Ready to take your Canadian business airborne and start finding foreign buyers? The decision to go global requires due diligence, a well-researched and orchestrated market strategy, a scalable infrastructure to support expansion, sheer will (of course) and the patience to recognize that your gains long term are almost certain to outweigh the risks.

According to Export Development Canada, compared to companies that don’t trade globally, exporting companies grow faster on average and generate 121% more revenue. They are 25% more innovative and, in the case of manufacturers, up to 30% more productive.¹

Yet Conference Board of Canada research has found that only 10% of Canada’s small- and medium-sized enterprises (SMEs) are exporters. What’s more, of all export sales generated by SMEs, only 550 businesses account for 70%.²

The Toronto Board of Trade in its 2017 report, Priority Export Markets for Toronto Region Industries, posits that if Canada’s SMEs exported to the same level as its largest companies, at 23%, it would mean an extra 219,000 businesses generating an estimated $225-billion in new export activity.³

As for taking flight internationally, Industry Canada has a message for Canadian SMEs: The time has come to start spreading your wings. The United States, it notes, currently accounts for 74% of the total value of SME exports.⁴

Given the rise in protectionism, that poses a substantial concentration risk.
Resources you can count on

Once you get on board with the idea of venturing beyond North America, you’ll find plenty of help and encouragement in exploring international markets and buyers, thanks to the many resources at your disposal. From industry sector associations, local boards of trade, trade shows and dedicated LinkedIn groups to heavyweights such as Export Development Canada (EDC), the Business Development Bank of Canada and the Canadian Trade Commissioner Service, with its 900 commissioners stationed worldwide.

Taking full advantage of these resources will bring you a wealth of on-the-ground advice regarding:

- Your marketing plans
- Entry strategies, customs and cultures
- Matching foreign firms’ interests with your own
- Identifying distributors
- Connecting with sales agents, local partners and potential customers
- Securing licensing arrangements, financing, insurance and bonding

When you’re confident your company is ready for takeoff, you can rely on FedEx for its expertise and leadership in international shipping. As the world’s largest cargo airline, FedEx has the logistical know-how, brokerage and customs advisory services to provide 24/7 end-to-end support to help ensure your shipments move across borders and time zones seamlessly and clear customs, stress-free.

Just how big exactly is the global export market for Canadian SMEs?

Canada’s population represents a mere 0.48% of the world’s total, meaning for every potential Canadian customer, more than 199 prospects await you globally.⁵

The time is long overdue, then, for Canadian SMEs to close the trade gap. When it comes to competitive advantage in removing tariffs on goods and services, Canada currently has agreements with more than 60% of the world’s economy, thanks to NAFTA, CETA and now, the recently signed Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).⁶

CETA, the Canada-European Union (EU) Comprehensive Economic and Trade Agreement, in effect since the fall of 2017, has opened the doors to trade with 28 countries, half-a-billion people and $22-trillion in economic activity. It eliminates 98.4% of tariffs on all non-agricultural Canadian goods entering the EU, creating impressive trade and investment opportunities for Canadian exporters.⁷
Representing 13.5% of global GDP, the 11 countries currently part of the CPTPP are slated to bolster the Canadian economy by $4.2-billion over the next few years, according to Export Development Canada Vice-President and Chief Economist Peter Hall.  

Characterizing the CPTPP as a next-generation trade deal, Hall says it “addresses concerns that free trade agreements of the past have not. It tackles the burgeoning services sector – services such as architecture and engineering, environmental services, research and development.” It also covers intellectual property, underscoring its crucial importance in our increasingly digital, e-commerce-driven economy by affording IP protection to companies entering new markets.

What markets should you consider tackling and do they even need or want your product or service?

With respect to the CPTPP, Japan is where EDC’s Hall predicts Canadian companies can expect to derive the greatest export benefits. Patrice Guindon, EDC’s chief representative for Asia, expects technology trade, in particular, to pick up. Immediate gains are also expected to be made in Australia for Canadian agriculture and machinery equipment.

Canada has 14 existing international free-trade agreements and is in the midst of negotiations and exploratory discussions with several other countries. Currently, its top countries to do business with, according to EDC, are the United States, Mexico, the UK, Germany, France, the Netherlands, South Korea, Chile, Colombia, Peru, Israel, Costa Rica and Ukraine.

Be sure to check out EDC’s comprehensive list of the goods and services Canada exchanges with these top trading partners, plus links to the resource pages for each country. 

Canada also has foreign investment promotion and protection agreements (FIPAs) in effect with 37 countries. Wherever FIPAs are in force, Canadian companies enjoy equal rights with locally owned firms, providing them with dispute-resolution mechanisms and protection against political risks and currency controls.

Drumming up export business through digital shopping portals

However you choose to enter a foreign market, be it through direct sales, working with a sales agent or distributor, strategic alliance, e-commerce or direct investment, having a digital strategy is essential for marketing and branding purposes.
That requires owning your digital identity with a personal domain name, having a dedicated website and knowing which search engines and online shopping sites are most popular in your chosen market.

Google and Amazon’s reach extends only so far. Here’s a brief rundown of those sites:

- **Russia and Eastern Europe:** Yandex
- **South Korea:** Naver
- **Mainland China:** Baidu, Alibaba, Global Resources
- **Japan:** Rakuten, Mercari

One cautionary note: Due to the algorithms unique to foreign search engines and portals, you will likely need to rethink your usual approach to search engine optimization using relevant keywords and data structuring. What works with Google or Bing will not always turn up the same results on these other channels.

**Target your most promising markets using these online research tools**

By entering a keyword for your product or service in Google Trends and identifying the country you’re targeting, you can find out how much potential interest there is in your offering. For a list of the countries where people have been searching for information related to your business, enter your website address in Google Market Finder.

Also worth exploring, to gain valuable insights into which countries your competitors are targeting, are third-party competitor analysis and advertising tools.

As for determining the tariffs on specific goods wherever Canada has free trade agreements, check out Tariff Finder Canada, a free tool.

**Fulfillment is what it’s all about**

In the end, the bottom line is that you must have the right resources to help you deliver to your desired location with exceptional reliability. Once you’ve got the goods and your buyers lined up, FedEx can assist you with a wide range of reliable transportation solutions and digital tools to simplify the international shipping process.

From generating labels to preparing customs documents and managing global returns, FedEx has you covered with its extensive network, servicing over 220 countries and territories worldwide and connecting more than 90% of global GDP in 1 to 3 business days.

Isn’t it time to consider opening up your business to international trade?

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3. Toronto Board of Trade, [https://content.adobe.com/view/67206&iid=411b8-83ee-36726352401](https://content.adobe.com/view/67206&iid=411b8-83ee-36726352401)