

News Release

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LAMKO SELLS CAD/CAM EQUIPMENT TO CHINA

Minister of Industry, Science and Technology and Minister for International Trade Michael H. Wilson announced today that the Government of Canada, working through the Export Development Corporation (EDC), will finance the supply of CAD/CAM workstations and software to China by Lamko Tool & Mold Incorporated (Lamko) of London, Ontario. EDC will lend up to US\$623,000 to the Bank of China in support of the sale.

Lamko's supply of equipment and software is for mould design and fabrication for the Jinan Mold Factory in Jinan, Shandong. The exported equipment and software will be used in the production of plastic injection moulding for household appliances, automobiles and tractors. This sale is expected to generate 21 person-years of employment in Canada.

Lamko, a pioneer in the application of CAD/CAM technology, is a manufacturer of precision moulds and is involved in the consulting, trading and project development fields. The company has 125 employees and specializes in producing high-quality moulds for the automotive industry.

This transaction has been reviewed under, and complies fully with, the Canadian government guidelines regarding trade with China announced in June 1989. The project preserves

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existing links established by the exporters in the past and includes a training component that offers direct, people-to-people exchanges. The equipment and software for the factory is clearly directed towards civilian domestic needs.

The transaction is financed under a line of credit between EDC and the Bank of China. EDC lends the funds to the Bank of China, which in turn lends them to Chinese end users.

EDC is Canada's official export credit agency responsible for providing export credit insurance, loans, guarantees and other financial services to promote Canadian export trade. EDC reports to Parliament through the Minister for International Trade.

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