

Connections

THE NEWSLETTER OF THE CANADIAN-AMERICAN CHAMBER OF
COMMERCE - DELAWARE VALLEY

La valeur de nos échanges: Dealing with volatility.

The previously inconceivable appreciation of the Canadian dollar vis-a-vis the U.S. greenback has many business people going *loonie!* As the **Bank of Canada** can not mitigate against falling U.S. currency, as could the U.S. **Federal Reserve Bank**, it behooves U.S. and Canadian traders to manage currency risk through *forward contracts*. This is a lock-in contract between an exporter (or importer) and its bank under which one specific currency amount is exchanged for a specific amount in another currency at a specific, future time. The cost is a few basis points (1/100th of a dollar), rather than 2-5 % as over the past twenty months. Neither Canada nor the U.S. can afford inefficient trade, and forward contracts are away to increase profits by reducing risks. Leading Delaware Valley banks, and CanAmChamber members, that provide forward contracts are **Wachovia Bank** and **Citizens Bank**.

The Canadian-American Chamber of Commerce is not affiliated with the Government of Canada.

SECTOR SPOTLIGHT: **BANKING, INSURANCE, FINANCIAL SERVICES.**

Canada to the Del Valley: **\$ 9.4 billion (2004);**
Del Valley to Canada: **\$ 4.4 billion (2004).**

Canadians constitute over 10% of U.S. mutual fund investments, including Delaware Valley funds of **Vanguard Group**. Canadian banks (note the initials) own **TDWaterhouse**, **RBC Dain Rauscher** and **CIBC World Markets**, while **ManuLife** has acquired **John Hancock** in insurance. Anticipate retail banking tuck-ins locally, and more insurance mergers between the Delaware Valley and Canada.

FEBRUARY, 2005

UPcoming Events

U.S. TRADE WITH CANADA: LET'S DO MORE OF IT!

Sponsored by the Bucks County International Trade Council

Tuesday, February 8, 2005
8:00 am Breakfast and Seminar
Delaware Valley College
Doylestown PA
Free to members;
non-members \$ 15/person

CANADA AS THE #1 U.S. TRADING PARTNER

Sponsored by the International Trade Council of the
Delaware Valley and the Canadian-American
Chamber of Commerce

Wednesday, February 16, 2005
6:00 p.m. Reception and Dinner
Omni Hotel
5th and Chestnut Streets, Philadelphia
\$ 65/person

GREATER PHILADELPHIA GLOBAL PARTNERS BREAKFAST

Hosted by the Canadian-American Chamber of Commerce
and its Employment and Labor Law Member **Obermayer
Rebman Maxwell & Hippel LLP**

Friday, February 18, 2005
8:30 a.m. Breakfast and meeting
1515 Arch Street, 18th Floor, Philadelphia
Free

EDUCATION, TRAINING AND SOCIAL DEVELOPMENT MISSION TO THE MULTILATERAL DEVELOPMENT BANKS

Sponsored by the World Trade Centre Montréal, Industry
Canada and the Canadian executive offices of the bank hosts
below.

Tuesday-Thursday,
February 22-24, 2005
**The World Bank, the Inter-American Development
Bank and the Asian Development Bank**
Washington DC

For registration and fees, contact Barbara Loyer at 514/871-
4002 x 6219, or bloyer@cmm.qc.ca

keep these dates!

April 21, 2005 - INTERNATIONAL TRADE SEMINAR
(with Parente Randolph LLC).

**October 25, 2005 - CANADIAN-AMERICAN
BUSINESS COUNCIL ANNUAL AWARDS**

Canada.U.S.A.Trade-Ops.

PARACHUTES FOR SMALL AIRCRAFT- AND MAY-BE LARGE ONES - WITH R&D COLLABORATION. Canadian rancher and general aviation pilot Albert Kolk experienced a cockpit emergency, first-hand, this past Spring. While flying with his grandson and two young friends, he was forced to deploy a parachute as big as a house. His plane gently landed with all passengers safe, thanks to **Ballistic Recovery System Inc.** The business "challenge is to create a parachute robust enough to rescue bigger, faster airplanes." [Associated Press].

A "NO-OP" IS THE CONTINUATION OF CANADIAN DRUG EXPORTS TO THE U.S. As anyone not on pills knows, "Canadian" drugs are not Canadian but, rather, *re-exports* of mostly U.S.-made and exported patented medications. In the current February, 2005 issue of *AARP Bulletin*, the hugely political U.S. senior citizen lobby reports, misleadingly, that Canada "wants to bar the country's online pharmacies from selling drugs to Americans." It quotes **Manitoba's** Minister of Industry, James Rondeau, as blaming U.S. Pres. Bush for a "180-degree reversal" after his recent, first visit to Canada. The facts are: (1) Canada's lower drug prices are the result of negotiated price/volume agreements between **Health Canada** and the pharmaceutical industry, the procedure for which is precluded the U.S. government or any states by U.S. anti-trust laws; (2) Canada's "contracts" for these prices are on behalf of *Canadians* -not foreigners; (3) Canada, if condoning re-exports, denies drugs to its own citizenry and, worse, contributes to circumvention of its own legal covenants; and (4) the online pharmacies are *not* all legitimate and, like many internet solicitations, are not regulated. The cottage industry of bus trips to Canada, and Canadian physicians prescribing drugs to strangers after cursory "examination" poses health threats that outweigh the "rewards" of saving money. To AARP writer Patricia Barry, don't blame your neighbours to the north. Rather, change your own market system. Canada can not be the "drugstore for Americans," not legally, politically nor ethically.

"LOOKING-FOR" INQUIRIES ARE AVAILABLE THROUGH CONTACT AT THE CHAMBER:
OIL EXPLORATION; CANADIAN SUBCONTRACTOR WANTED; NO INVESTMENT REQUIRED (#1004-1).

U.S. MEDICAL EQUIPMENT CO SEEKS CANADIAN DISTRIBUTOR AND ASSEMBLER. (#0105-1)

Welcome New Members!

Australian-New Zealand Chamber of Commerce, Mid-Atlantic (*Business association*) Yardley PA 19067; 215/321-1662; Philip C. Minter, Ph.D.; anzoc@comcast.net

Berwyn Capital Partners (*Commercial real estate consultants and developers*) Berwyn PA 19212; 211 Bair Road; 610/644-1490; Kathleen C. Clemmensen, Esq. and Robert v. Grabus, M.C.R.

Bucks County International Trade Council (*Representing the Port of Bucks, and the five Chambers of Bucks County, in generating international commerce through consulting, networking and incoming foreign visits*) Bristol PA 19007; 1North Wilson Avenue, Ste. 3A; 215/781-9510; Peggy H. Adams, Chairman; David Barton, Trade Consultant; bcitc@comcast.com

Curtis Financial Group Inc. (*Merger and acquisition consultants*) Philadelphia PA 19103; 2 Penn Center, Ste. 1520; 610/220-1114; Howard M. Snyder; curtisfinancial.com

Mattioni Ltd. (*Transportation and maritime law*) Philadelphia PA 19106; 399 Market Street, 2nd Floor; 215/629-1600; Eric Nikkanen, Esq. mattioni.com

Obermayer Rebmann Maxwell & Hippel L.L.P. (*Employment and labour law*) Philadelphia PA 19103; 1617 J.F. Kennedy Blvd, Fl 19; 215/665-3000; Julius M. Steiner, Esq.; obermayer.com

Olly Shoes (*Retail children's shoes*) Exton PA 19341; 297 Market Street; 610/594-7050; and Toronto ON; Katherine Chapman, CEO; ollyshoes.com

Paul K. Marttila (*International business and economic development consultant*) Doylestown PA 18909; 441 East Court Street; 267/337-1909.

Realty Executives of Cherry Hill (*Commercial and residential real estate brokers*) Cherry Hill NJ 08003; 1930 Beast Marlton Pike, Ste. K55; 856/424-5566; 609/841-9282 cell; Marie Bontigao.

Sofitel Philadelphia Hotel (*Hotel and meeting/banquet facilities*) Philadelphia PA 19103; 120 S. 17th Street; 215/569-8300; Nicolas Pesty, General Manager, Laurent Devin, Food and Beverage Director; accor-hotels.com

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