REPORT 4 88/07/27

QUARTERLY PROGRESS REPORT OF EXPORT PROMOTION PROGRAM AT MISSIONS ABROAD FOR FISCAL YEAR 87 FORECAST OF KEY ACTIVITIES AND ANTICIPATED RESULTS STATED IN MISSION'S ANNUAL PLAN

POST : 639-LIMA

004-DEFENCE PROGRAMS, PRODUCTS, SERV PERU

PLANNING: ACTIVITIES PROPOSED IN POST PLAN:

ALL SUB-SECTORS

COMPLETE REPORT ON RECENT SECURITY PRODUCTS MISSION TO CANADA AND INITIATE FOLLOW UP TO FURTHER PROMOTE CANADIAN PRODUCTS.

PROMOTE DEMONSTRATION UNITS OF SECURITY RELATED EQUIPMENT TO BE TESTED BY PERUVIAN ARMED FORCES IN TERRITORY, BOTH INDIVIDUAL AND TRADE FAIR.

TRACKING: ACTIVITIES UNDERTAKEN IN QUARTER:

- QUARTER: 1 CONTINUED PROMOTING SECURITY EQUIPMENT AS FOLLOW UP TO MISSION OF LATE 1986. WORKING EXTENSIVELY ON MAJOR AIRPORT SECURITY UP DATE VIA CPPF IN E-FFORTS TO SOLE SOURCE CDN PRODUCTS. ASSISTING CDN CO IN PROPOSED J.V. TO MFR BULLET PROFF VEST
- QUARTER: 2 A)CONTINUE PROMOTING SECURITY EQPT AS FOLLOW UP TO MISSION OF LATE 86. B)WORKING EXTENSIVELY ON MAJOR AIRPORT SECURITY UPDATE VIA CPPF IN EF-FORTS TO SOLE SOURCE CDN PRODS. C)ASSISTING CDN CO IN PROPOSED J.V. TO MFTRE BULLET PROOF VESTS.
- QUARTER: 3 -CONTINUED PROMOTING SECURITY EQPT AS FOLLOW UP TO MISSION OF LATE 87. -WORKED EXTENSIVELY ON MAJOR AIRPORT SECURITY PROJECT IN EFFORT TO SOLE SOURCE CDN PRODS. -ASSISTED CDN CO IN ESTABLISH-ING J. V. TO MANUFACTURE BULLET PROOF VESTS.
- QUARTER: 4 A) PROVIDED ASSISTANCE DURING VISIT OF CCC AND CSP OFFICIALS RE AIRPORT SECURITY PROJECT. B) ASSISTED CANADIAN COMPANY IN ESTABLISHING JOINT-VENTURE TO MANUFACTURE BOMB DEACTIVATING SUITS.

QUARTERLY RESULTS REPORTED:

INITIAL SALES OF \$40,000 IN BULLET PROOF VESTS & BOMB BLANKETS. CPPF STUDY APPROVED & ADDITIONAL AIRPORT AUTHORITIES VISIT PLANNED FOR AUGUST. PE-RUVIAN MILITARY AUTHORITIES EVALUATING PROPOSAL.

A)SALES OF OVER \$100,000 MADE. B)CPPF STUDY UNDERWAY AND CDN SALES POSSIBILITIES BEING IDENTIFIED. C)JV LETTER OF INTENT SIGNED AND NOW WITH LEGAL REPS. EXPECT PRODUCTION TO START WITHIN 2 MONTHS.

-IMPORTANT PROGRESS ACHIEVED WITH ID CARDS TEN-DER WITH MINISTRY OF INTERIOR. -STUDY DEVELOPING & RESULTS WILL BE KNOWN BY MAR 88. -CONTRACT ALREADY SIGNED WITH PERUVIAN NAVY IN DEC 87.

A) CONTRACT WILL BE SIGNED SECOND HALF OF MAY. B) FIRST SAMPLE OF SUIT HAS ALREADY BEEN MANU-FACTURED AT SIMA PLANT. CONTRACT WAS SIGNED MARCH 1988.

ANTICIPATED RESULTS:

SALES OF 0. 5 MILLION STRONG POSSIBILITY.

ENHANCE MARKETING POSSIBILITIES.