

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 are 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.

Business machines is one of the sectors examined during the study. A survey of U.S. importers of business machines was conducted to determine the effects of the devaluation of the U.S. dollar on imports from major developed countries and to identify potential opportunities for Canadian manufacturers to replace these imports. The survey results were significant, with two-thirds of those interviewed reporting that they were facing rising costs for their imports as a result of the weakened U.S. dollar. Consequently, a large number also expressed an interest in hearing about Canadian products as possible alternatives to their more expensive imports.

These importers indicated a preference for receiving information on Canadian capabilities via mailings or through direct personal contact. The main reasons U.S. companies gave for importing business machines are to source products not available domestically and to secure favourable prices.