

information on Canadian manufacturers and the products they produce. It should be noted that although the WIN database is not yet complete, it is sufficiently advanced for the purposes of this study.

From this list, those products or product groupings having combined Japanese, European and Canadian imports of over \$80 million (U.S.) in 1986 were identified for further analysis. Following consultation with industry and government officials with expertise in each sector, other products and product groups which did not meet the above criteria were added to the sector where there appeared to be significant commercial interest to have them included. Some products and product groups were deleted because there was insufficient commercial interest in them.

For this report on writing materials, further analysis was deemed inappropriate for the following reasons:

- There is significant overcapacity in the U.S. market.
- The major writing materials companies are manufacturing both in Canada and the United States.
- More than half of the manufacturers/assemblers of writing materials in Canada are controlled by foreign interests, particularly the United States.
- Foreign-owned manufacturers/assemblers of writing materials were originally established to overcome high tariff barriers in Canada. With the elimination of tariffs under the Free Trade Agreement, it may be necessary to reconsider whether separate production facilities in Canada are appropriate.

The U.S. import statistics, the sample list of U.S. importers who are interested in Canadian sources of supply and other general information compiled during the sector review are included in this short report on the writing materials sector.