

# EXPORT TO CANADA NEWS

INFORMATION · ADVICE · CONTACT

## ACCESSING EXPORT READINESS

### IN THIS ISSUE

1. Are You Ready to Export?
2. Canadian Textile Labelling Act
3. Apparels and Textiles MIP
4. Being Export Ready to Access a New Market
5. Spotlight on TFO Canada Activities
6. Success Stories: "Market Entry Plan Activates TAMA Cosmetics' Access To The Canadian Market From Ghana"



130 Slater Street, Office 400  
Ottawa, ON, CANADA K1P 6E2  
T 1.613.233.3925  
F 1.613.233.7860  
E-mail: [newsletter@tfocanada.ca](mailto:newsletter@tfocanada.ca)

# ARE YOU READY TO EXPORT?

One of the most interesting aspects of my position at TFO Canada is the participation at Trade Shows. For me, this is when we get to see if all the preparatory work will be rewarded through quality meetings with buyers. If I were to use a sports analogy, a trade show can be characterized as “game time” with the upfront preparations as “practice.”

In my estimation, the “practice time” that companies put into getting themselves ready for a show is almost as important as (if not more than) the actual event itself. In fact, in many cases, the time companies put into preparing for a show, can help them to determine if they are ready and contribute towards a decision about making the investment to attend or not. All of this can also lead to an even bigger question: “Are you ready to export?”

To help you answer this question, TFO Canada has much to offer in terms of information, advice and education. These resources can also lead to success as an exporter, notably in the competitive Canadian marketplace. I often suggest that your first step should be to [register your company on our website](#). The second step is to go through the [brief questionnaire tool](#) that we have created to assess you and your company’s level of export readiness. Taking a few minutes to complete the questionnaire will allow us to immediately guide you to the information and publications that will help you on your way to export success.

Successful exporting requires time, resources and knowledge to prepare your products or services and your staff for a foreign marketplace. TFO Canada is your trading partner who is there to help in achieving your exporting goals

## Steve Tipman

Executive Director  
 TFO Canada

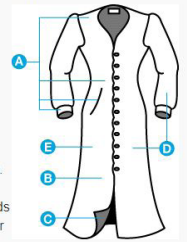


## Canadian Textile Labeling Act

Have you ever taken a close look at the labels attached to your clothes or textile accessories? There are many there with a lot of information on each – true? They are all important for consumers to make a more informed purchasing decision. The label in consumers’ garments, shoes and accessories are governed by the textile labelling act, the consumer packaging and labelling act, and the textile labelling and advertising act all of which fall under the purview of and are enforced by the Canadian Competition Bureau. Let us take a closer look at the textile labelling act. It requires that consumer textile articles bear accurate and meaningful labelling information to help consumers make informed purchasing decisions. The Act prohibits the making of false or misleading representations and sets out specifications for mandatory label information such as the generic name of each fibre present and the dealer’s full name and postal address.

### Velvet Dress (sections, findings, ornamentation, lining)

- A. findings: buttons, elastic inserted in wrist, interior shoulder pads, inside pocket
- B. ornamentation (metallic threads)
- C. finding: lining (not for warmth)
- D. sections (body, sleeves)
- E. pile fabric (velvet)



### Example

The body and the sleeves of this dress are made of different fabrics (sectional disclosure). The body consists of a velvety material composed of an acetate pile on a rayon backing (pile fabric) with an overall pattern of metallic threads (ornamentation). The metallic threads make up less than 5% of the weight of the pile fabric. The sleeves are made of a polyester chiffon. The dress lining is made of rayon (lining, not for warmth). This article requires a permanent label.

To learn more about this act visit <http://www.laws.justice.gc.ca/eng/acts/T-10/index.html> or contact the Competition Bureau. The Bureau has assessment tools such as the textile labelling assessment tool which you can access [here](#).

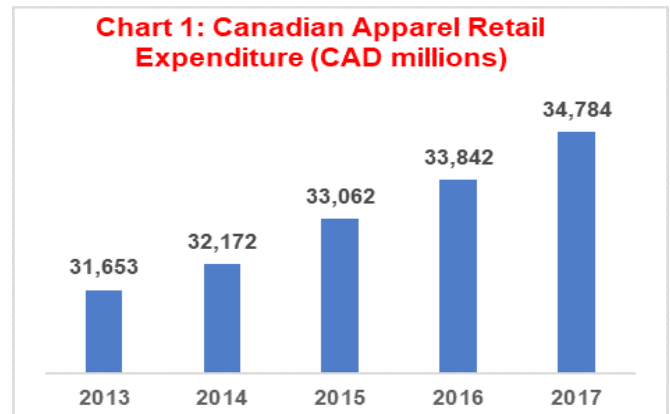


**Tipman’s Trade Tip:** For small and medium-sized businesses (SMEs) that are looking to trade internationally, don’t be afraid to ask for help, because there is so much available.

Talking to people who are already exporting can be very effective in understanding the challenges that they’re facing. Consulting with your country’s Trade Promotion Organization (often called Trade Support Institution) about their programs is also invaluable and, of course, remember to think about TFO Canada. We are there as your trading partner with a wealth of information available at [www.tfocanada.ca](http://www.tfocanada.ca).

## APPAREL AND TEXTILES MIP

The apparel industry in Canada was estimated to have sales of over \$34.8 billion in 2017, and the textile industry import value was estimated to be valued at over \$2.6 billion. There has been steady increases in the sale of both menswear and womenswear, but the increase in men's clothing has surprisingly outpaced the growth in womenswear. Large retailers of apparel and footwear, such as Marshalls, Winners, Mark's, Reitman and Le Chateau, accounted for more than half of the total retail sales but consumers have dramatically changed their buying channel from instore to online. The fastest-growing distribution channel for apparel retailing is e-commerce which has grown from 6% in 2012 to over 11% in 2017. Consumers are remote shopping on all the available platforms (laptop, tablet, smartphone) and a quarter made purchases with their smartphones. Shoppers who purchased products online, spent on average \$90 on apparel and apparel accessories. The textile industry in Canada has become heavily dependent on textile imports, which has resulted in a growing trade deficit, which stood at \$4.3 billion in 2015.



The top three exporters of apparel to Canada in terms of import value are China, Bangladesh and Vietnam. These three TFO Canada client countries have strategically gained the market share by offering buyers large quantity orders at a reasonable price and quality with minimal supply chain distributions. Retailers in this apparel industry have maintained high gross margins and profit margins as compared to the total retail trade industry average. This is also true for the wholesale distributors of textile, clothing and footwear who have a profit margin of 9% as compared to the average profit margin of 4.6% for the total wholesale trade sector in Canada.

Below are some of the emerging trends in the Canadian apparel sector:

- Athleisure apparel and footwear trend was one of the fastest growing in 2017. Performance brands such as Adidas, Lululemon Athletica, Nike and Under Armour have established themselves as the leaders in this market by investing in innovative technology to improve product functionality.
- Industry is developing new innovative fabrics that offer consumer superior performance with smaller environmental footprint.
- Augmented reality is assisting consumers in making online shopping more convenient. Virtual fitting rooms have the potential to dramatically boost e-commerce sales in the apparel industry as it will address the concerns of size and fit.
- Success of outlet stores like Winners, Saks OFF 5th and Nordstrom Rack defy the tepid sales of conventional retail and department stores by offering customers brand names that has heavily discounted.

An outcome of consumers' expectation and demand from corporations for advancing and addressing CSR have contributed to companies becoming more purpose driven and sustainable.

## APPAREL AND TEXTILES MIP

Buyers in Canada are requiring their supplier to be transparent and prioritize labour rights, and responsible and sustainable approach to all steps in apparel manufacturing.

*Athleisure is a trend in fashion in which clothing designed for workouts and other athletic activities is worn in other settings, such as at the workplace, at school, or at other casual or social occasions. Athleisure outfits are yoga pants, tights, sneakers, leggings and shorts, that “look like athletic wear” and are characterized as “fashionable, dressed up sweats and exercise clothing”. The idea is that gym clothes are supposedly making their way out of the gym and becoming a larger part of people’s everyday wardrobes.*

## BEING EXPORT READY TO ACCESS A NEW MARKET

You are a small and medium exporter in your home country with a very successful product in the local market. You have been encouraged to sell your product into the international market. You are super excited and decide to head to a tradeshow in Canada on your own. You had a successful show and returned home with concrete orders and a several sales leads. You shipped your first order off to Canada and the Canadian Border Service Agency would not release the shipment to the importer. Why? The product violates Canada’s labelling regulations.

This is one scenario that illustrates an exporter not being ready to export to the Canadian market or other international markets. However, there are other situations that could make market access unsuccessful such as the product is not the right fit for the marketplace, the packaging is not allowed into a country, or an incorrect HS Code is used on customs documentation to name a few.

Export readiness is the level of preparedness of a company and its product(s) to enter a new market as seamlessly as possible. Some of the areas to consider when expanding into a new market are production capacity, product adaptability for market taste and regulations, financing to cover all costs of expansion, risk associated with the expansion, protection of intellectual property rights, and gathering international market intelligence.

Before entering a new market, it is best to take an export readiness assessment and see what areas of your business need more preparation to export internationally. You can start with two tools on TFO Canada’s website: one is the [exporter readiness assessment](#) and the other is the [customs tariff tool](#). Other sections of our website provide additional information that would go into preparing an export market entry strategy. These sections are:

1. [Getting Ready to Export](#)
2. [Market Entry](#) (To view, registered users need to log into website)
3. [Webinars](#) (recorded)
4. [Exporting to Canada](#)
5. [Market Information Papers](#) (sector reports)
6. [Market Links](#) (links to Canadian government’s and other agencies’ resources)

Another method of keeping track of export preparedness is to have an export preparation checklist and an export expansion strategy.

# SPOTLIGHT ON TFO CANADA ACTIVITIES

## Monitoring the Impact of Agrofood Project on Ecuadorian Beneficiaries

July 1-7, 2018

Quito and Guayaquil, Ecuador



Mary Heather White, TFO Canada Program Director and Marysabel Gonzales, Project Manager for Latin America and the Caribbean, visited Ecuador to monitor the progress of the TPRF project being implemented by PROECUADOR and administered by Camara Ecuatoriano – Canadiense in Guayaquil (Ecuadorian-Canadian Chamber of Commerce). Both women along with both partners had the opportunity to meet with the project beneficiaries to learn about the impact of the project activities on their businesses and results.

A project seminar was held where Marysabel and the Director of the Chamber delivered a joint presentation on the Canadian market. The seminar was attended by 28 participants who had the opportunity to learn about the Canadian market and TFO Canada's online services.

## Montreal Trade Representatives Learn about Canadian Food Labelling

July 16, 2018

Montreal, Quebec!!



Montreal-based trade representatives from Colombia, Ecuador, Honduras, Mexico and Pakistan attended a seminar on understanding Canadian food labelling regulations held at the office of the Consulate General of Honduras on July 16, 2018. TFO Canada's regional representative for Quebec, Marc Germain, facilitated the session which featured Carole Fournier, President of ACC Label, a Montreal-based service provider offering expertise on food labels in Canada.

## Facilitating Pacific Alliance Agrobusiness Exporters to Close Business Deals

July 23-26, 2018

Colombia, Peru and Mexico

TFO Canada and its partners PROCOLOMBIA, PROMPERU and PROMEXICO organized three targeted buyer missions to Colombia, Peru and Mexico respectively to meet with

exporters with whom they previously had B2B meetings or made contact during the Grocery Innovations Canada (GIC) show. The main objective of the missions was to facilitate progress of the exporters in their business negotiations and close deals generated



during the GIC show. Canadian buyers also had the opportunity to meet other export-ready companies which were participating in the Pacific Alliance Agrofood project.

## Aymara Women Leaders Empowered with Business Skills Training

July 31-August 3, 2018

Iquique, Chile



For the completion of the "Train-the-Trainer" phase of the Empower Women Chile project, Clarecia Christie, TFO Canada's Project Manager Trade Information Services, travelled to Iquique and assisted in the facilitation

## SPOTLIGHT ON TFO CANADA ACTIVITIES

The training was well received by the women.



Since this training was the final session of the “Train-the-Trainer” phase, the other being “Building Design Capabilities”, the women who met all the attendance criteria received a certificate of completion.

### Senegal Exporting to Canada Missions

**July 30 – August 3, 2018,**

**Dakar, Senegal**

**September 15 – 22, 2018, Montreal and Toronto, Canada**

As part of the “Export Launchpad” project Amandine Gakima, TFO Canada Project Manager for Africa and the Caribbean, led a training and selection mission for the Canadian market in Dakar, Senegal from July 30 to August 3, 2018.

The mission began with an “Export to Canada” seminar to raise awareness and inform Senegalese SME exporters of the opportunities presented by the Canadian market and the regulatory system, and more particularly the preferential treatment offered by the

Canadian Market Access Initiative for Least Developed Countries. Subsequently, sectoral experts, Marc Germain and Francesca Opoku, individually met with thirty SMEs to select 20 companies for two exporters’ missions to Canada based on their export readiness for the Canadian market. From September 15th to 22nd, 2018 the selected companies participated in a trade mission to Montreal and Toronto where they had one-on-one meetings with Canadian buyers and participated in retail tours in their respective sectors - processed exotic fruit and natural ingredients for cosmetics.

### Artisan Hub Trade Mission to NY NOW Show

**August 12-16, 2018,**

**New York City, USA**



TFO Canada’s Project Managers, Amandine Gakima and Marta Recinos, led a trade mission of thirteen companies from Bangladesh, Cambodia, Ethiopia, Haiti and Madagascar to the NY NOW 2018 show in New York City. This mission built on Artisan Hub 2017 and supported

the mainly women-led companies in promoting their social enterprises, sustainably sourced materials, and eco-friendly and fairtrade products to Canadian and international buyers. For this second trade mission the focus was on ensuring the sustainability of the information acquired, market access in Canada and tradeshow leads follow-up. An added feature was participation under the Fairtrade banner, one of the many sections of the NY NOW show. five companies were invited to each display one of their products at the Fairtrade showcase.

### Made in Ukraine’s Trade Mission to the Apparel Textile Sourcing Canada Tradeshow

**August 20-22, 2018**

**Toronto, Canada**



TFO Canada, as an implementing partner of the Canada-Ukraine Trade and Investment Support (CUTIS) project, planned an Apparel trade mission to the Apparel Textile Sourcing Canada (ATSC) show. The mission was supported by ‘Made in Ukraine’ and featured seven Ukrainian manufacturers - Andre TAN,

## SPOTLIGHT ON TFO CANADA ACTIVITIES

Annafoxy, Berserk Sport, Bukvica, RITO, Rubizhansk Hosiery and SohoChic. All were first time exhibitors at the ATSC show and to the Canadian market. The trade mission included B2B meetings and a market familiarization tour. The project is implemented by the Conference Board of Canada and funded by the Global Affairs Canada.

### “Strategic Marketing and Packaging Trends” Workshop

**August 26 – 30, 2018**

**Amman, Jordan**



To enhance the export readiness for the Canadian market of Jordanian SMEs that attended SIAL Montreal 2018, TFO Canada conducted a week of capacity building in Amman, Jordan. The workshop was facilitated by Mr. Ira Teich a CESO volunteer and expert in the field and attended by representatives of 13 companies and officials from the Jordan Exporters Association. Over 50% of the attendees were women. One aspect of the training was to strengthen their capacity to develop a targeted market growth strategy which includes effective marketing and packaging strategies. One-on-one meetings with these companies provided guidance

on the value of a realistic marketing strategy, reviewed their marketing strategy and product packaging, and offered practical recommendations. i

### Philippine Trade Forum and Makapuno Project launch

**August 29, 2018**

**Toronto, Ontario**

TFO Canada’s Ontario Regional Representative Susan Baka gave a presentation on How to Export to Canada to a group of Filipino



companies participating in a Philippine Trade Forum and 5th Annual Coconut Festival (and Superfoods Expo), held in Toronto in August. A multicultural event, the Festival highlighted the health benefits and diverse culinary and lifestyle uses of coconut and other superfoods. The Philippine Pavilion showcased 10 food and non-food companies participating in the Trade Mission and Forum. These companies had the opportunity to meet with Canadian importers at the Trade Forum following the Festival to explore new business alliances. The forum also included the launch of the Philippine Makapuno Breakthrough Program.

Makapuno is a unique and high-value form of coconut.

### Access to Canadian Market Training for Cambodia, Laos and Myanmar’s Agro-Food Products

**August 27, 2018, Phnom Penh, Cambodia**

**August 30, 2018, Vientiane, Laos PDR**

**September 3-5, 2018, Mandalay and Yangon, Myanmar**



International Development Research Centre (IDRC) and TFO Canada in collaboration with the Mekong Institute held workshops in 4 different cities in Cambodia (Phnom Penh), Laos (Vientiane) and Myanmar (Mandalay and Yangon) on ‘Canadian Market Access Requirements and Trade Opportunities’. The workshops, attended by more than 200 participants (48% women), provided insights into the Canadian specialty food market as well as practical market entry recommendations for current and aspiring exporters from these countries. Following each workshop, Marc Germain, TFO Canada Associate, held one-on-one consultations with approximately 60 small and medium food companies interested in

## SPOTLIGHT ON TFO CANADA ACTIVITIES

capacity and market linkage activities in Canada. Trade and development representatives from both Canada (Canadian Embassy and High Commission) and the target countries (relevant ministry officials) were present at the event.



### Labelling Requirements for the Canadian Market Workshop

September 10-11, 2018

#### Guatemala City, Guatemala

TFO Canada in partnership with the Guatemalan-Canadian Chamber of Commerce coordinated a two-day technical workshop on "Labelling and i Other Challenges that Exporters face to enter the Canadian Market". The



workshop was delivered by Bertrand Walle, TFO Canada Associate, to 25 Guatemalan SMEs in the Agrofood sector along with one-on-one

consultations for 10 selected export-ready Guatemalan SMEs.

### TFO Canada Hosts Seminar on Canada's Organic Food Market

September 12, 2018,

#### Toronto, Ontario



Over 20 Toronto-based trade representatives from 13 developing countries were provided with an overview of the Canadian organic food market by Tia Loftsgard, Executive Director, Canada Organic Trade Association (COTA) at TFO Canada's seminar on the organic food sector. Sharing results from new research completed by COTA, Ms Loftsgard spoke about the opportunities and challenges within the industry, the increased popularity with mainstream consumers, the industry trends and regulations.

The seminar, organized by Susan Baka, TFO Canada's regional representative for Ontario, included an importer panel moderated by Rodrigo Contreras, Trade and Investment Commissioner of Mexico in Toronto from PROMEXICO,

with Dr. Harendra Joshi, International Marketing Executive from Ecoideas, Jennie Coleman, President of Equifruit, and Nancy Manotas, Product Developer & President of Manotas Organics and Fine Foods who shared their insights on this growing market and some tips for producers seeking to sell to Canadian buyers.

### TFO Canada Hosts Women Trade Representatives at OWIT-Toronto Annual Gala

September 19, 2018,

#### Toronto, Ontario



Female trade representatives from the Philippines, Argentina and Costa Rica and the Consul Generals of Guyana, Uruguay and Peru were hosted by TFO Canada's Ontario regional representative Susan Baka at the annual Organization of Women in International Trade (OWIT-Toronto) Gala and Awards Ceremony in Toronto.



## MARKET ENTRY PLAN ACTIVATES TAMA COSMETICS' ACCESS TO THE CANADIAN MARKET FROM GHANA

It is a sunny Monday and [SeKaf Ghana Limited](#) has just purchased 18 metric tons of raw shea nuts from their women's cooperative and brought to the warehouse. Sekaf is a social enterprise that produces natural and organic shea butter products, branded as TAMA. Tamale, the capital town of the Ghana's Northern Region, is the fourth largest city in Ghana and is the home of SeKaf.



Natural & Organic Shea Butter Products

Sekaf's premium Ghanaian shea butter products are now available in Canada, under the brand TAMA Cosmetics. The brand's entry into the Canadian market is thanks in part to market research facilitated by TFO Canada through its "Market Entry Study" program.

It is no surprise that the best shea butter in the world comes from West Africa and Ghana. TAMA Cosmetics are unique because of the high percentage of natural shea butter. Products include shea butter soap, black soap, hand creams, body lotion, shea oil for body & hair, and unrefined shea butter—all made with high percentage of shea butter. Unique to TAMA is the beautiful packaging and branding, all designed and developed from Tamale.

A team of MBA students from the University of Ottawa, Telfer School of Management developed a marketing plan to guide TAMA's entry into the Canadian market. The marketing plan has been a great guide to the Canadian CEO as she has navigated the first few months of marketing in the great white north.

TAMA Cosmetics products are currently on the shelves of four retailers in Ontario, and we seek expansion. One of our retailers, [Little Green Planet](#), in Toronto's Kensington Market, just placed their fifth order, and feedback has been positive from customers.

*"The TAMA shea butter is absolutely divine and kept my skin soft and hydrated. I have chronic eczema and my skin is so happy now,"* says happy customer Elisa from Toronto.

E-commerce was also identified as a market channel, and an online shop launched late last year. TAMA Cosmetics are available here: [www.tamacosmetics.ca](http://www.tamacosmetics.ca)

The Canadian market offers many opportunities for future development. Premium shea butter products have been experiencing a rapid growth due to the high awareness of and demand for the benefits of natural shea butter.

## MARKET ENTRY PLAN ACTIVATES TAMA COSMETICS' ACCESS TO THE CANADIAN MARKET FROM GHANA

Exporting TAMA shea butter from Ghana to Canada has a positive impact on the Ghanaian women, their rural communities, and promotes economic growth in Africa. "Our supplier produces at the SeKaf Shea Butter Village women's cooperative and buys shea nuts from over 5,000 women, employs 95 women, and has trained over 1400 women on savings habits" says Tama Cosmetics Canada.



Ghanaian women drying shea nuts

*"For Sekaf, being able to sell more of our TAMA products in Canada means being able to provide sustainable income and employment. Once we are profitable, we have even bigger dreams of reinvesting in the communities in which we operate,"* says Mirabelle Moreaux, CEO of SeKaf.



Ghanaian Woman stirring shea oil

TFO Canada improves lives through the creation of sustainable trade partnerships for exporters from developing countries with Canadian and foreign buyers. 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 Global Affairs Canada.