

perceives Canadian manufactured heating equipment to be the equal of or superior to U.S. manufactured equipment. Frequent positive comments about Canadian product's quality were heard in the course of the work. Certain Canadian products, (air-to-air heat exchangers and chimney liners, for example), are already present in U.S. markets. Canadian solid fuel products were found to be well known in the market; in other sectors very few participants knew of or carried Canadian products.

The general good reception accorded Canadian products means that the most important factors influencing success for Canadian firms entering U.S. markets will be the strength of the particular U.S. market segment, Canadian manufacturer's ability to establish distribution, and Canadian manufacturer's willingness to support their products in ways that are familiar to U.S. distribution and dealer/contractors. The remainder of this summary reviews the findings in these areas.

Markets

Heating equipment markets in the U.S. are influenced by the mix of new construction and replacement sales, by climate, by fuel sources available, and by the level of the general economy.

1. Across the U.S., 35-45% of heating equipment sales are to new construction, and 55-65% are to