, under Soviet aid, will manufacture earth-moving equipment, construction and road building machinery including cranes and cold storage facilities—Islamabad.

Production Forecast

Singapore's gross domestic product per head is expected to increase from the 1966 level of $515 to about $2,209 in 1992. The labor force is expected to rise from the present 600,000 to 1,300,000, with wages also increasing. The Government's master plan—the Ring Concept Plan—ensures land for industries, shipping, civil aviation, communications, defence purposes and water supply to meet the needs of the estimated four million population by 1992—Singapore.

Port Development

The Government of Yugoslavia will provide the $22.7 million foreign exchange component for the construction of eight jetties at Chalna Port, East Pakistan. Presently there are only 15 moorings in operation. The estimated cost of the project is $95.5 million. The contract signed recently between Chalna Port Authority and two Yugoslav firms calls for the construction to be completed within three years—Islamabad.

Precision Photo Negatives

Compugraphics International will build a $625,000 factory at Glenrothes, Scotland, for production of precision photographic negatives used in the manufacture of microelectronic components. The company presently employs 10 people and it is hoped that this number will be increased to 30 by the end of 1971—Glasgow.

$12 Million for Schools

A $12 million loan from the World Bank will be used by Spain to assist in financing the first stage of educational reforms, principally in the areas of primary and secondary schooling. Construction and purchase of equipment under this project will be open to international tender. The project includes the construction of 19 primary and 20 secondary schools and eight elementary teacher training colleges, all to be completed within the next three years—Madrid.

Small Aircraft Control

The Singapore Government, in order to ease the heavy flow of air traffic into Paya Lebar International Airport, is diverting all small aircraft to the Seletar airstrip. Part of the Seletar aerodrome is occupied by the R.A.F. and is scheduled to be handed back to Singapore in 1971. The Singapore Armed Forces will use half of the airport for pilot training—Singapore.

Teacher's College

The Singapore Technical Institute and the Teacher's Training College's technical department will be housed in a 10-storey building now under construction. Student capacity of the new complex will be 1,000 full-time and 1,000 part-time students. It is to be completed in April 1971. It will comprise workshops for training in welding, sheetmetal, woodcraft, wood machines, refrigeration and air conditioning, instrument testing, fitting and furniture work. In addition there will be language laboratories and teacher training facilities in metal trades, woodwork, electricity, electronics, radio and television and drafting rooms and a library—Singapore.

Foreign Tariffs and Trade Regulations

Colombia

By Resolution No. 001 of October 6, 1970, the Colombian Import Authority has modified a number of customs tariff positions, reducing duties on the following industrial raw materials:

29.13.D	Ketone-alchols, ketone-phenols, ketone-aldehydes and other single or complex oxygen-function ketones	20%
38.19.U	Preparations (salts) for thermic treatment of steel	50%
48.07CV1a	Fourdrinier paper, waterproofed by latex, polyvinyl chloride, nitrile-rubber in concentration not higher than 52 per cent	40%
71.02A1	Diamonds for industrial use	30%
82.07	Tool-tips and plates, sticks and the like for tool-tips, unmounted, of sintered metal carbides (for example, carbides of tungsten, molybdenum or vanadium)	30%

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 .97. **To convert column two, *divide* by .97.**

Country and Currency	Value of foreign currency unit in Canadian dollars at October 21	Value of Canadian dollar in foreign currency units
Algeria Dinar	.1862	5.37
Argentina Peso (free)	.2549	3.92
Australia Dollar	1.137	.87
Austria Schilling	.0395	25.31
Bahamas Dollar	1.0197	.97
Belgium and Luxembourg Franc	.02055	48.66
Bermuda Dollar	1.027	.97
Bolivia Peso	.08565	11.67
Brazil Cruzeiro (official free)	.2183	4.58
Britain Pound	2.435	.41
British Honduras Dollar	.5364	1.86
Burma Kyat	.2141	4.65
Ceylon Rupee	.1713	5.83
Chile Escudo (bank rate)	.0863	11.59
(free)	.0711	14.06
China, Republic of New Taiwan Dollar (official)	.027	37.04
Colombia Peso (fixed)	.054	18.50
Congo (Kinshasa) Zaire	2.144	.46
Costa Rica Colon	.1539	6.69
Cuba[1] Peso	....	....
Czechoslovakia Koruna	.1416	7.06
Denmark Krone	.1360	7.35
Dominican Republic Peso	1.0197	.98
Ecuador Sucre (official)	.0408	24.51
(free)	.0511	19.49
El Salvador Colon	.4079	2.45
Fiji Dollar	1.1771	.84
Finland Markka	.2428	4.11
France, Monaco, etc.[2] Franc	.1846	5.41
Franco-African Republics[3] Franc	.0037	270.85
French Pacific[4] Franc	.0101	98.52
Germany D Mark	.2808	3.56
Ghana New Cedi	.999	1.00
Greece Drachma	.0339	29.42
Guatemala Quetzal	1.0197	.98
Guyana Dollar	.5367	1.86
Haiti Gourde	.2039	4.90
Honduras Lempira	.51	1.96
Hong Kong Dollar	.1682	5.94
Hungary Forint (official)	.0921	10.85
Iceland Krona (official)	.0116	86.28
India Rupee	.1354	7.36
Indonesia[5] Rupiah	....	....

Country and Currency	Value of foreign currency unit in Canadian dollars at October 21	Value of Canadian dollar in foreign currency units
Iran Rial	.0142	70.42
Iraq Dinar	2.855	.35
Ireland Pound	2.435	.41
Israel Pound	.2913	3.43
Italy Lira	.0016	625.00
Jamaica Dollar	1.217	.82
Japan Yen	.0028	357.14
Kenya Shilling	.1526	6.55
Lebanon Pound (free)	.316	3.16
Malaysia Dollar	.333	3.00
Mexico Peso	.0816	12.25
Morocco Dirham	.2048	4.88
Netherlands Florin	.2835	3.52
Netherlands Antilles Florin	.5407	1.84
New Zealand Dollar	1.139	.88
Nicaragua Cordoba	.1457	6.86
Nigeria Pound	3.017	.33
Norway Krone	.1428	7.00
Pakistan Rupee	.214	4.67
Panama Balboa	1.0197	.98
Paraguay Guarani (free)	.0081	123.46
Peru Sol (free)	.0235	42.55
Philippines[6] Peso (free)	.158	6.29
Poland Zloty (fixed basic rate)	.2700	3.71
Portugal & Colonies[7] Escudo	.0355	28.19
Saudi Arabia Riyal	.2062	4.84
Sierra Leone Leone	1.508	.66
Singapore Dollar	.3507	2.85
South Africa Rand	1.423	.70
Spain & Dependencies Peseta	.0146	68.21
Sweden Krona	.1969	5.07
Switzerland Franc	.2352	4.25
Syria Pound (free)	.2819	3.55
Thailand Baht (free)	.0495	20.22
Trinidad & Tobago[8] Dollar	.5098	1.96
Tunisia Dinar	1.942	.51
Turkey Lira	.0679	14.71
United Arab Republic Pound (official)	2.35	.42
United States Dollar	1.019	.98
Uruguay Peso (free)	.0041	245.15
Venezuela Bolivar (official free)	.2272	4.40
Yugoslavia Dinar (official)	.0815	12.25

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. Exchange rate in Philippines on floating basis with daily quotations by banks.

7. Approximately same rate for Portuguese territories in Africa.

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

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 Fredericton, Halifax, Montreal, Toronto, Winnipeg, Regina, Edmonton, Vancouver—
Regional Office, Department of Industry, Trade and Commerce

In Windsor, Ontario—
Greater Windsor Industrial Commission

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

United States

W. F. Hart, Commercial Officer, Chicago:

Montreal: November 9–10

In Territory

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

Bahamas

A. Blum, Commercial Secretary, Kingston, Jamaica, will be in Nassau November 15 to November 29 and Freeport November 29 to December 2.

Bulgaria, Hungary, Rumania

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.

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.

Iceland

J. R. Caux, Commercial Secretary, Oslo, Norway, will be visiting businessmen in Iceland from November 8 to November 14.

Ireland

R. A. Bull, Commercial Counsellor in Dublin, will visit Wexford, Waterford, Kilkenny, November 10, 11 and 12; Limerick and Shannon, November 24-26; Cork, December 15-17.

Mauritania and Senegal

John P. Bell, Commercial Secretary, Abidjan, Ivory Coast, will be visiting these two countries November 7-17.

People's Republic of China

Trade Commissioners in Hong Kong regularly attend the Commodities Fair in Kwangchow in the spring, April/May, and in the fall, October/November. Canadian businessmen who would like the Trade Commissioners to assess prospects for them for sales or purchases should send full particulars of their offers or requirements to the Hong Kong office.

Puerto Rico

Trade Commissioners from San Juan regularly visit the Dominican Republic, Haiti and the Virgin Islands. Canadian businessmen who would like officers to undertake assignments for them in these countries are invited to write to the Canadian Consulate.

Turkey

Trade Commissioners in Ankara visit Istanbul frequently. Canadian businessmen who would like the officers to undertake assignments for them in that city are invited to write to the Commercial Division, Canadian Embassy, Vali Dr. Resit Caddesi 52, Cankaya, Ankara, Turkey.

Boom in Spanish Shipbuilding

Shipbuilding is one of the most buoyant sectors of Spanish industry at the present time. Production in 1969 of 604,244 Gross Registered Tons (GRT) surpassed the target projected for 1971, and, incidentally, moved Spain from 12th to 6th place among world shipbuilding nations. This tonnage represented 216 ships of which 87 (163,606 GRT) were for export to West Germany, Cuba, Ghana, Honduras, Kuwait, Mexico, Peru and Yugoslavia for foreign exchange earnings of approximately $77 million. During 1969, 162 ships were launched (571,041 GRT), a 12.4 per cent increase over 1968. Of these, 42 (197,314 GRT) will be exported.

Spanish order books in January 1970 showed a total of 352 ships, representing 3,083,951 GRT, a 27 per cent increase over orders in January 1968. These include 212 ships (1,570,509 GRT) for domestic delivery and 140 ships (1,513,442 GRT) for exports to 25 countries.

These 140 ships include 14 tankers, 41 cargo vessels, 11 bulk carriers, nine container ships, 10 roll-on roll-off ships, eight refrigerating trawlers, 14 fishing boats and three corvettes, all of which demonstrates the high degree of specialization within the industry.

The dramatic expansion of shipbuilding, however, has not been emulated by the auxiliary industries that supply the yards with engines, refrigeration equipment, deck machinery, propellors, valves and pumps. A program to restructure these industries that was initiated this year should, however, mean an improvement.

A recent survey of the industry lists aid to the auxiliary industries as one of the basic requirements if progress is to continue unimpeded. It also noted that financing, insurance and taxes were areas where improvements should be made, and that a solution to the shortage of ship-plate must be found.

Canadian Cow Brazilian Champion

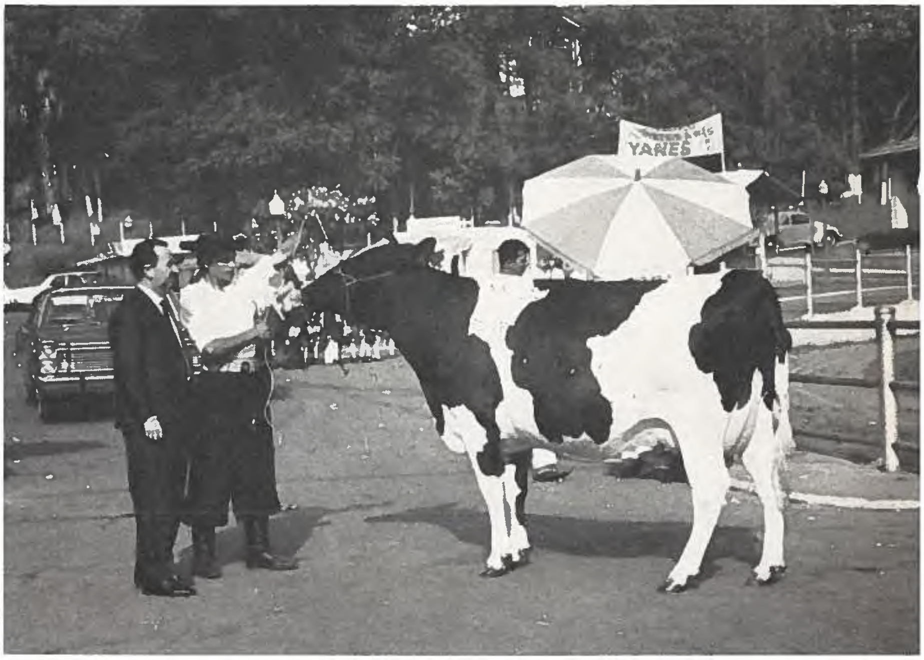
Bedecked in ribbons, attesting to her fine breeding, a young Canadian female—Holstein Friesian female that is—led the parade of champions in her class at the 24th Sao Paulo Dairy Cattle Show in Brazil.

Benview Wendy Supreme, 29-9-66, won first prize and was declared younger cow champion and reserve grand champion at the show. She is the daughter of Tornbea Texal Supreme and Elmlawn Wimpy Citation, and is owned by Brazil's foremost dairy cattle breeder, Olinto Marques de Paulo. Ownership of the young cow greatly assisted Mr. Marques de Paulo to win the State Governor's Gold Medal, a premier award of the show.

Benview Wendy Supreme arrived at Viracopos Airport, Sao Paulo, as one of a shipment of 59 head of Holstein Friesian cattle transported via Air Canada. Value of the shipment was about $185,000 and of this amount, $160,000 worth (43 head) was imported by Mr. Marques de Paulo.

During 1967-68 and 69, about 250 head of Canadian Holstein Friesians, worth approximately $530,000 were exported to Brazil through Hays Farms International, with most being shipped to owners in the Sao Paulo area.

While Benview Wendy Supreme was winning ribbons at the 10-day show, sales of Canadian specialty products were popular. The Canadian Association of Animal Breeders (OAAB) sold about $30,000 worth of frozen semen, more than any similar group there.



Benview Wendy Supreme shows the configuration which won the top awards in her class for her owner Olinto Marques de Paulo (left) at the 24th Sao Paulo Dairy Cattle Show. The attendant showing off the champion is dressed in the typical gaucho (cowboy) garb of southern Brazil.

Visitors to the OAAB booth included from the left, Dr. Luis Horacio U.C. de Melo, exclusive agent of Hays Farms International and OAAB; Mel Thomas, director of promotion, Eastern Breeders Incorporated; Dr. Otto de Mello, and Carlos Burjato.

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Decorating a Canadian snowmobile at Minneapolis Fair (see page 16) are the Miss Minnesotas of 1967, 1968 and 1969. Keeping them company are, on the left, Pierre Aubin, Consul and Assistant Trade Commissioner at Minneapolis, and Laurent Beaudoin, president of Bombardier Ltd., (right).