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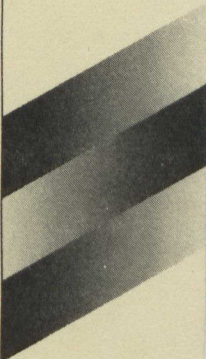
GLOBAL MARKET OPPORTUNITIES REVIEW

FOR

GARAGE, SERVICE CENTRE AND BODYSHOP

EQUIPMENT

Prepared By:
Sectoral Liaison Secretariat (TOS)
August 1993



Canada

Bibliography

Introduction

Reports by Canadian Posts

International Strategies Inc. publications

Automotive News Market Data Books

Statistics Canada publications

US Department of Commerce-National Trade Data Bank

Financial Times



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- Automotive News Market Data Books
- Statistics Canada publications
- US Department of Commerce-National Trade Data Bank
- Financial Times

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MARKET OPPORTUNITIES BY COUNTRY

Introduction

This fall we will publish the second edition of our Directory of Canadian Exporters of Garage, Service Centre And Body Shop Equipment and shortly afterwards our first Global Market Opportunities Review. The latter will contain reviews of all countries in which our Posts will have identified Market Opportunities for the products listed in our new Directory.

In order for you to be able to take advantage of the Market Opportunities known to us to-day we have put together this **INTERIM** Global Market Opportunities Review. We hope it will help you penetrate into these markets.

Mexico

The Netherlands

Romania

Saudi Arabia

Spain

Switzerland

Taiwan

United Kingdom

MARKET OPPORTUNITIES BY PRODUCT

MARKET OPPORTUNITIES BY COUNTRY

Product	Country
Air conditioner cool recycling machines	Belgium Taiwan
Alignment, eqpt	Colombia Guatemala Saudi Arabia
Alternator testers	Egypt Germany
Analyzers, dynamic power	Germany
Analyzers, gas	Guatemala Mexico
Analyzers, ignition	Japan Mexico
Axle measuring star	Mexico Germany
Axle play detectors	The Netherlands Germany
Balancing eqpt	Romania Saudi Arabia
Body repair eqpt	Mexico
Bodyshop eqpt	Saudi Arabia Belgium Taiwan
Body-straightening eqpt	Spain Switzerland Egypt Germany Switzerland
Brake fluid testers	Taiwan Germany
Brake testers	United Kingdom Colombia Germany Mexico Romania Spain
Brake test benches	Germany

MARKET OPPORTUNITIES BY COUNTRY

- Belgium
- Colombia
- Egypt
- Germany
- Guatemala
- Japan
- Mexico
- The Netherlands
- Romania
- Saudi Arabia
- Spain
- Switzerland
- Taiwan
- United Kingdom

MARKET OPPORTUNITIES BY PRODUCT

Product	Country
Air conditioner coolant recycling machines	Taiwan Mexico
Alignment, eqpt	Guatemala Saudi Arabia
Alternator testers	Germany
Analyzers, dynamic power	Germany
Analyzers, gas	Switzerland Mexico
Analyzers, ignition	Colombia Mexico
Axle measuring stands	Saudi Arabia Germany
Axle play detectors	Germany United Kingdom
Balancing eqpt	Saudi Arabia Belgium
Body repair eqpt	Mexico Egypt
Bodyshop eqpt	Belgium Taiwan
Body straightening eqpt	Egypt Germany Switzerland
Brake fluid testers	Germany
Brake testers	Colombia Germany Mexico Romania Spain
Brake test benches	Germany

Brake test benches for four-wheel drives	Germany
Car washing eqpt	Germany
Cleaning eqpt, high pressure	Germany
Compressors	Egypt Mexico
Computerized testers, hand held	Germany
Diagnosis stations	Germany
Diagnostic centers, computerized	Germany Switzerland
Diagnostic engine analyzers	Colombia
Diagnostic eqpt, electrical	Saudi Arabia
Diesel engine testers	Germany
Engine analytical eqpt	United Kingdom
Engine control eqpt	Belgium
Engine diagnostic eqpt	Egypt Spain Taiwan
Engine tuning eqpt	Belgium
Engine testers	Germany Romania
Exhaust fumes removing equipment	Germany
Exhaust gas analyzers	Germany
Exhaust gas analyzers, infra red	Germany
Exhaust testers, micro-electronic	Netherlands

Filter systems for paint spraying

Netherlands

Frame straighteners

Japan

Fuel injection system analyzers

Mexico

Fuel injection system pressure testers

Germany

Fuel pump testers

Germany

Gas analyzers

Colombia
Mexico

Headlight adjustment systems

Spain

Hoists

Egypt
Mexico

Hoisting eqpt, vehicle

Guatemala
United Kingdom

Ignition analyzers

Mexico

Ignition testing units

Spain

Jacks

Mexico
Switzerland

Lifting equipment

Belgium
United Kingdom

Lifts

Egypt
Switzerland

Lifts, car, space saving

Switzerland

Lubricating eqpt

Switzerland

Maintenance eqpt, all kinds, computerized

Netherlands

Measuring eqpt, electronic

Belgium

Measuring eqpt, all kinds

Egypt
Guatemala
Mexico

Noise test equipment	Romania
Oscilloscopes	Mexico
Paint booths	Egypt
Paint spray filter systems	Netherlands
Parts washers	Mexico
Power tools	Egypt
Pressure testers	Romania
Shock absorber testers, electronic	Germany
Steering testers	Romania
Straightening eqpt	Saudi Arabia
Stretching eqpt	Saudi Arabia
Suction systems for garages and body shops(exhaust gas,paint spray)	Switzerland Germany
Suspension testers	Romania
Synchronizers	Colombia
Testbenches	Spain
Testing eqpt, all kinds	Egypt Guatemala Mexico Saudi Arabia
Testing eqpt,infrared	Netherlands
Timing eqpt, electronic	Egypt
Tools, hand	Egypt Saudi Arabia
Tools, hand, pneumatic	Taiwan Mexico

Tools, hand, special

Tools, hydraulic

Tools, power

Tools, service, mechanics

Tire balancing eqpt

Tire changers

Tire mounting eqpt

Tire service related eqpt

Jacks

Tracing equipment, electronic

Trailer lighting system testers

Vapor recovery systems

Voltage regulator testers

Waste oil storage and transportation items Netherlands

Wheel alignment analyzers

Wheel alignment analysis computers

Wheel alignment eqpt

United Kingdom

Egypt

Belgium

Mexico

Egypt

Germany

Germany

United Kingdom

Colombia

Guatemala

Japan

Colombia

Guatemala

Switzerland

Germany

Mexico

Saudi Arabia

Belgium

Germany

Switzerland

Germany

Switzerland

Germany

Germany

Colombia

Egypt

Saudi Arabia

Taiwan

Mexico

Wheel alignment testers		Japan
Wheel balancing eqpt	Belgium	United Kingdom
Washing eqpt, car		Egypt Germany Switzerland
Washing eqpt, car, self-service		Switzerland
Washing eqpt, vehicle		Mexico
Washers, parts		Mexico
Wheel balancers		Japan Switzerland

On December 31, 1991 Belgium had a population of 4.7 million, of which 3,928,906 were passenger cars. In 1991 452,360 new cars were sold and 49,412 new trucks.

Some 1.6% of the total Belgian household budget is spent on the purchase and maintenance of cars. Belgians have a relatively long average lifespan of 4.8 years.

The average car mileage does not exceed 10 to 12 thousand km per year. Most Belgians buy cars after 50 to 60 thousand km.

Annual inspection of all automotive vehicles in Belgium is a factor that very positively affects the demand for automotive service equipment. The high accident rate in Belgium.

In 1990 the total investment in automotive service equipment was estimated to be US \$ 81.5 million. The import market was shared by the USA 14%, Germany 23%, UK 18% and France 10%.

Belgian auto repair businesses try to maintain older cars but avoid expensive labour costs by investing in labour saving, state of the art equipment.

Potential end users are:

-garages	10,000
-service stations	1,500
-importers, distributors, retailers of tools, workshop equipment	1,500
-body repair shops	1,600
-tire specialists	500
-carwashes	400
-specialized shops (brakes, shock absorbers)	200
-engine rebuilders	80
-supermarket sales and service outlets	50

Auto repair and maintenance services are mainly provided by authorized car dealers followed by independent garages and service stations.

There are a few domestic manufacturers in Belgium and most of them manufacture handtools. Consequently the market for maintenance and repair equipment is largely an import market.

Belgium

Market Environment

On December 31, 1991 Belgium had a population of 4.7 million vehicles of which 3,928,906 were passenger cars. In 1991 452,360 new cars were sold and 49,412 new trucks.

Some 11.6% of the total Belgian household budget is spent on the purchase and maintenance of a private vehicle. Cars in Belgium have a relatively short average lifespan of 4.8 years. The average car mileage does not exceed 10 to 12 thousand km per year. Most Belgians replace their cars after 50 to 60 thousand km.

The compulsory annual inspection of all automotive vehicles in Belgium is a factor that very positively affects the demand for automotive service equipment. So does the high accident rate in Belgium.

In 1990 the total investment in automotive service equipment was estimated to be US \$ 81.5 million. The import market was shared by the USA 14%, Germany 23%, UK 18% and France 10%.

Belgian auto repair businesses try to maintain older cars but avoid expensive labour costs by investing in labour saving, state of the art equipment.

Potential end users are:

-garages	10,000
-service stations	1,500
-importers, distributors, retailers of tools, workshop equipment	1,678
-body repair shops	1,624
-tire specialists	568
-carwashes	495
-specialized shops (brakes, shock absorbers)	277
-engine rebuilders	85
-supermarket sales and service outlets	60

Auto repair and maintenance services are mainly provided by authorized car dealers followed by independent garages and service stations.

There are a few domestic manufacturers in Belgium and most of them manufacture handtools. Consequently the market for maintenance and repair equipment is largely an import market.

Export Marketing Opportunities

Sales potential exists for bodyshop equipment, special hand tools, electronic measuring and tracing equipment, lifting equipment, electronic engine control and tuning equipment.

Marketing Media:

Exhibition: Autotechnica, bi-annual event in Brussels. Next exhibition will take place in 1995. Contact: COMAUBEL, Woluwedal 46, B-1200 Brussels, Belgium, tel 32-2-771-00-80, fax 32-2-771-16-55.

Association: COMAUBEL, Woluwe 46, B-1200 Brussels, Belgium, tel 32-2-771-00-80, fax 32-2-771-16-55.

Publication: Autotechnica, monthly review published by COMAUBEL.

Canadian Embassy, 2, avenue de Tervuren, 1040 Brussels, Belgium, tel 011-32-2-735-60-40, fax 011-32-2-735-3383.

Colombia

Market Environment

The trade liberalization policy adopted by the Colombian authorities brought about a significant increase in the market of motor vehicles in Colombia. 70,800 new motor vehicles were sold in Colombia in 1992 of which 74% were locally assembled and the remainder were imported. The total number of vehicles in operation in Colombia at the present time stands at 1.6 million of which 52% corresponds to automobiles, 31% to jeeps and vans, 14% to trucks and buses and 5% to others.

The average life of a vehicle in Colombia runs between 12 and 15 years.

The Chambers of Commerce estimate that there are approximately 30,000 maintenance and repair workshops being operated in Colombia.

Local manufacturers of automotive maintenance equipment have been concentrating on the manufacturing and assembling of hydraulic and pneumatic jacks, tire mounting, rim rectifiers, brake adjustment equipment, paint chambers, ramps, compressors and a wide range of tools. In 1991 the value of the local production was US \$ 6 million.

The value of the automotive maintenance equipment imported into Colombia in 1992 amounted to US \$ 23.4 million. The three leading supplier countries were: United States 44%, Germany 16% and Brazil 12%. Imports are expected to increase by 15% per year in the 1994-1995 period.

In 1992 Colombia exported automotive maintenance equipment to the value of US \$ 1.1 million.

Export Market Opportunities

Excellent sales prospects exist in Colombia for: Gas analyzers, tire mounting and balancing equipment, wheel alignment equipment, diagnostic engine analyzers, synchronizers and brake testers. These opportunities have been emphasized by the fast growing automotive population and the removal of import barriers including lowering of customs duties and tariffs.

Interested Canadian exporters should offer competitive prices, technologically advanced and high quality products; support the importer with promotional materials; take part in national exhibitions; professionally train local representatives and provide efficient parts service.

Marketing Media

Publications: Revista Asopartes: Published by Kreisson Editores, Carrera 13 No. 35-43,

Oficina 802, Santafe de Bogota, Colombia, tel 571-232-7475, fax 288-1206. Specialized magazine for the automotive sector.

Revista Motor: Bi-monthly magazine, edited and published by El Tiempo, Avenida Eldorado No. 59-70, Santafe de Bogota, Colombia, tel 571-295-9555, fax 295-9031.

Exhibition:Expopartes, an annual international exhibition specialized in automotive maintenance equipment organized by Asopartes, the Colombian association of importers, retailers and distributors of automotive parts and accessories. The next show will take place in June, 1994. Further info may be obtained from Stella Gomez of Asopartes.

Association: Asopartes-Asociacion de Comerciantes de Autopartes, Calle 28 No. 16-22, Piso 4, Santafe de Bogota, Colombia. Tel 287-2973, 288-3367, 285-3796, fax 287-1629. Contact: Gustavo Toro, Executive President.

Canadian Embassy, P.O.Box 53531, Santafe de Bogota 2, Republic of Colombia, tel 011-57-1-217-5555, fax 011-57-1-310-4509.

Export Market Opportunities

Excellent sales prospects exist in Colombia for Gas analyzers, tire mounting and balancing equipment, wheel alignment equipment, diagnostic engine analyzers, synchronizers and brake testers. These opportunities have been emphasized by the fast growing automotive population and the removal of import barriers including lowering of customs duties and tariffs.

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Marketing Media

Publications: Revista Asopartes: Published by Kreisson Editores, Carrera 13 No. 35-45.

Egypt

Market Environment

Automotive vehicle registration in Egypt stood at 3.5 million units in 1992. In 1991 10,500 new cars were sold in Egypt and 12,924 new trucks.

The demand for motor vehicles by the rapidly expanding and increasingly affluent Egyptian population far exceeds the country's production capability. Nearly 75% of Egypt's automotive requirements are imported.

Egypt's import market of repair and maintenance equipment in 1992 was valued at US \$ 108 million, local production at US \$ 12 million and the total market at US \$ 120 million. The import market was shared by the USA 25%, Germany 30%, Italy 30% and Taiwan 15%.

Equipment used in the maintenance facilities of the different makes is mostly provided by the vehicle assemblers i.e. Mercedes, Peugeot, Volkswagen, etc.. The independent garages buy the equipment of their choice.

The oil companies such as Mobile, Caltex and Esso have garages in 70 per cent of their gas stations. They are all using diagnostic equipment.

Export Marketing Opportunities

Good opportunities exist in the following lines: paint booths, hoists/lifts, wheel alignment equipment, electronic timing equipment, engine diagnostic equipment, body straightening equipment, compressors, measuring and testing equipment, washing equipment, power and hand tools.

Marketing Media

Exhibition: The Cairo International Fair is held annually in February or March.

Canadian Embassy, P.O.Box 2646, Cairo, Arab Republic of Egypt.
tel 011-20-2-354-3110, fax 011-20-2-356-3548.

All electrical and electronic equipment must comply with VDE regulations which are published by Verband Deutscher Elektrotechniker (VDE) e.V. (Association of German Electrical Engineers), Stresemannallee 15, W-6000 Frankfurt/Main 70, tel 011-49-69-631-7000, fax 011-49-69-631-2925.

Germany

Market Environment

In 1993 36 million cars and minivans, 3 million trucks and 150,000 buses were registered in Germany. In 1991 4,187,200 new cars were sold in Germany and 525,587 new trucks.

The German automotive industry has incorporated highly developed on-board electronic computer systems. The demand for diagnostic equipment to locate and register faults in those automotive electronic systems has kept comparable pace. The industry now offers everything from hand-held diagnostic equipment to banks of computers and software for connection directly to the vehicle systems.

The demand for automotive diagnostic equipment is expected to increase because of the following factors:

- new marketing opportunities in former east Germany
- the increasing complexity of high-tech electronics used in vehicles sold in Germany
- the new annual emission test law.

It is claimed that the unification will continue to increase demand for diagnostic equipment in Germany by 15% per year until 1995. German manufacturers alone will not be able to meet the demand for automotive diagnostic equipment which will open the door to foreign manufacturers even wider.

The battle for a share of the diagnostic market is at the present time being fought by some 20 manufacturers.

Of the approximately 52,000 garages in Germany some 7,000 are located in former east Germany. Half of the garages are owned by the vehicle makers who supply the operators with their own diagnostic equipment. The remaining ones buy their equipment direct from the manufacturer of their choice.

German manufacturers as well as foreign manufacturers that have their own subsidiaries in Germany, use their own distribution networks. Manufacturers that do not have a manufacturing base in Germany normally sell through importers or agents. Excellent after-sale service and technical support are required in order to be successful in the sophisticated German market.

All electrical and electronic equipment must comply with VDF regulations which are published by Verband Deutscher Elektrotechniker (VDE) e.V. (Association of German Electrical Engineers), Stresemannallee 15, W-6000 Frankfurt/Main 70, tel 011-49-69-63080, fax 011-49-69-631-2925.

Export Marketing Opportunities

Export opportunities exist for wheel alignment analysis computers, wheel alignment analyzers, axle measuring stands, axle-play detectors, brake testers, brake test benches, brake test benches for four-wheel drives, brake fluid testers, computerized diagnostic centers, engine testers, fuel injection system pressure testers, trailer lighting system testers, hand held computer testers, fuel pump testers, diagnosis stations, diesel engine testers, alternator testers, diesel injection pump test benches, dynamic power analyzers, voltage regulator testers, electronic shock absorber testers, infra red exhaust gas analyzers, exhaust gas analyzers, service tools for mechanics, power driven hand tools, dynamic power analyzers, equipment for removing exhaust fumes, high pressure cleaning equipment, body straightening equipment, tire service related equipment, car washing equipment.

Marketing Media

Publication: MTZ Motortechnische Zeitschrift and ATZ Automobiltechnische Zeitschrift, Frankh'sche Verlagshandlung W. Keller & Co., Postfach 640, Pfizer Strasse 5-7, W-7000 Stuttgart 1, tel 011-49-711-21910, fax 011-49-711-2191360.

Exhibition: AUTOMECHANIKA, show is bi-annually held in Frankfurt. Next show will take place in September 1994. Organizer: Messe Frankfurt-Messe und Ausstellungen GmbH, Ludwig-Erhard Anlage 1, W-6000 Frankfurt/Main 97, tel 011-49-69-7575 extension 6802, fax 011-49-69-75756433.

Associations: Verband Der Automobilindustrie E.V. (VDA) (German Automobile Association), Westendstrasse 81, W-6000 Frankfurt am Main, tel 011-49-069-75701, fax 011-49-069-7570261.

Bundesverband Der Hersteller Und Importeure Von Automobil-Service-Ausruestungen E.V. (ASA) (Manufacturing and Importers Association For Workshop Equipment), Prevorster Strasse 23, W-7000 Stuttgart 40, tel 011-49-711-25880, fax 011-49-711-2588104.

Canadian Consulate General, Tal 29, D-8000 Munich 2, tel 011-49-89-22-26-61, fax 011-49-89-228-5987.

Guatemala

Market Environment

The car and truck population in Guatemala in 1993 is estimated at 120,000 units. The latest available statistics show combined imports for cars and trucks of 3,140 units in 1990, 4,655 units in 1991, and 5,092 units in 1992. These figures clearly show a growing trend of approximately 10% per year between 1991 and 1992. It is expected that this trend will continue.

Imports of spare parts and automotive maintenance and repair equipment amounted to US \$20,512,481 in 1991 and US \$24,479,640 in 1992. The larger share of the market is held by US suppliers with 45% followed by Japan with 30%, Germany 5%, Brasil 5% and a score of other suppliers including China, Sweden, Spain, Korea and Switzerland. Guatemala continues to have the largest population of vehicles in Central America and it is the largest importer of parts and automotive service equipment in Central America.

Export Market Opportunities

Good opportunities exist for electronic testing and measuring maintenance and repair equipment as well as for tire balancing, mounting, front end alignment and vehicle hoisting equipment.

Marketing Media

Exhibition: INTERFER, bi-annual international fair for auto parts and service equipment. Organizers: Comit e Permanente de Exposiciones-COPEREX-8a. calle 2-33, Zona 9, Guatemala, C.A., tel 502-2-310388/9, fax 502-2-364053. President: Ernesto Rodriguez Batres.

Exhibition: AUTO SHOW, annual international exhibition for new model cars, parts, accessories and equipment. Organizers: Asociacion de Gerentes de Guatemala, 10a calle 3-17, Zona 10, Edificio Aseguradora General, 70 Nivel. Tel 502 -2-341231, fax 502-2-311646. Contact Vinicio Gutierrez.

Canadian Embassy, P.O. Box 400, Guatemala City, Guatemala, C.A., tel 502-2-336102/04/07, fax 502-2-336189.

Japan

Market Environment

In 1989 Japan was second only to the United States in terms of car population. The total number of vehicles owned topped 61 million including 38,963,000 cars, 21,131,000 trucks, 248,000 buses, 1,314,000 special purpose vehicles as of December 1992. In 1990 5,102,659 new passenger car sales were recorded in Japan but in 1991 sales dropped to 4,868,233 or 95.4% of 1990 and in 1992 sales dropped further i.e. to 4,454,012 units or 91.5% of the 1991 sales.

The growing complexity of vehicle systems and Japan's strict regulations governing periodical inspections and maintenance have increased the demand for imported automotive service equipment particularly for tire changers, wheel balancers and frame straighteners.

The value of imported automotive service equipment increased from Y 4.7 billion in 1983 to Y 10.4 billion in 1989.

Japan has a strict vehicle inspection system which includes two legal inspections for every vehicle on the road. The regular inspection which is done to maintain vehicle safety is made every six months for passenger cars and trucks. Commercial passenger cars and buses require a monthly inspection. The purpose of the shaken inspection is to extend the vehicle's road worthiness. Passenger cars are considered to be road worthy for two years and commercial vehicles for one year after the shaken inspection.

The regular inspections are done at commercial garages and represent a major source of income for them. The shaken inspection is conducted at garages operated by the Ministry of Transportation or by government approved inspection garages.

The Japanese automotive service equipment industry consisting of approximately 100 manufacturers is relatively small. The value of Japan-made automotive service equipment amounted to Y 94.5 million in 1983 and to Y 122.5 million in 1989.

Export Marketing Opportunities

Export opportunities exist for frame straighteners, tire changers, wheel balancers and wheel alignment testers. Small garages tend to buy equipment through a purchasing co-operative run by a local association of garage service companies while larger garages prefer to buy from major distributors.

Marketing Media

Exhibition: Auto Service Show, held in Tokyo every two years, next one in 1995. The show is sponsored by the Japan Automotive Service Equipment Association. The four day '93 Auto Service Show received 71,296 visitors. Of the 176 exhibitors 11 were overseas companies.

Association: Japan Automotive Service Equipment Association (JASEA), 7-23-5 Shinjuku, Shinjuku-ku, Tokyo, tel 03-3203-5131.

Canadian Embassy, 7-3-38 Akasaka, Minato-ku, Tokyo 107, Japan. tel 011-81-3-3408-2101, fax 011-81-3-3470-7280/3479-5320.

Canadian Embassy, 7-3-38 Akasaka, Minato-Ku, Tokyo 107, tel 011-81-3-3408-2101, fax 011-81-3-3470-7280.

Mexico

Market Environment

In 1992 445,303 new passenger vehicles were sold in Mexico plus 251,010 trucks. Some 12 million vehicles are presently in circulation in Mexico.

The value of the total 1990 auto repair and maintenance equipment market in Mexico reached US \$ 41.1 million. The import market was worth US \$ 32.9 million, local production US \$ 11.3 million and exports US \$ 3.0. The import market was shared by the US 77%, Germany 5.6%, Japan 2.5%, China 1.8% and Italy 0.7%. The Mexican equipment market is expected to grow 8% per annum and equipment imports 10% per year. The growth is mainly the result of Mexico's trade liberalization policies. In 1995 68% of all garage equipment is expected to be imported.

Mexico is highly dependent on imports of auto maintenance equipment since domestic production is limited to the simpler, technologically less sophisticated equipment such as jacks, hand tools and smoke analyzers. Repair shops prefer imported equipment and tools because of their quality and reliability. The domestic production is expected to continue to supply approximately 20% of the total market only.

The average lifespan of a car in Mexico is normally 8 to 10 years.

The Mexican Government included in the 1990-1994 Industrial Modernization and Development Program the fostering of micro, small and medium-sized enterprises. The importance of supporting the micro and small enterprises involved in the automotive industry which encompasses auto repair shops was being recognized. Since the micro enterprise employs up to 15 people and reports annual sales up to US \$ 160,000 and the small enterprise employs up to 100 people and reports annual sales of US \$ 1.6 million some 90% of the auto repair and service shops belong to the classification of micro and small enterprises.

Micro and small sized enterprises are now allowed to obtain long term credit. An opportunity was thus created for repair shops to acquire new technology equipment.

The principal automotive equipment buyers in Mexico are the auto repair and maintenance shops. In Mexico there are approximately 50,000 such shops ranging from large, fully integrated ones to very small operations offering only one particular service.

Traditionally vehicle dealerships and large, independent repair shops have been and will continue to be the most important buyers of equipment. Small and medium sized firms have not been an important buying group in the past but because of the new financial policies this

will gradually change. Prime buyers are also the in-house shops of fleet operators.

Export Marketing Opportunities

With regard to auto repair and maintenance equipment the following products have a good sales potential in Mexico: fuel injection system analyzers, parts washers, brake testers, oscilloscopes, various types of computerized testing and measuring equipment, body repair equipment, vehicle washing equipment, wheel alignment and balancing systems, jacks and hoists, tire service related equipment, compressors, pneumatic and hydraulic tools, gas analyzers and ignition analyzers.

Marketing Media

Association: Federacion Nacional De Talleres Automotrices, National Auto Repair Shops Federation, Gomez Farias 955, Col. Centro, 91700 Veracruz, Ver, tel 29-31-50-04, fax 29-32-83-60.

Contact: Sr. Alejandro Sanchea V. Presidente.

Asociacion Nacional De Importadores Y Exportadores De La Republica Mexicana (ANIERM), Monterrey No. 130, Col. Roma, 06700 Mexico, D.F., tel 011-52-5-584-9522, fax 011-52-5-584-5317. Contact; Sr. Nicholas Mejia, Jefe del Departamento de Comercio Y Servicios.

Publications: NOTICIAS ATA, Lic. Maria del Carmen Andonaequi, Director, Editorial Andonaequi, S. de R.L., Socrates No. 104-2, Col. Polanco, 11510 Mexico, D.F., tel 011-52-5-395-4484, 395-4930, fax 011-52-5-395-4746. Circulation 15,000. Readers are repair and service shop owners or managers, autoparts manufacturers and distributors, new and used vehicle dealers.

MECANICA EN MOVIMIENTO, monthly, Sr. Bernaba Villar, Director, Av. Oaxaca No. 23, 2do Piso, Col. Roma, 06700 Mexico, D.F., tel 011-52-5-514-9127. Published by the Asociacion de Talleres Automotrices (ATA-Auto Repair Shops Association). This magazine specializes in automotive maintenance procedures.

Canadian Embassy, Apartado Postal 105-05, 11580 Mexico, tel 011-525-724-7900, fax 011-525-724-7982.

The Netherlands

Market Environment

492,130 New passenger cars were sold in Holland in 1992 plus 87,149 commercial vehicles. 5.7 Million passenger cars and 646,000 commercial vehicles are presently registered in the Netherlands.

In 1991 there were approximately 9,100 officially registered garages in Holland.

Automotive maintenance revenue in 1992 rose to US \$ 5 billion.

The 1992 value of the automotive tools market in the Netherlands was US \$ 187 million and for garage equipment US \$ 117 million.

The Dutch are increasingly using more complex and more sophisticated workshop products.

The Netherlands automotive parts and equipment sector is dominated by imports which account for 85 per cent of the total market.

The bulk of automotive product sales in the Netherlands are handled by 200 importers and 220 wholesalers through 200 outlets. The 20 largest importers control about 70% of the automotive product turnover at the wholesale level.

The market is strong and growing but competition is fierce in certain areas. For instance 22 garage lift manufacturers are already represented in this small country.

The 1991 garage equipment sales in millions of US \$ were estimated at:

Garage lifts	10.0
Wheel balancing equipment	3.9
Tire equipment	1.5
Oil and grease equipment	1.5
Alignment equipment	1.2
Brake test equipment	8.5
Motor testers	10.0
Exhaust emission analyzers	5.2
Compression test equipment	3.3
Exhaust extractors	2.1
High pressure cleaners	1.5
Garage software	1.5
Straightening equipment	3.0
Body repair equipment	1.2
Car wash streets	5.5
Paint spray equipment	1.5

Truck garage equipment	24.3
Filling station equipment	9.0
Government procurements	12.0
Others	7.3.

Export Market Opportunities

Quick service, efficiency and the environment being the key themes in the automotive maintenance sector significant growth is expected in the area of garage equipment related to testing. Spending in that field is estimated at US \$ 1 billion. Sophisticated infrared testing equipment, micro-electronic CO exhaust testers, products related to waste oil and other waste materials storage and transportation items as well as filter installations for auto paint spraying are making strong inroads in the Netherlands. There is also a strong trend towards the increased use of automotive maintenance computer related goods.

Marketing Media

Publication: BOVAGBLAD, BOVAG Association, P.O.Box 1100, 3980 DC Bunnik, Netherlands, fax 31 (3405) 67835, tel 31 (3405) 95211. Contact: Mr. B. de Bruin.

Exhibition: AUTOVAK, bi-annually at the RAI Exhibition Center in Amsterdam. Most recent show took place March 15-20, 1993. For further info please contact the RAI Association, Autovak Division, Europaplein 2, 1078 GZ Amsterdam, Netherlands, fax 31 (20) 6463857, tel 31 (20) 5491212.

Association: BOVAG Association, P.O.Box 1100, 3980 DC Bunnik, Netherlands, fax 31 (3405) 67835, tel 31 (3405) 95211. Contact: Mr.J.A.Hoekzema.

Canadian Embassy, Commercial Division, P.O. Box 30820, 25 Parkstraat, 2500 GV The Hague, Netherlands, tel 011-31-70-361-4111, fax 011-31-70-365-6283.

Romania

Market Environment

In 1989 the car population of Romania stood at 241,000 units. In 1991 new car sales were estimated at 100,000 and new truck sales at 35,000. By the end of 1991 1,200,000 cars, 200,000 trucks and 20,000 buses and minbuses were registered in Romania.

The auto repair/maintenance equipment and tools sub-sector in Romania is a component of the machine building industry which is one of the largest sectors of the Romanian economy.

Since the revolution of 1989 Romania has experienced a sizeable increase in the number of vehicles registered for use. Many of those vehicles have been brought into the country from other European countries. Until December 1991 there were very few restrictions on the types of vehicles that could be imported or on the inspection standards required to drive the vehicles. New regulations serve to monitor the age, safety and pollution emissions of registered vehicles as well as to develop standards for inspection, maintenance and repair facilities. They are not intended to preclude the importation or use of vehicles or equipment in this sub-sector.

During the last ten years the volume of imports of auto repair/maintenance equipment/tools has been low. It has come primarily from the former socialist countries.

The number of car service garages was estimated at 2,000 at the end of 1992.

Garages performing technical inspections on behalf of the Government must be equipped with brake test equipment, lighting test equipment, steering test equipment, pollution test equipment and hoists capable of handling at least 1.5 tons.

Romanian production of repair/maintenance equipment/tools does not meet the domestic demand.

There were virtually no exports of repair/maintenance equipment/tools in the past.

Export Marketing Opportunities

Being short of hard currency the Romanian machine building industry is looking for foreign manufacturers willing to enter into joint venture or licensing agreements to build the following items in Romania: noise test equipment, pressure testers, engine testers, brake testers, steering and suspension testers.

Marketing Media

Exhibition: The TB (Bucharest International Fair) held annually in October. Organizers: Romexpo S.A., Blvd. Marasti 65-67, Bucharest. tel (40-0) 18-11-60, fax (40-0) 18-37-24.

Canadian Embassy, P.O.Box 2966, Post Office No. 22, 71118 Bucharest, Romania. tel 011-40-1-312-03-65, fax 011-40-1-312-03.66.

Saudi Arabia

Market Environment

The latest industry reports reveal that Saudi Arabia's automotive vehicle population at the present time consists of approximately 5 million units. In 1991 71,582 new cars were sold in Saudi Arabia and 123,091 trucks.

The market for wheel balancing equipment, alignment equipment and other tire related service equipment keeps growing at about 10% per year. Directly related to the Saudi Arabia market for the above kinds of equipment is the value of the tire imports. Importing about US \$ 387 million worth of tires per year Saudi Arabia is the largest tire market in the Middle East. The demand for tires and inner tubes in Saudi Arabia stems almost exclusively from the replacement market. The import market is shared by the USA 7%, Japan 40%, South Korea 21%, France 5%, Germany 4% and Italy 4%. More than 30 countries supply tires and inner tubes to the Saudi market. There are about 30 major importers/wholesalers of automotive parts including tires and tubes in the Kingdom and they generally restrict sales to their respective regions. Tires are normally sold at special outlets which also carry other automotive parts and accessories such as batteries, engine coolants and oils, engine additives, etc.. Those retail stores as a rule perform all tire related services. Due to the environmental conditions prevailing in the Kingdom the average life expectancy of tires is shorter than the world average of 55,000 km for car tires and 75,000 km for truck tires. There is no local production of tires and inner tubes in Saudi Arabia but there are three retreading plants in the main urban centers of the Kingdom.

Over 70% of the tire related service equipment is purchased by automotive repair shops.

It is customary in Saudi Arabia to have a wheel alignment and balancing job done every one or two years.

Some 70% of the gas stations within the cities and on the highways are equipped to maintain and repair automotive vehicles.

There is no local manufacturing of wheel balancing and alignment equipment in Saudi Arabia. The US dominates this market followed by Germany and Japan.

All foreign companies who wish to do business in Saudi Arabia are required to have a local agent. Saudi firms prefer exclusive agreements either covering the whole country or one of the three main provinces.

Competitive pricing and excellent after sale service are the keys to successful marketing in Saudi Arabia.

Marketing Media

Export Marketing Opportunities

A strong interest exists in Saudi Arabia in electronic test equipment, hand tools, balancing and alignment equipment, straightening and stretching equipment, and tire service and repair equipment.

Marketing Media:

Exhibitions: Riyadh Motor Show, November 1993. Organizers: Riyadh Exhibition Company Ltd., P.O.Box 56010, Riyadh 11554, Saudi Arabia. tel 966 1 454-1448/0637, fax 966 1 454-4846. Contact: Bechara Nacouzi, Sales Manager.

Jeddah Motor Show, December 1993. Organizers: Al-Harithy Company for Exhibitions Ltd., P.O.Box 6249, Jeddah 21442, Saudi Arabia. tel 966 2 665-8194/5, fax 966 2 667-1241. Contact: Talal Traboulsi, Marketing Manager.

10th Annual Motor Show, November 1993. Dharan International Exhibitions, P.O. Box 7519, Dammam 31472, Saudi Arabia. tel 966 3 857-9111, fax 966 3 857-2285. Contact: Khalid Moussa, Marketing Manager.

Advertising: The cost of advertising in nationwide newspapers runs approximately US \$ 2,500 for a quarter page. It is a common practice for manufacturers and importers to share promotional costs.

Canadian Embassy, P.O.Box 94321, Riyadh 11693, Kingdom of Saudi Arabia. tel 011-966-1-488-2288, fax 011-966-1-488-0137.



Spain

Market Environment

In 1991 870,810 new passenger cars were sold in Spain and 1,008,681 trucks. At that time Spain's vehicle inventory was 15.5 million passenger cars, 2.6 million trucks, 46,700 buses and 1.2 million motorcycles.

Spain currently has 2,500 automobile manufacturer/dealer service outlets, 8,500 brand name licensed service outlets and 39,000 privately owned service outlets. Spanish vehicle owners are becoming increasingly more demanding in respect of sophisticated maintenance service. However, only manufacturer/dealer service outlets and 15% of all licensed service outlets are equipped with the electronic and diagnostic equipment needed to provide such service.

In 1991 total market demand for automobile repair and maintenance equipment reached US \$ 435 million. The demand had been growing at an annual rate of 15 per cent. Repair and maintenance outlets improving their services the annual rate of growth is expected to increase to 20 or 25 per cent.

The privately owned service outlets account for 90 per cent of the imports and 85% of the total consumption.

Domestic production concentrates on non-electronic equipment such as two and four-column lifts, car wash units and hand tools. More than half the production is exported.

Imports reached US \$ 376 million in 1991. Because of the expected increase in demand for diagnostic and electronic equipment the annual growth is expected to reach 20 or 25 per cent. The major competitors in the Spanish market shared the import market as follows: Germany 31%, Italy and the USA each 11%.

Export Market Opportunities

Good prospects exist for: Brake testers, Headlight adjustment systems, Testbenches, Electrical diagnosis equipment, Motor diagnosis equipment and Ignition testing units.

Marketing Media

Publication: Tecnipublicaciones S.A., Fernando VI, 27, 28004 Madrid, tel 341-319-7889/319-7952, fax 341-410-2041.

Exhibition: EXPOMOVIL (Exposicion Internacional de Componentes y Equipos), Fira de Barcelona, Av. Reina Maria Cristina, s/n, 08004 Madrid, tel 343-423-3101, fax 343-423-8651. Show takes place every two years.

AFIBA (Asociacion de Fabricantes e Importadores de Bienes de Equipo para la Automocion), Doctor Esquerdo, 105, 28007 Madrid, tel 341-573-7400, fax 341-409-6452. Contact: Mr. Eduardo Van Hemmen, President.

Canadian Embassy, Apartado 587, 28080 Madrid, Spain, tel 011-34-1-431-4300, fax 011-34-1-431-2367.

Exhibition: Riyadh Motor Show, November 1993, Organizers: Riyadh Motor Show Company, P.O. Box 100, Riyadh 11511, Saudi Arabia, tel 966-11-461-1111, fax 966-11-461-1111. The Riyadh Motor Show is the largest and most prestigious motor show in the Middle East. It is held annually in Riyadh, Saudi Arabia, and attracts over 100,000 visitors. The show features a wide range of vehicles, including cars, trucks, and motorcycles, as well as a variety of services and accessories. The show is a major event for the automotive industry in the region and is a key opportunity for manufacturers and suppliers to showcase their products and services.

The privately owned service outlets account for 90 per cent of the total and 88 per cent of the total consumption. The privately owned service outlets are becoming increasingly more demanding in respect of sophisticated maintenance services. However, only major manufacturers service outlets and 15 per cent of all independent service outlets are equipped with the equipment and facilities to provide such services.

Domestic production concentrates on non-electronic equipment such as two and four-column lifts, car wash units and food tools. More than half the production is exported. Contact: Canadian Embassy, Apartado 587, 28080 Madrid, Spain, tel 011-34-1-431-4300, fax 011-34-1-431-2367.

Imports reached US \$ 376 million in 1991. Because of the expected increase in demand for diagnostic and electronic equipment the annual growth is expected to reach 30 or 35 per cent. The major competitors in the Spanish market shared the import market as follows: Germany 31 per cent, Italy and the USA each 11 per cent.

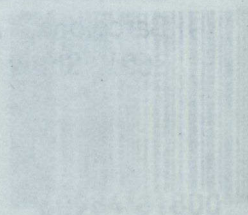
Export Market Opportunities

Good prospects exist for: Brake testers, Headlight adjustment systems, Test benches, Electrical diagnosis equipment, Motor diagnosis equipment and Ignition testing units.

Marketing Media

Publication: Technipublicaciones S.A., Fernando VI, 27, 28004 Madrid, tel 341-319-7880, fax 341-410-2041.

Exhibition: EXPOMOVIL (Exposicion Internacional de Componentes y Equipos), Fira de Barcelona, Avinguda Reina Maria Cristina, s/n, 08004 Madrid, tel 343-423-3101, fax 343-423-3101. EXPOMOVIL is a major international exhibition for the automotive industry, held annually in Barcelona, Spain. It features a wide range of automotive components and equipment, including engines, transmissions, and electrical systems. The exhibition is a key event for the industry and is a major opportunity for manufacturers and suppliers to showcase their products and services.



Switzerland

Market Environment

In 1992 296,009 new passenger cars (of which 41,393 fourwheel drive and 8,107 Diesel) were imported into Switzerland (compared to 314,830 in 1991). There were 286,289 new registrations, a decrease of 7.7% from the 310,193 in 1991. In the first 6 months of 1993, 174,382 new passenger cars were imported (a decrease of 14.1% compared to the same period in 1992). The number of new commercial vehicles and trucks (including delivery vans and semi-trailers) decreased from 20,915 in 1991 to 17,021 in 1992 while that of buses increased from 33,642 to 34,756. In 1992 there were 3,098,583 passenger cars (compared to 3,065,812 in 1991) and 275,743 trucks (compared to 277,375 in 1991) in circulation. Agricultural and industrial vehicles amounted to 169,299 and 48,138 respectively in 1992.

Due to the improvements in quality, service intervals are becoming longer which is having a negative effect on garages. At the present time the average age of a passenger car is 8-10 years.

There are some 5,000 garages in Switzerland 80% of which with 1-10 people and not all of them can provide full servicing. It is estimated that there are an additional one to two thousand places where automotive service is offered.

It is estimated that some C\$ 104 million worth of automotive service equipment was imported into Switzerland in 1992.

Official car dealers often have to purchase the equipment recommended by the exclusive distributor who provides the software support for proper servicing. German cars being very popular in Switzerland (126,452 imported in 1992 or almost 43% of total imports), the Swiss have traditionally looked to Germany as the major source of servicing equipment. Italy supplying well engineered, well designed and user friendly mechanical servicing equipment continues to keep its position as the second most important supplier.

Swiss distributors seek to minimize the cost of maintaining stocks and prefer to deal with manufacturers who warehouse their products in Europe. In order to obtain favourable prices the Swiss automotive trade has established its own buying cooperative in Burgdorf under the name of ESA. Besides cooperative buying from other Switzerland based wholesalers, ESA is also an exclusive distributor of imported equipment. In addition to maximum rebates and discounts, distributors and buying cooperatives are often granted advertising and promotional funds.

Factory training of the Swiss distributors, efficient post-sale service and local language manuals are the key factors to being competitive in the Swiss market.

Export Market Opportunities

Multi-purpose diagnostic test centers, Suction type exhaust gas, welding fume, paint spraying mist ducts and systems, Space saving car lifts, Car wash systems including self-service type, Vapor recovery systems (nozzles, coaxial hose and adapters), Lubricating equipment, Wheel balancers, Tire mounting machines, Lifts and jacks, Body alignment and straighteners have good sales potential.

Marketing Media

Publications: Schweizer Auto-Gewerbe, Mittelstrasse 32, CH 3001 Berne, tel 41-31-23-84-94, fax 41-31-23-37-87. Contact: Mr. Rudolf Baldinger. Official paper of the AGVS, bi-monthly, circulation 6,800.

Automobil-Revue, Hallwag AG, P.O.Box, CH3001 Berne, tel 011-41-31-42-31-31, fax 011-41-31-41-41-33. Weekly, circulation 54,200.

Exhibitions: Autotechnica, Zurich, National Exhibition, bi-annual, surface 8,969 sq.m., visitors 14,724. Next show will take place October 2-24, 1993. Contact: ZUESPA, Ms. Suzanne Keller, PR/Werbung, Thurgauerstrasse 7, CH-8050 Zurich, tel 011-41-1-318-71-11, fax 011-41-1-318-71-01.

Salon de l'automobile, Geneva- International Exhibition held annually, surface 51,703 sq.m., visitors 683,107. Contact: Comite permanent du Salon International de l'Automobile, P.O.Box 112, CH-1218 Grand-Saconnex, tel 011-41-22-798-11-11, fax 011-41-22-798-01-00.

Associations: Autogewerbe-Verband der Schweiz, Mittelstrasse 32, CH-3001 Bern, tel 011-41-31-23-84-94, fax 011-41-31-23-37-87. Contact: Mr. Rudolf Baldinger.

ESA(Buying Cooperative of the automotive trade), Maritzstrasse 17, CH-3400 Burgdorf, tel 011-41-34-21-00-21, fax 011-41-34-22-31-74. Contact: Mr. Kurt Habegger.

Canadian Embassy, P.O.Box 3000, Berne 6, Switzerland, tel 011-41-31-352-63-81, fax 011-41-31-352-73-15.

Taiwan

Market Environment

The automobile population of Taiwan in July 1993 stood at 3,180,775 passenger cars, 605,962 small trucks and vans, 21,746 buses, and 145,455 large trucks. In 1992, 426,341 new cars were sold in Taiwan, 69,9% of which are produced by local manufacturers and 30,1% are imported.

The market penetration by such a diversified range of foreign vehicles has assisted in the growing use of foreign service equipment. In most cases the purchasing of service equipment is directly related to the maker and the country of origin of the vehicle.

In Taiwan, there are approximately 600 registered garages which can provide full repair and maintenance services. There is also an estimated of 5,000 unregistered service shops, each provides a specialized service, such as tires, air-conditioners, radiators, bodies and so on. The average investment on the equipment per garage runs between C\$100,000 and C\$300,000.

Taiwan is a large producer of the lower end of the service equipment line such as hand tools, hydraulic hoists and jacks. Although widely used in Taiwan those products are primarily made for export.

The total 1993 Taiwan market demand for service equipment was estimated at C\$600 million. Majority of the imported equipment comes from Japan, followed by the USA and by Germany.

Export Marketing Opportunities

The following are the lines of equipment in good demand: engine computer diagnostics, wheel alignment equipment, pneumatic hand tools, bodyshop equipment, air-conditioner coolant recycling machines.

Marketing Media

Canadian Trade Office, 13th Floor, 365 Fu Hsing North Road, Taipei, Taiwan. Tel 011-886-2-713-7268, fax 011-886-2-712-7244.

United Kingdom

Market Development

In 1989 the United Kingdom car population counted 21,628,800 units. In 1991 1,580,343 new cars were sold in the UK and 219,133 new trucks. It is forecast that by 1995 there will be some 25 million cars on the road in the United Kingdom. Real disposable income will directly affect the level of new car demand.

The number of vehicles in use, and of the kilometers travelled as well as their degree of reliability and their age will influence the demand for maintenance and repair.

The UK Ministry of Transport vehicle test which is obligatory from when it is new and then every year for the life of the car, has further added to the demand for services.

Small to medium firms carry out most of the automobile repair work. It is estimated that there are some 12,000 independent body repairers operating in the United Kingdom. The 2,800 strong Vehicle Builders & Repairers Association (VB&RA) is recognized as the body repair industry representative group.

Private automobile insurance claims now run approximately US \$ 2.6 billion a year and the figure is rising fast.

In addition to well established domestic suppliers competition from abroad particularly the EEC countries is very strong. Equipment from European firms particularly Germany is readily available and well regarded in the trade.

Much repair and maintenance equipment as well as diagnostic equipment is supplied to franchise type repairshops and specialist garages that operate through an extensive network of outlets across the UK.

Normally automotive service equipment is sold to the end user through an exclusive importer.

Export Marketing Opportunities

There are good sales prospects in the UK for wheel balancing equipment, mechanic's precision tools including air tools, vehicle lifting equipment and engine analytical equipment.

Marketing Media

Publication: Body, Belmont House, 102 Finkle Lane, Gildersome, Leeds LS27 7TW. This is the official publication of the Vehicle Builders and Repairers Association.

Autotrade, Morgan-Grampian Limited, Morgan-Grampian House, 30 Calderwood Street, London, SE18 6QH, tel 081-855-7777, fax 081-316-3102.

Exhibition: Automotive Trade Show, held bi-annually at the National Exhibition Centre in Birmingham and organized by the Society of Motor Manufacturers & Traders Ltd.. Next show will take place in 1994.

Association: The Vehicle Builders and Repairers Association, Belmont House, 102 Finkle Lane, Gildersome, Leeds, LS27 7TW.

The Automotive Aftermarket Association, Factor House, Airedale Business Park, Keighley Road, Skepton, N. Yorks, BD16 1AW, tel 0756-701353, fax 0756-701323.

Canadian High Commission, Macdonald House, One Grosvenor Square, London W1X 0AB, England, tel 011-44-71-258-6600, fax 011-44-71-258-6384.

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