

distributors located in the Eastern United States. One Canadian company operates it's own marketing office in California.

Industry sources we contacted suggest that the terms distributor, sales representative, and agent are generally interchangeable and that most selling organizations in the packaging machinery field are in reality sales representatives. For the purposes of this report, we will use the word "distributor" rather than attempt to define the status of each selling organization.

Our research showed that machinery manufacturers exporting to the West Coast generally work with one or more of the following three types of distributor.

Stocking Distributor--These companies are in the minority in the market area. Usually they are larger companies who distribute a wide range of products. Several of the stocking distributors we interviewed organize their business base around materials and supplies; they have found it convenient to include machines that are readily salable in their catalogues. They are often more interested in low prices, general purpose machines, and related packaging equipment.

Non-Stocking Distributors--This term can be misleading. We found that many companies we contacted call themselves distributors but do not hold stocks of machines. Occasionally, a company will hold inventory of a machine which is readily salable. For example, small general purpose labelling machines. We found that companies in this category usually offer service facilities and sometimes hold spares. The majority