External Affairs and
International Trade Canada

MARKETING PLANS

1992/93

USA Trade, Tourism & Investment Development Bureau (UTD)

Canada

External Affairs and International Trade Canada (EAITC) is the federal department responsible for international trade. It is also responsible for operating and maintaining the Trade Commissioner Service with over 818 officers in 120 cities abroad and 12 cities in Canada. The primary responsible of the Trade Commissioner is to assist Canadian companies starting or expanding export sales in international markets.

To obtain other EAITC trade publications, please contact InfoExport (BPTE), External Affairs and International Trade Canada, 125 Sussex Drive, Ottawa, Ontario K1A 0G2. Call toll-free: 1-800-267-8376. In Ottawa please call 993-6435.

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UNITED STATES MARKETING PLAN

APRIL 1, 1992 - MARCH 31, 1993

This is the second year of publication of the marketing plan by the United States Trade Tourism and Investment Development Bureau (UTD) of External Affairs and International Trade Canada (EAITC). Its purpose is to provide a detailed blueprint of the 1992-93 marketing strategy and proposed promotional activities in the US market for 37 sectors.

The document is the result of extensive consultations between UTD marketing officers, private sector partners, the US post personnel, EAITC sector specialists, Industry, Science and Technology Canada (ISTC) specialists, regional offices, and provincial and territorial trade departments. In developing the program partners carefully assessed market potential and Canadian capabilities in each sector. They then developed a strategic approach and the various activities to achieve the sector objectives.

This year's plan specifically addresses the following goals:

- to augment efforts in the following priority sectors: computers and semi-conductors, instrumentation, health and medical equipment and telecommunications. This is in recognition of the growing emphasis in trade in these sectors and their potential high growth;

- to continue from 1991/92 the specific emphasis on opportunities in services and the environment;

- to continue to identify new exporters and recognize their special needs for export education through the NEBS program;

- to make special efforts to assist those sectors with particular circumstances.

EAITC plans to invest approximately $14 million in the 1992/93 marketing program. The U.S. Trade, Tourism and Investment Development Bureau coordinates EAITC's network of trade offices in the US and their staff of 150 Trade Commissioners and Commercial Officers. In addition, UTD has a staff of 16 officers in Ottawa and each strategy in this publication bears the name of the responsible officer. Enquiries should be directed to the appropriate officer.

<u>Expected results</u>: Based on experience, UTD's marketing mix produces an average of $89 of export sales for each dollar invested. On this basis, the 1992/93 marketing program should yield approximately $1 billion in new business for Canadian companies next year.

SECTOR: Industrial Machinery, Environmental Equipment and Related Equipment

SUB-SECTOR: <u>ENVIRONMENTAL PRODUCTS/SERVICES</u> Officer: D. Marsan

<u>U.S. Market Opportunities</u>: The present dollar value of Canadian exports to the U.S. in the environmental sector is approximately $C $300 million and there is the potential to substantially raise this figure over the course of the next few years. Growth rates and expenditures in the sector are expected to double and even triple in the next 15 years. The commitment and amount of spending by firms, government and state are closely linked, as the process is largely legislatively driven. Estimates for the environmental products/services industry in the United States indicate a total market size currently in excess of US $100 billion annually. By 1995, this figure is expected to increase to U.S. $200 billion because the overall environmental market is growing at a rate of 20 to 30% annually.

<u>Canadian Capabilities</u>: The Canadian environmental industry is composed of 4000 firms delivering a full complement of environmental goods and services. About 100 environmental and engineering consulting firms are active internationally and have the potential to sell science-based, knowledge-intensive products such as geographic information systems and remote sensing.

Environmental firms tend to be small and specialized. About 480 firms are active in waste disposal in Canada from garbage truck systems, to waste compactors, to sludge and toxic waste disposal. Over 1680 firms specialize in water treatment, from controls, to pumps/valves/fittings, filters for various systems for conditioning and treatment, ground water drilling and equipment. Another 1400 firms manufacture products for air and noise abatement and control products. A further 440 companies supply equipment or supplies used in environmental prevention and restoration activities.

<u>STRATEGY:</u> - Canadian Environmental companies will be encouraged to develop their U.S. market prospects through the promotion of strategic alliances with local prime contractors and the development of contacts with the various U.S. government agencies.

- The trade development program will build on gains achieved over the past few years in water and wastewater treatment and solid waste and will attempt to increase awareness of the service industry in engineering and environmental consultants.

- Access to relevant information on regulation and approval process, will be specifically addressed.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**<u>Environmental Products/Services</u> Officer: D. Marsan** 991-9478

A- <u>Trade Fairs:</u>

EVENT:	**Information booth at the World Recycling Conference and Exposition**, Chicago, June 2-4, 1992.
PRODUCTS:	Systems and products for collection, handling and processing of recyclable materials ; bins, trucks, shredders, balers, crushing equipment. Also on displays are recycled products.
SCOPE:	International Show, 110 exhibitors.
ATTENDANCE:	State and local public works officials, waste processors and haulers, restaurant and institutional (hospital, school) operators, consultants, engineers.

EVENT:	**Hazardous Materials Management Conference,** Atlantic City, June 10-12,1992.
PRODUCTS:	Equipment for the handling, treatment, storage and transportation of hazardous materials and waste.
SCOPE:	National show, 650 exhibitors.
ATTENDANCE:	12,000. Plant engineers, environmental engineers, municipal waste management officials, chemists, technicians, emergency response personnel.

EVENT:	**Air & Waste Management Association,** Kansas City MO, June 22-26,1992.
PRODUCTS:	Showcase of products and services for air pollution control and waste management such as instrumentation, control equipment, engineering and consultant services.
SCOPE:	National show, 400 exhibitors.
ATTENDANCE:	Engineers, waste management specialists, federal, state and municipal environmental control personnel.

EVENT:	**Solid Waste Association of North America,** Tampa, FL, August 3 -6, 1992
PRODUCTS:	Manufacturers and distributors of solid waste handling equipment; trucks and bodies, land fill compactors, incinerators, consulting services.
SCOPE:	National show, 250 exhibitors.
ATTENDANCE:	Municipal engineers, waste haulers, city and street engineers.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**Environmental Products/Services** **Officer: D. Marsan**

EVENT:	**Water Environment Federation, (Water Pollution Control Federation)** New Orleans LA, September 20 - 24, 1992
PRODUCTS:	Municipal and industrial wastewater treatment equipment, hazardous waste handling, treatment and disposal equipment.
SCOPE:	National show, 300 exhibitors.
ATTENDANCE:	Engineers , municipal and industrial waste treatment managers, municipal officials, consulting firms, contractors.

EVENT:	**Hazardous Materials Management Conference, (HazMat West)** Long Beach, CA, November 10 - 12, 1992.
PRODUCTS:	Equipment for the handling, treatment, storage and transportation of hazardous materials and wastes.
SCOPE:	National show, 525 exhibitors.
ATTENDANCE:	Plant engineers, environmental engineers, municipal waste management officials, chemists, technicians, emergency response personnel.

EVENT:	**Lower Great Lakes Waste and Recycling Expo** Buffalo, NY, November 13 - 14, 1992.
PRODUCTS:	Focus is on equipment and services for public and private waste and recycling, however, companies from almost every sector exhibit.
SCOPE:	Great Lakes Regional show, 165 exhibitors, held in conjunction with regional environmental association meetings.
ATTENDANCE:	Municipal engineers, environmental professionals, public works directors, plant engineers, solid waste directors, federal, state and local governments professionals.

EVENT:	**Hazardous Materials Control (HazMat '92)** Washington DC, November 1992.
PRODUCTS:	Systems and services for the collection, containment, and disposal of toxic/hazardous materials generated by the municipal and industrial processes.
SCOPE:	National Show, 480 exhibitors
ATTENDANCE:	Environmental consultants, plant engineers, sate and local government procurement officials, technicians and chemists, as well as specifics/buyers from US federal government departments such as EPA, DOD Department of Energy.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**<u>Environmental Products/Services</u> Officer: D. Marsan**

EVENT:	**Information booth at Petro-Safe '93**, Houston TX, January 1993
PRODUCTS:	Hazardous materials detection, treatment and disposal equipment, fire prevention and firefighting equipment, oil spill containment and clean-up systems, incineration equipment.
SCOPE:	International Conference, 110 exhibitors.
ATTENDANCE:	Environmental consultants, refinery plant engineers, emergency response personnel, transportation specialists, buyers from US federal government agencies such as EPA and the Department of Energy.

EVENT:	**Hazardous Material (HazMat Central)**, Chicago IL, April, 1993
PRODUCTS:	Hazardous material management.
SCOPE:	National Show, 160 exhibitors.
ATTENDANCE:	Manufacturers, suppliers, engineers, government and chemical and environmental related services for the hazardous materials management field.

EVENT:	**9th Annual New Jersey Environmental Expo** Edison NJ, October 19-21, 1992
PRODUCTS:	Environmental services and equipment for solid waste management, water resource management, environmental assessment, air pollution control and site reclamation.
SCOPE:	Regional show, 250 exhibitors.
ATTENDANCE:	3000 industry, Municipal, State and Federal visitors.

B- <u>Mission:</u>

EVENT:	**Incoming mission to the American Water Works Association Show**, Vancouver BC, June 18 - 22, 1992
PRODUCTS:	Water meters, pipes valves and other components for the water works industry.
TARGET:	9,000. Municipal and state officials, engineers, contractors, environmental professionals.
PARTICIPANTS:	Mission will consist of approximately 25 U.S. buyers selected and invited by the Canadian Consulates in the USA.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**<u>Environmental Products/Services</u> Officer: D. Marsan**

EVENT: **Mission to the Biotechnology and Waste Treatment Conference** Grand Rapids, MI, 15 - 16 September 1992
PRODUCTS: Industrial Waste Treatment, Bio Remediation
TARGET: Meet with relevant environmental professionals, members of Michigan Biotechnology Institute
PARTICIPANTS: Mission will consist of 10-15 Canadian firms.

EVENT: **Mission Environmental Products & Services** Boston MA, Fall 1992
PRODUCTS: Complete range of environmental products and services
TARGET: Meet with relevant manufacturers representatives, distribution outlets, consultants and local regulatory agencies.
PARTICIPANTS: Mission will consist of 10-15 Canadian firms.

EVENT: **Mission to the Pennsylvania State-Wide Environmental Event** Harrisburgh, PA, October 1992.
PRODUCTS: Engineering Consulting Services/Technologies.
TARGET: 1500 visitors from the State of Pennsylvania, eg. government permitting officers, municipal water & sewage authorities, urban planners, and polluters as buyers interested in learning about Canadian expertise in pollution & waste management, recycling and cleanup technologies.
PARTICIPANTS: Engineering Consultants

EVENT: **NEBS Mission to the Lower Great Lakes Waste & Recycling Expo** - Buffalo NY, November 10- 11, 1992
PRODUCTS: Focus is on equipment and services for public and private waste and recycling, however, companies from almost every sector will be invited.
TARGET: Municipal engineers, environmental professionals, public works directors, plant engineers, solid waste directors, federal, state and local government officials
PARTICIPANTS: Mission will consist of approximately 10 Canadian firms.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**Environmental Products/Services** **Officer: D. Marsan**

EVENT:	**NEBS Mission to the Industrial Waste Water** Pittsburgh PA Fall 1992
PRODUCTS:	Municipal/Industrial wastewater treatment equipment and technology services.
TARGET:	Industrial environmental engineers, municipal water authorities, regional WPCF members from Western Pennsylvania/Northern Ohio.
PARTICIPANTS:	Mission will consist of approximately 10 Canadian firms.

C- **Workshops/Seminars:**

EVENT:	**Environmental Strategy Matching/Partnering Workshops**
DESCRIPTION:	To conduct in cooperation with the Canadian Consulates in the USA a series of workshops for 10 - 15 Canadian companies to be matched with appropriate US selected firms with similar interests for possible technology sharing, strategic alliances, sub-contracting arrangements etc.
LOCATION(S):	Seattle WA, Washington DC, Pittsburgh PA, Chicago IL, Los Angeles CA, Atlanta GA
DATE(S):	Fall 1992

EVENT:	**Canada-US Environmental Forum (CUE)**
DESCRIPTION:	The CUE workshop will showcase technologies in five major areas of environmental concern - air, waste, water, management and engineering. Joining an exposition format with an open discussion forum, this unique one and a half day event is designed to promote teaming between U.S. organizations and their Canadian counterparts to form partnerships, collaborations, joint venture agreements, research contracts, and strategic alliances.
LOCATION(S):	Raleigh, NC
DATE(S):	26,27 June 1992

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**<u>Environmental Products/Services</u> Officer: D. Marsan**

EVENT:	**Ocean Technology Workshop**
DESCRIPTION:	The purpose of this workshop is to promote trade, joint ventures, strategic alliances and joint development projects between Canadian and US institutions. Expected attendance is 150 people representing companies and organizations involved in all aspects of marine technology including: hardware, software, engineering, exploration, consulting and <u>environmental protection.</u> Canadian participants will have the opportunity to exhibit their products and services and to meet with potential U.S. partners, collaborators and buyers
LOCATION(S):	Newport RI
DATE(S):	27 February 1993

SECTOR: Construction and Related Products

SUB-SECTOR: **CONVERTED WOOD PRODUCTS** **Officer: R. McNally**

U.S. Market Opportunities: U.S. converted wood products shipments totalled $9.5 billion in 1990, down 1 percent from the previous year. Since 1986, when the level of new construction began to decline, the repair/remodelling market has become an increasingly important component of U.S. demand.

The largest industry commodity grouping was wooden doors, which accounted for an estimated 30 percent of industry shipments. Wooden windows comprised 26 percent, while wooden mouldings made up 14 percent of industry deliveries. Other key categories included wooden stairs and components, wood blinds and shutters, exterior millwork, including porch columns and rails. Canada supplies 24 percent of total U.S. wooden door imports and 7 percent of its wooden windows. Canada has also made inroads in supplying doors incorporating alternative materials (moulded doors) which are energy efficient and require lower maintenance.

Canadian Capabilities: Most of the 2,200 industry establishments are small and mainly Canadian-owned, specializing in manufacturing only one product or type of product. Canada's strengths lie in wooden door and window construction where Canadian companies have become world leaders in innovative products designed to conserve energy. Canada has also been very successful in exporting prefabricated wooden homes to the United States.

Canadian exports in 1990 were estimated at $550 million with wooden doors/windows representing $50 million, kitchen cabinets at $33 million and prefabricated wooden buildings at $70 million. Other exported products include wooden mouldings, flooring, and dowelling.

Strategy: To introduce new companies to the marketplace, particularly those manufacturing niche products (eg.related to energy conservation) where we have demonstrated leading capabilities.

To continue to build on the successful past efforts of small/medium size exporters through participation at major international and strategic regional events.

To maintain and enhance Canadian industry's reputation as a reliable supplier to the expanding remodelling sector through participation in key U.S. shows.

SECTOR:	**Construction and Related Products**
SUB-SECTOR:	**CONVERTED WOOD PRODUCTS** **Officer: R. McNally** 993-7486

EVENT:	**International Tile Show**, Chicago, June 25 - 28, 1992.
PRODUCTS:	Construction products, building materials and related services.
SCOPE:	National show drawing companies from all over the world to promote stone and tile.
ATTENDANCE:	Show draws over 20,000 visitors representing a cross section of architects, interior designers, distributors, builders, general contractors and tile installers.

EVENT:	**Solo Building Products**, Fitchburg (Boston), September 9 - 10, 1992.
PRODUCTS:	Construction products, building materials and related services.
SCOPE:	Solo show exhibiting only Canadian building products to New England market.
ATTENDANCE:	Introduce manufacturers to potential agents, manufacturers representatives and distribution outlets in New England.

EVENT:	**Remodelling Show,** Pittsburgh, November 13 - 15, 1992.
PRODUCTS:	All building products used by the remodelling industry - windows, doors, insulation, bathrooms, kitchen products, building materials.
SCOPE:	National show with over 300 exhibits.
ATTENDANCE:	Over 7,000 buyers representing interior designers, architects, contractors and remodellers.

EVENT:	**National Association of Home Builders (NAHB)**, Las Vegas, February 19 - 22, 1993.
PRODUCTS:	Construction products, building material and related services.
SCOPE:	Largest building show in North America with over 1,200 exhibitors.
ATTENDANCE:	Over 65,000 visitors representing all aspects of the building trade including architects, contractors, distributors, manufacturers reps, agents and housing developers.

SECTOR: Chemicals Petrochemicals and Related Equipment and Services:

SUB-SECTOR: <u>CHEMICALS</u> **Officer: R. McNally**

<u>Background</u>:

<u>U.S. Market Opportunities</u>: Hydrocarbon Processing Industry Outlook '92 estimates that the total number of capital projects worldwide will increase to 2,907, an increase of 341 over 1990. Construction projects in the U.S. are up 57 to 446 projects, and up 25 to 123 in Canada. Capital spending on equipment, materials and services are related directly to annual construction activity levels. Capital, maintenance and operating budgets worldwide are expected to total U.S. $126.6 billion in 1991, an increase of U.S. $9.1 billion over 1990 spending. The U.S. share of this is U.S.$33.4 billion, or 26%

Products such as pumps, valves, heat exchangers, compressors, piping, instruments and electrical equipment are sold by domestic and foreign suppliers to the U.S. hydrocarbon processing industry. Major opportunities also exist for well replacement parts, construction materials and a wide range of technical services.

<u>Canadian Capabilities</u>: Canada's ability to export equipment such as pumps, valves, compressors and heat exchangers to the U.S. is well established. Export statistics are not identified by the type of industry into which they are sold. However, Canada exported $C 652 million worth of fluid handling equipment in 1988 of which 74% was to the U.S. Canada has worldwide leadership in heavy oil upgrading technology and several petrochemical plants in Alberta are world-scale in terms of output.

<u>Strategy</u>: - To expand US market share by supporting the activities of export ready companies, including those with new innovative products, at major marketing venues.

- To identify new agents and distributors by participating closely with the U.S. Manufacturers Agents National Association (MANA) in an effort to foster manufacturer-agents relationships.

SECTOR:	**Chemicals, Petrochemicals and Related Equipment and Services**
SUB-SECTOR:	**CHEMICALS AND PLASTICS** — **Officer: R. McNally** 993-7486
EVENT:	**SPE (Society of Petroleum Engineers)**, Washington, October 4-7, 1992.
PRODUCTS:	Oilfield drilling, extraction and pipeline equipment, as well as laboratory equipment and services, research and software and safety equipment for work sites.
SCOPE:	Annual conference and exhibition with over 250 exhibitors.
ATTENDANCE:	This show attracts over 13,000 high-calibre planners and researchers, covering every aspect of oil exploration and production.
EVENT:	**Plastics USA**, Chicago, October 13 - 15, 1992
PRODUCTS:	Every segment of the plastics industry including machinery, plastic materials, processed products, instrumentation and process control equipment.
SCOPE:	New annual show created to fill a real need during the interim National Plastics Show years. Plastics USA will be held every three years.
ATTENDANCE:	This show is estimated to draw over 20,000 decision makers, buyers and specifiers from all over the world.

SECTOR: Chemicals Petrochemicals and Related Products

SUB-SECTOR: PLASTICS **Officer: R. McNally**

U.S. Market Opportunities: Plastics make up the largest category of materials used in the United States today as the application of new technologies continue to displace metals, glass, paper, wood, and other materials. Improved qualities such as high temperature resistance, high height-to-weight ratios, and chemical/corrosive resistance have helped to increase this dominant position.

Packaging industries continue to be the largest consumers of plastic materials, followed by transportation, electronics, construction, medical equipment, and sporting goods. Leading suppliers to the U.S. were Canada and East Asia who were tied at 25.2 percent, followed by Japan at 18.8 percent.

Canadian Capabilities: The plastic machinery industry encompasses two distinct but related sub-sectors:

The machinery sub-sector includes manufacturers of production and other auxiliary equipment used in the creation of a wide range of plastic products. The machinery sub-sector in Canada comprises 62 establishments employing 1900 people, with estimated shipments in 1990 worth $497 million. Exports totalled $167 million, with the United States accounting for 71 percent.

The mould and die sub-sector specializes in mould and die production for plastic and rubber machines. It comprises 250 mainly Canadian-owned firms and employs 5600 people. Shipments in 1990 were worth an estimated $580 million, of which 46 percent, or $244 million, were exported primarily to the Automotive industry. Imports were valued at $85 million.

Strategy: To overcome a general lack of awareness of Canadian supply capabilities in the U.S. and a less than dynamic approach by many domestic firms to exporting, marketing initiatives at key promotional venues will be undertaken to highlight particular industry strengths.

SECTOR: Oil and Gas Products and Related Equipment and Services

SUB-SECTOR: <u>OIL & GAS EQUIPMENT</u> **Officer: R. McNally**

<u>U.S. Market Opportunities</u>: Exports of Canadian equipment and services in this sector to the U.S. totalled $132 million in 1990. Recent reports called for a growth rate of 3.1 percent for the U.S. oilfield machinery industry during 1990-94. This projection is based on the need for US and foreign petroleum companies to replenish depleted reserves.

Many U.S. customers of Canadian oil and gas equipment are involved in overseas projects, in Europe, the Middle East or Asia. Promotion of Canadian capabilities in the U.S. provides companies exposure to these overseas markets, and lends support to our industry in its pursuit of offshore business in competition with American, Western European and Asian companies.

<u>Canadian Capabilities</u>: In 1990, the industry was composed of approximately 215 small to medium-sized establishments employing in total about 4,500 people. The industry is strong in the areas of technology, product quality and after sales service. In particular, Canadian firms have developed specialized techniques and equipment for secondary recovery from wells which have reached a low rate of productivity and specialized subsurface mining equipment for extracting oil sands. Canada is also recognized also a world leader in sour gas gathering and treatment facilities.

<u>Strategy:</u> - To support the activities of new and experienced exporters offering competitive/specialized products and services to this market by undertaking selected promotional activities,

- To ensure that Canadian industry receives appropriate information and support instruments to maintain and augment its share of the U.S. oil and gas equipment and services market (by consulting with resource persons within the industry and the market, focusing on our industry's strengths in the offshore and oceanology sectors). These activities are to be conducted in close cooperation with ISTC, and the relevant ITC's and provinces.

- To maximize the impact of our participation and the exposure generated for Canadian oil and gas capabilities by developing an advertising campaign built around participation at trade shows, taking advantage of media coverage of shows and promotional packages available to exhibitors.

SECTOR:	**Oil and Gas Products and Related Equipment**	
SUB-SECTOR:	**EQUIPMENT**	**Officer: R. McNally** 993-7486

EVENT:	**Compressed Natural Gas Show**, Oklahoma City, July 7 -9, 1992.
PRODUCTS:	Equipment and services related to the natural gas sector.
SCOPE:	Information booth displaying company brochures.
ATTENDANCE:	15,000 visitors covering all aspects of the oil and gas sector.

EVENT:	**Society of Exploration Geophysics**, New Orleans, October 25 - 28, 1992.
PRODUCTS:	Equipment and related services for the oil and gas industry.
SCOPE:	Information booth displaying company brochures.
ATTENDANCE:	Over 10,000 buyers representing the oil and gas sector.

EVENT:	**Society of Petroleum Engineers**, Anchorage Alaska, March, 1993
PRODUCTS:	Oil and gas products and related services.
SCOPE:	Information booth displaying company brochures.
ATTENDANCE:	Over 7,000 visitors representing the oil and gas industry.

SECTOR: Power and Energy Equipment and Services

SUB-SECTOR: <u>HEATING EQUIPMENT</u> **Officer: R. McNally**

<u>U.S. Market Opportunities:</u> There are three principle markets in the US: original instillation, replacement (due to wear and obsolescence) and retrofit (the adding to or upgrading of existing units). US statistics show their replacement market to be 60 percent of total demand. The replacement and retrofit markets were extremely strong from 1980 to 1987, stimulated by the high cost of energy and the various incentive programs. Home-owners and commercial and institutional building owners converted from oil-fired heating systems to gas and electric systems.

<u>Canadian Capabilities</u>: The industry comprises companies primarily engaged in manufacturing a wide range of comfort heating equipment. The range includes warm air furnaces, hydronic heating equipment, unit heaters, space heaters, solid fuel stoves and fireplaces, metal vents and chimneys, combination heating and cooling units, fans and domestic water heaters. The manufacturing operations involve metal shearing, forming, welding, painting and final assembly. Manufacturers purchase parts, such as blowers, motors, electronic controls and thermostats from specialized manufacturers.

In 1990, there were over 150 companies in the heating equipment sector, with direct employment of approximately 6000 people. Exports were over $100 million and imports were over $160 million.

The FTA for this sector provided for reduced tariffs over a ten year period. This allows time for Canadian companies to prepare for an expanded market and adjust to increased competition in their home market. To do this, Canadian companies are upgrading or replacing aging facilities and equipment and introducing modern production techniques to reduce costs to competitive levels. They are now looking to the US market to take advantage of the demand seen in the replacement market.

<u>Strategy</u>: - To promote the recent gains made in production techniques and increased capacity by new and experienced replacement market exporters by sponsoring participation in the industry's key national event.

- To access relevant information on U.S. codes and standards through ongoing market development work in support of industry.

SECTOR: **Power and Energy Equipment and Services**
SUB-SECTOR: **<u>HEATING EQUIPMENT</u>** **Officer: R. McNally**
993-7486

EVENT: **Air-Conditioning, Heating and Refrigeration Exposition (ASHRAE)**, Chicago, Jan. 25-28, 1993.
PRODUCTS: All aspects of heating, ventilation and air-conditioning.
SCOPE: Largest show of the type in the USA with 850 exhibitors.
ATTENDANCE: In 1992 this show attracted over 17,000 buyers representing contractors, engineers and construction planners, industrial plant operators and public utilities.

SECTOR: Industrial Machinery, Environmental & Related Equipment

SUB-SECTOR: <u>HARDWARE AND HOME IMPROVEMENT</u>

Officer: R. McNally

<u>U.S. Market Opportunities</u>: The U.S. industry is comprised of more than 2000 establishments and employs some 130,000 workers. In 1990, the total hardware/home improvement market was $100 billion. That included money spent for additions, remodelling and repairs made on homes. Over 75% of all do-it-yourself (DIY) sales were made through primary hardware/home centre channels.

The demand for hardware/DIY products closely follows the level of activity in the residential and nonresidential construction industry and the home renovations market, with significant and growing sales to consumer do-it-yourself retail outlets.

<u>Canadian Capabilities</u>: In 1990, there were 165 hardware/home improvement manufacturers in Canada employing more than 7,000 people. Hardware exports in 1990 were estimated at over $200 million, up from $112 million in 1983.

Principle products exported include locks, keys and parts, basic hardware such as hinges, fittings and casters, files and rasps, and miscellaneous hand tools. Canada also has strengths in do-it-yourself (Home Centre) and Lawn and Garden products. The industry has gained an excellent reputation on world markets for well-designed and high quality products.

An important and competitive advantage for Canadians is delivery. US buyers do not face the same long supply lines when buying from Canada as they do when buying offshore. However, delivery must be reliable and consistent. Targeting specific products and merchandising niches are areas where Canadian suppliers must concentrate.

<u>Strategy</u>: With the two largest dealer owned wholesalers, four of the six major merchandising groups, and the world's largest retailer, Chicago is a major centre for the industry in the U.S. Canadian manufacturing in this sector is in close proximity to this large concentration of buying power with 60 percent of establishments located in Ontario and 22 percent in Quebec. In addition, the industry's two largest shows are held in Chicago - the National Hardware Show and the National Home Centre Show.

- To take advantage to this market proximity, participate in both these key national events.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**<u>HARDWARE AND HOME IMPROVEMENT</u> Officer: R. McNally** 993-7486
EVENT:	**International Lawn Garden & Power Equipment Show** Louisville, July 26 - 28, 1992
PRODUCTS:	Lawn & garden, power equipment, landscaping, outdoor storage sheds.
SCOPE:	National show with over 600 exhibitors.
ATTENDANCE:	In 1991 the show attracted over 10,000 buyers from over 50 Countries. The buyers represent hardware dealers, landscaping companies, commercial and consumer equipment dealers.
EVENT:	**National Hardware Show,** Chicago, August 16 - 19, 1992.
PRODUCTS:	Hardware, home improvement (do-it-yourself), housewares, lawn & garden, pet supplies, and automarket aftermarket supplies.
SCOPE:	The largest show of this type in the U.S.A. in its 47th year.
ATTENDANCE:	The 1991 show attracted 75,000 buyers from major chains, individual retailers, distributors, manufacturers agents and reps.
EVENT:	**National Home Centre Show**, Chicago, March 21-24, 1993.
PRODUCTS:	Home improvement (do-it-yourself), lawn & garden equipment, hardware items.
SCOPE:	Primary show for the US $79 billion do-it-yourself home improvement industry.
ATTENDANCE:	Over 20,000 visitors attend this National Home Centre Show representing thousands of retail and wholesale firms including lumber and hardware stores.

SECTOR: Defence Programs, Products and Related Services

SUB-SECTOR: <u>SECURITY EQUIPMENT</u> **Officer: P.-A. Rolland**

<u>U.S. Market Opportunities</u>: Canadian exports of security equipment to the U.S. in 1989 were estimated at $40 million, representing less than one percent of the $5 billion U.S. market for security products. This market encompasses equipment, materials and services used for the protection of sensitive or valuable capital equipment from vandalism or theft; the prevention of trespassing on private property or in potentially dangerous areas; the prevention of assault and the kidnapping of individuals, and the prevention of economic crime. Growth in this market is expected to take place in military/police/law enforcement sectors, particularly in relation to drugs and terrorism, and in civilian sectors such as transportation (Airport security) and industry (Protection of premises, senior executives, computer crime).

<u>Canadian Capabilities</u>: The Industry includes 100 small-to-medium sized manufacturers. Many companies are already involved in computer-related product development (hardware and software) or communications, specializing in products such as electronic detection equipment, surveillance and communications systems, anti-shoplifting devices,; perimeter protection systems; remote-controlled vehicles and bullet-proof furniture and glass partitions.

<u>Strategy</u>: - To increase market share through promotion of technologically sophisticated new entrants to the market at Information Booths at selected national trade events.

- To increase sales of Canadian firms already active in the market through National Stand support and direct mail advertising.

- To promote awareness of U.S. market opportunities among Canadian suppliers through increased domestic publicity.

SECTOR: Defence Programs, Products and Related Services
SUB-SECTOR: <u>SECURITY EQUIPMENT</u> Officer: P.-A. Rolland
991-9475

EVENT: **ISC East '92**, Aug/92, New York

PRODUCTS: Security equipment for the protection of persons and property in residences, protected premises, and public areas.

SCOPE: Regional show serving Northeastern States; 325 exhibitors

ATTENDANCE: 8,000 visitors, comprising security equipment retailers, contractors, architects, engineers, building, hospital, airport managers.

EVENT: **American Society for Industrial Security (ASIS)**, Sep/92, San Antonio

PRODUCTS: Security equipment for the protection of personnel, premises and capital equipment in plants, head offices and other industry locations.

SCOPE: Major national show; 350 exhibitors.

ATTENDANCE: 9,500 visitors, predominantly security managers from private companies.

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.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Services**
SUB-SECTOR:	**<u>PRODUCTION EQUIPMENT</u>** **Officer: P.-A. Rolland** 991-9475

EVENT:	**International Machine Tool Show**, Sep 9-17/92, Chicago
PRODUCTS:	Machine Tools, equipment and supplies, including metal cutting and forming machines, ancillary equipment and systems such as cleaning, degreasing, welding and heat treating equipment, motors, robotics, manufacturing support technology, supplies and consumables, as well as maintenance and safety products and equipment.
SCOPE:	Major international show, 1,500 exhibitors.
ATTENDANCE:	100,000 visitors including manufacturers, designers, major corporations, plant managers and production managers.

EVENT:	**Fabtech '93**, Oct/93, Rosemont Illinois
PRODUCTS:	Sheetmetal fabrication and processing machinery
SCOPE:	Major international show, 550 exhibitors from 20 countries.
ATTENDANCE:	14,283 visitors, comprising production engineers, managers, and job shop owners, and various other clients involved in fabricating operations.

EVENT:	**Design'92**, Oct/92, Edison, NJ
PRODUCTS:	High precision machinery, tools and software CAD-CAM, electrical and electronic components, engineering support services, fluid power, mechanical components, packaging materials, power transmission, shapes and forms.
SCOPE:	Regional show serving strategic local market, 125 exhibitors.
ATTENDANCE:	3,500 visitors, including design, electronic and electrical, manufacturing, materials and mechanical engineers, purchasing managers, general management, including sales and marketing.

SECTOR: Industrial Machinery, Environmental Equipment and Related Services

SUB-SECTOR: <u>PACKAGING EQUIPMENT</u> **Officer: P.-A. Rolland**

U.S. Market Opportunities: The U.S. packaging machinery market has been growing by 3 percent annually, but this growth does not reflect the many changes underway in this sector. In food packaging, the most important sub-sector, there is continued demand for more attractive packaging that lends itself to safe use in microwave ovens, and is environmentally-friendly. This is expected to lead to stricter regulation of packaging products. Further automation is likely in the face of rising labour costs.

Canadian Capabilities: The Canadian packaging industry consists of some 60 manufacturers of machinery and accessory equipment, 14 companies specializing in packaging design, and 70 companies involved in packaging materials (mostly paper, plastics, cardboard and wood). In 1990, imports of packaging machinery into the US totalled US$589 million. Canada was the fourth most important supplier, behind Japan, West Germany and Italy.

It is estimated that approximately 10-12 percent of the Canadian packaging industry is actively involved in exporting. There are significant capabilities in automated packaging systems and environmentally-acceptable packaging materials. A recent development is the emergence of packaging industry specific computer software.

Strategy:

- To build on current successes and support continuing market penetration by active exporters, provide assistance to companies new to the market and identify significant trends and emerging opportunities in this sector including seeking new regional opportunities for the industry.

- Ensure that Canadian companies obtain maximum exposure to the marketplace, access to relevant information on regulations, approval processes, representation and distribution arrangements.

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

SUB-SECTOR: **<u>PACKAGING EQUIPMENT</u>** Officer: **P.-A. Rolland** 991-9475

EVENT: **PMMI Pack Expo**, Nov 8-12/92, Chicago

PRODUCTS: Packaging Machinery, equipment and supplies

SCOPE: Major national show, 825 exhibitors

ATTENDANCE: 40,000 visitors involved in packaging design, procurement, product development and marketing

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

SUB-SECTOR: **MATERIALS HANDLING** **Officer: P.-A. Rolland**

U.S. Market Opportunities: Materials handling is a $24 billion dollar industry. The main area for growth in exports is in overhead travelling cranes, and conveyors where Canadian exports to the United States represent 70% of US imports. The Materials Handling Institute of America outlook for the industry is positive next year noting that the projected real growth is 3.7% annually into the mid-1990's.

Canadian Capabilities: The Canadian materials handling industry can be divided into four distinct sub-sectors: conveyors and handling systems (20% of total shipments); cranes and hoists (27%); industrial lift trucks and attachments (18%); and elevators (35%). The sector is composed of 106 manufacturers with industry shipments of over $1 billion in value, including $262.4 million to the United States in 1990. Manufacturing facilities are located primarily in Ontario, which accounts for 57% of employment, followed by the Prairies with 20%, Quebec 14%, B.C. 8%, and the Atlantic region 1%.

While research and development is not extensive in the industry, Canadian firms have a strong capability in custom-engineered products. The FTA will remove tariffs in this industry over a five-year period as well as ease entry requirements of service personnel. Non-tariff barriers are not an important factor. Product safety and performance standards are almost identical in both Canada and the United States and therefore not a source of concern.

Strategy: - A recent private sector study demonstrated that the best way for Canadian firms to market their products in the US is through trade fairs. Largely through this medium the strategy will provide opportunities for exporting Canadian companies to increase sales/networks to new market regions, assist companies new to U.S. export markets, and identify trends, issues and challenges particular to this sector

- Increase industry awareness of opportunities in the U.S.

SECTOR:	**Industrial Machinery, Environmental Equipment and Related Equipment**
SUB-SECTOR:	**MATERIALS HANDLING** **Officer: P.-A. Rolland** 991-9475
EVENT:	**ProMat 93**
PRODUCTS:	Materials handling equipment and systems including movement, storage, control and protection of products throughout the process of their manufacture, distribution, consumption and disposal.
SCOPE:	International show, 500 exhibitors.
ATTENDANCE:	30,000 visitors, comprising transportation and distribution managers, and manufacturers
EVENT:	**Association of Iron and Steel Engineers** Sep/93, Pittsburgh
PRODUCTS:	Steelmaking equipment and equipment used in metals production and processing.
SCOPE:	Major national show
ATTENDANCE:	20,000 visitors from various categories including metal producers and fabricators, machinery and electrical machinery, and engineering and construction.
EVENT:	**Great Lakes Industrial Show**, Cleveland, Nov/92
PRODUCTS:	Various machine tools and production machinery
SCOPE:	Regional show, covers markets in post territory

SECTOR: Power and Energy Equipment

SUB-SECTOR: <u>TRANSMISSION AND DISTRIBUTION EQUIPMENT AND SERVICES</u>
Officer: D. Shaw

U.S. Market Opportunities: U.S. domestic market shipments are expected to decline between one and three percent during 1991 and to increase only slowly, (by one or two percent per year), between 1992 and 1995. Because of this slow growth scenario, competition in the United States market can be expected to stiffen. Nevertheless, the US market continues to present opportunities for all types of equipment as well as power itself. Complex regulation and continuing slackness in both residential and non-residential construction will adversely affect activity in the transmission and distribution sector. Utilities will have little choice but to continue investment in modernization and updating of old and inefficient distribution facilities.

Environmental concerns will continue to significantly affect the US T&D market. Energy efficiency at all levels will be an important goal of utilities strategy to free "new" load capacity. Retrofit products designed to upgrade system efficiency and extend the useful life of existing equipment will be in demand. For new and upgraded installations, the emphasis will be on components with the lowest life-cycle cost rather than the lowest installation cost.

Canadian Capabilities: Canadian capabilities in power generation, transmission and distribution are well known in the U.S. marketplace. Although competitive and "Buy American" influences have increased, the US industry can still be expected to look to Canadian expertise to bring new, cost-effective approaches to old problems.

While protectionist sentiment may make US market acceptance more difficult to achieve for smaller Canadian suppliers, the Canadian reputation for innovative technology gives small to medium size companies an initial opening to demonstrate how competitive they are in a variety of T&D related products. Canadian firms with innovative solutions and quality products have the potential to be highly successful in the US marketplace, particularly in those niches contributing to conservation and environmental concerns.

Strategy: - To highlight the capabilities and inventiveness of the Canadian industry through national and regional trade development programs.

- To support Canadian industry by sponsoring incoming buyers to the second presentation of Intelect in Toronto next June. (This show is sponsored by EEMAC, <u>the Electrical and Electronic Manufacturers Association of Canada</u>, CEDA, <u>Canadian Electrical Distributors Association</u>, as well as Institute of Electrical and Electronic Engineers and ISTC.)

SECTOR: Power and Energy Equipment

SUB-SECTOR: TRANSMISSION AND DISTRIBUTION EQUIPMENT AND SERVICES

Officer: D. Shaw
991-9474

EVENT:	**T & D World Expo '92** Indianapolis	10-12 Nov/92
PRODUCTS:	Power transmission and distribution equipment, software and services.	
SCOPE:	National - 260 Exhibitors - Largest T&D Show in the U.S. this year.	
ATTENDANCE:	7000+ more than half representing investor-owned utilities.	
EVENT:	**PowerGen,** Orlando	17-19 Nov/92
PRODUCTS:	Power generation and distribution equipment, software and services.	
SCOPE:	International - 420 Exhibitors	
ATTENDANCE:	Electric utilities, Independent power producers, Cogenerators, Industrial plants, Municipal Waste to Energy plants.	
EVENT:	**Mission In to Intellect, Toronto**	June/92
PRODUCTS:	Power Generation, Transmission and Distribution equipment, services and software.	
SCOPE:	6 to 8 buyers from throughout the U.S. to visit Canadian trade event.	

SECTOR: Advanced Technology Products, Systems and Services

SUB-SECTOR: <u>TELECOMMUNICATIONS</u> **Officer: D. Shaw**

<u>U.S. Market Opportunities:</u> The U.S. market grew by a compound annual rate of almost 10% between 1985-89. Although 1990 figures indicate a levelling off of the growth rate, the market is still expected to reach $53 billion annually by the end of 1994. This growth rate notwithstanding, Canada's market share has declined slowly since 1985.

Implementation of integrated services digital networks, (ISDN), a technology increasingly significant in 1990, which is expected to continue to grow through the rest of the decade. The market will see increasing use of value added network services (VANS), such as: packet-switched and public data services; telecommunications and information gateway services, code and protocol processing and conversion; voice messaging; audiotex; and 900 numbers and electronic mail and electronic data interchange. The main growth segments of the U.S. market lie in corporate data communications as the use of distributed data processing, remote computer monitoring services, electronic software distribution and virtual private networks become more prevalent.

<u>Canadian Capabilities:</u> The Canadian telecommunications equipment industry is composed of 250 companies that exported globally approximately $C1.5 - $C1.9 billion in 1990. Seventy percent of these exports ($1.2 billion) went to the US. About half of these exports were accounted for by a single company, Northern Telecom. The concentration of export sales among a few exporters suggests that the remaining 240+ small and medium sized Canadian companies could increase export sales to the US. Canada should be more successful in switching, data communications, mobile communications and software related services since these sub-sectors are strong domestically, compatible with U.S. standards and competitively priced.

<u>Strategy:</u> - Develop new markets in the U.S. Northeast, North central and Western regions through a series of initiatives aimed at improving sales of Canadian SMEs to the Regional Bell Operating Companies who together account for 90% of the U.S. market. Coincident with these initiatives, market presence will be reinforced and direct sales opportunities provided to SMEs through participation in national and regional trade shows.
- Enhance domestic awareness of U.S. opportunities through incoming missions, regional market studies and publication of detailed marketing information.
- Encourage Canadian SMEs to build upon their strengths in providing complementary products to established systems as well as to explore and adapt to the markets presented by independent U.S. carriers and the burgeoning private network.
- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR:	**Advanced Technology Products, Systems and Services**
SUB-SECTOR:	**TELECOMMUNICATIONS** **Officer: D. Shaw** 991-9474

EVENT:	**Supercomm '92**, Chicago 15-17 June/92
PRODUCTS:	Telecommunications equipment, services and software.
SCOPE:	Global
ATTENDANCE:	16,000 - Exhibitors - 375

EVENT:	**ComNet'93** Washington Jan/93 (See Non-Defense Gov't. Procurement)

EVENT:	**Data '92** Miami 10-12 Dec/92
PRODUCTS:	Software and peripheral hardware such as multiplexers, bridges etc.
SCOPE:	Regional
ATTENDANCE:	3,500 - Exhibitors 96

EVENT:	**South East Telecommunications,** Orlando 31 Aug - 02 Sept/92
PRODUCTS:	Telecommunications equipment, software and services (PBX, electronic key systems and network management software.
SCOPE:	Regional
ATTENDANCE:	1,320 - Exhibitors 107

EVENT:	**IMCE (Land Mobile),** Atlanta 01-03 Sept/92
PRODUCTS:	Mobile Communications Equipment and Services - Cellular and Radio.
SCOPE:	Regional
ATTENDANCE:	5000 - Exhibitors - 225

EVENT:	**Incoming buyers mission - Chic./Ont.** Sept/92
PRODUCTS:	Telecommunications equipment, software & services
SCOPE:	Procurement executives from RBOC and/or independent telephone companies, distributors and system design consultants will visit Toronto and Ottawa to follow-up on Supercomm'92 contacts.
ATTENDANCE:	6 to 8 incoming buyers to visit 15 selected suppliers

EVENT:	**Incoming buyers mission - Atlanta/Mtl.** July/92
PRODUCTS:	Telecommunications equipment, software & services
SCOPE:	Procurement executives from Southern Bell, regional independent telephone operating companies, distributors and system design consultants.
ATTENDANCE:	4 to 6 incoming buyers to visit 10 selected suppliers.

SECTOR: Advanced Technology Products, Systems and Services
SUB-SECTOR: <u>TELECOMMUNICATIONS</u> **Officer: D. Shaw**

EVENT:	**Incoming mission - Dallas/Various** (Super-Conductor Super-Collider) Nov/92
PRODUCTS:	Advanced electronics, telecommunications equipment and software, computer hardware and software, advanced industrial materials.
SCOPE:	Procurement executives from the $10 billion Super conducting Super collider project will visit Cdn. firms to outline business opportunities at the project and to source identified requirements.
ATTENDANCE:	SCSC executives will visit selected firms and give presentations to invited firms in major Canadian cities.

EVENT:	**Outgoing Mission - Various/Dallas** (Super-Conductor Super-Collider) June/92
PRODUCTS:	Advanced electronics, telecommunications equipment, software and services, computer hardware and software, advanced industrial materials.
SCOPE:	Approximately 10 selected high tech firms to visit primes.

EVENT:	**Outgoing mission - Various/Dallas** (U.S.Sprint, GTE, Northern Tel.) TBD/92
PRODUCTS:	Telecommunications equipment, software and services.
SCOPE:	6 to 8 firms to visit major communications firms in U.S. Southwest.

SECTOR: Services Not Elsewhere Specified

SUB-SECTOR: <u>NEW EXPORTERS TO BORDER STATES</u> Officer: D. Shaw

<u>U.S. Market Opportunities:</u> The U.S. border states represent markets that are rich, diversified and often more conveniently located for Canadian producers than their own domestic markets. The FTA has increased the accessibility of these markets to Canadian SME's but a variety of barriers to entry remain. Some of these inhibiting factors may be intangible, such as differing methods and ethics of doing business, while others are very practical: ie Customs clearance procedures, product labelling requirements and local distribution channels to mention a few.

<u>Canadian Capabilities:</u> Each year in Canada, over 30,000 new businesses are formed. Many go out of business just as quickly but a significant percentage establish themselves domestically and go on to provide the majority of new jobs in the Canadian economy. These small and medium sized companies are a major source of innovation and competitiveness and are geographically well placed within 200 miles of major American markets. With progressive implementation of the FTA, nearby markets in the border states will become more and more a logical extension of Canadian companies' home markets. However, knowledge barriers to expansion internationally can be particularly daunting for a small company with limited financial and human resources.

NEBS has been a highly successful educational tool that has assisted thousands of small and medium sized Canadian firms to enter nearby U.S. markets. Studies have shown that about 50% of participants have gone on to make export sales in the year or two following participation. However, the capacity of Canadian border posts to deal effectively with increased numbers of NEBS participants is reaching the saturation point. At the same time ITCs are experiencing difficulty in identifying and qualifying the numbers of export ready companies accommodated in past years. These and other patterns suggest that the NEBS program is in need of refocusing and revitalization.

<u>Strategy:</u> The essential educational focus of the NEBS program will be maintained. Increased priority will be accorded to sector specific missions that respond to identified host market opportunities. Geographic limitations on NEBS destinations will be relaxed to permit sector specific missions of screened and qualified potential exporters to such destinations as New York, Cleveland, Chicago and elsewhere on an exceptional basis. Increased attention will be given to publicizing the program to the small business community, to the pre-screening and qualification of participants, pre-mission preparation and especially to post-mission follow-up. The NEBS program will be integrated and coordinated with other federal or provincial trade education and development programs. Reporting and evaluation criteria will also be strengthened.

- Specific NEBS will target U.S investment and strategic alliances in order to attract high technology-based firms to Canada.

SECTOR:	**Services Not Elsewhere Specified**	
SUB-SECTOR:	**NEW EXPORTERS TO BORDER STATES**	**Officer: D. Shaw** 991-9474

EVENT:	**Boston: 20 NEBS Missions**
PRODUCTS:	Various and Multi-Sectoral
SCOPE:	Investigation of markets immediately across U.S./Cda border.
ATTENDANCE:	10-20 Potential Exporters per mission.

EVENT:	**Buffalo 15 Missions**
PRODUCTS:	Various Sector Specific and Multi-Sectoral
SCOPE:	Investigation of market opportunities immediately across the U.S./Canada border.
ATTENDANCE:	10-20 Potential Exporters per mission.

EVENT:	**Chicago Specific NEBS to be determined**
PRODUCTS:	Sector specific missions including environmental products and services.
SCOPE:	Investigation of regional sector specific markets in conjunction with major trade events.
ATTENDANCE:	10 to 15 export ready firms per mission.

EVENT:	**Cleveland: Specific NEBS to be determined**
PRODUCTS:	Sector specific missions including environmental products and services ie Industrial Waste Water.
SCOPE:	Investigation of regional sector specific markets
ATTENDANCE:	10 to 15 export ready companies.

EVENT:	**Pittsburgh: Specific NEBS to be determined.**
PRODUCTS:	Industrial Waste Water handling and treatment
SCOPE:	Investigation of regional markets
ATTENDANCE:	10 to 15 export ready firms.

EVENT:	**Detroit 6 Missions**
PRODUCTS:	Sector Specific and Multi-Sectoral Missions including PROFIT.
SCOPE:	Investigation of regional markets immediately across Cda/U.S. border.
ATTENDANCE:	10 to 20 Potential exporters.

EVENT:	**Minneapolis 8 Missions**
PRODUCTS:	Sector-Specific Missions to be determined including farm equipment, electronic components and software.
SCOPE:	Investigation of regional sector specific markets
ATTENDANCE:	10 to 15 export ready firms.

SECTOR: **Services Not Elsewhere Specified**
SUB-SECTOR: **NEW EXPORTERS TO BORDER STATES** **Officer: D. Shaw**

EVENT: **Seattle 18 Missions**
PRODUCTS: Sector-specific and multi-sectoral missions
SCOPE: Investigation of regional markets immediately across the Cda./U.S. border.
ATTENDANCE: 10 to 20 potential exporters per mission

EVENT: **Export market studies - Various posts**
PRODUCTS: To be determined
SCOPE: High potential NEBS participants in selected industry sectors.
ATTENDANCE: 10 to 20 products

SECTOR: Advanced Technology Products, Systems and Services

SUB-SECTOR: <u>ELECTRONIC COMPONENTS</u> **Officer: D. Shaw**

<u>U.S. Market Opportunities:</u> As the U.S. economy emerges from the recession, the component industry is forecast to grow at a compound rate of 6 to 8 percent through the mid-1990s. With forecasted growth at 9 percent for 1991, the most active growth area will be in semi-conductor and related devices. More moderate gains of 5 to 6 percent expected in components. As the economic recovery continues, demand for electronic components, semi-conductor devices and integrated circuits will be driven by the information processing, telecommunications and automotive markets.

Recession and a sluggish recovery have resulted in consolidation and increased competitiveness within the U.S. industry. However, significant market opportunities exist for a broad range of products from simple components, such as resistors and capacitators, to multi-layer circuit boards and chips.

<u>Canadian Capabilities:</u> Canadian industry is well placed to meet a wide variety of competitive challenges in the US market place, from power supplies, to connectors, to multi-layer boards. The bulk of the industry is medium sized to small, with a number of larger multi-national corporations also active, some under world product mandate. Concentrated in the major industrial centres, the Canadian industry is facing a difficult economic future and there may be some adjustments. Particular areas of strength include power supplies, multi-layer circuit boards, fibre-optics and connectors.

1989 trade figures indicate that Canada imported almost 1.8 billion in electronic components from the United States while exporting slightly more than 1.5 billion. Canadian exports to the U.S. accounted for 7.4% of the latter's imports in this sector.

<u>Strategy:</u> - Reinforce the image of the Canadian electronics industry as a capable, competitive and quality supply source through participation in selected national and regional high profile trade development activities.

- Expand into new or underexploited markets and develop new market segments by information booth participation and trade missions to targeted market areas.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR: **Advanced Technology Products, Systems and Services**

SUB-SECTOR: **ELECTRONIC COMPONENTS** **Officer: D. Shaw**
991-9474

EVENT: **MidCon**, Dallas. Sept/92
PRODUCTS: Electronic components, test equipment, systems and software.
SCOPE: Regional South central sponsored by IEEE. Information booth participation.
ATTENDANCE: 8000

EVENT: **NorthCon**, Seattle Oct/92
PRODUCTS: design tools, test and measurement, board-level components, packaging, manufacturing/production equipment and subsystems, including software.
SCOPE: Regional
ATTENDANCE: 7216 - Six Canadian exhibitors.

EVENT: **Mission In - Atlanta/Ontario** Feb/93
PRODUCTS: Electronic components, test equipment, manufacturing/production equipment incl. software.
SCOPE: Visits to selected Ontario firms
ATTENDANCE: 4 to 6 buyers from major U.S. fabricators, distributors and end users from the U.S. Southeast

EVENT: **Mission Out to Wescon** Nov/92
PRODUCTS: Electronic components, test equip., manufacturing/production equipment and subsystems.
ATTENDANCE: 10 to 15 Western Canadian suppliers.

SECTOR: Consumer Products and Services

SUB-SECTOR: <u>CULTURAL INDUSTRIES:</u> Book Publishing; Film & Video; Performing Arts; Sound Recording.

Officer: D. Shaw

<u>U.S. Market Opportunities:</u> A: A soft U.S. economy held **book publishers'** receipts to $16 billion in 1990. The outlook for 1991 is for an 8% increase to $17.3 billion. 1990 U.S. book imports grew by 10% to $880 million with exports of $1.4 billion.

Demographic, economic and technological trends should help the U.S. publishing market achieve average growth of 3.5% in constant dollars through 1995. Elementary and high school enrolment is projected to rise by 3 million, improving markets for text and juvenile books. Sales of trade books should be aided by the formation of over 6 million households and the addition of 10 million persons to the high income, heavy reading population segment aged 35 to 54. Markets for college textbooks and technical, scientific and professional books may not increase as rapidly since college enrolments are not expected to grow and library budgets will be addressing serial subscriptions and electronic information requirements as well as budgets for books.

B: The U.S. market for **film & video** appears to be levelling off after years of expansion. Combined box office and video rental receipts are still expected top $15 billion in 1991. The market continues to have a voracious appetite.

C: The U.S. market for **Performing Arts** is virtually inexhaustible, but dominated by companies that cater primarily to popular tastes. The pervasiveness of popular American culture tends to overshadow the fact that rich markets for "High Culture" exist in virtually every region of the United States.

D: Growth rates in the **Sound Recording** sector are expected to stabilize around 5% p.a. over the next few years with most activity in the sale of pre-recorded CDs and cassettes.

<u>Canadian Capabilities:</u> A: All segments of the **Cultural Industries** are normally at a size-related disadvantage vis-a-vis their U.S. counterparts. However, Canadian **publishers** often produce excellent products. Particularly notable are Children's books, young adults' fiction, guidebooks and self-help publications.

B: Even where **Film & Video** product excels, Canadian firms often lack capital and distribution facilities to penetrate the U.S. market. However, Canadian technical and production facilities are first rate and readily accessible to U.S. film makers.

C: Canadian **Arts Performers** are innovative, talented and many are of international calibre. Performers in modern dance, mime and music are particularly capable. Performances abroad reinforce an image of Canadian culture and sophistication among U.S. business and professional leaders.

D: Because of U.S. domination of the **Sound Recording** industry, to be recognized Canadian artists must be contracted by U.S. producers. Nevertheless, the Canadian industry possesses considerable technical expertise.

Strategy: **A:** - To strengthen Canadian **book publishers'** marketing presence and potential by reinforcing efforts in national and regional trade development programs with particular emphasis on the juvenile and trade book markets.

B: - To respond to **Film & Video** proposals by posts or Ottawa stakeholders for initiatives such as incoming missions from Station KERA, Dallas, and collaborating with Telefilm Cda. by participating in selected promotional events.

- To promote Canadian locations for U.S. **film production** by supporting Canadian film commissioners participation in a film location trade fair in Los Angeles.

C: - To continue incoming **Performing Arts** buyers missions from Dallas on a selective basis to maintain market presence and reinforce gains already made.

- To cultivate new markets by commencing a limited program of incoming performing arts buyers missions to Canadian showcases from a post in the Northeastern or Western U.S.

D: - Subject to the availability of funds, to promote Canadian **Sound Recording** artists and facilities through selected promotional activities at the New York New Music Festival in conjunction with DOC, and other divisions of the Department.

SECTOR:	**Consumer Products and Services**
SUB-SECTOR:	**CULTURAL INDUSTRIES: Book Publishing; Film & Video; Performing Arts; Sound Recording**
	Officer: D. Shaw 991-9474

EVENT:	**Regional Bookfairs:**
	American Library Association Conventions Summer - June-July/92; Winter - Chicago - Jan./93
	Pacific Northwest Booksellers Assoc.- Portland Sept/92
	Upper Midwest Booksellers Association- Minneapolis Sept/92
	New England Booksellers Association - Boston Sept/92
PRODUCTS:	Trade and Academic Books
SCOPE:	Regional shows catering to select markets (Libraries) or regional retail booksellers.
ATTENDANCE:	100 -250 Exhibitors and 1500 -10,000 booksellers/librarians

FILM & VIDEO/CINÉMA ET VIDÉO

EVENT:	**Solo Show - Canadian Connection** Los Angeles Nov/92
PRODUCTS:	Canadian locations and services for film and video production.
SCOPE:	Up to 20 provincial and municipal film commissions and up to 20 production companies will participate.
ATTENDANCE:	1000 U.S. film and video production executives.

EVENT:	**Participation in IPS meeting - Baltimore.** Nov/92
PRODUCTS:	Selected Canadian film and video products.
SCOPE:	Up to 10 pre-selected (by U.S. PBS station) film and video products will be presented for national presentation through IPS.
ATTENDANCE:	Representatives of Dallas Consulate and PBS Station KERA, Dallas.

EVENT:	**PBS Meeting in San Francisco** June/92
PRODUCTS:	Canadian Film and Video Productions.
SCOPE:	Canadian Consulate General Dallas support for Station KERA executives' presentation of selected Canadian products for screening on PBS.
ATTENDANCE:	Canadian Consulate General, Dallas and Station KERA, Dallas programming executives.

SECTOR: Consumer Products and Services
SUB-SECTOR: <u>CULTURAL INDUSTRIES:</u> Book Publishing; Film & Video; Performing Arts; Sound Recording.

Officer: D. Shaw

<u>PERFORMING ARTS/ARTS D'INTERPRÉTATION</u>

EVENT:	**Mission In -Dallas to CINARS**	Dec/92
PRODUCTS:	Theatrical and musical productions	
SCOPE:	Visit to CINARS Montreal.	
ATTENDANCE:	Mid-America Arts Alliance impresarios.	

EVENT:	**Mission In -Dallas to Mtl. Jazz**	July/92
PRODUCTS:	Musical productions	
SCOPE:	Incoming buyers	
ATTENDANCE:	Mid-America Arts Alliance impresarios.	

EVENT:	**Mission In -San Fran./Boston to CINARS or Mtl Jazz Festival**	Dec/July/92
PRODUCTS:	Theatrical and musical productions	
SCOPE:	Incoming buyers mission from regional arts presenters' consortium.	
ATTENDANCE:	Northeast or Western Arts Presenters.	

EVENT:	**APAP New York**	Dec/92
PRODUCTS:	Theatrical and musical productions	
SCOPE:	National conference	
ATTENDANCE:	All regional arts presenters' consortia.	

<u>SOUND RECORDING/ENREGISTREMENT SONORE</u>

EVENT:	**New Music Seminar New York**	July/92
PRODUCTS:	Sound recording	
SCOPE:	International	
ATTENDANCE:	8000+ - Sound recording producers, distributors and critics. 324 Canadian artists,producers, manufacturers and distributors.	

SECTOR: Advanced Technology Products, Systems and Services

SUB-SECTOR: <u>**COMPUTER HARDWARE/SOFTWARE, INFORMATICS, DATA PROCESSING, OFFICE AUTOMATION**</u> **Officer: G.H. Willows**

<u>U.S. Market Opportunities:</u> In one decade, the PC has grown from being the preserve of a small group of hobbyists to threaten the existence of mainframe and mini-computer systems. The worldwide PC market in 1991 should exceed $93 billion, almost double the market for mainframe/mini systems. The market for personal computer hardware and software in the United States alone should top $US 35 billion this year despite the sluggish economy. Expenditures on PCs are expected to rise by approximately 8% in the USA and 15% worldwide next year.

Industry analysts forecast MS-DOS/Windows to continue its dominance with a minimum 50% share of total market. Unix and OS/2 are expected to gain share to an aggregate of 40% split evenly while Apple will retain 10%.

The major market areas reflect demographic trends as PCs continue to be universally accepted. Hot product areas are projected to be multimedia, notebooks, enterprise computing, and the Windows environment.

<u>Canadian Capabilities:</u> The clients of the programme are small-to-medium sized makers of hardware, software, peripherals, and accessories. Products range from motherboards to anti-glare anti-static screens to ergonomic furniture. The heart of Canadian capability in this sector is software, particularly graphics, retail and networking solutions aimed at the business market. Reflecting the market, most product development remains oriented towards the MS-DOS/Windows platform, although the industry has strong capabilities in both the UNIX and the Apple/MacIntosh environments.

The industry employs an estimated 60,000 people and exports 80% of its $10 billion production. Despite the slowing domestic economy, this sector remains buoyant and well managed and focused firms continue to experience real growth.

<u>Strategy</u>: - To introduce new exporters to the marketplace and enhance regional penetration through the use of specifically focused regional market development programs and to strengthen efforts of medium/large firms through displays at major national shows.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR:	**Advanced Technology Products, Systems and Services**
SUB-SECTOR:	**COMPUTER HARDWARE, SOFTWARE, INFORMATICS, DATA PROCESSING, OFFICE AUTOMATION** **Officer: G.Willows** 993-6576

EVENT:	**PC Expo New York**, June 23-25, New York.
PRODUCTS:	Computer Hardware and software, peripherals and accessories.
SCOPE:	International Show, 700+ exhibitors.
ATTENDANCE:	75,000+ corporate buyers, resellers, and press. One of the leading computer shows in the US.
EVENT:	**NetWorld Dallas**, 13-15 October, Dallas.
PRODUCTS:	PC based computer networking hardware, software, peripherals and accessories.
SCOPE:	International Show, 450+ exhibitors.
ATTENDANCE:	37,000+ resellers, corporate buyers and press.
EVENT:	**Comdex Fall**, 16-20 November, Las Vegas.
PRODUCTS:	Small computer systems, hardware and software, peripherals and accessories.
SCOPE:	International Show, 1,900+ exhibitors.
ATTENDANCE:	125,000+ independent resellers, corporate buyers, OEMs, press. The largest trade show of any kind in the US.

SECTOR: Transportation Systems, Related Equipment and Services

SUB-SECTOR: RECREATIONAL AND WORKING BOATS AND ACCESSORIES

Officer: J.P. Petit

U.S. Market Opportunities: The U.S. pleasure boat market has annual shipments of more than US$15 billion. Imports into the USA grew by about 25% annually over the past six years, but fell by 25% in 1989. In 1991 the federal government introduced a luxury tax on boats worth more than US$100,000. This will likely soften sales in that high price range but will encourage sales of marine accessories, outboard engines and small boats. Canadian manufacturers are developing name recognition and a reputation for quality and innovation in the U.S. In spite of the slow economic recovery, high fuel prices, and changing consumer tastes, the U.S. will provide a strong market over the long term.

The work boat market has experienced a slow return from recession times hampered by high cost of capital, high interest rates, and a sluggish recovery. But maintenance and marine engineering contracts, along with marine accessories and products hold good prospects for the short and medium term.

Canadian Capabilities: Most of Canada's 500 boat and accessory manufacturers are small to medium sized, regionally-based, and important employers in their local economies. Exports constitute almost 25% of Canadian shipments. In 1990 exports of boats, equipment and accessories were estimated at approximately $115 million, 14% of which were sailboats; 58% were row boats, outboards and other small craft. Total imports from the USA were valued in 1990 at $200 million. The boating industry is highly cyclical and its performance is tied to the state of the Canadian economy. The industry is optimistic about strong future growth, in spite of the current slow recovery, and has adapted itself to the current market conditions in switching its traditional production to new products lines more in tune with mercurial consumers.

Strategy:

- The core of the promotional strategy will be to build on the successes of Canadian boat and accessories manufacturers in marketing their products and services in the USA.
The dual focus of these efforts will be to: a) inform Canadian exporters about opportunities in the USA and, b) to make Canadian products better known in the USA.

- Particular effort will be devoted to helping American dealers acquire Canadian lines.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR:	**Transportation Systems, Related Equipment**
SUB-SECTOR:	**RECREATIONAL AND WORKING BOATS AND ACCESSORIES**

Officer: J.P. Petit
991-9482

EVENT:	**IMTEC (International Marine Trade Exhibit and Convention)** Chicago, First week of October 92.
PRODUCTS:	Recreational boats and marine accessories.
TARGET:	Largest marine trade show in the world in terms of exhibits space and number of visitors.
PARTICIPANTS:	9-12 manufacturers, primarily new exporters or firms unfamiliar with IMTEC or marketing boats and marine accessories in the USA.
EVENT:	**The Fort Lauderdale International Boat Show.** (October 29-November 2, 1992).
PRODUCTS:	Recreational boats and marine accessories.
TARGET:	Largest in-water boat show in the world.
ATTENDANCE:	800 exhibitors and 85,000 trade visitors, including distributors, dealers, retailers, distributors wholesalers and agents.
PARTICIPANTS:	15 -20 Canadian manufacturers of recreational boats and marine accessories, regrouped in a national stand.
EVENT:	**Incoming Buyers Mission to the Toronto International Boat Show**, Toronto, Jan-10-19 1993.
PRODUCTS:	Recreational Boats and marine accessories.
TARGET:	Canada's largest recreational boat show, in 1991 attendance was of 100,000 visitors not including 5,000 trade visitors; in 1992 show was open to trade only on the first three weekday mornings.
PARTICIPANTS:	10-15 dealers and distributors.

SECTOR:	**Transportation Systems, Related Equipment**
SUB-SECTOR:	**RECREATIONAL AND WORKING BOATS AND ACCESSORIES**

Officer: J.P. Petit

EVENT: **The Miami International Boat and Sailboat Show,** Miami Florida, February 13-19 1993. (Specific dates to be known later in the year)

PRODUCTS: Recreational boats and marine accessories.

SCOPE: The 1992's show gathered 1200 exhibitors and an attendance of 100,000 visitors for a total of 850,000 square feet. It caters to U.S., Latin American, European and Middle east markets. Open to trade, only two days and to the public for the five remaining days.

PARTICIPANTS: Canada participated with a National Stand and 21 stands in 1992. Participants were manufacturers of recreational boats and marine accessories.

SECTOR: Educational & Training, Medical, Health Care and Related Products and Services

SUB-SECTOR: PHARMACEUTICALS AND BIOTECHNOLOGY

Officer: J.-P. Petit

U.S. Market Opportunities: The U.S. Biotechnology industry comprises approximately 1,100 companies, most of them small. About 35% of these companies are involved in therapeutics products, 28% in diagnostics, 18% in biotechnology products, 8% in Agricultural Biotechnology and 11% in other fields of Biotechnology. Their assets in 1991, totalled $US 130 billion with revenues of $US 60 billion and annual sales of $US 4 billion. In 1990, 13 products became available, 11 in 1991, and 17 biotechnology products will be approved in 1992. A total of 132 biotechnology products are awaiting FDA's approval. Venture capital money is seeking opportunities in Biotech. It is estimated that $US 30 billion dollars in venture capital are earmarked for Biotechnology.

American biotechnology firms forecast their exports to rise to 30% of their sales by 1992. These companies are open to exploring mutually beneficial collaborative research projects with foreign partners.

Canadian Capabilities: Pharmaceuticals and Biotechnology are among the U.S. Bureau priority sectors for 1992-93. Biotechnology is one of Canada's designated "Strategic Technologies" and research organizations receive substantial support for the development and commercialization of their products from government.

The Canadian Biotechnology industry is comprised of 300 companies, mostly small firms developing specific biotechnology products and processes. Biotechnology is a non conventional industry, involved in many sectors, whose present and future development hinges on availability of investment sources, a comprehensive regulatory regime for biotechnology products, qualified researchers, agreed solutions to the issue of intellectual property, and a positive public perception of the industry. Its global sales amounts to $6 billion and are expected to reach $100 billion in the year 2000.

The Canadian Biotechnology sector benefits from a solid infrastructure of public and private laboratories and a burgeoning interface of activities between universities and industry. Yet the industry is still developing its product lines and could benefit from strategic alliances with U.S. firms.

Strategy: - Continuing effort will be devoted to educating Canadian firms on specific market opportunities and to encourage them to fine tune their interests in match making and export endeavours.
- Increasing the awareness in the USA of Canadian Biotech capabilities and to foster new industry, R and D and investment contacts.
- Promote U.S investment, joint research and development and strategic alliances in order to attract high technology-based firms to Canada.

SECTOR:	**Educational and Training, Medical, Health Care and Related Products**
SUB-SECTOR:	**PHARMACEUTICAL AND BIOTECHNOLOGY**

Officer: J.P.Petit
991-9482

EVENT:	**Outgoing mission to IBEX** Oct 6-8- 1992, San Francisco, CA.
PRODUCTS:	Biotechnology products, equipment and technology for the biotechnology industry looking for technology transfers and investment.
TARGET:	The largest US biotechnology exhibition.
PARTICIPANTS:	10-15 biotechnology companies or private-sector research organizations.
EVENT:	**National Home Health Care Exposition**, Nov 14-16 1992
PRODUCTS:	Home health care equipment and devices, medical equipment and devices.
SCOPE:	Largest home health care show in US and the world. Canada participates with a National stand and 10-15 companies.
ATTENDANCE:	875 exhibitors in 1991, 22,000 visitors. Visitors represent nursing homes, distributors, doctors, and physiotherapists.

SECTOR: Educational and Training, Medical, Health Care and Related Products and Services

SUB-SECTOR: <u>HOSPITAL AND MEDICAL EQUIPMENT AND SERVICES</u> **Officer: J.-P. Petit**

<u>U.S. Market Opportunities</u>: The US market for medical devices is the largest in the world. It accounted for 59% of world demand in 1990, amounting to $US 65.2 billion. This market grew on average by 9% a year in the eighties and growth will likely continue throughout this decade because of the aging population. The share of the market captured by imports climbed to 11.5% from 8%. Imports are expected to grow by 20% annually in dollar value. Because of shrinking budgets being experienced by US hospitals more medical devices are now being used in the home. This will be a particular growth segment.

<u>Canadian Capabilities:</u> Hospital, medical equipment and services are among the US Bureau priority sectors for 1992-93. There are about 650 manufacturers of health care products in Canada, employing about 10,000 people. The majority (73% in 1991) are small or medium sized enterprises. The industry is made up of a mixture of branch plants of large multinational companies (11%) which tend to serve the domestic market only, and of many small and medium sized Canadian companies (89%). Canadian-owned firms with annual sales of less than $5 million (77%), tend to be entrepreneurial, export oriented and innovative with many investing heavily in R&D. A number have developed leading-edge technologies and unique innovative medical devices. A few have created products superior technologically to the global competition.

In 1990 the total export value of the Health Care industry amounted to $200 million dollars, about one third of total production. The leading export category was medical and related instruments and equipment, followed by orthopaedic appliances, surgical and medical supplies, ophthalmic goods, hearing aids, and dental supplies.

<u>Strategy:</u>

- To focus efforts on promoting technologically-advanced niche products and create greater awareness of Canadian health care capabilities among US buyers.

- To develop the participation of new exporters and small and medium sized Canadian companies in the market place.

- Further efforts will be made to inform Canadian companies about US opportunities particularly with regard to procurement rules of US federal agencies and departments.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR: <u>TRANSPORTATION SYSTEMS AND RELATED EQUIPMENT</u>
Sub-Sector: Urban Transit **Officer: A. McBride**

<u>U.S. Market Opportunities:</u> The United States will remain Canada's most important urban transit market for the foreseeable future and is expected to absorb up to 70 percent of Canada's urban transit equipment sales. The U.S. urban transit equipment market is valued at over 2 billion dollars annually. Despite content requirements, Canadian prime contractors have achieved about a 40 percent market share. Reduced availability of U.S. federal funding and the high cost of subway systems are encouraging buyers to consider lighter systems such as the ALRT, monorail and light rail vehicles, where Canada is well-positioned to compete.

<u>Canadian Capabilities:</u> The Transit Supply Industry is composed of two sub-sectors, the transit systems manufacturers and the suppliers of components and services.

The Canadian transit supply industry is dominated by two major vehicle manufacturers, Bombardier in Quebec and the Urban Transportation Development Corporation (UTDC) in Ontario. These companies, which merged operations in December 1991, produce a wide range of mass transit and commuter cars and can design complete systems. Both companies offer diversified products in other areas.

Canada has four major bus manufacturers, OBI (Ontario Bus Industries), MCI (Motor Coach Industries), New Flyer and Prévost Car. The majority of their sales are to the U.S. market.

Some 250 other component manufacturers and service companies, compliment the two dominant Canadian transit supply manufacturers. These companies range from large multinationals, that supply vehicle assemblyies and major sub-systems, to small firms producing specialty items. These companies have a reputation for manufacturing high quality and innovative products but have shown notable weakness in their development of well focused international marketing strategies.

<u>Strategy:</u> The following strategy and activities draws on the views of the Urban Transit Steering Committee composed of representatives from EAITC, ISTC, CUTA, and the Provinces of Ontario and Quebec.

- To coordinate, and stimulate, a market intelligence network by liaising with TC's at the U.S. posts and attending APTA and CUTA meetings in order provide component and services suppliers with information on emerging new U.S. opportunities.

- To priorize the U.S. marketplace by region to ensure emphasis is placed in the region(s) where Canadian manufacturers and suppliers are in a position to take advantage of emerging opportunities.

SECTOR: Transportation Systems and Related Equipment

SUB-SECTOR: <u>AUTOMOTIVE (ORIGINAL EQUIPMENT)</u>

Officer: A. McBride

<u>U.S. Market Opportunities:</u> The motor vehicle and parts industry is one of the largest sectors of the U.S. economy, accounting for approximately $215 billion of the nation's $5.2 trillion GNP in 1989, or 4.1 percent of the total. The struggle for market share and the new offshore entrants has resulted in quality consciousness, new products, and shortened development cycles. U.S. industry has invested an additional $11.7 billion in new plants and equipment during 1990 to improve its competitive position.

Automobile sales in early 1991 are expected to continue the decline that began in 1989, and then pick up toward year end to achieve total sales of 9.3 million units. 9.7 million units are projected for 1992. Retail truck sales should reach 4.720 million units in 1991, increasing to 4.770 million units during 1992.

<u>Canadian Capabilities</u>: With the exception of the Big Three subsidiary operations, the Canadian OE sector consists of parts manufacturers, many U.S. owned. That portion under Canadian ownership is undergoing a process of rationalisation and downsizing to meet the challenge of global competition. To survive and be profitable, strategic alliances, R&D, high quality products, and more aggressive marketing are options the industry must consider. For example, Canada has particular expertise in the manufacture of equipment, both original and aftermarket, for the physically disabled, and alternate fuelled vehicles. Within these two areas of expertise, Canadian manufacturers have met the challenge of global competition, and are recognized as having specialized technology.

<u>Strategy:</u> The following strategy and activities drew on the views of the Original Equipment Manufacturers (OEM) Steering Committee, made up of representatives of EAITC, ISTC, APMA, and the Provinces of Ontario and Quebec.

To increase the international profile of the Canadian automotive industry by assisting financially with participation in trade shows, organizing seminars, exchange visits and disseminating related information.

To maintain and augment the level of sourcing of Canadian car and truck components by the BIG THREE in the U.S. through formal and informal networking, coordinated visits and meetings by industry and government specialists.

To disseminate highly competitive intelligence to industry by researching and circulating information/statistics/new initiatives etc. emerging from the U.S. marketplace.

SECTOR:	**Transportation Systems, Related Equipment**
SUB-SECTOR:	**AUTOMOTIVE** — **Officer: A. McBride** 993-5149

EVENT:	**SAE (Society of Automotive Engineers)** February 1993, Detroit, Michigan
PRODUCTS:	Automotive original equipment sector
SCOPE:	National, the only automotive trade show in the U.S. the deals exclusively with the OE market; 850 exhibitors.
ATTENDANCE:	40,000+ automotive specialists, design/development engineers, engineering and production managers, corporate officials

EVENT:	**Para Transit Mission to Cleveland**
PRODUCTS:	Transit equipment manufactures specifically for the physically disabled.
SCOPE:	Local marketing initiative directed toward the Cleveland region.
ATTENDANCE:	A total of 5 or 6 Canadian equipment suppliers will visit the Cleveland region to demonstrate Canadian manufactured products available to local transit operators.

EVENT:	**Mid-American Trucking Show** March, 1993, Louisville, Kentucky
PRODUCTS:	Wide variety of trucking parts and accessories, for both the original equipment and aftermarket sectors.
SCOPE:	National Exhibition, with over 400 exhibitors
ATTENDANCE:	More than 30,000 buyers, fleetmanagers, owners, and operators.

EVENT:	**Sema/Big "I" Show,** November 3 - 6, Las Vegas, Nevada
PRODUCTS:	Parts and accessories for specialty and high performance vehicles.
SCOPE:	National show with over 2,000 exhibitors representing the entire automotive aftermarket.
ATTENDANCE:	50,000 expected

EVENT:	**Incoming Urban Transit Reps from San Francisco to Vancouver or Toronto**, October, 1992.
PRODUCTS:	Products relating to the operation of urban transit systems.
SCOPE:	Regional mission to view Canadian expertise in urban transit systems operations and equipment.
ATTENDANCE:	Would invite 5 members of area transportation authorities to participate in the mission.

SECTOR: Transportation Systems, Related Equipment
SUB-SECTOR: AUTOMOTIVE Officer: A. McBride

EVENT: **Incoming Transit Buyers Mission from New England** March 1993.
PRODUCTS: Transit equipment, systems, and technology.
SCOPE: A regional mission from New England, to visit local Canadian transit authorities and manufacturers in Ontario and Quebec.
ATTENDANCE: Will invite 6 members of various transit agencies in the New England States to travel with the mission to Canada.

EVENT: **Incoming Transit Mission, from Detroit**, to View Canada's Compressed Natural Gas (CNG) Technology, January, 1993, Toronto.
PRODUCTS: Products relating to the use of compressed natural gas as a fuel source for public transit vehicles.
SCOPE: A small delegation from Detroit area transportation authorities, will visit Toronto to view Canadian technology associated with use of CNG as an alternative fuel for public transportation vehicles.
ATTENDANCE: Propose to invite 5 to participate in this mission.

EVENT: **Urban Transit Mission from L. A. to Toronto/Montreal**, August, 1992.
PRODUCTS: Equipment and technology associated with the operation of urban transit systems.
SCOPE: Regional mission from L.A. to view Canadian equipment, operating systems, and technology associated with the functioning of a public transportation system.
ATTENDANCE: Propose to invite up to 6 representatives from local transportation authorities in the L. A area to visit Canada to observe Canadian equipment, technology and operating systems.

SECTOR:	**Transportation Systems, Related Equipment**
SUB-SECTOR:	**<u>AUTOMOTIVE</u>** **Officer: A. McBride**

EVENT:	**Ohio Automotive Wholesalers Show**
PRODUCTS:	Aftermarket parts and equipment for automobiles.
SCOPE:	This show offers interested manufacturers the opportunity to meet jobbers/wholesalers/agents who would be interested to carry, and promote, their particular line of products in the region.
ATTENDANCE:	It is expected that 3,000 people will visit the 250 exhibitors at this show. The Consulate in Cleveland will have an Information Booth at this event, and will include 3 or 4 Canadian Companies in the Booth.

EVENT:	**Intermodal Expo '92 (Atlanta)**
PRODUCTS:	Standardized transportation services.
SCOPE:	The Intermodal Expo is designed to demonstrate the transportation of goods and services using standardized systems and equipment. This permits the transfer of goods from boats to trucks, trains, or planes without repackaging the goods, thereby saving time and expenses, and making a more efficient shipping system.
ATTENDANCE:	It is expected 7,800 people will visit the 380 companies and 420 booths participating at the show. The Consulate will have an Information Booth at the show and are expecting 20 Canadian companies to participate in the Info Booth.

SECTOR: Transportation Systems & Related Equipment

SUB-SECTOR: AUTOMOTIVE (AFTERMARKET)

Officer: A. McBride

U.S. Market Opportunities: In 1992-1993, the aftermarket sub-sector is expected to experience moderate growth after a prolonged period of economic instability. A high Canadian dollar, political uncertainty, and concerns about the implications of NAFTA on the manufacturing industry as a whole, will continue to pose obstacles to an immediate recovery. An increasing Asian market share in the original equipment sub-sector inevitably has forced change upon the aftermarket. Companies must adjust their products to ensure compatibility with imported vehicles. Yet American buyers still value quality, reliability, and price competitiveness as chief attributes in their purchasing decisions. These factors will ensure major opportunities for Canadian manufacturers in the US market.

CANADIAN CAPABILITIES: The automotive aftermarket is an $8 billion industry in Canada. This sector consists of small, medium and large companies manufacturing and distributing automotive replacement parts, accessories, tools and equipment to the service trade which keeps Canada's 15 million vehicles moving. These companies employ more that 70,000 persons across the country.

Canadian parts and accessories exports to the US declined by 7.6% between 1989 and 1990. This decline was greater than expected as total passenger car sales in America fell by only 4.8%. The difference may be accounted for by domestic economic conditions, increased competition from Asia, and an abnormally high exchange rate that depressed exports. Our accessories manufacturers must continue to look south of the border if they are to survive.

STRATEGY: A Steering Committee (SC) has been established, consisting of representatives of EAITC, ISTC, AIA and the Provinces of Ontario and Quebec. The following strategy and activities reflect the Committee's 3-year strategic plan:

To raise the visibility of the AM sub-sector in the United States by participating in selected trade development events.

To gather and disseminate to industry information about market opportunities by attending U.S.-based industry meetings and seminars, and by publishing industry directories and guides pertaining to the U.S. marketplace.

To promote and develop the international competitiveness of Canadian Aftermarket products by conducting studies or projects to assist industry.

SECTOR: Industrial Machinery Related Equipment and Services

SUB-SECTOR: <u>PRINTING EQPT AND SERVICES</u> Officer: T. Weinstein

<u>U.S. Market Opportunities:</u> Canada is running a deficit in printing services with the US. Exports total $200 million and imports more than $350 million. In 1989, the US imported $600 million in printed material, about half of it from Canada.

On the machinery side, Germany and Japan have the bulk of the world's sales in four-colour web presses and other large equipment, and the U.S. imports about 75 percent of major printing equipment from these countries. However, the US is importing add-on press equipment and high technology computer software and this can be supplied by Canada.

<u>Canadian Capabilities:</u> Canadian strength in printing equipment is in specialized printing machinery and presses, computer software technology, add-on equipment, and other specialized machines. There are 100 companies across Canada that supply these products.

The service side covers a range, from pre-press (colour separations, retouching, computer imaging, etc) to printing the final product, specialized printing (small runs, turn-around time, end products, etc.) and post-press jobs such as collating, binding, stitching, etc. Canadian printers with the capacity and resources to export would be able to find niche markets for their products such as event tickets, stock/securities/certificates, financial reports, etc.

<u>Strategy:</u> - Because the industry is regionally dispersed in the US it is difficult to economically assist Canadian companies to enter the market. Fortunately, specialized trade events exist for this industry that enable companies to efficiently enter the market even for the first time and create national awareness for their products. The strategy focuses on participation at these events and on educating Canadian printers on the benefits and modalities of exporting.

SECTOR: **Consumer Products and Services**
SUB-SECTOR: **PRINTING EQUIPMENT AND SERVICES**

Officer: T. Weinstein
991-9479

Event:	**National stand, Graph-Expo** equipment trade show, New York, October 3-6, 1992
Products:	Printing equipment
Scope:	Regional show, 300 exhibitors
Target:	5,000 printers, agents, reps
Status:	UTO is recruiting

SECTOR: **Consumer Products and Services**
SUB-SECTOR: **<u>FURNITURE</u>** **Officer: T. Weinstein**
991-9479

Event: **Incoming Mission to International Interior Design Exposition (IIDEX)**, Toronto, November 20-22, 1992
Products: Office/contract furniture and accessories
Scope: National show, 450 exhibitors
Attendance: Architects, specifiers, agents, interior designers

Event: **Incoming Mission to Toronto Furniture Market,** Toronto, January 10-13, 1993
Products: Full range of residential furniture, accessories, and bedding
Scope: Regional show, 400 exhibitors
Attendance: North American furniture retailers, wholesalers, manufacturers representatives

Event: **Incoming Mission to Montreal Furniture Market, Montreal**, June 13-16, 1992
Products: Contemporary residential furniture, accessories, and bedding
Scope: Regional show, 400 exhibitors
Attendance: Furniture retailers, wholesalers, manufacturers representatives

Event: **Solo institutional Furniture Show,** Minneapolis, Date TBD
Products: Healthcare, institutional furniture
Scope: Solo show, 15 exhibitors
Attendance: 250 furniture buyers

Event: **Solo contract Furniture Show, Dallas,** Date TBD
Products: Office/contract furniture and seating
Scope: Solo show, 10-15 exhibitors
Attendance: 1,000 architects, specifiers, designers

Event: **Solo contract Furniture Show, Chicago,** Date TBD
Products: Office/contract furniture and seating
Scope: Solo show, 10-15 exhibitors
Attendance: 2,000 architects, specifiers, designers

SECTOR: Consumer Products and Services

SUB-SECTOR: FURNITURE **Officer: T. Weinstein**

U.S. Market Opportunities: The U.S. is an unlimited market for most types of furniture: residential and household; furnishings and accessories; bedding; office and contract. Residential furniture has become a "fashion" commodity; as consumers on the move tend to dispose of furniture rather than take it with them.

North American office/contract manufacturers have been working to supply orders written in the late 1980s. However because of current conditions, companies requiring new furniture are putting off major purchases until the economy improves. New or expanding office and public buildings (shopping centres, airports, health care facilities, etc) requiring contract furniture are going ahead, although at a slower pace.

Canadian Capabilities: There are more than 1,100 furniture plants across Canada. About 90 percent of these are in Ontario and Quebec. The majority of the plants are small, employing under 100 persons. Total annual shipments in residential, contract, office, bedding, and upholstery are $4.5 billion, including $1.2 billion in exports.

Canadian residential manufacturers can compete in the areas of high-end, contemporary, low-end, motion, ready-to-assemble, and juvenile furniture. While the residential sector is declining there are some bright spots for Canadian residential companies, notably innovative and aggressive manufacturers and designers with the ability to create or service niche markets. These companies must make a long-term commitment in time and money to the U.S. market.

In the office and contract subsectors, Canadian office systems are often superior to those produced in the U.S. Executive suite/board room and interior designer furniture is competitive in price, quality and design to comparable U.S. products.

Strategy:

- Demonstrate to U.S. retailers, manufacturers representatives and end-users the range of Canadian manufacturing capability;

- highlight specific products in targeted geographic markets;

- maintain the profile of Canadian companies and products;

- assist proven exporters who have the skill and resources to develop and undertake long-term marketing plans.

SECTOR:	**Consumer Products and Services**	
SUB-SECTOR:	**FURNITURE**	**Officer: T. Weinstein**

Event: **National stand, Designers Saturday Furniture Show**, New York, October 15-17, 1992
Products: Office/contract furniture and seating
Scope: National show, 450 exhibitors
Attendance: 5,000 U.S. designers, specifiers

Event: **Designfest Office Furniture Show, Orlando,** July 24-25, 1992
Products: Office/contract furniture and seating
Scope: National stand, 400 exhibitors at show
Attendance: 3,000 U.S. designers, specifiers

SECTOR: Consumer Products and Services

SUB-SECTOR: <u>GIFTWARE/ARTS AND CRAFTS/JEWELLERY</u>

Officer: T. Weinstein

<u>U.S. Market Opportunities:</u> This is a high-growth sector. Most giftware in the U.S. is sold at trade shows to retailers, wholesalers and distributors as opposed to sales calls on retail outlets. There is a developing interest in artwork produced by or representing Canadian aboriginal artists.

Giftware and crafts tend to be exported along geographic lines in a north-south alignment. Important considerations in these sectors are price points and item quality. The nature of the industry makes imported "knock off" souvenir goods easily available at a much cheaper prices than authentic crafts or giftware. Price can be an impediment in marketing upscale pieces.

The U.S. imported jewellery market is split between fine jewellery, mostly supplied by France and Italy, and costume jewellery brought in from East Asia. Much of the gems and gold used in the production of fine jewellery is imported into Canada, processed and exported at high costs. Canadian producers will sell their fine jewellery on style and price.

<u>Canadian Capabilities:</u> The arts/crafts/giftware sector runs the range from unique, hand-made, individually-created collector-quality goods to mass-produced souvenir-type items, as well as clothing, food, home and garden articles. The artists and companies range from major producers to "cottage artisans" who work at home and sell their products in community or regional gift and arts/crafts shows. There are about 200 export-ready suppliers in Canada.

Major drawbacks affecting arts and crafts/giftware sales are the lack of national or strong provincial groups to organize the industry and provide marketing advice, cohesion and the lack of a database or other mechanism to catalogue the producers, their products and their capabilities.

<u>Strategy:</u> The relatively small number of export-ready companies limits our assistance to narrow target markets and specific events. The Bureau will capitalize on the potential for unique Canadian arts and crafts and native/Inuit creations by strengthening our participation in appropriate venues.

- The industry would benefit from educational efforts including the potential to create national/provincial groups noted above. The Bureau will work with other interested parties to accomplish this. Seminars for new to market suppliers and the Bureau will place some priority on this.

SECTOR:	**Consumer Products and Services**
SUB-SECTOR:	**<u>ARTS, CRAFTS, GIFTWARE</u>** **Officer: T. Weinstein** 991-9479

Event:	**Incoming Mission to Atlantic Craft Trade Show, Halifax,** February, 1993
Products:	Arts, crafts, apparel, giftware
Scope:	Regional show, 200 exhibitors
Attendance	15 U.S. buyers

Event:	**Solo crafts/giftware rep locator show, Minneapolis,** June 15-17, 1992
Products:	Arts, crafts, giftware
Scope:	Solo show, 16 exhibitors
Attendance:	200 manufacturers representatives, retailers

Event:	**National stand, Atlanta Gift Show, Atlanta,** July, 1992
Products:	Crafts, giftware
Scope:	National show, 800 exhibitors
Attendance:	10,000 retailers, wholesalers, reps

Event:	**Solo show of Westen Canadian crafts/giftware, Seattle,** July 13-15, 1992
Products:	Crafts, giftware
Scope:	Solo show, 20 Western Canadian manufactures
Attendance:	400 retailers, wholesalers, reps

Event:	**Information booth, Seattle Christmas in July show,** Seattle, July 10-14, 1992
Products:	Crafts, giftware
Scope:	Regional show, 300 exhibitors
Attendance:	400 retailers, wholesalers

Event:	**Solo rep locator show, Columbus, Ohio,** August, 1992
Products:	Crafts, giftware
Scope:	Solo show, 25 exhibitors
Attendance:	200 retailers, wholesalers, reps

SECTOR: Consumer Products and Services

SUB-SECTOR: <u>APPAREL</u> **Officer: N. Peacock**

<u>U.S. Market Opportunities:</u> The U.S. apparel market has suffered through a difficult year experiencing a 4.5% decline in domestic shipments. While consumer spending increased by 1% the beneficiaries were the low cost Asian producers and importers. The long awaited turn around did not materialize and most suppliers were content to merely survive. Inventories at retail level continue to be held to a minimum. This has led to a 20% increase in the number of manufacturers and retailers implementing the QR (Quick Response) system. Tied to this is the increasing use of EDI (Electronic Data Interchange) by both buyers and sellers.

Forecasted growth in retail apparel sales in 1992 is expected to be 5-6%. This will likely favour the 40-50 year old age group with a disposable income that would indicate medium to better priced merchandise requirements.

While New York will remain the focal point for apparel buying, the increasing use of regional markets by buyers - particularly the Midwest and Southwest areas - merits the attention of Canadian exporters. This is particularly so in the men's and children's sectors as well as women's.

<u>Canadian Capabilities:</u> The depressed state of the domestic industry and the restraints on cash flow have made it difficult for companies to undertake new export marketing activities. The increased use of QR and EDI requires Canadian suppliers to consistently invest in export marketing. However, with the interest and cooperation shown by industry in the development of the Fashion Apparel Sector Strategy and with the proven ability of Canadian apparel producers to respond to specific opportunities 1992/93 may prove to be a better year.

<u>Strategy:</u> - To build on recent Canadian successes in the major New York and other niche markets by expanding into less developed but lucrative regions (the Midwest , Los Angeles), where product opportunities (eg.menswear, womens apparel) are significant.

- To improve and expand the image of the children's wear sector by developing and implementing a cooperative strategy with the industry and CAMA.

SECTOR: Consumer Products and Services

Sub-sector: FOOTWEAR **Officer: N. Peacock**

Background: Canadian Industry, like its U.S. counterpart, has had another difficult year. Domestic production in the U.S. dropped in 1990 (women's -8%, men's -15%) overall consumption rose by 3% reflecting a growth was in imported merchandise. Sales forecasts for 1991 predict a further overall reduction of 3 - 4%. Import growth continues to adversely affect an industry already having difficulty maintaining its market share.

Canadian Capabilities: With the help of EAITC and ISTC, Canadian industry conducted a study in 1990 of the capabilities of Canadian manufacturers and the opportunities in the US market. The results indicated that many Canadian manufacturers have the right products and production capability to service and profit from the U.S. market. Of this 1 billion pair market, it is estimated that 77 million pairs could be sourced from Canada (Canadian exports to the U.S. in 1990 were approximately 3 million pairs.) The import price points of greatest potential are in the $50 to $90 range. Men's footwear (work-sports-casual-dress) and the women's winter boot sectors appear to have the greatest possibilities.

Strategy: - Encourage industry driven marketing initiatives in specific commodity areas and in carefully targeted geographic sectors.

SECTOR:	Consumer Products and Services	
SUB-SECTOR:	<u>APPAREL AND FOOTWEAR</u>	Officer: N. Peacock 991-9476

EVENT:	**CANADA MODE** New York Sept. 1992
PRODUCTS:	Solo Show - Womens bridge price fashions
SCOPE:	Total 36 exhibitors
ATTENDANCE:	Targeted at specific U.S. buyers. Approx. 400 buyers expected.

EVENT:	**CANADA MODE** New York Feb. 1993
PRODUCTS:	See above
SCOPE:	Total 48 exhibitors
ATTENDANCE:	Anticipate approx 500 buyers.

EVENT:	**MIDWEST MEN'S WEAR COLLECTIVE** Chicago July 1992
PRODUCTS:	Men's Clothing
SCOPE:	Total 157 Exhibitors
ATTENDANCE:	Buyers - Sales agents - Distributors. Approx. 300

EVENT:	**MIDWEST MEN'S WEAR COLLECTIVE** Chicago Feb. 1993
PRODUCTS:	See Above
SCOPE:	- -
ATTENDANCE:	- -

EVENT:	**NEW YORK FASHION CREATORS** Los Angeles June 1992
PRODUCTS:	Womens Bridge point fashions
SCOPE:	Total 127 exhibitors
ATTENDANCE:	Over 5000 buyers register for market week.

EVENT:	**N.Y.F.C.** Los Angeles Nov. 1992
PRODUCTS:	See above
SCOPE:	- -
ATTENDANCE:	- -

EVENT:	**Childrens Wear Image/Export Development** Ongoing
PRODUCTS:	Childrens Apparel
SCOPE:	Approx. 35 childrens apparel mfgrs. Exposure to U.S. market.

SECTOR:	**Consumer Products and Services**	
SUB-SECTOR:	**<u>APPAREL AND FOOTWEAR</u>**	**Officer: N. Peacock**

EVENT:	**Product Presentations --** ongoing New York
PRODUCTS:	Men's-Women's-Childrens Apparel
SCOPE:	Group presentations for specific sectors
ATTENDANCE:	Major Buying Offices in U.S.

EVENT:	**NEXUS mission to Super Show.** Atlanta Feb. 1993
PRODUCTS:	Athletic Apparel
SCOPE:	Approx. 10 companies
ATTENDANCE:	Event usually draws in excess of 50,000 buyers.

EVENT:	**Rep. locator Mission Minneapolis** Sept. 1992
PRODUCTS:	Athletic Apparel
SCOPE:	Approx. 10 companies
ATTENDANCE:	Appropriate Regional based agents/reps.

SECTOR: Fisheries, Sea Products and Related Equipment

SUB-SECTOR: FISH, SHELLFISH AND OTHER MARINE **Officer: P. Egyed**

U.S. Market Opportunities: Total US imports of edible raw and processed fish products in 1990 amounted to $6.02 billion, with shipments expected to be at approximately the same level in 1991. At the retail grocery level, the North American seafood industry faces stiff competition for the consumer dollar from increasingly popular alternative products. Particular areas of growth in US seafood consumption are to be found in the Asian and Latin American "ethnic" market niches, traditionally satisfied via offshore imports, but increasingly through North American landings. Also, more US consumers are eating their seafood outside of the household with two-thirds of the US seafood market accounted for by foodservice sales. There is particular growth in the lucrative upscale segment of this market with distinct emphasis on fresh rather than frozen fish. Also with the steadily increasing importance of institutional foodservice, there is a growing demand for frozen and further processed, or "value-added" seafood products.

Canadian Capabilities: Canada is the second largest supplier of fish and seafood products to global export markets, with a well-deserved reputation for high-quality standards. The total value of our overall exports increased to $2.6 billion in 1990 (an increase of 8% over 1989), with the US our largest market, accounting for $1.4 billion. Traditional promotional efforts have focused on our strength in supplying lobster, salmon and other types of well-known groundfish. However, there is tremendous scope for promoting the consumption of less well-known, or "underutilized" species available in Canadian waters. Canadian industry has indicated a willingness to expand market horizons beyond traditional areas along the Eastern and Western coasts of the United States. New areas could include the highly populous markets of the Midwest and the fast-growing regions of the South and Southeast.

Strategy: - To promote a positive generic image of Canadian fish and seafood products in US retail grocery and foodservice markets

- To introduce Atlantic and Pacific fish/seafood processors to non-traditional markets.

- To demonstrate the high quality of Canadian fish processing capability to US buyers in key markets.

SECTOR: **Fisheries, Sea Products and Related Equipment**
SUB-SECTOR: **Fish, Shellfish and Other Marine** **Officer: P.Egyed**
991-9483

EVENT: **Incoming Fish Buyers Missions to Atlantic Canada,** May/June/July 1992 (Atlanta, Dallas, New York)
PRODUCTS: Fish and seafood products
SCOPE: Solo Canadian event
ATTENDANCE: A limited number (12-15) of qualified fish buyers from the US South, Southeast, and Northeastern Tri-state area (including New York) to visit fish processors of Atlantic Canada in 3 separate tours
CONTACTS: Ray Munoz, Cdn Consulate Atlanta, (404) 577-6810
Richard Campanale, Cdn Consulate New York, (212) 768-2400.

EVENT: **Underutilized Fish Species Seminar**, August 1992, Boston MA
PRODUCTS: Fish and seafood products
SCOPE: One-day seminar (with presentations, product display and chef de cuisine demonstration) focussing on availability and marketability of non-traditional fish species
ATTENDANCE: Canadian speakers/suppliers and potential US buyers from the New England wholesale and foodservice trade
CONTACT: Jack McManus, Cdn Consulate Boston, (617) 262-3760

EVENT: **Solo Seafood Show**, 12 November 1992, Detroit MI
PRODUCTS: Underutilized species of Canadian lakefish and seafood
SCOPE: Solo Canadian event - product display with chef de cuisine demonstration, intended to identify and promote alternatives to cod and haddock supply
ATTENDANCE: Fish wholesalers, foodservice operators (restaurants, caterers, institutions, and chains), retail (deli) buyers and trade media from the Michigan area.
CONTACT: Jim Lyons, Cdn Consulate Detroit, (313) 567-2340

SECTOR:	**Fisheries, Sea Products and Related Equipment**
SUB-SECTOR:	**<u>Fish, Shellfish and Other Marine</u>** **Officer: P.Egyed**

EVENT:	**Canadian Aquaculture Promotion**, 4 November 1992, New York NY
PRODUCTS:	Farmed salmon, cod, mussels, scallops, trout and any other species available on a commercial basis
SCOPE:	Solo Canadian event, featuring product display and chef de cuisine demonstration
ATTENDANCE:	Fish brokers, wholesalers, importers, foodservice operators and media from the Tri-state area of New York, New Jersey and Connecticut
CONTACT:	Richard Campanale, Cdn Consulate New York, (212) 768-2400

EVENT:	**Seafare International Southwest 93**, 10-12 February 1993, Long Beach CA
PRODUCTS:	Fish and seafood products
SCOPE:	Info booth with stand at the 2nd largest seafood show in the United States
ATTENDANCE:	550 exhibitors and 11,000 visitors - seafood wholesalers, brokers, distributors, importers, manufacturers' representatives, processors, retail and foodservice buyers
CONTACT:	Carl Light, Cdn Consulate Los Angeles, (213) 687-7432

SECTOR: Agriculture and Food Products

SUB-SECTOR: SEMI-PROCESSED AND PROCESSED FOOD & BEVERAGES

Officer: P. Egyed

U.S. Market Opportunities: The United States is by far the most important export market for Canadian agri-food products in terms of both the volume and range of products sold. In 1990, the total value of sales at both the retail and foodservice levels reached $410 billion will grow to $440 billion by the end of 1991. The US is a buyers' market with a growing demand at the retail level for nutritious, convenient, and attractively packaged products. Foodservice offers the best opportunities for Canadian manufacturers.

Particularly promising opportunities lie in high-quality convenience foods (ready-to-eat entrées, microwaveable products, finger foods, etc.), ethnic food, prepared and specialty foods, and food products that conform to the US consumer's desire for wholesome, environmentally friendly and gourmet-style eating. The combined US/Canadian market for processed, value-added food products is growing at three times the rate for raw commodities.

Canadian Capabilities: The agri-food sector is the second-largest component of the Canadian economy, representing approximately 10% of Canada's GDP. Processed food & beverage shipments accounted for a total value of $55 billion and some 232,000 jobs in 1990. Total domestic shipments were valued at $43 billion while export sales amounted to $12 billion. The United States accounted for 60% of this total. The major groupings of sectoral activity are meat and poultry, seafood & marine products, dairy products, crop-based products, further processed foods and beverages. The latter two groupings characterized by high levels of value-added manufacturing have traditionally been geared towards the domestic market.

The further processing and sale of foodstuffs in an integrated North American economic environment will be critical for the future survival of this important sector.

Strategy: - The primary concept will be to continue to introduce new, export ready companies to the market place in contiguous and nearby US regions and to enhance the efforts of medium and large scale producers through support at major, national US trade events.

- To promote greater export awareness on the part of small to medium-sized Canadian firms by organizing programmes at strategic food industry events.

SECTOR: **Agriculture and Food Products and Services**
SUB-SECTOR: **SEMI-PROCESSED AND PROCESSED FOOD & BEVERAGES**

Officer: P. Egyed
991-9483

EVENT: **Canadian Food and Beverage Show**, May 1993, Minneapolis MN
PRODUCTS: Food, beverage and seafood products
SCOPE: Solo Canadian event
ATTENDANCE: Qualified invitees only - Upper Midwest food brokers, retailers, agents for both the retail and foodservice trade

EVENT: **Canadian Wine Tasting**, May 1993, Buffalo NY
PRODUCTS: Wine and spirits
SCOPE: Solo Canadian Event
ATTENDANCE: Qualified buyers - wine and liquor retailers, foodservice operators, chefs

EVENT: **Summer International Fancy Food and Confection Show**, 26-29 July 1992, Washington DC - National Stand
PRODUCTS: Specialty food products
SCOPE: Summer version of national trade show for specialty retail food and confectionery products; 1,000 exhibits
ATTENDANCE: 15,000 visitors - dealers, distributors, retailers, wholesalers and agents for the specialty food trade.

EVENT: **Western Restaurant Convention & Expo** (California Restaurant Association Show), 15-18 August 1992, San Francisco CA - National Stand
PRODUCTS: Equipment, food products, supplies and services for the US West Coast institutional foodservice and hospitality industry
SCOPE: Annual trade show held alternately in San Francisco and Los Angeles; 1,500 exhibits
ATTENDANCE: 35,000 visitors - featuring the entire range of institutional foodservice and hospitality industry buyers (owner/operators, distributors, wholesalers, food brokers, agents, chefs)

SECTOR: **Agriculture and Food Products and Services**
SUB-SECTOR: **SEMI-PROCESSED AND PROCESSED FOOD & BEVERAGES**
Officer: P. Egyed

EVENT: **Michigan and Great Lakes Foodservice Show**, September 13-14 1992, Detroit MI - National Stand
PRODUCTS: Food and beverage products, equipment, supplies and services for the institutional foodservice and hospitality industry
SCOPE: Regional trade show held annually for the members of the Michigan Restaurant Association and other buyers in the lower Midwest and Great Lakes states; 700 exhibits
ATTENDANCE: 15,000 visitors - independent owner/operators, food brokers, distributors, agents

EVENT: **National Prepared Frozen Food Festival** - A Foodservice Trade Show, 23 September 1992, East Rutherford NJ - National Stand
PRODUCTS: Food products only - refrigerated and frozen - for the institutional foodservice trade
SCOPE: Annual trade show; 130 exhibits
ATTENDANCE: 4,100 qualified buyers from the Tri-state area foodservice trade- owner/operators of restaurants, diners, hotels, food brokers and distributors, chefs

EVENT: **Canadian Food and Beverage Show**, 1 October 1992, Buffalo NY (or Syracuse NY)
PRODUCTS: Food, beverage and seafood products
SCOPE: Solo Canadian event
ATTENDANCE: Qualified invitees only - Upstate New York food brokers, retailers, agents for both the retail and foodservice trade

EVENT: **Ohio Grocers' Association Show**, 24-25 October 1992, Columbus OH - National Stand
PRODUCTS: Food products, equipment, supplies and services for the retail grocery trade
SCOPE: Regional show held annually - 450 exhibits
ATTENDANCE: 5,000 visitors - owner/operators of independent retail grocery stores in the lower Midwest and Great Lakes states, distributors, brokers and agents

SECTOR: Agriculture and Food Products and Services
SUB-SECTOR: SEMI-PROCESSED AND PROCESSED FOOD & BEVERAGES
Officer: P. Egyed

EVENT: **Eastern Dairy Deli Show**, 21-22 October 1992, Secaucus NJ - National Stand
PRODUCTS: All food products for dairy/delicatessan trade (including cheeses, cold cuts, baked goods, beverages, condiments)
SCOPE: Annual trade show held in the Greater New York City area - 400 exhibits
ATTENDANCE: 20,000 visitors - owner/operators of independent delicatessens, supermarket buyers, food brokers, distributors and agents

EVENT: **International Hotel, Motel and Restaurant Show**, 7 to 11 November 1992 - National Stand
PRODUCTS: Food products, equipment, furniture, services for institutional foodservice and hospitality trade
SCOPE: National trade show held annually - sponsored by the American Hotel Association, the New York State Restaurant Association and the New York Hospitality Association - 1,500 exhibits
ATTENDANCE: 65,000 visitors - owner/operators of major hotel chains, independent restaurant and hospitality outlets, and institutional foodservice industry in the Tri-State area

EVENT: **Solo Food & Beverage Show and Incoming Buyers Mission**, 2 February 1993, Vancouver BC
PRODUCTS: Food, beverage and seafood products
SCOPE: Solo Canadian event
ATTENDANCE: Qualified buyers from the Pacific Northwest institutional foodservice and food retail trade

EVENT: **Solo Food and Beverage Show**, 3 February 1993, Boston MA
PRODUCTS: Food, beverage and seafood products
SCOPE: Solo Canadian event
ATTENDANCE: Qualified buyers from the New England institutional foodservice and food retail trade

EVENT: **All-Canadian Wine Championships**, 7 February 1993, Detroit MI
PRODUCTS: Wine and spirits
SCOPE: Solo Canadian event
ATTENDANCE: Qualified buyers - wine and liquor retailers, foodservice operators, chefs

SECTOR:	**Agriculture and Food Products and Services**
SUB-SECTOR:	**SEMI-PROCESSED AND PROCESSED FOOD & BEVERAGES**

Officer: P. Egyed

EVENT:	**Natural Products Expo West**, 23-25 March 1993, Anaheim CA - Info Booth with Stand
PRODUCTS:	Organic and health foods, lifestyle products for specialty retail outlets
SCOPE:	Annual trade show; 1,500 exhibits
ATTENDANCE:	12,000 qualified visitors - specialty food distributors, owner/operators of health food stores, food brokers, retail grocery buyers.

SECTOR: Defence Programs, Products and Related Equipment and Services

SUB-SECTOR: AEROSPACE AND SPACE **Officer:**

U.S. Market Opportunities: Instant reaction forces may be required in larger numbers with a corresponding increase in airlift for personnel and material. US DoD emphasis upon types and missions of aircraft could be altered in the next few years in this volatile defence market. The US commercial aircraft market remains encouraging with Boeing's estimated 55% of the western aerospace market and McDonnell Douglas' 15% share.

The majority of NASA's budget of 13.4 billion USD in FY 1991 was directed toward prime contractors, with the remainder 'set-aside' for Small Business and other protected organizations. The three largest installations, Marshall Space Flight Center, (Alabama), Johnson Space Flight Center, (Texas) and Goddard Space Flight Center (Maryland) account for more than 60 per cent of the NASA procurement funds. The prime contractors in California, Texas and Florida capture more than 80 per cent of total procurement.

Canadian Capabilities: Canada's aerospace industry is technology intensive with goals attained through 'niche market' capabilities, and is export oriented. It ranks 6th among world-wide aerospace manufacturers. Growth since 1985 has exceeded 50%, sales in 1989 were close to $8 billion of which exports comprised $5.5 billion. Sales and exports were approximately 70% commercial and 30% defence. Defence electronics companies comprise an important segment of aerospace industries. Canadian companies are pursuing advanced technologies, domestically and internationally, through R&D programs, technology commercialization programs and joint venture/technology exchange agreements. The main areas of endeavour include Automated Decision-Making Systems with Artificial Intelligence and Robotics, Advanced Systems Performance Simulation, and Materials.

Canada's small space industry achieved close to $350 million sales in 1990, of which some $153 million was in exports. Canadian share of the total NASA procurement budget is approximately one-quarter of one per cent.

Strategy:

- Widen our base of sub-contractors, and extend the government-industrial linkages.

- The current approach to the market has proven relatively successful. Aggressive perseverance by Canadian manufacturers and strategic government support has paid off. For this purpose trade missions have proven more efficient than large trade fairs and the trade development strategy in this sector will be re-oriented to increase the focus on this technique.

- Promote U.S investment and strategic alliances in the sector in order to attract high technology-based firms to Canada.

SECTOR:	**Defence Products and Related Equipment and Services**
SUB-SECTOR:	AEROSPACE AND SPACE **Officer:** 991-9481
EVENT:	**Space Week '92**, Vandenburg Air Force Base, California - July 1992;
DESCRIPTION:	First time event for Canadian space and space-related companies to attend USAF sponsored Space Week consisting of seminars, workshops, and exhibits. May include a "CANADA" portion in the schedule to highlight Canadian capabilities. Contact: Canadian Consulate General, Los Angeles, Attention Defence Programs Division, El Segundo, Cal., Tel: (310) 335-4439; Fax: (310) 335-4493.
EVENT:	**National Business Aircraft Association Show**,Dallas-Sep.1992;
DESCRIPTION:	A first-time event for a Canadian national stand and for participating Canadian commercial aircraft suppliers at one of the largest aircraft shows in the world. Contact: Canadian Consulate General, Dallas, Texas, Tel: (214) 922-9806; Fax: (214) 922-9815.
EVENT:	**Outgoing Mission of Commercial/Defence Aerospace Vendors to Primes, Dallas** - Oct 1992.
DESCRIPTION:	Selected, qualified Canadian sub-contractors in the aerospace sector to visit major US aerospace prime contractors in the Dallas, Fort Worth area. Contact: Canadian Consulate General, Dallas, Texas, Tel: (214) 922-9806; Fax:(214) 922-9815.
EVENT:	**Outgoing Mission, vendors to Primes, Minneapolis** - Oct 1992;
DESCRIPTION:	Qualified Canadian aerospace and electronics companies to meet with major US defence prime contractors in the Minneapolis territory. Contact: Canadian Consulate General, Minneapolis, Minnesota. Tel: (612) 333-4641; Fax: (612) 332-4061.

SECTOR: Defence Programs, Products and Related Equipment and Services

SUB-SECTOR: <u>DEFENCE PRODUCTS</u> **Officer:**

<u>U.S. Market Opportunities:</u> The U.S. military, as a result of the Gulf War, will place more emphasis upon precision-guided, laser-designated, smart weaponry, unmanned aerial vehicles to reduce casualties, aircraft losses, logistics transportation of massive quantities of munitions, and time on deployment. They will cancel some production runs of proven weapons and vehicles in favour of technological advantages in the near future, and become more demanding for better quality, better performance, and improved field testing of prototypes. They will refine and improve the Total Quality Management System (TQMS) to obtain more reliable sources.

<u>Canadian Capabilities:</u> Canada's defence products in the US Military market consist of major systems, sub-systems and components. There are many dual-purpose products and technologies suitable for commercial markets as well as the military. In this military market, there are unique requirements, procedures, specifications, government international arrangements, and barriers, which call for more information gathering and liaison activities than in commercial markets. The US-Canada Defence Development and Defence Production Sharing Arrangements (DD/DPSA) give Canadian companies an avenue for marketing into the US which, despite all the barriers, still consists of approximately US$20 billion per year. Total Canadian sales to US military last year were approximately one-half of one per cent of the US DoD procurement budget. The total DoD budget this year is approximately $285 billion U.S.

<u>Strategy:</u> - To carefully target U.S. military procurement activities, R&D establishments and defence prime contractors to promote and strengthen the viability of Canadian defence companies competing in the market;

- To identify, and foster, joint venture and teaming arrangements, with both U.S. prime contractors and sub-contractors;

- To support the exchange of technology, and teaming arrangements, under the provisions of the DD/DPSA;

- To work closely with appropriate Canadian associations and others to seek ways whereby Canadian companies can identify opportunities to enter the US market place and establish long-term relationships with US primes for dual-use systems and componentry.

SECTOR:	**Defence Products and Related Equipment and Services**
SUB-SECTOR:	**DEFENCE PRODUCTS** **Officer:** 991-9481

EVENT:	**Defence Seminars, Bremerton Naval Base, Seattle -** May 1992 and October 1992;
DESCRIPTION:	US Navy will be invited to attend defence seminar arranged by the Seattle Consulate to publicize Canadian companies and their defence capabilities. Contact: Canadian Consulate General, Seattle. Tel: (206) 443-1777; Fax: (206) 443-1782.

EVENT:	**Sub Contractor V Exhibition, Toronto** - June 1992.
DESCRIPTION:	The fifth event of this series will have Canadian defence and high technology subcontractors presenting their products and services to US defence prime contractors and Canadian prime contractors in a solo Canadian trade event. Contact: USA Trade and Tourism Development Division (UTO), External Affairs and International Trade Canada, Tel: (613) 991-9481; Fax: (613) 990-9119.

EVENT:	**Outgoing R&D Mission to Kirtland US Air Force Base, New Mexico** - June 1992;
DESCRIPTION:	Selected Canadian companies will be invited to participate in this mission to discuss USAF requirements in appropriate defence laboratories. Contact: Canadian Consulate General, Dallas, Tel: (214) 922-9806; Fax: (214) 922-9815.

EVENT:	**Outgoing Mission,Vendors to Primes, San Francisco-** June 1992;
DESCRIPTION:	Canadian subcontractors to visit USAF bases and US prime contractors in the San Francisco area. Contact: Canadian Consulate General, San Francisco, Tel: (415) 495-6021; Fax: (415) 541-7708.

EVENT:	**Canex Phase 1, Vendors to Primes, Philadelphia -** June 1992;
DESCRIPTION:	Outgoing mission to US Navy, Defence Logistics Agencies, and US primes in the Philadelphia territory to highlight Canadian capabilities and ascertain buying processes. Contact: Canadian Defence Production Office, Philadelphia. Tel: (215)697-1264 FAX: 697-1265.

SECTOR:	**Defence Products and Related Equipment and Services**
SUB-SECTOR:	**<u>DEFENCE PRODUCTS</u>** **Officer:**

EVENT:	**Outgoing Mission to "Canada Day"** - US Army Communication Electronics Command, Fort Monmouth, New Jersey - Jun 1992;
DESCRIPTION:	Participation by Canadian electronics and communications defence companies in a 'solo' show and discussions with US military staff of USCECOM R&D and Procurement facilities. Contact: Canadian Consulate General, New York, N.Y., Tel: (212) 768-2400; Fax: (212) 768-2440.
EVENT:	**US Air and Trade Show,Dayton International Airport**-Jun 1992;
DESCRIPTION:	The Canadian Government Defence Trade Office at Wright Patterson Air Force Base will provide an information booth at this event to publicize the Canada-US Defence Economic Arrangements and Canadian defence industry capabilities. Contact: Canadian Government Defence Trade Office, Dayton, Tel: (513) 255-4382; Fax: (513) 255-1821.
EVENT:	**Armed Forces Communications Electronics Association (AFCEA) Show**, Washington D.C. - June 1992;
DESCRIPTION:	The Canadian Embassy in Washington will support those Canadian companies exhibiting or attending this show by providing a meeting place for selected US officials and US prime contractors to meet the Canadian companies off the show premises. Contact: Canadian Embassy, Washington, Tel: (202) 682-1740; Fax: (202) 682-7726.
EVENT:	**United States Marine Corps Show**, Washington - August 1992;
DESCRIPTION:	The CanadiX0Pan Embassy in Washington will support those Canadian companies exhibiting or attending this show by providing a meeting place for selected US officials and US prime contractors to meet the Canadian companies off the show premises. Contact: Canadian Embassy, Washington. Tel (202) 682-1740; Fax: (202) 682-7726.

SECTOR: **Defence Products and Related Equipment and Services**

SUB-SECTOR: **DEFENCE PRODUCTS** Officer:

EVENT: **Technology Innovation Show (Canadian) Washington -** Sep 1992;

DESCRIPTION: The Canadian Embassy will stage a show in the Embassy to highlight technically innovative companies and products from the defence, defence-related sector to appropriate US military officials from the Pentagon, Military services headquarters, and leading Washington area prime contractors or representatives.
Contact: Canadian Embassy, Washington,
Tel: (202) 682-1740; Fax: (202) 682-7726.

EVENT: **Outgoing Defence Simulation Product Mission**, Boston-Sep 1992;

DESCRIPTION: This outgoing mission to US military officials and prime contractors in the Boston territory will consist of Canadian companies with proven capabilities in products and technologies in operational, training, and logistical simulation devices and systems.
Contact: Canadian Consulate General, Boston,
Tel: (617) 262-3760; Fax: (617) 262-3415.

EVENT: **Outgoing Electro-Optics Mission to Wright-Patterson Air Force Base -** September 1992;

DESCRIPTION: This outgoing mission will consist of Canadian companies in the electronics/optics sector with capabilities to meet USAF Military Specifications, or equivalent specifications as required. The companies will meet with the R&D and procurement officials to demonstrate their products and technology.
Contact: Canadian Government Defence Trade Office, Dayton, Tel: (513) 255-4382; Fax: (513) 255-1821.

EVENT: **Incoming Medical Equipment Mission to Ontario/Quebec companies, Philadelphia -** September 1992;

DESCRIPTION: US defence procurement officers will be conducted to selected companies specializing in the medical equipment, supplies, and techniques of interest to the US logistics system for multi-service use.
Contact: Canadian Defence Production Office, Philadelphia,
Tel: (215) 697-1264; Fax: (215) 697-1265.

SECTOR:	**Defence Products and Related Equipment and Services**
SUB-SECTOR:	**DEFENCE PRODUCTS** **Officer:**

EVENT: **Incoming Mission of US Army Officials from the Armament Munitions and Chemical Command, St. Louis** - Oct 1992;

DESCRIPTION: US Army officials will visit various Canadian defence companies in the armaments/munitions sector;
Contact: Canadian Consulate General, Chicago, Illinois, Tel: (312) 616-1860; Fax: (312) 616-1877.

EVENT: **Outgoing Mission of Canadian firms that manufacture Navy Shipbuilding Components** to Mississippi area marine prime contractors and US Navy facilities - October 1992;
Contact: Canadian Consulate General, Atlanta, Georgia, tel: (404) 577-6810; Fax: (404) 524-5046.

EVENT: **Outgoing Mission of vendors to prime contractors in Philadelphia** - October 1992;

DESCRIPTION: Highly qualified Canadian mechanical and electronics vendor/subcontractor participants, with capabilities specifically tailored to US Prime's needs.
Contact: Canadian Defence Production Office, Philadelphia,
Tel: (215) 697-1264; Fax: (215) 768-2440.

EVENT: **Outgoing Mission of Ontario and Quebec companies to Lakehurst Naval Air Station, New Jersey** - Oct 1992;
Contact: Canadian Consulate General, New York, N.Y.,
Tel: (212) 768-2400; Fax: (212) 768-2440.

EVENT: **Outgoing Mission of Aerospace Industries Association of Canada to the Aviation Supply Office/Defence General Supply Center/US Coast Guard, Philadelphia** - October 1992;
Contact: Canadian Defence Production Office, Philadelphia,
Tel: (215) 697-1264; Fax: (215) 697-1265.

SECTOR: **Defence Products and Related Equipment and Services**

SUB-SECTOR: DEFENCE PRODUCTS **Officer:**

EVENT: **AUSA (Association US Army) Show, Washington** - Oct 1992;

DESCRIPTION: Embassy to provide support for participating Canadian companies.
Contact: Canadian Embassy, Washington D.C.,
Tel: (202) 682-1740; Fax: (202) 682-7726.

EVENT: **Outgoing Mission of Canadian companies to Warner Robins Air Force Base to Atlanta, Georgia** - November 1992;

DESCRIPTION: Purpose is to identify and discuss potential opportunities as contractors to the USAF.
Contact: Canadian Consulate General, Atlanta, Georgia,
Tel: (404) 577-6810; Fax: (404) 524-5046.

EVENT: **Industry Day at Naval Avionics Center, Detroit** - Dec 1992;

DESCRIPTION: Hosted by the US Navy to bring US prime contractors together with potential US and Canadian sub-contractors.
Contact: Canadian Consulate General, Detroit, Michigan,
Tel: (313) 567-2085; Fax: (313) 567-2164.

EVENT: **Meeting of the Armed Forces Communications and Electronics Association West, El Segundo, Cal.** - January 1993;

DESCRIPTION: The Defence Programs Division of the Canadian Consulate General in Los Angeles will support this event.
Contact: Canadian Consulate General, Los Angeles - Defence Programs Division, El Segundo, Cal.,
Tel: (213) 335-4439; Fax: (213) 335-4185.

EVENT: **Outgoing Aerospace Technology Licensing Mission, St. Louis, Missouri** - Jan 1993;

DESCRIPTION: Selected Canadian companies will be invited to participate.
Contact: Canadian Consulate General, Chicago, Illinois,
Tel: (312) 616-1860; Fax: (312) 616-1877.

SECTOR:	**Defence Products and Related Equipment and Services**
SUB-SECTOR:	**<u>DEFENCE PRODUCTS</u>** **Officer:**

EVENT: **Outgoing Mission of Canadian companies to AVSCOM-CASL (US Army Aviation Systems Command - Competition Advocacy Shopping List) Symposia, St Louis, Missouri -** Feb 1993;

DESCRIPTION: "Open House" presentation by AVSCOM to suppliers on how to do business with the Command, and on what the Command's needs are in support of the US Army.
Contact: Canadian Consulate General, Chicago, Illinois,
Tel: (312) 616-1860; Fax: (312) 616-1877.

EVENT: **Incoming Mission of Ships Parts Control Center, US Coast Guard, Philadelphia, to the Canadian Maritime Industries Association -** Feb 1993;
Contact: Canadian Defence Production Office, Philadelphia,Tel:(215)6971264;Fax:(215)6971265.

EVENT: **Society for the Advancement of Materials and Process Engineering Show, El Segundo, Cal. -** Mar 1993;
Contact: Canadian Consulate General, Los Angeles, Attention Defence Programs Division, El Segundo, Cal.,
Tel: (213) 335-4439; Fax: (213) 335-4185.

EVENT: **Outgoing Mission of Canadian vendors to major prime contractors in the electronics and aerospace sectors in Utah and Colorado -** Mar 1993;
Contact: Canadian Consulate General, San Francisco, Cal.,
Tel: (415) 495-6021; Fax: (415) 541-7708.

SECTOR: Non-Defence Government Procurement

SUB-SECTOR: <u>VARIOUS</u> **Officer: D. Conrad**

<u>U.S. Market Opportunities:</u> The U.S. federal government is the largest purchaser of goods and services in the US with requirements spanning virtually every sector. Significant opportunity exists in the market for Canadian companies, fuelled by a growing acceptance of Canadian products; a gradual increase in awareness of the FTA and an excellent reputation for delivery and performance by Canadian companies.

The greatest opportunity still exists in the high technology sector, particularly information technology (IT) where US government spending will increase 13% in 1992.

<u>Canadian Capabilities:</u> Government procurement spans industrial several sectors, and Canadians are in an excellent position to compete in the US federal market. Canadians offer a wide range of unique high tech products (GIS, software, IT, aerospace). While Canadians also offer innovative and unique <u>services,</u> the lack of coverage in international government procurement agreements still stands as a major entry barrier.

<u>Strategy:</u>

- To participate in large-scale initiatives aimed at major purchasers and potential partners, such as US systems integrators, to increase export sales and the number of Canadian companies winning schedule contracts of non-defence products to US federal government civilian agencies.

- To offer education in Canada to Canadian companies by distributing procedural information on opportunities to sell to state-level governments.

- To sponsor venues to bring together US systems integrators, GIS firms and Canadians to increase the number of Canadian information technology firms selling through strategic alliances, and specifically expanding activity to the US west coast.

- To follow up on related '91 activity to increase access to opportunities within the FAA's Capital Investment Program.

SECTOR: **Sectors and Services not Elsewhere Specified**
SUB-SECTOR: **NON-DEFENCE GOVERNMENT PROCUREMENT**

Officer: D.Conrad
998-9441

EVENT: **Urban and Regional Information Systems Assoc. (URISA) Show**, Washington D.C.; July 13 - 15, 1992

PRODUCTS: Geographic Information Systems (GIS) Products and Services

SCOPE: 8,000 national buyers, users and federal government

PARTICIPANTS: Six Canadian firms

EVENT: **FedMicro '92 Show**, Washington D.C.; August 11-12, 1992

PRODUCTS: Information Technology Software and hardware

SCOPE: 50,000 federal buyers, users and systems integrators

PARTICIPANTS: Ten Canadian firms

EVENT: **TechExpo**

PRODUCTS: Information technology

SCOPE: Systems integrators

PARTICIPANTS: Canadian Embassy (info. booth)

EVENT: **Federal Computer Conference**, Washington D.C.; December 5-6, 1992

PRODUCTS: Information technology

SCOPE: 20,000 federal government buyers and users

PARTICIPANTS: Canadian Embassy (info. booth)

EVENT: **Communications Networks* (ComNet) '93**, Washington D.C.; February 2-4, 1993

PRODUCTS: Voice, data communications, network products

SCOPE: 35,000 federal buyers and users; systems integrators

PARTICIPANTS: Twelve Canadian firms

SECTOR: **Sectors and Services not Elsewhere Specified**
SUB-SECTOR: NON-DEFENCE GOVERNMENT PROCUREMENT

Officer: D.Conrad

EVENT: **Federal Office Systems Exposition (FOSE),** Washington D.C.; March 1993

PRODUCTS: Information technology

SCOPE: 75,000 federal buyers, users

PARTICIPANTS: Twelve Canadian firms

EVENT: **Trade Mission, Los Angeles, San Francisco;** September 1992

PRODUCTS: Software, cast technologies

SCOPE: Government procurement officials and prime contractors

PARTICIPANTS: Eight Canadian companies

EVENT: **Trade Mission to TechExpo, Washington D.C.;** October, 1993

PRODUCTS: Information technologies, hardware and software and services

SCOPE: Systems integrators/prime contractors

PARTICIPANTS: Six Canadian firms

EVENT: **Trade Mission to Washington D.C.**

PRODUCTS: Aerospace

SCOPE: U.S. Federal Government buyers in the Federal Aviation Admin (FAA); potential partners

PARTICIPANTS: Eight Canadian firms

SECTOR: **Sectors and Services not Elsewhere Specified**
SUB-SECTOR: **NON-DEFENCE GOVERNMENT PROCUREMENT**

Officer: D.Conrad

EVENT: **Trade Mission to U.S. General Services Administration (GSA), Itworth;** August 1992

PRODUCTS: Commercial products T.B.D.

SCOPE: GSA buyers

PARTICIPANTS: Eight Canadian firms

EVENT: **Trade Mission to U.S. General Services Administration (GSA), Itworth;** January 1993

PRODUCTS: Commercial (T.B.D.)

SCOPE: GSA buyers

PARTICIPANTS: Eight Canadian firms

SECTOR: Services Industries

SUB-SECTOR: <u>VARIOUS</u> **Officer: D. Conrad**

<u>U.S. Market Opportunities:</u> The US is the most popular single export market for Canadian service firms, largely due to physical accessibility and market similarity. However, the US is a highly competitive market and Canadians face market entry barriers. The primary growth areas are in the fields of environmental services, geographic information systems (GIS), and transportation. As well, demand for information services continues to expand, with little to indicate any change in this basic trend. There is also a tremendous market for business and consulting services, reflecting in part the continued practice of contracting out for specialized services.

<u>Canadian Capabilities:</u> Services exports is among US Bureau priority sectors for 1992/93. Canadian service exporters possess more experience than is commonly recognized, and are well qualified to face the issues and challenges of the lucrative US market. Business and professional services continue to be important exports for Canada. Services represent 20% of Canadian exports and over 70% of total Canadian employment. Strong sub-sectors include consulting engineering, environmental services, management consulting, technical services, GIS, natural resource based services, design, architectural and construction services.

<u>Strategy:</u> - To increase export sales of services to the U.S. with particular concentration on introduction of export-ready companies to the market.

- To focus on medium-sized services firms with adequate resourcing to succeed in the U.S. market

- To identify US partners and sponsor venues to promote Canadian capabilities, as a means of promoting partnering opportunities for Canadian services firms.

- To devote particular effort to increasing exports in the following sub-sectors: transportation services, geomatics, information technology services, architectural and consulting engineering services and environmental services

- To offer trade commissioner training, to improve the effectiveness of export counselling for the services sector.

SECTOR: **Sectors and Services not Elsewhere Specified**
SUB-SECTOR: **SERVICES INDUSTRIES** **Officer: D. Conrad**
998-9441

EVENT: **Consulting Engineering/Environmental Services Mission**, Washington D.C. Tent. June, 1992.

SERVICES: Environmental, Consulting engineering

SCOPE: U.S. buyers, prime contractors and partners

PARTICIPANTS: Ten Canadian Consulting Engineers

EVENT: **Incoming Buyers Mission to Toronto, Moncton**; September 1992.

SERVICES: Consulting engineering

SCOPE: U.S. buyers and partners

PARTICIPANTS: Fifty Canadian consulting engineers

EVENT: **Interior design/Architectural Mission, Atlanta**; September 1992

SERVICES: Interior design, architectural

SCOPE: Olympics, city officials, large U.S. architectural and design companies

PARTICIPANTS: Fifteen Canadian architects and interior designers

EVENT: **Trade Mission to Atlanta**; November 1992

SERVICES: Environmental services

SCOPE: Local buyers and potential partners

PARTICIPANTS: Ten Canadian firms

EVENT: **Trade Mission to San Francisco/Los Angeles**; October 1992

SERVICES: Information Technology Services

SCOPE: State and local buyers, reps and agents

PARTICIPANTS: Twelve Canadian firms

SECTOR: **Sectors and Services not Elsewhere Specified**
SUB-SECTOR: <u>SERVICES INDUSTRIES</u> Officer: D. Conrad

EVENT: **Partnering Trade Mission**

SERVICES: Geomatics, Boston; January 1993

SCOPE: Local buyers, potential partners, local distributors

PARTICIPANTS: Six Canadian firms

EVENT: **Trade Mission, Seattle**; October 1992

SCOPE: State and local buyers, potential partners

PARTICIPANTS: Ten Canadian firms

EVENT: **Trade Mission to El Paso**; March 1993

SERVICES: Transportation

SCOPE: Major carriers, state, local buyers

PARTICIPANTS: Six Canadian firms

EVENT: **Trade Mission, Atlanta**; October 1992

SERVICES: Defence software/environmental

SCOPE: Potential partners, local buyers

PARTICIPANTS: Eight Canadian firms

EVENTS: **Interairport Mission, Atlanta**

SERVICES: Transportation

SCOPE: Local carriers, potential partners

PARTICIPANTS: Ten Canadian firms

SECTOR: SECTORS AND SERVICES NOT ELSEWHERE SPECIFIED

SUB-SECTOR: **Puerto Rico Market** **Officer: P. Desbiens**

U.S. Market Opportunities: Puerto Rico is the easternmost island of the Greater Antilles and a U.S. protectorate. San Juan has a population of 1.5 million and the island's total population is 3.3 million. Puerto Rico's strategic location in the Caribbean makes it one of the most important distribution centres in the region. The island imported $14 billion worth of goods in 1988 and much of which is re-exported to neighbouring islands.

Canadian Capabilities: Canadian direct exports to Puerto Rico were $192 million in 1989 and it is estimated additional exports were achieved through U.S. distributors. Leading exports were newsprint, lumber, salt cod and potatoes. Kent Lines from St. John, N.B. ensures direct shipping service to the island every two weeks.

Strategy: - To build on the success achieved in the Puerto Rican and regional market by developing a unique trade development strategy for the island emphasizing consumer products. Generally, the vehicle will be the participation in high profile trade development activities. Because of the distinctive nature of the market the US Bureau will continue to cooperate extensively with the Latin America Bureau to capitalize on the regional dynamic of the market.

SECTOR: INVESTMENT DEVELOPMENT PROGRAM

SUB-SECTOR: VARIOUS **Off: L. Gaëtan, R. Beauchesne**

U.S. Market Potential: With a total of 20 million businesses in the U.S, the United States offers the largest pool of companies potentially interested in investing in Canada. For the last five years, more than 60% of the firms that invested in Canada were of U.S origin. These investments range from merger and acquisition of small manufacturing firms to joint ventures to greenfield investments as well as portfolio investment.

The US industry with 75% of the FORTUNE 1000 companies and more than 1.5 million small and medium enterprises ($500,000 - $100 million annual sales) regards investment as a growth mechanism. This is particularly true of small to medium-sized high-tech companies that investigate options in Canada in order to take advantage of business opportunities and investment incentives including R&D credits. Large companies are currently rationalizing their operations and seek acquisitions as a way to expand market penetration.

Canadian Capabilities: Due to similarities that exist both in terms of market and demography, Canada has long been the preferred location for US investment abroad. The FTA has made Canada a more attractive place to invest because of the removal of many trade barriers. Canadian capabilities in high-tech sectors such as telecommunication, software, and environmental technologies have worldwide recognition. Canadian firms, backed by government policies encouraging investment, are eager to expand into the global market. This offers excellent opportunities for strategic alliances between small and medium sized enterprises as a way to complement their technical knowledge and competence while diminishing the risk. With a qualified workforce, renowned research facilities, advantageous financing and credits, Canada has much to offer to companies looking at strategic partnerships in Canada.

Strategy:

To identify and priorize at each post the industrial sectors which offer the best matching opportunities for Canadian industry.

- In cooperation with ISTC, Investment Canada and others, to plan and develop a focused pro-active program including a range of investment development initiatives directed at specific industrial sectors/firms in the post territory which offer the best potential for investment into Canada.
- Positively influence high-level US corporate contacts through a focused Corporate liaison program involving head of posts and senior US executives.

SECTOR: <u>TOURISM DEVELOPMENT PROGRAM</u>   Officer: G. Tassé

<u>US and Overseas Market Opportunities</u>: The U.S. tourism market remains by far Canada's largest but forecasts indicate only a moderate growth rate of approximately 1.4% per year for the next four years. Meanwhile, overseas markets have been growing at a 8% annually. Forecasts suggest steady growth in overseas visitors from 3 million (1990) to possibly 3.5 million yearly by 1994. The four preeminent international markets for Canada are the United Kingdom, France, Germany and Japan.

<u>Tourism Worldwide</u>: Internationally, it is predicted that tourism may well be the world's number one industry by the year 2000. However the industry will operate in an environment of intense and increasing international competition. Because tourism is now estimated to be growing at an annual rate of 3.6% worldwide, a lower rate than the 8.4% previously anticipated, it may be difficult for the Canadian industry to maintain its position in this marketplace without changes in products and marketing techniques to match modifications in demographics and travel patterns emerging in world markets.

<u>Canadian Capability</u>: The Canadian tourism industry generates sales of nearly $26 billion, accounts for 4% of the Canadian GDP, ranks fourth in foreign exchange earnings and produces some $11.7 billion in taxes for all levels of government, of which $6.0 billion accrues to the federal government. Tourism creates jobs across Canada including regions of economic disparity and often spurs economic development in smaller communities.

<u>STRATEGY</u>: To increase visitor expenditures by raising the travel trade's awareness of Canada as a component of its offerings to consumers, focusing on high yield and by:

- coordinating and leading international tourism marketing efforts under the policy guidance of Tourism Canada;
- concentrating program activities on new product/market development, pertaining to three distinct tourism experiences offered by Canada: Touring, Cities and the Outdoors;
- promoting the development of new, enhanced package tours/travel year round with emphasis on shoulder seasons;
- identifying high level media and promising trade representatives and buyers for VCP (Media and Trade), Rendez-Vous Canada and provincial government marketplaces;
- targetting calls and post promotions towards elements of the trade catering to high yield travellers, particularly the double income, seniors and entire MC&IT/business travel segments;
- increasing the level of intelligence gathering with travel influencers and disseminating actionable commercial leads to the clientele and strategic data to Tourism Canada;
- contributing to the achievement of strategic alliances under guidance of Tourism Canada;
- promoting the creation of increased trading partnerships between US buyers and Canadian seller;