

microcomputer, communications products and peripherals segments of the industry. These improvements made new office technologies both viable and necessary for a larger segment of the business community.

As a result of the devaluation of the dollar, U.S. industry shipments to export markets posted strong gains. Total U.S. exports were up by 19% to \$17.4 billion (U.S.) in 1987, with shipments of CPU's and peripherals gaining 30% and 20% respectively. Europe remained the leading market for these U.S. exports, accounting for approximately 55% of shipments in 1987.

The USDOC reports that the weaker dollar did not have an impact on U.S. imports in 1987, however. Unit imports into the United States increased 20% that year, while their value gained 26% to reach \$14 billion (U.S.). The USDOC indicates that both figures would have been significantly higher in the absence of a 100% tariff imposed on specific types of Japanese microcomputer imports as part of the United States - Japan Semiconductor Arrangement. Overall, imports from Pacific Rim countries represented 75% of total U.S. imports of computer equipment in 1987. Korean shipments destined for the U.S. market grew 25% to more than \$500 million (U.S.), while Taiwan and Singapore had \$3 billion (U.S.) of combined imports into the United States in 1987, 35% higher than 1986. With the exception of Japan, which manufactures a broad range of computer systems and peripherals for domestic and export markets, the other Pacific Rim countries are involved primarily in the production of low-end microcomputers, parts and peripherals for the U.S. market. Canadian exports of data processing equipment to the United States reached one billion dollars (U.S.) in 1987, 40% higher than 1986.

The USDOC forecast for the computer industry is for a 10% increase in the current-dollar value of shipments in 1988. It is expected that continued advances in all technologies, from ~~semi-conductors~~ to software, will maintain the growth of U.S. factory shipments of computer equipment at the 10% level through 1992. The personal or microcomputer segment will experience somewhat slower growth (6% through 1992 when it will reach \$23 billion (U.S.)), as U.S. and foreign manufacturers continue to deliver improved performance in lower-cost machines. The business segment of the U.S. personal computer market, which was estimated at \$10 billion (U.S.) in 1987, should reach \$12.5 billion (U.S.) by 1990 according to an International Data Corporation forecast.