

## EXECUTIVE SUMMARY

This report addresses one of approximately 80 sectors reviewed as part of a broadly-based study commissioned by the U.S. Trade, Tourism and Investment Development Bureau of the Department of External Affairs. The objective of this study is to provide a preliminary indication of potential opportunities for the expansion of Canadian exports into the United States. The findings in each report are based on an analysis of U.S. trade statistics and a limited survey of U.S. importers and trade associations from a broad cross-section of U.S. industry.

The purpose of each report is to assist Canadian companies in identifying potential export opportunities that may justify further investigation. While the reports do not provide analyses of Canadian export industries or their international competitiveness, they do provide other kinds of information that should be useful. For example, each report provides information on individual companies that have indicated an interest in new sources of supply, some of which are quite specific. Information on U.S. import market size and shares and on industry publications and trade fairs that the companies surveyed felt were most useful is also provided. As such, individual reports in the series should be of particular interest to small and medium-sized Canadian companies that either are not yet exporting or that would like to increase their level of exports to the United States.

Taps, cocks and valves is one of the sectors examined during the study. The products of concern to this study reached a combined customs value of U.S. imports of just under \$725 million (U.S.) in 1987. Exports of these products by major developed countries accounted for almost 88% of the total U.S. import market. The Canadian share of U.S. imports of taps, cocks and valves products which are the focus of this study has been in decline since 1984, from a value of \$122.5 million (U.S.) in 1984 to \$82.8 million (U.S.) in 1987. It is anticipated that demand for these products will grow moderately over the next few years and coupled with higher price imports from competing countries, there may be potential for Canada to regain its share of the U.S. import market in this area.