

Entry Into The Canadian Market



Setting up a Business in Canada:

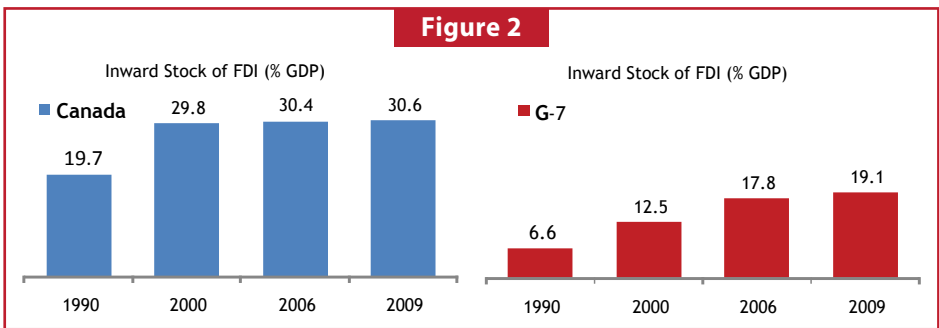
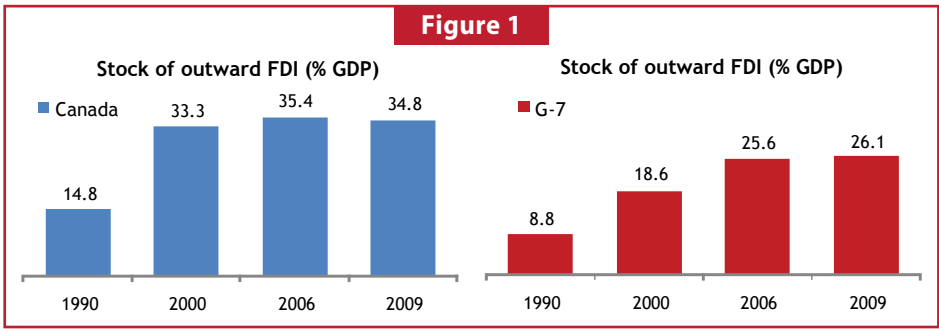
For organizations looking to enter into a developed market, Canada is a great place to be. It is a well-developed nation with investor friendly policies that attract investment from across the world. It has a mature and stable economy and is both a major source as well as destination for Foreign Direct Investment (FDI).

Canada is a nation with an aggressive trading environment. The average Foreign Direct Investment (FDI) into Canada during the 2000-2009 period amounted to over US\$400 billion — which is significantly higher than FDI inflows into Brazil, Mexico, India, and Russia. It is also one of the most open economies in the world, with exports and imports of merchandise totaling around 60% of its GDP.





Among the G7 nations, Canada has the highest FDI to GDP ratio, both inward as well as outward. (See Figures 1 and 2)



As the figures above illustrate, the Canadian economy is strongly oriented towards FDI and, its proportion of the total economy (both inward and outward), is well above the averages of the G7 nations (26.1% outward and 19.1% inward FDI for 2009)

Why Invest in Canada?

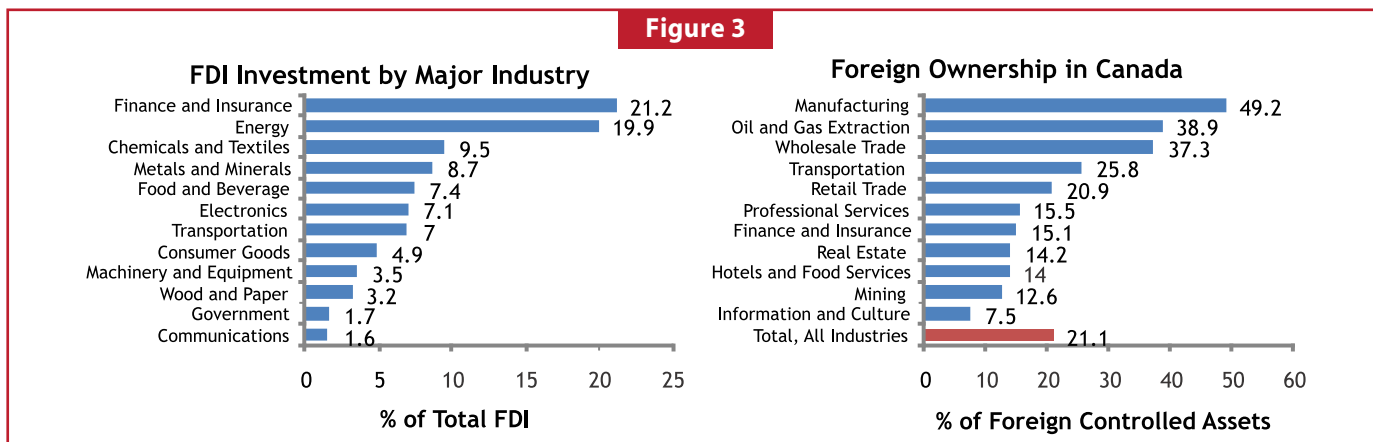
The infrastructure of Canadian cities is very good enabling ease of doing business. Canada has many large and well-connected cities like Toronto, Vancouver, Montréal, Calgary, Ottawa, Halifax, Winnipeg, Québec City, Edmonton, the Waterloo Region, and Saskatoon.

Canada has been a consistent recipient of FDI for many reasons, primary among them being the strength of Canada’s banking system and being the fastest economy among G7 nations for the period of 2010-2011 according to International Monetary Fund (IMF):

- Fastest economic growth within the G7 nations during the 2010-2011 period (according to the IMF)
- A sound banking system (The best in the world according to the World Economic Forum)
- Highest proportion of post-secondary graduates among the OECD nations
- Lowest debt-to-GDP ratio within the G7 nations (according to the IMF)
- Lowest taxes on investment in new business initiatives within the G7 nations

- Lowest Research and Development costs within the G7 nations, with a significant advantage over the US, supported by generous R&D Tax Credits.
- High quality of life with features like a robust public-funded healthcare
- Peaceful society with a commitment to law and order along with an established judicial system

As the figure below shows, the received FDI investment has been well diversified across many sectors and industries. This is mostly due to the investment friendly nature of Canadian economic policy. Most industry sectors in Canada attract foreign investments and as a result many industries have significant foreign ownership.



Entering the Canadian Market: The Need for a Strategic Consulting Partner

We have amply demonstrated the attractiveness of the Canadian economy and market along with the factors that enable easy entry into the Canadian market. However, there is a lot of domain and local expertise required to set a successful business in Canada. It is here where PSD Global comes into the picture as a preferred strategic consulting partner. We have vast experience of working in the Canadian economy across different industries.

Our Canada operations are headquartered in Toronto – and for good reason. The Greater Toronto Area (GTA) and surrounding region is one of the most attractive and popular locations for foreign companies wanting to establish a presence in Canada, particularly if they are European companies in the area of financial services, manufacturing, and information and technology sectors. Toronto also is the main wholesale trade area in Canada controlling around 40% of the total wholesale trade. We also have an office in the Province of Quebec, the second largest wholesale trade zone in Canada and home to many major industrial corporations.

PSD Global has deep roots in Canada and our staff has in-depth experience with the Canadian market. We provide a wide array of services to foreign companies seeking to enter the Canadian economy and market. PSD Global Solutions is a great place to begin, and end, your search for the optimal consulting partner in such ventures. We provide market entry services cross various industry sectors such as:

- **Government Market:** This is the focal point if you plan to do business with the Canadian Government. We provide you with the legal, regulatory, and contractual expertise needed to enter the lucrative government sector.
- **Finance and Insurance Sector:** Our consultants have extensive experience in this sector. We specialize in market mapping and opportunity sizing for various financial products and service. PSD Global has successfully managed creation of many Joint Ventures of foreign companies with local market players as well as developed strategy for solo launches in the sector. We have the expertise to guide you at every stage for entering this sector.

- **Wholesale and Retail Trading:** This is another sector where we provide depth of expertise. We provide information about the entry barriers, market research, and setting up of relevant partnerships, logistics, supply chain, etc.
- **Electronics and Consumer Goods:** PSD Global has consultants in this area who assist you in developing the market entry and “go to” consumer strategy.
- **Oil and Gas/Energy:** Canada is a global hub of energy sources and has many large and well established players. Given the capital intensive nature of this industry, the companies are always on the lookout for strategic partners to expand their markets. Our consultants in this sector have deep relationships with many organizations and provide the right platform for your organization to enter into valuable, strategic partnerships. We also have the experience undertaking green field projects within this industry.
- **Others:** Our consulting expertise is not limited to the above mentioned sectors. We have considerable experience in manufacturing, chemicals and textile industries among others. Whatever sector you want to enter, we assure you we will have experts who can guide you in the market entry strategy. PSD Global stands for excellence and customer satisfaction.

Our Services

PSD Global provides market entry services for companies across all the major sectors listed above. We either provide, or manage the provision of, all the essential services required for setting up a business in any of the major cities in Canada. The key services include:

- **Management Services:** Our experienced management team will provide your organization all the management services required to efficiently run an office, along with dealing with logistics, and all the other aspects of smoothly running your business in Canada. We will also provide regular and detailed management reports.
- **Business Plan and Feasibility Analysis:** We at PSD Global are not contractors who simply provide you with infrastructure and logistic support. We provide assistance in development of a structured business plan with short and long term feasibility analysis which will help you understand the dynamics of the Canadian market and be in a better position to enter the market.
- **Market Research:** We will provide you with in-depth market research on your industry for your target market and advise you on the product and service mix for the Canadian market.
- **Company Administration:** We understand that when an organization is setting up a business in a foreign nation it requires a lot of administrative support. At PSD global we will help you smoothly manage the establishment and administration of a company. This will include managing the inputs from lawyers, accountants and various other professional services firms.
- **Business Development and Outsourcing:** In the initial periods, we will assist you in your business development initiatives to facilitate penetrating the market. We also provide services to outsource your sales or other operations processes in all the major industry sectors.

Our Model

We have a well tested and successful operating model with four main components or pillars of support which together guarantee a successful entry into the Canadian market. The components include:

Structured Approach

PSD Global offers a structured approach to market entry. We begin with a detailed market evaluation, prepare a business plan, and then adopt a structured approach to business development, sales and marketing. Once your organization has achieved critical mass, we help you in building your own team around the robust processes and market presence we have developed and transition the operations to your team



Experience Local Management

The consultants at PSD Global have significant management experience in both small and large organizations. Most of them have lived considerable parts of their professional lives in Canada. They understand the local markets, business cycles, and cultural preferences of the consumers; and also have nurtured, well-established business networks



Team Based Approach

We at PSD Global are strong believers in a team based approach to work. We partner with other organizations wherever required to increase the speed to market. We learn from each other's experiences and also from our teams extensive network enabling a faster entry into the market PSD Global offers an expandable and flexible resources at your disposal for developing your business



Infrastructure Support

PSD Global gives complete infrastructure support. We understand the teething problems of setting up a new business and are there to help you until you get fully established in the Canadian market. If you require an office in the early stages of your entry, you can either use ours or we will help you find one. We will also run the office for you operationally until you have established your presence and have built the capability to run it on your own.

Your Search Stops at PSD: Benefits of Our Approach

Entering the Canadian market is challenging and costly if you don't get the dynamics right. By engaging us as a consulting partner you outsource your worries to us and reap the benefits of an experienced partner. A partnership with PSD Global has multiple benefits for you including:

- Reduced initial investment for market entry
- Accelerated market entry process
- Improved chances of success
- Reduce risks of market entry
- Ability to test the market before committing long term capital investments into the country.

So, if you are planning to enter the Canadian market, then your search should stop at PSD Global. We guarantee that we will prove the best partner in guiding you into Canada