

The Market in the Southwestern United States:

We have previously determined that the U.S. imported \$2.1 billion of computer equipment during 1982. However, no official figures are available which show what percentage of these imports are shipped to the Southwestern U.S. We showed earlier that the Southwestern U.S. produced approximately \$14 billion worth of computer equipment in 1982 and that during the same year \$1.4 billion of this production was exported internationally. Neither industry nor government sources in the U.S. are readily able to determine the extent of interstate shipments in the computer industry, or local consumption. Consequently, it is not possible to assess the potential shortfall in the supply of computing equipment in the market area.

The interviews conducted during the course of this study, however, clearly demonstrate a substantial potential market for many of the product areas examined in this study. The export prospects for Canadian products, as discussed later in sections covering systems manufacturers, distributors, and turnkey systems operators, appear to lie more with the distributors and systems houses than with the manufacturers.

The results of our interviews indicate that Southwestern end-users could be interested in Canadian scientific and word processing software (especially data acquisition and process control); graphic, data-processing, portable, word processing, and other terminals; high resolution color terminals with graphics potential; impact and non-impact printers; video backup devices; disk drives and Winchester back-up devices. Southwestern end-users are generally interested in micro computer peripherals. Interviews also indicated that there is a definite interest in higher priced computers with micro-mini overlap capability and that there is also fairly widespread interest in micro based systems, personal computers, high speed multi-plexes, and CRTs. Some companies interviewed expressed an interest in STD Bus peripherals. This is an indication of the potential in the market area.

Forty-six Canadian companies responded to this study but very few of these are listed amongst the top Canadian computer producers. Thirty-four of the respondent companies reported sales of approximately \$8 million in the market area. These companies, however, represent a small cross section of the Canadian computer industry. Undoubtedly, there are other Canadian producers who are already supplying the area and total Canadian exports to the Southwestern U.S. would then logically be substantially higher than \$8 million.