

EXECUTIVE SUMMARY

Page

The New England transportation industry provides business opportunities unparalleled in the industry in recent years. Transportation and transit are presently experiencing growth due to a number of factors. Among these factors are a renewed interest in transportation planning, federal legislation impacting the industry and federal government commitment to improving the U.S. infrastructure.

The largest growth areas are found in the following industries: bus, rail, highway and bridge. Though some opportunities exist in the water transit industries, there are barriers to market entry created by the Jones Act. Components manufacturers have some potential for sales due to the development of increased water transit in Massachusetts and Maine, especially.

The most opportunities are and will be in Massachusetts. This state is the fourth largest recipient in the nation of federal funding from the Intermodal Surface Transportation Efficiency Act. These funds total \$5.5 billion from 1991 to 1997. The largest projects in Massachusetts will include highway and bridge work, rail restoration and bus procurement for public transit authorities.

The legislative acts which especially impact transportation planning are the Clean Air Act Amendments (CAAA), Americans with Disabilities Act (ADA) and the Buy America Act. The CAAA and ADA are comprised of strict technical requirements to be carried out by transportation planners and procurers and vehicle manufacturers. The Buy America Act presents significant market entry barriers to Canadian companies. Canadian companies must be thoroughly familiar with these acts in order to take advantage of business opportunities in the U.S. It is recommended that companies obtain copies of these Acts through the Government Printing Office in Washington, D.C.

One business strategy would be to supply Canadian companies, such as Bombardier, Orion and MCI which are current suppliers to the New England market.

As mentioned previously, Massachusetts represents the most transportation activity for the next decade. Massachusetts is the most populated and has the most funds available. However, Canadian companies should not discount other New England states that are undergoing extensive highway and bridge work, among other projects.