



# Exporting to **CANADA**

—  
A guide for clients



#GlobalAmbition



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The **Covid-19 pandemic** has created a new set of challenges for the Canadian market.

Enterprise Ireland is responding to the global crisis by working with Irish exporters to help them avail of business response supports announced by the Government. These supports are designed to help businesses stabilise and adapt to the evolving situation, in preparation for getting back on the road to recovery.

[Visit the Covid-19 business response](#)



Going Global



# Ottawa

Capital



## €45,857<sup>2</sup>

GDP per capita  
(US\$51,342) (2019)



## 5.8%

Unemployment  
2019



## 38m<sup>1</sup>

Population  
(2020 - Stats Canada April  
2020 population estimate)



## 1.7%<sup>3</sup>

GDP Growth  
2019



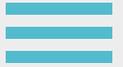
## 6,000<sup>4</sup>

People employed by Irish  
companies in Canada



## 364.5m<sup>5</sup> +7%

Enterprise Ireland  
Client Exports (2019)



For more information: Watch video



# Why Export to Canada

**Canada is the 10th largest economy in the world and is ranked 23rd out of 190 countries for ease of doing business by the World Bank. A CAD\$2 trillion economy, Canada has a growing population of 38 million people and a positive and stable economic environment.**

Canada is an affluent, high-tech industrial society with a market-oriented economy, low inflation and high living standards. While GDP is expected to fall in 2020, the Provincial and Federal Governments in Canada have made unprecedented supports available to key sectors of the economy, with encouraging levels of business activity seen in Q2 this year. Despite current challenges, Canada continues to invest in key infrastructure, education and innovation as part of its plan to battle the impact presented by Covid-19.

Canada is the second largest country in the world by landmass, with six time zones, ten provinces and three territories. Though its sheer scale can seem daunting, in fact 90% of the population lives within 200km of the United States border.

Canada offers excellent trade and investment opportunities for companies across a number of

sectors. The services sector accounts for about 70% of GDP<sup>6</sup>, with significant areas including financial services, real estate, entertainment and tourism.

Manufacturing has contributed significantly to GDP with aerospace and machinery industries overtaking the automobile sector in importance. Other sectors of opportunity include energy, food & drink, biotechnology, defence & security and business services.

The growth of hi-tech industries often involving small dynamic companies, is of increasing significance.

Its appeal to internationally focused Irish businesses is enhanced by the 2017 agreement of a trade deal with the EU. The Comprehensive Economic and Trade Agreement (CETA) has added to the ease with which Irish companies can export to the market, and reduced a number of barriers and costs of doing business in Canada, too.

The acceleration in economic activity in Canada is based on strong economic foundations. Through the Investing in Canada Plan, more than \$180 billion is being delivered over 12 years to provide predictable and sustainable funding for projects that will build modern, resilient, and green communities for Canadians. It also has growing

strengths in new sectors and technologies such as artificial intelligence.

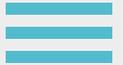
Canada is the third largest source of renewable fresh water in the world and is a leader in the supply of lumber, grain and a variety of metals and minerals, as well as having vast reserves of oil and gas.

It is a major manufacturer of machinery, automotive, electronics, chemicals, medical devices and pharmaceuticals.

Canada is also investing significantly in innovation and technology and is currently a world player in digital media, information communications and technology (ICT) and natural resources development.

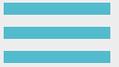
English and French are its two official languages. Canada has three main economic centres; Western Canada (encompassing Vancouver, Edmonton and Calgary), Ontario and Quebec. English-speaking Ontario represents over 40% of total economic activity and is home to Toronto, the 4th largest metropolitan area in North America. Toronto is the commercial capital and is a one-hour flight from Montreal, Chicago, New York, and Boston.

Enterprise Ireland's new presence in Montreal, Quebec, has been established to support greater access to key industries in Canada's second most populous and productive region.



# Why Export to Canada

(continued)



## Strong roots

Canada is well disposed to trade with Ireland. The attitude towards Ireland there is overwhelmingly positive. Relations between Ireland and Canada are close, and are based on a longstanding combination of family ties, cultural affinities and shared democratic political traditions.

Almost 4.3 million Canadians claim some Irish ancestry. For exporters, this can help a great deal in terms of opening doors and establishing rapport.

This matters, because when doing business in Canada, developing good relationships is key. The decision-making process can be lengthy and often is very collaborative, with relevant stakeholders from across the organisation serving as influencers to the final decision. Relationship building with multiple players within an organisation is therefore useful.

Canadians prefer to work with a company that has already established a presence in Canada. The importance of demonstrating local presence can be an important way to gain trust and to reassure potential customers of the availability of ongoing on-the-ground support.

A number of Irish trade groups are well established in Canada, including Ireland-Canada Chambers of Commerce in Montreal, Toronto, Edmonton, Vancouver, Calgary and Ottawa. The Ireland Canada Business Association is the representative body based in Ireland focused on promotion of bilateral trade and business relationships.

Enterprise Ireland's sister agency IDA Ireland is co-located with EI in our Toronto offices, recognising the increased investment opportunities from Canada.

## REASONS TO CONSIDER CANADA IN YOUR EXPORT STRATEGY

So why is Canada's market so attractive to Irish exporters?

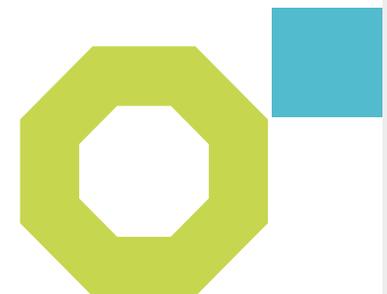
- A CAD\$2 trillion industry
- 10th largest in the world
- A market of almost 38 million people
- Among the highest GDP per capita of any large developed economy
- After the UK, it is the closest English-speaking market
- High disposable income levels
- Low trade barriers, with significant improvements under CETA
- A low-cost gateway to the wider North American market
- Extensive direct flights connectivity
- Excellent structure of active industry networks & associations

- Strong business culture with many similarities to Ireland
- Strong in key knowledge-based sectors, similar to Ireland
- Partnership and collaboration opportunities in a diversified economy.

Another record year was achieved by Irish companies exporting to Canada in 2019. Enterprise Ireland clients exported €364.5 million in 2019 which represented a 7% increase over 2018<sup>7</sup>.

Canada is Enterprise Ireland's 10th largest market.

A significant number of Enterprise Ireland client companies are doing business in Canada many of which have a local presence, employing some 6000 people across Canada. Leading sectors include **Financial Services** and **Fintech**, **Education**, **Software**, **Aerospace**, **Digital Media** and **Animation**, **Engineering** and **Food**.



# Why Export to Canada

(continued)

## Key growth opportunities

Enterprise Ireland's Canada team has identified opportunities for Irish companies in the following sectors:

- Financial services and Software / Fintech
- Telco, Internet of Things (IoT), Cybersecurity
- Construction Energy and Cleantech
- Digital Media, Content and Gaming
- Education and E-Learning
- Agritech/Engineering
- Life Sciences and Digital Health
- Consumer retail
- Aerospace, Automotive

The Comprehensive Economic and Trade Agreement, or CETA, is a trade agreement between the EU and Canada which came into effect in September 2017 and has given the already close trading relationship between Ireland and Canada a significant boost.

CETA makes doing business between both countries easier by:

- Scrapping the vast majority of customs tariffs for Irish exporters and importers
- Creating new opportunities for exporters
- Opening up the Canadian services market to Irish firms
- Making it easier for Irish company representatives to serve their customers in Canada
- Encouraging more investment between Ireland and Canada

## Sectoral Success



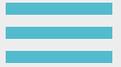
**€1.54 billion** in goods exported to Canada in 2019 (CSO) while services exceeded **€1.9 billion** in 2018.



**€525 million** is the value of goods and services imported from Canada into Ireland in 2018 (CSO).

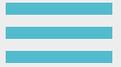


**Chemicals, pharmaceutical/medical products, electronic components, machinery and beverages** dominate Irish exports to Canada.



# Why Export to Canada

(continued)



Toronto is the **2nd largest financial hub** in North America and a globally recognised home of fintech innovation



Canada has the **soundest banking system** among G7 countries and ranks **sixth in the world**.



Toronto is the **4th largest city in North America** and considered an excellent gateway to **Canadian and US opportunities**.



Toronto has been ranked the **fastest growing tech hub in North America** in successive years (based on total tech jobs added).



Toronto and Montreal rank as **7th and 12th**, respectively, as **global financial services hubs**.



Montreal ranked as world **leading centre for AI** and is the **3rd largest Aerospace cluster** in the world.



Canada has the **third largest proven reserves of oil** - although more effective extraction technology means it is likely the world leader.

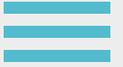


Canada is the **2nd largest country in the world**, borders three oceans, and has the world's **greatest accumulation of freshwater**.

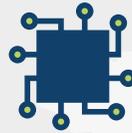


# Why Export to Canada

(continued)



Enough **maple syrup** was produced by world leader Canada last year to **fill 20 Olympic-sized swimming pools**.



For ICT and International Services, Canada was the **4th** largest market globally for EI clients in 2019.



**6th largest non-food market** for EI clients globally (top 10 exporter country for all sectors)



**60+ clients with presence in Canada.** Clients with presences in the market include CRH, Glanbia, Kerry Group, Fenergo, Keywords, Trulife, Kingspan, Leading Edge and Morgan McKinley



# Get Ready to Do Business in Canada

Canada is a well-developed and highly sophisticated market so to succeed there, you're going to have to provide a compelling differentiator in relation to your product or service. The key to becoming established in the Canadian market therefore is to be innovative and to be able to clearly establish your commitment to servicing the market.

Differentiate your offering on the basis of professional service, better back-up services and more innovative products, and clearly define your vendor capabilities in the Canadian market.

Be clear about your market proposition; why is your product or service the best solution for your market?

Do your market research thoroughly and avail of local resources and partners to assist you in more detailed research and networking.



## Canadian culture

Canadians are, overall, polite though typically slightly more reserved than their US neighbours. While they may be relaxed and approachable in their business dealings, relationship building is crucial to success. Trust is built through multiple meetings, providing reassurance that vendors will be available for ongoing support.

The decision-making process can be lengthy and is often very collaborative, with relevant stakeholders from across the organisation serving as influencers to the final decision. Relationship building with multiple players is therefore useful.

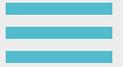
Canadians prefer to work with a company that has already established a presence in their country. Demonstrating a local presence can reassure potential customers of your ongoing support.

Be aware of the regional differences relative to language and culture. English is the primary language of business in most of Canada but French is prevalent in Quebec, and as such, language skills or translation services may be required.



## Getting to grips with the geography

Canada is a vast country. The distance between Ireland and Canada is the same as from Halifax in Eastern Canada to Vancouver in Western Canada. While the capital is Ottawa, each of the ten provinces and three territories has governments based in either provincial or territorial capitals.



Regional activity is concentrated in the province of Ontario, which is home to both national capital Ottawa and economic powerhouse, and largest city, Toronto.

The provinces of Quebec, Ontario, British Columbia and Alberta together contribute more than 85% of Canada's GDP. Where you set up depends on the sector you are in. For example, Toronto in Ontario is the financial services centre, while natural resources are the mainstay in British Columbia and Alberta.

Regulations and industry leaders vary across the country, so bear this in mind when looking to secure initial Canadian reference sites.



## Break it down

Canada is too big to tackle all at once. Narrow your focus and increase your chances of success by asking yourself these key questions:

Do you have relationships with multinationals in Europe that also operate in Canada?

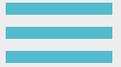
Does a particular province have legislation or regulation that supports your offering?

Is there a particular hub in the country for your sector?

Which part of Canada offers less competition, or a more attractive target market?



# Helping You Win in Canada



**A new trade agreement means diversifying into Canada could prove a winning strategy for Irish exporters, says Neil Cooney, Enterprise Ireland manager for Canada.**

“The EU-Canada Comprehensive Economic Trade Agreement (CETA) is a new generation agreement that removes tariffs between the EU and Canada and will create sizeable new market access opportunities,” he says.

“It ends limitations in access to public contracts, opens up markets for services and offers predictable conditions for investors.”

CETA saves on duty costs as 99.6% of all industrial tariffs have been eliminated on entry into force. “Irish firms also benefit from the recognition of product standards and certification, thus saving on ‘double testing’ on both sides of the Atlantic. These are some of the benefits of the trade deal with Canada as well as providing new market opportunities in many sectors for Irish firms.”

The procurement chapter in CETA alone is of particular interest to Irish exporters. “It has eliminated the major asymmetry between the EU and Canada, given that the EU procurement market was previously de facto open to

Canadians, including at the sub-federal level, while in Canada the access for EU firms was very limited prior to CETA,” says Cooney.

“For the first time, Canadian provinces, territories and municipalities have opened their procurement markets to a third country, going well beyond what Canada had offered in the GPA (the multilateral Government Procurement Agreement) or under NAFTA (the North America Free Trade Agreement).”

This is key because Canada’s provincial procurement market is estimated to be double the size of its federal equivalent.

“Canada has created a single electronic procurement website that combines information on all tenders, which corresponds to existing intra-EU arrangements, and facilitates the effective access of firms, especially small and medium sized enterprises, to procurement opportunities in Canada,” he says.

“Making the trading landscape easier and more predictable is particularly important in helping SMEs to internationalise and grow exports, given that trade barriers tend to disproportionately burden smaller firms, which have fewer resources to overcome them than larger firms.”

## BEFORE YOU GO...



### Market landscape

What is the size of your target market? Is it dominated by a few strong players or fragmented with many small competitors?



### Market trends

What are the current market trends for the sectors you will be targeting? If there is an obvious gap in the market, find out why: it may exist for a reason.

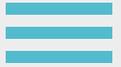


### Target market

How does your target market make buying decisions? Who are the relevant decision-makers – what are their job title and responsibilities?



# Helping You Win in Canada



## Market segmentation

Who are your most probable customers, where they are located, how and what else do they currently buy, who are their influencers and what 'need' are you fulfilling?



## Market competition

Who are your rivals in the market and how do their offerings compare with and differ from yours?



## Market research resources

Being abreast of local market trends, especially in your sector, will help enormously when it comes to building your knowledge about the Canadian market.

Enterprise Ireland's **Market Research Centre** offers client companies access to market intelligence in the form of company, sector, market, and country information to explore opportunities and compete in international markets.



## ROUTES TO MARKET

The Canadian market can be served remotely. There is roughly a four- to eight-hour time difference, depending on the region you are targeting or engaging with. However, given the preference among many Canadian organisations to work with local providers, a local presence or partner may be required. Covid-19 has accelerated the adoption of remote working technologies across many industries, but identifying a local partner can still be beneficial.

### **Working with partners**

Experienced partners know the territory, have brand recognition and can introduce you to clients. They are particularly useful if you plan to tender for Government contracts as the process can be complex and subject to regional variations.

### **Third-party demonstration**

In Canada this can take a number of forms, the optimal structure being dependent on factors such as the complexity of your product, the extent of brand control you require and familiarity with the end-customer environment.

## AFTER YOU GET THERE...

As a first-time exporter your brand is most likely largely unknown. Expect to have to spend more on marketing than competitors, especially domestic ones.

Be strategic about your marketing budget and test the Canadian market for a specified time using an integrated marketing approach including a localised .ca website that is optimised for search engine marketing.

Include customer endorsements and photographs of your products or services in use.

Provide personalised contact details, with a direct email to a named member of staff and a picture, rather than an "info@" address.

Join an industry forum and engage in discussions and developments in Canada, especially if your business is about selling knowledge or technically sophisticated products or services.

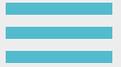
Many trade shows and conferences are hosting virtual versions of their events - such as Construct Canada in November, or the Great Data Centre Symposium. A smaller number of key events will take place with appropriate protocols in place, such as the Toronto Gift Fair. EI's team in Canada are happy to help identify and support your presence at, key shows in the market.

Identify and engage with key Canadian opinion leaders in your sector.

If you have worked with partners who are well known in Canada it may be useful to go to market with them initially to build credibility.



# Helping You Win in Canada



As soon as you have at least one satisfied customer, put out a media release announcing your entrance to the market, targeting trade magazines, business press and industry associations.

Leverage social media to promote your brand.

Consider engaging a Canadian direct marketing agency to generate warm leads.

Host webinars – they are particularly well suited to Canada's vast geography and even more so during the Covid-19 restrictions on business gatherings and travel.



## Building market presence

Corporate marketing material should be visually attractive and tailored to the Canadian market in terms of language subtleties, format and relevance to actual processes and practices. This is important in establishing credibility in the market.

Gift-giving is not done outside of nominal pen, notebook, toque (Canadian hat!) or other modest marketing materials.

Brochures do not need to be elaborately produced but only include relevant company background, a product overview and your contact details. As a high number of Canadian businesses are becoming

paper-free, send a follow-up soft copy of your brochure rather than bringing a hard copy to the meeting as a 'leave-behind'.

Electronic marketing material is used extensively in Canada. Take advantage of this to tailor materials to specific business needs where possible.

Canadians are active users of social media, including Facebook, YouTube, LinkedIn and Twitter, so be prepared to engage via these channels.



## Helping you succeed in Canada

### Enterprise Ireland assists clients entering new markets with

#### Pre-visit support

- Sector overview
- Validation of the opportunity for your product or service
- Evaluation of your market entry strategy
- Suggested channels to market
- Competitor analysis
- Relevant contacts/suggested itinerary

#### In-market support

- Introductions to buyers and decision makers
- Identification of potential partners
- Facilitating buyer visits to Ireland
- Assistance with product launches and workshops
- Securing reference sites

#### International trade events

- Inward buyers' missions to Ireland
- Group stands at international trade fairs
- Overseas trade missions
- Market study visits
- Client knowledge seminars
- Networking events with market contacts

#### Additional supports

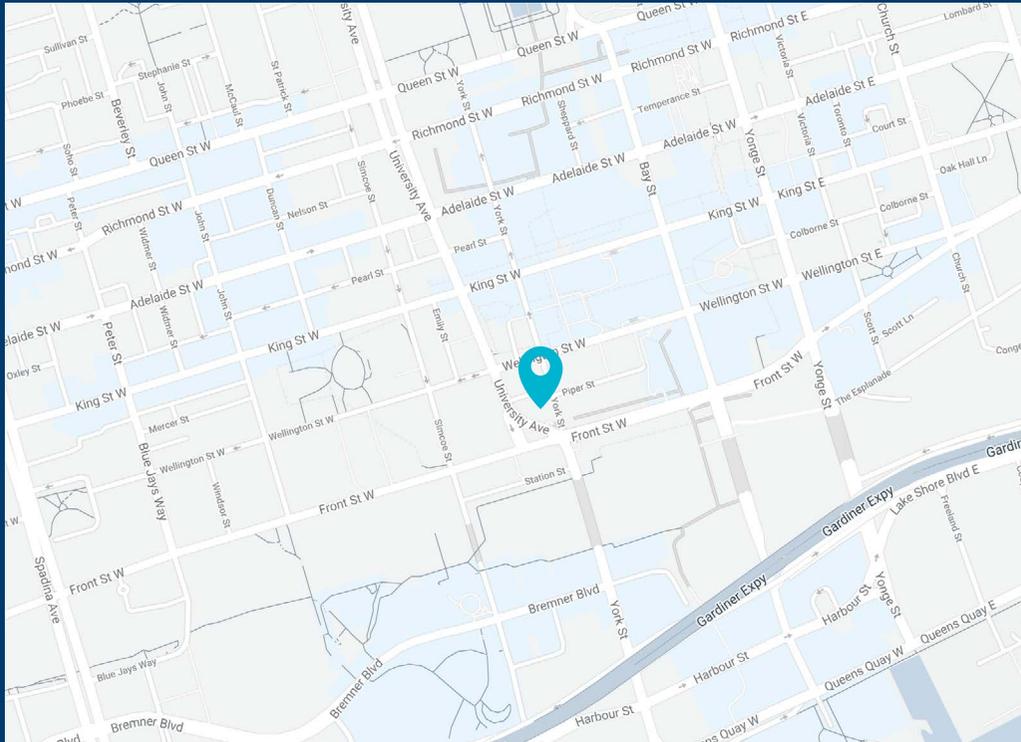
- Access to translation and interpreting services
- Introductions to specialists in all areas, including legal, recruitment, PR and taxation

#### Access to mentors

Enterprise Ireland has also built up an excellent network of individuals in Canada who are available to work with Irish client companies looking to develop their business. It includes market and sector specialists, business accelerators and members of Irish business associations.



# Contact Us



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**Rialtas na hÉireann**  
Government of Ireland



**Ireland's EU Structural and  
Investment Funds Programmes  
2014 - 2020**

Co-funded by the Irish Government  
and the European Union



**European Union**  
**European Regional  
Development Fund**

Ireland's European Structural and Investment Funds Programmes 2014-2020.  
Co-funded by the Irish Government and the European Union.

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