

1. INTRODUCTION

The Canadian Government has identified biotechnology as one of the fields in which there appear to be opportunities for Canadian manufacturers to form strategic alliances with companies in the United States. The term "biotechnology" is relatively new and, therefore, not strictly defined. It generally refers to processes that apply man-made technology to living systems. According to the federal government's *U.S. Industrial Outlook 1993*: "biotechnology refers to biological processes and techniques that use organisms or their cellular, subcellular, or molecular components to make products or modify plants and animals to carry desired traits."

Biotechnology firms are classified primarily under SIC 2835: *In vitro and in vivo diagnostic substances*, and SIC 2836: *Biological products, except diagnostic substances*. Both are part of SIC Major Group 28: *Chemicals and allied products*. Because the field is so new and so broadly defined, bits and pieces of the biotechnology industry are also classified in some other SIC Groups by the U.S. Department of Commerce:

TYPICAL BIOTECHNOLOGY PRODUCTS AND SERVICES

SIC	Group Name	Product/Service Examples
0279	Animal specialties, n.e.c.	Transgenic laboratory animals
2834	Pharmaceutical preparations	Recombinant DNA-derived (rDNA) drugs
2835	In vitro & in vivo diagnostic substances	MAB & rDNA-derived test kits
2836	Biological products, except diagnostic substances	rDNA-derived vaccines, blood derivatives, micro-organisms
2869	Industrial organic chemicals, n.e.c.	rDNA-derived enzymes except diagnostic substances
2879	Pesticides & agricultural chemicals	Insecticides, cattle dips
2899	Chemicals & chemical preparations, n.e.c.	Food contamination test kits
4953	Refuse systems	Bioremediation
4859	Sanitary services, n.e.c.	Oil spill cleanup
8731	Commercial physical & biological research	Contract R & D
8734	Testing laboratories	Forensic laboratories using DNA profiling

Of course, many firms classified in the SIC groups outside of the biological classifications are in businesses beyond the scope of biotechnology.

In order to assist in defining the market in New York State for Canadian biotechnology firms, the Canadian Consulate General in Buffalo engaged John Gartner & Co., Technical Marketing Consultants, (JGCO) to conduct a marketing research study during the winter of 1993.