

EXPORT 101 NORTH

Case Study: Exporting to U.S., U.K. and Germany

Exploring export challenges faced by women entrepreneurs in northern, remote and rural communities across Canada

Presented by Women's Enterprise Organizations of Canada (WEOC), Export 101 North is a course for entrepreneurial advisors working with women entrepreneurs in Canada. Its focus is preparing advisors to work with clients who are starting or scaling their export offerings. During the course, presenter Josie Mousseau introduces a Case Study based on a woman-owned business located in Northern Canada, which touches on challenges faced by entrepreneurs in northern, remote and rural communities across Canada.

This document reviews the case study that was presented in 2022/23 and its key messages for advisors. Each section also includes relevant resources for exploring export opportunities in the three identified regions.

Overview of the Case Study: "Edwina Ludwig"

- Sole owner of their business; no debt
- Gluten-free baking mixes made from recipes inherited from German great-grandmother
- Grew from farmer's market booth into a \$20 million company with its own production facility
- Products sold in 170 stores across Canada, including Loblaws, Walmart, Costco, Sobeys, Whole Foods, pharmacies and health food stores
- Has an online site that caters to small orders for rural and northern communities
- Has been doing some small-scale export to the U.S.

In the Export 101 Case Study, "Edwina Ludwig" narrowed down their choices of export markets to three very different countries, specifically: the U.S., U.K., and Germany.

While some maintain the first two have commonalities with Canada, the customs, buying habits and demographics do however differ and would have an impact on elements such as: decisions related to packaging, promotion, distribution, currency rates and fluctuations.

Support organizations for women entrepreneurs are available in most countries. These organizations work to address systemic constraints that women entrepreneurs encounter by helping them understand and create conditions for improved access to resources and opportunities. General background related to support organizations in the three countries identified by "Edwina Ludwig" is as follows:



Women's Enterprise
Organizations of Canada

Organisations d'entreprises
de femmes du Canada

607-167 ave Lombard Ave.
Winnipeg, Manitoba R3B 0V3

info@weoc.ca
204 819 7312

weoc.ca

UNITED STATES

Free Trade Agreement: [The Canada-United States-Mexico Agreement \(CUSMA\)](#)

The Canadian and U.S. economies are intricately linked through trade. In recent years, both countries were trading an average of **\$1.4 million in bilateral goods and services every minute of every day**. Canada is America's largest customer.

When considering the U.S. market, one must understand that it is a mosaic of geographic markets containing hundreds of metropolitan areas, each having their own cultural differences that are also diverse in size and industrial specialization. Depending upon a target market segment, competitor, and buyer behaviour, **establishing a local presence can be a critical success factor in developing the right relationships and understanding the local business environment.**

This could start with in-market agents or can be as aggressive as acquiring a business to immediately gain a U.S. footprint and establishing a physical presence. Key factors such as where customers are located, transportation costs, workforce availability, the tax structure and wages are all important factors in determining the best location for U.S.-based operation. In all cases, legal, logistics, financial and tax expertise should be sought in advance to understand how to best operate within the local, state and federal jurisdictions since conditions and regulations may differ from state to state.

The U.S. is the undisputed world leader of the retail industry, of the world's ten largest retail companies, five are based in the country. Generally, consumers are open to international companies and brands. **Companies are also very receptive to Canadian brands as the exchange works in their favour, thus adding to their margins.** The U.S. is therefore the ultimate test market for exporters and is open to all kinds of new products and technologies.

However, it is very spread out geographically and new products are subject to intense competition. The U.S. market is thus very demanding and requires a considerable amount of preparation, groundwork, and long-term consistency. Additionally, the United States is a very developed consumer society which makes U.S. consumers more likely to pay attention to promotions and lower-priced products.

Setting up a business in the U.S. is a relatively straightforward process and shouldn't include additional red tape for a Canadian-owned company. Most U.S. states offer assistance to incoming companies through their departments of commerce or economic development.

Key Resources

[The Embassy of Canada to the United States \(Washington, D.C.\)](#)

The Embassy offers services for Canadian companies, assistance to Canadians, cultural cooperation, advice on the markets and more.

Networks for businesswomen in the U.S.:

[WBENC](#)

The Women's Business Enterprise National Council (WBENC) is the nation's largest third-party certifier of businesses owned, controlled, and operated by women. WBENC partners with 14 regional partner organizations to certify



women-owned businesses throughout the country. The organization also provides members with networking and other opportunities to market to government and corporate clients that want to do business with women-owned companies.

[WEConnect International](#)

WEConnect International connects member buyers to women-owned sellers, enhances their capabilities to transact business and instills confidence that sellers meet buyers' standards for women-owned businesses.

[The American Business Women's Association](#)

This organization for business and professional women (including both small business owners and corporate employees) provides opportunities for members to grow personally and professionally. The more than 450 chapters nationwide hold monthly networking meetings to share ideas and support. The AWBA also holds a National Women's Leadership Conference annually.

Relevant Trade Events:

- [WBENC National Conference](#) – The WBENC National Conference is the largest event of its kind for women business owners, welcoming thousands of women entrepreneurs and corporate executives ready to make connections and do business.
- [Go For the Greens Conference](#) – The Go for the Greens Annual Conference connects women-owned businesses with corporations, government agencies and non-profits to encourage them to do business together in a safe and comfortable setting.
- [TSNN – Trade Show News Network](#) – Comprehensive list of trade shows in the United States & Canada, trade show data, podcasts and videos, etc. Filtered by location, date, net square footage, number of attendees and number of exhibitors.
- [Wholesale Central](#) – Trade Show Calendar: B2B directory that helps wholesale buyers find wholesale suppliers and products (no retail sales, only wholesales), including Wholesale Trade Shows, Expos, and Professional Conferences
- [Tradefest](#) – An expansive list of the best events in the U.S. ranked by attendees and exhibitors who share their feedback on some of the biggest and well-known shows in the country.
- [10Times.com](#) – Access to virtual professional events, trade shows, conferences, companies

UNITED KINGDOM

Free Trade Agreement: [Canada-UK Trade Continuity Agreement \(Canada-UK TCA\)](#)

The Canadian and U.S. economies are intricately linked through trade. In recent years, both countries were trading an average of **\$1.4 million in bilateral goods and services every minute of every day**. Canada is America's largest customer.

Canada's historically strong ties to the U.K. provide a solid foundation for business expansion into one of Europe's most stable and growing economies. Two-way merchandise trade with the U.K. amount to making it Canada's fifth largest trading partner after the U.S., China, Mexico and Japan. The U.K. is Canada's second largest services trading partner in the world, after the U.S.



The TCA preserves the main benefits of CETA which means Canadian exporters continue to have preferential access to the U.K. market. The U.K. is a large, diverse and sophisticated economy, home to many important global firms, including the headquarters of 22 Fortune Global 500 companies.

Similar to the U.S., the U.K. is not one market, but varies by business area and geography. The U.K. market is relatively accessible for Canadian companies and most Canadian companies consider distributor/agent arrangements to gain a foothold in the market or invest in the market directly.

The U.K. is a very diverse, open market and in general consumers are guided by the strength of brands and customer offerings, rather than the country of origin. Being Canadian and playing up that heritage may be a positive attribute in some market segments, and it may not matter in others.

However, challenges that Canadian businesses may face in the U.K. is stiff competition and regulatory standards. A good example is CE (Certification Experts) marking, which firms sometimes find difficult to adhere to.

Another regulatory issue is in the infrastructure sector. For example, firms will make products to Canadian standards, which can create problems selling into the U.K. market and even result in them having to set up manufacturing in the U.K. to meet specific local standards.

In terms of competition, the U.K. is a global marketplace and home to a number of leading firms. Innovative products, competitive pricing and a strong value proposition can be the difference between getting noticed or not, and long-term relationship building (and follow-up) are essential for turning opportunities into sales.

Again, the exchange rate works very much in Canada's favour and provides an immediate advantage but should be considered in pricing strategies for products and services in the UK.

Key Resources

[The High Commission of Canada in the United Kingdom](#)

The embassy offers services for Canadian companies, assistance to Canadians, cultural cooperation, advice on the English market and more.

Networks for businesswomen in the United Kingdom (U.K.):

[WEConnect International](#)

WEConnect International connects member buyers to women-owned sellers, enhances their capabilities to transact business and instills confidence that sellers meet buyers' standards for women-owned businesses.

[The British Association of Women Entrepreneurs](#)

As a founding member of the Commonwealth Businesswomen's Network, the Commonwealth Business Council, and the International Federation of Business & Professional Women, BAWE also has a longstanding connection with the FCEM World Association of Women Entrepreneurs.

[The Women in Business Association \(WiBA\)](#)

An independent not-for-profit membership organisation which has been supporting business women in the West Midlands since 1990.



[The Women's Organization](#)

The Women's Organization is the largest developer and deliverer of training and support aimed at women in the U.K.

[The Businesswoman's Network](#)

Events and resources to support women networking and learning opportunities.

Relevant Trade Events:

- [WEConnect International in Europe Annual Conference](#)
- [EventsEye](#) – A bilingual listing of worldwide trade shows, conferences, and business events with good coverage for Europe.

GERMANY

Free Trade Agreement: [The Canada-European Union Comprehensive Economic and Trade Agreement \(CETA\)](#)

With more than 84 million inhabitants, the German market is the largest in the European Union, the third largest global economy, with one of the highest incomes in the world. Trade represents approximately 81% of Germany's GDP, and the country is both the world's third-largest importer and exporter. With its stable, modern economy and strong tradition of research and innovation, Germany offers strong opportunities for Canadian businesses across multiple sectors.

Canadian suppliers need to keep in mind that doing business in Germany isn't just about selling to German buyers, but also to European supply chains buying for other markets such as Eastern Europe, Africa and Asia.

Understanding the differences between Canada and German companies is important. German companies are more long-term driven where Canadians are more sales-driven. They tend to focus more on quarterly results; by comparison, Germans make decisions based on long-term planning that looks ahead to future generations.

While quality is important in Canada, in Germany it's extremely important, especially when it comes to consumer products. In fact, Germans focus more on quality than they do on service and price and are willing to pay more for a better-quality product.

Germany is a mass consumer society. Before making a purchase, beyond the price, German consumers like to learn as much as possible about other similar products, features, provenance, etc.

According to some studies, German consumers are among the most demanding in the world. Environmental awareness is common among German consumers. This is reflected in consumption, with the development of organic products, vegan, using little energy, etc.

There are some differences that could impact how Canadians set up their business in Germany. In Canada, sales representatives tend to cover a regional area while in Germany sales reps have nationwide coverage or they operate in very large areas. Located in the heart of Europe with excellent transport infrastructure, Germany can be a strategic hub to serve other European countries.



One production site can easily serve the whole European market by truck, train or inland vessel. But also consider production costs; wages are higher than some other European countries and if wages are a large component of an operation, Germany might not be the best location. On the other hand, productivity is also high and that may be important for a business.

German business culture is marked by organization, planning and perfectionism. Business relations are very formal, and they reflect the German values of order, privacy and punctuality. A strict vertical hierarchy is established and respected, and the decision-making process is held at the top of the company, the Germans respect authority.

As a growing economy the German market offers opportunities for Canadian women-owned enterprises. A Visa is not required for a Canadian to enter Germany and one can stay for up to 90 days in any 180-day period from the date of first entry.

However, if the intent is to stay for a longer period or work in Germany, a visa is necessary, which can be sought after a first entry into the country.

Key resources

[The Embassy of Canada in Berlin](#)

The embassy offers services for Canadian companies, assistance to Canadians, cultural cooperation, advice on the German market and more.

[Canadian-German Chamber of Industry and Commerce](#)

Promotes bilateral relations between Canada and Germany and is the primary contact for German and Canadian companies/individuals interested in market entry into the other country.

[Germany Trade and Invest \(GTAI\)](#)

The economic development agency of Germany

Networks for businesswomen in Germany:

[Female Entrepreneurship Network at the German Startup Association](#)

Network that connects female founders with each other and interested investors.

[Association of German Women Entrepreneurs \(VdU\)](#)

Organization of 1,800 women entrepreneurs, representing jointly over 85 billion Euros in annual turnover and more than 500,000 employees in Germany

[WEConnect International](#)

A supplier diversity initiative that certifies firms that are at least 51% owned, managed and controlled by women and connects them with corporations. In Germany, Bayer and SAP are corporate members.

[National Agency for Women Start-ups Activities and Services \(bga\)](#)

The bga offers information and services related to women entrepreneurship in all areas and phases of company foundation, consolidation and succession.



[Bundesverband der Frau in Business and Management \(B.F.B.M\)](#)

Nationwide network for working women from all sectors.

Relevant Trade Events:

- [Trade Fairs in Germany](#)
- [International Green Week](#) – International exhibition of the food, agriculture and gardening industries
- [German Retail Congress](#) – Annual congress for the German retail industry and its partners.

Sources:

United States of America (U.S.)

- [Free Trade Agreement: The Canada-United States-Mexico Agreement \(CUSMA\)](#)
- [Doing Business with the U.S.A.](#)
- [Country Snapshot](#)
- Sector Trend Analysis, Agriculture and food market intelligence
 - [U.S.](#)
 - [U.S. and Mexico](#)
 - [Mexico](#)
 - [CUSMA](#)

United Kingdom (U.K.)

- [Free Trade Agreement: Canada-UK Trade Continuity Agreement \(Canada-UK TCA\)](#)
- [Doing Business with the U.K.](#)
- [Country Snapshot](#)
- [Sector Trend Analysis, Agriculture and food market intelligence](#)

Germany

- [Free Trade Agreement: The Canada-European Union Comprehensive Economic and Trade Agreement \(CETA\)](#)
- [Doing Business with Germany](#)
- [Country Snapshot](#)
- Sector Trend Analysis, Agriculture and food market intelligence
 - [Europe and EU](#)
 - [Germany](#)
 - [Germany – Sector trend analysis](#)
 - [Germany – Trade analysis](#)

Additional Important Information:

Before departing Canada, learn about the destination by reading Global Affairs Canada [Travel Advice and Advisories](#) to make sure it is safe to travel to or through the location. Sudden civil unrest, disease outbreaks or a natural disaster could affect travel plans and insurance.

Carry contact information for the [Government of Canada offices abroad](#) in event of an emergency and before departing Canada register with [Registration of Canadians Abroad](#).

