

EXECUTIVE SUMMARY . . .

- The most important objective for a Canadian manufacturer should be to develop a strong network of distributors.

b. High Pressure Washers (Standard and Custom)

- The size of the market in the U.S. Great Lakes Region for high pressure washers was roughly \$9 to \$11 million in 1982. Growth is expected only in custom equipment in coming years.
- Industrial cleaning contractors make up the primary market in the region. Automotive, chemical and power plants also provide significant demand.
- The Great Lakes' markets are dominated by one manufacturer — National Liquid Blasting Corp. (NLB). NLB has achieved its dominance through product innovations, a leasing program for contract cleaners, and a headquarters location central to the region.
- High pressure washers in the region are sold primarily on a direct basis to end-users, using either company salesmen or manufacturers' representatives. Although some distributors specializing in this equipment exist in the region, their primary role is to provide parts, service and rental programs.
- The existing market for standard equipment is characterized by slow growth and low margins on units and parts. It is generally thought to be difficult to support a distribution network in this environment.
- To be successful, Canadian manufacturers will need to possess innovative products, strong technical ability, timely service support and financial strength.

3. Cleaners

This category of products is composed of (1) parts cleaners and (2) solvent degreasers and aqueous cleaners, both standard and custom.