



Seminar Explores EC'92 Marketing Opportunities

Upwards of 140 industry and government-related participants attended a one day Wood Products Seminar held at the Hotel Beauséjour on October 17.

Initiated and co-funded by the Department of External Affairs and Commerce and Technology, interested parties attended from all parts of Eastern Canada, and both the French and English Trade Consulates, to explore the impact of EC'92.

As a direct result of the conference, three New Brunswick companies travelled to Europe on a mission to explore the wood products market. Plancher Heritage Ltée, Cedre Restigouche Ltée and Taylor Wood Products recently visited Germany to identify opportunities Atlantic Canadian companies might pursue. The visit was organized by the company Dimter GmbH, a major German manufacturer of woodworking equipment and a leading supplier of finger jointing technology.

As well, ISTC has been asked by the Maritime Lumber Bureau to organize a mission to Brussels, Belgium in February 1991 to explore wooden building supply opportunities and meet with buyers or agents of the Benelux countries.

Attendees at the one-day conference were told that a huge market will open when the European economic union takes place in 1992 but the Maritime lumber industry will have to change its ways if it is going to reap the benefits.

According to Stephen Crabbe, president of St. Stephen Fence of St.



A number of seminar participants visited the J. D. Irving Seed Orchard in Parkingsdale, N. B. Shown above, from left to right, are Guy André Gellinas, ISTC - N. B.; William Stolz, Atlanta DEA; Hart Kuntz, J. D. Irving; John Lang, Ottawa DEA; Natalie Cornell, Chicago DEA; Peter Ethridge, J. D. Irving; and Curtis Copeland, Canadian High Commission, DEA, London, England.

Stephen, "Local lumbermen who continue to be bulk producers of commodity products in an age of secondary manufacturing must change if they are to take market advantage of the 329 million European population. If it does not change, things could look bleak for the local industry."

Dieter Harlsch, sales director of the Germany-based Dimter GmbH, agreed with Crabbe's assessment. He said that great opportunities have been created by the European economic union and the opening of Eastern Europe, but Canadians will have to supply specialized wood

products, like doors and window frames, if they want to take advantage of the market.

Maritime lumbermen will have to make large investments in order to be able to produce these specialized wood products but the opportunities created will make the investment worthwhile, Harlsch told the audience.

"There will be tremendous opportunities because of our logistics to the market. If the investments are there, and if we change our forest practices to get the best end-use of our raw materials, yes, the returns are definitely there. But we have to move now."

Tourism - New Component of BOSS

The Business Opportunities Sourcing System has a new component.

Tourism was added to the program last Spring as a follow-up to government being made aware of the interest of Canadian tourism operators in becoming a part of the system.

The purpose of Boss-Tourism is to help the Canadian tourism industry grow and prosper to its maximum potential and to become the most complete and reliable source of information and ideas for the travel industry and the travel media. Boss-Tourism will be the primary source of information consulted on export-ready Canadian tourism products and services.

During the past summer, over 100 applications to register with the on-line computer system were mailed to tourism-related operations throughout New Brunswick. Operators were made aware of the benefits of the free of charge program - new exposure and promotion around the world, new business and new contacts. A comprehensive list is expected to be completed early in the new year.

An example of the criteria Canadian suppliers will be obliged to meet to be listed in BOSS-Tourism is: to offer a saleable product or service to the consumer and a commissionable or net rate structure to the travel trade (wholesaler, packager or travel agent); to offer products or services which are packageable components of a tour itinerary (existing or actively planned) packaged for international groups or Foreign Independent Travel by the travel trade or travel influencers (i.e. ski clubs, recreational associations); to be able to demonstrate that the international calibre product is saleable in the appropriate market and with a rate structure that confirms with appropriate travel industry requirements.

Boss-Tourism is especially beneficial to some smaller, lesser-known tourism facilities. Such operations may be unable to commit large marketing budgets to the U. S. or overseas markets but do meet the product demands of Canada's international clientele.

The Business Opportunities Sourcing System is a computerized data bank

that profiles over 25,000 Canadian companies. It lists basic information on products, services and operations that is useful to potential customers. The system was established in 1980 by Industry, Science and Technology Canada in co-operation with participating provincial governments. For more information on BOSS Tourism, contact the regional office of I S T C in Moncton at (506) 851-6455.

Fish & Seafood Trends and Outlook 2000 Conference

A two-day seminar that will cater to the N. B., P. E. I. and N. S. fish and seafood industry is now in the planning stage. The event, to be held in Moncton, is scheduled for Feb. 27 and 28, will

focus on opportunities for increased production of products that meet market needs rather than only what is currently being produced.

Spearheaded by I S T C - New Brunswick/PEI, in consultation with industry, the seminar will be co-sponsored by various Provincial and Federal departments and agencies.

Key industry speakers from around the world will address topics like market trends, specific product opportunities, packaging, distribution systems, market niches, options open to smaller companies to access market opportunities (i.e. direct exports, contract production, joint ventures). As well, product development and new technologies in production and processing will be discussed.

Final agenda and topics will be determined with the participation of
(continued on page 4)



Thomas Equipment Ltd. was recently presented with a Certificate of Merit for the Manufacturing Visits Program. From left to right are Claude Dube, Vice-President of Engineering; Brian Giberson, Manager of Production Planning; Yvon A. Lavallée, Executive Director, Industry, Science and Technology Canada; Alan Vail, Manager, Manufacturing; Horst Mattern, Executive President and Gordon MacLennan, Senior Sector Development Officer, Industry, Science and Technology Canada. The Manufacturing Visits Program is sponsored by I S T C and arranges for a number of Canadian companies, that have successfully demonstrated leadership through the successful adoption of new manufacturing technologies, to host structured visits for non-competing manufacturers considering the option of these technologies. By direct contact with the individuals who have specified, installed, and today operate the new equipment or processes, visitors are able to get an unbiased view of the benefits and costs they will experience as they start a process of technological change. The Manufacturing Visits Program also gives executives and managers the opportunity to create networks with individuals who face similar technical challenges to themselves. The success of the Manufacturing Visits Program rests on its ability to attract leading companies to act as hosts, and the interest it can create to attract decision makers with the authority to act on what they see as visitors. The program acts as an intermediary between the host and visitor.

Supplier Development Service Created

Business in Atlantic Canada in the 1990s is facing a new decade of challenge. Free trade, international competition, growing complexity and the need for new markets are changing the business environment.

To help New Brunswick and neighboring Atlantic Provinces respond to these challenges, Atlantic Canada Plus, with the co-operation and support of the Atlantic Canada Opportunities Agency and the four Atlantic Provinces, has recently launched the new Supplier Development Service.

To this end, as well, Industry, Science and Technology Canada has been contributing to the success of the program by working with the SDS on a number of conferences. In the past six months, industrial technological events, such as "Moving Through the 90's" in Saint John, "Technologies Opportunities Showcase" in Moncton and "Looking Toward the Future" in Campbellton, have been lending favorable support to the service.

Available only in Atlantic Canada, SDS will help companies in the region increase their operations by competing more effectively for government purchasing contracts through a more simplified tendering procurement process at regional, national and international levels.

Despite resident capabilities to respond to government contracting opportunities, Atlantic Canadian companies have been capturing only a small portion of the more than \$6 million in goods and services purchased through government departments each year. Noting that when procurement dollars leak out of the region so do jobs and related economic benefits, Atlantic Canada Plus, with the encouragement of ACOA, created the business option—the Supplier Development Service.

The SDS concept is based on the firm belief that Atlantic Canadian businesses are quality and price competitive. However, surveys indicated that many companies feel ill-equipped to handle the complexities of the public-tendering process and needed a mechanism to provide them with the

means of expanding into the procurement field without having to increase "in-house" expertise and related costs. On the other hand, while businesses in the region have had problems accessing the procurement process, it is also true that government purchasing agents have had difficulties in reaching out to those suppliers. By bringing the private and public sectors into closer communication, the Supplier Development Service should facilitate the process of doing business together.

Subscribers to the SDS will benefit from the following services:

- "One-Stop" registration to multiple purchasing agencies: working with an SDS representative, companies will be able to register with a number of public sector agencies at once.

- Simplified and efficient "Bid-Matching": SDS gathers and sorts complex tendering information, matching it to the capabilities of client suppliers.

- Target Marketing Analysis: SDS staff will assist client companies in identifying exactly what types of procurement represent real opportunities and

provide advice on how best to pursue them.

- Advocacy: Atlantic Canada House, the Ottawa-based arm of the Supplier Development Service, will provide improved access for regional companies wishing to supply goods and services to public and private tendering agencies in Atlantic Canada, Ottawa and elsewhere.

While the annual subscription rate is currently \$1500, funding by ACOA has enabled SDS to subsidize subscription costs with a \$300 fee for the first 12 months of service. This includes registration with three purchasing agencies, unlimited general and tender opportunity bulletins and a market analysis report to assist in choosing agencies with whom to register. As well, should changes in client capabilities occur throughout the year, SDS insures that agency registrations are kept up-to-date.

Client inquiries should be addressed to Jim McLean, Manager, New Brunswick Supplier Development Service, 57 King St., Saint John, N. B. E2L 1G5, telephone 658-6086, fax 658-1156.



Officiating at the ribbon-cutting ceremony during the opening of the Supplier Development Service in Saint John are, left to right, Mayor Elsie Wayne of Saint John; Peter LeSaux, president, Atlantic Canada Opportunities Agency; James Anderson, Chairman of Atlantic Canada Plus Association; The Hon. Shirley Dysart, Minister of Education; and James McLean, Manager of the Supplier Development Service.

What Is Integrated Logistics Management?

The Canadian Association of Logistics Management (CALM) sponsored a research project recently in the Atlantic Provinces aimed at determining the logistical strengths and weaknesses of firms in the region and identifying the major areas requiring improvement and professional training.

Recognizing its significance to the area, a substantial portion of the extensive study was funded by the Atlantic Canada Opportunities Agency.

The distribution of products to market has traditionally been a major consideration for Atlantic Canadian companies because of the regional population density and distance from markets. While the significance of transportation has not diminished, the need has evolved for a new focus on the activities and costs associated with distributing products. The inter-related activities involved in supporting the marketing goals of a company through product distribution have become recognized as logistics. Integrated logistics involves production planning, order processing, materials management, warehousing and storage, inventory management, transportation, purchasing and customer service.

The Objectives:

The survey, which was focused on small and medium-sized enterprises, had, as its objective, to identify the following: organizational status of logistics within the companies; most significant changes over the last five to ten years that have seriously impacted upon distribution/logistics systems; most significant trends over the next three to five years that will significantly impact upon distribution/logistics systems; the current level of computerization within logistics functions and potential areas for advances in technology/automation; industry perspective regarding current and future legislation relative to logistics and its inherent impact upon regional development; areas where training is needed in order to cope with changes; and potential for increased membership in CALM to further advance training and development in the management of logistics.

The Approach:

Given the dynamics of today's business environment, it was assumed an overwhelming response would be made to the survey. However, this was not the case. The request was mailed to 1,973 CEOs with only 44 companies responding. Therefore, in order to obtain a more suitable response rate, an additional 282 companies were selected to participate.

In attempting to assess why the response rate was so low, it was felt the term "logistics" was a "new word" that people were not familiar with. It was also felt that there is a continuing lack of appreciation of the real value of the logistics function in many companies.

Organizational Structure:

Generally businesses in Atlantic Canada are organized to manage only the distribution and transportation activities under one corporate function. There are dispersed responsibilities across a variety of departments for various logistics functions. It is recognized that the solutions of the past will not adequately address the problems of the future as the year 2000 approaches.

Impacting Issues:

Issues such as deregulation of the transportation industry, the Canada/US Free Trade Agreement, rail line abandonment, taxation of transportation services, and the economy as the number one concern, are presenting the Atlantic Provinces with the most significant challenge seen in distribution in a long while. It is felt that the companies that prosper in the 1990s will be those that have taken steps to ensure that integrated logistics is essential to the strategic decisions of the company.

Training:

Every company interviewed in the survey felt that professional management training was required at all levels, in all departments. In all logistical functional areas. The graph highlights the degree to which it was felt the various departments required some form of training. The type of training required varied depending on the size and type of company. However, the majority indicated they would welcome a course

that dealt with "customer service excellence". The topic that ranked second dealt with "forecasting customer demand" to accurately position inventories in the marketplace to meet these demands.

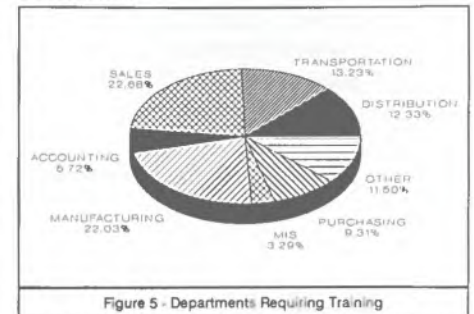


Figure 5 - Departments Requiring Training

Conclusion:

It has been said the 1960s was the decade when marketing was the key to competitive success. In the 1970s, it was productivity. In the 1980s, quality. And in the 1990s, it is felt the key will be service. All functions under the logistics umbrella are dedicated to, and designed for, the effective delivery of customer service. Results of the survey have clearly indicated that a great deal of management awareness and professional training must take place immediately if companies are to effectively prepare for the future. Results also point to the fact that companies are looking for training that will help them improve their operations, thus enhancing customer service and increasing profits.

Note: Under the sponsorship of CALM, a series of roundtables and workshop seminars are being set up across the Region in a concentrated effort to heighten the awareness of logistics management. New Brunswick is represented by two Roundtable Co-ordinators who can be reached at the following numbers: Terry Shears, Saint John, 633-4444 and Peter Tye, Moncton, 387-4705.

Trends

(continued from page 2)

industry and tailored to their specific needs. The seminar is recognized as an important step in providing the type of environmental support needed to encourage more companies to develop viable products and improve their ability to be more market responsive.

First NEBS Tourism Mission

The first NEBS tourism mission to the New England States took place in early November. The purpose of the mission was to introduce a group of 22 Maritime country inn operators to the fundamentals of marketing their product in New England.

The group was comprised of eight operators from New Brunswick, nine from Nova Scotia and five from Prince Edward Island and gave the participants a chance to see a competitor "in action" and learn what types of products and experiences attract customers to these facilities.

New Exporters to Border States (NEBS) is a program sponsored jointly by the federal departments of External Affairs and International Trade Canada in conjunction with the Canadian Consulate in Boston, Massachusetts. I S T C Moncton co-ordinated the mission.

Meetings were held at the Ralph Waldo Emerson Inn, Rockport, Mass. Guest speakers included representatives from Brian Moore International Tours, Vermont Hiking Tours, The Boston Globe, Yankee Publishing Inc., The Independent Innkeepers Association, AAA South Central New England, The Boston Herald and Captain Lord Mansion.

As a sidearm to the mission, and to provide the widest coverage of facilities, five groups were formed to visit establishments in Maine, New Hampshire, Vermont, Massachusetts and Connecticut/Rhode Island. Different types of inns were visited such as small or large inns, some in rural areas and others in or near urban centers, inns by the sea or inland. The last evening of the trip was spent with each group sharing its experiences and findings.

Preliminary results indicate that the mission was a success and the operators came back better informed about the potential of the New England market and with a wide variety of ideas to improve their product and packages.

N. B. Technology Partners' Forum Holds Meeting

The 7th meeting of the New Brunswick Technology Partners' Forum was held in November, chaired by I S T C - New Brunswick.



Participating in a familiarization tour subsequent to the NEBS Tourism Mission were, left to right, Jacques Duval, Canadian Consulate-Boston; Mary Tingley, Florentine Manor, Harvey, N. B.; Sheelah Wagener, Cornish Corner Inn, Stanley, N. B.; Gordon Phillips, Economic Planning Group of Canada; Marie Boulay, Auberge Le Héron, New Mills, N. B.; André Lord, I S T C - N. B.; Mary Blakely, Marshlands Inn, Sackville, N. B.; John Blakely, Marshlands Inn, Sackville, N. B.; Pam Vincent, Parkhouse Inn, Saint John, N. B.; Ross Mavis, Clifton Royal, N. B.; and Marilyn Jackson, Quaco Inn, St. Martins, N. B.

The Forum, which meets three or four times a year, is made up of 11 member organizations, in addition to I S T C. Other members include three New Brunswick universities (Mount Allison, Université de Moncton and University of New Brunswick), the Provincial Government (represented by the N. B. Research and Productivity Council and the Department of Commerce and Technology), various technology development/innovation centres (namely Incutech, Innovation Centre New Brunswick, and MTC/CADMI), and other federal players such as the National Research Council, ACOA and Communications Canada.

Forum members are all involved in various ways in the development, transfer or acquisition of technology.

Objectives of the Forum are: to enhance linkages amongst government, universities and industry, to promote the exchange of information and experience of the members, to interact with others involved in enhancing the effectiveness of technology-based development, and to provide a forum for the identification of opportunities to enhance New Brunswick's competitiveness.

Welcome CIDA in Atlantic Canada!

The I S T C office in Moncton has a new resident.

Tony Noel, Business Advisor for the Canadian International Development Agency (CIDA), has recently opened an office at 770 Main Street. Tony will act as a liaison between Atlantic Canada consultants, the business community in general, and the national CIDA office in Hull, Quebec.

His responsibility will be to identify and foster new business partnerships for development in the developing countries. He will also be responsible to explain CIDA's policies, programs and projects along with providing business information on other development agencies such as the World Bank, Inter-American Bank, etc.

An other interesting aspect of this new service, promoted by the I S T C office, is that you can obtain, locally, information on how to do business with CIDA. Registration with CIDA can also be done through the local office by contacting Tony Noel at 851-6449.

Trade Shows & Buyers' Missions

Information on the following initiatives of External Affairs and International Trade Canada may be obtained by calling (506) 861-6452 or Zenith 1-800-332-3801.

Agriculture, Food Products and Services

SIA-Int'l Agric. Fair	Paris, France	March
Verona Fair	Verona, Italy	March
Foodex 91	Tokyo, Japan	March

Looking for Trade and Industrial Shows relevant to your firm other than those listed above? The I S T C office has a DIRECTORY OF WORLD-WIDE AND INDUSTRIAL SHOWS, with Indexes by Subject Areas and by Countries. Telephone (506) 851-6452 or Zenith 1-800-332-3801 to access this information.

Calendar of Events

Date	Event	Location	Sponsoring Organization	Contact
Feb. 17-19	T I A C Annual Conf.	Halifax	Tourism Canada	A. Lord 851-6455
Feb. 27-28	Fish & Seafood Trends & Outlook 2000	Moncton	I S T C	R. Leger 851-6461
Feb. 28	Atl. Tourism Outlook Conf.	Halifax	Tourism Canada	A. Lord 851-6455
February	Trade Mission Wood Products	Brussels/ The Hague	I S T C/DEA	W. Torunski 851-6472
Mar. 5-7	NEBS Mission Environ. Serv.	Boston	I S T C/DEA	E. Anderson 851-6460
Mar. 8	Tech. Partners Forum	Moncton	I S T C	V. Landry 851-6421

I S T C New Brunswick

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Publications Corner

The following publications are available from the I S T C Business Service Centre in Moncton. Drop in or call 1-506-857-I S T C.

- Market Opportunities for Canada's Environmental Protection Industry
- Profile of the Chicago Post Territory - Canadian Consulate General, Chicago
- A Prospectus on Success:
 - a) The Computer Software, Systems and Services Industry in Canada
 - b) The Instrumentation Industry in Canada
 - c) The Computer Industry in Canada
- Canada 1990 - An International Business Comparison
- The Directory of Canadian Business in Japan
- Power Supplies Connectors Assembly - A Capability Guide 1990
- Greenland: An Introduction to the Market
- Export Opportunities in Japan - The Packaging Equipment Market
- Exporting to the United States - A Canadian Business Guide (French & English)
- 1989-90 Strategic Overview of Science and Technology Activities in the Federal Government
- Guide des affaires en Asie du Sud - 1990/91
- Extending the Network - The Science and Technology Mechanisms and Programs of External Affairs and International Trade Canada

Made in New Brunswick

Companies wishing to take advantage of this feature may do so without charge simply by sending sufficient material on product or service of no more than 50 words and a glossy black and white photograph to "Made in New Brunswick", *ISTC New Brunswick Newsletter, Industry, Science and Technology Canada, P.O. Box 1210, Moncton, New Brunswick, E1C 8P9. As the newsletter is produced in both official languages, please send material in English and French if it is available.*

Morgan Diaper Service



Morgan Diaper Services is a young New Brunswick company in St. Andrews that designs and manufactures environmentally friendly reusable cloth diapers for infants and a wide line of incontinence care products for adults.

Owner of the company, Sandy Morgan, began research two years

ago into the idea after hearing rumblings of consumers, interest groups and government demanding these products that weren't readily available.

Morgan herself does the design and marketing and sewing is contracted out to a company in St. Stephen. Although domestic products are manufactured, the majority of their market is institutional.

The company was invited to take part in Canada Day celebrations this past July, being honored as one of Canada's "important inventors". Morgan Diaper Services was also the first company in Atlantic Canada to

be licensed to use Environment Canada's EcoLogo (seen at left). This symbol is the consumer's assurance that the product, its packaging and entire manufacturing process, is environmentally friendly and will withstand at least 75 washes.

The company has recently turned its attention to the United States market, taking advantage of the federal government's "New Exporters to Border States" program. "This program, along with a great deal of research, and attending trade shows, will help our company develop foreign markets", says Morgan.

Clark Wood Products

Clark Wood Products, Woodstock, N. B. is a family owned and operated business that builds waterbeds, bedroom suites, wall units, interior doors, cabinet doors and kitchen cabinets.

The company was established in 1983 by Cecil and Penny Clark in a small factory of only 1200 square feet. In 1985, when a showroom was

added, the company was into retail only but the Clarks manufactured everything themselves. However, a new factory of 12,000 square feet was added in 1988 when the decision was made to wholesale their products, which were becoming in high demand. At present, Clark Wood Products employs six full-time people and takes great pride in their crafts-

manship, standing behind their products 100 per cent.

The company currently supplies case goods to 19 stores across the Maritimes and one in Ontario. As well, they supply two hardware stores with their interior doors and well as retailing to the public. At present, they are contemplating exporting a line of their products to the U. S. A.



In 1984, Sterling Industries Ltd. was started in a 2400 square foot building in the Newcastle Industrial Park, by owner Gerald Tozer.

Now, only 6 years later, the company has grown to 10 full-time employees and expanded to 14,000 square feet.

Sterling Industries Ltd. manufactures 10 different models of trailers, from 1000 to 20,000 pound capacity, for a

variety of uses in the recreation and construction industry. It also produces bleachers and levelers for ball parks, park equipment such as benches, bicycle racks, garbage containers as well as soil conditioners. Besides this, the company is involved in mechanical repairs and service work in the Miramichi region. Small metal products and miscellaneous metal fabrication are a regular part of the

company's daily routine.

Now actively working to establish a dealer network in Atlantic Canada for its varied product line, Sterling Industries plans to expand into New England by the spring of 1991.

However, According to Gerald Tozer, "The goal of Sterling Industries Ltd. is to continue to expand our product line and promote ourselves in our own Atlantic Provinces first".