

## IMAT BizTrak "Export Success Stories & Strategies"

IMAT BizTrak Panel Discussion  
Metro Hall - February 13, 2002

### **"Export Success Stories & Strategies"**

Good Evening IMAT members, guests, and panelists. I am Kren Clausen, IMAT President. Tonight is our first "Export Strategies" panel event aimed to provide you with a glimpse and overview of Canadian new media export success stories based from our home city Toronto. Not only has our country and province benefited from exports in our sector, but our city of Toronto has benefited immensely from our sector as new employment has been created, additional real estate has been required and local business and realty tax revenue has increased. On that note, thank you very much to all for coming out tonight and welcome.

The new media industry is a young new industry composed of bright creative artists, technologists, programmers, and entrepreneurs whether young or old. We all share a common denominator as new media people, and that is that this sector is young and dynamic. From major corporations, we have seen CEOs leave and start-up new ventures in this industry. Young graduates and even students have founded new start-ups, all in the quest for the commercialization and evolution of the new media industry.

Industry associations form in every new sector that come to exist, and the new media sector is no different. IMAT has been the voice of the interactive and new media sector for 10 years. Over the years we have witnessed the formation of many new industry groups with voices as well. In each case, the industry associations bring benefit whether they have a paid membership base or a no fee membership base. IMAT as we all know is a paid membership model and this is a real model which brings back real value to the members and allows IMAT to fund part of its operation costs.

Exporting is a new opportunity for many. International sales of both fee-for-service content creation, and content producing, is a new area that as Canadians we have major competitive advantages over other countries in the world. The Canadian dollar, our lower cost of operations, lower cost of real estate, labour based tax credits, Research & Development Tax credits, Science grants, and the list goes on and on –all of this gives us a unique advantage in exporting our new media services, technologies and products worldwide.

NASDAQ North was formed in Montreal for its close proximity to Wall Street and the fact that Quebec companies have their cultural advantage to add to their list of competitive advantages in tax credits, incentives and so on. The cultural advantage in Quebec is that workers tend to stay at companies longer, and they have much less desire to move around. Acquisition costs and management costs of acquired companies tend to be less in Quebec as a result.

All this to say, that Culture is precisely what is at the heart of the Canadian new media industry. Culture is our exportable product. What does that mean? Our Canadian TV shows have been sold to many countries internationally because of the Canadian lifestyle stories, which is very attractive and of great interest to Europeans as one example. The second part of that is the export and licensing of web site and interactive content around the TV documentaries and TV series which has been produced as TV/Net interrelationship building. From that flows e-Commerce opportunities with sponsors and business partners and the many internet applications required such as on-line credit checking, credit card processing and so on all sprout up as new companies or new innovations in established companies. This feeds the Merger and Acquisition market as well.

Content and the management of it has triggered many new content management application companies which make life easier and more organized for digital media asset management. The advertising industry has made their advances in digital media creation and management applications around project management and creative decision making. New media Content companies have grown into technology application companies in their evolution, and quickly go international with the sales of their products through the use of the Internet alone.

But Exporting is whole lot more than just making a service or product available on the Internet. It is a matter of competitively positioning yourself, your country, your company, your products and services, knowing your export market, acquiring market intelligence, developing an export marketing plan, obtaining and evaluating market research, knowing your buyers, and a lot of networking, relationship building and business development skills.

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Foreign Agents, dealers, and distributors are the essence of any sustainable, long term export success. Government assistance is abundant in Canada at federal, provincial and city levels. Both Aurel Langlois, IMAT Executive Director, and I have been in many countries separately and sometimes together, selling our new media community on behalf of IMAT over the years including UK, USA, Denmark, France Singapore. IMAT has exhibited and/or participated recently at several international trade shows and conferences including CommunicAsia Singapore, Cannes Film Festival France, Seybold Communications, San Francisco and later this month at Seybold Communications in New York City. IMAT offers you as members, to represent you at these venues with your brochures and business cards if you can not attend on your own or with us.

Internationalists are experienced business managers. The tools and skills to successfully export are both learned and acquired. Tonight, you will hear first hand from our panelists in how they started and the three critical success factors they had to make international business a reality. IMAT will carry out a series in Exporting where you will learn, acquire and network with others and gain from their experiences. You may even develop partnering opportunities at our events.

This evening, you will have an entree into three uniquely different export successes of the new media industry. First: Web based content management tools by ElectraMedia, Second: Digitization of work processes using online collaborative tools by Devlin, and Three: all-platform entertainment and integrated content by Snapmedia.

I am very pleased to introduce the following panelists and welcome them to our evening. I would like thank each of panelists for participating in support of IMAT professional development initiatives.

I ask that you hold your questions for the second half of our evening, after all three panelists have had an opportunity to make their 15 minute presentations.

I wish to introduce Paul Chato, CEO of ElectraMedia to my far right.  
Raja Khanna, CEO of SnapMedia to the left of Paul.  
Catherine Devlin, CEO of Devlin Applied Design to my immediate right.

### **For our audience, the following may be helpful in your pursuit of exporting.**

On-line sites of Government Export resources:

Canadian Heritage Trade Routes program  
[www.pch.gc.ca/culture](http://www.pch.gc.ca/culture)

Team Canada  
[www.prodt.businesscanada.gc.ca/cfdocs/faq/continuum.cfm](http://www.prodt.businesscanada.gc.ca/cfdocs/faq/continuum.cfm)

ExportSource  
[www.exportsource.gc.ca](http://www.exportsource.gc.ca)

Strategis  
[www.strategis.ic.gc.ca](http://www.strategis.ic.gc.ca)

CanApple New York  
[www.canapple.org/english](http://www.canapple.org/english)

New Exporters to Border States  
[www.cbsc.org/english](http://www.cbsc.org/english)

WinExport  
[www.infoexport.gc.ca](http://www.infoexport.gc.ca)

Ministry of Economic Development & Trade  
[www.ontario-canada.com](http://www.ontario-canada.com)

US Chamber of Commerce, Washington, DC  
[www.partnerpoint.org](http://www.partnerpoint.org)

Note: IMAT is a member