

MERCADOR : EXPORT LEADER

## Pelican Shines in International Waters

With annual growth of 30% and exports accounting for 70% of sales, Pelican International is a leader in the design and manufacture of plastic pleasure crafts. Today, the company is the third largest kayak manufacturer in the world, with an annual production of 130,000 units.

Pelican began exporting to the U.S. in 1972, four years after it was founded. At the time, Pelican specialized in the manufacture of pedal boats, using a unique thermal forming process. As president Christian Élie explains, "We had not really planned this start. Our resin supplier, multinational Borg-Warner, used our pedal boat to promote its products. Since it was the largest thermal formed craft ever made, it attracted a lot of attention and generated strong demand around the world."

Pelican then expanded its product line to canoes, fishing boats and children's toys such as sleds and wading pools. In 2001, the company moved to its new facilities where it began manufacturing kayaks. "We owe our growth to American big-box stores such as Costco and Walmart," says Mr. Élie. "These stores have very specific needs because they don't stock merchandise. The strategy that we adopted to penetrate and grow in this market is based on customer service. We deliver between six and eight boats at a time to hundreds of stores, which makes our distribution activities rather complex. On some days, as many as 3,000 boats leave our Laval plant. It takes foolproof organization to manufacture, load and deliver these items, which usually arrive at their destination two weeks after the order is placed."

To offer an even more personalized service, Pelican set up a computer-assisted system for tracking the inventory movement of some of its customers. This allows some 70 Pelican representatives working in the U.S. to prepare orders with big-box buyers, with whom they are regularly in touch.

To celebrate its 40<sup>th</sup> anniversary, Pelican is targeting the market of specialized paddle sport stores with a new series of high-end kayaks and canoes. "Although we export to Australia, Europe and Asia, the size of our products and our transportation costs are such that the U.S. is our main export market," explain Mr. Élie. "But we are still eyeing the entire global market and are contemplating acquisitions as a means of penetrating other territories." [www.pelicansport.com](http://www.pelicansport.com)



«**IN ORDER TO SUCCEED, YOU MUST PAY ATTENTION TO EVERY DETAIL. PRODUCT DESIGN, FLEXIBLE MANUFACTURING PROCESSES, THE PRICE OF EACH MATERIAL USED, PACKAGING AND CUSTOMER SERVICE QUALITY ARE ALL IMPORTANT. BUT THE KEY INGREDIENT IS THE TEAM AND THE VALUES THEY SHARE. AS FAR AS I'M CONCERNED, PEOPLE ARE WHAT MAKES THE DIFFERENCE.**»  
**CHRISTIAN ÉLIE**  
**PRESIDENT, PELICAN INTERNATIONAL**

## Launch of the LAVAL TECHNOPOLE International Business Centre



BY **VÉRONIQUE PROULX**  
DIRECTOR  
INTERNATIONAL  
BUSINESS CENTRE

Good news for companies active on the international scene... LAVAL TECHNOPOLE has set up the LAVAL TECHNOPOLE International Business Centre (LTIBC). A natural progression and extension of LT Export, the LTIBC offers Laval businesses an array of new services that will help them go further, even faster. The LTIBC offers all the services associated with business development abroad: exporting, sourcing, market development missions, international and other business networks, strategic alliances, technology transfers, marketing, innovation, international expertise, technical training and practical content posted online.

A hub of services offered to companies active on the global marketplace, the LTIBC will provide Laval businesses with access to its many international networks, helping them boost sales around the globe.

The goal of the LTIBC is to support the growth of local businesses on the international markets. The new services will be phased in gradually. For more information, please visit [www.lavaltechnopole.com](http://www.lavaltechnopole.com). On another note, *Laval Export* will soon be integrated into the LAVAL TECHNOPOLE economic newsletter. 🌐



## Alpha Vision Erases Distance

Alpha Vision specializes in cutting-edge computer-generated renderings and virtual animations for home builders and developers. The company, which makes its sales primarily abroad, decided to set up operations where its customers are. Consequently, it has subsidiaries in the United States and in Germany.

At the outset, in 1993, Alpha Vision created illustrations of home exteriors for Quebec builders. However, it quickly expanded to the rest of Canada and into the U.S. to the point where by 2000, the U.S. accounted for nearly 100% of sales. "We expanded our offer to include a full range of sophisticated tools, used by the sales teams of many real-estate developers for their brochures, Web sites and project presentations to buyers in their offices," explains co-founder Marc Lamoureux.

In 1999, Marc Lamoureux set up operations in the booming Arizona market. Shortly thereafter, subsidiary Alpha Vision USA was created. In 2003, the company also set up operations in Florida to penetrate the luxury condo market, and then in California, with its GotoReality subsidiary. All these offices are staffed by sales teams since all the production for the U.S. takes place in Laval, home to another subsidiary, Meduzarts, which does work for American film studios.

When asked if the slump in U.S. residential construction has affected his company, Marc Lamoureux says the opposite is true. "While some of our traditional services are down, we have evolved towards solutions aimed at sales growth and reducing marketing expenses. In all, this more difficult context has been good for us because builders need us more to promote their projects. The American market still accounts for 90% of our sales."



“IT MAY BE TEMPTING TO OPEN SEVERAL MARKETS AT A TIME TO TEST WHAT WORKS. UNFORTUNATELY, DOING THINGS RANDOMLY RARELY LEADS TO SUCCESS. IT'S BETTER TO ACCURATELY DETERMINE WHICH MARKET YOU WANT TO PENETRATE AND TO INVEST ALL THE NECESSARY RESOURCES TO MAKE IT WORK. FOR US, SETTING UP LOCALLY WAS THE RIGHT ANSWER.”  
**MARC LAMOUREUX**  
**ALPHA VISION CO-FOUNDER**

Alpha Vision finds it important to be close to its customers. "For a company like ours, which offers high-end products to a clientele with very specific needs, there is no other way to succeed," says Marc Lamoureux. "By setting up in the market we are serving, we give the impression of being a local company. We're more familiar with customs, and it's easier to approach customers." That said, Alpha Vision's Laval offices are equipped with computer systems so it can work remotely with customers. The company has therefore done everything possible to eliminate distance constraints. [www.alpha-vision.com](http://www.alpha-vision.com)

## Bedcolab Outfits U.S. Laboratories

A manufacturer of metal lab casework and fume hoods since 1976, Bedcolab served only the local market until 2003 when it set its sights on the U.S., which now accounts for 40% of sales.



“BEFORE LAUNCHING INTO A NEW MARKET, YOU MUST STUDY IT CAREFULLY. YOU MUST UNDERSTAND THE CHARACTERISTICS OF EACH MARKET IN TERMS OF BUSINESS, COMPETITION, CUSTOMER NEEDS AND THEIR CULTURE.”  
**RONALD BÉDARD**  
**PRESIDENT, BEDCOLAB**

In the early 2000s, Bedcolab started receiving a growing number of calls from the U.S. "Many of our Canadian customers were recommending us to American companies," explains company president Ronald Bédard. "We realized there was good potential south of the border. Experienced in our field, we felt ready to take on this imposing market. We had the necessary technical knowledge and our products, manufactured according to the highest industry standards, met U.S. requirements."

Bedcolab therefore geared its sales and marketing efforts based on a specific plan aimed at the research labs of U.S. hospitals, universities and pharmaceutical firms, a market that for all intents and purposes was similar to the one it was accustomed to serving. "Our representatives, who are very familiar with this type of clientele, made contacts with American professionals in this industry," explains Bédard. "We began by making sure that our products were what they were looking for and then had them tweaked by our R&D team."

It took Bedcolab a few years to build its reputation south of the border. Extensive travel and frequent meetings were required to convince potential customers that the company had what it takes, both in terms of volume and technical knowledge. "Showing successfully completed projects is the best way to attract new customers," says Bédard. "That's what allowed us to make inroads into the U.S. and grow."

Still to this day, Bedcolab handles customer relations itself. "We prefer to work directly with our customers," explains Mr. Bédard. "It's the only way to forge genuine relationships. However, in some more remote markets, like the U.S. Southwest, we sometimes use intermediaries."

For the last two years, Bedcolab has been diversifying geographically. Today, it has established a presence in Kuwait and in Saudi Arabia. Because these markets call for different sales and marketing strategies than those used in North America, the company is looking to work with local partners who will act as resellers. [www.bedco.ca](http://www.bedco.ca)

## MMC Packaging Equipment: Successful Diversification

MMC Packaging designs and manufactures automation machinery for cap and closure manufacturers. Founded in 1991, the company has been present in the U.S. since day one. In 2005, it successfully expanded into Latin America and is now eyeing Europe.

Most of MMC's automation systems are sold on the export markets. As president Philippe McNally explains, the company set its sights on the American market from the get go. "Most of the big customers in our industry are in the U.S. They are the ones that invest the most in the type of product we offer."

At the outset, MMC had a partnership agreement with representatives of a company that offered related products and who were well versed in the U.S. market, the industry and its customers. A few years later, MMC hired its own local rep, who today covers the entire United States.

In 2004, noticing that U.S. sales were flattening out, McNally shifted his attention to Latin America. "We began by diversifying the products that we offer our U.S. customers," he explains. "We also had to expand our territory in order to continue growing and, more importantly, to be less vulnera-

ble. At that time, the U.S. market accounted for 85% of sales and our dollar, whose weakness had played in our favour for about 10 years, had started to rise."

MMC hired a Quebec representative of Latin origin, who divides his time between Quebec and Mexico. "We also modified our products to make them more competitive and participated in trade fairs," adds Mr. McNally. "Growth was solid in 2007, and Latin America, mainly Mexico and Brazil, now account for 30% of sales."

Now well established in North America, MMC is eyeing Europe. To ensure its success, the company will set up an office overseas. An acquisition or a strategic partnership will allow it to overcome the logistical constraints associated with overseas markets. [www.mmcpackaging.com](http://www.mmcpackaging.com) 🌐



“FORGING TIES WITH INDUSTRY PLAYERS ON THE TARGET MARKET WHO KNOW THE CLIENTELE AND CULTURE WAS A DECISIVE ELEMENT FOR MMC.

IT MAY APPEAR TO BE A SIMPLE APPROACH, BUT IT'S ONE OF THE REASONS WE'RE SUCCESSFUL.”

**PHILIPPE McNALLY**  
PRESIDENT, MMC PACKAGING

## CIRION Expands

Founded in 1994, CIRION launched its business in the Quebec Biotechnology and Innovation Centre. In 2000, the company moved to the Laval Industrial Park Centre, where it began exporting to the U.S. Four year later, CIRION made inroads into the European market, which now accounts for 35% of sales.



CIRION is a contract research laboratory offering a full range of research and laboratory services to the pharmaceutical, biotechnology and bio-food industries. The company began by targeting the U.S. market due to its proximity and accessibility.

A multifaceted marketing strategy allowed the company to raise its profile and grow in the U.S. CIRION participates in trade fairs and other events; it also advertises its services in specialty magazines. "The members of our marketing team regularly meet with customers to present our products," says the company's chief executive, Dr. Sylvain Desrochers. "Since the American market is divided into two parts, the pharmaceutical sector on the east coast and biotechnology on the west coast, it makes our work much easier. Our reps are often assisted by local consultants, who help them establish contacts."

CIRION's entry into the European market, which was also well planned, was speeded up by new

market trends. The fact is that the marketing strategy of the pharmaceutical industry has evolved towards a global approach, translating into simultaneous clinical trials in both North America and Europe. "Most of the American projects on which we are now working have a European counterpart," explains Desrochers. "This trend allowed us to step up our marketing plan two years ago and begin prospecting more actively in Europe." As such, the company forged an alliance with a well-known European laboratory, which today handles some of the services offered by CIRION.

CIRION, which makes 85% of its sales abroad, wants to boost its presence on the European market by setting up a local sales force, ideally through an acquisition. It also plans to continue growing on American soil. All these plans will undoubtedly help the company maintain its growth pace, which in the past five years has averaged over 30%. [www.cirion.ca](http://www.cirion.ca) 🌐

“I BELIEVE THERE ARE FOUR KEY ELEMENTS TO SUCCEEDING ON NEW MARKETS. FIRST, BE WELL PREPARED. SECOND, PRODUCT PRESENTATION, AND THIRD, A PENETRATION STRATEGY ADAPTED TO THE MARKET. LAST BUT NOT LEAST, DON'T UNDERESTIMATE THE COST OF LAUNCHING INTO A NEW MARKET.”

**DR SYLVAIN DESROCHERS**  
PRESIDENT AND CEO, CIRION

**National Bank is proud to congratulate the dynamic, creative, and successful companies that were awarded the MercadOr 2008 distinction. Continued success to all!**

[www.bnc.ca/international](http://www.bnc.ca/international)



Félicitations ! Congratulations!  
Congratulazioni !  
Glückwünsche !  
Felicitações !  
Felicitaciones !



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## Message from the Mayor of Laval



The economic development of cities is changing rapidly and competition is fierce around the world. I would therefore like to congratulate all our local companies that through their initiatives abroad have contributed to Laval's prosperity and helped raise its profile on the world stage. I would especially like to congratulate the Laval exporters that won a Mercador award for being proactive and for finding new ways to take up the challenges created by globalization.

LAVAL TECHNOPOLE, in collaboration with the City of Laval and other institutional partners, recently inaugurated the LAVAL TECHNOPOLE International Business Centre (LTIBC), an extraordinary economic development tool for businesses already active on or eyeing the global market. I strongly encourage them to take advantage of the many services offered by the LTIBC, a formidable new development tool that will play a key role in the growth of the companies on our territory, because as we all know, international development is by and large the path to growth.

Once again, congratulations to the 2008 Mercador winners!

Gilles Vaillancourt  
Mayor



FOR MORE INFORMATION ON THE MERCADOR, VISIT [WWW.LAVALTECHNOPOLE.COM](http://WWW.LAVALTECHNOPOLE.COM)

CONGRATULATIONS TO ALL OUR WINNERS!

# WHY NOT THE WORLD?

Why not, indeed ? LAVAL TECHNOPOLE EXPORT offers local companies all the support, ideas, contacts and training required to put the global market within their reach.

- A centre providing export support and assistance in conjunction with government institutions ;
- Export consulting services and strategies ;
- Training and market discovery ;
- Hosting of international buyers ;
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- Information on financial assistance programs ;
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Conquering the world takes preparation... and the LAVAL TECHNOPOLE EXPORT team is the partner of choice for your endeavour.



Phone : 450 978-5959  
www.lavaltechnopole.com



## Message from the organizing committee


### Ten years of success

On the 10<sup>th</sup> anniversary of the MercadOr awards, the organizing committee, comprised of the Business Development Bank of Canada, Economic Development Canada, Export Development Canada, Investissement Québec, the ministère du Développement économique, de l'Innovation et de l'Exportation and the LAVAL TECHNOPOLE International Business Centre, is proud to pay homage to the 64 Laval companies that received a MercadOr.

A look at the last 10 years shows just how much Laval's businesses have advanced on the export front. In fact, many companies that received a New Exporter award a few years ago are now in the process of diversifying their markets or setting up operations abroad. One need only think of Cirion, which in 2001 was named new exporter of the year and which this year received an award in the Market Diversification category.

It bears mentioning that this 10<sup>th</sup> anniversary comes at a difficult time for Laval exporters, from an economic perspective. Still, this edition of the MercadOr shows that many of our local companies still managed to succeed abroad. However, whereas in the past, they could count on a weak dollar and the insatiable appetite of the U.S. market, today they have no choice but to revise their strategies and business models in order to find new opportunities or to hold on to their lead in places where they are already established.

In 2008, five companies received this award in one of four categories: New Exporter, Market Diversification, Foreign Expansion and Export Leader. This last category is particularly prestigious because its winners are seen as models for other Laval firms with less experience in the global marketplace.

We now invite you to read on about the success of our five award winners in the international arena. 

## UPCOMING ACTIVITIES

### INTERNATIONAL BUSINESS CENTRE

*For the upcoming activities, please refer to the LAVAL TECHNOPOLE's calendar of activities available on our website*

***www.lavaltechnopole.com***

The MercadOr 2008  
Organizing Committee –  
Laval Section consists of

BDC, DEC, EDC, IQ, MDEIE,  
LAVAL TECHNOPOLE  
INTERNATIONAL BUSINESS CENTRE

# How to stake your claim on the international market



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Companies that want to succeed on the international market must stand out, think outside the box and innovate. That said, innovating is not enough to become a global leader in your industry. Many companies with high-quality products cannot maximize their potential. The *Go International* training and coaching program, offered by the LAVAL TECHNOPOLE International Business Center (LTIBC) this past winter in collaboration with the consulting firm Embrase, sought to resolve this problem.

Embrase's approach is based on a theory put forward in the early 1990s by high-tech marketing guru Geoffrey Moore in his book *Crossing the Chasm, Marketing and Selling High-Tech Products to the Mainstream Customer*<sup>1</sup>. Moore redefines a number of concepts, including the technology adoption curve. The author divides consumers into several categories based on their openness to new technologies (see the figure). Technology visionaries and enthusiasts are at the beginning of the curve because they are the first to adopt new technologies. These customers are relatively easy to attract and can really help a company fine

tune its products. Unfortunately, they represent but a fraction of the market. Most potential customers are comprised of what he calls pragmatic people, whose selection criteria are quite different from those of visionaries. Because the gap between these two types of clientele is difficult to bridge, Moore refers to it as a chasm.

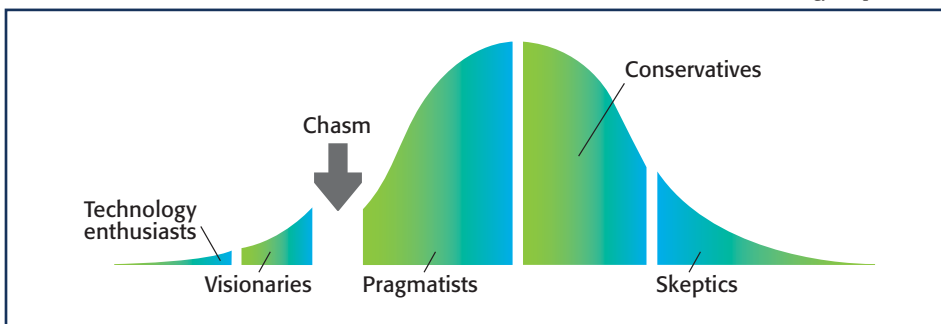
In order to convince pragmatic consumers to buy your novel product or service, you must offer them a proven solution that perfectly responds to the issues they face in their work. To this end, you must become a leader in well-defined market segments by offering a complete product, which resolves an urgent problem in these segments. Once you have established your leadership and secured references from recognized pragmatic buyers, you can then gradually take on other segments. Moore uses highly evocative metaphors to illustrate this phenomenon, namely, the Normandy invasion and bowling. When the allies landed in Europe in June 1944, they did not launch their attack on several fronts but concentrated their efforts on just a few beaches. Once they had a foothold on the continent, they

were able to gradually reconquer France and its neighbouring countries. The author also gives the example of the first bowling pin, which when it falls, takes down the others with it.

Guided by the Embrase team, the participants in the coaching program work on redefining their positioning. They learn how to effectively segment their market and choose the most promising segments, the ones that will really help grow their sales abroad. This exercise helps them develop, among other things, the skills to detect the fundamental motivation that prompts a consumer to buy a product and the ability to formulate concise sales arguments that quickly explain what the company does and the solutions it can offer. The participants then prepare a complete marketing plan, which will guide their future market development.

The *Go International* program is consistent with the orientation of the LTIBC, helping businesses rethink their strategies and find their niche in the international marketplace. While going global is a must for any company in search of growth, it must also have the right tools in order to succeed. 🌐

Technology adoption curve



1- Published under this title in 1991 by Harper Collins Publishers. The book was updated and re-published under the same title in 1999, and then under the title *Crossing the Chasm, Marketing and Selling Disruptive Products to Mainstream Customers*, in 2006.

## LAVAL EXPORT

is a special publication of  
LAVAL TECHNOPOLE  
VOL. 11, N° 1 SPRING 2008

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