
III. SELLING TO THE DETROIT TERRITORY

Export Opportunities

Despite already substantial sales of Canadian goods, tremendous potential exists for new Canadian exporters and new Canadian products. Buyers are interested in almost any item that can compete in quality, distinctiveness and laid-down price. Many existing U.S. supply sources are more distant than potentially competitive Canadian ones offering Canadian industry a possible advantage. The post territory displays consumption patterns similar to Canada and incomes are relatively strong. As well, the area's proximity to Canada and wide-ranging industrial activity make it a logical market for Canadian exporters.

There are 22 companies listed in "Fortune Magazine's Directory of the 500 Largest U.S. Industrial Corporations" that have headquarters in the Detroit Standard Metropolitan Statistical Area. Twenty companies with headquarters in Detroit have annual sales of \$100 million or more. Fifty-eight firms in the Detroit area employ 1,000 or more people.

Because the Detroit area is considered the automotive centre of the world, many other industries in the state are overlooked. Companies in Michigan are engaged in the manufacture of aerospace components, baby food, industrial chemicals, pharmaceuticals, industrial ovens, computers, business machines, an extensive variety of machine tools including those of the most sophisticated type, bathroom fixtures, plumbing hardware and furniture.

Though the auto industry suffered a severe sales downturn in 1980, prospects for selling to the industry remain good. This is due to the large amounts of capital being committed by the auto firms to meet the demand for down-sized, fuel-efficient automobiles. General Motors alone is committing \$40 billion for plant, machinery and retooling by 1984. Purchases throughout the industry will include machinery, quality control equipment, process control equipment, robot-controlled assembly lines and a vast array of high volume components.