

**TABLE 3**  
**CANADIAN TRADE WITH MEXICO OF**  
**EQUIPEMNT FOR THE IRON AND STEEL INDUSTRY**  
 (Cdn\$000 dollars)

	1988	1988	1989	1989
	IMPORTS	EXPORTS	IMPORTS	EXPORTS
	FROM MEX	TO MEX	FROM MEX	TO MEX
Furnaces				9
Parts for furnaces		239		241
Converters				47
Casting machines				63
Parts for moulds, etc.		88		51
Rolling mill rolls	231			
Parts for rolling mills		9		26
Metal foundry boxes		3		
<b>TOTAL</b>	<b>231</b>	<b>339</b>	<b>0</b>	<b>437</b>

Source: Statistics Canada - International Trade Division

Overall, the U.S. is the leading supplier of machinery and equipment for the iron and steel industry, with a 39% import market share in 1989. Brand loyalty is important in this industry because compatibility among various brands is usually limited and often causes users to be tied to a certain supplier throughout the length of the useful life for that equipment. Other major suppliers include Italy (16%), West Germany (14%), the Soviet Union (6%), Spain (6%), Japan (4%), Great Britain, France, Austria, Switzerland, Finland and Canada. Important competitive factors in this market are technological sophistication, equipment quality and reliability, price and financing terms, availability and speedy supply of parts for repair, maintenance or expansion, and a presence in the market to adequately provide for after-sales and engineering services.

#### 4. END USERS

Mexico's steel production industry includes all five stages of production typically found in the operations of major, fully integrated, steel producers in other countries:

- concentration of iron ore and production of coke from coal;
- production of primary iron or fusion;
- production of pig iron and sponge iron;
- production of steel for lamination, casting or smelting;
- production of the final product in semi-finishing or finishing mills.