

**SECTOR:** Industrial Machinery, Environmental Equipment  
and Related Services

**SUB-SECTOR:** PACKAGING EQUIPMENT

**Officer:** P.-A. Rolland

**U.S. Market Opportunities:** The U.S. packaging machinery market has been growing by 3 percent annually, but this growth does not reflect the many changes underway in this sector. In food packaging, the most important sub-sector, there is continued demand for more attractive packaging that lends itself to safe use in microwave ovens, and is environmentally-friendly. This is expected to lead to stricter regulation of packaging products. Further automation is likely in the face of rising labour costs.

**Canadian Capabilities:** The Canadian packaging industry consists of some 60 manufacturers of machinery and accessory equipment, 14 companies specializing in packaging design, and 70 companies involved in packaging materials (mostly paper, plastics, cardboard and wood). In 1990, imports of packaging machinery into the US totalled US\$589 million. Canada was the fourth most important supplier, behind Japan, West Germany and Italy.

It is estimated that approximately 10-12 percent of the Canadian packaging industry is actively involved in exporting. There are significant capabilities in automated packaging systems and environmentally-acceptable packaging materials. A recent development is the emergence of packaging industry specific computer software.

**Strategy:**

- To build on current successes and support continuing market penetration by active exporters, provide assistance to companies new to the market and identify significant trends and emerging opportunities in this sector including seeking new regional opportunities for the industry.
- Ensure that Canadian companies obtain maximum exposure to the marketplace, access to relevant information on regulations, approval processes, representation and distribution arrangements.