**SECTOR: Industrial Machinery, Environmental Equipment and Related Services**

**SUB-SECTOR: PRODUCTION EQUIPMENT** **Officer: P.-A. Rolland**

**U.S. Market Opportunities:** U.S. imports of machine tools totalled $3.44 billion in 1989. Sales of Canadian metalworking machinery were valued at $255.72 million. The auto industry represents more than 40 percent of total orders in this sector. The largest impact on the demand for machine tools over the medium term will result from proposed legislation on auto emissions and fuel economy. These developments may require major tooling programs and lead to an increase in machine tool orders similar to that which occurred in the mid-Seventies, when orders reached a peak of $6.61 billion.

**Canadian Capabilities:** This sector comprises more than 350 companies involved in the design and manufacturing of machinery for use in processes such as metalworking, milling, turning, folding, die casting and injection moulding. Approximately 25 percent of these companies are small in size. Marketing support activities to date have concentrated on major national trade shows in order to provide maximum exposure to the marketplace to Canadian companies. Projected developments in the automotive industry suggest increased attention to appropriate promotion in events or activities known to have significant influence on buying patterns in this sector.

**Strategy:**

- Support the promotional activities of ongoing exporters and companies new to the market by ensuring that Canadian industry obtains proper exposure in the marketplace, and has access to all relevant information on market trends, opportunities, representation and distribution arrangements for their products in this market.

- Investigate potential interest and regional demand for Canadian products through consultation with the posts, resource persons active and experienced in the market, and specialized industry media.