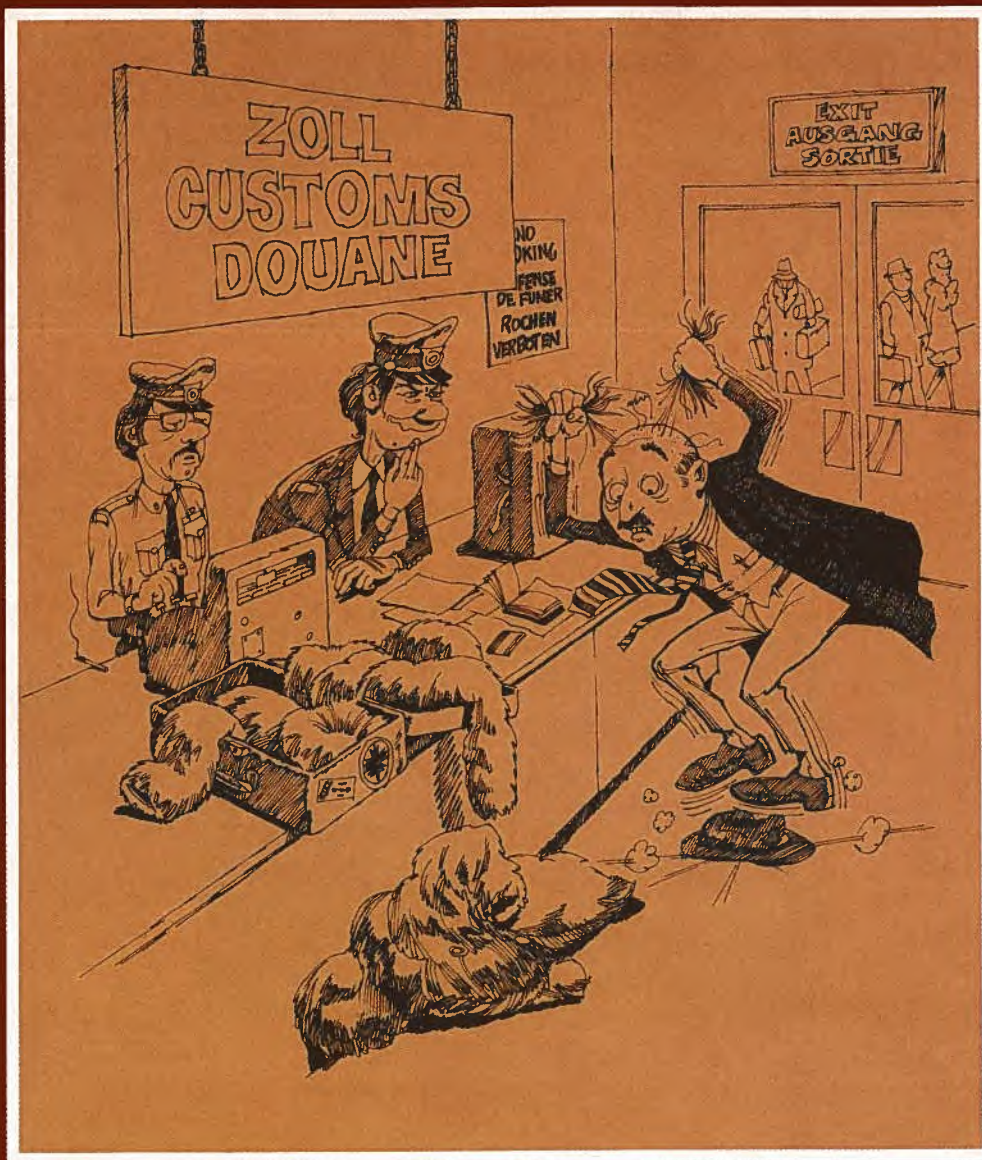


1980  
Feb/March

# Canada 1980 commerce

February/March

Things you should know about  
buying a franchised business



This couldn't be you —  
or could it? Page 11.

Reports from the U.S., Australia, Italy, . . .

**Canada Commerce**  
**February/March, 1980**

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

**Editor:**  
Anna Hibberd

**Assistant Editor:**  
Bob McDonell

**Designer:**  
Stephen Shewchuk

**Correspondence to:**  
Canada Commerce (98)  
Department of Industry, Trade and  
Commerce  
Ottawa, Ontario, K1A 0H5

**Copyright:**  
Material appearing in this magazine may be  
reproduced with credit to Canada  
Commerce.

**Content**

	<b>Page</b>
Report from New York (Focus on apparel market) .....	1
U.S. market for mass transit equipment .....	3
Report from Cleveland .....	4
Buying a franchised business .....	6
Courier's concern, Canadian sales .....	10
Travel Canada! .....	10
Merchandise passports are just the ticket .....	11
Exporting leisure goods to Australia .....	12
Know the Italian market (Focus on frozen food) .....	14
Federal assistance opens doors for Optical Art .....	16
COSTPRO to the rescue! .....	17
Harco scores — picking up the PEMD ball .....	18
Federal procurement is pro-Canadian .....	19

**Editorially speaking . . .**

We have no access to a crystal ball — as was made abundantly clear in the previous issue's editorial (wherein confident mention was made of conferences since cancelled or postponed). The circumstances were, however, rather unusual. Nevertheless, we're willing to go out on a somewhat sturdy limb and predict that this issue will be in high demand. Not only because of the wide variety of informative material that it contains in the form of articles, but because it carries an updated list of Canada's trade commissioners and commercial officers in countries throughout the world. (Reprints of the listing are available should you wish to receive extra copies).

Further, we bravely forecast that there will be a rush of interest to read the article on franchising (page 6) and that the more timid reader will quickly lose enthusiasm, since the story very deliberately points out many of the pitfalls awaiting the franchisee. But the more courageous, enterprising, energetic (and sufficiently financed) among you will take heart from the success stories cited.

Speaking of success, two companies featured in the following pages, Optical Art (page 16) and Harco (page 18), owe their present enviable state of health in some degree to IT&C programs. Read about it.

Then there are reports from posts in the U.S., Australia and Italy, articles on systems and processes designed to make life smoother for the manufacturer and exporter, a description of the workings and objectives of Supply and Services Canada . . . And more.

A.H.

Please note that Canada Commerce is available free of charge in Canada only to interested Canadian manufacturers and business persons.

Publiée aussi en français

# Focus on the apparel market

*For the Canadian exporter, the territory covered by the New York City Consulate General represents a vast market — millions of people earning billions of dollars. It would be difficult to enumerate the products which could expect to find acceptance here — but the criteria, as always, are quality and competitive pricing. The apparel trade is one area where Canadians have made significant progress — but there's lots of room for more . . . with more effort . . . more new products . . . more new ideas. Read all about it in the following. . .*

## Report from New York

by D.G. Adam  
Consul and Trade Commissioner

Why should Canadian apparel firms make a special export effort to sell to the New York metropolitan area? Initially because it is a section of the country that alone comprises a population concentration equal in size to all of Canada. Secondly, and most important, it offers a complex of stores that sell high fashion as well as medium-priced merchandise. Thirdly, this market is at your doorstep.

How can Canadian firms approach this market in a way that will allow them to compete on an equal basis with U.S. or other manufacturers? We have several suggestions. At this moment a project is being organized to bring Canadian products to the New York market and to secure for them a greater visibility. This spring Export Canada 79, in conjunction with the Consulate General, is hosting a solo ladies wear show aimed at high quality sportswear and leisurewear buyers. This show will be held at The Barbizon Plaza Hotel on Central Park South, and will present new Canadian fall 1980 lines. It will focus on the most important buyers. A strong newspaper campaign will be organized in Women's Wear Daily (an important publication that reaches major retailers in every part of the United States). In addition a pamphlet has been prepared and mailed, not only to buyers in the New



York area, but to buyers across the country, to alert them to this important event. A list of buyers will be made available to assist Canadian manufacturers in extending their own personal invitation.

The purpose of this major effort is to call attention to what Canadian manufacturers can do and how well they do it. In conjunction, there will be a fashion show organized by the Fashion Designers Association of Canada. This

event will highlight the many exciting new fashion ideas coming from Canadian manufacturers.

While the Consulate General in New York is responsible for the area North to Albany, the upper counties of New Jersey and the state of Connecticut, its major responsibility in apparel is the metro area of New York. Historically, the constant flow of talented needleworkers from Europe, plus the city's proximity to textile mills and a massive retail market, contributed to establish its dominant role. Here are located the great fashion trend-setting stores such as Bloomingdales, Saks Fifth Avenue, R.H. Macy, also the super-specialty stores like Barney's and Bergdorf Goodman. New York is the merchandise nerve centre that affects the major retail stores of the country. Associated Merchandise Corp., Allied

Stores, and May Merchandising Corp., to name but a few national chains, have buying offices located here. Giant chains such as J.C. Penney and Montgomery Ward also have headquarters here.

In mid-town Manhattan are clustered 40 and 50-storey buildings, each catering to a single segment of the apparel trade. This technique is so advanced and unique that the mere mention of a numbered address brings immediate

identity response. Thus "112" means children's wear, "1290" means men's wear market and 1400, 1411, 1412, 500 and 512 areas are all readily identified in the mind of the buyers. From such centres myriad and complex lines of merchandise are marketed. This activity is sparked by an extremely talented group of manufacturers, surrounded by good designers, and shepherded by an enthusiastic and knowledgeable press.

For Canadian apparel producers to look at such an enormous operation and discover opportunities takes imagination and foresight. The herd mentality so evident in this marketplace can and does work to their advan-



tage. Retailers are constantly looking for differences, or "handles" to build and maintain their image. Canadian manufacturers are armed with the two most enduring ingredients of the retail world: quality and fashion impact.

Canada's constant infusion of young designer talent, teamed with its ability to move quickly, has helped it to build a fashion image in its export endeavours

to this knowledgeable marketplace. Thus excellent sweaters, stylish handbags, daring fur items and fashionable outer wear, are just a few of the areas where Canadian manufacturers have made important advances.



The initial approach to a productive export program must start with the homework prior to the first contact. In short, your product knowledge, timing instinct, and pricing structure should be all marshalled beforehand. Buyers like to know what you can produce, at what price, and when you can deliver. No one knows this aspect of your business better than you do. Having done your homework we would next suggest a contact with your IT&C Regional Office for a briefing on duty rates and other border-crossing problems, and to discuss your product with an officer who will have knowledge of other manufacturers' experience.



*The constant infusion of fresh designer talent, quality products, fast, reliable service and proximity have helped establish Canada's strong reputation in New York's garment scene. Sweaters, handbags, furs and outerwear represent just a few areas where Canadian manufacturers have made important inroads.*

Canadian manufacturing centres are only a short air trip from New York and an exploratory visit to this market is invaluable. A suggested shopping tour to Metro area stores will enable you to view and compare your products in a realistic light. Not every one will sell "Bloomies" or Saks, but this marketplace is full of other good stores where your opportunities to build contacts and loyalty are plentiful.

Buyer lists are available at the Consulate General; in most cases product information is essential in order to work towards the right contacts. Large stores tend to run specialized groupings

often complicated by size range, price line boundaries and buying responsibilities. Often our most far-reaching results are brought about by having a success story in a "member" store. Buyers watch a Bloomingdale or a Lord & Taylor and will often contact the Consulate for sourcing information. Also, an Allied or Federated store will report to headquarters in New York asking for information on a Canadian manufacturer.

Once established, a marketing plan should be constant. A one-time visit can hardly be expected to establish your presence; subsequent visits, timed to periods of major market buying, are

recommended. A base of operations can be established in the Canada Room at the Consulate General or possibly in a strategically located hotel.

In conclusion, the Consulate is enthusiastic about the opportunities that exist. Well-made fashion items will always have a hearing in this marketplace. Ready-to-wear thrives on *new* ideas, and *new* products — try the New York scene and see for yourself!

**Canadian Consulate General**  
1251 Avenue of the Americas  
New York City, NY 10020  
Tel: (212) 586-2400

# The U.S. Market for Mass Transit Equipment

*The Commercial staff of the Canadian Consulate General in New York City has been keeping a close watch on the priorities allocated to the improvement and expansion of urban transit systems within the tri-state area of New York, New Jersey and Connecticut. Other U.S. posts have also identified a number of opportunities for the supply of mass transit equipment. The round-up which follows New York's report below was prepared for Canada Commerce by the U.S. Division, Western Hemisphere Bureau, IT&C, Ottawa.*

America's love affair with the automobile is finally over; perhaps not by choice, but over nonetheless. The ominously decreasing supply of gasoline (to say nothing of its burdensome cost) has focused U.S. attention on public forms of transportation as never before.

President Carter, in a speech before the convention of the American Public Transportation Association, stated that he has committed his Administration to "the rediscovery and revitalization of America's transit systems," and pledged 50 billion dollars to its development during the 1980s. To put this dramatic federal support into perspective, it is important to consider that the United States allocated less than 15 billion dollars to mass transit during the 1970s.

In many parts of America, bus and rail transportation systems are antiquated and/or seriously unprepared for the sudden ridership increases they are experiencing. Operating authorities are scrambling to

acquire more equipment. This is reflected directly by the lead times U.S. manufacturers now require to fill contracts for new equipment. So full are the order books of U.S. bus producers, for instance, they can only promise delivery two full years or more from the date of purchase (versus an average of 16 months lead time for Canada's manufacturers). The same near-crisis demand and supply situation is also found to exist in rail car manufacturing. While Canada has three major "rolling stock" producers, the United States has only one (the Budd Company of Philadelphia, Pennsylvania, which is actually a German-owned firm). It is highly unlikely that this one firm could produce all of the rail cars required across the country.

In still other areas of the industry such as bus monitoring, traffic control and rail systems the demand for new, more efficient methods and technology is sky-rocketing.



## Travelling Around . . .

**Atlanta:** In both the cities of Atlanta and Miami there are opportunities for rapid-transit-related products.

**Buffalo:** Buffalo's LRRT system is progressing according to schedule and presents an opportunity for Canadian manufacturers of transit equipment.

**Chicago:** Each of the four largest cities in the post's territory (Chicago, Milwaukee, Kansas City, St. Louis) has a major transit system requiring heavy investment for the 1980-84 period. Chicago has the largest requirements and is planning to spend more than \$1.5 billion by 1985. Its capital acquisitions are expected to involve transit buses (up to 1,000, possibly more), a large number of special service vehicles, commuter rail cars and possibly up to 30 locomotives plus ancillary equipment.

**Cleveland:** The city of Cleveland is expected to require 20 to 60 HRV's. Pittsburgh (possibly jointly with Buffalo and Portland, Oregon) is expected to tender for LRV's some time in 1981. The post anticipates a market for full and intermediate-sized buses in middle-sized transit authorities (e.g. Cincinnati, Columbus, Dayton).

**Dallas:** The post considers that some opportunities exist and has advised that there appears to be interest in articulated buses as well as other transit equipment.

**Detroit:** Preliminary engineering for the Southeastern Michigan Transportation Authority's regional transportation proposal should commence in the fall of 1980 with construction beginning in 1982. There is also interest in double-decker commuter cars for existing commuter services.

**Los Angeles:** An 18-mile subway starter line is expected to be constructed within the post territory.

**New York:** Within the tri-state area (New York, New Jersey and Connecticut) federal and state funding set aside for mass transit exceeds \$1.5 billion. Most of this is planned to be expended on capital acquisition (rail cars and buses), control systems and rail-bed improvement.

**Philadelphia:** The city of Philadelphia's interest in updating its Broad Street Subway would provide a market for about 125 subway cars.

**San Francisco:** The post anticipates that the state of California will be making significant expenditures on mass transit equipment in forthcoming years. Both Hawaii and Colorado offer opportunities for Canadian urban transportation systems.

**Seattle:** A major bus fleet expansion is anticipated in Portland, Oregon, and the city has indicated a serious interest in Canadian suppliers. Portland has also received funding for its LRC Project.

"Buy America" legislation is a feature of the market environment which must be considered. However, Canadian and other non-domestic firms have had success in overcoming the "Buy America" barrier and winning contracts. Companies requiring details on "Buy America" legislation and its possible effects on their marketing efforts could contact the U.S. Division, Western Hemisphere Bureau (29), Department of Industry, Trade and Commerce, 235 Queen Street, Ottawa, Ont. K1A 0H5.



**Mass Transit Equipment**  
 LRRT — Light Rapid Rail Transit  
 HRV — Heavy Rail Vehicle  
 LRV — Light Rail Vehicle  
 LRC — Light, Rapid, Comfortable

# Cleveland — Port of Entry to Industrial America!

by P. Marsden-Dole, Consul and Trade Commissioner

*The territory covered by the Canadian Consulate in Cleveland encompasses Ohio, western Pennsylvania, Kentucky and West Virginia, with a population and gross states' products almost equivalent to that of Canada. In size this area is approximately one-third that of the Province of Ontario.*



*Molten steel being poured at a Republic Steel Corporation mill. Canada is a major supplier of ore and ore concentrates to the area's primary metal industry.*

The principal unifying feature of the territory is the iron and steel industry from which base have been born many of the giants of United States national and multinational industries such as Standard Oil, Firestone, U.S. Steel, National Cash Register, Proctor and Gamble, etc. The post territory is corporate headquarters for 110 of the top Fortune 1,000 U.S. companies, 50 of which are in the top 500. More than 410 Canadian companies report directly to parent companies located here; more than 25 Canadian companies have subsidiary operations here and Canadian investment in Ohio industries continues to grow substantially.

The economy of this territory, though unified in terms of steel production and processing, is stable through diversification and a domestic energy source: for example, 97 per cent of Ohio's

electricity is generated from coal. Ohio is the nation's third greatest industrial state. Ohio and Kentucky are major producers of agricultural and mineral products. The economies of both western Pennsylvania and West Virginia are more tied to a single industry; coal in the case of West Virginia, steel in the case of western Pennsylvania (although western Pennsylvania does enjoy significant steel fabrication industries and agricultural production — corporate headquarters of Heinz are located in Pittsburgh for example).

Canadian companies wishing to export to this territory are well served by a variety of competitive and responsive transportation modes, whether by water, air or ground.

The Great Lakes, termed "The Fourth Seacoast," provide for shipping nine months of the year. Although 95

per cent of Great Lakes traffic is bulk cargo, the energy efficiency of water transport is predicted to lead to a future expansion of goods traffic. Air Canada and Canadian Pacific Airlines have offices in Cleveland, while Air Canada and Nordair run a daily flight service from the territory. Rail has always played a very important role in the development of the territory's industrial base. Cleveland is the home of the nation's largest rail company — the "Chessie" system. Both CP and CN Rail have offices in Cleveland to assist in the movement of cross-border trade. Most Canadian manufactured products entering the territory do so via the land bridges — Windsor/Detroit and Hamilton/Buffalo. A major Canadian trucking company services Canadian cross-border accounts through a Cleveland office and facilities in Buffalo. The proposed deregulation of trucking could lead to more Canadian trucking companies playing an active role in cross-border transport.

Both the Toronto Dominion Bank of Canada and the Royal Bank of Canada have offices in Pittsburgh; the Bank of Nova Scotia has an office in Cleveland.



*Canadian ore carrier waits for the famous Baltimore-Ohio rail bridge to open.*

Canadian export trade to the post territory should reach approximately \$3.6 billion in 1979, of which approximately \$2 billion is from Ontario and Quebec. The Ohio market will account for approximately \$2.5 billion of this total export trade in 1979. Post territory companies tend to treat Canadian suppliers on the same basis as the domestic

suppliers — indeed Canadian quotes are often handled by the domestic purchasing manager. For this reason Canadian suppliers must meet the standards of competing U.S. quotes in accuracy, delivery and price. All Canadian quotes must be submitted in U.S. dollars both on a laid-down basis (buyer's warehouse or factory) and an f.o.b. Canadian plant basis exclusive of Canadian sales and excise taxes. Because U.S. buyers must often work to tighter purchasing deadlines and target prices than is the case in Canada, Canadian and U.S. quotes are usually not open for renegotiations. The initial quote is the final quote.

The post territory holds excellent opportunities for processed food products; electrical and electronic componentry; primary resource and industrial machinery (including environmental); forgings and castings; valve and pipe fittings, fasteners, stampings; building products, including wood; contract furniture; vehicular parts, accessories and componentry; and high technology services and components (machining and custom designed printed circuit boards).



*Harvesting grapes . . . Ohio is no. 2 grape producer in the nation. In addition to being the third greatest industrial state, Ohio ranks among the wealthier states in crop receipts and livestock and is a leader in output of lime, coal and coke.*

Complementing the manufacturing base of the territory are world recognized research institutions — NASA Lewis Research Station, the Battelle Memorial Institute, Predicast Inc., Horizons Unlimited and the Wright Patterson Air Force Base. The Cleveland Consulate has a Trade Commissioner working full time on the Air Force Base and residing in Dayton.

The prime function of this position is to monitor projects where the Canadian and U.S. governments can fund and develop mutually beneficial research work. In addition to this high technology industry related activity, the Dayton based Trade Commissioner takes responsibility for assisting Canadian companies in selling to U.S. military procurement agencies in the post territory — the Defence Construction Supply Centre and the Defence Electronics Supply Centre.

When seeking assistance from the Consulate, please refer to the checklist for export marketing reproduced on these pages. This very worthwhile document asks basic questions about your exporting efforts under various headings.

**CANADIAN CONSULATE**  
55 Public Square  
Room 1008  
Cleveland, Ohio 44113  
Tel: (216) 771-0151

**DOUGLAS C. WEBB**  
Trade Commissioner  
Government of Canada  
WPAFB, Ohio 45433  
Attn: MCLDDP

## Checklist for Export Marketing

### Your Product:

1. How would you describe your product and its application?
2. What type end-user buys your product? Does he buy from you primarily because of price? Quality? Service? Other?
3. Who are your main competitors?
4. What advantages do you have over your competition?

### Your Market:

1. What is your present share of the Canadian market for the product you wish to export?
2. Are you already exporting it? To which countries? Export earnings?
3. Why did you choose this market for your current export effort? What are your selling objectives?
4. What are terms of payment? FOB, C & F, CIF? Are there discounts for prompt payment?
5. How do you wish to sell in the export market: direct to end-user? Through commission agent or commission merchant? Stocklist? Other?

### Your Representative:

1. What type of representative do you prefer — big or small? Regional or national? Special technical or capital requirements? Willing to stock parts? Selling to what type of retail outlets?
2. What are desirable co-product lines? What are forbidden competitive products?
3. What commissions do you pay in other markets? Do you have any fixed idea on commissions you will pay in this market?
4. What promotional aids can you provide your representative: Literature? Technical training? Promotional budget for trade fairs and advertising?
5. Do you expect to make a final selection of market representative after completing your interview program in this market?

*It's 8 a.m. John and Mary have a typical Saturday of chores ahead of them. First, a quick coffee and bun at Grandma Lee's then it's off to Home Hardware to pick up the sander, Beaver Lumber to get the cedar, Canadian Tire for various and sundries and St. Clair's for the livingroom wallpaper. After a brief Harvey-burger the p.m. scenario goes like this — Factory Carpet Outlet for a bathroom rug, Sam's for a record for Billy, the Panhandler Shoppe for Karen's shower present, and the U-Frame-It for Jane's latest poster. Exhausted, John and Mary enjoy BBQ chicken at Les Rotisseries St. Hubert and on their way home pick up some Kentucky Fried for the kids. They may not be aware of it, but all of the places they visited have something in common — all of them are franchises! Today, it seems that everywhere you look new outlets of something or other are opening up — from fast food restaurants, retail clothing stores and temporary help agencies to lawn care services, leisure and travel businesses and real estate companies. Many Canadians have already discovered the benefits and opportunities of this rapidly growing business phenomenon, and many more see a franchise in their future. So, if you've been toying with this idea, here are some things you should know about. . . .*

## Buying a Franchised Business

by Lydia Huber



### What is a franchise?

A franchise is a contractual privilege granted by one person or company (franchisor) to another person or company (franchisee). The privilege granted by the franchisor to the franchisee is the right to sell, in a specified manner, a particular product or service within a specified territory. The product or service is usually identified by a trade name, trademark, logo or other commercial symbol over which the franchisor has exclusive control.

Buying a franchise is a viable option for getting into business for yourself. There are three basic reasons why so many people are opting to become franchisees.

One . . . you're long on desire but short on expertise. Buying a franchise usually means that you will not only receive the necessary training from the franchisor, but will also work within proven operating guidelines and methods.

Two . . . you're reluctant to risk your

capital in starting a business unless you have a very good chance of succeeding. Buying a franchise usually means your investment is much lower, and there's less chance of failure. This is because the franchise is a proven business concept, with a track record of commercial success and with most of the "bugs" worked out.

Three . . . you're investing money to make money, so you're expecting a better than average return on your investment.



cult to be successful. Therefore, if at all possible, you should work in one of the existing units of the franchise before you buy it. Now's the time to find out that you're allergic to nuts or yeast, intensely dislike installing mufflers, or that you hate customers.

Also, before investing, find out everything about the franchise system, its competitors, its markets and especially about the nature of the contractual relationship that will exist between you and the franchisor.

In 1979, an estimated 350 franchisors, operating some 17,000 establishments in this country, generated close to \$4 billion in sales and created employment for 160,000 persons. Of these, 165 were Canadian-based and the remainder, with few exceptions, were U.S.-based.

However, there are many important areas to consider before you jump on the franchise bandwagon. At two recent seminars sponsored by Industry, Trade and Commerce, Ontario's Ministry of Industry and Tourism and the Association of Women Executives (AWE), many of these important issues were raised. . .

**"Investigate thoroughly the track record of the franchisor"**

"In many franchise relationships, the success of the franchisee depends to a great extent on the ability and efforts of the franchisor," says Jim Kelly, Franchise and Market Systems, IT&C. "He's usually responsible for such elements as continuing market research, new product/service development, innovative marketing programs, advertising, quality control by all franchisees, centralized purchasing, improvement of operating methods and management systems. It's therefore essential to thoroughly investigate the track record of the franchisor, especially with existing franchisees."

Find out everything about the franchise itself and the product you'll be dealing with. What does the franchisor own or control (trade name, trademark, product, process) and when will this ownership or control expire? Is the franchise well known — how long has it been operating — is there likely to be a long-term demand for the product or service involved or is it likely to be just a short-lived fad?

**"Know the realities when it comes to sales costs and profit figures"**

Obtain all the facts and figures — the amount of sales expected and an estimate of expenses to calculate a profit, not only for the first year but for as many years ahead as is realistically possible. Check these figures with those of an existing franchise. However, be aware that success of a franchise in one area may not be possible to the same degree in another location. Check all the variables involved.

Margery Russel, C.A. for Campbell Sharp Chartered Accountants, stresses the importance of "knowing the realities of the situa-

tion. Do the figures prepared by the franchisor reflect reality. Ask for explanations — high/low estimates aren't necessarily the highest or lowest. Do a cash flow analysis. Make sure you're not caught short. Look for hidden regular and irregular expenses. Check your facts — go through statements item by item. Let's face it, professionals such as qualified accountants can be of great assistance in analyzing the franchisor's projections of sales, costs and profits."

**"Location can make or break a franchised business"**

"What works in one area may not work in another," says Lorna Kennedy, of Panel Kerr Forster & Company Chartered Accountants, a firm that specializes in scientific site selection for prospective franchisees or franchisors. This service can include analysis of population density, customer profile, natural barriers, access and traffic flow and competition. If the franchisor selects the location, make sure you're satisfied with it.

When it comes to the actual premises, are you leasing or do you have to build your own — what are the terms and who pays for what? How long is your lease, can you sub-lease or relocate?

Is your territory exclusive? Is it clearly defined geographically or by population? What kind of protection does the franchisor offer — that no other franchise can be sold in your territory for X number of years, or that you have first refusal on any new franchise? Make sure you're able to fully benefit from your initial franchise before the first refusal clause is enacted. Check if the contract contains such stipulations as the buying of additional franchises in order to retain your exclusive territory. Also, can you expand your territory, or can the franchisor reduce your area at any time. Zoning laws, proposed changes in traffic patterns, redevelopment, taxes, insurance rates, local by-laws, population shifts should also be checked to make sure your exclusive territory is and will continue to be, a profitable one.

**"The product or service is of prime importance"**

"The company's ads may be excellent, but if the actual product is mediocre or unsuited to the prospective franchisee's area the outlet will fail," says Paul Tuz, Executive Director, Better Business Bureau of Greater Toronto. Also, you should be aware that some franchisors have run into trouble when trying to transplant a successful idea into new geographical areas.

If the product is patented, the franchisee should ensure that the patents extend to him and know his obligations in the case of product guarantees. Also, does the contract specify what products you must carry. Is there a restrictive source or can you shop around. Are there minimum specified size of orders, are you protected if the supplier runs short, and what are the payment terms.

Many people who have bought commercially proven franchises have been successful from the start, achieving excellent returns on their investment. This is not true in all cases however, so investor beware. Compare the merits of a number of franchise offerings before you make a choice!

To be successful in operating a franchised business, it should be compatible with your needs, interests and abilities. If you don't like the type of business involved, it's diffi-

### **"What are you really getting?"**

"The time to ask the questions is before you invest," says Margery Russel, C.A. What is the total franchise fee and what are you really getting for it? Does the package cover just the right to use a name or trademark, or are you also buying initial inventory, equipment and fixtures? Is it a one-time fee, or must you pay again upon renewal. Are there service charges or royalties specified, such as a percentage of gross sales? Is the continuing percentage on sales a reasonable, affordable amount and what services is the franchisor offering in return. What does the down payment cover, who pays for extensive delays in getting started and what are the hidden costs. Are there terms available with the franchisor, and can he help arrange financing. Who pays legal fees and the cost of permits, licences, and insurance. Are there penalty clauses. If you're leasing, are there advance payments or a damage deposit. Find out how and when you have to make all your payments and compare this to your cash flow plan and see if the whole thing is feasible.

When it comes to equipment, fixtures and layout find out how flexible the arrangement is — are you limited to a specific supplier or can you shop around? If leasing, find out about the warranty and who pays for repairs. Also check your layout restrictions and whether you can make changes. If training is offered, is it a once-only or continuous affair. What does it consist of, is it available to your employees and who pays for it. Is the franchisor available by phone for quick emergency advice?

### **Business Controls — who controls what**

In most cases, the franchisor stipulates in detail how a franchisee will operate. Ted Lloyst, president of the Living Lighting franchise, says "for the franchisor this is a necessity, as it's the only way to ensure a uniform company image and necessary level of quality control." These controls can include advertising policies, insurance policies with the franchisor as the beneficiary, hours and conduct of business, accounting procedures, reporting systems, and even access to the franchisee's records and bank. Often, it's stipulated that the franchisee must run the business himself and cannot designate a manager, and in the case of disagreement, the final word rests with the franchisor. Enquire about such aspects as whether you have the right to adjust prices, if you can offer specials of your own, and if there are sales quotas (also the penalties involved for non-compliance).

### **"Most people read their franchise agreement with their eyes closed"**

So says D. Staffl, Chief Economist of the Policy and Planning Branch of Ontario's Ministry of Consumer and Commercial Relations. **The franchisee must understand every clause of the contractual agreement before he signs it — this means all the restrictions and obligations as they pertain to both**

**parties. Check clauses involving termination, bankruptcy, transfer, renewal and the sale of the franchise. Under what conditions can the franchisor revoke the franchise agreement and what protection do you have in such an event?**

Insist that the franchisor hold your franchise deposit in trust until your franchise outlet is open and operating. Reliable businessmen will agree to this provision, which is particularly important if the franchise doesn't have a lengthy, proven track record or if company stability is in doubt.

### **Sources of help**

These are some of the issues (though not all) that must be taken into consideration when contemplating franchising. It's a complicated and involved situation and the two most important people to count on for help are an accountant and a lawyer — before you sign anything.

If possible, obtain an accountant who is familiar with franchising and with the business that the particular franchise is involved with (e.g. food, services, retail, clothing). Have him prepare a financial forecast of your prospective franchise operation and assess the prospective return on your investment.

Says lawyer Ann Dillon, of Osler, Hoskin & Harcourt, "Get someone who is up on the constantly changing legal framework of franchising." Even ethical franchisors may have overlooked something, which is why the prospective franchisee needs a competent attorney who is aware of all the local and provincial laws affecting his client's position. Have your lawyer go over the contract with a fine-tooth comb and explain each and every clause. If necessary, and possible, have additional clauses written into the contract as a way of protecting your rights. As franchising becomes more popular, more lawyers are specializing in this area. Finding these lawyers, however, is not easy. They're not allowed to advertise franchising as an area of expertise as it's not included in the prescribed list of legal specialties. Phone around and ask questions based on your own research to find out if the lawyer really knows the franchise scene or is just faking it.

At present, only one province, Alberta, has franchise legislation. The Franchises (Alberta) S.A. 1971 Ch. 38 is a registration or prospectus type of legislation requiring compliance by all franchisors selling or offering for sale franchises in that province. Ontario has been looking at franchise legislation since a 1971 Committee Report and a 1977 speech by the then Minister of Consumer and Commercial Relations. To date, however, draft legislation has not been introduced.

**This means that Canadian franchisees will continue to be less well-protected by law than their American counterparts. The American tendency is to see the franchisee as a kind of consumer who has the right to protection against sharp dealing. In Canada the**

**franchisee is looked upon as a businessman dealing with another businessman in a relationship of equals — all the more reason to consult a lawyer.**

## **Other sources of information**

### **Governments**

#### **Industry, Trade and Commerce**

"Due to the limited staff, the Distribution Services Branch, which handles this area, cannot personally advise prospective investors in franchises," says Jim Kelly, Section Head, Franchise and Marketing Systems. However, there is information available, including an invaluable bibliography called "Franchising — An Information Source" in which you can find many useful sources including franchise directories, magazines, newsletters and articles and publications. To obtain this booklet or to find out other information concerning IT&C's services with regard to franchising, contact Pat Morrison, Distribution Services Branch, IT&C, 235 Queen St. W. Ottawa, K1A 0H5, or call (613) 593-7981.

As well, the Federal Business Development Bank (FBDB), a crown corporation reporting to parliament through the Minister of IT&C, has played a significant role in financing franchisees. As a lender of last resort, the FBDB is an important source of risk capital in Canada. As well, the FBDB has recently published a pamphlet entitled "Buying a Franchise" as part of its "Minding Your Own Business" series. This and other invaluable information pamphlets can be obtained in English or French without charge from any of the 104 FBDB offices located across Canada, or by order from FBDB, Management Services, P.O. Box 6021, Montreal, Quebec, H3C 3C3.

### **Provincial help**

As mentioned earlier, Alberta has its own franchise legislation. In Ontario, the Ministry of Consumer and Commercial Relations puts out a booklet called "Franchising Facts," and a "Bibliography on Franchising." To obtain these, and other franchising information, contact Franchising, Commercial Studies, Ontario Ministry of Consumer and Commercial Relations, 555 Yonge Street, Toronto, Ontario, M7A 2H6.

### **Information seminars**

Also — mentioned briefly earlier — Industry, Trade and Commerce and the Ontario Ministry of Industry and Tourism collaborated with the Association of Women Executives (AWE) to sponsor two seminars entitled "Buying a Franchised Business." The first, held in Toronto last fall, was an overwhelming success. Three times the expected number gave up their Saturday to listen to an impressive array of experts talk about franchising (many of whom are mentioned in this article). Although almost 300 persons crowded the Royal York conference room (the majority were potential franchisees with some lawyers, accountants and

franchisors) — another 200 had to be accommodated in a repeat seminar held early in February. The positive response to this type of information seminar clearly indicates the growing popularity of franchising. Another IT&C sponsored seminar was held in Winnipeg in January, and the February seminar in Halifax dealt with both the issues involving franchisees and those of concern to potential franchisors. Another dual purpose information session is scheduled for Newfoundland this coming June. Information regarding this can be obtained by contacting Pat Morrison, IT&C (address mentioned previously).

#### The Royal Bank of Canada

The Royal Bank of Canada has taken an active and keen interest in franchising over the last several years and offers a special financing program called the Franchise Plan. According to Maureen Millson, Assistant Manager of the Bank's Head Office Trade and Services Markets, "Since the introduction of the Franchise Plan two-and-a-half years ago, we have gained a great deal of experience in the marketplace and this has allowed us to further expand and refine the program. It has proved to be very successful and has in turn strengthened our overall commitment to franchising."

#### The Association of Canadian Franchisors

This association (ACF) was founded in 1967, but did not become active until 1974. Since then it's been enjoying a new lease on life and membership has grown to include 70 companies out of an existing 350. Its aims are to promote ethical franchising standards; to provide educational seminars and programs for members; to provide an information exchanging forum; to provide a unified voice on legislative matters involving franchising; and to maintain contact with franchise associations in foreign markets in order to provide up-to-date information. Further information about the ACF can be obtained by contacting the office at 562 Eglinton Avenue East, Suite 101, Toronto, Ontario M4P 1B9 or call (416) 487-8452.

Still some unanswered questions? Try the Better Business Bureau in your area. Visit credit reporting agencies, and consult public records, the library, newspaper clippings or anything and anyone who will get you the information you need to complete the franchising picture.

After thoroughly investigating every nook and cranny, armed with all the legal and financial advice that professionals can offer, you can confidently sign on the dotted line.

Wait!

**There's one last consideration, perhaps the most important one, that requires your reflection — Know thyself. Are you capable of the time, effort and total commitment involved in this new adventure? Does it suit your lifestyle and the living habits of the persons in your life. Does family share your enthusiasm, and are they prepared to offer positive support (even to the point of helping out). Are you prepared to sacrifice a lot of time (sometimes as much as 70 hours a week) to make your new-found business a success. Better still, do you have the energy? It's your money, and your investment goes down the drain if you can't keep up with the demands of the business.**

Be realistic. Don't let the promise of profits and the exciting lure of operating your own business cloud your personal judgement.

Franchising is growing. More and more people are discovering the benefits inherent in the franchising method. The opportunities are there and new ones are cropping up every day.

If you take your time, make a thorough investigation and work hard for your investment the result will be financial success and security in a business you have chosen as one complementary to your personality.

## Some comments by four franchisees.

Zoe Baltz has been operating her Panhandler Shoppe in Islington, Ontario since November 1976. She first heard about Panhandler from her husband, who was a shareholder in Living Lighting Ltd., the franchise firm that gave birth to the unique frontier concept. "I didn't have a clue about running a business when I first began and I certainly would never have started a business on my own. That's what makes Panhandler so terrific for someone like me — it's not nearly as risky, basically because a reputable franchise wouldn't let you invest if you didn't have the capital."

Irene Brine, a former teacher, now runs a Grandma Lee's in Brampton, Ontario, and looks at franchising as a "real challenge requiring personal initiative and lots of drive. I needed adventure — something interesting and exciting — why not try a business of my own? After some investigation, I found franchising appealing — the assistance and guidance is an attractive feature because you don't feel that you're entirely left on your own. However, a franchisor can only go so far — for the main part, success in this type of business can only come from hard work and total financial and psychological commitment."

For Lynne Swarbrick, a former registered nurse, the story has a nutty slant from the start. "I was an RN one day, found myself totally captivated by the idea of running my



*"The trend today is towards more comprehensive protection of franchisees," says Gerald L. Flannigan, a lawyer whose London, Ont. firm specializes in helping potential franchisees and franchisors. "One problem we face is that persons in general distrust lawyers and often disregard good advice, or prefer bad advice over good."*

own business the next, and four days later I signed on the dotted line. Twenty-four hours later I was open for business." Swarbrick runs a Tropik Sun franchise — selling

assorted nuts and fruits in a prime location in Stoneycreek, Ontario. "I figured — if I can work with nuts, I can sure sell them," Swarbrick jokes. "This turnkey operation requires my total initial commitment — sometimes (often) to the tune of 80 hours per week."

Joanne Major, with her husband owns and runs three Darby clothing stores in Ontario, three stores they accumulated in the past year. It all started when Major, with a banking, IBM and real estate background, read an ad for Darby franchising. "I had the money and the time so I started investigating. I worked in a Darby Store and thought it was great. One month later a location came up in Midland, and a week later I was operational." Shortly thereafter, Major was offered a location in downtown Barrie. Four months after opening the Barrie store, a prime location in Barrie's Bayfield Mall became available. Not wanting to give up this location, Major started to look around for financial assistance. After some problems, they finally managed to get a loan guarantee from the Federal Business Development Bank (FBDB), — and their third store is now operational. Major says that, between the three stores, she works "between 65 and 70 hours a week." Her advice to franchisees — "Acquaint yourself with the many government assistance programs available — they can certainly help cut costs."

*Many Canada Commerce readers will be familiar with Canada Courier, also published by the Department of Industry, Trade and Commerce. Although it is not generally circulated in Canada, going rather to potential importers of Canadian goods and services throughout the world, companies ranging from Alcan to Zodax have made good use of its services. They know its looks, its direction, and are (happily) aware of the Canada Courier trade inquiry form which makes its way back to them, sometimes in droves, from potential buyers near and far via the Courier office in Ottawa.*

## Courier's concern is Canadian sales

By Don Wight, Editor, Canada Courier

For hundreds of Canadian companies, Canada Courier has been a selling agent, introducing their products to world markets in as many as six languages (last year an Arabian edition was printed to supplement the regular English, French, Spanish, German and Japanese). But in addition to specific products, the four-color tabloid promotes Canadian industrial capabilities throughout the world.

Its success is attested to by the fact that almost 19,000 trade inquiries were generated during 1979. While these inquiries have been handled through Courier in the past, plans are now afoot to have them handled directly by the individual companies.

Other plans being studied for the future include the pinpointing of target markets (rather than the present "blanket" approach) to reach specific readership and to promote those areas of Canadian manufacturing that have the greatest chance of success in particular international markets.

Canada Courier, Volume 1, Number 1, was published in black-and-white tabloid form in January 1961. It was described as "an information piece distributed to 63

posts in 49 countries." Until 1965 it was published three or four times a year in English only, and carried no trade inquiry forms.

In 1965, French, Spanish and German editions made their first appearance, as did a trade inquiry form. By 1970, 17 editions were distributed and generated a total of 6,213 inquiries in that year. From then on inquiries made a steady climb, with more editions being published on a more regular basis until today, with a combined circulation of 215,000, trade inquiries average more than 1,500 per month.

Translated into sales, the inquiries produced a known \$3 million in sales directly attributable to Canada Courier according to a survey completed three years ago. Indicative of the success of the survey, there was a 52.8 per cent company return to the questionnaire.

Of the 111 companies replying, 29 reported direct sales results; 20 reported sales pending or licensing arrangements underway; most of the others found value in the publicity; some said they had no way of assessing results and only eight could be termed critical and most of these were

Tourism (CGOT), will conduct a series of activities to coincide with advertising campaigns, newspaper and magazine travel supplements.

Costumed travel ambassadors representing the 12 provinces and territories will visit selected shopping malls across the country to promote Canadian travel destinations. The ambassadors, with Bobby Gimby and a group of his musicians, will greet shoppers, and distribute promotional material.

Shopping centre customers will have an opportunity to compete for valuable in-Canada vacation prizes.

Canadians are among the world's most enthusiastic travellers. They take about 17 million trips annually outside the country and spend about \$4 billion.

canada  
courier

INTERNATIONAL EDITION

More detailed information on any product or service featured in this edition of Canada Courier may be obtained from the Department of Industry, Trade and Commerce, Ottawa, Ontario, Canada K1A 0H5.

VOLUME 17 NUMBER 6 OTTAWA 1980

ISPO 80

Vienna Fairgrounds  
Federal Republic of Austria  
23-24 February, 1980

Canadian Exhibitor  
Stand No. 86025 86026  
86028 86044  
86045 86047

Winter sports equipment, apparel, footwear...

Customers throughout the world shop Canadian



**Zeroing in on target markets: Canada Courier can do just that!**

directed at inquiries which they felt were mostly from the curious and not from serious businessmen.

While there is always bound to be some small segment in the readership made up of those who have the time and desire to pursue a non-serious inquiry, the changes in circulation methods now under study, combined with a more streamlined content, should reduce the merely curious element to the minimum. Meanwhile Canada Courier continues to concern itself with the effective promotion of Canadian sales of goods and services in export markets.

For further information contact: **The Editor, Canada Courier**, Department of Industry, Trade and Commerce (98), 235 Queen Street, Ottawa, Ont. K1A 0H5.

## Travel Canada!

*"The travel industry sells fun," says Vance Bridges, President of the Alliance of Canadian Travel Associations (ACTA), "but it's a serious business — worth \$11 billion annually and about one million jobs."*

A good reason for a continuing campaign to persuade Canadians to spend more of their travel money right here at home.

A major effort in this direction will be highly visible during Travel Canada Month (April 15 to May 9) this year, when ACTA, in co-operation with the Canadian Government Office of

Travel Canada Month organizers hope to show that now, with soaring energy costs and international currency fluctuations, in-Canada travel is more attractive than ever before. After all, they say, the dollar goes furthest at home.

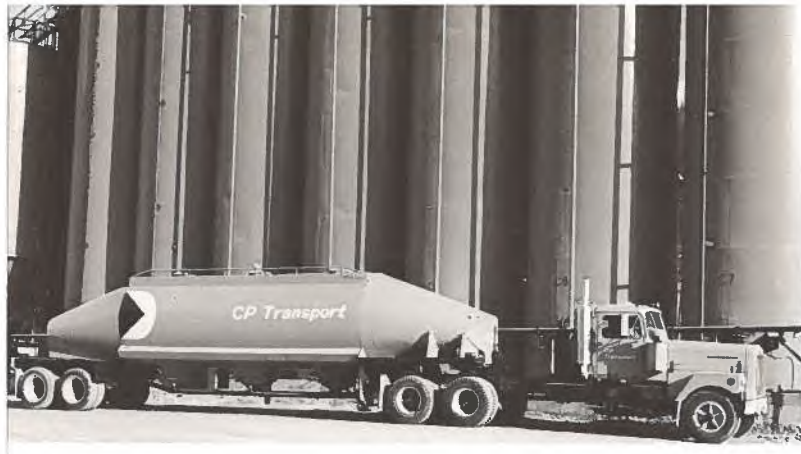
Look for more about Canada's travel industry in Canada Commerce Newsletter, March edition.

Meanwhile, for further information on the Travel Canada Month (theme, "Canada — so much to go for"), contact:

**Executive Director**  
**Alliance of Canadian Travel Associations**  
130 Albert Street  
Ottawa, Ont. K1P 5G4  
Tel: (613) 238-1361

# Canada's Trade Commissioners and Commercial Officers







*The Trade Commissioner Service of the Department of Industry, Trade and Commerce is playing an increasingly important role in Canada's participation in the world market place. As Canadian involvement in international trade grows, the responsibilities of our Trade Commissioners are becoming more and more varied and complex.*

*They serve Canadian businessmen as export marketing consultants, encourage them to seek business abroad, help to find agents, and aid Canadian exporters effectively by having a knowledge of the local social and cultural environment, business practices and key business personalities.*

*Businessmen are urged to take advantage of the personalized government service available at our 91 posts around the world and the 11 Regional Offices in Canada to get advice on how to bring Canadian goods and services to the attention of potential users.*

# Canada's Trade Commissioners and Commercial Officers

## ALGERIA

**Commercial Division  
Canadian Embassy  
27 bis, rue d'Anjou  
Hydra**

*(Mailing Address:*

**C.P. 225, Alger Gare)**

**Algiers, Algeria**

*Phone:* 60-66-11

*Telex:* (Area code 408) 52036

**(CANAD ALGER)**

J.L.N. Villeneuve  
Counsellor (Commercial)

C. Francoeur  
Counsellor (Commercial)

R. Merifield  
Third Secretary (Commercial)

A. Ladjal  
Commercial Officer

D. Khelif  
Commercial Officer

## ARAB REPUBLIC OF EGYPT

**Commercial Division  
Canadian Embassy  
6 Sharia Mohamed Fahmi el Sayed  
Garden City**

*(Mailing Address:*

**Kasr el Doubara Post Office)**

**Cairo, Arab Republic of Egypt**

*Cable:* CANADIAN

*Phone:* 23110

*Telex:* (Area code 91) 2677 (CANCAR UN)

*Territory:* Libya, Sudan

L.T. Dickenson  
Counsellor (Commercial)

G.P. Scott  
First Secretary (Commercial)

B. Picard  
Second Secretary (Commercial)

L.M. Tobia  
Commercial Officer

Ghazal  
Commercial Officer

## ARGENTINA

**Commercial Division  
Canadian Embassy  
Casilla de Correo 3898  
Suipacha 1111  
Buenos Aires, Argentina**

*Cable:* CANADIAN

*Phone:* 32-9081 to 88

*Telex:* (Area code 33) 21383

(121383 CANAD AR)  
*Territory:* Paraguay, Uruguay,  
Falkland Islands

J.E. Kepper  
Counsellor (Commercial)

K.A. Hewlet (Ms.)  
Second Secretary (Commercial)

C. Hoic  
Commercial Officer

W.L.B. Perkins  
Commercial Officer

H. Glansdorp  
Commercial Officer

## AUSTRALIA SYDNEY

**Canadian Consulate General  
A.M.P. Centre, 8th Floor  
50 Bridge Street  
Sydney, N.S.W. 2000, Australia**

*Cable:* CANADIAN

*Phone:* 231-6522

*Telex:* (Area code 71) 20600

*(CANGOV AA 20600)*

*Territory:* States of New South Wales  
and Queensland, Capital Territory,  
Northern Territory, Papua New Guinea,  
Solomon Islands, Nauru

M.B. Blackwood  
Consul General

J.D. Welsh  
Consul (Commercial)

T.W. Colfer  
Consul (Commercial)

M.A. Fine  
Third Secretary (Commercial)

G. Adams  
Commercial Officer

A.M. Casey  
Commercial Officer

## MELBOURNE

**Canadian Consulate General  
Princes Gate East Tower, 17th Floor  
151 Flinders Street  
Melbourne 3000, Australia**

*Phone:* 63-8431

*Telex:* (Area code 71) 30501

*(CANGOV AA30501)*

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

B.A. Gagosz  
Consul General

J.N. Grantham  
Consul (Commercial)

H. Weissenberger  
Vice Consul (Commercial)

L.B. Stryker  
Commercial Officer

R.W. Haggert  
Commercial Officer

## CANBERRA\*

**Commercial Division  
Canadian High Commission  
Commonwealth Avenue  
Canberra ACT 2600, Australia**

*Cable:* DOMCAN

*Phone:* 73-3844

*Telex:* (Area code 71) 62017

*(DOMCAN AA62017)*

\*The Canberra Office handles only those trade inquiries that require liaison with federal government departments and agencies

C.D. Miller  
Counsellor (Commercial)

G.A. McGregor  
First Secretary (Commercial)

J.Y. Tremblay  
First Secretary  
(Metals, Minerals & Energy)

## AUSTRIA

**Commercial Division  
Canadian Embassy  
Luegerring 10  
1010 Vienna, Austria**

*Cable:* CANADIAN

*Phone:* 63-36-91, 63-66-26

*Telex:* (Area code 47) 75320

*(DOMCAN A)*

*Territory:* Albania

R.R. Parlour  
Counsellor (Commercial)

L.N. Decrinis  
Commercial Officer

R.J. Rossi  
Commercial Officer

## BELGIUM

**Commercial Division  
Canadian Embassy  
rue de Loxum, 6  
B-1000 Brussels, Belgium**

*Cable:* CANADIAN

*Phone:* 513.79.40 (Area code 2)

*Telex:* (Area code 46) 21613

*(DOMCAN B)*

*Territory:* Luxembourg

J.N.R. Ferland  
Commercial Counsellor

D.S. Shaw  
Counsellor (Forest Products)

S. Doyon  
Second Secretary (Commercial)

S.A. Potvin  
Second Secretary

R. Spruyt  
Commercial Officer

R. Lejeune  
Commercial Officer

F. Keymolen  
Commercial Officer

**BRAZIL**  
*BRASILIA*

**Commercial Division**  
**Canadian Embassy**  
**Caixa Postal 07 0961**  
**SES-Av. das Nações, lote 16**  
**70.000 Brasilia, D.F., Brazil**  
*Cable: CANADIAN*  
*Phone: Brasilia 223-7515*  
*Telex: (Area code 38) 611296*  
*(611296 ECAN BR)*  
*Territory: Central West, Northeast and*  
*Amazon Basin, Minas Gerais*

J.C. Bradford  
Counsellor (Commercial)

C. Tremblay (Ms.)  
First Secretary (Commercial)

G. Vaughn  
Commercial Officer

*RIO DE JANEIRO*

**Canadian Consulate**  
**Caixa Postal 2164.ZC.00**  
**Edificio Metropole**  
**Avenida Presidente Wilson,**  
**165/6o andar**  
**20.000 Rio de Janeiro — RJ — Brazil**  
*Cable: CANADIAN*  
*Phone: 240-9912*  
*Telex: (Area code 38) 2122583*  
*(ECAN BR)*  
*Territory: States of Rio de Janeiro,*  
*Espirito Santo and Bahia*

M.C. Lemieux  
Consul and Senior Trade Commissioner

M.G. Stinson  
Vice-Consul and Assistant Trade  
Commissioner

J.M. da Costa  
Commercial Officer

D.N. Andrade  
Commercial Officer

*SAO PAULO*

**Canadian Consulate**  
**Caixa Postal 22002**  
**Edificio Top Center**  
**Avenida Paulista, 854, 5o andar\***  
**Sao Paulo, Brazil**  
*Cable: CANADIAN*  
*Phone: 287-2122, 287-2234, 287-2601,*  
*287-2213, 287-2011*  
*Telex: (Area code 38) 1123230*  
*(1123230 CCAN BR)*  
*Territory: States of Sao Paulo, Parana,*  
*Santa Catarina, Rio Grande do Sul, and*  
*Mato Grosso*

\*Businessmen are advised to send only  
letters to this address. To ensure  
prompt arrival of parcels of any kind,  
the sender should consult the Sao Paulo  
office first about the best method to use.

V.G. Lotto  
Consul and Senior Trade Commissioner

H. Sarafian  
Consul and Trade Commissioner

M.N. Sills,  
Vice-Consul and Assistant Trade  
Commissioner

H.H.E. Kock  
Commercial Officer

E. Hromada  
Commercial Officer

Christine C. França  
Commercial Officer

**BRITAIN**  
*LONDON*

**Commercial Division**  
**Canadian High Commission**  
**One Grosvenor Square**  
**London, W1X 0AB, England**  
*Cable: SLEIGHING London*  
*Phone: 629-9492 (Area code 01)*  
*Telex: 261592 (CDALDN G)*  
*Territory: England, Wales, Gibraltar*

G.F.G. Hughes  
Minister (Commercial)

R.J.L. Berlet  
Counsellor (Commercial)

Armand Blum  
Counsellor (Agriculture)

J.L. Swanson  
Counsellor (Commercial)

R. Jones  
Counsellor (Metals, Minerals & Energy)

J.W. Hall  
First Secretary (Commercial)

K.G. Whiting  
Second Secretary (Commercial)

L. Boisvert  
Second Secretary (Commercial)

B.M. Fillmore  
Commercial Officer

C.I. Rooke  
Commercial Officer

L.N. Laundry  
Commercial Officer

G.D. Cooper  
Commercial Officer

J.C. Mercer  
Commercial Officer

G.T. Edwards  
Commercial Officer

K.P. Scott  
Commercial Officer

*GLASGOW*

**Canadian Consulate**  
**Ashley House**  
**195 West George Street**  
**Glasgow G22HS, Scotland**  
*Cable: CANTRACOM*  
*Phone: 248-3026 (Area code 041)*  
*Telex: (Area code 77) 778650*  
*(CDAGLW G)*  
*Territory: Northern Ireland, Scotland*

J.B. McLaren  
Consul and Senior Trade Commissioner

R. Banks  
Commercial Officer

**CHILE**

**Commercial Division**  
**Canadian Embassy**  
**Ahumada 11, 10th Floor (Street Address)**  
**Casilla 771 (Mailing Address)**  
**Santiago, Chile**  
*Cable: CANADIAN*  
*Phone: 64 189/62256*  
*Telex: (Area code 34) 3520068*  
*(3520068 DOMCAN)*

J.M. Roy  
First Secretary (Commercial)

B. Hood  
Third Secretary (Commercial)

R.A. Riis  
Commercial Officer

**CHINA, PEOPLE'S REPUBLIC OF**

**Commercial Division**  
**Canadian Embassy**  
**10 San Li Tun**  
**Peking, People's Republic of China**  
*Phone: 521475*

A.A. Lomas  
Minister (Commercial)

C. Sarrazin  
First Secretary (Commercial)

P. Lau  
First Secretary (Commercial)

T. Lipman  
Second Secretary (Commercial)

## COLOMBIA

**Commercial Division  
Canadian Embassy  
Apartado Aereo 53531/2  
Calle 58 No. 10-42  
Bogota 2, Columbia**  
Cable: CANADIAN  
Phone: 235-5066/235-5477  
Telex: (Area code 35) 44568 (DMCA CO)  
Territory: Ecuador

P.D. Donohue  
Counsellor (Commercial) & Consul

T.L. Marshall  
First Secretary (Commercial) & Consul

P. Pichette  
Second Secretary (Commercial)

J.L. Vasquez  
Commercial Officer

## COSTA RICA

**Commercial Division  
Canadian Embassy  
Apartado Postal 10303  
6th Floor, Cronos Bldg.,  
Calle 3y Avda Central  
San Jose, Costa Rica**  
Cable: DOMCAN SAN JOSE  
Phone: 230588  
Telex: (Area code 376) 2179 (DOMCAN)  
Territory: Canal Zone, Nicaragua,  
Panama

R.R.M. Logie  
Counsellor (Commercial) & Consul

M. St-Laurent  
Second Secretary (Commercial) & Vice  
Consul

M. Ruiz  
Commercial Officer

## CUBA

**Commercial Division  
Canadian Embassy  
Apartado 6125  
Calle 30 No. 518 esq.  
7a Avenida Miramar  
Havana, Cuba**  
(Send all mail to this address:  
**Commercial Division  
Box 500 (HVA)  
Ottawa, Ontario K1N 8T7**)  
Cable: CANADIAN HAVANA  
Phone: 2-6421/22/23  
Telex: (Area code 28) 511586 (CAN CU)

L.L. Samuel  
First Secretary (Commercial) & Consul

J. Feir  
Second Secretary (Commercial) & Vice  
Consul

A.L. Romaguera  
Commercial Officer

J.L. Callado  
Commercial Officer

## CZECHOSLOVAKIA

**Commercial Division  
Canadian Embassy  
Mickiewiczova 6  
125 33 Prague 6, Czechoslovakia**  
Cable: DOMCAN PRAGUE  
Phone: 326941  
Telex: (Area code 66) 121061 (DMCN C)

D.E.F. Taylor  
Counsellor (Commercial)

M. Hudec  
Commercial Officer

I. Boldova  
Commercial Officer

## DENMARK

**Commercial Division  
Canadian Embassy  
Kr. Bernikowsgade 1  
1105 Copenhagen K, Denmark**  
Cable: CANADIAN  
Phone: (01) 12 22 99  
Telex: (Area code 55) 27036  
(DMCNC DK)  
Territory: Greenland, Faroe Islands

E.C.H. Shelly  
First Secretary (Commercial)

T.W. Harboe  
Commercial Officer

J.L. Neergaard (Mrs.)  
Commercial Officer

## EUROPEAN COMMUNITIES\*

**Mission of Canada to the European  
Communities  
rue de Lozum, 6  
B-1000 Brussels, Belgium**  
Cable: CANADIAN  
Phone: 513-0600  
Telex: (Area code 46) 21613  
(DOMCAN B)  
Territory: European Economic  
Community, European Atomic Energy  
Community, European Coal and Steel  
Community

\*The Mission monitors economic and trade developments in the European Communities in terms of their potential and implications for Canadian interests. The Mission is also involved in develop-

ment of industrial and economic co-operation between Canada and the EEC.

T.D. McGee  
Counsellor (Metals, Minerals & Energy)

L. Lefebvre  
Counsellor (Agriculture)

D.S. Shaw  
Counsellor (Forest Products)

B. Giroux  
First Secretary

J. Klassen  
First Secretary

B. Côté  
First Secretary

## FINLAND

**Commercial Division  
Canadian Embassy  
Pohjois Esplanadi 25B  
00100 Helsinki 10, Finland**  
(Mailing Address:  
**P.O. Box 779  
00101, Helsinki**)  
Cable: DOMCAN HELSINKI  
Phone: 171141  
Telex: (Area code 5) 121363  
(121363 DMCNH SF)

C.P. McPherson  
Counsellor (Commercial)

K.H. Valjakka  
Commercial Officer

## FRANCE

**Commercial Division  
Canadian Embassy  
35 Avenue Montaigne  
75008 Paris, France**  
Cable: CANADIAN PARIS  
Phone: 225-9955 (Area Code 01)  
Telex: (Area code 42) 280806  
(DOMCAN A PARIS)  
Territory: Andorra, Monaco

J.M.T. Thomas  
Minister (Commercial)

G. Bruneau  
Counsellor (Commercial)

R. Brault  
First Secretary (Commercial)

C.N. Fontaine  
First Secretary (Commercial)

F. Sarrazin (Miss)  
First Secretary (Commercial)

W.W. Ehrlich  
Second Secretary (Commercial)

J. Besnard  
Commercial Officer

P. Laveau  
Commercial Officer

C. Balas (Miss)  
Commercial Officer

J. Hourdeau  
Commercial Officer

R. Woodhouse  
Commercial Officer

**GERMANY (FRG)**  
**BONN**

**Commercial Division**  
**Canadian Embassy**  
**Friedrich-Wilhelmstrasse 18**  
**53 Bonn, West Germany**

*Cable:* CANADIAN  
*Phone:* 231061  
*Telex:* (Area code 41) 886421  
(DOMCA D)  
*Territory:* States of Baden-  
Wuerttemberg, Bavaria, Hesse,  
Rhineland-Palatinate, Saar

W.J. Collett  
Minister-Economic (Commercial)

D.S.M. Baker  
Commercial Counsellor

W. Dechant  
Second Secretary (Commercial)

R. Vanderloo  
Second Secretary (Commercial)

J.M. Duval  
First Secretary (Commercial)

G. Kandulski  
Commercial Officer

K.H. Hueber  
Commercial Officer

H. Tabataba (Mrs.)  
Commercial Officer

**DUESSELDORF**

**Canadian Consulate General**  
**Immermannstrasse 3**  
**4 Duesseldorf, West Germany**

*Cable:* CANADIAN  
*Phone:* 353471 (Area code 0211)  
*Telex:* (Area code 85) 87144 (DMCN D)  
*Territory:* State of North Rhine-  
Westphalia

F. Jackman  
Consul General

J.G. Tardif  
Consul

G.M. Kostyrsky  
Consul and Trade Commissioner

E. Herzog (Mrs.)  
Commercial Officer

C. Rosati  
Commercial Officer

**HAMBURG**

**Canadian Consulate General**  
**Esplanade 41-47**  
**2000 Hamburg 36, West Germany**

*Cable:* CANADIAN  
*Phone:* 351805  
*Telex:* (Area code 41) 215555  
(DMCNH D)  
*Territory:* City States of Hamburg and  
Bremen; States of Lower Saxony and  
Schleswig-Holstein; West Berlin

H.M. Maddick  
Consul General

O. Von Finckenstein  
Consul

R.N. Miller  
Vice Consul

D. Alberts  
Commercial Officer

W.M. Schefczyk  
Commercial Officer

**GREECE**

**Commercial Division**  
**Canadian Embassy**  
**4 Ioannou Ghennadlou Street**  
**Athens 140, Greece**

*Cable:* CANADIAN ATHENS  
*Phone:* 739-511  
*Telex:* (Area code 601) 215584  
(215584 DOM GR)

D.T. Wismer  
Counsellor (Commercial)

K.E. Roeske  
Second Secretary (Commercial)

G. Bastounis  
Commercial Officer

C. Swift  
Commercial Officer

**GUATEMALA**

**Commercial Division**  
**Canadian Embassy**  
**Galerias Espana, 6th Floor**  
**7 Avenida 11-59, Zona 9**  
**Guatemala City, Guatemala, C.A.**

*Cable:* CANADIAN  
*Phone:* 64955/6/7 65839/63049  
*Telex:* (Area code 37) 5206  
(5206 DOMCAN GU)  
*Territory:* El Salvador, Honduras

C.E. Rufelds  
Chargé d'Affaires & Consul

G.J. Shannon  
First Secretary (Commercial) & Consul

H. Cerezo  
Commercial Officer

C.G. Morel  
Commercial Officer

**HONG KONG**

**Commercial Division**  
**Commission for Canada**  
**14/15 Floors, Asian House**  
**1 Hennessy Road**  
**P.O. Box 20264**

**Hong Kong, Hong Kong**  
*Cable:* CANADIAN  
*Phone:* 5-282224, 5-282423  
*Telex:* (Area code 802) 73391  
(DOMCA HX)  
*Territory:* Macao

D.I. Campbell  
Counsellor (Commercial)

R. Bolduc  
First Secretary (Commercial)

B. Yeung  
Commercial Officer

F. Chau  
Commercial Officer

**HUNGARY**

**Commercial Division**  
**Canadian Embassy**  
**Budakeszi ut 55/dP/8**  
**1021 Budapest, Hungary**  
*Phone:* 365-728, 365-738,  
165-858 and 365-087  
*Telex:* (Area code 61) 224588  
(CANADA H)

P. Sutherland  
First Secretary (Commercial)

S.B. Gyonyor  
Commercial Officer

**INDIA**

**Commercial Division**  
**Canadian High Commission**  
**P.O. Box 5208**  
**Shanti Path**

**Chanakyapuri**  
**New Delhi — 110021, India**  
*Cable:* CANADIAN  
*Phone:* 61-9461  
*Telex:* (Area code 81) 312346  
(DOMCAN NDI 2346)  
*Territory:* Bhutan, Sri Lanka, Nepal,  
Maldives

D. Wright  
Counsellor (Commercial)

R.L. Rose  
First Secretary (Commercial)

S.J. Jorgensen (Mrs)  
Second Secretary (Commercial)

T.V. Subramanian  
Commercial Officer

R.C. Kamo  
Commercial Officer

#### INDONESIA

**Commercial Division  
Canadian Embassy  
5th Floor  
Wisma Metropolitan  
Jl. Jendral Sudirman  
Jakarta, Indonesia**  
(Mailing address:  
**P.O. Box 52/JKT  
Jakarta, Indonesia**)  
Phone: 584417, 584566 and 584631  
Telex: (Area code 73) 44345  
(44345 DMCAN JKT)

M.C. Spencer  
Counsellor (Commercial)

R.J. Brown  
First Secretary (Commercial)

A. Bouma  
Third Secretary (Commercial)

P. Hutasoit  
Commercial Officer

J.S. Suria  
Commercial Officer

#### IRAQ

**Commercial Division  
Canadian Embassy  
P.O. Box 323  
Central Post Office  
Baghdad, Iraq  
(Embassy located in the suburb of Al-  
Mansour)**  
Cable: DOMCAN BAGHDAD  
Phone: (Area code 01) 5521459  
Telex: (Area code 491) 2486  
(DOMCAN IK)

R.B. Gourlay  
Counsellor (Commercial)

L.R. MacKay  
Counsellor (Commercial)

A. Wajdi  
Commercial Officer

#### IRELAND

**Commercial Division  
Canadian Embassy  
65/68 St. Stephen's Green  
Dublin 2, Ireland**  
Cable: DOMCAN  
Phone: (Area code 01) 781-988  
Telex: (Area code 500) 5488 (DMCN EI)

J.J. McKennirey  
Counsellor (Commercial)

J. Sullivan  
Commercial Officer

#### ISRAEL

**Commercial Division  
Canadian Embassy  
220 Hayarkon Street  
Tel Aviv, Israel**  
Cable: CANADIAN  
Phone: 228122  
Telex: (Area code 606) 341293  
(241393 CANAD IL)  
Territory: Cyprus

A.L. Lyons  
Counsellor (Commercial)

B. Fynne  
Commercial Officer

M. Cassell  
Commercial Officer

#### ITALY

##### ROME

**Commercial Division  
Canadian Embassy  
Via G.B. de Rossi 27  
00161 Rome, Italy**  
Cable: CANADIAN  
Phone: (Area code 6) 864-327/855-341  
Telex: (Area code 43) 610056  
(DOMCAN I)  
Territory: Provinces of Toscana,  
Marche, Umbria, Lazio, Abruzzi-Molise,  
Puglia, Campania, Basilicata, Calabria,  
Sicilia, Sardegna.  
Other countries: Malta

S.G. Harris  
Minister (Economic/Commercial)

K.R. Higham  
Counsellor (Commercial/Agriculture)

W.D. Staples  
Counsellor (Commercial)

C.C. Charland  
Second Secretary (Commercial)

G. DeLuca  
Commercial Officer

M.J. McDermott  
Commercial Officer

#### MILAN

**Canadian Consulate General  
Via Vittor Pisani 19  
20124 Milan, Italy**  
Cable: CANTRACOM  
Phone: 652-600/657-0451  
Telex: (Area code 43) 310368  
(310368 CANCON I)  
Territory: Provinces of Emilia-  
Romagna, Lombardia, Piemonte,  
Trentino-Alto Adige, Veneto, Liguria,  
Trieste, Val d'Aosta, Friuli-Venezia  
Giulia

C.J. Van Tighem  
Consul General

O.A. Sulzenko  
Consul & Senior Trade Commissioner

D.G. Summers  
Consul and Trade Commissioner

U. Boschetti  
Commercial Officer

W.H. Skouse  
Commercial Officer

A. Todesco  
Commercial Officer

#### IVORY COAST

**Commercial Division  
Canadian Embassy  
P.O. Box 4104  
Le Général Building  
Cor. Avenue du Commerce et  
Bottreau-Roussel Plateau  
Abidjan 01, Ivory Coast**  
Cable: DOMCAN ABIDJAN  
Phone: 32-20-09  
Telex: (Area code 983) 3593  
(DOMCAN ABIDJAN)  
Territory: Liberia, Mali, Niger, Upper  
Volta, Togo, The People's Republic of  
Benin

R. Goulet  
First Secretary (Commercial)

J. Prévost  
Second Secretary (Commercial)

#### JAMAICA

**Commercial Division  
Canadian High Commission  
P.O. Box 1500,  
Royal Bank Building  
30-36 Knutsford Boulevard  
Kingston 10, Jamaica**  
Cable: CANADIAN  
Phone: 92-61500/92-61509  
Telex: (Area code 291) 2130  
(2130 BEAVER JA)  
Territory: Bahamas, Belize, Cayman  
Islands, Turks and Caicos Islands

O.W. Bennett  
Counsellor (Commercial)

L. Chong  
Commercial Officer

#### JAPAN

**Commercial Division  
Embassy of Canada  
3-38 Akasaka 7 — Chome, Minato-ku  
Tokyo 107, Japan**  
Cable: CANADIAN  
Phone: 408-2101/8  
Telex: (Area code 72) 22218  
(DOMCAN J22218)  
Territory: Guam

L.J. Taylor  
Minister (Economic/Commercial)

J.D. Tennant  
Counsellor (Commercial)

R.P.W. Mason  
Counsellor (Commercial)

D.G. McNicol  
Counsellor (Commercial)

P.G. Campbell  
First Secretary (Commercial)

J.P. Caron  
First Secretary (Commercial)

M. Huber (Ms.)  
First Secretary (Commercial)

R.A. Lovatt  
First Secretary (Metals, Minerals  
and Energy)

J.J. Gardner  
Second Secretary (Commercial)

B.C. Kuhnke  
Second Secretary (Commercial)

S. Kiyohara  
Commercial Officer

Y. Yazaki  
Commercial Officer

S. Matsuura  
Commercial Officer

S. Fukuda  
Commercial Officer

R. Yamaoka  
Commercial Officer

Y. Yabe  
Commercial Officer

T. Higuchi  
Commercial Officer

Y. Kagi  
Commercial Officer

N. Takazoe  
Commercial Officer

## **KENYA**

**Commercial Division  
Canadian High Commission  
P.O. Box 43778  
Nairobi, Kenya**  
*SITUATED IN:*  
**Comcraft House  
Haile Selassie Avenue**  
*Cable: DOMCAN NAIROBI  
Phone: 334033  
Telex: (Area code 987) 22198  
(DOMCAN)*

*Territory: Comoro Islands, Djibouti,  
Ethiopia, Tanzania, Uganda, Democra-  
tic Republic of Madagascar, Mauritius,  
Réunion, Seychelles*

R. Pedersen  
Counsellor (Commercial)

N. Kalisch  
First Secretary (Commercial)

P.E. Musira  
Commercial Officer

## **KOREA**

**Commercial Division  
Canadian Embassy  
9th Floor, Hankook Ilbo Building  
(Mailing Address:  
C.P.O. Box 6299)  
Seoul 100, Republic of Korea**  
*Cable: CANADA SEOUL  
Phone: 73-0182/4  
Telex: (Area code 801) 27425  
(CANADA K27425)*

A.H. Conradi  
First Secretary (Commercial)

W.W. Johnston  
First Secretary (Commercial)

J. Mundy  
Second Secretary (Commercial) & Vice  
Consul

C.S. Lee  
Commercial Officer

C.W. Chang  
Commercial Officer

## **KUWAIT**

**Commercial Division  
Canadian Embassy  
Plot 1,  
28 Quaralsh  
Nuzha**  
*(Mailing Address:  
P.O. Box 25281)  
Safat, Kuwait*  
*Phone: 51.14.51/55.57.54  
Telex: (Area code 496) MCAN 3549 KT  
(UNCLAS)  
Territory: Bahrain, United Arab  
Emirates, Oman and Qatar*

R. Lockhead  
Counsellor (Commercial)

M.W. Murison  
First Secretary (Commercial)

Farouk Qutub  
Commercial Officer

## **LEBANON**

**Commercial Division  
Canadian Embassy  
Sabbag Centre  
Hamra Street  
Beirut, Lebanon**  
*Phone: 350665, 352196  
Telex: (Area code 494) 20652  
(DOMCAN 20652LE)  
Territory: Jordan, Syria*

J.S. Marrow  
Commercial Officer

## **MALAYSIA**

**Commercial Division  
Canadian High Commission  
P.O. Box 990  
A.I.A. Building, Ampang Road  
Kuala Lumpur, Malaysia**  
*Cable: DOMCAN  
Phone: 89722/5 and 89795  
Telex: (Area code 84) 30269  
(DOMCAN MA 30269)*

R. Frenette  
Counsellor (Commercial)

B. Adam  
First Secretary (Commercial)

B. Chee  
Commercial Officer

## **MEXICO**

**Commercial Division  
Canadian Embassy  
Apartado Postal 5-364  
Melchor Ocampo 463, 7th Floor  
Mexico 5, D.F., Mexico**  
*Cable: CANADIAN  
Phone: 533-0610 (Area code 905)  
Telex: (Area code 22) 1771191  
(DMCNME)*

J.M. Hill  
Counsellor (Commercial)

B. Pamerter  
Counsellor (Commercial/Energy)

G.D. Paterson  
Second Secretary (Commercial)

T.A. MacDonald  
Second Secretary (Commercial)

G.E. Bélanger  
Commercial Officer

F. Arguelles  
Commercial Officer

J.A. Pahnke  
Commercial Officer

## **MOROCCO**

**Commercial Division  
Canadian Embassy  
13, Bis Rue Jaafar es Sadiq,  
(Mailing Address:  
B.P. 709)  
Rabat-Adgal, Morocco**  
*Phone: 713-75/76/77  
Telex: (Area code 407) 31964M  
(CDARABAT 31964MO)*

S.F. Pattee  
Counsellor (Commercial)

D. Tamsamani  
Commercial Officer

## NETHERLANDS

**Commercial Division  
Canadian Embassy  
Sophialaan 7  
The Hague, Netherlands**  
Cable: CANADIAN  
Phone: 61-41-11 (Area code 070)  
Telex: (Area code 44) 31270  
(31270 DMCN NL)

R.K. Thompson  
Minister-Counsellor (Commercial)

G.W. Wood  
First Secretary (Commercial)

W. Rekker  
Commercial Officer

F.W. Zechner  
Commercial Officer

## NEW ZEALAND

**Commercial Division  
Canadian High Commission  
P.O. Box 12-049 Wellington North  
ICI Building, 3rd Floor  
Molesworth Street  
Wellington, New Zealand**  
Cable: DOMCAN Wellington  
Phone: 739577  
Telex: (Area code 74) 3577  
(DOMCAN NZ3577)  
Territory: Cook Islands, Gilbert Islands,  
Tonga, Western Samoa, Fiji, New  
Caledonia, New Hebrides, Tuvalu, Niue,  
French Polynesia, Tahiti

H.E. Campbell  
Counsellor (Commercial)

T.D. Greenwood  
First Secretary (Commercial)

J.M. Mabbett  
Commercial Officer

## NIGERIA

**Commercial Division  
Canadian High Commission  
P.O. Box 851  
New Niger House  
1/5 Odunlami Street  
Lagos, Nigeria**  
Cable: CANADIAN  
Phone: 653-630/1/2/3/4  
Telex: (Area code 905) 21275  
(21275 DOMCAN NG)  
Territory: Ghana, Sierra Leone, Angola

M.Y. Bernier  
Second Secretary (Commercial)

H. Chan  
Second Secretary (Commercial)

M. Romoff  
Second Secretary (Commercial)

## NORTH ATLANTIC COUNCIL

**Delegation of Canada to the North  
Atlantic Council  
1110 Brussels, Belgium**  
Cable: CANDEL BRUSSELS  
Phone: 215-88-53

J.E. Cooper  
Counsellor (Defence Production)

R.J. Rushka  
Counsellor (Defence Production)

## NORWAY

**Commercial Division  
Canadian Embassy  
Postuttak  
Oslo 1, Norway**  
Cable: CANADIAN  
Phone: (Area code 2) 46.69.55  
Telex: (Area code 56) 11880  
(11880 DOMCA N)  
Territory: Iceland

G.G. Rezek  
Counsellor (Commercial) and Consul

B.G.R. Barton  
Commercial Officer

B. Just Hanssen  
Commercial Officer

## PAKISTAN

**Commercial Division  
Canadian Embassy  
P.O. Box 1042  
Diplomatic Enclave  
Ramna 5  
Islamabad, Pakistan**  
Cable: CANADIAN  
Phone: 21101-04  
Telex: (Area code 82) 82700  
(5700 DOMCAN PK)  
Territory: Afghanistan

W.J. Roberts  
First Secretary (Commercial)

M.H. Jafri  
Commercial Officer

M.Y. Farooqi  
Commercial Officer

## PERU

**Commercial Division  
Canadian Embassy  
Libertad 130, Miraflores  
Casilla 1212  
Lima, Peru**  
Cable: CANADIAN  
Phone: 463890  
Telex: (Area code 36) 25323  
(25323 PU DOMCAN)  
Territory: Bolivia

T.N. Parrott  
Counsellor (Commercial)

H. McNairnay  
First Secretary (Commercial) &  
Consul

L.G. Poma  
Commercial Officer

L. de la Torre  
Commercial Officer

## PHILIPPINES

**Commercial Division  
Canadian Embassy  
P.O. Box 971, Commercial Centre  
Makati, Metro Manila 3117, Philippines**  
Cable: CANADIAN  
Phone: 87-65-36 or 87-78-46  
Telex: (Area code 75) 63676  
(63676 DOMCAN PN)

C.S. Russel  
First Secretary (Commercial)

G. Jones  
First Secretary (Commercial)

D. Dix  
Third Secretary (Commercial)

R.M. Garcia  
Senior Commercial Officer

V.O. Carino  
Commercial Officer

## POLAND

**Commercial Division  
Canadian Embassy  
Matejki 1/5  
Srodmiestec  
Warsaw, Poland**  
Cable: DOMCAN WARSAW  
Phone: 29-80-51  
Telex: (Area code 63) 813424  
(813424 CANAPL)  
Territory: German Democratic Republic

R.F. Turcotte  
Counsellor (Commercial)

H.J. Himmelsbach  
Second Secretary (Commercial)

J. Moch  
Commercial Officer

W. Polak  
Commercial Officer

## PORTUGAL

**Commercial Division  
Canadian Embassy  
Rua Rosa Araujo, 2  
Seventh Floor  
Lisbon 2, Portugal**  
Cable: CANADIAN  
Phone: 56-25-49  
Telex: (Area code 404) 12377  
(DOMCAN P)  
Territory: Azores, Madeira

R.J.G. Ledoux  
First Secretary (Commercial) & Consul

M.J.D. Lima  
Commercial Officer

## ROMANIA

**Commercial Division  
Canadian Embassy  
36 Str. N. Iorga  
C.P. 2966  
Oficiul Postal No. 22  
Bucharest, Romania**  
Phone: 50-63-30/50-59-56  
Telex: (Area code 651) 10690  
(CANAD R)

E.A. Mallory  
First Secretary (Commercial)

V. Costea  
Commercial Officer

## SAUDI ARABIA

**Commercial Division  
Canadian Embassy  
King Abdul Aziz Street  
Queen's Building — 6th Floor  
P.O. Box 5050  
Jeddah, Saudi Arabia**  
Cable: DOMCAN JEDDAH  
Phone: 34597/8  
Telex: 401060 DOMCAN SJ  
Territory: Arab Republic of Yemen,  
People's Democratic Republic of  
Yemen, Somali Democratic Republic

D.S. McCracken  
Minister-Counsellor (Commercial)

E.C. Tucker  
First Secretary (Commercial)

J.M. Dessert  
Second Secretary (Commercial)

R. Awadah  
Commercial Officer

## SENEGAL

**Commercial Division  
Canadian Embassy  
45, av. de la République  
P.O. Box 3373  
Dakar, Senegal**  
Cable: DOMCAN DAKAR  
Phone: 20270  
Telex: 632 (DOMCAN SG)  
Territory: Gambia, Guinea, Guinea-  
Bissau, Mauritania, Cape Verde Islands

R.B. Noble  
Second Secretary (Commercial)

## SINGAPORE

**Commercial Division  
Canadian High Commission  
P.O. Box 845  
Faber House, 7 & 8th Floors  
230/236 Orchard Road**

**Singapore 9, Singapore**  
Cable: CANADIAN  
Phone: 37-1322  
Telex: (Area code 87) 21277  
(DOMCAN RS21277)  
Territory: Brunei

F.A.D. Blair  
Counsellor (Commercial)

R. Oh Hong Siang  
Commercial Officer

Edward Lee Kok Cheng  
Commercial Officer

## SOUTH AFRICA

**Canadian Embassy  
Nedbank Plaza  
Corner of Church and Beatrix  
Arcadia, Pretoria 0083, South Africa**  
Mailing Address:  
P.O. Box 26006  
Arcadia, Pretoria 0007  
Cable: CANDOM PRETORIA  
Phone: 487062-3-4  
Telex: 3720 (3-720 SA)  
Territory: Botswana, Lesotho, Swazi-  
land, St. Helena

W. Smith  
Commercial Officer

## SPAIN

**Commercial Division  
Canadian Embassy  
Apartado 117  
35, Nunez de Balboa  
Madrid, Spain**  
Cable: CANADIAN MADRID  
Phone: 225-9119  
Telex: (Area code 52) 27347  
(27347 DOMCAN E)  
Territory: Provinces outside the  
peninsula — Balearic Islands, Canary  
Islands

Z.W. Burianyk  
Counsellor (Commercial)

E.G. Jones  
First Secretary (Commercial)

M.F. Crawcour  
Commercial Officer

A. Herrero  
Commercial Officer

## SWEDEN

**Commercial Division  
Canadian Embassy  
P.O. Box 16129  
S-103 23 Stockholm 16, Sweden**  
Cable: CANADIAN  
Phone: 23-79-20 (Area code 08)  
Telex: (Area code 54) 10687  
(10687 DOMCAN S)

S.B. McDowall  
Counsellor (Commercial)

R.J. Brooks  
Second Secretary (Commercial)

W. Manston-Shorter  
Commercial Officer

U. Hansson (Mrs.)  
Commercial Officer

C. Bonde  
Commercial Officer

## SWITZERLAND

**Commercial Division  
Canadian Embassy  
Kirchenfeldstrasse 88  
3005 Berne, Switzerland**  
Cable: CANADIAN BERNE  
Phone: 44-63-81  
Telex: (Area code 45) 32489  
(DMCNB CH)  
Territory: Liechtenstein

B. Dussault  
Counsellor (Commercial)

D. Comeau  
Second Secretary (Commercial)

M. Meister  
Commercial Officer

L.O. Voulich (Mrs.)  
Commercial Officer

## THAILAND

**Commercial Division  
Canadian Embassy  
P.O. Box 2090  
The Boonmitr Building, 11th Floor  
138 Silom Road  
Bangkok, Thailand**  
Phone: 234-1561/8  
Telex: (Area code 86) 2671  
(DOMCAN TH2671)  
Territory: Laos, Kampachea, Burma,  
Bangladesh, Socialist Republic of  
Vietnam

J.H. Lang  
First Secretary (Commercial & Consul)

J.H. Broadbent  
Second Secretary (Commercial)

T. Thaiprasithiporn  
Commercial Officer

## TRINIDAD AND TOBAGO

**Commercial Division  
Canadian High Commission  
P.O. Box 1246  
Huggins Building  
72 South Quay  
Port-of-Spain, Trinidad**  
Cable: DOMCAN PORT OF SPAIN  
Phone: 62-34787, 62-37254-8  
Telex: (Area code 294) 226  
(226 DOMCAN WG)  
Territory: Barbados, French Guyana,  
Guadeloupe, Guyana, Haiti, Martinique,

St. Martin, Surinam, The Leeward and  
Windward Islands (Antigua, St. Kitts-  
Nevis-Anguilla, Montserrat, Dominica,  
St. Lucia, St. Vincent, Grenada)

M.W. McQuinn  
First Secretary (Commercial)

R.F. Désamuré  
Second Secretary (Commercial)

D. Hobson-Garcia  
Commercial Officer

R. Tiwari  
Commercial Officer

## TUNISIA

**Commercial Division  
Canadian Embassy  
2, Place Virgile, Notre-Dame de Tunis,  
P.O. Box 31,  
Belvédère,  
Tunis, Tunisia  
Phone: 286-577  
Telex: 12-324**

W.A. McKenzie  
First Secretary (Commercial)

## TURKEY

**Commercial Division  
Canadian Embassy  
Nenehatun Caddesi 75  
Goziomanpasa, Ankara, Turkey  
Cable: DOMCAN ANKARA  
Phone: 27-58-03; 04; 05  
Telex: (Area code 607) 42369  
(DCAN TR)**

R.C. Brown  
Counsellor (Commercial)

B.C. Boyacigil  
Commercial Officer

## UNION OF SOVIET SOCIALIST REPUBLICS

**Commercial Division  
Canadian Embassy  
23 Starokonyushenny Pereulok  
Moscow, U.S.S.R.  
Cable: CANAD MOSCOW  
Phone: 241-90-34  
Telex: (Area code 64) 7401  
(7401 DOMCAN SU)  
Territory: Mongolia**

M.R. Bell  
Minister (Commercial)

R.B. Johnson  
First Secretary (Commercial)

V. Selivanov  
Commercial Officer

L. Davydova (Mrs.)  
Commercial Officer

## UNITED NATIONS

**Permanent Mission of Canada to the  
United Nations  
866 United Nations Plaza  
Suite 250  
New York, N.Y. 10017  
Cable: CANINUN NYK  
Phone: 751-5600 (Area Code 212)  
Telex: 00126228 (CANINUN NYK)**

W.D. Hutton  
First Secretary

## UNITED STATES WASHINGTON

**Commercial Division  
Canadian Embassy  
1746 Massachusetts Ave. N.W.  
Washington, D.C. 20036  
Cable: CANADIAN  
Phone: 785-1400 (Area Code 202)  
483-5505 (Defence Production)  
Telex: 0089664 (DOMCAN A WSH)  
Territory: U.S. Government and  
agencies; International organizations  
with headquarters in Washington. All  
other trade promotion inquiries relating  
to the Washington, D.C. area should be  
addressed to the Consulate in  
Philadelphia**

G.F. Mintenko  
Minister-Counsellor (Commercial)

J.C. Bond  
Counsellor (Commercial)  
(Defence Production)

D.B. Browne  
Counsellor (Commercial)  
(Metals and Minerals)

C.D. Caldwell  
Counsellor (Commercial)  
(Agriculture)

J.S.A. Sotvedt  
Counsellor (Commercial)  
(Defence Production)

E. Gorn  
First Secretary (Commercial)

M.P. Joyce  
First Secretary (Commercial)

R.H. Davidson  
First Secretary (Commercial)

D.M. Caston  
Second Secretary (Commercial)

S. Fowler  
Commercial Officer

L.C. Hoel (Lt. Colonel)  
Commercial Officer

**NEW YORK CITY  
Canadian Consulate General  
1251 Avenue of the Americas**

## New York City, N.Y. 10020

*Phone: 586-2400 (Area code 212)  
Night Line: 586-2403  
Telex: 00126242 (DOMCAN NYK)  
Territory: States of Connecticut, New  
Jersey (twelve northern counties),  
southern New York.  
Other countries: Bermuda*

P.A. Théberge  
Deputy Consul General (Commercial)

D.G. Adam  
Consul and Trade Commissioner

W.J. Bonthron  
Consul and Trade Commissioner

D. Morin (Miss)  
Consul & Trade Commissioner

D.L. Russell  
Commercial Officer

R. Campanale  
Commercial Officer

J. Hoffman  
Commercial Officer

L.M. Brittain (Mrs.)  
Commercial Officer

T. Owen  
Commercial Officer

## ATLANTA

**Canadian Consulate General  
900 Coastal States Building  
260 Peachtree Street  
Atlanta, Georgia 30303  
Phone: 577-6810 (Area Code 404)  
Telex: 00542676 (DOMCAN ATL)  
Territory: Alabama, Florida, Georgia,  
Mississippi, North and South Carolina,  
Tennessee, Puerto Rico, British & US  
Virgin Islands**

L.D. Burke  
Consul and Senior Trade  
Commissioner

C. Van Bostelen  
Consul and Trade Commissioner

D. Thibault  
Consul and Trade Commissioner

D. McConnell (Miss)  
Commercial Officer

A.L. Miller  
Commercial Officer

## BOSTON

**Canadian Consulate General  
500 Boylston Street  
Boston, Massachusetts 02116  
Phone: 262-3760 (Area code 617)  
Telex: 00940625 (DOMCAN BSN)  
Territory: States of Maine,**

Massachusetts, New Hampshire, Rhode Island, Vermont  
*Other countries:* St. Pierre and Miquelon

R.D. Merner  
Consul and Senior Trade Commissioner

K.G. DeWolf  
Consul and Trade Commissioner

R.J.R. Lecoq  
Second Secretary (Commercial)

B.D. Davis  
Commercial Officer

Algis R. Gavenas  
Commercial Officer

G. Lehner  
Commercial Officer

#### **BUFFALO**

**Canadian Consulate  
One Marine Midland Center  
Suite 3550**

**Buffalo, New York 14203**  
*Phone:* 852-1247 (Area code 716)  
*Telex:* 0091329 (DOMCAN-BUF)  
*Territory:* Northern New York State

W.R. Van  
Consul and Senior Trade Commissioner

W.M. Maybee  
Consul and Trade Commissioner

J. Quigley  
Commercial Officer

D. Sinclair  
Commercial Officer

#### **CHICAGO**

**Canadian Consulate General  
310 South Michigan Avenue  
Suite 2000**

**Chicago, Illinois 60604**  
*Phone:* 427-1031 (Area code 312)  
*Telex:* 00254171 (DOMCAN CGO)  
*Territory:* States of Illinois, Iowa, Missouri, Nebraska, Southern Wisconsin

J.A. Elliott  
Consul and Trade Commissioner

A.S. Poole  
Consul and Trade Commissioner

R.B. Mackenzie  
Consul and Trade Commissioner

S. Czarnecki  
Commercial Officer

M. Gallagher  
Commercial Officer

#### **CLEVELAND**

**Canadian Consulate  
Illuminating Building  
55 Public Square  
Cleveland, Ohio 44113**

*Phone:* 771-0151 (Area code 216)  
*Telex:* 00985364 (DOMCAN CLV)  
*Territory:* States of Ohio, Kentucky, West Virginia, Western Pennsylvania

N.W. Boyd  
Consul and Senior Trade Commissioner

P. Marsden-Dole (Mrs.)  
Consul and Trade Commissioner

D.C. Webb  
Trade Commissioner (Defence Production, Dayton, Ohio)

F.J. Laberge  
Consul and Trade Commissioner

P.M. Cooke  
Commercial Officer

L. Mayer (Ms.)  
Commercial Officer

#### **DALLAS**

**Canadian Consulate  
2001 Bryan Tower  
Suite 1600**

**Dallas, Texas 75201**  
*Phone:* 742-8031 (Area Code 214)  
*Telex:* 00732637 (DOMCAN DAL)  
*Territory:* States of Texas, Arkansas, Oklahoma, Kansas, Louisiana

G.D. Valentine  
Consul and Senior Trade Commissioner

G.A. MacLennan  
Consul and Trade Commissioner

N.L. Currie  
Consul and Trade Commissioner

G.B. Rush  
Vice Consul & Assistant Trade Commissioner

Joanne E. Kirby  
Commercial Officer

J.J. Mingori  
Commercial Officer

#### **DETROIT**

**Canadian Consulate  
1920 First Federal Building  
1001 Woodward Avenue  
Detroit, Michigan 48226**

*Phone:* 965-2811 (Area code 313)  
*Night Line:* 264-1370  
*Telex:* 00230715 (DOMCAN DET)  
*Territory:* City of Toledo, Ohio, and States of Michigan and Indiana

T.F. Harris  
Consul and Senior Trade Commissioner

W.G. Huxtable  
Consul and Trade Commissioner

K.D. McNamara  
Trade Commissioner  
(Defence Production)

P.J. Wright  
Commercial Officer

G.P. Jessop  
Commercial Officer

R.J. Mikulak  
Commercial Officer

#### **LOS ANGELES**

**Canadian Consulate General  
510 West Sixth Street  
Los Angeles, California 90014**

*Phone:* 627-9511 (Area code 213)  
*Telex:* 00674119 (DOMCAN LSA)  
*Territory:* States of Arizona, California (ten southern counties), Clark County in Nevada, New Mexico

A.D. McArthur  
Consul and Senior Trade Commissioner

J.G. Price  
Consul and Trade Commissioner

R.J. McLeod  
Consul and Trade Commissioner

G. Willows  
Vice Consul & Assistant Trade Commissioner

B. Brandenburg  
Commercial Officer

C.W. Light  
Commercial Officer

G. Mannatt (Mrs.)  
Commercial Officer

#### **MINNEAPOLIS**

**Canadian Consulate  
15 South Fifth Street  
Minneapolis, Minnesota 55402**

*Phone:* 336-4641 (Area code 612)  
*Telex:* 00290229 (DOMCAN MPS)  
*Territory:* States of Minnesota, North and South Dakota, Montana (east of the Divide), Northern Wisconsin

G.E. Blackstock  
Consul and Senior Trade Commissioner

G.A. Cooper  
Consul and Trade Commissioner

R.J. Winter  
Vice Consul and Assistant Trade  
Commissioner

M.L. Mearns (Mrs.)  
Commercial Officer

**PHILADELPHIA**

**Canadian Consulate**  
**3 Parkway Building, Suite 1310**  
**Philadelphia, Pennsylvania 19102**

*Cable:* CANADIAN  
*Phone:* 561-1750 (Area code 215)  
*Telex:* 00845266 (DOMCAN PHA)  
*Territory:* States of Delaware, Maryland,  
New Jersey (nine southern counties),  
eastern Pennsylvania, Virginia, District  
of Columbia

W.G. Pybus  
Consul and Senior Trade  
Commissioner

A.G. Virtue  
Consul and Trade Commissioner

G.A.H. Wright  
Vice Consul and Assistant Trade  
Commissioner

S.A. Cohan  
Commercial Officer

Carol Klein (Ms.)  
Commercial Officer

**SAN FRANCISCO**

**Canadian Consulate General**  
**One Maritime Plaza**  
**Alcoa Building, Suite 1100**  
**Golden Gateway Center**  
**San Francisco, California 94111**

*Phone:* 981-2670 (Area code 415)  
*Telex:* 0034321 (DOMCAN SFO)  
*Territory:* States of California (except  
the ten southern counties), Colorado,  
Hawaii, Nevada (except Clark County),  
Utah, Wyoming

W.L. Clarke  
Consul and Senior Trade  
Commissioner

J. Gilbank  
Consul and Trade Commissioner

C.S. Collins  
Vice Consul and Assistant Trade  
Commissioner

G.N. Larson  
Commercial Officer

**SEATTLE**

**Canadian Consulate General**  
**412 Plaza 600, Sixth and Stewart,**  
**Seattle, Washington 98101**

*Phone:* 447-3820 (Area code 206)  
*Telex:* 032-8762 (DOMCAN SEA)  
*Territory:* States of Alaska, Idaho,

Montana (west of the Divide), Oregon,  
Washington

J.F. Murray  
Consul and Senior Trade  
Commissioner

D.A. Rosenthal  
Vice Consul and Assistant Trade  
Commissioner

S.R. Haakenson  
Commercial Officer

D.D. McCracken  
Commercial Officer

A.J. Shott  
Commercial Officer

**VENEZUELA**

**Commercial Division**  
**Canadian Embassy**  
**Apartado 62302**  
**Edificio La Estancia**  
**Avenida La Estancia No. 10**  
**Caracas 106, Venezuela**

*Cable:* CANADIAN  
*Phone:* (Area code 2) 91-30-10/610/801  
/401  
*Night Line:* 91-32-77  
*Telex:* (Area code 31) 23377  
(DOMCAN VE)  
*Territory:* Netherlands Antilles,  
Dominican Republic

L.D. Lederman  
Counsellor (Commercial) & Consul

R.D. Chan  
First Secretary (Commercial) &  
Consul

W.H. Jaschke  
Second Secretary (Commercial) &  
Vice Consul

J.I.M. Tasker  
Commercial Officer

L. Romero  
Commercial Officer

M. Proteau de Araujo (Mrs.)  
Commercial Officer

**YUGOSLAVIA**

**Commercial Division**  
**Canadian Embassy**  
**Proleterskih brigada 69**  
**11000 Belgrade, Yugoslavia**  
*Cable:* DOMCAN BELGRADE  
*Phone:* 434-524  
*Telex:* (Area code 62) 11137  
(11137 YU DOMCA)  
*Territory:* Bulgaria

K. Sunquist  
First Secretary (Commercial)

K. Djordjevic  
Commercial Officer

D. Janosevic  
Commercial Officer

**ZAIRE, REPUBLIC OF**

**Commercial Division**  
**Canadian Embassy**  
**Edifice Petrozaire**  
**Coin Ave. Wangata et boul. 30 Juin**  
*Mailing Address:*

**P.O. Box 8341**  
**Kinshasa, Republic of Zaire**  
*Cable:* DOMCAN KIN  
*Phone:* 22706 and 24346  
*Telex:* (Area code 982) 21303  
(DOMCAN ZR)  
*Territory:* Burundi, Rwanda, People's  
Republic of Congo, Cameroon, Central  
African Empire, Chad, Gabon

D. Horley  
First Secretary (Commercial) & Consul

**ZAMBIA**

**Commercial Division**  
**Canadian High Commission**  
**P.O. Box 1313**  
**Lusaka, Zambia**  
*Cable:* DOMCAN LUSAKA  
*Phone:* 75187, 8 and 75159  
*Telex:* (Area code 902) 42480  
(DOMCAN ZA42480)  
*Territory:* Malawi, Mozambique

C.E. Butterworth  
First Secretary (Commercial)

**For information, contact:**

Department of Industry, Trade and Commerce

235 Queen Street

Ottawa, Ontario, Canada

K1A 0H5

Tel: (Area code 613) 995-8337

Anthony T. Eyton

Director General

Trade Commissioner Service &

Field Operations



Government  
of Canada

Gouvernement  
du Canada

Industry, Trade  
and Commerce

Industrie  
et Commerce

## This couldn't be you — or could it? Not if you carry a carnet!

*The scene: a customs office, somewhere in Europe. A Canadian businessman on a sales trip has just torn out the last handfuls of his hair. He is carrying \$100,000 worth of sample fur coats and has just been told he must put up a security of \$30,000 cash — no cheques or letters of credit accepted — as a guarantee that customs duties will be paid if the samples somehow remain in the country. He does not know where he can round up that kind of money in a hurry in a foreign land.*

*He has travelled through six countries in eleven days, and has learned that each customs authority has its own set of rules, some relaxed, some stringent. Several times, he has had to put up security of one kind or another to get samples over a border, and has struggled with red tape of every shape and kind. He still has none of his security deposits back, because the bureaucratic wheels grind slowly.*

## These merchandise passports are just the ticket. . .

Prior to 1972, there was no way a Canadian businessman could avoid this kind of nightmare, other than to become fully briefed on the detailed requirements of each country, and come prepared to meet them. In 1972, Canada became a signatory to the "ATA Carnet Convention" ("ATA" stands for "admission temporaire"), and since that time, businessmen have been using "ATA carnets" — in effect, merchandise passports — that get commercial samples and professional equipment through international borders without the usual customs hassle.

The carnet can be used in 39 countries, including 26 in Europe (six are iron curtain countries), three in the Middle East, three in Africa, three in the Orient (including Japan), Australia, New Zealand and the U.S.

With a carnet, you pay one security deposit to the Canadian issuing office at the time the carnet is issued, and you may then take the samples or professional equipment into any of the subscribing countries, and get waved through customs without any red tape or paperwork of any kind, and without having to put up any security deposit. (All customs authorities do reserve the right to inspect and search, but this right is often not exercised when goods are travelling under carnet.)

The great advantage of the carnet is speed and convenience. A person who wants to make a trip with samples can get his carnet, board a plane to Europe, clear customs and set up for business, all within a few days.

Carnets are good for one year for the items listed, but if you wish to *add* to the items listed, you must apply for a new carnet.

The security deposit, 40 per cent of the commercial value of the goods, can be given by cash, cheque, bank letter of credit or



insurance bond. About 30 per cent of users pay by cash or cheque, 40 per cent by letters of credit and 30 per cent by insurance bond. Deposits are usually refunded within 48 to 72 hours after return to Canada. In pre-carnet days, deposits tended to be tied up for lengthy periods in foreign customs bureaucracies.

There is no red tape whatever involved in getting a carnet, other than to supply the information required by the issuer — details such as style numbers, serial numbers, quantities, weight and value. All the paperwork is done by the issuer.

Cost of a carnet is \$20 to \$150, depending on the value of the goods, plus the small cost of putting up the refundable security.

The sole issuer in Canada is the Canadian Chamber of Commerce, which assumed this responsibility at the request of the Canadian government. The Canadian Chamber is linked to a network of Chambers in the other convention countries to guarantee

payment of duties where goods have remained in a country beyond the time specified.

The Chamber began issuing carnets in its head office in Montreal in 1972, and extended the service to its Toronto office on November 5, 1979.

Salesmen with samples are the largest users of carnets. Many exhibitors in trade fairs also use them, and they are used by surgeons, architects, artists, engineers, musicians and film crews.

Items most frequently covered by carnets for commercial samples are fur coats, jewelry and electronic products. However, the variety is immense, all the way from handbags to airplanes (De Havilland's Dash, Dart and Otter, have all travelled under carnets). In the professional equipment category, theatrical and photographic equipment are the most common.

One of the more interesting items to be covered by a carnet was the RCMP musical ride, complete with horses, uniforms and equipment. Carnets have also been issued to entertainers like Gordon Lightfoot and Mahogany Rush, to cultural organizations such as the Royal Winnipeg Ballet and the Toronto Symphony, and to the news media (CTV, CBC).

Canada is a relatively light user of carnets. In the first half of 1979, 227 carnets were issued, for a total goods value of about \$20 million, as compared with the top user, West Germany, which issued almost 23,000 carnets for a total of \$470 million. World-wide, 90,596 carnets were issued in this period, for a total of \$1½ billion.

The carnet is potentially a significant mechanism for increasing Canada's export trade, but so far, Canadian businessmen have not taken full advantage of it, says Bill Browne, the Chamber's carnet manager.

Asked if he thought Canadian businessmen were not export-minded enough, he said that was probably true three or four years ago, but not today. "Seeing successes achieved by others, in some cases with countries we thought we might never be able to sell, is making Canadian businessmen see the opportunities. . . Those who are successful will tell you that once you start to crack a foreign market, once you've got a leg in, you become convinced that there's no other way to go."

**For further information, contact:  
The Canadian Chamber of Commerce  
Commerce House  
1080 Beaver Hall Hill  
Montreal, Quebec H2Z 1T2  
Tel: (514) 866-4334**

**or  
The Canadian Chamber of Commerce  
First Canadian Place  
33rd Floor  
Toronto, Ont. M5X 1B1  
Tel: (416) 868-6415**

*A strikingly high proportion of Canadian exports to Australia is accounted for by manufactured goods. In fact Australia is Canada's third largest overseas market for such goods and this total could easily grow if Canadian manufacturers remain enthusiastic in their approach to the Australian market. However, as is stressed in the following article by Ross W. Haggert, Commercial Officer at the Canadian Consulate in Melbourne, there is no substitute for personal visits to Australia to assess opportunities and appoint agents. Particularly at this time of year, when most of us are knee-deep in snow, does this sound like poor advice? Meanwhile Ross Haggert hones in on a particular area of the manufactured goods scene and poses another question:*

## Why not export leisure goods to Australia?

Canadian manufacturers of sporting goods should find Australia a highly lucrative export market provided some time and effort is devoted to examining the market in detail.

With a year-round climate conducive to recreational and sporting activities, it is not surprising that leisure goods have grown in popularity in Australia. Almost every Australian is a participant in one sport or another and readily adjusts to new sporting games introduced from overseas.

Federal, state and local governments have been constructing new sporting facilities and extending existing ones throughout the country. State and federal authorities, in addition, heavily advertise via television, radio and press the benefits of getting involved in leisure activities.

The level of demand for sporting goods has increased rapidly as indicated by an estimated increase in imports of more than 70 per cent since 1976 with the major suppliers in recent years being Japan, the United States, Britain and, to a lesser extent, other European countries.

While accurate, up-to-date, specific statistics of sporting and recreational imports by Australia are difficult to obtain, the following selective figures obtained from Statistics Canada give some indication of market growth for Canadian equipment in recent years:

	(\$000)	1976	1977	1978
Skates, ice		163	111	164
Ice hockey equipment		18	36	59
Fishing rods, tackle and parts		30	92	55
Sporting recreational equipment and parts		763	617	1064

Canadian products which have sold successfully in Australia include gymnastic, aquatic and boating equipment, protective equipment for all field games, camping and archery equipment plus, of course, skates and ice hockey equipment.

Canadian products are held in high regard for their quality and suitability to local conditions. Canadian manufacturers willing to put time and effort into servicing the area will find good sales potential for fishing, camping, hunting, skiing and archery equipment

to name but a few. Many sporting "bits and pieces" such as bicycle locks, ski poles, tent waterproofing kits and such will also find an excellent market in Australia.

### Skiing:

Skiing, at present, is a major sport in Australia and is growing extensively year by year. Although participation in the sport is comparatively expensive and is generally restricted to Australians living in the States of New South Wales and Victoria, it can be consid-

ered an "up market" industry well suited to Canadian ski products. Bindings, high fashion ski wear, ski poles and skis which are strong on style and function are all in demand.

### Golf:

Golfing products in demand cover virtually the whole range from clubs, bags and carts to tees and balls. Although Australian manufacturers produce most items, imported products of a specialty nature still find a substantial market.

### Boating:

The market for pleasure craft and other aquatic equipment is experiencing unprecedented boom conditions in Australia with demand increasing not only for motor boats, but also for wind-surfing, yachting and scuba diving.

To accommodate the increasing number of power boats and sailing vessels many Australian communities are in the process of constructing or upgrading marinas which offer excellent opportunities for dock hardware manufacturers.

At present, domestic manufacturers supply most of the pleasure craft and aquatic equipment used in Australia, however there is increasing demand for imported marine hardware items such as stoves, toilets, winches and other "hang on" equipment. Once again, price and quality are the determining factors in achieving sales.

### Field Sports:

Personal contact sports are highly popular in Australia although some-

### **And there's room for more. . .**

Not only leisure goods, but electronic components, forest industries equipment, agricultural machinery and other manufactured products.

Canada is making a concerted drive into the Australian market by way of five trade exhibitions this spring and summer. This comes hard on the heels of the Canadian government delegation which visited Canberra last December when exploratory talks with Australian government representatives were aimed at expanding bilateral trade and economic relations.

The drive begins in Sydney on March 8 with eight Canadian companies displaying their wares at the Australasian Floor Coverings Mart. Then there is the International Toy and Sporting Goods Trade Fair (to which Ross Haggert refers in the preceding article), opening March 16. Canada will be represented by eight manufacturers and one group of consulting engineers at the Forest Industries Machinery Exposition (FIME) April 15-17; by nine manufacturers of farm machinery and plant at AG-QUIP, the Agricultural Equipment Trade Fair at Gunnedah, New South Wales, August 21-23.

Canada's fifth shop window in Australia is at the Royal Easter Show in Sydney, March 28-April 18. Like the four international hard-sell trade exhibitions, the Canadian information booth at this event is sponsored by the Department of Industry, Trade and Commerce.

what different from the types of games played in Canada. All Australian field sports require protective equipment and a growing demand for equipment similar to that used for basketball and lacrosse is in evidence. Baseball has also become a growth industry and a substantial market for equipment has developed.

#### **Gymnastics:**

Canadian manufacturers of most forms of gymnastic and body building equipment will find a growing market in Australia. Currently Canadian equipment is selling steadily and the explosion of new "keep-fit" centres in Australia indicates that this market will continue.

#### **Camping:**

The camping equipment market has been exceptionally buoyant during the past five years and will continue to be so. Canadian equipment has sold extremely well in the past and has earned an excellent reputation due to its price competitiveness, innovation and quality. All types of camping equipment should find a receptive market in Australia as more and more Australians take to the "great outdoors."

#### **Sportswear:**

Reflecting the increased demand for sporting equipment and facilities is an upsurge in the requirements for sportswear. Strong demand exists for all forms of sporting apparel. A note of caution, however — any import agent approached must have suitable importation allocations as many apparel products are under quota.

Brand loyalty by consumers in Australia is not as strong as it once was and this, combined with Canada's increasing sporting image, should enable Canadian brand names to woo and win Australian consumers.

To a large extent the distribution of sporting goods is through department stores and chain sporting goods stores and the great bulk of items tends to be sold through these retail outlets. Specialized stores, however, handle virtually all boating equipment and much of the golfing equipment sold in Australia.

It is important for Canadian exporters interested in marketing their range of sporting products in Australia to establish contact with suitable local importers who could, in many cases, also be the retail outlet for their products.

In Australia no substitute exists for personal visits for assessing the range and scope of opportunities and to appoint a suitable agent (although these visits should *not* be made in the peak holiday period from mid-December to the end of January). The Canadian Consulates in Melbourne and Sydney can provide market information and names of contacts.

An adequate product promotion is usually an important prerequisite for sales success in Australia. Prospective exporters will need to consider adequate servicing of their agent including a supply of posters and sales literature.



Canadian firms wishing to sell to Australia should consider taking part in trade displays organized by the Canadian Government. For example, one such is slated for March, 1980 and another for March, 1981 in Sydney. Firms can also apply for Program for Export Market Development assistance to visit the market to follow up contacts made by their Canadian trade representatives or to mount in-office product displays.

Canadian companies interested in exploring the Australian export potential for their products should communicate with the Canadian Consulates in Melbourne and Sydney, or their nearest regional office, or:

**Pacific Division  
Pacific, Asia and Africa Bureau (28)  
Department of Industry, Trade and  
Commerce  
235 Queen Street  
Ottawa, Ont. K1A 0H5  
Tel: (613) 996-5381**

# Canadians break the ice in Italy's quick frozen foods industry

*Fish products have led the way in establishing a viable market for Canadian quick frozen foods in Italy. Increasing sales in recent years should open the door to other Canadian frozen food products as well. Currently, Canadian health authorities are examining Italian frozen food legislation with a view to certifying Canadian plants for export of frozen foods. This winter, the Inspection and Technology Branch of Fisheries and Oceans Canada sent an official to Rome to discuss food standards and set up protocols for the required certification. This move could open up the Italian market not only to bulk pack for reprocessing in Italy but also to consumer packs for direct retail sale. To effectively tackle this opportunity, however, it's important to. . .*

## Know the Italian market

by M.J. McDermott and U. Boschetti,  
Commercial Officers, Canadian Embassy, Rome

Italy is both blessed with and imprisoned by a wealth of history and tradition. The Italian loves his cities as monuments to a glorious past, but he aggravates his ulcer trying to find a parking place in the narrow streets. He takes pride in his intense regional and local differences, but he curses a government paralyzed by conflicts arising from these very interests. He envies Northern European and North American "efficiency," but revels in the variety and melodrama of Italian life.

These same contradictions are apparent in his eating habits. He bemoans the high price and limited seasonality of fresh products, but dislikes the idea of "fast" foods or frozen products, or those treated with special preservatives. He enjoys the convenience of innumerable food shops just outside his front door, but complains of inconsistent quality and high distribution mark-ups. He states with pride "you can only get the real thing here" and regrets the fact you can only get some other "real thing" elsewhere.

### Food Attitudes

All this is simply to point out that although the Italian food production, distribution and consumption pattern is evolving toward the standardization and efficiency of the North American model, this evolution is often looked upon as little more than a necessary evil. The Italian consumer loves his food, with a passion difficult for the average North American to understand. His traditional diet is a highly sophisticated one, which over the centuries has been developed from sources all over the world. It is a moot historical point whether the lowly spaghetti was invented by the ancient Etruscans, or imported from the Orient by

Marco Polo. The tomato, for which Italy is so famous, came from Mexico in the 16th century. Italians discovered the virtues of Canadian smoked salmon, Gaspé cured codfish and fine Canadian whiskey generations ago. Indeed, one of the main reasons for the substantial food imports weighing on Italy's trade balance has been the sophisticated demand for quality products wherever they can be found. For example, even though Italy is essentially self-sufficient in durum wheat production, hundreds of thousands of tons are imported each year from Argentina and Canada simply because the finest quality spaghetti must be made from a blend including these particular wheats.

In summary, the Italian may admire the efficiency and standardization of our food system, but he rather pities the North American in many ways for having to live out of cans and packages, i.e. a life where food is viewed as a necessary fuel for survival rather than one of life's rare pleasures. He appreciates the concept of the supermarket, but considers its presence an undesirable intrusion from a cultural and architectural standpoint; he still holds suspect anything that has been frozen (except ice-cream); he finds the concept of the fast-food franchise repellent.

### Food Distribution System

Recent figures show a total of more than 400,000 retail food shops in Italy, i.e. one for every 140 inhabitants. It is estimated that 80 per cent of the market is covered by 110,000 establishments. In the U.S., for example, with almost five times Italy's population, this same percentage of the market is covered by only 50,000 food stores.

In 1977 there were 5,900 supermarkets in Britain, 4,500 in Germany, 4,000 in France while Italy has only slightly more than 1,000 and few new ones are being opened. A combination of factors such as the practical impossibility of demolishing historical buildings to make way for new structures and/or parking lots, and (more important) strong pressure from local small retailers associations have combined to keep the supermarkets on the outskirts of the major cities, thus compromising the convenience which is their main attraction.

Given this highly fragmented distribution system, it is difficult to introduce new product or marketing innovations in a co-ordinated manner. During the 1960's major food firms achieved substantial sales levels by developing huge networks of full-time salesmen and establishing literally thousands of small wholesale distribution points throughout the country. More recently the trend among the larger companies has been to work through commission agents and concessionaires. This appears to have been prompted more by a desire to cut costs than by any co-ordinated strategy to develop new markets. It is hoped, however, that this trend will open up possibilities for increased concentration at the local wholesale distribution level, which is currently typified by a fragmentation similar to that existing at the retail level.

### Quick Frozen Foods — An Uphill Battle

Due to these strong consumer prejudices and the fragmented distribution system, it was not until 1960 that quick frozen foods first appeared in significant quantities on the Italian market.

Starting so late, Italy still lags far behind other countries in quick frozen food consumption, i.e. 2.6 kg per capita as compared to 4.5 kg in France, 14 kg in Britain and more than 40 kg in the U.S. Once started, however, growth has been rapid with sales rising at an average of 20 per cent a year between 1970 and 1978.

Typically, fish led the way, as Italians have long accepted the necessity of freezing the product, especially if imported or caught in distant waters. Quick frozen spinach was also quick to catch on, mainly because it relieved the housewife of the task of having to clean it. By 1965 the first quick frozen chicken and pre-cooked frozen products arrived on the scene. In 1970 total sales from 28,000 selling points amounted to 33,000 tons. By 1975 the tonnage of quick frozen vegetables surpassed that of fish for the first time, and last year total tonnage of frozen foods reached 147,600 t. (of which 65,200 t. vegetables, 36,000 t. fish, 25,400 t. pre-cooked products, 11,050 t. red meats and 9,950 t. poultry). By the end of 1978 the number of retail selling points had reached 78,000, and it was estimated that some 57 per cent of Italian families had consumed quick frozen foods during the year.

Responsibility for continued successful growth can be mainly attributed to the concentration of the sector in the hands of a few highly active firms, the passing of strict national health legislation governing product preparation as well as active promotion by the Italian Institute of Quick Frozen Foods.

By far the most important firm in the field is Sages-Findus and its associated firms of the Unilever group, which are estimated to control up to 80 per cent of the national market for quick frozen fish and vegetables. Other companies holding significant portions of the market are Sip Arena (12 per cent, mainly in poultry), Surgela (10 per cent in vegetables and fish), and Brina Frigodaunia. The success of Sages-Findus has been achieved through franchising with important local distributors, careful test marketing of products, and promotional campaigns in conjunction with home freezer manufacturers.

Special Italian health legislation in the quick frozen food sector has also helped to

#### Growing Market in Catering

Although most quick frozen food products are sold retail, a growing percentage are aimed at the catering market (32 per cent in 1978). In fact, it is expected that one of the most significant developments in the food sector in the 1980's will be the rising trend in dining outside the home. Commuting problems and the trend to shorter lunch breaks (a dwindling proportion of firms still take the "siesta," closing from 1:00 p.m. to 4:00 p.m. during the work day) will mean that some 30 million persons will be eating at least one meal out, i.e. double the present number.

Up to now the tendency has been for most large firms and institutions to set up their own kitchens, and for serving numbers up to 300 this will probably remain the preferred practice. For larger numbers, however, the trend will be to contract for meals to be supplied by large-scale catering establishments which have recently appeared on the scene. Such firms already established in the provinces of Verona, Milano, Reggio

stuffs, limits the opportunities somewhat for Canadian sales. Even those items which Italy itself cannot produce in sufficient quantities to meet her own needs must be imported from food surplus countries of the Community.

In spite of these limitations, however, Canada will continue to be a supplier of production inputs (breeding cattle and semen, hatching eggs, seed potatoes) and raw materials (wheat, feed barley, hides, etc.). As well as these traditional items of trade, there are a few food product areas where Canada has managed to penetrate the Italian market, i.e. feeder calves, pulses, and, most promisingly, in the frozen fish sector. As mentioned earlier, Italy has purchased salted cod and frozen and canned salmon from Canada for many years, but relied on its own fishing fleet and other sources for other species. With the recent extension of territorial fishing limits around the world, however, the international fish supply situation has altered remarkably and Canada has emerged as a major potential source of supply.

In 1978 Canadian sales of fish to Italy amounted to \$8.7 million, a jump of more than 60 per cent over the 1977 figure. Although much of this increase was accounted for by a sharp rise in salted cod sales (up 140 per cent over the 1977 level), of even more interest in terms of market development was the significant appearance of other Canadian fish products for the first time, i.e. frozen cod, frozen cod fillets, bloaters, clams, squid and other shellfish. Sales of the latter, in fact, rose from a total of only \$23,078 in 1977 to \$692,920 in 1978 and further substantial growth can be anticipated.

Important as it is in itself, however, it is hoped that the latter phenomenon will have a "snowball" effect. Just as fish products have led the way in establishing the market for quick frozen foods in Italy, increasing sales of Canadian frozen fish and fish products should open the door to sales of other Canadian frozen food products in Italy. Along this line the Canadian health authorities are at present examining the Italian quick frozen food legislation with the view to certifying Canadian plants for export of these products to Italy, as certification by a Canadian agency acceptable to Italians is necessary. Such a move could open up the Italian market not only to bulk pack for reprocessing in Italy but also to consumer packs for direct sale on the retail market.

Canadian companies which are interested in this approach to the Italian market should first check carefully with the **Agriculture, Fisheries and Food Products Branch** of the Department of Industry, Trade and Commerce, Ottawa, or the Commercial Division, Canadian Embassy, Via G.B. de Rossi 27, Rome. We're at your service and look forward to hearing from you!



**Important to Canadian suppliers: quick frozen foods in consumer packs or frozen bulk foods must come from plants especially licensed and guaranteed by their respective national health authorities to fulfill the Italian law requirements.**

assuage consumer fears regarding product quality. Besides ensuring the initial sanitary conditions of the plants and raw materials, the law requires rapid freezing of the products to a temperature of  $-18^{\circ}\text{C}$  (in less than four hours), and the maintenance of this temperature throughout the cold chain distribution system up to the time of purchase by the consumer. More important for Canadian suppliers, imported quick frozen foods in consumer packs or frozen bulk foods to be subsequently packed for retail sale, must come from plants especially licensed and guaranteed by their respective national health authorities to fulfill the Italian law requirements.

Emilia and Siena are, or soon will be, capable of cooking and distributing on the order of 8-10,000 meals per day to hospitals, schools, large firms, religious communities, etc. It is hoped that this concentrating of consumption will lead to similar concentration upstream in the production and distribution sectors.

#### Opportunities for Canada

As stated earlier, Italy has long been a valued customer for Canada, and most of the unique food products we have to offer. However, her membership in the European Common Market with its high levies on meat, dairy products and processed food-

*Two years ago, Optical Art Camera Corporation was just another new company wistfully eyeing south of the border as a lucrative potential market for its unique development — the Optical Art System, a remarkable new application of motion-picture technology to 35mm slide production. Today, 55 Optical Art Systems are in use — the majority in the U.S. with some in Europe and Australia. André Proulx, company founder, says sales volume between 1978-79 has increased 400 per cent, and confidently predicts that export sales will total 100 units (a value of some \$600,000) by year end. How did the Ottawa firm manage to take the show on the road in such a short time frame? Proulx answers categorically that. . . .*

## Federal Assistance opens the doors to successful international exposure

**“a letter of introduction from a Canadian Consulate, or government sponsorship to a trade show simply carries more clout — it’s helped us achieve results we couldn’t have achieved on our own.”**



**Here’s how it happened. . .**

Right at the beginning, Proulx recognized the important potential of the U.S. graphic arts industry, and he knew that the U.S. Army Media and Technology Exposition, in Washington, DC, was the perfect showcase for his company’s new product. The question was — how to get there and do an effective selling job.

Inquiries at Industry, Trade and Commerce led him to the PEMD people (Program for Export Market Development), who, after investigation, gave Optical Art a modest grant — enough to take them to the show with some good promotional material (material that’s been used many times since). Initial contacts were made, Trade Consuls consulted and the snowball hasn’t stopped rolling. By February 1978, Optical Art began to make sales to the U.S., and Proulx says exposure in this show resulted in the sale of some 17 units (approx. value — \$100,000).

Proulx and company were quick to recognize the value of PEMD assistance, and in the next two years they applied for, and received, two more grants — this time to penetrate the European market.

**“In the fall of 1978, a PEMD grant helped get us to the Photokina Show in Cologne, Germany, where we made several successful contacts for European agents. In July 1979, a PEMD sponsorship allowed us to display the Optical Art System at Film 79 in England — resulting in sales and the establishment of a British distributor. At present, we’re applying for another PEMD to take us to Photokina for the 1980 show. This time we’re going to display.”**

The PEMD grants resulted in sales and gave Optical Art the initial market exposure it needed. More importantly, however, Optical Art executives were becoming fami-

liar with other facets of assistance available through Industry, Trade and Commerce.

**“The biggest help to us was the use of Trade Consuls, particularly in the U.S.”**

“In the past two years we’ve visited many Canadian Consulates in the United States — Seattle, San Francisco, Los Angeles, Minneapolis, Washington — many of them resulting in return visits. Having the Canadian Consuls set up display demonstrations at the consulates has resulted in invaluable contacts and has allowed us to establish agents all over the U.S. Rather than putting on a big ad campaign, we get the consulates to contact only those companies which are potentially interested in our product. An official letter of invitation to attend a product demonstration coming from the Canadian Consulate carries much more credibility and solicits a response that we couldn’t possibly manage on our own.”

Proulx sites an example — **“When we exhibited at the Canadian Embassy in Washington, D.C., 55 potential buyers attended. While there, I was invited by a U.S. government official to address 175 people at a briefing at the Pentagon in February. This kind of opportunity wouldn’t have come to me had I been on my own. Even today, I still get calls from officials and agents I met at various consulates over a year ago — asking me to make product presentations.”**

Harold McNeely, company executive and lawyer adds, **“Trade Consuls, in the U.S. and abroad, have also been very useful in giving us credit checks on potential agents and customers.”**

There’s more. IT&C officials also helped Optical Art get a reasonable ruling regarding shipping goods to the U.S. This ruling allows Optical Art to quote one firm price (\$US) per unit — the duty and shipping cost is prepaid. This is advantageous to the cus-

tomers, as there are no hidden costs or add-ons. Says Proulx, “For the customer, it’s as though he’s dealing with the company across the street — a fact that facilitates sales negotiations for us.”

Similar arrangements have been made for European markets. One customer — John Roberts, president of Slide Graphics of London, England, says, “Optical Art is the fastest shipper I’ve ever encountered, and the firm price structure allows me to set up my budget and appropriate the necessary funds with accuracy at the beginning of the year.”

In December, Optical Art put on the 1st International D-Max conference — a three-day information session which attracted 68 per cent of the Optical Art System users from all parts of the U.S. plus England and Australia. Proulx says, “I was pleased and found it surprising that so many of our users came so far, especially during the hectic pre-Christmas season. The Ottawa shop-talk session was so successful, that a second users’ conference is planned for October 1980.

**A plug for Canada Courier. . . .**

Elsewhere in this issue is an article explaining the many advantages of Industry, Trade and Commerce’s promotional trade newspaper — Canada Courier. Optical Art’s experience with Canada Courier is an example of the newspaper’s far-reaching promotional value.

In 1978, the Optical Art System was exposed to a potential market of 62 countries by appearing in all five language editions of Canada Courier. “Inquiries were received from all parts of the world — Hong Kong, Japan, India, Scandinavia, Spain, Mexico, South America, New Zealand and Australia, to mention a few. They were mainly from graphic arts companies and those involved in the distribution of photographic equipment — most of whom were interested in becoming agents or establishing dealerships,” says McNeely. “We checked into the credentials of many of the respondents, and it’s probable that, in the near future, we’ll be establishing three dealerships abroad using the companies that corresponded with us as a result of the Courier copy.”

Although the story appeared more than a year ago, Proulx says that they’re still getting mail. Just recently, “We received an important inquiry from Rhodesia to inform us, now that all sanctions have been lifted, that Rhodesian companies are actively looking at Canadian equipment for export potential.”

**The future. . .**

Optical Art plans to continue taking advantage of the many levels of government assistance to establish future markets for the Optical Art System. As well, the company has just applied for a research and development assistance grant to develop a high-speed slide duplication camera, and plans are on the board to establish a school to teach special effects in slide production.

# COSTPRO to the rescue!

## Reducing cost of information processing

by Bob McDonell, Assistant Editor, Canada Commerce

*Paperwork getting you down? Those endless forms, letters of acknowledgement, order sets, booking requests, packing lists, waybills, advice of shipment, insurance forms, commercial invoices and government reports. . . .*

Take heart — help is on its way — help which has reduced these costs by at least 50 per cent for the 300 companies which have made use of COSTPRO to date.

In the increasingly complex world of business with its proliferation of paper and data requirements and their associated costs, COSTPRO — the Canadian Organization for the Simplification of Trade Procedures — promises to reduce the cost of information processing by 70 per cent.

And what a cost — studies in Canada, the U.S. and Britain in the early 70's revealed that trade documentation processing consumed an average of 64 hours per shipment and cost 7.5 per cent of the value of export shipments. It is no wonder that the complexities, incompatibilities and costs of documentation and information processing in trade were found to detract from competitiveness and represented a deterrent for actual and potential exporters.

To meet these disturbing problems in the marketplace, an association was set up in Canada in 1972 to study ways and means of simplifying shipping documents. These early studies showed that shipping documentation was but one segment of a complex problem which extended throughout the business community from the initial order to the final payment on each and every transaction. Thus, in 1975, this loose organization of interested government departments and agencies, trade associations and private companies was formed into COSTPRO and incorporated under the Corporations Act.

At the same time the federal government agreed to support the organization and gave approval to the Ministry of Transport to provide secretariat and research resources up to a maximum of \$4,425,000 over a period of five years. Effective in October 1978 responsibility for federal support was transferred to Industry, Trade and Commerce.

Among the tools developed to promote efficiencies in trade documentation, COSTPRO has developed the cornerstones of the Canadian Trade Information System — an open-ended system to provide trade participants (manufacturers, shippers, carriers, consignees, bankers, custom brokers and insurers) with a co-ordinated network of manual and automated systems for trade data exchange designed to reduce the costs and complexities of trading.

### The system includes five integrated sub elements:

- A model for company self-analysis;
- performance specifications for computer communications devices;
- business message protocols for electronic data exchange;
- network service specifications, and
- Canadian Trade Document Alignment System.

Two of these tools are already available and the Canadian Trade Document Alignment System has been in use since 1974. This system alone has already provided more than 300 major exporters with savings of up to 50 per cent on their document preparation costs. User performance specifications for computer communications devices, published in 1979, provide manufacturers and suppliers of computer communications equipment and services with a definition of the minimum requirements to interface different and currently incompatible equipment in available telecommunications networks.

The savings potential of these two combined elements approaches 70 per cent and an eight-day faster return of capital outlay which in turn equals a 30 per cent saving on cash flow.

Other elements of the system are expected to be available by May of this year. The first of these elements is a self-analysis model which will allow companies to decide for themselves on the most appropriate methods of information management for their firm — whether documentation and mail or phone service or computer and electronic data interchange. With the rapid development of relatively inexpensive desk-top computers now on the market, it is felt all but the smallest firms can make use of electronic data interchange.

The second element is the business message protocols which will provide programs in machine-readable format plus user and installation documentation to permit companies to use their existing equipment for low cost, high speed production and transmission.

The third element will be user performance specifications for service levels necessary for communications carriers and prescriptions for the automatic generation and transmission of statistical data to government agencies.

These combined elements will produce the first ever example of an integrated national trade information system. It is expected that other countries will wish to buy the system and know-how from Canada.

Sounds too good to be true? Maybe, but over the next few months Canada Commerce will be covering in greater detail the operation of COSTPRO — the document alignment system, uses by companies small and large which have cut their costs — so that you can judge for yourself.

Of course, if you are already convinced that it's just the thing you've been looking for, do not hesitate to write or phone:

COSTPRO  
151 Sparks Street, Suite 313,  
Ottawa, Ont. K1P 5E3.  
Tel: (613) 995-2814

**They will be happy to answer your questions, arrange a seminar, or start you on your way to participation.**

**Now that the major research and development phase is nearing completion, more emphasis will be placed on showing its merits to the Canadian business community.**

### COSTPRO government and group membership

#### Federal:

Department of Communications  
Department of Industry, Trade and Commerce  
Department of National Revenue  
Department of Supply and Services  
Port of Vancouver  
Statistics Canada  
Transport Canada

#### Provincial:

Alberta Transportation Department  
Manitoba Trading Corporation  
Ontario Ministry of Industry and Tourism  
Quebec Ministry of Industry and Commerce

#### Association and industry groups:

Alberta Wheat Pool  
Canadian Bankers' Association  
Canadian Chamber of Commerce  
Canadian Industrial Traffic League  
Canadian International Freight Forwarders Association  
Canadian Manufacturers' Association  
Canadian Port and Harbour Association  
Canadian Pulp and Paper Association  
Canadian Telecommunications Carriers Association  
Canadian Trucking Association  
Railway Association of Canada  
Trans-Canada Telephone System

## Picking up the PEMD ball . . . Harco scores in world markets

*Slightly reminiscent of a Rube Goldberg laboratory, Harco Electronics at 740 Century, within a stone's throw of Winnipeg's International Airport, develops, manufactures and markets a wide range of electronic monitoring devices and associated equipment and appliances for the medical profession.*

*Encouraged and assisted by IT&C development grants and promotional assistance, Bert and Morris Settler have built up their business from a small radio shop over a garage in downtown Winnipeg into the million-dollar enterprise it is today.*

*One bureaucratic acronym which comes as music to the ears of the Settlers is PEMD, IT&C's Program for Export Market Development. Through PEMD, IT&C makes repayable loans to individual companies to cover costs in developing export business, which, because of the risks involved, might otherwise discourage initiative.*

*The Settlers picked up the PEMD ball and ran with it, using the program to assist in sales trips to Europe, Central America, Turkey, Mexico and the U.S. Five of the eight trips have already paid for themselves in sales developed and repayments of the government assistance has started.*

### The Harco story . . .

Morris, an electrical engineer by profession and president of the firm, joined his brother in business after service in the Second World War. Curiosity, intuition and inventiveness led the brothers into the medical field where they used their electronic background to good advantage in developing a wide range of patient monitoring systems for intensive and cardiac care units and post-operative wards.

In addition to its line of electronic monitoring devices Harco also produces electrodes and monitoring cable sets suitable for most hospital applications regardless of the type of monitoring equipment used.

One of Bert Settler's favorite developments is the Periatron, a diagnostic tool which measures and records the moisture content of the periodontal tissues which surround the teeth. This measurement gives advance warning of the onset of periodontitis and measures the effectiveness of treatment.

The device was developed with help from IT&C's Enterprise Development Program and the University of Manitoba.

Considered at first to be a research tool, more and more dentists and periodontists are now using the Periatron as a routine check for gum breakdown. In fact, during early tests of the machine, Bert Settler found he had the early symptoms of the disease and through treatment has corrected the condition.

To assist in the worldwide marketing of the Periatron, Harco has recently signed an agreement with the German medical giant Siemens and has just concluded one with the major Japanese medical supply house of Yoshida to enter other markets.

While the electronic monitoring units manufactured at Harco may be the gla-

mour machines of the business, the backbone is the line of disposable dispersive electrodes, cable sets and connectors, the manufacture of which gives the factory its Rube Goldbergish aura. Amid a bewildering whirring of cogs, cams, belts, meters and counters, thousands of jelly-impregnated pads, cables and connectors are made up to Harco or user specifications each working day.

And each day while Morris is on one of his numerous sales jaunts around the world, Bert is happily adjusting a machine here, diagnosing a problem there, or at his well-equipped workshop developing a new part or a new machine to solve the latest problem of converting a hand assembly method to automation.

With increasing sales in more than 40 countries around the world, the 65 employees and machinery of the Harco plant have outgrown their present quarters and are now looking for larger premises — a good omen for this small, local enterprise finding its niche among the gigantic multinationals usually associated with medical development.



*One of the many disposable electrodes produced by Harco is the Limband developed at Toronto's Hospital for Sick Children and manufactured under licence. The Limband electrode consists of a polyethylene band to which is attached a thin strip of filter paper and a silver chloride treated silver lead wire. The electrodes are placed around the baby's limbs and secured by means of pull-tab adhesives which adhere to themselves. A small quantity of saline solution introduced under the polyethylene moistens the filter paper and activates the electrode. The bands may be regenerated by adding more saline solution approximately every 10 hours.*

# Federal procurement is Pro-Canadian —

*Emphasis is increasing on federal-provincial co-operative buying power. According to Supply and Services Canada, "As public purchasers we occupy a key position within the Canadian economy. In recent years, DSS purchased goods and services amounting to nearly \$3 billion — 15 per cent of the \$20 billion that is being spent by all levels of government. Governments are increasingly aware of the importance of harnessing the economic leverage provided by their procurement dollars . . . . To obtain maximum benefit for Canada and for each province we must construct a more co-operative approach to the effective use of the procurement tool. Greater federal-provincial co-operative procurement helps all Canadians — and is assuming a role of ever-increasing importance."*

*This article gives some background on how the federal government has used its procurement dollar to support the Canadian economy and outlines some initiatives to be implemented to further industrial, trade and regional development through purchasing.*

*Department of Supply and Services (DSS)*

**In 1977-78, out of the total value of contracts awarded (\$2.4 billion), almost \$2 billion, or 82.4 per cent of this total was given to Canadian-based companies. In 1976-77, \$1.68 billion or 85 per cent of the total contractual value was awarded in Canada.**

The federal government's contracting regulations are based on the principle of competition. Within this policy, the solicitation of tenders is restricted to Canada-based firms, provided there is sufficient competition. The result? Based on DSS statistics, in excess of 80 per cent by value of DSS contracts is awarded to Canadian-based firms. In 1977-78, out of the total value of contracts awarded (\$2.4 billion), almost \$2 billion, or 82.4 per cent of this total was given to Canadian-based companies. In 1976-77, \$1.68 billion or 85 per cent of the total contractual value was awarded in Canada.

## **Off-set arrangements**

For the remaining 20 per cent of federal purchases which are awarded outside Canada — usually high technology military purchases for which there is no Canadian supplier — DSS seeks to maximize the positive impact on the Canadian economy through sub-contracting, licensed production and investments in Canada by these suppliers. For example, the \$1.03 billion Long Range Patrol Aircraft (LRPA) award provides for \$938 million in offsets to Canadian firms which is estimated to create and maintain 6,000 direct jobs across Canada.

## **Small business**

DSS has not only sought to promote the interests of Canadian industry but has endeavoured to ensure that the interests of Canadian small businessmen are met. In 1976-77, DSS awarded some 40 per cent by value of its contracts (\$585 million) to small business firms (less than 100 employees in manufacturing or 50 employees in the service sector). This percentage compares favourably with the overall percentage contribution of small business to the Canadian economy.

In 1978, the Minister of Small Business (IT&C) and the Minister of Supply and Services announced the establishment of a sub-contracting program in DSS designed to increase the access of Canadian small business to sub-contract awards by DSS prime contractors. To meet these objectives, the Minister of DSS wrote to all major suppliers outlining the federal government's intention in this area and requested their support through the appointment of a sub-contracting liaison officer for each firm.

This officer is responsible for identifying opportunities where other Canadian companies may participate in the provision of goods and services under a sub-contract plan. This program, which is now beginning to show positive results, is expected to significantly increase the access of small Canadian firms to sub-contracts.

## **Regional business opportunities**

DSS policy states that goods and services should be acquired as close as possible to the point of consumption, provided that there is adequate competition. Consequently, about 30 per cent of the DSS buy is channelled through regional offices located across Canada (see inside back cover for list). Of the remaining 70 per cent, DSS ensures that all qualified firms across Canada are invited to bid.

## **Commodity policies unsolicited proposals fund**

Federal policy requires that certain commodities such as textiles, clothing and ships be bought only in Canada, and that the contracting-out policy for science and technology and the munitions policy provide preference for Canadian firms.

In support of increased Canadian research and development, DSS provides an Unsolicited Proposals Fund of \$15

million which gives interim financial assistance to promising private sector research activity.

### **Federal/provincial co-operative purchasing**

Public sector purchasing is estimated at \$20 billion per year: to maximize government contributions DSS is promoting the concept of federal/provincial co-operative purchasing. To date, DSS efforts have resulted in the signing of Memoranda of Understanding with the government of Newfoundland, New Brunswick, Manitoba and Alberta to combine supply activity where economical. DSS also operates, on behalf of most provinces, a co-operative drug procurement program.

As well, "Operation Access" — a joint federal/provincial program of seminars promoted by DSS to make businessmen aware of the government's needs and to tell them how to do business with the government — has been held at various locations across Canada.

And, the Federal/Provincial Working Group, under the direction of Industry, Trade and Commerce, has spent the past year assessing the further development of purchasing arrangements, the potential for governments to standardize and co-ordinate their designs and specifications, and the use of procurement and technology-sharing agreements between provinces to strengthen research-intensive industries.

### **Initiatives**

#### **New purchase review system**

This includes private sector participation and will permit early identification of the potential of large purchases (goods of more than \$2 million, construction of more than \$10 million) to meet national economic development objectives. Representatives from both large and small businesses will be asked to participate — permitting an input of business knowledge and industrial advice while purchases are being planned.

**"We are endeavouring to ensure that departments and agencies standardize purchase requirements over time and aggregate them across departments so that maximum opportunities exist for scale economies and the development of Canadian sources of supply," says DSS.**

"We are endeavouring to ensure that departments and agencies standardize purchase requirements over time and aggregate them across departments so that maximum opportunities exist for scale economies and the development of Canadian sources of supply," says DSS. "Some typical examples would include word processors and computer data terminals. The review process will be used to define the nature, volume, location and timing of the government requirements and to develop a strategy to maximize Canadian benefits. This will promote industry co-operation and ensure greater co-ordination at the federal level. Provincial purchasers may have an interest in examining the potential areas identified by this initiative. Our joint procurement efforts would reinforce one another and provide increased benefits in terms of scale economies, greater regionalization

or spreading of requirements across the country to increase possibilities for the development of new or existing Canadian sources of supply."

### **Profit policy**

DSS will review its profit policy for major negotiated contracts with a view to allowing increased rates of profit for suppliers contributing to national industrial policies. At present DSS profit policy provides for profit on the basis of the negotiated allowable costs — this doesn't provide incentives for increasing productivity. The new revisions provide incentives for the contractor's contractual risk; the provision of a return on investment; and the contractor's contribution to particular industrial policies (such as regional disparities, research and development, expansion and training of the labour force and development of specific equipment in key areas such as solar energy or telecommunications.)

### **DSS sub-contracting program**

Significant portions of some prime contracts let to Canadian-based manufacturers are sub-contracted to foreign sources of supply — representing a loss to Canada. Therefore, it is important to increase the Canadian sub-contracting content on DSS prime contracts. DSS will expand and develop the sub-contracting program it has already launched with its major suppliers to pursue this objective.

### **The Canadian Government Specifications Board (CGSB)**

The CGSB has sought to reduce the number and variety of specifications so as to maximize the opportunities for Canadian industry to participate in government contracts. Until recently, the CGSB was essentially a federal organization. Today, the Board has representatives from the three levels of government, industry, labour and consumer associations. This enhances CGSB's ability to develop standards of broad national applicability and acceptance — reducing industry's cost of doing business with governments.

### **Regional disparities**

DSS will attempt to increase the value of contracts let in areas of highest unemployment. Eight regions in Canada with the highest levels of unemployment have been selected for inclusion in this program. It is targeted that an additional \$20 million over current contracting levels will be placed in these areas over the next year and a half. Included are: all of Newfoundland; the north-eastern part of Nova Scotia; the north-western part of New Brunswick; and the Bas St-Laurent Gaspesie area and north-western Quebec.

### **Everything you need to know**

**Information to private enterprises that want to do business with the federal government — bidding, contracts, source lists, tips, where to go, and the types of goods and services needed — can be found in the DSS publication "The Federal Government — your client" (bilingual). It's available through DSS's head office or any one of the regional offices located across Canada. Refer to the following page to find the regional office nearest you.**

# Regional Offices Supply and Services Canada

---

## Halifax/Dartmouth

Atlantic Region Supply Centre  
Supply and Services Canada  
Morris Drive at Akerley Boulevard  
Burnside Industrial Park  
P.O. Box 3000  
Main Post Office  
Dartmouth, Nova Scotia  
B2Y 4A8  
Tel: (902) 426-3881  
Telex: DSS REGSUP DRT 019-31554

---

## Saint John

District Supply Office  
Supply and Services Canada  
Room 229, Customs Building  
189 Prince William Street  
Saint John, New Brunswick  
E2L 2B9  
Tel: (506) 658-4895  
Telex: DSS REGSUP SNB 014-47293

---

## St. John's

District Supply Office  
Supply and Services Canada  
Building 205, Mitchell Place  
Pleasantville  
St. John's, Newfoundland  
A1A 1S8  
Tel: (709) 737-5396  
Telex: DSS REGSUP SNF 016-4672

---

## Montreal

Quebec Region Supply Centre  
Supply and Services Canada  
800 Golf Road  
Nuns' Island  
Montreal, Quebec  
H3E 1G9  
Tel: (514) 283-5791  
Telex: DSS REGSUP MTL 05-25425

---

## Quebec

District Supply Office  
Supply and Services Canada  
Room 301  
1040 Belvédère Avenue  
Quebec, Quebec  
G1S 4N1  
Tel: (418) 694-3151  
Telex: DSS REGSUP QBC 051-3559

---

## Ottawa

Capital Region Supply Centre  
Supply and Services Canada  
1010 Somerset Street West  
Ottawa, Ontario  
K1A 0T4  
Tel: (613) 992-2501  
Telex: DSS ISC OTT 053-3573  
(SEE NOTE)

---

## Toronto/Etobicoke

Ontario Region Supply Centre  
Supply and Services Canada  
295 The West Mall  
Suite 200  
Etobicoke, Ontario  
M9C 5A4  
Tel: (416) 622-8111  
Telex: DSS REGSUP MSGA TOR  
06-961225

---

## Winnipeg

Manitoba Region Supply Centre  
Supply and Services Canada  
266 Graham Avenue  
7th Floor  
Winnipeg, Manitoba  
R3C 3W6  
Tel: (204) 949-6114  
Telex: DSS REGSUP WPG 07-57734

---

## Edmonton

Western Region Supply Centre  
Supply and Services Canada  
2nd Floor — Oliver Building  
10225 — 100 Avenue  
Edmonton, Alberta  
T5J 1J9  
Tel: (403) 425-5186  
Telex: DSS PUR EDM 037-3960

---

## Regina

District Supply Office  
Supply and Services Canada  
Room 1000  
1867 Hamilton Street  
Canadian Imperial Bank of  
Commerce Building  
Regina, Saskatchewan  
S4P 2C3  
Tel: (306) 569-5601  
Telex: DSS REGSUP REG 071-2731

---

## Calgary

District Supply Office  
Supply and Services Canada  
Room 620  
220 — 4th Avenue S.E.  
P.O. Box 2904, Station "N"  
Calgary, Alberta  
T2P 3C3  
Tel: (403) 231-5701  
Telex: DSS REGSUP CGY 038-21884

---

## Vancouver/Richmond

Pacific Region Supply Centre  
Supply and Services Canada  
3551 Viking Way  
Richmond, British Columbia  
V5V 1W6  
Tel: (604) 544-6364  
Telex: DSS REGSUP VCR 043-55731

---

## Victoria

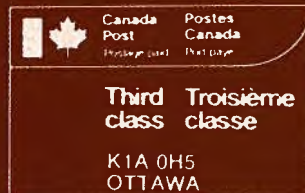
District Supply Office  
Supply and Services Canada  
Room 318, Canadian Customs House  
816 Government Street  
Victoria, British Columbia  
V8W 1X2  
Tel: (604) 556-3160  
Telex: DSS DISSUP VIC 044-8380

---

## NOTE:

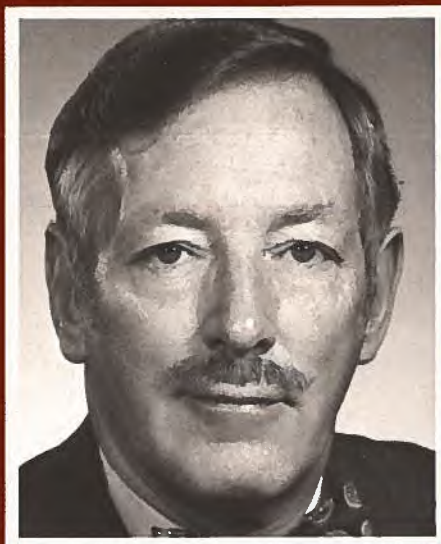
With the exception of the Capital Region Supply Centre, all other messages transmitted to DSS Ottawa must be addressed: — DSS Hull 053-3703

If undelivered return to:  
"Canada Commerce"  
Dept. Industry, Trade and Commerce  
Ottawa, Canada K1A 0H5

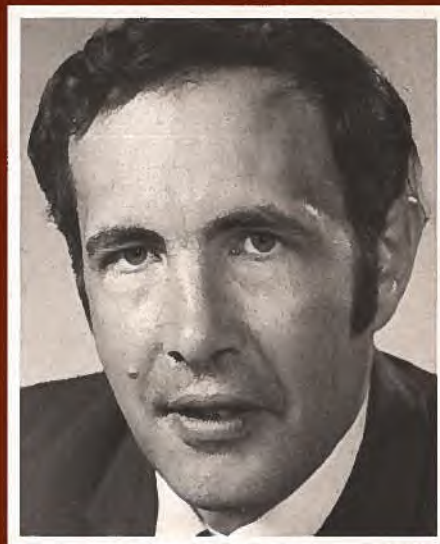


## There are experts close to YOU. . .

*who can help your business to grow — domestically or by exporting. Industry, Trade and Commerce Regional Offices, located in 11 major Canadian cities, are all staffed with experienced trade specialists — experts such as the two shown here who direct operations covering Nova Scotia and Alberta and the Northwest Territories. These and other Regional Directors General, their staffs and their Business Information Centres are there to help you. Drop in, send a letter, make a call — and you're in business!*



Charles Maxwell (Max) Forsyth-Smith has been Regional Director General, Halifax, for the past 2½ years. His distinguished career of almost 30 years with the Trade Commissioner Service has taken him all over the world — from Wellington, New Zealand, Sydney, Australia and Hong Kong for some 12½ years, and to Rio de Janeiro, Brazil, Dallas, Texas and Duesseldorf, Germany for another 13. Forsyth-Smith worked in the International Department of the Canadian Imperial Bank of Commerce from 1962-64.



Douglas (Doug) Branion, has been Regional Director General, Edmonton, since August 1979. He's been with the Trade Commissioner Service since 1962 and his various assignments have taken him to Paris where he was Second Secretary (Commercial) for 3½ years; Singapore in the same position for another two years; Tehran, where he was Counsellor (Commercial) for four years. The next two years saw him as Chief, U.S. Division, Western Hemisphere Bureau, ITC in Ottawa, and from 1974 to 1979 he was Consul and Senior Trade Commissioner in Atlanta, Georgia. Born in Ontario, Branion spent the time prior to his public service earning an industrial scholarship from the Electrical Manufacturing Co. in Britain, and working for Electrical Industries in London, England.



Government  
of Canada

Industry, Trade  
and Commerce

Gouvernement  
du Canada

Industrie  
et Commerce