

RPTB1

TRADE AND INVESTMENT PROMOTION PLANNING SYSTEM

90/91 TRADE AND ECONOMIC OVERVIEW

Mission: ATLANTA

Country: UNITED STATES OF AMERICA

The Atlanta post represents Canadian business interests in the southeastern states of Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina and Tennessee, as well as the Commonwealth of Puerto Rico and the U.S. Virgin Islands. This large region of 345,000 square miles and 42.6 million people is served, for trade and tourism purposes, by four separate offices - the Consulate General itself in Atlanta and its three one-man satellite trade offices in Orlando and Miami, Florida, and in San Juan, Puerto Rico.

During 1988, Canadian exports to this territory amounted to \$6.540 billion dollars led by sales of \$1.258 billion to Georgia, \$1.243 billion to North Carolina, \$1.184 billion to Florida, and \$1.025 billion to Tennessee. Combined export and import figures show that in total trade, North Carolina is Canada's most important regional partner at \$2.926 billion, followed by Florida (\$2.792 billion), Georgia (\$2.556 billion, and Tennessee (\$2.317 billion). Major exports include many traditional items such as newsprint, softwood lumber, and automotive parts but high-value added products such as transportation equipment, telecommunications equipment, and office machinery are playing an increasingly important role.

During the past year, growth in the southeastern "sunbelt" states slowed relative to the rapid expansion of the mid-1980's. However, the region continued to outpace that of the overall U.S. economy. Projections for 1990-91 indicate moderate growth slightly above the national average.

For the coming year, the addition of the two new satellite offices in South Florida and Puerto Rico will greatly enhance our ability to take advantage of opportunities in those two important markets. Efforts in the past had been constrained by distance - as the crow flies, Miami is the same distance from Atlanta as is London, Ontario, while San Juan equates to the distance to Winnipeg, Manitoba. The new resources will permit the Atlanta office to devote more attention to the important markets in the Carolinas, Tennessee, and Alabama which offer much untapped potential.

In light of our priority objective to help Canadian firms capitalize on the increased business opportunities in the U.S.A. under the Canada-U.S.A. Free Trade Agreement, the post will step-up its recruitment of Canadian participants in trade shows and missions, not only in Atlanta but in other key markets, especially North Carolina, Gulf Coast Alabama and Mississippi and Northern Alabama. Increased export promotion efforts will focus on electronics, machinery, aerospace, furniture, automotives, marine equipment and tourism. New activities in technology acquisition for Canadian firms to increase their international competitiveness will also be implemented along with recruiting U.S.A. investors into Canada.

As trade and demographic figures demonstrate, export opportunities are well-dispersed throughout the post territory (four states with over \$2 billion annual trade with Canada, 15 urban centres with over 1/2 million population). These facts point to the desirability of establishing additional satellite offices in the region, particularly in Raleigh/Durham/Research Triangle Park, North Carolina and in Huntsville, Alabama. The post will prepare satellite office recommendations with a view to implementation in FY 90/91.

The post will continue to rely heavily on promotional projects as a means of furthering our trade, investment and technology goals. The post