

# Diplomat and trade specialist Ken Sunquist shares tricks to the Asian trade

BY WILL CHABUN, THE LEADER-POST    FEBRUARY 3, 2014



Veteran Canadian diplomat, Ken Sunquist, who's not only a former Reginan, but a specialist on how we can sell stuff in Asia in Regina January 30, 2014.

**Photograph by:** Don Healy, Regina Leader-Post

Ken Sunquist is back home.

No surprise, really.

He's back frequently to share the things he learned in a long career in Canada's public service as a diplomat and trade specialist.

Sunquist took his Grade 8 and high school in the city, then earned a bachelor of administration degree in 1969 from what was then called the Regina Campus of the University of Saskatchewan.

After working briefly in the provincial government, he joined the federal government's Industry department and went on to a sparkling career that included stints as our ambassador to Indonesia, acting ambassador to China and divisional head for Africa and Asia in the Department of Foreign Affairs.

In all, he spent over 20 years in foreign posts.

Now retired, he returns often to Regina. And last week, he was back at his alma mater to give a talk

under the UR Business Distinguished Speaker Series hosted by the Faculty of Business Administration.

He also found time to sit down for a chat about international business with the Leader-Post's Will Chabun. Here's a transcript, edited for brevity:

**LP:** You're back here in Saskatchewan at a time when our exports are at an all-time high. What is Saskatchewan doing right? Or are we just the lucky beneficiaries of good economic times in things we produce?

**Sunquist:** Luck is always important; you always want to have it. But I think there's a bigger story there: A landlocked province put a premium on creative business people and visionary companies.

Whether you were talking about a local company that trades in Kazakhstan or the mining industry or universities that do "education marketing", there's something about people from Saskatchewan and Saskatchewan companies - partly because their domestic market has never been large enough ...

That's a long-winded reply to a short question but there's something special about Saskatchewan that forces them out of Saskatchewan.

**LP:** There's been an attitude for a long time in Canada that we are underachievers in exports. Is that an accurate picture?

**Sunquist:** I would tend to agree with that. Canada has been losing pace. In our manufacturing sector, we're competitive when the Canadian dollar goes down; we are less competitive when the dollar goes up. Other countries that have had monetary issues have increased their competitiveness, but we've relied too much on the dollar for a while ...

Of course, the big issue for us is that traditionally the biggest and best export market for us was a few kilometres south. So it was fairly easy. In exporting a good from Saskatchewan, you needed to know something about highways and maybe rail, and that was really it. You tried to sell it FOB (free on board) and you didn't really care about freight forwarding or anything. You could do business by fax or electronically for a long time.

But if you try to get markets farther field - Japan or Germany - personal relationships count more, so you have to start getting out there and investing. If you are a small company, that investment takes deep pockets. We tended to neglect growing markets.

I use a statistic that 50 per cent of the world's goods and services are now produced and consumed in the corridor between Japan and India; you go a little north to China and south to Indonesia. Think of that: that's 50 per cent of the entire world's goods and services. If you are not in that market, then your future is pretty limited ...

I think that everybody needs a China strategy. You don't have to be in China, but to understand that they can be in your market overseas or they can be down the street. If they are now shipping something to, say, Saskatoon and Saskatoon always used to be a good market for a Regina company, then you now have a 'China problem' ...

**LP:** What sort of things should Canadians, in their innocent way, be wary of ? Sunquist: The idea that you're the lowest bidder might not necessarily be the right one. It's how well they think they can do business with you. In China, we used to jokingly say that you signed the contract - and then the hard work started.

They trusted you to be a partner, now let's get on with things and see if we can do something with it! Most of us are trained to think of the contract as being the end - as opposed to the beginning of that relationship. We thought of it as a transactional nature; they thought of it in long-term relationships ...

Research the market. Do your homework before you go.

Understand what you're getting into.

[wchabun@leaderpost.com](mailto:wchabun@leaderpost.com)

### **KEN SUNQUIST'S QUOTEBOOK**

Insights from the front lines of international trade with veteran diplomat Ken Sunquist:

"To me, probably the single most important sector is education for the simple reason that if you have - pick a number ... five or 50 or 100 people who come and study in Saskatchewan ... when they go back, they become your best salespersons. It is in their interest to say, 'Yeah, I went to a great place!' because it bumps up and supports them in terms of perceptions and egos and everything else."

"If you go back 40 years here, the biggest export was wheat and the biggest market was China. What evolved from there? Well, a little bit of potash starts going that way. They're looking for drilling, so a few Canadian companies from Calgary and Saskatchewan end up there. It's building linkages for a long time."

"Traditionally, we use a rear-view mirror about places in which we've done well in the past and it's kind of difficult to look in the rear-view mirror all the time."

"If you try to get markets farther field - Japan or Germany - personal relationships count more, so you have to start getting out there and investing. If you are a small company, that investment takes deep pockets. We tended to neglect growing markets."

© Copyright (c) The Regina Leader-Post