

could provide an ideal base for Canadian companies who wish to establish their own marketing and sales operations in the State. Whilst most of the State's industries are represented in the Los Angeles area, some are stronger than others and their products are currently more suitable for intensive packaging machine usage under current technology. Table 3.5 should be used to provide a guide to the relative strengths of the industries and to assist in determining potential for Canadian machinery sales in the area.

We interviewed representative companies from the following industries during the study: food processing and beverages; pharmaceuticals and other chemically related products; printing and publishing; paper related industries, including bag making and cartons; aerospace and transportation industries; and, toy manufacturing. The results of our interviews, together with comments on industry trends and prospects, are presented in a following section.

Other industry groups contribute significantly to the manufacturing output of the Los Angeles area but do not appear to offer significant prospects for machinery sales; they are:-

The furniture industry--75 percent of California's furniture industry is located in the Los Angeles area. Currently the industry does not appear to offer substantial prospects for packaging machinery sales. We anticipate prospects should improve in the medium to long-term as manufacturers seek to reduce labour costs and intensify their investment in automated and semi-automated plant.