

Projects Cancelled

- Airforce RECCE drone
- Tank destroyer Panther
- Product improvement PAH-1 (night flight capability)
- Army mine laying system (DAVID)
- Product improvement HAWK-1
- Product improvement ROLAND (Navy)
- Anti-radar drone (Air force)
- Defence research ships
- Large general purpose defence engineering ship

The German defence market is best developed through partnerships with appropriate German firms rather than through agents or sales reps. Future prospects in Germany will by necessity demand Canadian participation in the early stages of R&D.

Aerospace

Germany is a major player in the European aerospace industry, its involvement in Airbus, ESA and a number of other European defence aircraft are witness to its growing strength in this industry. Since 1975, the German aerospace industry has registered the highest sales and employment growth rates of all manufacturing industries and 20-30% growth rates are projected through 1993.

Generally speaking, Canada is a relatively small player in the German aerospace industry with exports hovering in the \$200 million range (1990 - \$205,830,000); for January-September 1991 - \$126,685,000) mainly accounted for by aircraft, aircraft and engine components and flight simulation equipment.

At the present time however, Canadian firms have an excellent opportunity to become involved in major new aircraft development projects. BMW/Rolls-Royce Aero Engines are actively looking for Canadian component suppliers to become involved in the development of its new BR700 series of jet engines. Deutsche Airbus is planning to subcontract many of the components for the airbus fuselage to companies that accept payment in dollars, and the new DASA, Aerospacial Alenia consortium is currently looking for suppliers for its DAA92 (87-94 passenger) and DAA 122 (117-127 passenger) regional jet.

Canadian firms interested in pursuing these opportunities must be prepared to dedicate a significant amount of time, effort and money in working with the German firms in the development phase of these projects.