going to each of these two markets. In 1987, for example, it is estimated that of the total U.S. import market for automotive parts addressed in this report ($22.1 billion [U.S.]), 90% of the imports were original equipment parts and 10% were aftermarket parts.

As part of this report, a survey of U.S. importers of automotive parts was conducted. The survey was intended, among other things, to explore the effects of the recent devaluation of the U.S. dollar on Canadian export opportunities in the United States. Due to the fact that the U.S. importers contacted mainly dealt with OEM parts (an average of 79% of the respondents' supply was destined for the OEM market), the results of the survey pertain only to the U.S. original equipment import market. However, had the importers surveyed been more involved with parts supply to the aftermarket, it is suspected similar results would have been obtained concerning the prices of imports from other western industrialized countries and the interest that U.S. importers had in hearing more about Canadian manufacturers.

It should also be noted that the sample size of importers surveyed is small relative to the multiplicity of products involved and the fragmented nature of the automotive industry. It is possible, therefore, that the survey results may not be applicable to all product categories in the automotive parts sector.

However, for the automotive parts and accessories sector, as a whole, the results of the survey were significant. Over 80% of the respondents reported that the devaluation of the U.S. dollar had increased the costs of their imported auto parts. Of the respondents (about 50% of those surveyed) that were affiliated with Japanese assemblers in the United States, one half reported that local (North American) content goals, averaging 70%, were set for 1990. As a consequence of the rising costs of imported parts and the need to attain higher local content levels, 64% of the importers surveyed expressed an interest in learning more about Canadian automotive parts and prices.

U.S. importers responding to the survey indicated that they would prefer initially to receive information on Canadian companies through the mail. However, information supplied by firms associated with the importer and recommendations of personal contacts were said to be the key factors influencing the purchasing decision.