

This opens up numerous opportunities to sell to or partner with U.S. environmental firms to penetrate the Northern California market.

**Water and waste water** are also in the forefront. A six year drought in Northern California resulted in mandatory water rationing in the San Francisco Bay area for the past three years. There is a strong market for the latest in water conservation equipment for industrial and residential users.

**Solid waste** is subject to pressure from legislators and from the public. California faces the fact that landfill space is becoming very scarce and costly. The State's goal is to reduce the waste stream by 50% through recycling and composting.

**Air pollution** is a major concern, even in Northern California and Colorado, primarily due to the extensive use of the automobile in densely populated areas such as the San Francisco Bay Area with its population of 7 million. Business expenditures are projected between U.S. \$20 billion and U.S.\$30 billion throughout the U.S.

#### **AEROSPACE, SPACE AND DEFENCE**

Northern California's leading sectors are in avionics, aircraft landing gear, actuators, defence electronics, computer hardware, data communications, software distribution and environmental products and services. Funds are also spent in the post territory on aerospace and electronics by NASA and DARPA, which is expected to remain stable as the U.S. cuts back production on deployable system and emphasizes R&D. The portion of the DoD budget for SDI, GPALS, and theatre ballistic missile defences, of which many of the post's territory's prime contractors are involved in, has also experienced an increase and should continue to do so in the future. As the Operations and Maintenance budget decreases, the need for simulation systems will receive increased emphasis, benefiting Lockheed, Evans and Sutherland and McDonnell Douglas.

Concerning space programs in the post territory, NASA's Ames Research Center is located at Moffet Field between San Jose and San Francisco. Of NASA's top 100 contractors, 14 are in the Post territory, with Thiokol in Utah being the third largest. Colorado has companies concentrating in space-based communications and defence electronics such as Ball Aerospace, Martin Marietta Astronautics Group and TRW Communications.

There are seven major international airports in the post territory. The new Denver airport's first phase of construction should be operational during 1993 and a major expansion of the San Francisco International Airport has recently been announced. The following is an overview of FMC, Sacramento ALC, GenCorp's Aerojet, and aerospace/defence contractors in Utah.