

7. The trend among local distributors is one of constriction rather than expansion. Distributors are trying to reduce the number of brands per product category, and express reluctance to add new products. This is primarily due to the desire to simplify inventory and to focus their marketing activities on a reduced number of brands. Their reluctance to add new products does have some important exceptions. They are willing to adopt a new product if: (a) it is innovative, (b) they can get an exclusive distribution agreement, and or (c) hospitals specifically request it.
8. The distributors interviewed showed no specific resistance to adding foreign products, either Canadian (with whom they've had little experience) or Japanese (with whom they have had mostly favourable experience). Predictably, distributors specified that these foreign products must show some specific, significant advantage in profitability or quality. Although there was no specific resistance to adding Canadian or Japanese products, their adoption was conditional on the same factors that distributors said were necessary for adoption of any new product: (a) innovativeness and (b) exclusivity. Because of a highly competitive distribution environment, there is a preoccupation with exclusivity as a competitive weapon.
9. The market for all products is quite heterogeneous.
10. Major opportunities for a new manufacturer entering the market, as perceived by the key buyers are by:
 - having better products with competitive prices
 - improve delivery
 - provide new information
 - improve relationship among all participants in the system.