

Follow-up / Follow-through

In this issue:

In April TFO Canada dealt with a perfect storm: two major Canadian trade shows took place concurrently in the food sector, each of which involved TFO Canada support for several countries – over seven projects altogether for the Dominican Republic, Honduras, Panama and Peru, as well as promotional support for and meetings with delegations from Indonesia, Jordan, Sri Lanka and Tunisia, to name just a few. It involved a lot of hard work on the part of our team of project managers and associates.

However, for these trade shows and other market contact activities the hard work for the participating exporters really begins after that first meeting with a potential buyer. It's through persistent and prompt follow-up with these buyers to thank them for the meeting and pursue next steps in the relationship,

and follow-through with any commitments made whether they be for more information or an actual order, that will ultimately lead to exporting success in the Canadian market – or any market for that matter.

In this edition of the Export to Canada News we feature a few articles that highlight the importance of following up and following through. We discuss some of the specific next steps an exporter should take after exhibiting at a trade show and we provide some feedback from a buyer's perspective regarding a trade mission we led in February to Burkina Faso, where following-up and following-through has led to a successful business relationship.

Our newsletter also features several articles related to a recent update we completed of our Canadian Market

Information Paper for Cosmetics – a sector with many opportunities for developing country exporters (of ingredients or finished products), but where a serious commitment to “follow-up/follow-through” is essential due to its highly regulated nature. Our newsletter also contains news about recent TFO Canada activities and upcoming trade events in Canada, and highlights from a recently updated market information paper on the Building Materials market in Canada.

Whether it's that thank you note after an initial meeting with a buyer, or honouring time-lines and quality expectations when fulfilling a customer's order, “follow-up/follow-through” should be the motto of any exporter looking to succeed in the Canadian market.

Brian Mitchell
Executive Director
TFO Canada

| | |
|---|---|
| <i>After SIAL and CPMA, What next for an exporter?</i> | 2 |
| <i>Personal Care Products in Canada: Industry Interview</i> | 2 |
| <i>Cosmetics Market in Canada: New Market Report</i> | 3 |
| <i>Cosmetics Labelling Requirements</i> | 3 |
| <i>Latest in the Canadian Market</i> | 4 |
| <i>Upcoming Trade Events in Canada</i> | 4 |
| <i>Canadian Market for Building Materials</i> | 4 |
| <i>Snapshot of TFO Canada Events</i> | 5 |
| <i>Sourcing Shea Butter: A Buyer's Perspective</i> | 6 |

After SIAL and CPMA

What's next for an exporter?

April 2014 was a busy month in the food sector. TFO Canada assisted a number of country delegations at two major events. Processed food exporters from Honduras, Peru, Panama and Dominican Republic participated at the Salon International de l'alimentation (SIAL) show in Montreal, while fresh produce exporters from Honduras, Peru and Panama participated in the Canadian Producers and Marketing Association (CPMA) show in Vancouver.

Although the shows have ended, important work is being continued by exporters to follow up on leads, establish contacts, firm up orders, and get back home. At this post-show stage, it is important to keep up the momentum. There are a number of steps exporters can take to ensure success after participating in a trade show.

(Continued on page 2)

Upcoming Webinars

TFO Canada is pleased to host a webinar in English:

[How to navigate the Automatic Import Reference System \(AIRS\) - A Lesson for Exporters from Developing Countries](#)

August 20, 2014 at 10:30am (GMT - 2:30pm)

TFO Canada will also be hosting three webinars to inform newly registered exporters on how to use the online services available on TFO Canada's website:

TFO Canada Online Services:

[English](#) - July 24, 2014 at 10:30 am (GMT - 2:30pm)

[French](#) - September 4, 2014 at 10:30 am (GMT - 2:30pm)

[Spanish](#) - September 25, 2014 at 10:30 am (GMT - 2:30pm)

If you are interested in participating any of these Webinars, please click the link to register.

After SIAL and CMPA, What's Next for an Exporter?

(Continued from page 1)

Step 1 - Follow Up

Follow up with importers who put in orders and those who took samples. There are a number of tips that can be used and you can find a few on the [TFO Canada website](http://www.tfo.ca) as a registered user.

Reconcile all pending orders and ship them as requested, ensuring you fulfill all the customers' requirements.

Step 2 - Review show accomplishments

Record sales and match against objectives set for the show. Did you accomplish your objectives and were these objectives realistic? What lessons can be learned for next time?

Review the booth activities and identify improvements for the next show. Were you please about the layout of your products? Did it allow potential customers to access the samples at the show? How could it be improved?

Examine the cost of the show versus its benefits and determine whether the experience is worth repeating, bearing in mind that entering a new market is often difficult and benefits can truly be achieved over the long term.

Step 3 - Document research information

Review the research collected to identify how you can improve or change your business plan.

Design new products for the coming year based on the

trends you perceived from the marketplace. Ask yourself what the dominating trends at the show were and see how you can capitalize on these trends.

Adapt new ideas to present your products. Is there anything you saw at the show (in other booths for instance when you walked the show) that you could adapt to your offer? New packaging? New technology?

Step 4 - Start preparing for next year

Start adapting the learning experience at the CPMA and SIAL for future years and future shows.

If possible, plan to stay an extra day after the show to set up follow-up visits with buyers. Immediately follow up on all product enquiries at the next show.

Dates for 2015 food shows in Canada:

CPMA Convention and Trade Show 2015:

www.cpma.ca

Montreal

April 15 - April 17, 2015

SIAL Canada

www.sialcanada.com

Toronto

April 28-30, 2015



Personal Care Products in Canada

An Interview with Industry Expert Darren Praznik, President & CEO of the Canadian Cosmetic, Toiletry and Fragrance Association (CCTFA)

What are the top 3 trends in the Canadian personal care sector?

The first major trend is globalization. Supply chains and distribution for a single personal care product can stretch around the globe. Canada has a relatively small population, which means anyone who produces here exports roughly 80% in order to remain profitable. Another trend is increasing attention to potentially hazardous [ingredients in cosmetics](#) from consumers, NGOs and the media. Health Canada maintains a list of [prohibited cosmetic ingredients](#) in Canada. Labelling is also becoming a hot topic, particularly how to reconcile the definition of a "Product of Canada" or "Made in Canada" with the realities of today's globalized supply chain.

What are the biggest challenges in the regulation of the personal care sector today?

The rules of [labelling](#) and classifying personal care products are highly complex. Under current regulation, any product can move into the category of a drug if it makes [therapeutic claims](#),

such as to reverse the signs of aging, or if it contains particular additives, like sunscreen. Classified as a drug, the product becomes subject to much more [stringent regulations](#). One of our current priorities at CCTFA is lobbying for a separate regulatory framework for [Natural Health Products](#) to help simplify this process.

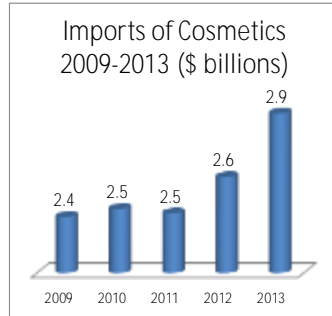
What advice do you have for a developing country exporter trying to break into this market?

Canada's personal care market is competitive but involves a small community. If you have a good product, like a new ingredient, the best thing to do is talk to a Canadian cosmetics custom manufacturer or product label who produces for large international companies that have a base in Canada, like the Estée Lauder Colour Lab. If they're willing to take you on, it means they think your product will be successful - and you've got a good shot at making it in our market. Also consider the full range of distribution channels available for your product, from the large retailers like [Shoppers drugstore](#), to professional and luxury buyers like [Sephora](#) or hair salons, to dollar stores that carry small package items.



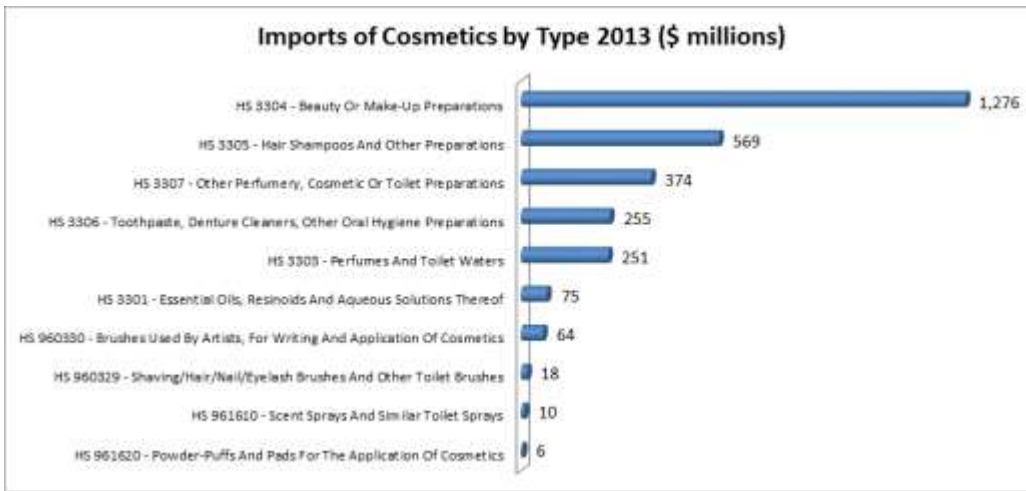
Cosmetics Market in Canada

Cosmetics, spa, and beauty products comprise a significant portion of the Canadian retail market. Statistics Canada reports that out of total household consumption spending of \$56,279, Canadian households spent about \$2,285 on health care products and \$1,194 on personal care products in 2012.



Manufacturing in the Canadian Beauty Industry generated revenues of about \$1.9 billion in 2013. Skin care continued to be the largest product class during that year at 25.4% of the beauty products, followed by hair care at 19.3%, makeup at 18%, oral care at 11.2%, and fragrances at 9%.

Industry experts estimate that the Canadian cosmetics, spa and beauty retail market will rise by 5-6% each year. This expected growth is due in large part to demographics and industry trends. The majority of Canadian spas, which are rapidly expanding in Canada, carry skin care products; bath and body products; sun care products; nail products; and make-up.



Imports satisfy about 93.2% of Canadian domestic demand for cosmetics and beauty products, up from 89% in 2009. Reaching a five year high of \$2.9 billion in 2013, imports of the products covered in this report were led by Beauty or Make-Up Preparations (\$1.3 billion). Hair shampoos and other preparations came second (\$569 million), followed by other perfumery, cosmetic or toilet preparations (\$374 million).

This information has been extracted from the new Market Information Paper “Cosmetics, Spa and Beauty Products 2014”, which will be available soon to registered members at www.tfocanada.ca.

Labelling requirements of the Cosmetics Regulations under Canada’s Food and Drugs Act

Health Canada has launched a guide for cosmetics packagers, manufacturers and distributors to look at the cosmetics regulations based on the International Nomenclature of Cosmetic Ingredients (INCI) labelling and then provide the listing guidelines for shades and colour, botanical ingredients, and perfume and aromas along with some hints and tips on verifying ingredient labelling.

Download Health Canada’s Guidelines for Cosmetics Ingredients Labelling: http://www.hc-sc.gc.ca/cps-spc/alt_formats/hecs-sesc/pdf/pubs/indust/labelling_guide-etiquetage/guide-ingredient-eng.pdf

Access to Market Information Papers Online

To access our [Market Information Papers](http://www.tfocanada.ca), your company needs to be registered with TFO Canada.

It’s easy: just go to www.tfocanada.ca, click on “Register Now” and follow the steps.

Once you are registered with us you will have access to our rich content online, including detailed information related to your sector, in addition to our promotional services.

Latest News in the Canadian Market

[Canada not Exploiting Competitive Advantages to Boost African Trade: Forum Told](#)

June 12, 2014

The head of the world's largest freight transportation company says Canada isn't adequately exploiting its competitive advantages in order to expand business relationships with fast-growing economies in Africa.

DHL Freight chief executive Amadou Diallo told an international economic conference on Wednesday that bilingualism and Canada's role in educating many African leaders could help it compete with "extremely hungry" countries like China and India that are anxious to expand their relationships with the continent.

[Harper Government Further Strengthens Food Safety Oversight](#)

June 18, 2014

Today, the Honourable Rona Ambrose, Minister of Health, announced the implementation of

the Canadian Food Inspection Agency's (CFIA) Inspection Verification Teams to oversee the performance of Canada's food safety system.

[Pilot Project to Facilitate Business Travel for Canadians to APEC region](#)

June 18, 2014

Public Safety Minister Steven Blaney and the Honourable Ed Fast, Minister of International Trade announced the launch of a pilot project that makes it easier and faster for Canadian business people to travel to the Asia-Pacific Economic Cooperation (APEC) region.

[Canada-Honduras Economic Growth and Prosperity Act Receives Royal Assent](#)

June 20, 2014

Increased engagement through trade and economic ties is one of best ways to create jobs and support positive change and sustainable economic growth in the Americas, says Minister Fast

Upcoming Trade Events in Canada

SEPTEMBER

[5th Annual North American Tea Conference](#)

September 16-18, 2014
Niagara Falls

[Canadian Coffee & Tea Show](#)

September 28-29, 2014
Toronto

[Grocery Innovations 2014](#)

September 29-30, 2014
Toronto

NOVEMBER

[PACKEX](#)

November 19 - 20, 2014
Montreal

MARCH

[Canadian Food and Beverage Show](#)

March 1-3, 2015
Toronto

[Canadian Blooms Flowers & Garden Show](#)

March 13-22, 2015
Toronto

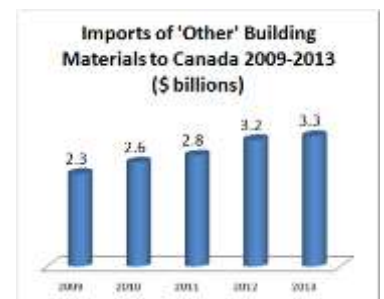
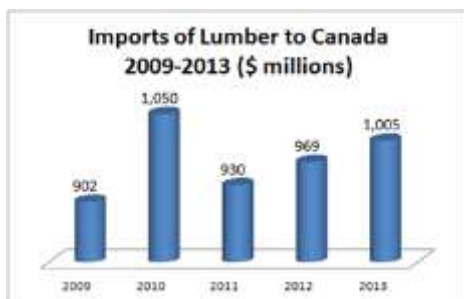
The Honourable Ed Fast, Minister of International Trade, today announced that the Canada-Honduras Economic Growth and Prosperity Act—an act to implement the Canada-Honduras Free Trade Agreement and parallel

agreements on labour and environmental cooperation—has received Royal Assent. Canada will now work with Honduras for a coming into force of the agreement as quickly as possible.

Canadian Market for Building Materials

While residential construction is facing a depressed market into 2015, opportunities exist for suppliers of building materials for commercial construction and home renovations for seniors who want to remain longer in their homes. Opportunities also exist for materials that are environmentally friendly and innovative for all types of construction. After a sharp decline in 2011 to \$930 million, the value of Canadian lumber imports reached just over \$1 billion in 2013, approaching the five year high last reached in 2010.

Imports of value-added products such as kitchen cabinets, wooden windows, doors, pre-fabricated wooden buildings, fencing, etc. reached a five year high in 2013 at \$1.3 billion. Sourced mainly from the United States (\$701 million), China (\$318 million) and Austria (\$52 million), several TFO Canada client countries were successful in claiming a position among the top ten suppliers in this category. Canadian imports of 'other' building products such as clay and stone tiles for flooring and walls, and cement blocks rose consistently over the past five years to reach \$3.3 billion in 2013.



This information has been extracted from the new Market Information Paper "Building Materials 2014", which will be available soon to registered members at www.tfocanada.ca.

Snapshot of TFO Canada Events

Helping Indonesia access the Canadian market

April 2, 2014, Montreal
Topic: TFO Canada Canadian Market Access Programme



TFO Canada has signed a two year MoU with the Directorate General for National Export Development (DGNED) of the Ministry of Trade in Indonesia to facilitate cooperation in export development activities in the country. The signing took place on April 2, 2014 during the SIAL Trade Show in Montreal between Nus Nuzulia Ishak, Director General of DGNED and Brian Mitchell, Executive Director of TFO Canada and was attended by Mr. Bayu Krisnamurthi, Vice-Minister of Trade in Indonesia, and H.E. Dienne H. Moehario, Ambassador of Indonesia to Canada.

Bolivia Market Familiarisation Tour

Montreal May 5-7;
Toronto May 8-9
Sector: Alpaca Clothing & Accessories; Silver Jewelry

TFO Canada in cooperation with the export promotion agency PROMUEVE Bolivia hosted a delegation of Bolivian jewellery and alpaca clothing producers for a five day Market Familiarisation Tour in Canada. A total of nine Bolivian companies participated in the tour, looking for ways to introduce their products to the Canadian marketplace. The companies were led primarily

by women entrepreneurs and included famous Bolivian silver and stone jewellery, fashion accessories, and beautiful woven alpaca clothing that has become world renowned for its quality and soft texture.

Travelling to both Montreal and Toronto, TFO Canada and its partners set up meetings with potential buyers and site visits to show the Bolivian companies the ins and outs of the Canadian market. Retail visits ranged from large scale stores, ethnic boutiques, as well as meeting with high-end designers. As a result of these business to business interactions, three of the Bolivian companies have set up trial jewellery sample orders with Canadian buyers, with others looking to new opportunities in the future.

TFO Canada in Lebanon

May 10-16, 2014
Topic: TFO Canada Online Trade Services

TFO Canada Associate, John Lang, travelled to Lebanon courtesy of a partnership between The Canadian Embassy in Beirut and the Lebanese-Canadian Business Association for the period June 10-16, 2014. Workshops and conferences were arranged in Beirut and Tripoli at which John shared TFO Canada's "Exporting to Canada" presentation with the audience and emphasised its online services for exporters, importers and Trade Support Institutions (TSIs). These events were aimed at stimulating commercial ties by actively assisting Lebanese companies to enter the Canadian market. The main event featured addresses by the Canadian Ambassador, the Lebanese Minister of Industry, the President of the Chamber of Commerce, the President of the

Lebanese-Canadian Business Association, Claude Boulos and, of course, TFO Canada's John Lang.

The high numbers in attendance at the events organized serve as evidence of the level of interest in the Canadian market. At least one mission of Lebanese exporters to Canada planned for later in 2014.

Buyers' mission to Guyana

May 12-15, 2014
Sector: Processed Foods and Beverages

As part of the TFO Canada – CESO Trade Capacity Building Project for the Agricultural Sector in Guyana, TFO Canada in cooperation with the Inter-American Institute for Cooperation in Agriculture (IICA) and the Guyana Manufacturing and Services Association (GMSA) carried out a four days buyers' mission to Guyana.



Four Canadian buyers were selected to meet with seven pre-selected seven small and medium-sized companies (processors and producers) deemed suitable for the Canadian market. TFO Canada Associate, Bertrand Walle, accompanied the mission and provided on-site assistance to participating Canadian buyers and facilitated business between Exporters and Importers during and immediately after the Mission.

Pre-arranged meetings with Canadian importers provided Guyanese exporters with an opportunity to gain valuable hands-on commercial experience, obtain direct customer feedback and established a number of good contacts.

TFO Canada Meets with its Priority Countries Trade Representatives in Toronto

June 5, 2014, Toronto
Topic: TFO Canada Canadian Market Access Programme



TFO Canada Program Director Ainsley Butler and Regional Representative Alma Farias met with Priority Countries Trade Representatives in Toronto to introduce them to its 2013-18 Canadian Market Access Programme which is funded by Department of Foreign Affairs Trade and Development Canada. The focus of the meeting was the Responsive Trade Development Facility and its application process. The objective of the meeting was to encourage each country's representative to garner applications from its Trade Support Institutions. The meeting was attended by representatives of the following countries: Cuba, Vietnam Guatemala, Peru, Nicaragua, Guyana, Saint Lucia St Vincent & The Grenadines.

Sourcing Shea Butter: A Buyer's Perspective (Burkina Faso Project)

Maiga Shea Butter is a Canadian company with African roots. Operated by Saidou Maigo, the company have been in business for over 8 years providing organic skincare products with shea butter as the base ingredient. Saidou participated in **TFO Canada's Buyer's Mission to Burkina Faso** in February of 2014, which resulted in the enhancement of his shea butter supply chain.

1. How did you hear about the TFO Canada project in Burkina Faso? How was your experience working with TFO Canada?

I have been aware of TFO Canada and its services for over four years through one of the organization's associates Bertrand Walle, the head of the mission to Burkina Faso. When this mission was promoted our company quickly accepted to participate as we were looking for new sources of organic and Fairtrade shea butter.

TFO Canada brought a level of professionalism to sourcing supplies through its services. Going on a buyer's mission that is well-organized makes it better and easier for importers and manufacturers rather than taking on these activities on their own. The presentations and information provided were valuable especially that of locating

women who produce Shea butter. Having a structured and direct communication with a contact person on behalf of the women was ideal especially where it relates to paperwork.

2. Was Burkina Faso your first choice for finding Shea butter supply?

Maiga Shea Butter sources most of its Shea butter from Burkina Faso, after the mission we made a decision that 100% will be from Burkina Faso.

3. What would be your advice to exporters from developing countries on building a buyer-supplier relationship?

I would advise suppliers to do the following::

- Be prepared for meetings with a buyer
- Know your production capacity
- Be aware of your organization's capacity to fill orders and deliver within the time negotiated
- Understand and be informed on all aspects of what is being negotiated
- Build trust by being up front and open with information from beginning
- Enhance communication and customer relationship by keeping the lines of communication open.



Canadian Buyers and TFO Canada Associate Bertrand Walde pose with Burkinabe Producers of Shea Butter

- Do not make the deal and relationship a one-time arrangement

- It would be desirable is an official email is sent to all buyers after any trade missions or meeting to continue the conversation or negotiation.

4. Would you make another purchase from GIE-Karitée du Burkina Faso?

Yes, our company hopes to increase the percentage of its supply from the organization in the future. This mission was a success for us and the buyers' mission service provided by TFO Canada is a great initiative and

value to both suppliers in developing countries and buyers in Canada.

From 2012-2014, TFO Canada, in partnership with CESO and Maison de l'Entreprise du Burkina Faso (MEBF), implemented a two-year project funded by DFATD with G.I.E.-Karitée du Burkina Faso, a consortium of six shea butter producers. The project included seminars, one-on-one interview, and a trade mission to Canada.



Experts in trade for developing countries
 Experts en commerce au service des pays en développement
 Expertos en comercio al servicio de los países en desarrollo

130 Slater Street, Suite 1025 Ottawa, ON
 Canada K1P 6E2
 1.613.233.3925 (tel.)
 1.613.233.7860 (fax.)
 1.800.267.9674 (toll-free)
 E-mail: newsletter@tfoCanada.ca

TFO Canada confronts the challenge of global poverty by promoting sustainable economic development through export information, advice and contact. We facilitate access to the Canadian marketplace and share Canadian trade expertise for the benefit of smaller male and female owned/managed exporters from developing countries and for the men and women they employ. Founded in 1980, TFO Canada is a non-governmental, non profit organization.

This newsletter is produced with the financial support of the Government of Canada provided through the Department of Foreign Affairs, Trade and Development Canada (DFATD)

© Trade Facilitation Office Canada / Bureau de promotion du commerce Canada 2014