

communications technology, who are for the most part backed by foreign capital and funds. CIDCOM CELLULAR, for example, which is owned by PACIFIC BELL of the USA, recently purchased over \$12.5 million in Northern Telecom cellular switching equipment. Other smaller firms such as VTR CELLULAR and VALDIVIA CELLULAR also continue to claim telecom market share from two majors.

Chilean Ministry of Transportation and Communications is also struggling with definition of new telecom law, which may scrap legislative monopoly bestowed on ENTEL for exploitation of long-distance market.

### Data Communications

Chilean demand for data and text transmission, electronic and voice-based is also a function of robust economic growth. With centralization of decision-making in Santiago, and far-flung operations, data transmission is a growing necessity. Banks with widespread offices are in particular need of data-transmission facilities, and several have already developed their own networks (based on public and private telecom facilities). There is strong domestic competition for data services, CTC, TELEX-CHILE and VTR all offer data transmission services within Chile. SATEL (an affiliate of ENTEL) and TELEX-CHILE also provide satellite-based data transmission services to corporate clients who need steady access to international data transmission.

### Telecom/Datacom Summary

a) <u>Market Data</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992f</u>
Market Size	120	160	200	250
Cdn. Exports	10	15	20	25
Cdn Mkt Share	8%	9%	10%	10%

### b) Major Competing Countries:

Japan, USA, Spain, Germany

### c) Products/Services for which there are strong market prospects:

Rural telephony, Fibre Optics, Trunk Line Accessories (switching equipment, boosters, etc.), Data Communication Equipment, Engineering Services and Niche Products.

### Computing

The Chilean computer industry is characterized with an abundance of highly advanced computer hardware and a relative shortage of leading-edge software. While