

than 1 percent while Italy increased her exports by 76 percent; Switzerland's exports increased by 39 percent, the United Kingdom's exports increased by 45 percent, and Japan increased her exports to the U.S. in this category by 46 percent. It would seem that Canada's loss was the gain of her competitors and that the reduction in Canada's exports in this major category may not have been entirely due to worsening economic conditions but rather to increased sales activity on the part of her competitors.

California Market:

There are no official figures available for packaging machinery imports into California. We have previously estimated that there is a market for imported machinery in California worth approximately \$50 million. A total of thirty-two Canadian manufacturers responded to the study; fourteen of these companies appear to have sold products in California during 1981 but only five companies reported sales, which totalled approximately \$1 million. Based on Canada's total share of the U.S. market for imported packaging machinery, Canada should be selling a minimum of \$5 million per annum in California. Allowing conservatively for sales made by respondents who did not supply totals, it appears that Canada could currently be selling approximately \$2 million packaging machinery in California.

During the course of this study, we interviewed sixty manufacturing companies. The interviews were designed to cover a cross-section of California's industrial requirements in packaging. Approximately 16