C-1

Canada Commerce

September 1983

Aluminum

Canada Commerce

The Honourable Edward C. Lumley
Minister of Industry, Trade and Commerce
and
Regional Economic Expansion

The Honourable David P. Smith
Minister of State for Small Business and Tourism

17
Cover: A well blended mix of good management, R&D, international competitiveness and marketing has made Alcan a world leader in aluminum.

14
Avion Pierre Robin Inc.: A Lachute, Que. company enters its aircraft into the $40 million Canadian market for small aircraft as well as selling it internationally.

4
Design: Good design is an important factor in both the operation and saleability of a wide range of products. This fact is the raison d'être of the Canadian Design Council Awards.

Featured This Month:

Regular Features:

Canada Commerce
September 1983
Published by the Department of Industry, Trade and Commerce and Regional Economic Expansion (Communications Branch)
Established 1904

Correspondence to:
Canada Commerce (BCOM)
Department of Industry, Trade and Commerce and Regional Economic Expansion
Ottawa, Ontario K1A 0H5

Telephone:
(613) 995-8900

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

(Publié aussi en français)

Business Review

New Canadian Source for U.S. MIL Specs

Canadian firms doing business with the U.S. government may now order copies of U.S. Military Specifications (MIL Specs) and Federal Government Standards through the Ottawa Facilities of Micromedia Limited.

Because MIL Specs are always cited in U.S. defence RFPs and contract offers and frequently on Canadian government procurement documents, it will pay businesses seriously interested in bidding for this work to know of this new, convenient source of these documents.

Further information may be obtained by contacting Micromedia Limited, Ottawa Office, 165 Hôtel de Ville, Hull, Québec J8X 3X2; Tel: (819) 770-9928.

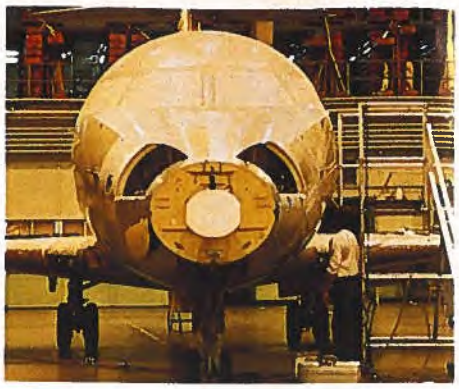
Special Tourism Area Study

Because of its location, many tourists simply pass through Cornwall, Ontario, without lingering. The city wishes to change this situation by making some of its local attractions even more appealing — and enticing tourists to spend much more time enjoying the city itself.

A new Tourism Opportunities Study is being carried out by two business consulting firms with federal and provincial governments paying up to $30 000 towards the estimated $40 000 cost of the study.

The study will explore and define new tourism development opportunities in the Cornwall area and outline improved marketing strategies for the city's existing tourism facilities.

The funds will be made available through the tourism component of the Eastern Ontario Development Program.



U.S. and Canadian Aerospace Industries Meet

The Aerospace Industries Association of America (AIAA) and the Aerospace Industries Association of Canada (AIAC) met recently in Ottawa for the first time to discuss a wide range of topics aimed at maximizing aerospace industry co-operation between the two countries.

This first meeting between member companies of the two associations was considered a hopeful first "large-scale" step to a much better understanding of and co-operation between the industries.

Tourism Recovers in First Quarter

Bolstered by a strong recovery in United States originating traffic, tourism into Canada in the first quarter of 1983 bounced back from its dismal showing in 1982, according to a report in *Travel Destination Canada*.

Figures prepared by Statistics Canada show that inbound traffic in the first quarter reached 4.874 million visitors, an increase of about 131 000 or 2.8 per cent compared with the same period in 1982.

Transient traffic from the U.S. (those arriving and departing the same day) rose to 3.62 million while U.S. visitors who stayed one or more nights jumped 8.4 per cent to 1 082 million.

New Canada-Built Massey Ferguson Tractor

The first Massey Ferguson 4000 Series four-wheel-drive tractor produced in Canada recently rolled off the company's Brantford, Ontario assembly line.

The tractor, a 375 horsepower MF 4900, represents a milestone in Massey Ferguson's worldwide production plant consolidation. The company announced in July 1982 that it would move assembly of the large, articulated four-wheel-drives from Detroit, Michigan to Brantford.

Four tractor models involved range from 225 to 375 engine horsepower. The initial move will create 50 jobs in Canada and will increase Canadian purchasing and export earnings.

SITEC 84, International Transport and Traffic Week

The Second International Transport and Traffic Week (SITEC 84) will be held in Paris, France, May 15 to 19, 1984.

SITEC consists of three separate exhibitions: *International-Transport-Expo*, international exhibition on modern methods and innovation in overland transport; *Intercirculation*, exhibition on traffic control and road development; and *Éclairex*, outdoor lighting exhibition.

New Plant Keeps Norseman Flying

A federal grant will be used to help keep the durable old Noorduyn Norseman aircraft flying. About 100 Norseman, the first Canadian-designed bush plane and a legend in helping to open Canada's north, are still flying worldwide, a half-century after the aircraft's initial flight.

Norco Associates of Petawawa, Ontario, has received an industrial incentives offer of $77 550 from the Department of Industry, Trade and Commerce and Regional Economic Expansion (ITC/REE) toward the $553 000 estimated cost of establishing a plant in Petawawa to rebuild damaged Norseman and other light aircraft and to manufacture parts.

Canadian-Developed Remote Meter Monitoring System

A computer-based remote meter monitoring system developed by Control Devices of Edmonton, Alberta, has been successfully introduced into the United States market.

Known as System 10, the new product is a remote meter monitoring system for billing and load survey which uses solid-state recorder in the field that calls in to a host mini-computer in a utility's operating centre. It uses existing telephone lines without affecting normal telephone operations.

Control Devices, a part of AEL Microtel Limited of Burnaby, British Columbia, will manufacture the equipment in its Edmonton factory.

Official Freight Forwarder for China Appointed

Livingston International Freight Inc. has received a letter of co-operation from the National Foreign Trade Transportation Corporation (known as Sinotrans) appointing Livingston as the official freight forwarder of goods exported and imported between China and Canada.

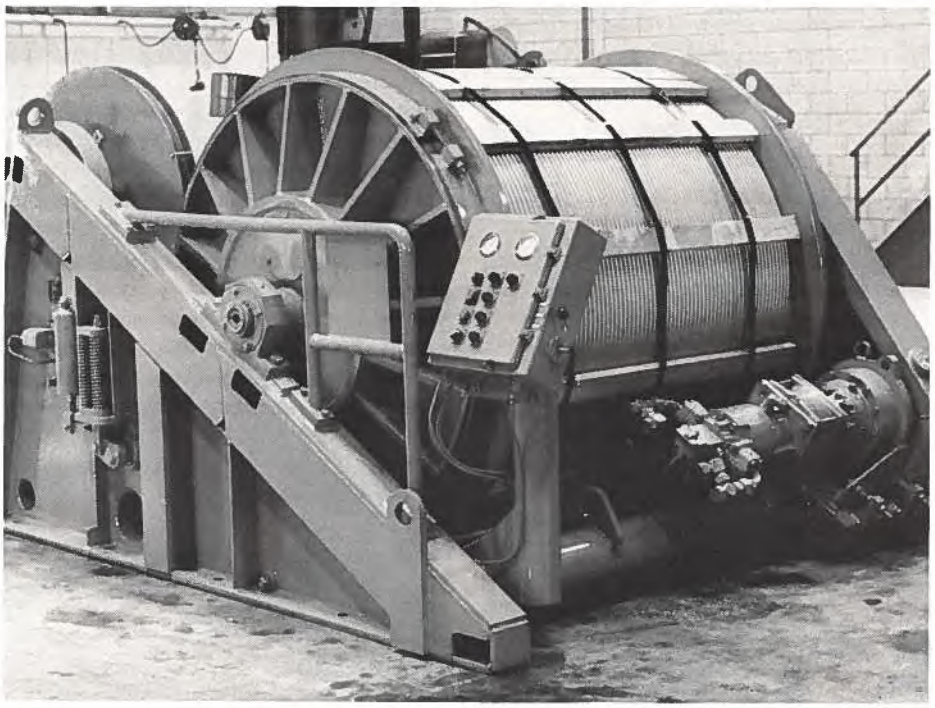
Livingston is to be developing freight forwarding systems between the two countries. In addition, Livingston is establishing procedures and guidelines on China's behalf for the receipt and disbursement of freight in Canada and laying the groundwork for door-to-door tariffs including custom brokerage. Export traffic to China has already begun.

Canadian Agricultural Outlook Conference

The 1983 Canadian Agricultural Outlook Conference will take place December 12 and 13, 1983, at the Government Conference Centre, Ottawa. Its theme will be *Progress Through Research*.

On December 12 there will be several addresses on the theme plus presentations on the *Outlook for the General Economy, World Agriculture and Canadian Agriculture*. A farm income outlook and mid-term forecasts for Canadian agriculture will also be presented.

Current sessions dealing with the outlook for the main commodities will take place on the conference's second day including presentations on the conference theme for the commodities dealt with.



Firm Expands to New Markets

Med-I-Pant Inc., a Montréal manufacturer of reusable incontinence care bedding and garments, is establishing a new plant in Montréal to expand its volume capability to supply the U.S. and European markets.

Med-I-Pant's new 3-in-1 brief and underpad will be produced at this facility which will create jobs for 35 new employees.

This project is geared to supply the ever-expanding need of geriatric aids.

Deep Tow Oceanographic Winch

Timberland Equipment Limited of Woodstock, Ontario, recently shipped this specially designed electro-hydraulic winch to Energy, Mines and Resources Canada for underwater survey projects. The winch and its separate electric-powered hydraulic power pack are currently involved in survey work on the East Coast aboard the survey ship *CSS Hudson*.

The winch is rated at 13 000 kg line pull and the specially grooved drum, with unique levelwind mechanism, carries 5 000 metres of special 22 mm electromechanical cable which draws an underwater survey "sled" with sensors at varying depths below the surface, transmitting data to sensitive measuring equipment on the survey vessel.

On completion of the current work on *CSS Hudson*, the winch will be transferred to another vessel on the West Coast for Pacific Ocean survey work.

Canadian Design Occupies a Place of Honour

If, as you stand back with aching arms after repainting your home, you dream of inventing a lighter roller with a throw-away tray liner which holds more paint and relieves you of tiresome clean-ups, you are unfortunately too slow off the mark. T. S. Simms & Co. Ltd. of Saint John, New Brunswick, has already thought of it! The company approached GSM Design Inc. of Montréal, Québec, to design System 2000 which, in addition to the above-mentioned advantages, has a telescopic handle, lasts longer and is easy to clean. With this invention Simms earned a Design Canada Award of Excellence in the Industrial Design Category.

Mrs. Ginette Gadoury, Chairman of the National Design Council, presents the Award of Excellence for Design Management to Claude Taylor, President of Air Canada (centre), in the presence of Ed Lumley.

Ed Lumley, Minister of Industry, Trade and Commerce and Regional Economic Expansion at the Design Canada Awards presentation.

The National Design Council

All the above and many others were the headliners in the fourth Design Canada Awards presentation ceremonies held in Ottawa's Skyline Hotel on June 2 with National Design Council Chairman Mrs. Ginette Gadoury and Minister of Industry, Trade and Commerce and Regional Economic Expansion Ed Lumley in attendance. Some 20 Canadian businesses and designers received Awards of Excellence, Awards of Merit or Honourable Mentions for their achievements in the field of design.

The National Design Council, sponsor of these awards, was established in 1961. Its task is to encourage Canadian industries to turn to design and improve its quality. The council, which comes under the Department of Industry, Trade and Commerce and Regional Economic Expansion (ITC/REE), administers numerous design assistance programs intended, among other things, to bring business heads and governments to a proper understanding of the function of design in the product development process and to recommend a policy for design capable of furthering the nation's rapid economic growth. The council also endeavours to improve Canadian competence in design and make the general public aware of the importance of quality in Canadian products.

The Design Canada Awards Program

In 1979, the National Design Council introduced three awards for design — the National Design Council Chairman's Award of Excellence in Design Management, Awards of Excellence for Product Design and Honourable Mentions for Design. The foundation was thus laid for the complete Design Canada Awards Program, the most prestigious award remaining the Council Chairman's Award of Excellence in Design Management. Awards of Excellence featuring achievements in Indus-

trial Design, Graphic Design and Interior Design and Special Awards in Innovation, Research and Development were subsequently added. On March 11, 1980, Toronto was to stage the first Design Canada Awards presentation, now an annual event held in a different city each year.

The National Design Council Chairman's Award of Excellence in Design Management is meant to emphasize the importance of design management and its effect on a product and on the development, marketing and distribution of that product. When the time comes to assign the awards, consideration is given to company documentation, publicity, packaging, means of transport, showrooms, graphic design, public relations programs, the offices or plant — in fact, all aspects indicative of the commitment to design made by a firm's management.

This reward to a Canadian company's management for its outstanding contribution to the advancement of design through the effectiveness of its design management was presented on June 2 to Air Canada. In presenting the award to Air Canada President Claude Taylor, Council Chairman Mrs. Gadoury pointed out that the airline had to maintain its image in the 15 countries in which it operates. Air Canada has succeeded in projecting the image of a genuine Canadian entity reflecting the nation's biculturalism in a modern, elegant and tasteful manner.

The Awards for Excellence in Product Design acknowledge excellence in the design of products invented and manufactured in Canada. Other winners of such prizes in the Industrial Design Category (in addition to T. S. Simms, Kanuk, Via Rail Canada and Versatile Farm Equipment) were the Alberta Children's Hospital in Calgary and NCR Canada Ltd. of Waterloo, Ontario.

In the Alberta Children's Hospital, the Keith Muller Ltd. team of designers succeeded in creating an environment featuring an intelligent use of space. Among articles submitted for a Design Canada Award were an adjustable height table and a storage area accessible from inside or outside the patient's room.

A prizewinner at the Hanover Trade Fair in Hanover, West Germany, and the SMAU Show in Milan, Italy, NCR Canada Ltd.'s single pocket proof station was invented by company designers to reduce operator fatigue and maximize processing speed and efficiency. The 7760 Proof System, completely manufactured at the NCR plant in Waterloo, has shown itself to be an unqualified commercial success.

When you travel on a Via Rail Canada LRC train, you cannot fail to be impressed by the comfort of the seats perfectly contoured to the shape of the body, by the individual seat reading lamps, by the excellent view from the cars and by the closed luggage compartments. When you also learn that lightweight seats have been provided for long-term energy saving, you will realize that the Design Canada judges had to acknowledge the work of Via Rail Canada and GSM Design Inc. of Montréal, Québec, with an Award of Excellence (for the Environment).

An Award of Merit in the Industrial Design Category was won by Paris Playground Equipment Ltd. which, in co-operation with the Kuypers Adamson Narton Ltd. firm of industrial designers, succeeded in producing a modular slide easy to package and ship, cutting its unit cost and reducing its size. This accomplishment has also allowed breakthroughs into new markets such as Australia, West Germany, the Near East and the Far East.

Stackable tables of varying shapes and sizes with segmented table tops which can assume different shapes, sizes and heights earned Ambiant Systems Ltd. of Toronto an Industrial Design Award (for Work). This furniture, unique in its class, can be arranged in a variety of ways depending on its intended use.

The Québec City firm of Bomem Inc. was also the recipient of an Award of Merit in the same category for a spectrophotometer. After noticing certain problems in the use of this apparatus, Bomem contacted GID Design Limitée of Québec City, to design vertical apparatus rather than horizontal as in the past, with higher work surfaces so that the operator may work comfortably in a standing position. Also, in comparison with existing instruments, the new spectrophotometer makes it possible to save up to 80 per cent more space.

The dashboard of the Versatile 1150 tractor has an improved automated sensing and reporting system which enables the driver to keep an eye on the main operations.

The judges presented two other Awards of Merit in the Industrial Design category. They went to Kinetics Furniture of Rexdale, Ontario, and K. Pila Inc. of Montréal.

Through K. Pila Inc. large food chains have found a solution to the problem caused by the lack of a device capable of cutting soft or boned meat. After making tests with a band-cutter, K. Pila asked the Centre de recherche industrielle du Québec (CRIQ) to develop such a meat-cutter. As well as cutting 500 slices of even thickness in an hour and eliminating waste, the Pila meat-cutter shows that industrial design, knowledge of market requirements and technical experience go hand in hand with the development of extremely useful products which yield significant economic benefits.

Maclean Hunter of Toronto, Amisco Industries of L'Islet, Québec, and the City of Hull, Québec, received Awards of Merit in the Graphic Design category; Maclean Hunter for its visual identity program designed by Gottschalk & Ash, Inc. of Toronto; Amisco for its packaging created by GSM Design Inc. of Montréal; and the City of Hull for its signage program also developed by GSM Design Inc.

The signature prepared for Maclean Hunter clearly illustrates the company's activities.

Finally, in the Interior Design category, Awards of Excellence in the subcategory for Homes were granted to Peter Brown of Vancouver, for the renovation of his home by the Robert M. Ledingham Inc. design agency, also of Vancouver; and to Westin Hotel of Winnipeg, Manitoba, for the layout of the Chimes Restaurant by Designworks Inc. of Winnipeg. The Banque nationale de Paris, which commissioned GSM Design Inc. to plan the interior of its head office in Montréal, was presented with an Award of Merit in the Offices and Institutions sub-category. A last Special Award was given to Public Works Canada for the restoration of the East Block of the Parliament Buildings with design by Office Planning & Interior Design of Ottawa.

The semi-rigid saddlebags manufactured by Kanuk.

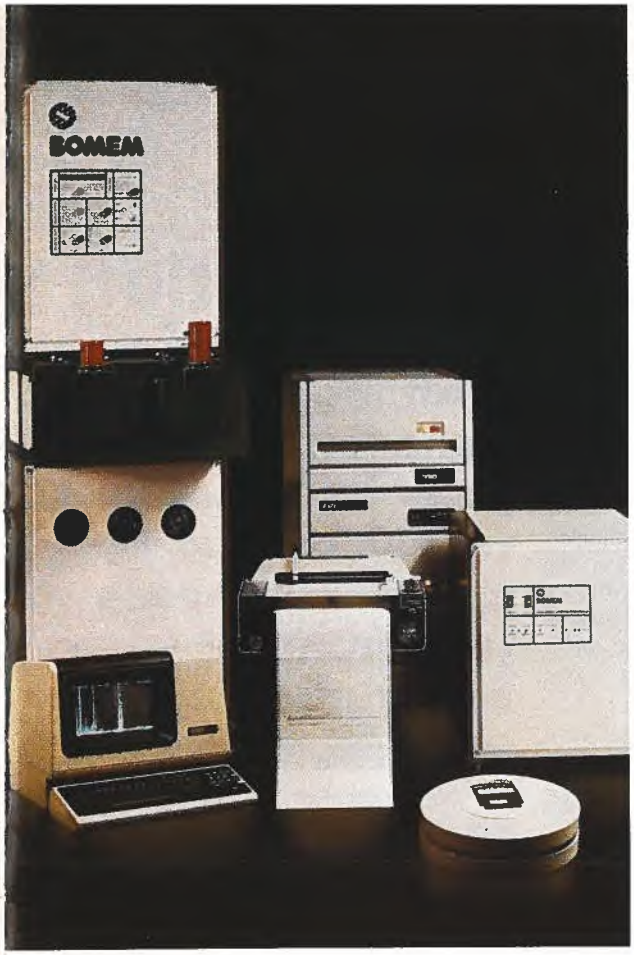
The National Design Council also awarded special Honourable Mentions to three Canadian designers — Henry Finkel of Montréal; Gilles Robert, President of Gilles Robert & Associés, also of Montréal; and Robert M. Ledingham of Vancouver.

Design in Canada

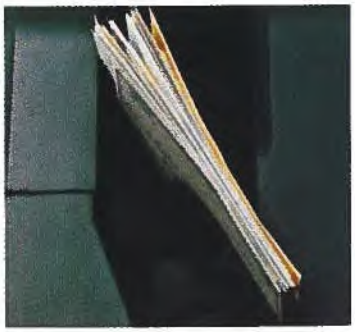
In the past, the Canadian economy was based almost exclusively on the tapping of natural resources. The well-being of Canadians and their standard of living in future will be more closely linked with their ability to create, develop and market manufactured goods on both

A person may be a fanatic about bicycling and adventure yet not appreciate rain-soaked clothing and soggy snacks. You run no such risks if your bicycle is equipped with Kanuk saddlebags. Designed for Kanuk of Montréal, Québec, by Système D of Sainte-Christine, Québec, the saddlebags also received a Design Canada Award of Excellence. They are weatherproof, lightweight, stylish and offer little wind resistance — qualities which account for their success on markets the world over.

The System 2000 designed by T.S. Simms & Co. Ltd.



Bomem Inc.'s spectrophotometer: a fine example of industrial design.



(Below): NCR Canada Ltd.'s single-pocket proof station. (Opposite): Entering the data necessary for checking bank documents on the integrated keyboard. Once they have been processed, the cheques are gathered into a single sorter pocket.

domestic and foreign markets. However, this will not be easily accomplished. Rapid advances in technology, the emergence of developing nations and growing protectionist trends are giving rise to increasingly aggressive international competition.

As the Minister of Industry, Trade and Commerce and Regional Economic Expansion Mr. Lumley said at the Design Canada Awards presentation, to meet the competition head-on, Canada must better its productivity. Design, and more specifically design management, will play an essential part in increasing productivity by making it possible to improve products and processes through technological innovations.

He firmly believes that industrial design and design management will become increasingly important in improving the quality of Canadian industrial products at a very early date.

The National Design Council shares this conviction, according to its Chairman Mrs. Gadoury. She pointed out that intelligent use of the talent, competence and imagination of Canada's designers is a vital factor of the nation's collective ability to face the competition so as to increase exports and replace imports.

According to Mrs. Gadoury, the prospects for Canada's future in design are optimistic. She felt that, by the end of this decade, Canadian products might be instantly recognized all over the world by the hallmark of their design.

"We shall have to direct our efforts into the areas in which we have the greatest possible likelihood of asserting ourselves, our personality, culture and technical skills."

— by Yves de Martigny
Canada Commerce

If you run a large farming operation and you are looking for a powerful tractor with minimum fuel consumption, the National Design Council and Versatile Farm Equipment of Winnipeg, Manitoba, have the answer to your problem. Versatile, winner of an Award of Excellence in the Industrial Design Category (for Work), offers the 1150 Versatile tractor. The tractor comes with a 470 BHP Cummins KTA 1150 C motor, improved sensing system, one-piece side glass for perfect visibility and features pleasant work conditions with an air-conditioning system and an AM-FM stereo cassette pick-up.

MCS — Exercise in Successful Co-operation

The Manpower Consultative Service really works! Ask any of the hundreds of Canadian companies, large or small, that have successfully made use of it.

What is the Manpower Consultative Service (MCS)?

It is a program of Employment and Immigration Canada designed to help Canadian employers and their employees to deal jointly with the manpower side of company planning in order to obtain maximum benefit and performance from company growth and expansion, new equipment or new work processes.

Manpower problems such as high worker turnover, low productivity, worker recruitment and training can also be dealt with under MCS which, in addition, can help employees minimize the disruptions resulting from business closure or relocation.

MCS does all this by bringing management and labour together in a committee setting to look at problems they jointly face and to develop acceptable solutions. Meeting face to face helps dispel much of the fear uncertainty creates for both groups. Acting as a committee, they can ask questions, air opinions and tap outside experts for advice, exploring all courses of action in an effort to keep the business productive and jobs secure.

Bringing workers and management together in a committee with an impartial chairman is a way to overcome labour strife and increase profitability

Once the employer, employee representatives and Minister of Employment and Immigration sign a formal agreement, the MCS committee goes into action. The service pays up to 50 per cent of the committee's costs for research, planning and consultation. An MCS officer sits on the committee in an advisory role and, where necessary, coordinates the use of other government programs to support decided upon action.

Bureaucracy Reduced

Unlike some other government programs, MCS keeps the bureaucracy to a minimum. MCS consultants think and act like private sector consultants — they know that red tape and forms rarely do much for the bottom line. But the government assistance in paying MCS committee expenses (including private sector consulting fees) can be substantial. And the MCS consultant knows the ropes of government administration — he or she can often give solid advice on how to break through the bureaucracy for those other types of government financial assistance.

The service is open to individual firms and their employees, entire industry sectors or particular geographic areas anticipating changes that could disrupt the affairs of both employers and workers.

Bringing workers (they don't need to be unionized) and management together in a committee with an impartial chairman is one way to overcome labour strife while increasing productivity and profitability. The MCS committee can even help workers find new jobs if the business is forced to lay off staff or close down.

There are hundreds of MCS success stories.

Newco Prefab Ltd.

In the Newco Prefab Ltd. case, for example, MCS assistance saved a business from bankruptcy, reducing job turnover, increasing productivity — and changing union outlook from adversarial conflict to co-operation.

With MCS help, a Canadian company has beaten recession and saved employees' jobs from bankruptcy

Newco Prefab Ltd. is a Canadian business that has defied the laws of recession. It started operations in 1981 at the height of the residential construction slump in Ontario, manufacturing such old-technology items for home builders as stairways, trusses and other wood components. Today it is a thriving, growing business because of the determination and team-work of a few young entrepreneurs with a will to survive and a dream of having a business of their own.

Newco Prefab president, Joseph Carpino says the enterprise is succeeding because of old-fashioned business practices that work in any economic climate. The company has a loyal work force that tries to give good services in its specialized Toronto-area market and the firm ensures that its prices and quality are in line with the competition.

But this was not always so and the workers have good reason for their loyalty. Their jobs were rescued from bankruptcy in 1981 with MCS help. Newco's predecessor, Granger Prefab Ltd. had been caught in the vise of the failure of its previous owner, a lumber business. The receivers were in place closing down operations and preparing to sell the business's assets including the land on which the plant was located.

Carpino, at the time Granger's general manager, and Benno Ticheloven, the firm's field supervisor, were not about to let the business die and its workers become among the unemployed. They began a frustrating search for help.

They called several agencies and government departments before learning about MCS. MCS officer Edna Baker appeared only to find the business rapidly being dismantled.

There was little that could be done to save the parent lumber company's operation but Granger Prefab itself was still operating and showed signs of life with enthusiastic management and workers.

Fast action was essential. The MCS officer suggested that the management-level workers join their shop-floor counterparts in a special MCS committee.

This was formed and, with its approval, John Strikeman, a business consultant specializing in revitalizing depressed companies, was named chairman.

Hectic meetings and round-the-clock work to find solutions to the Granger problem were unavailing and 52 employees faced the task of finding new jobs.

Then, as a last ditch idea, the MCS committee decided to explore the thought of starting a new business from scratch, renting its own building in another location, buying its own equipment and establishing itself as a separate entity. Could it be done?

It not only could but was. Newco Prefab Ltd. opened its doors in Ajax, Ontario, employing 17 of Granger's former workers. Employment was found elsewhere for another 28 leaving only seven of the original 52 unemployed.

By early 1983 Newco Prefab was growing and thriving with repeat orders from satisfied customers and expanding its product line to include wooden pallets and catwalks.

With the help of the Manpower Consultative Service, a new company was born and President Carpino's only complaint is: "I wish we had been able to learn about this program earlier."

CAMAQ — MCS For an Industry

In 1978 leaders of Québec's aerospace industry knew they had a problem on their hands — a growing shortage of skilled manpower. But they did not know much else about it: exactly where specific shortages were, how they would affect the industry's competitive position and, most important, how the imbalance could be overcome.

Something had to be done and CAMAQ — the Committee for Aerospace Manpower Assessment in Québec — was a solution. Established under a Manpower Consultative Service agreement, the committee set a new course for labour, management and government co-operation, providing a manpower planning framework for the industry.

CAMAQ had its roots in a Québec regional committee of the Air Industries Association of Canada (AIAC), established as part of the AIAC's Canada-wide effort to resolve productivity and human resources issues related to the industry's boom in the late 1970s.

A federal government financial incentive was offered under MCS to allow employee/union participation. It was accepted and, as a result, representatives of 14 aerospace workers' unions were invited to select three members for the MCS-sponsored advisory group.

CAMAQ has proved positively that the MCS concept can work on an industry-wide level as successfully and efficiently as it does within individual businesses across Canada

Some of the unions were skeptical about how effective their participation would be as were the managers of 24 participating companies. They would be restricted to three members and would have to share control with people who at times had been their adversaries.

Assistant vice-rector at Concordia University, Montréal, André-Jean Laprade, was chosen by the committee members as its chairman. It was a wise choice as he was able to ease the tensions between the diverging interests and create an atmosphere of trust in a round-table setting where neither labour nor management could dominate.

Federal and Québec manpower officials co-operated from the start. The two governments agreed to each pay 37.5 per cent of the committee's costs with the aircraft manufacturers paying the remaining 25 per cent.

Initial surveys of nine Québec aerospace companies over five years for some 65 occupations pinpointed a critical shortage in 15 skills. Several projects were then embarked upon to find ways of attracting and training workers in the vital skills. All levels of manpower were considered, from workers for relatively simple assembly tasks best trained through in-house programs, to highly skilled technicians and engineers requiring several years at college or university.

The committee negotiated with Québec's Education Ministry and Council of Colleges to arrange post-secondary technical courses suitable to the industry's needs. Secondary school counsellors were informed about the range of aerospace careers available to their students.

Member companies co-operated on in-house training with smaller firms sending workers to larger companies for specialized instruction.

Meanwhile, the unions were successful in encouraging companies to implement improved skills-upgrading programs for those already employed in the industry. The unions also won a more positive management outlook on safety and working conditions.

Through co-operation and consultation, Québec's aerospace industry workers and management have come to grips with the skills shortage and in the process have won greater security and opportunity. CAMAQ has proved that the MCS concept can work on an industry-wide level as successfully as it does within individual businesses.

The above are but two of the many case histories of successful MCS operations across the country. As knowledge of the program and its work slowly spreads, more and more companies, large and small, as well as industries and associations, are taking note and, more important, taking advantage. ◘

For further information, please contact:
Mark Buckshon
Information Officer
Employment and Immigration Canada
Tel: (819) 994-6908

Orcatech Brings CAD Within Reach

Computer aided design (CAD) systems and equipment that are within the price range of small and medium-sized manufacturers is the promise of a fast growing Ottawa company — Orcatech Inc.

Orcatech is a leading designer and manufacturer of graphic computer systems ranging in price from $10 000 to $96 000. It began operations in 1981 after three years in the development stage at Bell-Northern Research Ltd. in Kanata.

As a measure of the company's success to date, about 110 Orcatech systems were shipped and installed for customers between January 1982 and March 1983.

The company was started by three experts in computer aided design, David J. Pearson, president; Girvan L. Patterson, vice-president, operations; and Ian Carlisle, vice-president, manufacturing and testing. The three had been engaged in a CAD program at Bell-Northern Research to develop high-resolution and high-intelligence computer graphics workstations for use in the design and layout of complex printed circuit boards.

It soon became apparent that the product technology and approach they were working on had potential for a much wider scope of application and they approached Northern Telecom (Bell-Northern's parent) for a licence to exploit the product technology.

Thus Orcatech Inc. was born to concentrate on the development and sales of graphic workstation products to meet a rapidly expanding market for computer aided design.

Orcatech's timing was right! In 1981 the worldwide market for CAD terminals was estimated at about $1 billion. By 1986 it is expected to reach at least $7 billion and the intelligent workstation part of that market is expected to grow even faster.

Product Development

When computer graphic design first began to develop 10 to 15 years ago, most computer aided design/computer aided manufacture (CAD/CAM) systems operated on the same principle of a powerful mainframe computer with a set of graphics terminals attached to it. The designer and computer would communicate through the attached unit in pictures. The package was generally accompanied by a large software application program used by the mainframe computer.

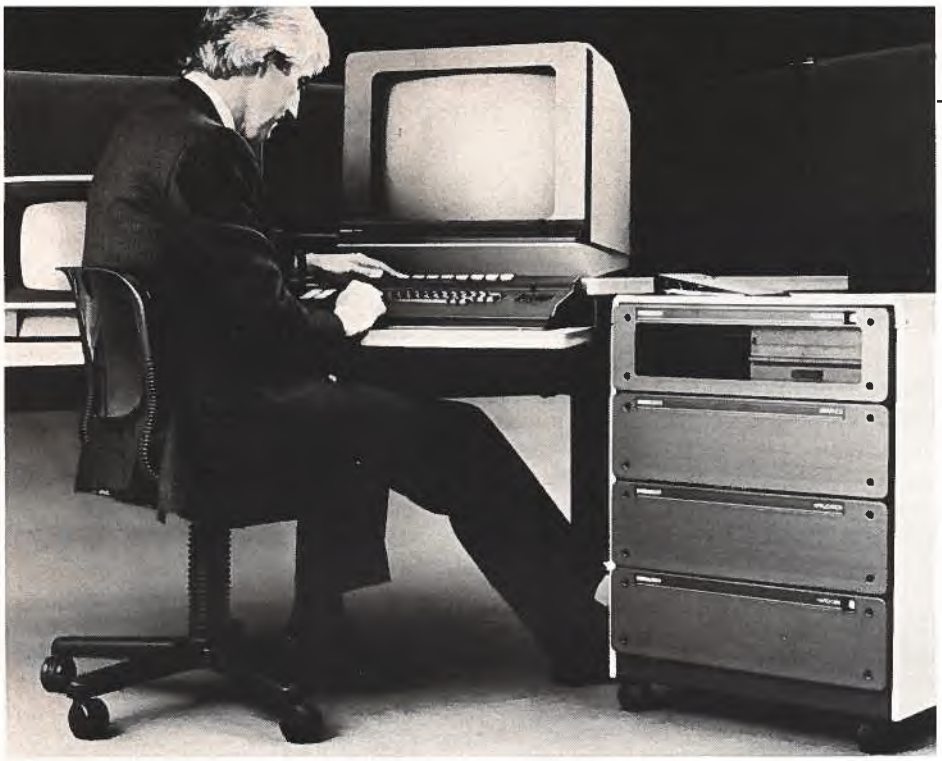
This is the method still most used by manufacturers today but it has certain drawbacks. It requires a large capital outlay for all necessary equipment — somewhere in the neighbourhood of $750 000 — making this system exclusive to large companies that can afford the package. And extension leads to more expensive terminals.

Orcatech's products can be used independently for stand-alone use; as part of a larger system centered around a host mainframe computer; or as part of a network of workstations. The workstations are designed to be used by one designer only.

This flexibility brings the average Orcatech product into the $30 000 to $50 000 range making it possible to have several terminals for different purposes. The terminals can be used for simultaneous parallel programming, freeing the mainframe computer and enabling communication with the mainframe or with other units. And the Orcatech product is compatible with any of the major mainframe computers.

Applications for Orcatech's graphic computer systems include electrical design and layout of printed circuit boards, integrated circuits and other electrical components; mechanical drafting and engineering design; cartography; image processing; architectural design; civil engineering; aerospace and weaponry simulation; medical processing; geophysical analysis; and process control.

The products are well suited to such applications because of their local pro-



The high-performance Orca3000 graphic computer workstation — the most powerful combination of graphics and processing power available today.

cessing capability, high-speed graphics and such special features as high-speed adjustment (pan) and magnification of images (zoom). The designer can monitor the progress of the work, the effects of any modifications and evaluate the impact of proposed changes.

Technical improvements have been made to the original Orcatech graphic computer system, now called the Orca2000. Two new products, the Orca1000 and the Orca3000 have recently been introduced.

The Orca2000 is an intelligent graphics workstation that provides graphics and application processing power exclusively to a single user. It gives fast, high resolution graphics that can display in monochrome or in up to 256 colours from a palet of 16.7 million colours. It sells for $15 000 to $50 000 per system depending on system configuration and any applicable volume discount on the sales order.

The Orca1000 is a less expensive, less flexible version of the Orca2000 designed to meet the needs of the many users who do not need the full flexibility of the larger system. It has less configuration and upgrading flexibility and can display only eight colours. It sells for $10 000 to $30 000 per system.

The Orca3000 is a more sophisticated, higher performance system than the Orca2000. It uses the same graphics processor but its application microprocessor subsystem is based on the Motorola MC 68000/68010 microprocessor chip. Its operating software is based on the Bell Laboratories Limited UNIX[tm] system currently the most widely used operating system for scientific and engineering applications.

Other features of the Orca3000 include the availability of random-access memory of up to eight megabytes and it supports local floppy disk storage of one megabyte and hard disk storage of 10 to 80 megabytes. It sells for $18 000 to $96 000 per system.

Orcatech provides a parts and labour warranty on its products for 60 days from installation after which maintenance and support are supplied on a contract basis. Maintenance and product upgrading are carried out on regular customer site visits by customer service representatives.

The company also offers training courses and the comprehensive updating of manuals and software.

Federal Business Development Bank

Exports Are Sales Too!

Exports have a nice way of adding to a company's sales volume. They generate a flow of funds and — hopefully — profits that were not there before executives began thinking along international lines.

"Thinking internationally" is the key to breaking the "sound barrier". But foreign markets *are* different and require special handling. Exporting is not easy, but what is? And, with the proper amount of time and effort, it could prove to be a very profitable way to sell goods.

A Growth Industry

Exports form an essential part of the Canadian economy and currently account for more than 30 per cent of the Gross National Product. Canada ranks with the top 10 merchandise trading nations, together with such countries as the United States, West Germany, Japan, Britain, the Netherlands and France.

Over the last 10 years, Canadian exports have increased substantially and have grown faster than the Canadian economy as a whole. At long last, there has also been a significant shift in the makeup of exports toward manufactured goods.

Why export?

The attraction of a lucrative foreign market for a company's goods cannot be denied. However, anyone considering exporting should look at both the advantages and disadvantages of taking such an important step. Frequently, companies get into exporting almost accidentally; for example by filling out an unsolicited order received from someone overseas. As well, other firms, which perhaps should export, are reluctant to do so because of a lack of information or because the owners harbour unfounded fears on the problems of exporting.

There is also the mistaken belief that only large companies can export. Studies have shown that many small manufacturing firms have succeeded in the international marketplace by taking advantage of niches not serviced by the larger corporations. Besides, smaller firms are usually able to react more quickly to changing conditions, can handle smaller production runs and meet special demands for colours, packaging, etc.

Here are some of the advantages and disadvantages of exporting:

Advantages

- Increased sales
- Higher profits
- Lower unit cost of production
- Greater use of plant capacity
- Protection against cyclical downturns
- Reduction of dependence on single traditional markets
- Extension of the life cycle of existing products
- New knowledge and experience

Disadvantages

- Additional travel, time and expense to develop export markets
- Additional (or retrained) staff to handle exports
- Increase in paperwork and shipping costs
- Possible product modifications
- Additional financing
- Necessity to learn about customers, language, cultural differences, local standards, tariffs, currency exchange controls, packaging and labelling requirements, payment terms, collection of accounts, etc.

Make a Commitment

Just thinking about exporting will not make it happen. One of the first steps the management of a firm contemplating exporting must take is to make a commitment to see the project through. There should be full recognition that the task of developing the market will take some time, that initial sales returns may be slow, and that a reasonable budget for travel and promotion costs needs to be set up at the very beginning.

A senior person in the organization should be appointed to look after this important job. It should be someone who has a good knowledge of the company's operations, and the authority to make decisions on the spot, if necessary. In a small business, this is usually the owner.

It should also be borne in mind that, while this individual is travelling abroad, someone will have to be appointed to take care of the domestic market responsibilities left behind.

As can be seen, those who wish to go into exporting simply to rid themselves of a temporary excess of inventory will have to revise their thinking. A reputation for reliability is essential. Just as one cannot turn the "tap" on and off at will domestically, it is even more difficult in foreign markets. There is also the fact that a perceived unreliability can damage Canada's reputation as a whole.

Analysis of Potential

Generally speaking, owner/managers of small and medium-sized businesses know their domestic market. They are aware of their customers' product preferences and what prices the market will bear. They also have a flair for the advertising approaches that work and the appropriate channels of distribution for their goods.

Outside Canada, much of this knowledge may be off the mark but a thorough review of the present domestic setup, including the major business and economic trends in the industry, can help in determining those strong and weak points that could assist or hinder a firm's exporting effort.

Those wishing to export to get rid of a temporary inventory excess must revise their thinking

In an analysis, it is important to keep in mind the broad trends that emerge. For example, executives should be alert to indications that their company's performance, when compared with the industry's, is not up to par.

The movement or lack of it in the areas of sales, profit margins and prices may tell something about the state of the overall market, i.e. whether it is growing or has become saturated, and whether aggressive competition is seriously affecting market penetration.

A heavy influx of imports into the marketplace may tell a great deal about some pricing policies. Similarly, a heavy swing to exports may be a sharp warning that a firm is missing a solid opportunity to sell overseas.

If there is a great untapped potential in the domestic market, a company may deem it wiser to concentrate its time and efforts on exploiting this area and postpone the idea of exporting for a while. However, should the evaluation of that company's performance in the domestic market prove generally positive, it should then proceed to determine whether its organization has the potential to export.

Exporting will have an effect on virtually all areas of a firm's operations and, among a number of points that should be covered, begin with an assessment of whether the product is adequate to compete internationally.

The answers should provide a reasonably good idea of the firm's export potential. There will undoubtedly be areas where findings are negative but subject to improvement. For example, a lack of staff competent in exporting could be offset by the hiring of specialists, such as trading houses.

Of more concern would be the realization that products could not compete internationally (price too high, costly servicing, and so on).

Market Selection

Now comes the time to begin selecting export markets.

For all practical purposes, a company should probably start its exporting efforts closer to home or in markets that closely resemble its own. In this regard, Canada's traditional trading partner has been the United States with more than 68 per cent of the nation's products exported there in 1982. This reflects the proximity, the size and the common language and culture of the U.S. market. The other industrialized countries, which include Britain, France, Italy, Germany and Japan, together account for over 10 per cent of our exports.

In searching, keep in mind that the newly industrialized nations such as Brazil, Greece, Hong Kong, Mexico, Portugal, Singapore, Spain and the strong markets of the Pacific Rim have experienced growth in their industries and personal incomes, creating demand for certain imports. If markets in Socialist countries are being considered, remember that marketing strategies will differ there, as will the methods of payment.

Keep the following points in mind:

- Plan, from the very start, to make your export business a profitable one.
- Find a need and fill it.
- You can not sell everyone right away. *Concentrate* on one or two markets to start — don't spread yourself too thin. Try to group your markets.
- Do not overlook the smaller, less obvious and possibly less competitive markets. Smaller firms can sometimes find a niche not serviced by larger companies.
- Keep within your capacity to service customers. Do not go after foreign orders that you cannot fill.
- Plan to spend time and money visiting foreign markets.
- Check government export assistance programs (PEMD, trade fairs, missions, etc.).
- At the beginning, stay away from markets in which import restrictions or exchange controls can limit your scope.
- Be flexible — (product design, packaging, etc.).
- Be patient — (the culture and business methods of many countries should be respected strictly).

After a review of the many market possibilities, it is often found that choices have become somewhat restricted as areas are rejected that do not fit in with established criteria. That is the point at which to prepare an in-depth analysis of those export markets deserving closer scrutiny.

Sources of Information

By now it will be evident that the selection of possible export markets is largely a self-educational process. To do a thorough research job, however, will require a great deal of information.

Newly industrialized nations have growing industries and have created a demand for certain imports

Fortunately, there are many sources and much of the available information is free:

- Government of Canada
  Department of External Affairs (regional bureaus and the Trade Commissioners Service)
  Department of Industry, Trade and Commerce and Regional Economic Expansion (regional offices)
  Statistics Canada.
- Provincial governments
  Departments of Industry and Trade
- Canadian Export Association
- Chambers of Commerce/Boards of Trade
- Chartered banks (Both Canadian and foreign)
  — International divisions
- Municipal governments (some)
- Trade associations
  e.g. Canadian Manufacturers Association
- United States Department of Commerce Reports
- Airlines/shipping companies/freight forwarders
- Libraries
- Dun & Bradstreet — Exporters Encyclopedia (annual fees)
- International trade consultants
- Trading houses
- Commissioned market research organizations

"Exporting Your Product", a new Joint Business Management Seminar from the Canadian Export Association and the Federal Business Development Bank (FBDB) is now available. For further information on this seminar or on the FBDB's entire seminar program, please contact the FBDB branch nearest you.

Canadian Aircraft Flies with Help from the Federal Government

The Canadian Civil Aircraft Register shows an average annual importation of more than 1 000 aircraft, at least 80 per cent of which are single-engine machines used for pleasure and business flying. These small aircraft cost an average of over $50 000 each. With the assistance of the Enterprise Development Program (since incorporated into the new Industrial and Regional Development Program), a small Canadian manufacturer is beginning to redress this $40 million trade imbalance.

Avions Pierre Robin Inc., located at Lachute Aéroparc in Québec, between Ottawa and Montréal, is an offshoot of Avions Pierre Robin in Dijon, France. Established in 1978, the Canadian company has resolved a series of technical and financial problems and has satisfied the original plan to transfer control to Canadian ownership.

The prime mover at Lachute is Jacques Lécrivain, an ex-French Air Force Mirage pilot who became production director at Dijon before moving to Canada as general manager of the Lachute facility. Supporting Lécrivain at home and in the company is his wife Simone who performs all the office support duties and keeps the accounts. Lécrivain is his own flight test pilot and the couple keeps overhead expenses to a minimum by handling all the administrative details between them.

Lécrivain's initial objective was to establish a Canadian assembly and marketing facility to supply a new range of Robin designs to North America. The Robin wood-framed aircraft were popular in Europe but additional markets were needed to justify the investment in designing and tooling his new, all-metal aircraft. The new models were designated "HR", the "H" identifying Chris Heintz as the designer and the "R", Pierre Robin's company. The "H" was dropped when Heintz moved to Canada to produce his popular CH-series aircraft.

Pierre Robin saw Québec as offering a life-style similar to that in France and, with some encouragement from the local business community, he established the new company in the industrial park at Lachute. As events unfolded, the Canadian company concentrated on just one model — the R2160 two-place sports aircraft. The planned assembly operation was, however, expanded to include fabrication and several components were sourced in Canada.

The change in policy was dictated to a large degree by problems experienced in obtaining Department of Transport (DOT) endorsement of the R2160 French airworthiness certificate. Lécrivain soon found himself between the proverbial rock and hard place. The French certificate allowed the use of pop rivets manufactured in Britain and permitted by most other national certification agencies. DOT, however, operates on the basis of the U.S. Federal Air Regulations (FARs) which do not recognize these particular rivets.

While it may have been possible to reach some accommodation with the Canadian authorities, Robin intended to export the R2160 to the U.S. so the FARs had to be satisfied. It was clear that the pop rivets would either have to be changed or they would have to satisfy the necessary compliance program and subsequent quality control procedure in order to meet the requirements of FARs. This subject was a topic of negotiation for some time; Robin saw the evidence of more than 200 aircraft held together by pop rivets and safely flying in Europe as proof of integrity.

Meanwhile, DOT was faced with the categorical requirements of the FARs. The end result was a change in the manufacturing process of the R2160 to incorporate a U.S. rivet already approved by FARs which was both more expensive and took longer to install than the pop version. Working capital was disappearing while negotiations took place and the planned build-up of inventory and sales was not proceeding.

The Robin doors closed for five months in 1981 while Lécrivain desperately sought additional working capital. It was very fortunate for Robin that Jim Owen, the Canadian owner of an aircraft sales company in Australia, order-

A Canadian Robin R2160 sports aircraft and aerobatic trainer destined for the United States.

Jacques Lécrivain

The new Robin 3000, in French markings, to be built in Canada.

ed two R2160s. With the help of the Canadian Consulate General in Sydney, the Australian government endorsed the French airworthiness certificate in the record-breaking time of one month. This evidence of export interest and the persuasive arguments of Maurice Lalonde, industrial commissioner for Lachute, influenced the Lachute businessmen and the provincial government to provide survival funds.

The U.S. Federal Aviation Authority (FAA) had to be satisfied that the R2160, a French design with some parts built in France, some in Canada and assembled in Canada, was safe for operation in the U.S. The FAA endorsement of the French airworthiness certificate involved the French authorities in Paris; the FAA offices in Oklahoma City, Portland, Kansas City, New York City, Burlington, Windsor Locks and Brussels, Belgium; the Department of Transport in Ottawa; and, of course, the Robin plant in Dijon, France. Québec and federal government offices in Europe tried to expedite matters but little progress was made until Lécrivain charged Eugene Spiece, an aerospace consultant in Winnipeg, with the task of satisfying the FAA requirements. Spiece solved the problem and FAA endorsement of the R2160 French certificate was obtained on November 15, 1982.

Financial problems experienced by the French parent had resulted in a curtailment of its production leaving the Canadian company with sole manufacturing rights for the R2160. Marketing advice and assistance was being provided by Bill Rice, a Canadian businessman resident in the U.S., who had been impressed by the design of the R2160. When Rice learned that this aircraft was to be manufactured in Canada, he volunteered to handle the marketing aspects. Lécrivain welcomed this support from Rice, who is a pilot and journalist with his own public relations company in Pennsylvania.

Rice suggested that the R2160 should be demonstrated at the 1981 Aircraft Operators and Pilots Association annual show in Orlando, Florida. Assistance from the federal Program of Export Market Development (PEMD) was obtained and the R2160 was a star performer. The aircraft, with its maple leaf paint scheme and obvious Canadian identity resulted in it being dubbed, collectively with Lécrivain and Rice, as *Les Canadiens*. Rice is now Robin's marketing director and has established four dealers across North America who have already ordered a total of 11 aircraft.

Lécrivain was beginning to see the light at the end of the tunnel. All the major technical and marketing problems appeared to be solved and the way clear for the simple-sounding but enormously complex "production start-up".

Spiece had prepared cash flow projections which clearly showed inadequate working capital available to finance inventory, work in process and administration of the company. The Enterprise Development Program (EDP) was approached with a request to insure a working capital loan to supplement a further investment promised by local businessmen.

Why all this effort on behalf of one small aircraft? The federal government's motives were clear — an opportunity to counter the imbalance of trade in light aircraft, generate exports and create employment in a high technology sector which complemented existing capabilities. The provincial government saw the opportunity to further its aspirations to develop the aerospace industry in the province. The local investors were prepared to support the development of industry in Lachute with their own cash. All depended on the viability of the R2160.

The former Department of Regional Economic Expansion (now amalgamated with the Department of Industry, Trade and Commerce) financed a market and feasibility study with encouraging results which had been substantiated by orders from as far afield as Guadeloupe, Germany and Australia. Robin had limited its advertising and publicity campaign to the demonstrations at Orlando, pending receipt of airworthiness endorsement by the FAA and the availability of production start-up funds. Nevertheless, 12 aircraft had been ordered and delivered and 14 additional orders were in hand.

The R2160 offers the little extra in performance, comfort, appearance and versatility that gives it an edge over the competition. Lécrivain extolls the R2160 as being an attractive touring and pleas-

The R2160 shows its paces in Australia.

ure aircraft which can also be used as a primary trainer, an aerobatics trainer and an advanced trainer. Because the R2160 is very stable it is an ideal aircraft for economical IFR (Instrument Flying Rules) training. These attributes stem from the aerodynamic design and strong airframe, which is stressed to withstand six times the force of gravity, and the 160 horse-power engine. Competing machines such as the Cessna 152 offer only 110 h.p. engines with a cruising speed of 107 knots (198 km/hr) compared to the R2160's 130 knots (240 km/hr). The performance of all aircraft deteriorates in hot temperatures and at high altitudes so the extra horsepower is particularly attractive to pilots flying in such areas as Africa, South America, Australia and the southern United States.

The sleek lines of the R2160 exhibit the French design flair and are complemented by the detailed care and attention given to the upholstery and finish by Robin. The wide, side-by-side cockpit facilitates instruction and is a much friendlier way to fly than in the old-fashioned tandem arrangement. The large, forward-opening canopy allows easy access to the cockpit and gives exceptionally good visibility. The R2160 with comparable equipment carries a price tag about 10 per cent higher than the relatively pedestrian Cessna 152.

Robin requested the Enterprise Development Program to guarantee the working capital necessary to increase production to two aircraft per month by the end of 1983 and to increase the production rate to three aircraft per month in 1984. The joint industry-government board which approves projects was impressed by the company's record. Over a five-year period, Robin had resolved difficult certification problems and brought the R2160 to a stage where it could be sold anywhere in the world. There had been 12 aircraft completed, 14 orders placed and many enquiries, including six options to purchase, received — all at a net investment just over $1 million and with very little publicity. The board concluded that this demonstrated performance promised well for the future and the requested loan guarantee was approved.

The production start-up process commenced with a full order book for 1983 and with confidence that the R2160 market potential was realistic, adequate funds were in place and that healthy expansion was possible.

The aircraft industry cannot rest on its laurels. The five-year cycle necessary to design, develop, certificate and put even a small aircraft into production necessitates long-term planning. With the R2160 safely launched, what does Robin plan to do next? It is intended to continue the successful association with Robin, France, where Pierre Robin is already flying his new model R3000. The R3000 is an economical, four-place, "family" aircraft expected to be attractive to the North American market because it will perpetuate the proven features of the R2160.

Further down the line is Pierre Robin's answer to the high cost of recreational flying, the ATL (Avion Très Léger), which won a competition sponsored by the French Fédération nationale de l'aéronautique in 1981 for a two-seater with less than 50 horse-power. The ATL is intended to cruise at 80 knots (150 km/hr) on less than nine litres of gasoline per hour, offering close to the economy of an ultra-light with the comfort of a conventional light aircraft.

After five difficult years, Robin now appears to be on a firm foundation with orders booked for the R2160; the R3000 and the ATL are soon to be introduced; and the necessary financing in place. The dedication of Simone and Jacques Lécrivain, the tangible support of the Lachute business community and Pierre Robin, France, and the assistance from the federal and provincial governments have all combined to help Avions Pierre Robin Inc. develop the light aircraft industry which Canada has sought for many years.

— by S.B. Shaw
Electronics and Aerospace Branch
ITC/REE

Unobtrusive Excellence Hallmark of Alcan Aluminum

World-Class Leader in the Industry.

In the words of David M. Culver, chief executive officer, Alcan Aluminum Limited, "to survive takes unobtrusive excellence".

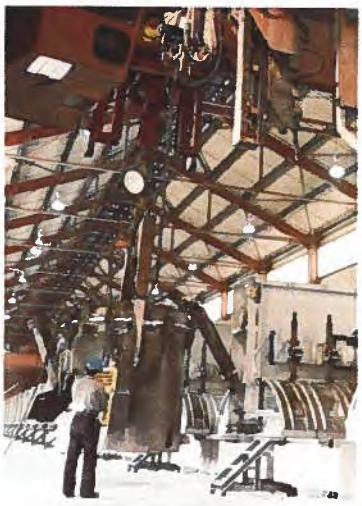
And it was this unobtrusive excellence that constantly manifested itself through scores of interviews with company officers and officials in Montreal, Kingston, Toronto and Guelph — an excellence that bodes well for the future of this giant Canadian multi-national organization and its 66 100 employees around the world.

Not that Alcan has not had its troubles along with most metal producers during the past year or so — it suffered its first loss ($58 million) in 50 years of operation in 1982. But with few exceptions it is in a better position to recoup these losses in the future than almost any other aluminum producer in the world, with the possible exception of some small Mid-East producers which use flare-off gas as a source of power. And the reason is the same — a bountiful supply of low cost power.

In the last five years, the weighted average cost of electricity for smelters in the non-communist world has doubled from 0.9 cents to 1.8 cents per kilowatt hour. But power from Alcan's own hydro-generating plants in Québec and British Columbia costs the company 0.3 cents per kwh. In other terms, electricity costs Alcan about $50 a tonne of produced aluminum as compared to a world average of $300 a tonne and Japan's costs of almost $990 per tonne.

This cheaper power offsets to a large degree increased shipping costs for Alcan in transporting its raw materials from the southern hemisphere and aluminum ingots and finished products to 100 countries worldwide. Unlike other major producers in aluminum, Alcan's small domestic market has forced it to develop into a worldwide international organization. Its subsidiary and related companies have bauxite holdings in seven countries, refine alumina in seven, smelt primary aluminum in eight, fabricate aluminum in over 30 and have sales outlets in more than 100. Almost a third of its employees are in Canada.

Although total shipments of aluminum were up 160 000 tonnes in 1982 at 1 707 000 tonnes, total sales and operating revenues were off considerably at $4 644 (U.S. millions) as compared with $4 978 in 1981 and $5 215 in 1980.



In the construction of new facilities at Grande-Baie and Guelph, Alcan used local contractors for their multi-million dollar expansions. While the soft markets for metal have delayed the start up of the second pot-line at Grande-Baie, work has continued on the third line which will raise the capacity of the new plant to 171 000 tonnes. At both operations, this use of local contractors has added greatly to the local economies.

This continuous sheet mill at Alcan's Saguenay Works is part of the world's largest aluminum complex. It is part of an integrated operation in the Jonquière region which includes hydro power generation, an extensive inorganic chemical complex, aluminum fabricating plants and smelters, an international research centre and port and railway facilities.

To maintain its advantage as a world class leader in the field, Alcan is increasing its research expenditures and now devotes some $55 million annually to this aspect of its operation. Again, in Mr. Culver's words when speaking to the annual shareholders meeting in 1982, "technological innovation will require, and will be given a new emphasis and a new priority".

Most of this emphasis has been concentrated at its modern research facilities at Arvida, Québec and Kingston, Ontario as well as Banbury, England and Alicante, Spain. In addition to R&D for its own plants, Alcan provides services to its present and potential customers, providing them with advice and undertaking development work on aluminum alloys, engineering, extrusion design, metallurgy, and a wide range of other related functions. Manufacturers wishing to explore these services on a co-operative or fee-for-service basis may do so by contacting their nearest Alcan sales office or its corporate offices in Montréal and Toronto.

To enable technological innovation and transfer to thrive within Alcan, significant emphasis is placed on two areas: Design and Demonstration, and Ventures.

The first has as its mission the nurturing of selected market-related innovations through to commercial readiness, packaged for exploitation. The second, and recently organized area of innovation is Ventures, which aims to seek out and develop business opportunities related to Alcan's existing strengths, that offer attractive combinations of technology, markets and growth opportunities.

In the first category is the development of the use of aluminum in the transportation industry, for example, the use of aluminum and aluminum alloys in LRC (light, rapid, comfortable) trains, aircraft and truck bodies as well as in the domestic automotive field.

Newer uses of aluminum in the transportation industry include fishing boats and grain hopper cars. Light weight, permanence and cleanliness are major selling points of the metal.

Two examples of the Venture type are the efforts of Alcan in developing a solid waste recycling program (see separate story) and its current study of the Atlantic and Pacific fisheries, which offer an integrated market in aluminum fishing vessels and corrosion-resistant pens for fish culture.

In both cases, Alcan has used its considerable assets to bring together a wide spectrum of associated interests to take fresh and innovative approaches to existing problems. While it is naturally anxious to sell its products as a result, it realizes that a holistic approach is necessary to make inroads into these markets.

An example of the types of problems a large multi-national faces in promoting new uses of its products is the wide coverage given by the media to the sinking of the HMS *Sheffield* during the recent Falklands conflict. A slip-up at Jane's Fighting Ships — the world's most celebrated authority on modern sea warfare — had wrongly listed the *Sheffield* as an aluminum war ship, and the media immediately connected this fact to the terrible fires which raged out of control in a matter of minutes.

In actual fact the *Sheffield* was an all-steel vessel and the real cause of the tragic occurrence was the use of high-technology weapons — the first occasion that a major naval vessel had been subjected to a modern missile attack. No doubt the story was given added credence by the fact that small aluminum shavings are added to conventional explosives to give them added punch. Under these circumstances aluminum is explosive, much as steel wool burns under certain conditions.

In a more futuristic vein, Alcan is continuing its research in the aluminum-air battery. This is actually a "fuel cell" rather than a conventional battery, which stores electricity. The system uses aluminum plates as anodes, caustic soda and ordinary tap water as the electrolyte and air as the cathode. The aluminum plates dissolve in the electrolyte, releasing electrical energy. When they are used up, they are simply replaced by dropping in new plates. Researchers estimate that this device can produce up to 200 watt-hours per pound of fuel cell (versus storage batteries' 30 to 90 watt-hours). A 500-pound cluster of 60 cells will produce enough power to propel a five-passenger car at 90 km an hour for 3 000 km.

Constant research, backed up by sophisticated equipment make the Kingston Labs of Alcan a world leader in research and development for the company and its customers.

All the driver needs to do between plate changes is add water every 400 km, and remove the alumina-hydrate crystals that settle out of the electrolyte solution. These crystals are a form of alumina, the feed stock of the aluminum industry, so they can be readily recycled into new aluminum.

The aluminum-air cell could become an alternate fuel system offering drivers the same power and range they expect at present. The fuel would not burn, would not pollute, and could be stored indefinitely in solid form. While still some years away from commercial application, Alcan is working on development of appropriate alloys and casting technology to produce plates and other components of the fuel cell.

And, of course, through its global network of companies, Alcan has a unique opportunity to manage technological change on a world scale. To take advantage of this, the company has developed a technology strategy which has four dimensions — innovation, selection, process and product improvement, and international transfer.

To aid the international transfer of technology, Alcan trained the Malaysian operators of its new rolling mill at Kuala Lumpur at Bracebridge, Ontario.

In addition to the aforementioned product innovations and developments, adaptation of existing technology to various markets is commonplace. For example, in the design, construction and commissioning of its new facilities at Kuala Lumpur, expertise in the development of a small but expandable plant for combined sheet and foil operations was drawn from Alicante, Spain and Bracebridge, Ont. as well as from other locations. To develop their skills, the Malaysian work force was brought to Bracebridge for special training; while the technical and engineering personnel for the construction of the plant came from Alcan's affiliated company in India, bringing with them to the project both cultural awareness and world class professional expertise. This type of attention to detail is no doubt an important factor in the corporation's ability to develop technology transfer into an art that few can equal.

While Alcan's world-wide operations have placed it in the position of being the largest world trader in both aluminum and products fabricated from the metal, its Canadian operations have always been the backbone of its strength.

The Canadian origins of the enterprise go back to 1900 when a small aluminum smelter was built at Shawinigan with an annual capacity of 900 tons. In 1928, in the face of the strict U.S. trustbusters, Alcoa, then the U.S.'s sole aluminum producer, spun off most of its non-U.S. business interests to its Canadian subsidiary and Alcan was formed. Now owned through private and institutional investors throughout the world, Canadians hold 48.5 per cent of the outstanding common shares of the parent company, Alcan Aluminum Limited; while the outstanding preferred shares of the Aluminum Company of Canada — with a book value of $352 million — are virtually all held by Canadians.

Alcan is Canada's fifth largest company* in terms of sales and second largest aluminum company in the world after the government-owned steel and aluminum manufacturer, Pechiney of France*. Alcan is also Canada's largest exporter: $1.5 billion, of which one billion is exported to the U.S.

HOW THEY STACK UP

Company	Sales ($000)
Canadian Pacific	$ 10 485 790
General Motors of Canada	8 688 965
Imperial Oil	6 677 691
Ford Motor of Canada	6 011 674
Alcan Aluminum	4 978 000

With total assets of $6.339 billion, Alcan is second only to Canadian Pacific.

**Fortune*'s 500 Largest Industrial Corporations Outside the U.S.

Recycling

Key to Alcan's entry into the $ multi-million packaging industry in Ontario

Typical of Alcan's attention to detail is its efforts to promote the use of the aluminum can in Ontario's beverage industry. Rather than approach the use of aluminum cans alone, the company began a series of studies on the province's entire waste disposal problem, including recycling.

The studies revealed that the high value of the aluminum can in the recycling industry (some $900 a tonne) would offset the costs of recycling a wide range of waste — paper, glass and other metal cans.

While the studies and the subsequent formation of the Recycling Support Council of Ontario — composed of environmental groups, recyclers, packaging-materials representatives and municipal officials — cost Alcan some $500 000, the cost will be quickly amortized if, as is expected, the Ontario Legislature changes the *Environmental Protection Act 1971* to allow the use of aluminum cans.

According to the studies conducted into the various aspects of the question by Arthur D. Little, SRI International, R.I.S. Limited and Resource Conservation Consultants, professionally run, source-separation recycling programs are feasible, given the high return on aluminum waste.

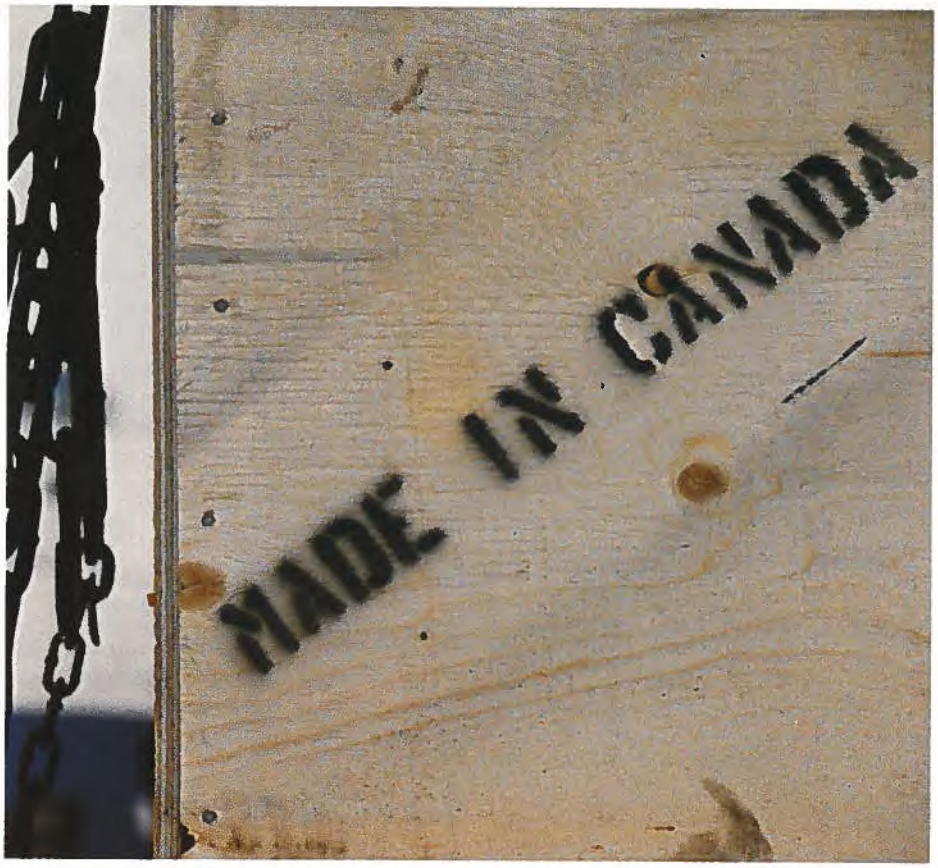
Conservative estimates predict that a six-fold increase in waste recycling would occur. And the extra output could be used to offset Ontario's reliance on imported waste. For example, one company alone, Ontario Paper, imports 300 000 tons of newsprint a year from the U.S. because of the high cost of current paper recycling in Ontario. At the same time, Ontario's glass industry imports some 100 000 tons of scrap glass annually because the province does not have a recovery system for non-returnable bottles.

Under the plan being brought forward by the Recycling Support Council, recycling operators (in approximately 30 centres throughout the province) would institute curbside pickup programs for cans, bottles, newspapers and other materials; drop-off centres in convenient locations; and buy-back programs in their yards for voluntary associations and members of the public who would like to be paid for their scrap.

It is estimated that an additional 290 000 tons of waste annually could be recycled. While prices for scrap materials are now at the bottom of the price cycle, the operation is viable and will remove this material from municipal dump sites, saving an estimated $2.3 million a year.

Considering the ecological concerns surrounding dump sites and escalating costs to municipalities, the plan seems like a sure winner.

The Export Challenge



Having a small domestic market, our prosperity depends on our ability to sell our goods on foreign markets.

Canada is one of the great trading nations of the world. Canada Export Trade Month, October 1983, celebrates exporting and exporters, the foundation and the lifeblood of our economy.

From the days of the early explorers and the fur trade, through the lumbering industry, the exploiting of our metals and minerals, grain and fisheries, right up to the present day when we have taken our place among the developed nations as a source not only of raw materials, but also of manufactured goods and sophisticated high technology, exports have built Canada.

Some two million Canadians — one in five of the labour market — work in areas directly or indirectly related to export trade. Thirty cents of every dollar of our Gross National Product (GNP), that is, Canada's total worth, comes from our exports. In other words there's a good chance that every single Canadian has a close connection through family or friend, with export trade.

Our exports pay for the things we import that our high standard of living expects — our morning orange juice, our fresh winter vegetables, our wool and cotton clothes — and as well, other things many Canadians think of as standard, like TV sets, cars and computers. On another level, exports also pay for the interest and dividends on foreign investment, for the deficit on tourism, for access to foreign technologies and for the borrowing which different levels of government use to finance our economic development.

In spite of the worldwide recession, Canada's exports were worth $14 billion more than its imports in 1982. That sounds like a large surplus but if you consider domestic production as a percentage of our GNP, it was a decline of three per cent from the 1981 level. Trade is like riding a bicycle: if you don't keep going forward, you're likely to fall off.

In today's competitive world Canada can't afford to fall off. Keeping forward momentum in trade, however, requires the best and most innovative efforts of industry, labour and government. The first quarter of 1983 has brought hope that the recession has bottomed out but sustainable recovery is not yet assured. Canadian policy recognizes the continuing threats to trade expansion — rugged competition in tight international markets, protectionism and aggressive foreign innovations in export marketing.

Mindful of the destructive protectionism of the 1930s, most countries, Canada among them, have resisted the worst pressures of protectionism. But in times of economic difficulty, governments are under strong pressure to protect domestic industry from the brunt of foreign competition by limiting imports, providing subsidies which distort international trade or by domestic content legislation.

Canada has always advocated a free trading system which is in our own best interests. Nevertheless, Canada along with other industrialized nations and developing nations, is concerned with producing new jobs and protecting old ones. It's a worldwide problem but anything that impairs the world trading system has a strong adverse effect on Canada with an economy so visibly dependent on export markets.

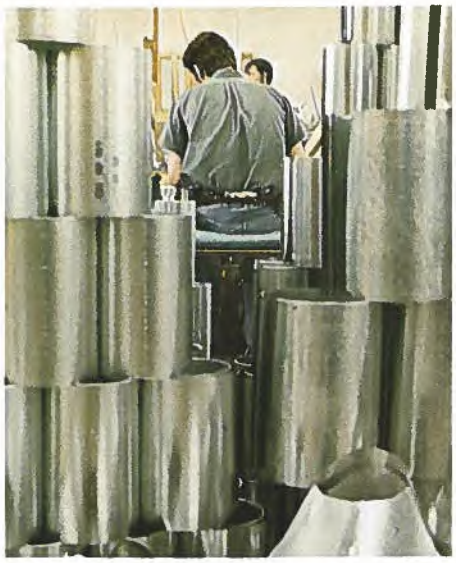
The challenge for Canada is to survive in the lean, tough international marketplace where all countries are hungry for customers and investment. Competition is fierce, particularly for Third World markets, some of which have been growing relatively more quickly.

An important aspect of Canadian trade has been the shift over the years from the export of raw resources to semi or fully manufactured goods, which now account for 70 per cent of our exports. In the narrower category of fully manufactured goods, the proportion has increased from nine per cent in 1961 to over 31 per cent in 1982, an increase of 12.6 per cent over the previous year. Since Canada has only a small domestic market and no preferred

access to a large regional trading block, our prosperity depends on our ability to sell our manufactured goods in many parts of the world and, more particularly, to our best customers, the U.S., Western Europe and Japan.

A related shift has come from a change of attitude by Canadian business. Successive rounds of trade negotiations such as the Tokyo rounds of the General Agreement on Tariffs and Trade (GATT) have sharply reduced the protections provided by Canadian tariffs. Canadian companies have made a serious effort to move into exporting and the ratio of both imports and exports to domestic manufacturing has been steadily increasing. Canadian businessmen have already made spectacular gains in exports to Hong Kong, the ASEAN countries and South Korea. As well, there are other potentially large markets among the Third World countries, even though some of these compete with us in the less sophisticated standard manufacturing areas.

It is apparent that once a Canadian businessman gets the export habit, he keeps it. Several thousand small Canadian companies are actively involved in exporting. Many originally did not have the resources or expertise, especially for assessment of potential markets or for developing customer relations. They took advantage of the federal and provincial assistance available and the



The work of about one fifth of the Canadian labour force is directly or indirectly related to export trade.

results have paid dividends for all Canadians. Success in exporting is usually due to enterprising management, which discovers a need not already met by other suppliers, and concentration on a relatively narrow range of products which permit long runs and lower unit costs.

Another angle of government assistance that is helpful to both large and small firms is in government-to-government deals. State trading companies are more and more common and some nations import only in this way. Many businesses have also found government and industry sponsored seminars on trade prospects in various parts of the world or in specific sectors useful in initiating or increasing export possibilities. Countertrade, the ancient but new again system of international barter which provides for payment in locally produced goods, is another area which requires innovative marketing techniques.

Research and development (R&D) are other key elements involved in meeting the challenge of the international trading world. This applies not only to domestic R&D but also to the intelligent buying of foreign R&D. The Japanese, for example, have been highly successful in adapting and refining foreign R&D. A University of Western Ontario study has identified higher R&D spending as the most important difference between exporting and non-exporting companies.

There are exciting opportunities for expanding Canadian exports to various regions such as the ASEAN and Pacific Rim countries and the Third World. In agriculture for instance, rapid population growth brings an increasing requirement for food proteins. Canada is already the world's leading fish exporter and 80 per cent of our catch goes abroad. The machinery and equipment industries are substantially internationalized but the 50 per cent of production which they export could be increased even further by restructuring for specialization. Job training, R&D and government purchasing programs have all assisted the high tech industry to compete at home and abroad.

Canada has come a long way from exporting beaver pelts to exporting Telidon but each in its own way has helped to build Canada. Canada Export Trade Month points out the critical role that trade plays in our daily life and recognizes the courage, patience and skill of Canadians who have accepted its challenge.

Export development means more jobs and more money for Canadians. And that's of interest to everybody — private sector companies, labour, small businesses, the oil industry, fishermen and farmers, industry/trade associations, educational institutions, service workers, the executive, federal and provincial governments — all of them dependent on our export trade. EXPORTS BUILD CANADA.

Canada's exports were worth $14 billion more than its imports in 1982.

The TRANSPORT 83 Subcontractors' Show

General Motors of Canada Ltd.'s exhibition stand.

The brand-new Palais des congrès welcomed exhibitors to the TRANSPORT 83 Subcontractor's Show held in Montreal on June 15 and 16. More than a thousand people visited the show on the first day to meet the representatives of the five participating companies — General Motors of Canada Ltd., Bombardier Inc., Kenworth, Prévost Car Inc. and American Motors Corporation. These companies, whose activities revolve around a common theme (the manufacturing of surface transport vehicles), had accepted the invitation of the Québec Department of Industry, Commerce and Tourism (DICT) to come and meet suppliers to inform them of the five exhibitors' requirements in automotive parts and components.

The show organizers had arranged everything for welcoming the visitors and promoting business relationships. The documentation was well presented and ardent information officers were busily plying the public with information.

The layout of the show was impressive. The five exhibitors did not stint on the quality of the stands which revealed a genuine concern for detail. Neatness and orderliness were apparent everywhere. Open areas facilitated friendly meetings and some exhibitors had offices, more discreet for discussing business. The products on display were more than impressive since the visitor was surrounded by Prévost coaches, Bombardier military trucks, GM and AMC cars and heavy Kenworth trucks.

The 83 Subcontractors' Show is a first in Québec. A similar show had already been held in Longueuil, but that event was on a smaller scale. The event at the Palais des congrès was really a show in reverse — that is to say, the large-scale manufacturers met with all the suppliers from regions or territories adjacent to their facilities to find new sources of supplies for the materials, equipment, parts and other services needed for their activities.

The DICT therefore carefully selected small and medium-sized businesses capable of manufacturing parts connected with the transport sector and invited them to the show.

But why resort to this "reverse show" formula to find new suppliers in the automotive parts sector?

As was explained by Mrs. Paulette Charbonneau, GM's public relations manageress for Québec and the Maritimes, small and medium-sized businesses do not always know how to set about contacting multinational corporations and are sometimes fearful of not being given enough attention. The DICT initiative is therefore appropriate because the large companies and the subcontractors derive mutual benefits from such a show.

Automobile manufacturers assemble vehicles but are unable to produce all the parts they need. To reduce the

cost-price of their product, they call upon subcontractors who specialize in making components such as spare parts, forgings, moulded parts and electrical and electronic parts, either of metal or plastic.

The DICT organized the Subcontractors' Show mainly in an effort to assist Québec suppliers wishing to diversify their activities. Still, everyone benefits from it since large firms in Québec, which obtain their supplies from the United States or elsewhere around the world, face many problems and have everything to gain by doing business at home through the services of Canadian subcontractors.

In this way, such firms can make substantial savings in a variety of ways. First, let's take transport costs. If it is necessary to import a part manufactured in California, its cost-price is far higher than the cost-price of a part produced a few kilometres from the plant. Also, there are better chances that delivery details will be respected if the supplier's facilities are close to the customer's plant. For example, if Bombardier receives a part manufactured in Vancouver that is defective, Bombardier engineers have to react immediately to prevent a slowdown in production on the assembly line at Valcourt. The mere fact that there is a time difference between Québec and British Columbia complicates the situation. They will have to wait an hour and a half before calling the Vancouver supplier. Then it will be necessary to have him fly in to discuss the nature of the problem, changes to be made to the part and delivery dates. Considerable savings in time and money would be possible if the supplier were from Montréal, Québec or some nearby city.

It is still too soon to speak of economic benefits for the Québec suppliers and the exhibitors from the Subcontractors' Show. However, the show was certainly conducive to worthwhile meetings between business people who will probably join forces after deciding on the kind of services required and the type of products in demand.

The exhibition stand of the Québec Department of Industry, Commerce and Tourism.

It is to the advantage of a large company to be acquainted with several suppliers for the production of a particular part. Keen competition cuts cost-prices and gives greater flexibility to the firm seeking superior quality and shorter delivery dates. In other words, with a choice of suppliers, a firm can be demanding and by that very fact improve the quality of its product. Lastly, manufacturers who call on the services of subcontractors reduce their financial burden by cutting back on the costs associated with purchasing machinery and equipment.

Not all of the many suppliers who attended the show were able to conclude business deals. According to the exhibitors interviewed the automotive parts sector is still undeveloped in Québec, unlike southern Ontario which has a well-established automotive industry. Suppliers from Ontario are very familiar with the mechanisms and procedures to be followed in becoming an accredited subcontractor. Québec suppliers are learning gradually, but they are just starting to get acquainted with the quality standards demanded by manufacturers and the terms and conditions appearing in contracts.

A small or medium-sized business which becomes a supplier for a multinational corporation can derive considerable benefit from its new line of business. Quality control, the least known factor in the stages of product manufacturing, is the key to the success of big business. Large companies therefore have everything to gain from sharing their knowledge in this area with their suppliers. After all, the manufacturer merely assembles parts, so if the parts he assembles are of poor quality, there is little chance of obtaining a good finished product.

The manufacturing of surface transport vehicles: an industry whose performance has been above the average for other manufacturers during the recent economic recession.

Competition between suppliers cuts costs, gives flexibility to manufacturers seeking quality, firm delivery dates

It is therefore essential for suppliers to introduce quality control measures in their plants. Many suppliers were surprised at the level of quality demanded by the exhibitors. The products displayed at the stands of the five participating companies were indicative of their pronounced concern for quality control.

Many information officers at the show were amazed at the naivety of some visitors who had never heard of the quality control concept. Being aware of this shortcoming among suppliers, Bombardier distributed its procedures manual on quality assurance free of charge to visitors interested in subcontracting. This document describes the evaluation, qualification, selection and control methods to be used by suppliers and subcontractors. It refers to industrial standards with which suppliers must comply under Canadian federal and provincial as well as American law. It also contains information on certificates of conformity, engineering specifications, plant inspection visits, the bidder's financial situation and quality control system observation and appraisal visits. The business has its own scoring system for evaluating the quality of the product manufactured by the supplier.

Furthermore, a supplier cannot become a subcontractor to a large firm unless that supplier has the requisite production capacity for meeting its customer's demand. It therefore has to offer its services to a customer whose demand is not greater than its capabilities. For example, a supplier of mouldings with a daily production of not more than 50 parts would hardly be able to secure a contract with a company requiring 500 parts a day for assembling its vehicles.

Suppliers must have the proper production capacity to meet their customers' demands both for quality and quantity

Exhibitors at the Subcontractors' Show presented all suppliers visiting their stands with a "manufacturer's identity card". Once completed by the supplier, this form tells the manufacturer whether or not there is any need to proceed further with efforts to obtain samples of the products manufactured by the subcontractor and subject them to destruction tests, quality analysis, etc.

Even if Québec does have some slight leeway to make up in the automotive parts manufacturing sector, there is no cause for discouragement.

Snowmobiles, LRC railcars and subway cars are just some of the vehicles manufactured by Bombardier Inc.

The Transport '83 Subcontractors' Show: a first in Quebec.

Subcontractors visiting the show who realized that they did not meet the manufacturers' requirements and that it would be impossible for them to tender for contracts were not left out. Several organizations represented at the show offered booklets containing information about educational establishments and training courses for workers in the sector. Information was also available from the Groupement québécois d'entreprises Inc. of the Centre de recherche industrielle du Québec (CRIQ), Sainte-Foy, and other organizations concerned with the needs of business people.

Other economic development associations offered business people information on the industrial zones in Montréal and neighbouring areas.

One of the organizations attending the show to provide suppliers with information on quality control methods was the Canadian Standards Association (CSA) which was offering documentation on its quality management registration program. This program is showing itself to be advantageous for manufacturers and suppliers whose customers require proof of the implementation of management systems based on control over product or service quality. A recognized quality management program helps maximize the firm's profits by lowering the number of parts discarded and by reducing the waste and complaints.

To conclude, it can be said that quality, which is a reflection of competence, was the order of the day at the Transport 83 Subcontractors' Show.

— by Pierre Simard
Canada Commerce

The Game of the Name

What's in a name? A company, its future and its image.

ABC Dial Inc., a Toronto-based company, has aided thousands of businesses in researching and deciding on an original name that will best identify that company or product to its own potential customers.

The game of the name is serious business. Fifty per cent of company and product names are almost identical or confusing. With more than a million new names registered *each year* in North America, the problem grows.

The businessman selecting a new name should ask himself the following questions:

- Will the name be unique and distinctive?
- Will the name expand as the business grows?
- Will the name be protected — now and in the future?
- Will the name be similar to companies in other jurisdictions?

ABC Dial's computerized communications network and extensive resource facilities make finding the right name today a simpler process than the manual system used before 1979. ABC Dial's president, Naseem Javed, stresses that "a distinctive name and well protected identity is the best competitive and legal defense in the marketplace today".

In choosing the right name for its clients across North America, ABC Dial reviews a list of potential names constructed by the client and runs it through its resource files (several computerized and manual data bases containing millions of names) to obtain a short list of available names. After research is concluded and final names selected, the client goes to trademark and legal counsel to protect the name.

In 1969, the Government of Canada made a progressive decision by appointing Dr. David Blaxell to design and implement a sophisticated computerized name search program to speed corporate name searching and to reduce the risks of error inherent in the manual search process.

There are at present at least three to five million companies and brand name registrations in Canada

Former Minister of Consumer and Corporate Affairs André Ouellet reported great praise for the automated name search system and he had inquiries from two countries expressing serious interest in using the system. A leading trademark lawyer in North America, Francis Campbell of Thomson & Thomson, stresses that "the computerization of data bases which could assist and economize the name availability decision is the way of the future".

Nevertheless, computerized name searches for an available name are only one answer to this growing problem. Highly experienced and specialized staff with a knowledge of the marketplace and an understanding of the client's needs, are required to assess, analyze and interpret the assembled information before passing it on to trademark agents and lawyers.

Federal, Ontario and Manitoba incorporations require a four-page printout, so-called NUANS, which is a quick basic search for name availability. Other Canadian jurisdictions could legislate the same minimum requirement over the next few years. Javed estimates that with at least three to five million companies and brand name registrations in Canada, the computerized name search system and in-depth analysis of name related problems will become an important issue.

In the past, many companies named themselves and their products after individuals, which tended to imply that the person's reputation stood behind the product. Today, that philosophy does not carry the same weight. More and more companies are adopting high tech sounding names like EXXON, TELIDON, or AABEX to compete in the international marketplace.

Every day, major corporations are changing their names for reasons of market adjustments, mergers and acquisitions or when their own names are felt to be too cumbersome such as International Business Machines (now known as IBM) or Canadian Industries Limited (CIL). Names might become too narrow in connotation, for example, Minnesota, Mining and Manufacturing which changed to 3M.

ABC Dial has prepared guideline literature on "what's in a name" for the corporate and legal profession. Over the years ABC Dial has solved hundreds of name problems for its clients across North America. In choosing the right name for a company, it is worthwhile to first consider the following checklist of common name problems:

- Avoid names using highly diluted and overused words. Many high tech words are very overused such as "micro", "data", "info" or "tech".
- Names in use today may not be available for extended jurisdiction when company and product distribution grows. It cost Goodyear Tires $6.5 million to learn that "Big Foot" tires were already being sold by a company in Ohio.
- Names are often picked for personal reasons instead of business reasons.
- Names that are descriptive only are not easily remembered; only the type of business and not the product is remembered, for instance, Standard Memories Trendata.
- Names that are geographic like "Northern" or "Western" tell potential customers that your company or product has a limited range of distribution — even if it does not.
- Names that are difficult or confusing are quickly forgotten.

"The new incorporation trend will stay on the rise, as more and more new businesses are coming on stream," Javed predicts. "The high cost of launching new names should be a protectable investment."

Success begins with a name on the door — a unique and distinct name that will survive in the marketplace. ◘

For further information, contact:
ABC Dial Inc.
545 Yonge Street
Toronto, Ontario
M4Y 1Y5

New Wall System Stands Tall

The National Concrete Accessories Warehouse in Calgary, Alberta, is an example of Mod-Lok exterior wall.

In these days of escalating energy and labour costs, a Vancouver company has come up with an insulated metal concrete wall system guaranteed to meet the demand for an energy efficient and economical exterior building material.

Mod-Lok Industries Ltd., developer, manufacturer and licensor of the Mod-Lok Wall System, recently received an incentive of $112 630 under the federal Enterprise Development Program (EDP) which enabled the company to test, analyze and redevelop the wall system. The company's general manager, Morgan Sturdy, explains how Mod-Lok has gained acceptance in the construction field.

"We did not have adequate engineering and design information and it was causing us problems in marketing domestically and internationally because people were reluctant to try a new product without the proven test results. The EDP grant allowed us to do a very detailed and elaborate engineering analysis of the performance of our wall system and to overcome the problem.

"Mod-Lok is now gaining acceptance in the construction field where new products are accepted only after conclusive evidence of performance." The wall system also won first prize in a North American Design competition for an innovative use of pre-coated steel which has made major inroads in industry due to its cost saving and energy conserving properties.

Company officials have just returned from a highly successful marketing trip to Europe where Phenix Works, a major Belgium steel producer, has signed a licensing agreement for manufacturing and marketing in the European Economic Community. In the Scandinavian countries, Lovenskiold-Vaekero operates as a licensee and is currently manufacturing and distributing to the do-it-yourself market.

The Mod-Lok Wall System is now marketed in 22 countries under licence and new international licensing opportunities are being pursued on a continual basis.

What's Unique About a Mod-Lok Wall?

"The Wall System, which is internationally patented, is simple to work with and that is one of the benefits," says Sturdy. Mod-Lok uses 'off-the shelf' components. There are no miracle ingredients. The use of steel as formwork for the concrete is also innovative, and the steel panels interlock, allowing rigid board insulation to be slipped between the inner and outer wall for high energy efficiency. A 25 cm (10 in.) Mod-Lok Wall has a heat resistance factor or R-value of R18, which can lower air conditioning and heating costs by up to one third compared with masonry construction.

Individual panels in a Mod-Lok wall weigh only 0.6 kg (1.33 lb.) each so no heavy lifting is required and workers' fatigue is reduced. The standard finish of the walls is a factory baked on enamel available in seven colours, which is durable and makes Mod-Lok walls virtually maintenance free.

The Mod-Lok panels are also available in stainless steel which have been used very successfully in the food processing industry. Stainless steel provides a durable finish which satisfies cleanliness and ease of washing characteristics required in food processing.

The Mod-Lok panels have also been produced in brass and copper where an architectural finish is required.

The single-storey warehouse building market currently uses concrete blocks for 25 per cent of its construction needs and metal buildings for 50 per cent. This is one of the markets that offers excellent opportunities for the Mod-Lok Wall System.

Sturdy sees Mod-Lok as a viable alternative to existing metal building construction methods. His company will be awarding further Mod-Lok franchises to well-established locally owned and managed companies.

However, Sturdy notes, "the various applications for Mod-Lok internationally can vary on a country-by-country basis depending on local construction practices, etc. One of the particularly exciting aspects of Mod-Lok is that new market opportunities are being discovered continually."

Mod-Lok was able to develop its product and improve its competitive market standing with Enterprise Development Program (EDP) assistance. Now a part of the new Industrial and Regional Development Program (IRDP) of the federal Department of Industry, Trade and Commerce and Regional Economic Expansion, under its new guise EDP also has components for helping manufacturing and processing industries increase profitability and competitiveness by sharing the costs of improved product design, qualified consultant's studies and by offering loan insurance to viable firms.

For further information, contact:
Mod-Lok Industries Ltd.
8515 Cambie Street
Vancouver, British Columbia
V6P 3J9
Tel: (604) 324-9779

Regional Offices

The Department of Industry, Trade and Commerce and Regional Economic Expansion maintains a Regional Office in each province for your convenience:

Newfoundland
Parsons Building
90 O'Leary Ave.
P.O. Box 8950
St. John's, Newfoundland
A1B 3R9
Tel.: (709) 772-4884

Prince Edward Island
Confederation Court Mall
134 Kent Street
P.O. Box 1115
Charlottetown, P.E.I.
C1A 7M8
Tel.: (902) 566-7400

Nova Scotia
P.O. Box 1320
Queen Square 11th Floor
45 Alderney Drive
Dartmouth, Nova Scotia
B2Y 4B9
Tel.: (902) 426-2018

New Brunswick
Assumption Place
770 Main Street
P.O. Box 1210
Moncton, New Brunswick
E1C 8P9
Tel.: (506) 388-6400

Québec
Tour de la Bourse
800, place Victoria, Suite 3709
C.P. 247
Montréal, Québec
H4Z 1E8
Tel.: (514) 283-7907

Ontario
1 First Canadian Place
Suite 4840
P.O. Box 98
Toronto, Ontario
M5X 1B1
Tel.: (416) 369-4941

Manitoba
400-3 Lakeview Square
185 Carlton Street
P.O. Box 981
Winnipeg, Manitoba
R3C 2V2
Tel.: (204) 949-4090

Saskatchewan
Bessborough Tower
601 Spadina Crescent East
8th Floor
Saskatoon, Saskatchewan
S7K 3G8
Tel.: (306) 665-4400

Alberta
Cornerpoint Building
10179 - 105th Street
Suite 505
Edmonton, Alberta
T5J 3S3
Tel.: (403) 420-2944

British Columbia
Room 1101
Bentall Centre, Tower Four
1055 Dunsmuir St.
P.O. Box 49178
Bentall Postal Station
Vancouver, British Columbia
V7X 1K8
Tel.: (604) 666-1434

Northwest Territories
P.O. Bag 6100
Yellowknife,
Northwest Territories
X1A 1C0
Tel: (403) 873-6227

Yukon
301-108 Lambert Street
Whitehorse, Yukon
Y1A 1Z2
Tel: (403) 668-4655

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

Canada Post Postage paid / Postes Canada Port payé
Bulk third class / En nombre troisième classe
K1A 0H5
OTTAWA

Government of Canada / Gouvernement du Canada

Industry, Trade and Commerce / Industrie et Commerce

and Regional Economic Expansion / et Expansion économique régionale

Canada