

(Schedule A 7644010). U.S. imports in 1987 for this product group amounted to approximately \$421 million (U.S.).

The survey of U.S. importers of telecommunications equipment found that nearly 70% of respondents were facing rising costs for their purchases from overseas suppliers as a result of the devaluation of the U.S. dollar. Of those surveyed who had not tried Canadian sources, 48.6% were interested in learning more about Canadian companies as possible alternate sources of supply for increasingly expensive imports.

In addition, 40% of the U.S. importers surveyed who were interested in sourcing from Canada said that they expected to increase their purchases of Canadian telecommunications equipment upon the implementation of the Canada-U.S. Free Trade Agreement. These importers indicated that the preferred means of receiving preliminary product information from Canadian suppliers were through brochures, industry publications and trade fairs. Direct contact with the manufacturer and a recommendation from a personal contact were more important, however, in influencing the purchase decision.

This report provides a list containing the names, addresses, and telephone numbers of U.S. importers interested in general in hearing about Canadian sources of supply for telecommunications equipment. This list is presented as Appendix 2. In addition, the survey of U.S. importers identified specific opportunities that may be of interest to Canadian suppliers. The importers identified in Appendix 1 are actively seeking sources of supply for specific items including integrated circuit boards, terminal components and telephone key systems.

The Department of External Affairs recommends that Canadian firms should consult the Canadian Trade Commissioner located closest to each company being considered for contact prior to doing so in order to obtain advice, assistance and further company information. Canadian government contacts in Canada and the United States are provided in Appendix 10.

Before entering a market, telecommunications manufacturers should also consult published market survey information and studies on specific products that are prepared by private market survey companies. The names of these organizations can typically be found in *Telecommunications Surveys and Forecasts*.