

- **St. Louis Music Supply** would like to hear from suppliers of electric guitars and violin cases.
- **Peter D. Goetz and Associates** is actively searching for suppliers of used, quality brand name grand pianos.
- **Getzen Co. Inc.** is looking for suppliers of coinings.
- **SBK Entertainment World** is interested in sources of supply for recording studio equipment and synthesizers.
- **Rotenburg Pianos** is looking for suppliers of brand name grand pianos.

More information on these companies is found in Appendix 1, and a listing of U.S. importers who are interested in Canadian sources of supply of musical instruments in general is found in Appendix 2.

Those importers showing a lack of interest in investigating Canadian supply capabilities cited the following reasons:

- Canada does not supply the product;
- already aware of Canadian suppliers;
- use parent company;
- Canadian prices are too high.

When asked about preferred sources of information regarding Canadian companies, 93% indicated that they would like to learn about Canadian suppliers through brochures. Forty-four percent said that industry publications were sources, and 34% mentioned trade fairs and direct contact by the supplier as also suitable. While secondary sources, including brochures and industry publications, were considered important means of receiving initial information, more personal sources are key to making a sale. Those interviewed indicated that information from trade fairs, direct contact with the manufacturer and recommendations from personal contacts were most likely to influence the purchase decision.

As trade fairs and industry publications are factors which are taken into consideration when making purchasing decisions, any Canadian firm wishing to pursue opportunities might consider using

these marketing tools to promote their products. When asked about frequently attended trade fairs, nine of those interviewed mentioned the National Association of Music Merchants (NAMM) show in Frankfurt, West Germany. Five respondents participated in this show while an additional four attended. Trade publications read include *Musical Merchandise Review* (6 mentions), *Music Trade* (5 mentions), *Upbeat Magazine* (4 mentions) and *Guitar Players* (3 mentions).

With respect to the Free Trade Agreement, 39% felt that its implementation will lead them to increase their purchases of musical instruments from Canada. Nearly 42% felt the Agreement would have no impact on their purchasing policies, while the remaining 19% were unsure of its effect. With almost four in ten importers expecting to increase purchases from Canada, it is apparent that the Free Trade Agreement provides potential for increased Canadian exports to the United States.

SURVEY OF U.S. ASSOCIATIONS

A U.S. industry association was contacted in order to supplement information provided by individual importers and to provide an industry perspective on trade in the musical instruments industry. The industry association contacted and its mandate is as follows:

- The National Council of Music Importers and Exporters (NCMIE) mandate is to represent the interests of U.S. importers and wholesalers of musical instruments. Activities include monitoring and reporting on new legislation and trends affecting its members.

The association was interviewed to provide the following information:

- market trends for the musical instruments industry;
- the effect of the devaluation of the U.S. dollar on trade in the musical instruments industry in the United States;
- major industry trade fairs;
- major industry publications;
- the potential effect of Free Trade on Canada-U.S. trade in musical instruments;
- their opinion on the strengths and weaknesses of the Canadian musical instruments industry.