

In conclusion, the U.S. market is a most promising one; it is huge and, luckily for Canadian producers, it is located next door. It has registered dramatic and constant growth in the eleven years from the beginning of 1977 to the end of 1987 and this growth is continuing today. Penetrating this very competitive market may well be worth a concerted effort and substantial marketing expenditures.

7. WORLD MARKET

Data for our analysis of the world market was obtained from the International Market Intelligence Centre, International Programs Branch, Agriculture Canada. This data was accessed by the Export Market Information System (EMIS) from the data banks of I.P. Sharp & Associates. The data sourced was for 1980 as well as for each year between 1985 and 1988.

As figure 9 points out, world trade in bottled water all but stagnated between 1980 and 1985. However, the growth between 1985 and 1988 was rather spectacular. This growth apparently continued for 1989 and is not expected to abate in 1990. Total value of bottled water traded was \$595.3 million in 1980, \$641.7 million in 1985, and jumped to a total of \$1,353.7 million in 1988.

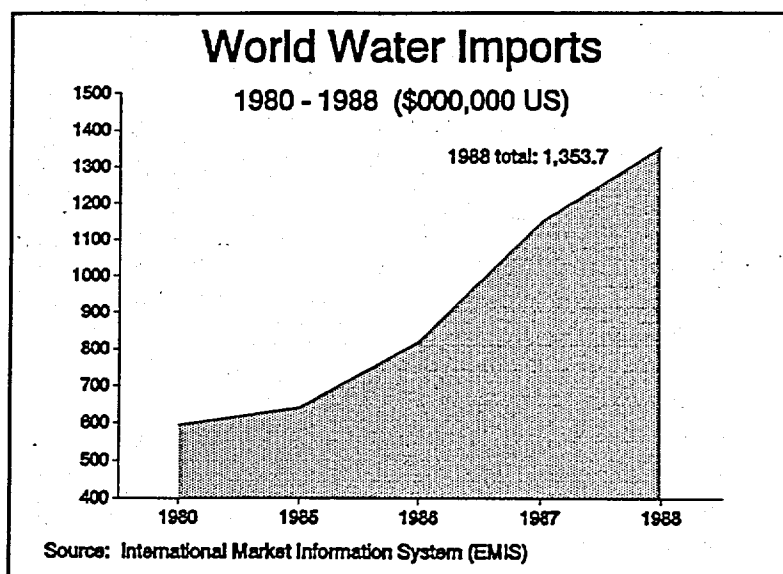


Figure 9

In the data as sourced, a distinction was made between "flavoured" water and "water; ice and snow". Inconsistencies in the data from one country to the next lead us to the conclusion that different countries report trade figures on a different basis; apparently, some products were classed as exports of flavoured water by one country and tabulated as import of unflavoured water by the receiving country. For this reason, we lumped the data together and carried out our analysis on total volume of trade. While the results obtained are valid as general indicators of market potential, they should be interpreted cautiously. In some cases, large volumes of imports do not indicate a valid export opportunity for Canadian producers. As we have seen in the data for the U.S. market, some bottled water products are low priced and distributed in fairly large containers (such as five gallon