



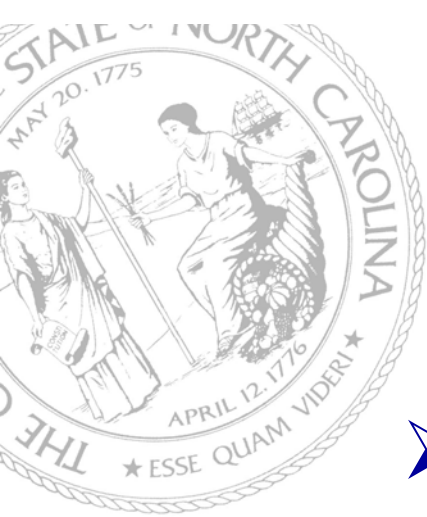
# Lunch and Learn

April 18<sup>th</sup> 2006

Russ Sawchuk, Director  
North Carolina Canadian Office

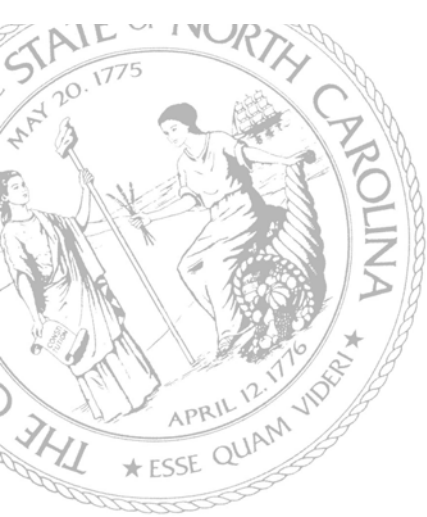
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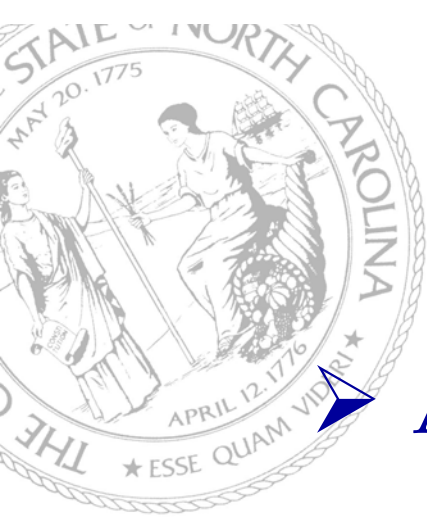


# Canada – An Overview

- Population 32.5 million
- GDP grew 3% in 2005
- Unemployment fell to 6.6 %
- Job Creation strong
- Strong Exports
- Merchandise Trade Surplus with US  
97.5 Billion USD in 2005
- Boosted Largely by Canadian Petroleum  
Exports to the US



Canada Is North Carolina's  
Largest Trading Partner  
With Annual Two Way Trade  
Exceeding \$ 9 Billion USD



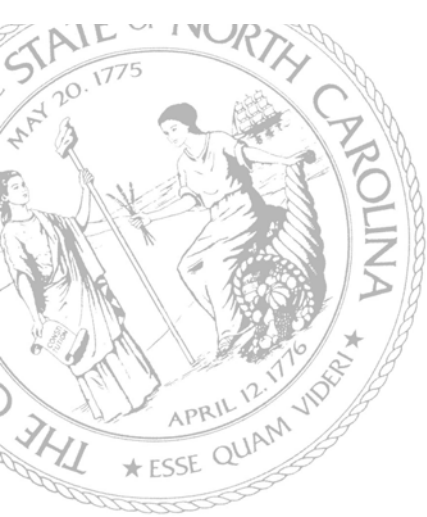
# Services of the Canadian Office

- Agent/distributor and end user searches
- Market overview – Product Marketability
- Appointment Scheduling
- Trade Missions – Trade Shows
- Company Lists/ Contacts
- Referrals
- General Assistance



# CANADA - US Statistics

- Two-way trade of more than \$1.3 billion in goods and services each day
- Open border policy
- 60 % of all Canadian imports come from the U.S.
- 80 % of all Canadian exports go to the U.S.
- Canada is the world's seventh-largest market economy
- Canadian real GDP \$1.07 Trillion (2005 est.)



# Exchange Rates

**1 United States Dollar = 1.137 Canadian Dollars**

**1 Canadian Dollar = 0.879 United States Dollar**

*Over 30% rise in Canadian dollar value since 2002  
(Jan 2002 CDN dollar .617)*



# Why Canada First

- Canada-US trade relationship largest in world.
- US exports to Canada have grown over 65% since 1995 under NAFTA
- Business practices and attitudes are similar
- Geographic proximity reduces transit times & costs
- Common language, corresponding time zones
- Sound financial & distribution systems
- \* *Canada should be 10% of US sales*



# Where The Action Is

## Top 1300 Canadian HQ's:

588 in Ontario

227 in Alberta

221 in Quebec

187 in British Columbia





# But Watch Out For...

- Culture
- Metric system
- Product labeling
- A relatively small and dispersed Canadian population
- ***DO NOT*** consider Canada a domestic market



# Cross-Border Trade Update

- Canada-U.S border has seen significant changes and more to come
- Competitiveness and ability to sell in the Canadian market affected
- Exporters need to move goods across the border quickly and cost-effectively
- Strategies to speed flow of goods, improve access, and minimize customs and tax risks



# 4 Year Canada / North Carolina Statistics

In Billions \$ USD

**2002**

**2003**

**2004**

**2005**

**Canadian  
Total Exports  
To N.C.**

**2.5**

**2.7**

**3.4**

**4.1**

**Canadian  
Total Imports  
From  
N.C.**

**3.7**

**3.9**

**4.5**

**5.0**

**Trade  
Balance**

**-1.2**

**-1.2**

**-1.1**

**-0.9**



# NC's Largest Export Sectors to the World-2005

*(In Billions of USD)*

<b>Machinery and Equipment</b>	<b>3.7</b>
<b>Electrical Machinery and Equipment</b>	<b>2.6</b>
<b>Plastic &amp; Rubber Products</b>	<b>1.3</b>
<b>Pharmaceuticals</b>	<b>1.3</b>
<b>Motor Vehicle Parts (Except Rail)</b>	<b>.98</b>
<b>Chemicals</b>	<b>.94</b>
<b>Tobacco</b>	<b>.91</b>
<b>Optical, Medical &amp; Scientific Equipment</b>	<b>.85</b>
<b>Apparel</b>	<b>.81</b>
<b>Paper, Paperboard, Paper Products</b>	<b>.63</b>

# NC Largest Export Sectors to Canada-2005

*(In Millions of USD)*

<b>Machinery and Equipment</b>	<b>845.9</b>
<b>Motor Vehicle Parts (Except Rail)</b>	<b>630.0</b>
<b>Electrical Machinery and Equipment</b>	<b>391.0</b>
<b>Pharmaceuticals</b>	<b>316.0</b>
<b>Optical, Medical &amp; Scientific Equipment</b>	<b>235.7</b>
<b>Plastic Products</b>	<b>226.0</b>
<b>Rubber Products</b>	<b>199.6</b>
<b>Artificial and Synthetic Fibers &amp; Filaments</b>	<b>187.9</b>
<b>Furniture</b>	<b>88.6</b>
<b>Paper, Paperboard, Paper Products</b>	<b>79.0</b>



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## Useful Sites:

[www.strategis.ic.gc.ca](http://www.strategis.ic.gc.ca)  
[www.2ontario.com](http://www.2ontario.com)