

ELECTRONICS, INFORMATION TECHNOLOGIES AND TELECOMMUNICATIONS

The Japanese market for electronics is mainly supplied by the domestic industry, but there are niche markets for manufacturers of specialized electronic products. Japan is a staple market with relatively high profit margins for Canadian exporters.

The market for software products and services in Japan continues to grow at an estimated 15% annually. The dominance of the NEC standard software is weakening, opening market opportunities for MS-DOS and UNIX based software products. Canadian companies with Japanese partners are adapting and creating new product for this market. Major opportunities are in multimedia, text retrieval and LAN/WAN systems.

Privatization and the resulting competition in the Japanese telecommunications industry have increased Japan's imports to an average of 38.5% annually. The focus has been on the manufacturing segment of this sector, but there are emerging markets for telecommunications services and consulting services, especially for specialized communications products.

INDUSTRIAL MACHINERY

Canadian exports of specialised machinery and equipment to Japan have benefitted from the strong Japanese yen coupled with the advanced design and technology incorporated into some Canadian products. Typical products include forestry-related machinery such as tree-harvesting equipment and computer-controlled sawmill machinery, ocean industry (subsea) equipment, and road-building machinery.

May 1994