

THE REGIONAL MUNICIPALITY OF YORK

**REPORT NO. 1
OF THE REGIONAL
COMMISSIONER OF PLANNING AND DEVELOPMENT SERVICES**

**For Consideration by
The Council of The Regional Municipality of York
on January 18, 2001**

**1
EXPORT DEVELOPMENT INITIATIVE
HRDC FUNDING FOR YEAR TWO**

1. RECOMMENDATIONS

It is recommended that:

1. The Regional Clerk and Regional Chair be authorized to execute the contract agreement with Human Resources Development Canada for funding for the amount of \$203,000 to undertake Year II of the Export Development Initiative.

2. PURPOSE

The purpose of this report is to highlight the achievements of the Export Program in Year One, and to seek authorization from Regional Council to enter into an agreement with Human Resources Development Canada to continue the Export Development Initiative for a second year.

3. BACKGROUND

The York Region Export Development Initiative is a community-driven project. It is part of a wider network of export advisory services created across Southern Ontario to assist small and medium-sized companies to become export ready and to enable them access export related programs and information.

The purpose of the Initiative is to give local companies access to the programs and information they need to succeed in the global marketplace. The objective is to provide a

one-stop customized export advisory service to York Region companies in order to increase their awareness of export opportunities and enhance their capabilities to address export related issues.

The service is available free to charge to all exporters and potential exporters in the Region. Assistance are provided in the following areas:

- Education and Information.
- Assessment of Export Readiness.
- Research and Market Intelligence.
- Networking and Contacts in Target Markets.
- Business Growth.

The Region, being the project sponsor, is responsible for administering the program and providing in-kind support in terms of staff time, office space, and other resources. Funding for the amount of \$203,000 has been made available through HRDC as a Local Labour Market Partnership Program. The project is also supported by Industry Canada which provides training and in-kind support. The Department of Foreign Affairs and International Trade, the Ontario Ministry of Economic Development and Trade, and local municipalities are also involved in terms of providing support and in-kind contributions to project activities.

An Export Advisory Committee has been established comprised of Regional staff, representatives of HRDC, Industry Canada, The Ontario Ministry of Economic Development and Trade, and the area municipalities. The Committee provides guidance and direction to three Export Advisors who were hired in January under contract.

4. ANALYSIS AND OPTIONS

4.1 Achievements in Year One

4.1.1 Promotional Activities

A series of promotional activities have taken place since the project commenced in January. The objective is to increase awareness of the program among the business community.

- Brochure – A tri-fold four colour brochure was created and distributed to businesses, Chambers of Commerce/Boards of Trade, all local Economic Development Offices, offices of MP's and MPP's, Business Resource Centres, public libraries, trade associations, financial institutions, and various community organizations.
- Advertising – A half page black and white advertisement was developed, and inserted in the York Region Business Times for eight consecutive months. The same advertisement was also translated into Chinese and Italian, and placed in Ming Pao Daily News and Lo Specchio.
- Web Site – The Export Development Brochure was posted on the York Region and Town of Markham Websites.

- Direct Mailings – One direct mailing to York Region companies was made at the beginning of the project, and other mailings associated with events have been sent to about 6,000 exporters and potential exporters in the Region.
- Presentations – The Export Advisors have conducted one-on-one presentations to the following groups: locally based companies interested in exporting, banks and third party financing companies, Business Improvement Associations, business resource centres and service providers for exporters, Chambers of Commerce/Boards of Trade, area municipal Economic Development Offices, and other government and private agencies in the Region.
- Other Activities – An interview with the Export Advisors by the local media appeared in all the Metroland newspapers including the Era Banner, the Liberal, the Economist and Sun, and the York Region Business Times. A Directory of Internet Resources for Export Marketing was created and distributed to companies.

4.1.2 Trade Shows

The following trade shows were organized or attended by staff and the Export Advisors:

- Ontario Global Traders Award – The Region was one of the sponsors at the Ontario Global Traders Award held in March. A booth with display literature was set up, and the Export Advisors were in attendance to respond to enquiries on export.
- Export Day – The Export Day Trade Show and Workshops was hosted by the Region in June at Seneca College, King Campus. The trade show featured exhibits by 20 service providers from organizations and companies such as government agencies, financial institutions, and freight forwarders. The panel discussions featured Trade Financing, International Logistics Issues and International Legal Issues.
- Other Trade Shows – The Export Advisors attended and participated in major trade events sponsored by organizations such as the York Technology Association and the Chambers of Commerce/Boards of Trade to promote the program.

4.1.3 Seminars and Meetings

The following seminars and events were hosted by the Region:

- Basics of Exporting Seminar – This seminar, the first of a series of export seminar, was held in April in Richmond Hill. The purpose of the seminar was to outline the steps to develop an export plan. Participants also learned first hand from the Export Advisors about potential new markets, establishing contacts and developing an international network.
- Bankers Breakfast – A meeting was held in May with representatives from major financial institutions to introduce the program and to discuss ways as to how the Region and the banks can work together to serve the companies.
- NEBS (New Exporters to Border States) Mission – A York Region NEBS Mission to Buffalo was organized in June in partnership with Ontario Exports Inc. The purpose of the program was to introduce new exporters to the exporting process at a border state.
- Trade Financing Seminar – The second seminar in the series, held in September in Markham, focused on the effective strategies and techniques that exporters can use to minimize their financial risks and maximize their ability to finance future growth.

- Export Logistics Seminar – At this third seminar held in November in Vaughan, a panel of experts discussed ways how exporters can deliver their products and services to the U.S. and international markets quickly and securely and at a low cost. Customs procedures, immigration rules, the role of freight forwarders and distribution options were presented.
- Recognition Reception – In order to mark the end of the first year of the program, a reception was held in early December at the Regional Administrative Centre, as a celebration of success and to recognize companies and service providers for their participation and support.

4.1.4 Initial Results and Feedback

The Export Development Initiative has been positioned as a value-added service to companies in the Region, and it has been very well received by locally based companies interested in exporting. The Export Advisors have been successful in increasing the awareness of businesses of exporting opportunities and providing them with the necessary tools to realize future growth through globalization.

At the end of October, about 30,000 contacts have been made with companies by the Export Advisors, either through meetings, visits, mail, telephone, fax, or e-mail. The number of companies visited totalled 281. There were about 160 businesses under active advice by the Advisors, and about 150 companies have been referred to Industry Canada's WinExport Database.

In terms of events, the first Export Seminar was attended by about 20 participants, while the Export Day Trade Show and Workshops in June drew about 180 attendees. There were six companies from York Region that participated on the NEBS Mission, and over 40 companies and organizations attended the second Seminar on Trade Financing in September. About 70 participants attended the Export Logistics Seminar in November.

At the beginning of the program, staff and the Export Advisors had invested a great deal of time and effort on promoting and generating awareness among the business community in the Region. As the program progressed, the response from exporters and potential exporters was very encouraging, and the feedback from client companies was very positive.

There has been a steady increase in the number of requests for assistance through telephone and e-mail. Businesses have indicated that they find the Export Advisors knowledgeable and accessible, and the information provided very useful. The Internet Resources for Export Marketing is especially valuable to many exporters and potential exporters to help them in sorting through the maze of information available on the Internet. One company commented that this program has been the most valuable Government contact they had since they started the business eight years ago. This service provided by the Region has been recognized by businesses and other organizations as the most progressive export assistance program in the Province of Ontario.

4.2 Proposal for Year Two

In this global economy, the Export Development Initiative is an important program for companies in York Region that are interested in increasing their export market share. So far, the result has been very promising. As indicated earlier, much of the effort in the first year has been devoted to building awareness among the export community. In the second year, the Export Development Initiative will build upon the accomplishments of the first year to expand its client base, and to continue serving York Region companies to develop and expand their export potentials.

In December 2000, an application was submitted to Human Resources Development Canada for funding to extend the program for a second year. Approval was received in the second week of January, and the amount of \$203,000 was made available under the Labour Market Partnership Program for 2001.

Staff is in the process of developing the program for the second year, and will report back to Regional Council when the details are finalized .

5. FINANCIAL IMPLICATIONS

The Export Development Initiative has been included in the draft 2001 Budget for Economic Development. The operating costs of the Export Development Initiative will be offset by funding from Human Resources Development Canada, with in-kind contribution from the Region, the area municipalities, Industry Canada, and the other project partners.

6. LOCAL MUNICIPAL IMPACT

The Town of Markham and Richmond Hill, and the City of Vaughan, have pledged in-kind contributions in support of the program. Assistance will be provided by the other area municipalities on an on-going basis.

7. CONCLUSION

The Export Development Initiative is a strategic partnership project within the Region's Economic Development Strategy. It will help to promote growth among York Region's small and medium-size businesses. As international markets become more open, increasing export sales will be the key to a strong local economy and more jobs here in York Region.

The program has been successful in raising the awareness of companies to look at export as a way of maximizing their revenue. At the same time, the training and education component is fundamental to the success of the program in establishing more export capability and job creation in York Region. This is a worthwhile project in the Region's efforts to support small businesses and should be supported.

It is recommended that the Regional Clerk and Regional Chair be authorized to execute the contract agreement with Human Resources Development Canada.

Respectfully submitted,

**January 16, 2001
Newmarket, Ontario**

**Bryan Tuckey
Commissioner of Planning and
Development Services**

(Report No. 1 of the Commissioner of Planning and Development Services was adopted, without amendment, by Regional Council at its meeting on January 18, 2001.)