Toward a Vision of Inuit Business Development -

## Déveloping Inuit marketing relationships

I've been asked to talk to you on a topic that is of great importance to me and something which I believe can be of great benefit to the people and organization we represent.

The topic, "Developing Inuit Marketing Relationships" sounds interesting, but what does it mean? Well, it can mean different things to different people. It can be as simple as agreeing to promote each other's products within our homelands, or it can be as grand as a large corporation which is owned and run by all of us and which markets products we have to sell. Taken one step further, it could even mean operating our own mail order catalog and running designer boutique stores around the world featuring our art, textiles, food, and tourism products and anything else we might want to promote.

While I do like the idea of having our own department stores
which highlight our products and
culture, perhaps that idea is a bit
ahead of where we are right now.
But, I do believe we all have the
outstanding products to sell and I
believe our efforts could be enhanced by closer cooperation.

To me, developing Inuit mar-

Editor's Note: For many years, the Inuit Circumpolar Conference has led the way in building strong ties between Inuit peoples across international boundaries. The group has also played a key role in securing United Nations recognition for the right and concerns of indigenous people around the orld. More recently, the conference has provided a forum for important disucssions about striking a balance between economic development, environmental concerns and cultural survival. Tundra Times agrees with the view expressed by Ronald H. Brower, Sr., president of the Ukpeagvik Inupiat Corp. of Barrow that Alaska Natives should be participating in these discussions. The following speech was presented by Les Carpenter at the Inuit Business Development Conference in Anchorage in February 1993.

strength in numbers. To me it means a strengthening of relationships between us. What I'm talking about today is building on our traditional values of cooperation and sharing. I'm talking about doing for our people in an economic sense what the ICC is doing for us politically.

All our products could benefit from a cooperative marketing concept; but today I'm going to deal primarily with joint marketing of renewable resources. I'm going to emphasize this particular part of our economies because, as chairman of a company currently marketing muskox and caribou products around the world, I've seen so many examples of how we can help each other; and because these resources are in demand and if you don't take control of them, others are going to try to.

Now don't get me wrong. This

isn't a speech on the benefits of commercializing our natural resources. That's another topic and one which each community needs to go through before you decide to enter into selling your resources to others. The idea must have community support before you can even consider this topic.

Rather, I am dealing with resources that, for whatever reason, either commercial or for game management, the decision has already been made to try to harvest them which will result in more product than can be eaten or used by the people in our home territories.

I'm talking about products that are currently being marketed on their own such as the muskox in our area, the reindeer in Russia and Alaska, the fish in Greenland and eastern Canada. These products are already being marketed by us individually or by others for us. And for these products I'm taking the position that in nearly every case, the marketing effort would be far more successful if they were cooperatively marketed by an Inuit-pwned company.

Every issue has some good news and some bad news, and this topic is no different. I'd like to start by telling you of two bits of good news and bad news. First, the conditions are making it easy for us to deliver our products to market. Now the bad news: the world wants what we have to sell, but doesn't want us involved ins selling it, and, second, the changing world economic conditions are making it difficult for us to sell and deliver our products to market.

Sounds confusing, eh? Well, let me try to explain. There's a line in a song that goes, everything old is new again. And, when it comes to the Arctic that appears to be the case. We are all aware of the interest people showed in the Arctic in the past. Explorers were always coming north to see if it was inhabited and to see what riches they could bring back to sell at home. We also know that there wasn't a lot that was fair with the way this trade was carried out. We're also aware that this demand for our products faded and the traders left.

Well, guess what ... as the saying from a horror movie goes,
"They're back!!!" The Arctic is
back in style. More and more
people are traveling north as tourists, and more and more people
are becoming interested in our resources. In some cases, they're
interested because they've exhausted these same resources back
home. In other cases, they see
what we have to offer as a healthy
alternative to the foods they currently eat.

Whatever the reason, I predict a growing demand for our resources. But, just as in the past, the demand is for the raw resources and not the products we make from them. Remember too, that what we have that is in demand will likely be so.

only until another alternative is found. This means we need to be in charge of what is going to be happening. We need to make sure that we get the most out of each sale, that we develop permanent markets for our products and are not reliant on others to sell what we have. Finally, remember that the real money and jobs do not come from selling the raw material, but from the products that are made from these resources.

So if the trends are moving towards the products we have to offer, why aren't we all rich? Why can't we sell our furs, our seal skins and such? Well, for one thing, these are not the products in demand at this time and part of the reason they're not in demand is because we're not marketing them. But, that's another topic. The demand for products changes and what is in today is fresh fish and game meats, and I can tell you that there is an enormous market for Arctic hare, muskox, caribou and reindeer. But, if we're going to capture this market, we need to let people know these products are available and can be delivered on a steady reliable basis. We also need to compete with products from elsewhere.

The business world has noticed the interest in healthy food alternatives and have joined forces with their governments to farm fish such as salmon and char and game such as reindeer and venison. Billions of dollars of so-called "game products" are being sold each year and the market is only getting bigger.

Which could be bad news for us, but actually is good news because they are developing the world market for our products at the same time, whether they intend to or not.

But the bad news is the size of operations that are being created. For example, New Zealand cur-

Page 9, please

## Inuit marketing . . .

Continued from page 8

rently sells 5,000 tons of venison each year and the amount will increase as does the demand. This level of operation makes marketing that much easier. It means they can afford more salesmen, more brochures, and can offer their products at a cheaper price. This means that there is a market for our products, and because our products are seen to be coming form a healthier environment, people may even be willing to pay slightly more for what we have to offer. But it also means that the big food groups have a lot at stake and will make selling very difficult for us, and in most cases, we can't harvest large numbers of game and so can't afford to do the type of marketing New Zealand can.

But there's still some good news to be had. From my experience with Umayot Corporation, I've learned that while the costliest part of any harvesting venture, it doesn't cost any more to market two or three or more similar products than it does to market one. The clients that buy muskox are also the clients that buy caribou and reindeer, and in many cases, they are the same people that want char and shrimp. Similarly, the stores that sell leather are interested in muskox leather and reindeer leather. Therefore, while we may be small producers in one of these areas, together we are a force to be reckoned with.

There's nothing earth-shattering about this concept. We've always been a people who have
traded with each other, who have
cooperated in our search for food
and who have shared in what we
have. The new ideas offer trade
between nations may be something North America and Europe
are discovering, but we have always been trading between our
selves and have relied on each
other's strength for survival.

Our people have always survived best when we helped each other. Still, we've always been an independent people and anything we do must acknowledge this independence. That's why I'm not suggesting anything that interferes with this independence. I don't believe any of us would want a formal ICC company that all of us must work through or that dictates what and how we sell our product. Rather, I'm suggesting that we explore the idea of a unified marketing group that will market similar products. This company will not have a say in the production of goods, just in the sale of them.

This marketing company can operate in a manner similar to ICC, dealing with products that we want to market outside of our home markets and where there is a mutual understanding of objectives. The company can be self-sustaining, charging a percentage

of the final selling price. This percentage is not taken from the producers but is added on as a legitimate cost of marketing. Further, this company can be a source of information for us. It can continuously monitor market trends and advise each of us on the types of products that are in demand and the changes in packaging or processing that we should make to both sell our products, and perhaps even increase the return to each of us.

I believe the idea of a unified marketing effort is something we have to seriously consider. It's the way of the future and the way of our past.

Each of us has access to huge

domestic markets, whether it's the United States, Canada, or Europe. But not any one of these markets can take all of the products we have. Our products are expensive to sell and so we must sell to the top segments of each economy. The changing world is making this possible and united, we can more easily access each other's markets.

We have what the world wants. We have exotic, and exciting tourist destinations; we have clean air and land; we have pure water and fresh health food. What we don't have is a marketing agency that can compete with the big southern firms. If we don't organize to sell these products, we'll either lose

our markets to other producers or our people will sell the raw resources to outside companies and we'll lose whatever additional benefits we could receive.

The news is that the market for our products is coming back and the market is enormous. Together we can all benefit; separately, ! believe, many of us will fail.

Finally, I started this speech with some good news, bad news. Well, I'd like to end with some more news. The bad news is that while the world does want different products and is interested in trying new things I don't believe it's quite ready for muktuk ... which I believe is good news, because it means more for us. Thank you.