

must be remembered that although there has been a continuous swing away from older industrialised centers in the North Central and on the Northeastern seaboard both of these areas will remain important as focal points for importing and distribution as well as major population centers. Collectively these two areas account for 57% of the US population; they contain 60% of the country's manufacturing establishments; and they are responsible for 55% of all national retail sales. If Canadian manufacturers are considering entering the stakes for national distribution they will find that representation and a strategically located shipping point in this area is essential.

The process of development still going on in the south and west should be viewed as a part of the Nation's process of expansion rather than a shift in demand with one part of the country contracting in favour of the other.

### 3.1 EFFECTS OF THE LACK OF MARKET HOMOGENITY ON MANUFACTURERS

#### TARGETING FOR U.S. MARKETS

Clearly, a market like the U.S. furniture market which lacks recognizable homogeneity will present the manufacturer who wishes to export with special problems and this is particularly so with the KD market. This is an emerging market -- still feeling its way. Retailers (many of them specialty stores with few outlets and often without much capital for expansion) who committed to the