

# BUSINESS

Editor: Ronald Nowell

## Trade office provides entrée to huge market

By Gwen Dambrowsky

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LOS ANGELES — Pssst, hey buddy. Got a product to sell in California? Wanna make potential buyers think you're a bigwig? With L.A. office and receptionist?

Boy, does the Alberta government have a deal for you — rent-free digs, complimentary telephone, use of the photocopier and coffee machine. Plus their secretary will answer your calls.

"For Alberta businessmen, it's an office away from home for a few days," says Ron Liepert, the province's trade director in Los Angeles. Four provinces — Alberta, Ontario, Quebec and British Columbia — have set up branch outlets, so to speak, in Los Angeles to help Canadians export goods and services to California. The Canadian Consulate also has a federal trade division.

While each office's programs and goals vary, all are basically matchmakers trying to introduce Canadians with marketable products to Californians who might be interested in buying.

"For instance, a Canadian manufacturer of aerospace components may be seeking to sell to some of the prime contractors here in Southern California," explains Susan MacDonald of Ontario's Department of Industry, Trade and Technology.

On the other hand, Liepert usually deals with smaller Alberta businesses looking to export to California for the first time.

"They may have already done some trading in the Pacific Northwest and now

they're ready to try California," he says. "So they jump on an airplane ... and say, 'Jeez, now what do I do?' So, we hold their hands and lead them around a little bit."

The trick is in sorting out likely buyers. Liepert says he relies in part on contacts he's made, in part on references from other government or private agencies, but mostly on a large number of directories listing sales representatives and distributors for virtually every company in the region.

Figuring out the return on the provinces' investment is difficult. It costs the Ontario government about \$800,000 annually to maintain its operation, including a tourism department, in downtown Los Angeles. MacDonald says there is no way to put a dollar figure on how much trade her office has facilitated.

"Overall statistics are very misleading for a number of reasons," she says. "Even (federal officials in) the United States and Canada cannot determine ultimate destination of goods once they've cleared the border."

Liepert adds that once the Canadian exporter is introduced to the American buyer, he often never finds out if the sales pitch culminates in a deal.

The other, and more difficult, side of the equation is persuading California businessmen to invest in Canada.

MacDonald is vigorous but realistic.

"The Canadian market itself is not the reason a bottom-line-conscious company is going to make a decision to invest," she says. "The bulk of our investment activity

is not to get a fellow to open up a plant. We are working to encourage partnerships between Ontario and California companies for the licensing of their items in either direction.

"Licences, joint ventures, technology transfers — these kinds of strategic partnerships are very much the way to go."

For Alberta, though, investment is a much lower priority.

"You've got every other province, country, state in the entire world trying to sell their place to investors," Liepert says with a shrug, "and we simply don't have the kind of give-away programs that Northern Ireland has, for instance, where they will match investment dollar for dollar."

Liepert says an important function of his job is seeing that Alberta is represented in activities undertaken by the federal government's trade office.

"For instance, the Canadian Consulate has 15 or 20 trade reps in Los Angeles, and they'll enter a whole bunch of things at a trade show or an investment seminar.

"Well, at least 90 per cent of the people who work for the Canadian Consulate are Ontario or Quebec-based. They know very little about Western Canada. If we're there, we can tell them about Alberta."

Despite that, Liepert and the other trade officers insist they operate with a high degree of co-operation. All agree they sell Canada first, their provinces second.

"We have enough trouble getting Canada recognized in this country," Liepert says. "If we're going to start competing with each other as provinces, we've got nothing but problems."

In fact, he says his biggest problem is not anything he encounters in Los Angeles, but back at home.

"The fact we have an office in Los Angeles isn't well enough known," he says. "I mean, we're here to provide as much help as we can to Alberta businessmen. That's not to say we make hotel reservations and find them Dodger tickets. But we might, if they're the right kind of company."