



# The Challenge For Canadian Reps



Joe Nunes

The way business is conducted in the United States isn't exactly the way it can be conducted successfully in Canada. In a few words, that's the view Joe Nunes puts forth when he's asked what's the major difference between business in the two countries.

According to Nunes, Collis-Nunes Group, Inc., Concord, Ontario, Canada, "The major challenge a Canadian rep faces is trying to educate his principals to the fact that Canada is another country. It's different from the United States. As a result, it shouldn't and can't be considered like another state."

MAFSI member Collis-Nunes represents food service equipment manufacturers in the Province of Ontario. The agency also works closely with food service consultants, dealers and end users.

"Making manufacturers understand that we have a different culture, different currency and different ways of conducting business is important," he explains.

To illustrate his point, Nunes covers a couple of important areas:

- Currency — "Perhaps some of the confusion develops because we both deal in dollars, but our currency is different from that of the United States. The manufacturers that are successful in

achieving that understanding are those that publish price lists for products sold in Canada. Those that do allow their customers to truly see how much a product will cost. The others just don't seem to want to make the effort to do that."

Another stumbling block when it comes to currency, according to the rep, is the fact that "the majority of Canadians do not have a U.S. bank account. As a result, if a product is quoted only in U.S. currency and has to be converted, then the Canadian customer has to get in his car, go to the bank and convert the currency in order to make the purchase. I say that the biggest problem we have is getting these principals to understand that conducting business in Canada is conducting business in a foreign country and in a foreign currency. Many United States manufacturers are facing this today in their dealings in Europe. They're learning that in their dealings with European customers, they now have to purchase 'Euros.' It's the same with Canada — when dealing with Canadian customers, deal in Canadian currency."

- Border — "When it comes to transporting goods across the border, it's important to understand that there is, in fact, a border there. Because of that, there are

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brokerage and NAFTA papers that have to be completed. Too often that task is left to us, but because nothing is consigned to the rep, we don't take possession. Our hands are tied, and we're left in the middle."

- Business Behavior — "Because so many of our businesses are small compared to those in the United States, much of our work is completed on a personal basis rather than a volume approach. Too many U.S.-based principals come up with business programs based on volume. That just won't work in Canada."

- Respect for Competition — "There are some U.S. principals who fail to exhibit any level of respect for competition that is already present in Canada. Some U.S.-driven companies feel they can simply take over the world, and they underestimate the level of competition they will face here."

Nunes continues that "We attempt to communicate these and other differences to our principals. The good ones listen to us. They truly have an appreciation for us as their 'eyes and ears' in the territory. Those that listen to us and follow our recommendations

learn how to compete. Those that don't, fail to do as well as they could in Canada. The latter just continue to struggle along and haven't been able to penetrate the market as well as some others."

In conclusion, Nunes offers that "What we're all looking for is ease in dealing with companies. If the end user finds it easy to deal with certain entities, they will continue to do so." To that point, he says that "We have found that privately held U.S. companies seem to respond in a more positive manner than the publicly held companies." □