

II. SUMMARY

1. New England will provide good growth potential for many Canadian environmental products and services (EPS) looking to enter this market.

2. New England is still in a recession. High unemployment and layoffs continue, especially at the technical and professional level, a condition that is expected to continue well into 1994. Large New England employers such as Digital Equipment Corporation are reducing staff by many thousands. Among computer companies, only software firms are growing while others are closing or laying off. Defense giants such as Raytheon and GTE are also cutting back production and employment while shifting emphasis to non-defense related businesses. New businesses such as biotech, video conferencing and communications companies are viewed as New England's growth areas for at least the next decade. Selected environmental products and services are also viewed as growth markets in New England well into the 21st century.

3. Environmental products and services generally forecast by experts to have excellent sales potential over the next five years nationally and in New England include:

- Air pollution control equipment
- Water pollution control and analysis equipment
- Solid waste disposal products and services
- Recycling products, services and systems
- Most green/consumer products that are competitive in price and performance with "non-green" products
- Most environmental services that offer unique capabilities or benefits

4. Environmental market drivers include:

- Leadership
- Shareholder Pressure
- Community Relations
- Concerns about Actual or Potential Liability
- Social Responsibility
- Regulatory Pressure
- Potential Environmental Backlash
- Rank-Ordering Priorities
- New Directors
- The Pressure of Environmental Enforcement
- Environmentalism and The Corporate Image
- Environmentalism in the Corporate Strategic Plan
- Regulations
- Environmental/Economic Interdependency
- Emphasis on Environmental Issues

5. New England industries doing the most spending on EPS include chemicals, paper, metals, transportation, electronics and utilities.