

The survey of U.S. importers of the products under review indicated that just over 65% of the respondents who had imported in 1988 were facing rising costs for their imports due to the devaluation of the U.S. dollar. The majority of respondents (71.4%) who had not tried Canadian sources of supply of electrical equipment expressed interest in learning about Canadian manufacturers and their potential to replace increasingly expensive European and Japanese products. Of the respondents who would consider sourcing from Canadian companies, approximately 27% expected to increase their purchases as a result of the Free Trade Agreement, almost 20% had not yet considered the consequences of the Agreement on their purchasing patterns, while the majority indicated that the Agreement would have no effect.

Respondents interested in Canadian electrical equipment products indicated that they prefer to obtain information from the Canadian company through brochures, industry publications, trade fairs and visits by a representative of the firm to the Canadian manufacturer. The lower prices of the imported product compared to domestic prices was most frequently reported by those respondents who had imported in 1988 to be a significant consideration in their decision to source outside the United States. Interviews with U.S. associations connected with the electrical equipment industry indicated that the Canadian industry is perceived to be competitive with its U.S. counterpart.

Some specific opportunities have been identified through the survey of U.S. importers. These included some electrical equipment products which are not the focus of the study but have been included in this report for information only. Sources are currently being sought for resistors and diodes, nickel quick and battery rechargers, hour meters and controllers, circuit breakers, television antennas, electrical parts for lighting fixtures and encoders for counters. Information on companies seeking these products is found in Appendix 1. Also, a list of those companies which are generally interested in learning more about Canadian sources of electrical equipment has been compiled in Appendix 2.

External Affairs and International Trade Canada recommends that Canadian firms should consult the Canadian Trade Commissioner located closest to each company being considered for contact prior to doing so in order to obtain advice, assistance and further company information. Canadian government contacts in Canada and the United States are provided in Appendix 9.