

\$12.4 billion of manufactured goods in 1981. Currently, 16 percent of the population are employed in manufacturing but only 3.8 percent work in the computer industry. There were twenty-two companies involved in computer hardware and software production in 1982 according to the U.S. Department of Commerce. These manufacturers are located in Phoenix and Scottsdale, the two main populated centers. Among these companies are Motorola Semi-Conductor Division with its headquarters located in Phoenix, and Honeywell. These companies collectively employ over 14,000 people. Other major electronics employers in the area are The Garrett Corporation, Sperry Flight Systems, and General Semi-Conductor. Several interviews with Arizona based companies are included in a later section.

Colorado — the population of Colorado was 2.96 million in 1981. The State is located in the central Western U.S.; the location is given on the "market area map" in this section. Principal industries are mining, tourism, agriculture, aerospace, and electronics. Colorado contains approximately 3,707 manufacturing establishments; principal manufactured goods are computer equipment, instruments, food, machinery, rubber and steel products. The State shipped \$17.2 billion of manufactured goods in 1981. Approximately 12.5 percent of Colorado's population is engaged in manufacturing and 4.2 percent of this work force works in the computer industry. There were twenty-five computer manufacturers operating in Colorado during 1981. The main production center in Colorado is Denver where Storage Technologies has its headquarters; Mountain Bell is also located there. A number of computer companies operate in Boulder and Colorado Springs.

Utah — The population of Utah was 1.5 million in 1981. Twenty-two percent of these people are employed in manufacturing but only 1.2 percent of the total manufacturing work-force is employed in the computer industry. Approximately 2,008 manufacturing establishments are located in Utah and the State shipped \$9.3 billion of manufactured goods in 1981. Nineteen computer establishments are listed in Utah; Sperry Univac, Mini-Computer Operations Division is the leading computer manufacturer. Electronic components, guided missiles, primary metals manufacturing and transportation equipment are among the State's largest manufacturing industries. Salt Lake City is the major center for electronics, apparel manufacturing, and mining. The city is becoming a center for energy resources development operations. Interviews with companies in Utah are included in this study.

In conclusion, it is readily apparent that California could be the most viable center for Canadian computer companies wishing to set up a marketing basis in the Southwestern U.S. Readers should consider the section in this report covering market strategies which discusses this question in more detail.