

these products.

What is true for these large companies, is similarly true for VIHO: our business strategy is aimed at taking advantage of artificial price discrimination on the several national markets, by creating an efficient distribution channel that enables us to transport office supplies of well-known brands from low price-markets to high-price markets. This requires

- a permanent surveillance system with regard to all major markets, in connection with a quickly responding purchasing and sales staff
- an effective and efficient transport system (by air)
- an adequate service system, which consists of a third party maintenance system and a technical support company within the VIHO Group, VIHO Maintenance and Support
- a low overhead level, in order to increase the flexibility of response and to maintain prices at a low level.

This, in a nutshell, is our response to the shift within the marketing mix of globally operating companies: by creating an excellent distribution system (PLACE) and by keeping prices low (PRICE), we are able to compete with all the large companies, exploiting their own price discrimination strategy.

(unification of the European market)

The second development that largely contributes to the rapid growth of the importance of parallel imports, is the (slow but steady) unification of the European market. Under the Treaty of Rome, a free exchange of merchandise is warranted within the European Community. Of course, this is a very significant tool to parallel importers, since it offers the opportunity to distribute goods from one market to the other without being hindered by legal or tax requirements of all kind, thereby taking full advantage of price differences between the national markets within the European Community. Because of this, economists consider parallel imports to play an essential part in the establishment of a genuine common market, because their activities result in a homogeneous price setting throughout the EC.

But unfortunately, there still are significant obstacles to remove. Both the national governments and the large manufacturers